

**THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL,
SIGNED ORDINANCE ADOPTED BY CITY COUNCIL**

ORDINANCE

**APPROVING THE AMERICAN RESCUE PLAN ACT (ARPA) - STATE
AND LOCAL FISCAL RECOVERY FUND (SLFRF) AWARD
RECOMMENDATIONS FOR SMALL BUSINESS SUPPORT SERVICES
COMPETITIVE SOLICITATION IN AN AMOUNT NOT TO EXCEED
FIVE MILLION FIFTY THOUSAND DOLLARS (\$5,050,000.00).**

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WHEREAS, on February 3, 2022, the City Council approved a spending framework for State and Local Fiscal Recovery Funds received by the City of San Antonio under American Rescue Plan Act (ARPA); and

WHEREAS, this framework included \$30,950,000.00 million allocated to the following spending categories:

- Access to Capital: \$29,625,000 million
- Capacity Building: \$1,450,000 million
- Ecosystem Enhancements: \$3,000,000 million
- Localism: \$625,000
- Geographic Placemaking: \$5,250,000 million

WHEREAS, implementation plans for each of these categories were developed with policy direction from City Council Committees and input from community and stakeholder groups; and

WHEREAS, on June 23, 2022, City Council approved the ARPA Small Business Implementation Plan that includes a two-phased approach for the distribution of the allocated funds. Phase I focused on the administration of the COVID Impact Grant Program to assist small businesses impacted by the pandemic. Phase II focuses on programs that support the acumen and resiliency of small businesses through easier access to education resources, thereby helping them to adjust to the post-pandemic marketplace; and

WHEREAS, on August 18, 2022, a competitive Request for Proposals (RFP) was released to award \$7.78 million in funds for programming related to supporting small business post pandemic; and

WHEREAS, the City received proposals from ten (10) Respondents submitting thirty (30) proposals for various programs. An evaluation committee, comprised of various representatives of City staff conducted evaluation and scoring meetings in November and December 2022; and

WHEREAS, City Staff recommends five partner agencies for the programs with awards totaling \$5,050,000.00 as follow:

Program	Recommended Award
Growth Fund	\$750,000
Ecosystem Enhancements	\$3,000,000
Back Office Support Program	\$750,000
Web Presence Program	\$550,000
Total	\$5,050,000

Program	Respondents Selected	Recommended Award	Program Scope
Growth Fund	Local Initiatives Support Corporation	\$388,000	Through the BDO (Business Development Organization) Alliance partnership, small businesses will receive no interest microloans not conditioned on conventional creditworthiness to help grow their business.
	Maestro Entrepreneur Center	\$362,000	Maestro-led cohort of second stage companies receiving individualized, problem-focused solutions to grow small businesses in partnership with the Edward Lowe Foundation.
Back Office Support	Local Initiatives Support Corporation	\$318,000	Connects small business owners to reduced-cost professional services including legal, HR, accounting, and insurance. BDO Alliance partnership will help facilitate.
	San Antonio for Growth on the Eastside	\$432,000	Expands existing Back Office Support program by providing a health assessment, improvement plan, and technical assistance in fiscal management, including accounts payable and receivable, payroll administration, and budget preparation.
Web Presence	Herospace Digital Consulting	\$550,000	Provides an individualized digital marketing plan following a personal meeting and digital needs assessment. Small business owners with the most need will receive custom-built small websites. Creates a dedicated educational website with custom content to empower small business owners.
Ecosystem	Local Initiatives Support Corporation	\$2,600,000	Robust programming to increase staffing resources to BDOs, establish shared training and curriculum resources, continue exploration of community ownership structures to prevent displacement, establish centralized, shared data across BDO Alliance members, and promote BDO Alliance efforts including a community awareness campaign.
	Westside Development Corporation	\$400,000	Compañero program is a grassroots facilitator and hub between small businesses and available ecosystem resources, including funding and educational opportunities.

WHEREAS, Staff is currently exploring alternative implementation options for \$475,000 associated with the Localism program and recommends the reallocation of \$150,000 from the Localism program into the Web Presence program to support associated marketing efforts; and

WHEREAS, City staff recommends approval of awards for Small Business Support Services;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee, or the Director of the Economic Development Department, are authorized to negotiate and execute contracts in substantially the same form as shown in **Attachments I, II, III, IV, and V** in the amount of \$5,050,000.00 for thirty-two months, and with such revisions as are first approved by the City Attorney's Office and to incorporate as attachments to the contracts, the project-specific scope of work, performance measures and budgets from a competitive solicitation process for programming related to Web Presence, Growth Fund, Ecosystem Enhancements and Back Office Support. Funding is available through State and Local Fiscal Recovery Funds (SLRF) made available from the American Rescue Plan Act (ARPA). These funds must be obligated by December 2024 and spent by December 2026. There is no impact to the general fund. Any contracts not completely negotiated, executed, and delivered within thirty (30) business days after effective date of this Ordinance, City Council approval evidenced by adoption of a subsequent Ordinance shall be required.

SECTION 2. Awards are proposed for five (5) agencies for total funding in an amount not to exceed \$5,050,000.00. Contract executions are expected to begin April 2023 and will end December 2025. The table below reflects the funds recommended for each of the categories:

Program	Amount Allocated for Competitive Process	Recommended Award
Growth Fund	\$3,000,000*	\$750,000
Ecosystem Enhancements	\$3,000,000	\$3,000,000
Back Office Support Program	\$750,000	\$750,000
Web Presence Program	\$400,000	\$550,000
Localism	\$625,000	-
Total	\$7,775,000	\$5,050,000

* \$2,250,000.00 of funds reallocated to COVID/Construction Grant Program.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

LR
____/____/23
Item No.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 6th day of April, 2023.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

Attachment I

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Attachment II

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Attachment III

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Attachment IV

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Attachment V

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