

Small Business Construction Support Grants Program



CITY COUNCIL B SESSION

April 10, 2024

Presented By: Ana Bradshaw

Economic Development Assistant Director

Feedback Received from Businesses



Financial Need

- Surveyed businesses anticipate using grant funds for **payroll, rent or mortgage**, or for **supplies/ inventory**.
- Past recipients used grant funds for rent or mortgage, payroll, and utilities.

Program Administration

- Sense of **urgency** – receiving funds as soon as possible is businesses' top priority.
- Need for **simplicity** – a simple application and clear program criteria are also a top priority.

Program Criteria

- **Longer and/or delayed** construction projects.
- **Pre-existing businesses** should be prioritized.
- Consider, but not prioritize, businesses who received assistance previously.

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OVERVIEW OF PROPOSED PROGRAM

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- \$1.4 million total funding
 - \$1.28 million direct grants
 - \$175K administrative fee
- Cash grants ranging from \$10,000 to \$35,000, based on actual reduction in net income
- Administered in partnership with LiftFund
- Prioritize pre-existing businesses that have been most financially impacted by long projects, and have not yet received City assistance

Major Council Discussion Points



Business Eligibility Criteria

- Add **vape shops** to list of excluded businesses
- Evaluate **business owners' net worth** – using Federal method or attestation method

Project Eligibility Criteria

- Include City-initiated construction projects that are currently under construction, and have a planned duration of **at least 6 months**

Scoring Criteria

- Prioritize **micro-businesses** via scoring criteria
- **Standardize** maximum value for all scoring criteria

Updated Criteria



Business Eligibility Criteria

- Add **vape shops** to list of excluded businesses
- Lower net revenue decrease (2023 vs. 2022) threshold **from \$10,000 to \$5,000**

Project Eligibility Criteria

- No changes – reducing project duration to 6 months did not result in additional projects

Scoring Criteria

- **Adjust** scoring distribution (20 points maximum per criterion)
- Maintain use of **Equity Atlas-Income Only Scores** as proxy for personal income to minimize administrative burden

Grant Amounts

- **Lower** minimum grant amount to \$5,000

Eligible Projects

PROJECT CRITERIA



Major, City-initiated construction zone impacting at least 10 small businesses



Planned duration of at least 12 months



Ongoing as of February 1, 2024

Project/Area	CD	Estimated Businesses*	Started
Alamo (Area Streets)	1	68	June 2020
Broadway Street Corridor	1, 2	207	July 2020
Bulverde Road Phase 1	10	23	May 2021
Zona Cultural Streets - <i>Commerce, San Saba, Santa Rosa</i>	1, 5	236	January 2022
Gevers Drainage	3	27	June 2022
South Presa	3	42	September 2022
South Alamo Street	1	30	December 2022
Bynum Avenue Phase 2	4	12	February 2023

*Source: Data Axle business intelligence tool; 2024.

Revised Timeline

*Ongoing: continued
coordination with
SAWS and CPS*



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