

City of San Antonio



Minutes Economic and Workforce Development Committee

2021 – 2023 Council Members

Chair: Manny Pelaez, Dist. 8

Mario Bravo, District 1 | Phyllis Viagran, Dist. 3

Dr. Adriana Rocha Garcia, Dist. 4 | Teri Castillo, Dist. 5

Friday, February 3, 2023

1:00 PM

City Hall Complex

The Economic and Workforce Development Committee convened a regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 1:07 PM. Deputy City Clerk Aurora Perkins took the Roll Call noting a quorum with the following Committee Members present:

Members Present: Manny Pelaez, *Chair*
Mario Bravo, *Member*
Phyllis Viagran, *Member*
Dr. Adriana Rocha Garcia, *Member*
Teri Castillo, *Member*

Members Absent: None

Approval of Minutes

1. Approval of the minutes from the Economic and Workforce Development Committee meeting on December 16, 2022.

Councilmember Rocha Garcia moved to Approve the minutes from the Economic and Workforce Development Committee meeting on December 16, 2022. Councilmember Bravo seconded the motion. The motion carried by the following vote:

Aye: Pelaez, Bravo, Viagran, Rocha Garcia, Castillo

Public Comments

Briefing and Possible Action on the following items

2. Briefing and possible action on GREATER:SATX Services Agreement and 2023 Business Plan. [Alejandra Lopez, Assistant City Manager; Brenda Hicks-Sorensen, Director, Economic Development]

Brenda Hicks-Sorensen, Economic Development Department Director, introduced the Item and Jenna Saucedo-Herrera, President of greater:SATX, who provided a briefing on the 2023 Operations Plan for the organization. Saucedo-Herrera spoke to the mission of greater:SATX and the goal of economic mobility for all San Antonians. She reviewed the accomplishments of the organization which brought jobs to the City. She stated that the four pillars of greater:SATX were Jobs, People, Place and Vitals.

Saucedo-Herrera briefed on the organizations' efforts in workforce which included the development, recruitment and retention of talent. She noted that greater:SATX worked closely with the San Antonio Airport team to evaluate value and perception of San Antonio and how to attract companies and events to San Antonio. Saucedo-Herrera stated that a marketing campaign had been developed to attract both businesses and individuals to San Antonio with a concentration in the manufacturing sector.

Saucedo-Herrera reviewed the City of San Antonio agreement and stated that the agreement was a pay for performance.

Councilmember Castillo asked for clarification on job statistics for individuals who were paid below \$50,000. Saucedo-Herrera stated that the jobs were across the board but mostly in the service delivery category and noted that those industries were not seeking incentives. Councilmember Castillo asked if greater:SATX met with labor leaders to discuss livable wage salaries and priorities. Saucedo-Herrera stated that greater:SATX did not currently meet with unions but was open to do so.

Councilmember Castillo asked for clarification on utility incentives provided to projects. Saucedo-Herrera stated that greater:SATX did not normally include utility type incentives in their projects but more on job creation and retention goals.

Councilmember Rocha Garcia asked for clarification on the Foreign Direct Investment (FDI) goals and concentration on certain counties for jobs in the area. Saucedo-Herrera stated that capital goals were cyclical and concentrated on the manufacturing sector and countries such as Japan since we had a presence there. Councilmember Rocha Garcia asked if there were other countries that greater:SATX was looking to expand into. Saucedo-Herrera stated that funding was needed to expand but that efforts were still occurring in a more strategic manner and in partnerships with Visit San Antonio, Centro San Antonio, and the City of San Antonio.

Councilmember Rocha Garcia asked how did the City leverage area students who had left the City to go to other cities to gain their college degrees and then return to San Antonio to work. Saucedo-Herrera stated that greater:SATX had deployed alumni networks and partnerships with higher education institutions to retain and recruit graduates back to San Antonio. Saucedo-Herrera also stated that greater:SATX would share a newsletter with corporations to recruit back to San Antonio.

Councilmember Bravo asked what other cities/regions did San Antonio compete with for talent recruitment. Saucedo-Herrera stated that it depended on certain industries but that cities such as Phoenix and the State of Florida were the largest competition. Saucedo-Herrera stated that local regional partnerships had been developed to include the cities of New Braunfels, Schertz and Austin to bring talent into the region which impacted the San Antonio economy. Saucedo-Herrera stated that the agreement would track economic development into San Antonio proper.

Councilmember Bravo asked of efforts in the area of job retention. Saucedo-Herrera stated that the greater:SATX Business Retention Program was the largest component of the organization. She stated that talent development was crucial and that partnerships with local higher education institutions were important to assure talent development. Saucedo-Herrera also stressed that workforce quality of life issues (greenspace, mobility, housing) were crucial in the attraction of workforce talent. Councilmember Bravo stressed that all levels of employment should be considered to include prior incarcerated individuals training programs.

Councilmember Bravo asked how job growth was tracked. Saucedo-Herrera stated that growth was tracked in a more concentrated method to those where projects that the greater:SATX dealt with from cradle to grave.

Councilmember Viagran noted her support of the Item and programs which have brought jobs to the City to include Toyota, Amazon and NaviStar. Councilmember Viagran stressed the importance of place in the community to potential workforce such as Brooks Development had done.

Councilmember Viagran asked if there were any categories that concentrated on animal care services. Saucedo-Herrera stated that there were several animal care service industry contracts that were brought into the city and several other supply chain companies in the pipeline. Councilmember Viagran asked of efforts to be brought forth in the area of green pet care services/products and requested more connectivity to the Southern sector and border to come into our area.

Councilmember Bravo noted that the city had passed an Ordinance for Electric Vehicle (EV) preparedness and that greater:SATX could use that for recruitment.

Chair Pelaez stated that the recent visit to India was very successful due to the efforts and coordination of greater:SATX. He expressed concern regarding the lack of efforts of bringing business from Mexico and that more was needed to bring Mexican business here. He stated that efforts with India would need to be more intentional in bringing business and jobs to San Antonio.

Chair Pelaez stated that he was alarmed by the need for property for manufacturing in the San Antonio proper area. Saucedo-Herrera stated that shovel-ready manufacturing or industrial land was greatly needed and that greater:SATX was working with local landowners for availability of land. She noted that many of these areas needed utilities which were currently out of their current structure.

Councilmember Rocha Garcia moved to Approve. Councilmember Bravo seconded the motion.

The motion carried by the following vote:

Aye: Pelaez, Bravo, Viagran, Rocha Garcia, Castillo

3. Briefing on the Corridor Program Pilot funded by the American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Funds (SLFRF). [Alejandra Lopez, Assistant City Manager; Brenda Hicks-Sorensen, Director, Economic Development]

Brenda Hicks-Sorenson provided an overview of the American Rescue Plan Act (ARPA) State Corridor Program Pilot and the dedicated \$1 million funding to assist businesses. She noted that a two year contract was approved with National Main Street Center to deliver services under the Pilot Program. Hicks-Sorenson reviewed the Main Street Center approach for the corridor development program in the two identified pilot corridors.

Hicks-Sorenson reviewed the corridor characteristics needed for the Pilot Program to include size, population and types of businesses located within the corridor. She noted that the location, investments and partnerships were also crucial in the identification of the pilot corridors. She reviewed the scoring application point system and application review committee make-up. Hicks-Sorenson spoke to the funding support component for the two selected corridors which included up to \$200,000 in operational support.

Hicks-Sorenson reviewed the proposed timeline for the application outreach, submission and review of corridor identification which included consideration by City Council in June 2023. She added that the Pilot Program would be completed in two years.

Councilmember Rocha Garcia asked what other City departments would be included in the corridor assistance. Hicks-Sorenson stated that departments such the Development Services Department (DSD) and the Neighborhood and Housing Services Department (NHSD) would be partners in the Pilot Program. Councilmember Rocha Garcia asked if community stakeholder groups would be included in the Pilot Program. Hicks-Sorenson stated that stakeholder groups were crucial and that their input would be vital.

Councilmember Rocha Garcia asked if corridors with higher levels of inequity would be priorities. Hicks-Sorenson stated that recent meetings included areas with equity scores of 8 or higher. Councilmember Rocha Garcia stated that she did not support corridors in established Tax Increment Reinvestment Zone (TIRZ) districts.

Councilmember Bravo stated that the American Institute of Architects (AIA) had recently held meetings with community stakeholders and businesses and that staff should reach out to them for input.

Councilmember Viagran expressed concern that only two corridors would be identified under the Pilot Program. She noted that every council district had corridors that needed assistance and assistance was needed for those corridors greatly impacted by the pandemic and should be discussed at the full City Council level. She requested a follow-up meeting to further discuss the Pilot Program. Assistant City Manager Alex Lopez reminded the Committee that staff had proceeded in the identification of pilot areas to begin a fuller program and acknowledged the

need for a full program citywide but that this was a concentrated start. Hicks-Sorenson stated that the Pilot Program would also provide services citywide.

Councilmember Castillo emphasized the need to look outside of TIRZ areas for these corridors and that she understood the need for a Pilot Program on the Southside. Councilmember Castillo asked if the program limited purchase of land. Hicks-Sorenson confirmed that land purchase was not included in the Pilot Program and that she supported the item.

Chair Pelaez stated that he did not support a Pilot Program corridor in the northside of city and noted that there were plenty of opportunity corridors in the south or west part of the City. He stated that he would not be submitting a corridor application within Council District 8 since he felt there were other areas in greater need.

Assistant City Manager Alex Lopez reviewed the timeline for the release of application period and approval of corridors.

No action was required for Item 3.

4. Briefing on the COVID Impact Grants and Construction Recovery Grants Programs funded by the American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Funds (SLFRF). [Alejandra Lopez, Assistant City Manager; Brenda Hicks-Sorensen, Director, Economic Development]

Economic Development Department Assistant Director Ana Bradshaw provided an update on COVID Impact Grants and Construction Recovery Grants under the ARPA Small Business Recovery Funds. She reviewed the categories of the impacted businesses and the application scoring for grant awards and associated criteria. Bradshaw reviewed grassroots outreach efforts by business development organizations, partners and city staff.

Bradshaw stated that a total of 1,404 businesses applied and that \$15.6 million in funds were awarded to 521 businesses. She reviewed demographics for the awarded grants to include types of businesses, locations, gender/race and types of grant awarded. She shared success stories of grant awardees.

Bradshaw provided an update of continued construction grant impact areas and reviewed ongoing outreach to still impacted areas. She reviewed the timeline for outreach and marketing timeline for construction grants in partnership with LiftFund.

Councilmember Rocha Garcia asked what the remaining funds were under the program. Bradshaw clarified that the \$17 million was utilized for LiftFund administrative costs. Councilmember Rocha Garcia asked for data on the grant applicants and demographics. Bradshaw stated that data would be provided.

Councilmember Rocha Garcia stated that during the CARES discussion, she asked if there was a small business directory or if the Economic Development Department had a record. Bradshaw replied that it was an ongoing challenge as to how the data would be pulled.

Councilmember Rocha Garcia asked which departments did block walking. Bradshaw stated that a large portion of the block walking was conducted by business development organizations (BDO) and Economic Development Department staff.

Councilmember Castillo stated that she was pleased with outreach and inclusion of Council District 5 businesses. She asked if applicants were tracked on how and if they received assistance in filling out applications. Bradshaw stated that the BDOs provided the direct assistance to applicants and that data would be provided to the Committee.

Councilmember Bravo asked where block walking had been conducted and when future events would occur. Assistant City Manager Alex Lopez stated that a memo had been sent to the City Council of future block walking events within each council district.

Councilmember Viagran was supportive of the grant awards but was concerned about those businesses that were not awarded. She stated that she was pleased that follow-up interviews were being conducted to survey continued status of those businesses and impacts to their business.

Chair Pelaez stated that he supported a business coalition to learn more about business impacts and opportunities. He stressed the continued need for marketing and outreach to educate businesses of economic assistance.

No action was required for Item 4.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 2:56 PM.

Approved

Manny Pelaez, Chair

Debbie Racca-Sittre, City Clerk