



City of San Antonio

Agenda Memorandum

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Agenda Date: September 21, 2023

In Control: Economic and Workforce Development Committee Meeting

DEPARTMENT: Economic Development Department

DEPARTMENT HEAD: Brenda Hicks-Sorensen

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing and possible action on the status and proposed updated strategy for the Corridor Program Pilot funded by the American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Funds (SLFRF).

SUMMARY:

A briefing on the Corridor Pilot Program status and proposed updated strategy.

BACKGROUND INFORMATION:

On June 23, 2022, the City Council approved the ARPA Small Business implementation plan that includes a two-phased approach for the distribution of the allocated funds. The first phase focused on COVID Impact Grants, and the second phase consists of two initiatives involving small business support services and geographic placemaking, which includes corridor revitalization.

As part of the ARPA Small Business implementation plan, the City Council approved \$1 million

in funding for the Corridor Program Pilot as part of the Geographic Placemaking pillar. The Economic Development Department (EDD) briefed the Economic Development and Workforce Committee on the partnership with Main Street America (MSA) on September 27, 2022, and on the program criteria and process on February 2, 2023. The Small Business Advisory Commission was also engaged and briefed.

The Main Street Approach (“the Approach”) is MSA’s framework for community revitalization and is centered around Four Points: Economic Vitality, Design, Organization, and Promotion. The Approach offers community-based revitalization initiatives with a strategic, adaptable framework for downtown and commercial corridor transformation that is easily tailored to local conditions.

ISSUE:

The original Corridor Program Pilot proposed to award two selected corridors up to \$425,000 in funding over the two years of the pilot program. This included up to \$200,000 for operational support as well as up to \$225,000 in project implementation or technical assistance funding to support the overall corridor strategy. Many of the applications received were in areas that are too large to make the program funds effective and did not have the organizational capacity to adequately support the program. Since the applications were not in line with the project vision, staff is proposing to implement an updated strategy for the program.

EDD and MSA are collaborating to propose a new path to support community-based economic development through training, education, networking, and capacity building. The San Antonio Small Business Corridor Revitalization Network will be a 9-month economic development leadership training program that provides individuals working to strengthen San Antonio’s commercial corridors with tools, experiences, and networks they need to develop new ways to lead change through their commercial corridor change projects.

Program outcomes include:

- Increase participants’ capacity to exercise leadership and sustain impact in the community;
- Learn strategies to fuel innovation and address complex challenges in the commercial corridors;
- Build participant networks through lasting relationships with their program cohort, exposure to key stakeholders; and the larger Main Street America network; and
- Create measurable impacts in local commercial corridors.

Proposed Program Elements	Description
Cohort-based program	Two cohorts of up to twenty (20) participants each will receive six months of intensive technical assistance and adaptive leadership training from Main Street America
Leadership Retreat	Three day opening retreat to build relationships critical for peer-to-peer feedback

Proposed Program Elements	Description
Leadership Days	Four days of sessions to build the interpersonal skills critical to successfully coalescing stakeholders for revitalization efforts
Strategy Days	Four days of focus on revitalization strategies including placemaking, marketing, retail retention and attraction, and performance accountability
Commercial Corridor CHANGE Project	Participants will present a project proposal to receive a CHANGE (Commercial Hub Advancement for Neighborhood Growth) Grant to implement their project within three months following training

By September 2025, two cohorts of up to twenty participants each will receive intensive technical assistance and adaptive leadership training from MSA, in addition to growing their professional network. MSA training will also include an emphasis on non-profit board training, market analysis using the Main Street America approach, development of customized transformation strategies and more.

This pivot to a technical assistance and grants program will allow EDD to support more commercial district change agents in San Antonio than the original proposal and it will provide direct assistance to more local leaders to help revitalize commercial corridors.

FISCAL IMPACT:

As part of the Small Business implementation plan, the City Council approved a total of \$1,000,000 in funding for the Corridor Program Pilot from the American Rescue Plan Act (ARPA) – State and Local Fiscal Recovery Funds (SLFRF). These funds must be obligated by December 2024 and spent by December 2026. There is no fiscal impact to the General Fund.

The funds will be reallocated as follows:

- **\$550,000 – MSA technical assistance**
- **\$400,000 – CHANGE grants for Program graduates (up to a maximum award \$10,000)**
- **\$50,000 – Marketing and outreach**

ALTERNATIVES:

If the proposed updated strategy is not accepted by the Economic and Workforce Development Committee, EDD staff would need to explore alternative criteria for implementing a tailored, community-based corridor revitalization program.

RECOMMENDATION:

Staff recommends implementing the Corridor Program Pilot and amending the contract with MSA under the authority previously given to the City Manager under the ordinance adopting the ARPA Spending Framework.