



# ARPA Fiscal Recovery Funds for Small Business Support

Presented by Brenda Hicks-Sorensen,  
Economic Development Director

Economic & Workforce Development  
Council Committee

April 26, 2022

## Background

- Economic and Workforce Development Committee (EWDC) designated committee to provide policy direction
- Today's Presentation
  - Provides an overview of ongoing and previous investments in small businesses
  - Reviews investment priorities identified by the Small Business Advisory Commission (SBAC)
  - Requests EWDC feedback on investment priorities for ARPA
- Feedback will be used to develop a recommended implementation plan



A chalkboard sign on a sidewalk with the text "SORRY WE'RE CLOSED DUE TO COVID-19". The sign is made of a dark board with a wooden frame, mounted on a metal stand. The background shows a city street with yellow bollards, a traffic light, and a car.

**SORRY  
WE'RE  
CLOSED  
DUE TO  
COVID-19**

## Impact of COVID-19 on Small Business

- Accelerated trends and further exasperated existing challenges
- Black and Latino businesses disproportionately impacted
- Business Development Organizations struggle to reach and assist small businesses
- Small businesses unable to access assistance (lack of recordkeeping, technical knowledge/support)
- Impact varies by industry
- Difficult to measure – data lags



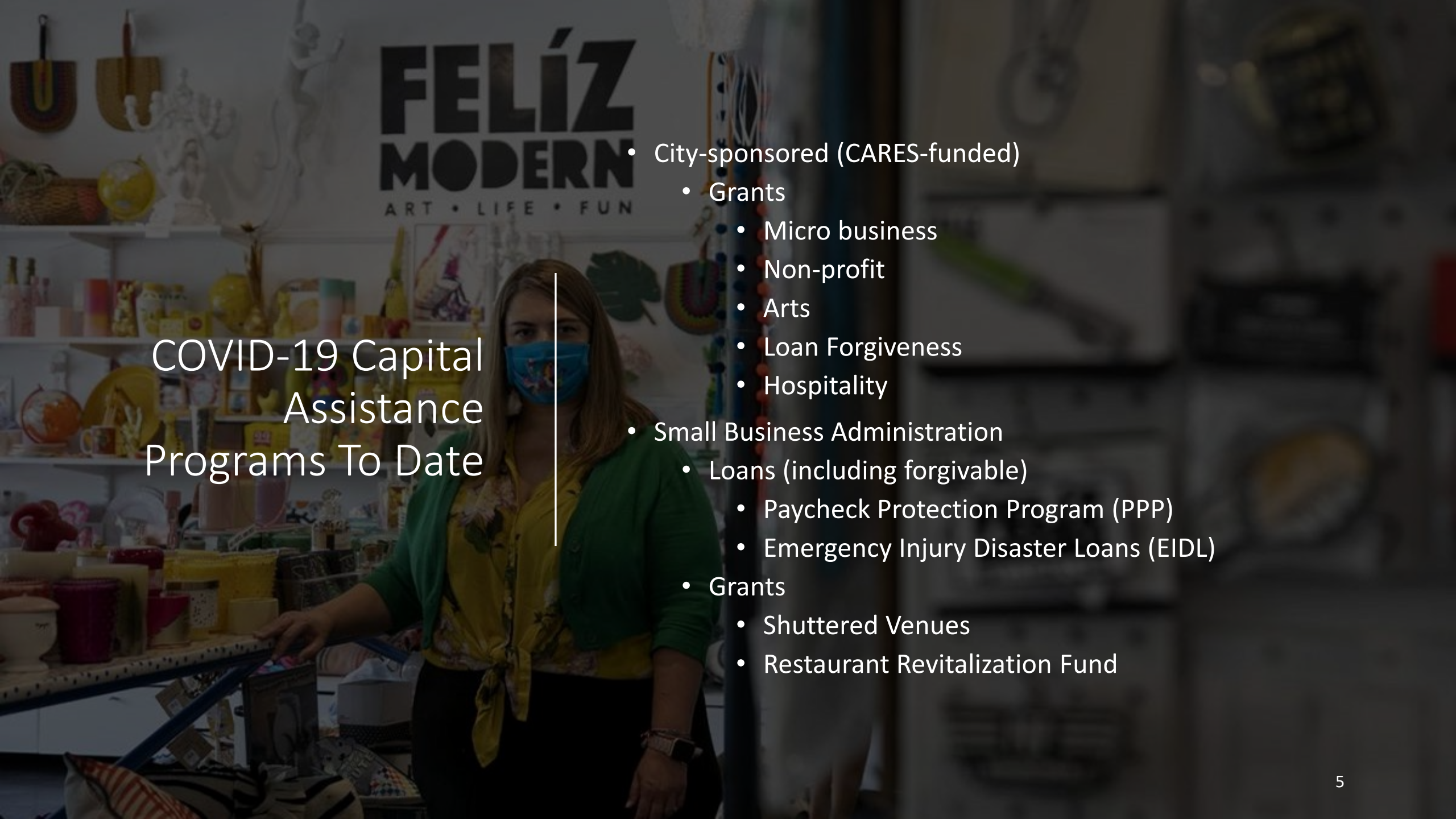


## Recovery and Resiliency Plan - Small Business Support - **\$49.9 Million**

- Micro Business Grants: \$32 M
- Hospitality Grants - \$14 M
- PPE Distribution - \$2 M
- Door-to-Door Engagement - \$922K
- Virtual and Place-based Hub - \$200K
- Small Business On-the-Job Training\* - \$792K

\* Managed by Workforce Development





## COVID-19 Capital Assistance Programs To Date

- City-sponsored (CARES-funded)
  - Grants
    - Micro business
    - Non-profit
    - Arts
    - Loan Forgiveness
    - Hospitality
  - Small Business Administration
    - Loans (including forgivable)
      - Paycheck Protection Program (PPP)
      - Emergency Injury Disaster Loans (EIDL)
    - Grants
      - Shuttered Venues
      - Restaurant Revitalization Fund

# COVID-19 Small Business Relief Funding to San Antonio

| Program                            | Total Awards | Total Amount | Average Award Amount |
|------------------------------------|--------------|--------------|----------------------|
| COSA Recovery Grants               | 1,228        | \$29.8M      | \$25,178             |
| COSA Hospitality Grants            | 465          | \$13.1M      | \$28,103             |
| SBA Paycheck Protection Program    | 43,553       | \$3.4B       | \$77,069             |
| SBA Economic Injury Disaster Loan  | 15,721       | \$812.7M     | \$51,696             |
| SBA Restaurant Revitalization Fund | 423          | \$120.4M     | \$284,518            |



## Ongoing Investments in Small Business

- Loan Interest Buydown Program - \$250K/year
- Fee Waivers - \$250K/year
- Launch SA - \$160K/year
- Business Development Organization Partnerships
  - SAGE - \$358K
  - Prosper West - \$358K
  - Southside First - \$100K

## Pilot Programs

- Embracing Entrepreneurial Equity - \$250K
- Bonding Assistance - \$550K



# Preliminary City Council Policy Discussion



## **Themes**

Resiliency  
Leveraging other resources  
Transformational/Impactful



## **Anticipated Outcomes**

Stronger, more resilient  
economy  
Coordinated awareness –  
outreach, campaigns,  
marketing



# Small Business Advisory Commission – Identified Priorities for ARPA Investments

01

Access to  
Capital

02

Capacity  
Building

03

Small  
Business  
Ecosystem

04

Localism

05

Geographic  
Placemaking

A person is holding a large, light-colored sign that says "OPENING SOON" in a dark, serif font. The person's face is partially visible at the top of the sign, and their hands are holding the edges. The background is a blurred indoor setting with warm lighting.

OPENING  
SOON

## Access to Capital

***Provide access to flexible capital that meets the needs of small businesses at every stage***

- Grants
  - One-time cash infusion
  - Most effective when targeted focus
    - Specific industries - Shuttered Venues & Restaurant Revitalization Fund
- Loans
  - One-time cash infusion
  - Variety of applications
    - No/low interest
    - Revolving loans
    - Debt consolidation
  - Builds business owner credit

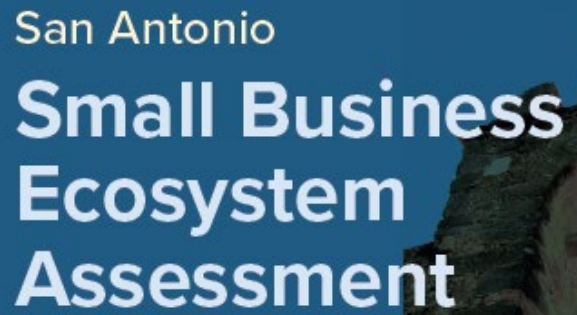
# Capacity Building

***Small businesses grow to their greatest potential***

- Business Planning
- Financial Literacy
- Back Office Support Programs
- Marketing – both digital and traditional
- Bonding Assistance
- Next Generation Entrepreneurship Programs







# San Antonio Small Business Ecosystem Assessment

Building a more inclusive,  
resilient San Antonio

WINTER 2020

## Ecosystem Enhancements

### *Develop a stronger, more resilient small business ecosystem*

- Implementation of recommendations from San Antonio Ecosystem Assessment

# Localism

***Foster growth of demand for locally-made products and services***

- Implementation of finding from ongoing assessment of buy local initiatives







# Geographic Placemaking

***Create places where people want to be***

- Identify “nodes of opportunity” for investment
  - Facades & Patios
  - Corridor investments
- Redevelopment of underutilized City property
- Implement programs and strategies to spur other investment





# April 12 SBAC Meeting Feedback

## Goals

- Provide services for business of various sizes and stages
- Prioritize holistic, full-circle services
- Address digital inclusion challenges
- Leverage other resources – including government and private funding
- Improve communication and access to resources

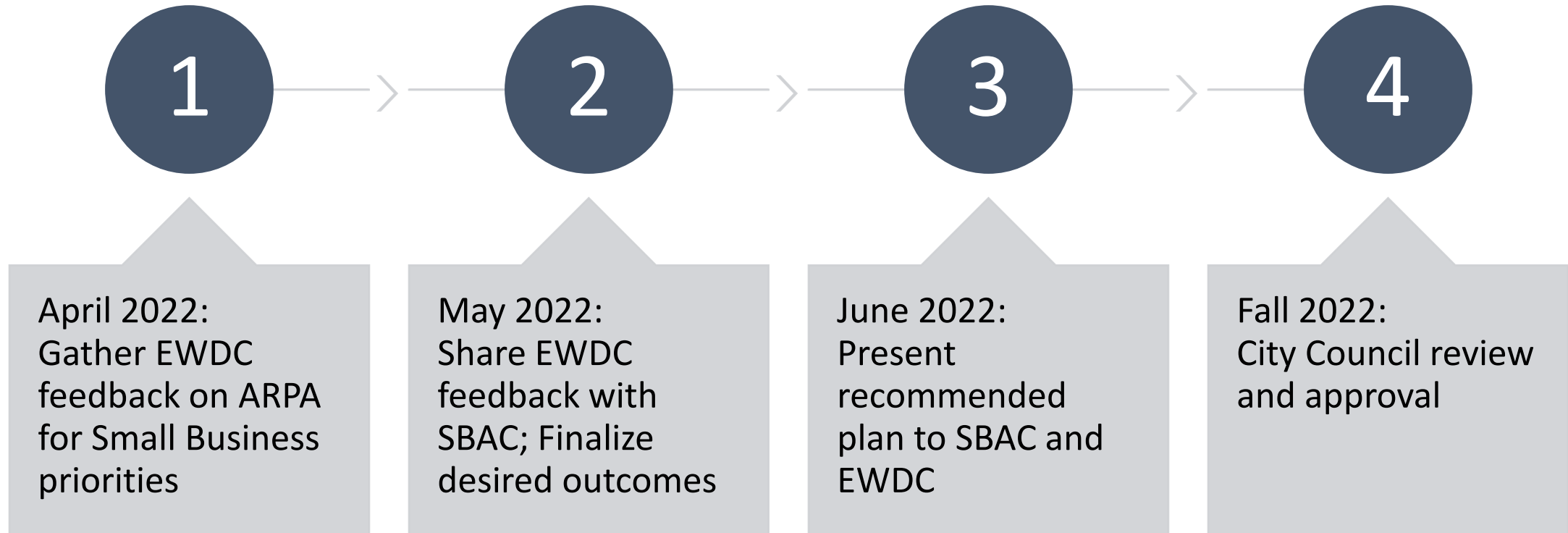
## Other feedback

- Need to provide immediate assistance to businesses still struggling
- Ensure equity is embedded in processes
- Allocated funding for staff resources to support and measure programs

# Plan Components – For Discussion

| COVID-19 Impact  | Program/Strategies | Equitable Outcomes | Performance Indicators | Amount |
|--|--------------------|--------------------|------------------------|--------|
| Impact of pandemic accelerates trends in small business digital inclusion, access to flexible financial capital, and technical assistances needs                     |                    |                    |                        |        |
| Small Businesses, in particular Black- and Latino-owned, have disproportionately lower access to financial capital to sustain or grow operations during the pandemic |                    |                    |                        |        |
| Business Development Organizations struggle to reach businesses to provide assistance  |                    |                    |                        |        |
| Small Businesses without adequate back-office functions struggle to access recovery funding and other assistance programs  |                    |                    |                        |        |
| Secondary effects of the impact of pandemic on hospitality industry felt by other small business sectors due to lack of local demand                                 |                    |                    |                        |        |

# Next Steps







# ARPA Fiscal Recovery Funds for Small Business Support

Presented by Brenda Hicks-Sorensen,  
Economic Development Director

Economic & Workforce Development  
Council Committee

April 26, 2022