



# City of San Antonio

## Agenda Memorandum

**File Number:**  
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**Agenda Item Number:** 4

**Agenda Date:** February 25, 2025

**In Control:** Economic and Workforce Development Committee Meeting

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**DEPARTMENT:** Economic Development Department

**DEPARTMENT HEAD:** Brenda Hicks-Sorensen

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

American Rescue Plan Act (ARPA) Small Business Implementation Plan

**SUMMARY:**

The Economic Development Department will provide a status update on the programs in the ARPA Small Business Implementation Plan approved by the City Council in June 2022. A two-phased approach was used to help participating small businesses achieve long-term resiliency. Phase I prioritized recovery grant assistance and is now complete. Phase II is underway and focuses on educational programs and access to capital assistance.

**BACKGROUND INFORMATION:**

On June 23, 2022, the City Council approved the ARPA Small Business Implementation Plan that included a two-phased approach. Phase I focused on deploying COVID Impact Grants to assist small businesses impacted by the pandemic. Phase II has focused on programs that support the acumen and resiliency of small businesses through technical assistance and access to capital

resources, thereby helping them adjust to the post-pandemic marketplace and build long-term resiliency. The Plan was approved after an extensive public input process led in collaboration with the Small Business Advisory Commission (SBAC) including listening sessions and feedback forms.

The \$33.9 million ARPA Small Business Implementation Plan has served 1,998 program participants as of January 31, 2025. The following programs began in July 2022 and will continue through December 2025 with the exception of Localism which is funded through December 2026. As of January 31, 2025, \$26,778,642 (79%) has been spent.

<b>Strategy/Program</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Spent</b>
Access to Capital	\$20,625,000	\$23,694,995	\$23,504,622
Capacity Building	\$1,450,000	\$1,600,000	\$1,000,509
Ecosystem Enhancements	\$3,000,000	\$3,000,000	\$821,202
Localism	\$625,000	\$475,000	\$72,002
Geographic Placemaking	\$5,250,000	\$5,137,635	\$1,380,307
<b>Total</b>	<b>\$30,950,000</b>	<b>\$33,907,630</b>	<b>\$26,778,642</b>

**ISSUE:**

The Small Business Implementation Plan invests \$33.9 million in strategy/program areas of Access to Capital, Capacity Building, Ecosystem Enhancements, Localism and Geographic Placemaking. The briefing will provide high level updates on each strategy/program that is ongoing as of January 31, 2025.

<b>Strategy/Program</b>	<b>Status</b>	<b>Program Budget (Phase II)</b>	<b>Spent</b>
<i>Access to Capital</i>			
Second Stage Cohort Program	34 graduates from the program; fourth and final cohort starts in May; retreat of up to 20 participants scheduled for late September 2025 at the Edward Lowe Foundation	\$362,000	\$268,505
	<i>End Date: November 2025</i>		
Zero Percent Interest Loan Program	115 loans distributed; \$4 million in capital to small businesses	\$1,052,005	\$613,587
	<i>End Date: September 2025</i>		

<i>Capacity Building</i>			
Small Business Support Program	66 businesses have received back office assessments; 6 businesses completed the intensive program; 9 are enrolled in the second of three cohort programs	\$432,000	\$162,500
<i>End Date:</i>	<i>November 2025</i>		
<i>Ecosystem Enhancements</i>			
Business Development Organization (BDO) Capacity Building	All 6 BDOs completed prioritized plans; 2 have been reimbursed in full for the eligible support staff and operational costs and 4 have partially invoiced; 5 are in the process of engaging technical assistance to implement prioritized plan	\$2,560,000	\$481,202
<i>End Date:</i>	<i>December 2025</i>		
Compañeros Program	4 small businesses were connected to \$100,000 in capital and 510 unique businesses were reached through the program	\$400,000	\$340,000
<i>End Date:</i>	<i>April 2025</i>		
<i>Localism</i>			
Buy Local Program	Ongoing campaigns to support annual events are enhanced through expanded program partnerships with Visit San Antonio, Culinaria and Bandwango	\$100,0000	\$72,002
<i>End Date:</i>	<i>December 2026</i>		
<i>Geographic Placemaking</i>			
Revitalize SA: Corridor Leadership Program	18 participants graduated from the first cohort in November 2024. There were 14 CHANGE Grants awarded to Year 1 program participants The second cohort began in January and will include 14 participants.	\$550,000	\$274,620
<i>End Date:</i>	<i>November 2025</i>		
Outdoor Spaces Program	32 grants were awarded to small businesses	\$270,253	\$124,247
<i>End Date:</i>	<i>March 2025</i>		

Facade Improvement Program	89 grants were awarded to small businesses	\$3,453,354	\$943,870
<i>End Date: May 2025</i>			

As of January 31, 2025, there is approximately \$1.5M in funds that are anticipated to be available as a result of a pending amendment with LISC to remove the Back Office and Growth Fund programming, prior adjustments to the Localism program, and pending final closeouts of both the Outdoor Spaces and Facade Improvement programs in Spring 2025. Staff is exploring options with LiftFund for enhancements to the FY 2026 0% Interest Rate Loan Program. The specific recommendation will be presented to City Council during the FY 2026 Budget process. The Digital Presence Program ended in September 2024 resulting in free digital work for 108 small businesses. The Small Business Construction Support Program awarded \$1.3 million to 63 businesses with final payments made in October 2024.

**FISCAL IMPACT:**

N/A

**ALTERNATIVES:**

N/A

**RECOMMENDATION:**

Staff does not recommend any action.