



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 4

Agenda Date: June 24, 2022

In Control: Economic and Workforce Development Committee Meeting

DEPARTMENT: Office of Innovation

DEPARTMENT HEAD: Brian Dillard

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on the American Rescue Plan Act (ARPA) Spending Framework for Digital Inclusion/ Literacy in the amount of \$6.9 million to address the impacts of COVID-19.

SUMMARY:

This item provides background on current City of San Antonio digital inclusion efforts and requests Economic & Workforce Development Committee (EWDC) feedback on strategies for ARPA Spending Framework for Digital Inclusion/ Literacy investments.

BACKGROUND INFORMATION:

On March 11, 2021, Congress signed into law ARPA which included resources to support local government's response to and recovery from the COVID-19 pandemic. The City of San Antonio was awarded \$326.9 million in State & Local Fiscal Recovery Funds. As part of the FY 2022 Budget process, the City Council approved \$97.50 million to support the city budget and address community needs. On November 18, 2021, the City Council approved an additional \$30.0 million for utility

assistance. The remaining \$199.4 million remained unallocated and was intended to be awarded following a community engagement process that began in the fall of 2021.

On October 20, 2021, the City Council was briefed and presented with a potential spending framework, strategic guiding principles, and a community input plan for the use of the ARPA State & Local Fiscal Recovery Funds. In November 2021, the City held community meetings and launched a survey to obtain feedback on the use of the ARPA Funds. Additional meetings were held on December 9, 2021 and January 26, 2022 to obtain further policy direction from the City Council and to discuss community input. Finally, on February 3, 2022, the City Council approved a spending framework. This Spending framework supports the continued response to the COVID-19 pandemic, addresses community priorities, and allocated funds for City employee compensation/benefits/retention. The approved spending framework included \$87.8 million recommended for programmatic funding.

The table below illustrates the spending categories, which includes \$6.9 million for Digital Inclusion/Literacy.

City Council Committee	Spending Category	Amount (In Millions)
Economic and Workforce Development	Small Business	\$30.9
	Youth	\$10.0
	Digital Inclusion/Literacy	\$6.9
Community Health, Environment and Culture	Arts	\$5.0
	Seniors	\$5.0
	Non-Profit Social Services	\$4.0
Public Safety	Mental Health	\$26.0

According to the 2020 Digital Inclusion Survey and Assessment (DISA), about twenty percent of San Antonio households don't have access to reliable broadband internet in the home thereby creating disparities between those that are connected and those that aren't. COVID-19 has only aggravated those disparities, especially for traditionally underserved communities.

City staff continues to work on digital inclusion efforts as well as shaping potential digital inclusion/literacy strategies for EWDC consideration based on City Council feedback and priorities.

Below is a summary of each strategy:

Affordable Connectivity Program (ACP) Campaign

June 2022 - September 2022 Implementations in English & Spanish:

- Flyers and newsletters across City, County, community-based organizations, and Council
- Radio ads
- Social media
- City's phone hold message
- Door hanger campaign
- SAWS & CPS bill

San Antonio and Bexar County RFP

Summer launch to capture:

- Unserved and underserved communities
- Current or future broadband expansion projects from the ISPs

- Costs to deploy or upgrade broadband infrastructure
- Cost-sharing opportunities with ISPs

Exploring Broadband Infrastructure Expansion federal grants for EWDC Consideration - \$6.9 Million

1st opportunity is through the Middle Mile Grant Program

- applications are due September 30th, 2022
- funds would come directly to City, but with a 30% matching requirement

2nd opportunity is through the Broadband Equity, Access, and Deployment (BEAD) Program

- timeline is to be determined, but funding awarded tentatively late 2023 or early 2024
- funds go to state 1st and then City applies to state, but with a 25% matching requirement

ISSUE:

The Economic & Workforce Development Committee has begun discussions to develop a plan for the allocation of the \$6.9 million allocated to Digital Inclusion/ Literacy. The Economic & Workforce Development Committee will provide policy direction to City staff to develop a plan that:

1. Identifies a COVID-19 impact
2. Includes programs/ strategies that will benefit community members affected by the impact identified in Step 1
3. Defines desired equitable outcomes with metrics to measure those outcomes
4. Provides a not-to-exceed, 4-year implementation plan

FISCAL IMPACT:

The ARPA State & Local Fiscal Recovery Funds Spending Framework approved by the City Council on February 3, 2022 allocated \$6.9 million to Digital Inclusion/Literacy.

There is no impact to the General Fund.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This item is for briefing purposes only.