



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 3

Agenda Date: October 26, 2021

In Control: Economic and Workforce Development Committee Meeting

DEPARTMENT: Economic Development Department

DEPARTMENT HEAD: Brenda Hicks-Sorensen

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on the Embracing Entrepreneurial Equity Program conducted in partnership with the Maestro Entrepreneur Center (Maestro).

SUMMARY:

This briefing will provide an update on the City Council approved Embracing Entrepreneurial Equity Program, which assists ten entrepreneurs through an accelerator program and awards grants of up to \$20,000.

BACKGROUND INFORMATION:

The City of San Antonio has approximately 40,000 registered small businesses that comprise our local economy and represent approximately 97% of employment firms. The Economic Development Department (EDD) has implemented various programs and initiatives to assist all types of businesses at different levels of development. These programs include a Loan Interest Buydown Program in partnership with LiftFund to allow access to capital, technical assistance

through the Mentor Protégé Program and Launch SA, and the Small Business Development Fee Waiver Program assisting businesses with improvements and enhancements. However, the City's most significant support of small businesses is through procurement and access to City contracts due to the Small Business Economic Development Advocacy Program, (SBEDA). The SBEDA Program provides small businesses access to City contracts by promoting the participation of eligible local, small, minority and women owned businesses (S/M/WBEs) to address disparity findings from the last City initiated study in 2015.

As part of the City's ongoing initiatives to empower and further establish local businesses owned by persons of color and women, with the FY 2021 Budget City Council approved funding for an entrepreneurial program, focused on underserved communities, to support prospective entrepreneurs and build the capacity of existing entrepreneurs. The Embracing Entrepreneurial Equity Program was created to provide one-on-one coaching, business organization referrals, and grants to local entrepreneurs, with a focus on Black, Latinx and other historically underserved entrepreneurs.

ISSUE:

On February 12, 2021, EDD staff released a Request for Proposal (RFP) to identify a service organization to develop a new pilot program, the Embracing Entrepreneurial Equity Program. Total program funding is \$250,000, with \$50,000 allocated to the selected service organization(s) and up to \$20,000 to ten competitively selected underserved entrepreneurs that successfully meet program milestones. The contract was awarded to Maestro Entrepreneur Center, a non-profit 501(c)(3) organization that assists entrepreneurs to grow their small businesses through incubating, accelerating, and fostering connections.

During May through June 2021, Maestro staff developed an application scoring matrix, marketing plan, promotional materials and website content in preparation of application release. The City's Office of Equity was consulted to help ensure that the application scoring was equitable across all areas.

The application was open from July 19 - August 9 and Maestro provided several resources to inform the community and provide technical assistance. These efforts included two informational webinars (in English and Spanish) and the ability for small businesses to set up a one-on-one appointment for technical assistance and/or submission of application. Additionally, EDD staff supported the efforts of Maestro with additional outreach such as promotion at community events, Council Office outreach, targeted Nextdoor advertising, social media and newsletters.

Overall, the Embracing Entrepreneurial Equity Program received 223 applications; with 175 deemed eligible upon initial review.

To further promote equity, applications were scored blind by a diverse panel based on the following components:

- Proposed business idea and experience (open-ended responses) - 50 points;
- Ownership (ex. race/ethnicity, gender, veteran status) - 30 points; and

- Residence location (combined equity score) - 20 points.

The following individuals and business ideas were chosen for the 2021 Embracing Entrepreneurial Equity Program Cohort:

- **Belinda Grace Torres** had a vision in 2020 to start Senior Blessings, a company dedicated to helping the elderly with non-medical services such as companionship, transportation, shopping assistance and home organization.
- **Darronnette Curtis**, owner of LXVE MXFFIN (pronounced "love muffin"), is launching an upcoming cosmetics brand routed in cleaner (i.e. vegan and cruelty-free) makeup options for beauty lovers and enthusiasts.
- **Jo Ann Cilona**, is growing her business Face Alternatives Career Academy, a vocational trade school to help empower students with multiple innovative skills to succeed in various beauty industry specialties. The school will offer cosmetic industry, business and marketing knowledge as well as proficiencies to become self-employed or a skilled employee.
- **Lakisha Hazel** has a goal to put her 30 years of cooking experience toward putting the “soul” back into soul food through her company Marie’s Soul Food which serves up good quality food just as our grandmothers and mothers would.
- **LaQueena Gonzales** is working toward opening, Hair Eccentric, a cosmetology beauty school on the Eastside. Her business idea will provide training for low-income families in the area of cosmetology to create opportunities for them to excel in employment or become self-employed.
- **Magdalena Ortiz** has a passion for cooking, specifically for her own unique and extraordinary salsa. She is eager to turn her passion into a business. Her business name will be identified at a future time.
- **Mayra Ginez** is an aspiring mentor and property manager with a motivation to provide a positive, personal short-term rental experience for both the owners and guests in San Antonio through her company Prestige Airbnb Property Management. Her goal is to create job opportunities for hospitality workers, landscapers, and maintenance personnel.
- **Rebecca Steele** and her business partner Kristen Martinelli are moms and seasoned educators whose business’s mission is to bring garden education to the community using biodynamic and permaculture techniques that empower customers to connect with the earth.
- **Tia Rodriguez** has a conscious curbside eatery called Urban Soul that creates vegan versions of comfort food and soul food. She wants to represent her culture by providing a vegan option for these favorite cuisines in a trendy and fun way.
- **Yonatan Medhin** has a business called Grain4Grain that takes the byproduct of spent grain from breweries in San Antonio and turns it into a keto flour - all the carbs are removed to create the beer! He wants to serve the community by providing a low-carb, high-protein flour that allows those with health risks such as heart disease and diabetes to still enjoy the foods they love.

The 10-week training program has launched in September, running until December 10, with continued support from Maestro until April 30, 2022. The curriculum has two (2) tracks. Track 1 is for the participant who has not yet established their business and Track 2 is for the participant who has established a business. Participants will learn from guest speakers on a variety of topics, such as: Business Formation, Business Plans, Best Legal Practices for Business Practices, Leadership for Entrepreneurs, Decision Making, Setting Goals, Creating Alliances, Business Operations, Tracking Goals and Metrics, Cost Pricing, Bank Account Formation, Establishing

Relationships with Banks, Risk Management, Marketing and Technology, Access to Capital, Business Succession Planning, and Preparing a Sales Pitch/Deck Presentation. Additionally, the cohort will be paired with a mentor assigned by Maestro that will lend support to the entrepreneur throughout the entire process.

FISCAL IMPACT:

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ALTERNATIVES:

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RECOMMENDATION:

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