



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 2

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:

An update on the proposed Economic Development Strategy.

SUMMARY:

This briefing is to provide an update on the proposed Economic Development Strategy for an anticipated amount of up to \$250,000, funded through the FY 2022 Adopted Budget.

BACKGROUND INFORMATION:

The City of San Antonio's wealth of assets place the City in the position to vigorously compete with its peer cities across the nation and around the globe while leading our region as its economic center. The City should utilize these assets to advance the future of the City's residents, businesses and non-profits all while growing the City's tax base and economic wealth. The purpose of the Economic Development Strategy is to position the City on the path toward a more resilient economy, and to specifically define the role the City's Economic Development Department should play in that effort.

This will require two equally important components to be completed to accomplish this goal. First, is to understand and analyze the City's economy, focusing on the identification of key opportunities and threats associated with the City's current economic advantages and long-term sustainability. Second, is to develop a focused plan that emphasizes implementable strategies for the Economic Development Department in growing the City's economic base.

While the Strategy will entail many elements, it is expected to be constructed to increase the City's tax base and the wealth of its residents & businesses in an equitable manner. Over the City's history, large sections of the City have suffered from long-term disinvestment. These inequities were abundantly evident during the global pandemic. To create a resilient economy, San Antonio needs all its component parts, from neighborhoods to industries to residents, to be working together towards the same goals. Therefore, one of our top objectives is to create a plan for the Department that aims to bolster all our neighborhoods and residents.

The Economic Development Strategy should be designed with metrics and a dashboard for each individual tactic therein. The completed strategy will recommend goals for strengthening and building the City's economy with recommended strategies, tactics, guidelines and timelines for achieving such goals.

The economic development strategic planning process should answer three main questions for the City of San Antonio, with specific emphasis on the Economic Development Department:

1. Where are we? (What is our current economic base?)
2. Which direction should we go? (What are the opportunities for economic base expansion and what can we do to more fully share the benefits of economic growth across all the City's neighborhoods?)
3. How do we get there?

It should be noted that there have been recent economic development planning efforts, including the San Antonio Economic Development Foundation, now known as Greater: SATX, Regional Economic Development Strategy, drafted in 2019, and the Alamo Area Council of Government (AACOG) Economic Development District Comprehensive Economic Development Strategy 2018-2023. These strategies will provide base level data that will be utilized to assess the current economy during an ongoing global pandemic, and what represents the greatest opportunities to move forward in the City of San Antonio.

ISSUE:

To accomplish this task, a Request for Proposal (RFP) will be issued to identify a qualified firm(s) to develop an Economic Development Strategy. The strategy will include a heavy emphasis on small businesses and place-based growth strategies with recommendations for immediate course of action, a first-year strategy by quarter, and a second, third and fourth-year plan. Additionally, key milestones and metrics will be identified – both short- and long-term – to

facilitate program creation and to coincide with the implementation plan.

It is expected that the chosen consultant will garner input from stakeholders from around the San Antonio community (e.g. business owners & leaders, incubators, foundations and philanthropic leaders, etc.), as well as outside influencers including site selection consultants, developers, venture capitalists and city branding specialists. We are seeking a “refresh” of any relevant data points given the global pandemic, with a focus on the specific role the City of San Antonio should play in moving towards a more resilient economy.

Direct engagement with the public is also a necessity with a schedule to be coordinated with EDD staff. This is anticipated to include surveys, roundtables, one-on-one interviews, and other methods as recommended by the consultant. Additionally, it is expected that the chosen consultant will present the deliverables to the community in a public forum.

The planning efforts are anticipated to begin in February 2022 with the final report and presentations anticipated in late summer 2022.

FISCAL IMPACT:

The item is for briefing purposes only.

ALTERNATIVES:

The item is for briefing purposes only.

RECOMMENDATION:

The item is for briefing purposes only.