



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 3

Agenda Date: February 3, 2023

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 Corridor Program Pilot funded by the American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Funds.

SUMMARY:

An update on the proposed framework and application criteria for the Corridor Pilot Program funded by the American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Funds (SLFRF).

BACKGROUND INFORMATION:

On June 23, 2022, the City Council approved the ARPA Small Business Implementation Plan. The Implementation Plan includes a two-phase approach, with the first phase focused on COVID Impact Grants, while the second phase included a variety of initiatives. A solicitation was issued in August 2022 that focused on a growth fund and capacity building initiatives, ecosystem enhancements, and development of a buy local program. The second ARPA phase, which includes Operation Facelift 2.0 and Outdoor Spaces programs, will be launched in March 2023. At that

same time, the Economic Development Department (EDD) will launch the Corridor Program Pilot, with the goal of identifying and selecting two corridors by summer 2023.

On September 27, 2022, EDD briefed the Economic and Workforce Development Committee on the proposed agreement with Main Street America (MSA) for the implementation of the corridor pilot program. MSA has a long history of success implementing tailored, community-based revitalization programs.

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:

As part of the upcoming Request for Application (RFA) process to identify corridors for the pilot program, EDD staff engaged with other City departments to gather input and recommendations for the program application and assessment criteria. Based on their feedback, along with best practices from other communities, the application will ask respondents to focus their proposals on the following elements:

- Organizational Capacity;
- Corridor Characteristics; and
- Location, Investments, and Partnerships.

Each applicant corridor will be required to identify a “Managing Organization” to serve as the principal coordinator for all activity within the proposed corridor. Requirements for the Managing Organizations include:

- Be an established 501(c)3, 501(c)4, or 501(c)6, or make a commitment to becoming one
- A base in the applicable neighborhood or have a significant presence and support within the corridor, with the intention of locating an office in the corridor’s geographic area.
- A track record of measurable community outcomes and a proven ability to convene community stakeholders

If no such “Managing Organization” exists for the proposed corridor, a new organization can be established. However, the creation of such an organization will require demonstrated support and backing of institutions or other organizations with a proven track record in the community.

A proposed corridor will also need to demonstrate certain characteristics and features. The number and concentration of businesses, the types of businesses along the corridor, and vacancy rates will be assessed. Current and/ or potential walkability scores, the size of the proposed corridors, combined Equity Scores, and a demonstrated Displacement Mitigation Strategy for existing, legacy, and multi-generational businesses will be important.

Leveraging the corridor location, recent, current, and future investments, and partnerships within the proposed corridor will also be important factors in the application and selection analysis. Location factors will include whether a proposed corridor is a Priority Corridor identified in an

adopted or currently underway SA Tomorrow Sub-Area Plan or Regional Center Plan or is within or adjacent to existing Tax Increment Reinvestment Zones (TIRZ).

Public investments in the proposed corridor will also be part of the application criteria. Strong corridor proposals will also demonstrate commitments by philanthropic and/ or private partners to match or augment Corridor Program investments in the applicable geographic area, as well as collaborations with existing businesses, property owners, public, private, non-profit, and academic institutions.

The five criteria categories will be scored as follows:

Application Criteria Scoring Outline

Organizational Capacity	30 points
Corridor Characteristics	30 points
Public Investment	20 points
Alignment with Existing City Plans	10 points
Corridor Partnerships	10 points
TOTAL	100 Points

FISCAL IMPACT:

As part of the Small Business Implementation Plan, the City Council approved a total of \$1,000,000 in ARPA funding for the Corridor Program Pilot of which \$131,500 has been authorized for the contract with MSA.

The remaining \$868,500 will be allocated as follows:

- **\$18,500 – For RFA marketing, outreach, and coordination;**
- **\$400,000 – For the two selected corridors for operation support (up to \$200,000 each); and**
- **\$450,000 – For project implementation and technical assistance contracts to support the selected corridors and the overall strategy (up to \$225,000 each).**

Funding is available from ARPA State and Local Fiscal Recovery Funds. There is no impact to the General Fund.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This item is for briefing purposes only.