



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 4

Agenda Date: April 25, 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 City's Economic Development Department Strategic Framework and FY 2023 Workplan.

SUMMARY:

Briefing on the City's Economic Development Department Strategic Framework and FY 2023 Workplan.

BACKGROUND INFORMATION:

On October 20, 2022, City Council accepted the Economic Development Strategic Framework and Workplan following a total of 22 roundtables and 23 interviews, a target industry review, organizational assessment, small business assessment, niche opportunities analysis, best practice review, and additional stakeholder meetings in the preceding six months.

The Economic Development Strategic Framework is a guiding document and defines the Economic Development Department's (EDD) role in the pathway to a more resilient economy, providing direction on competing with national and global peers.

The Framework outlines four main goals to leverage existing strengths, mitigate challenges, and build on the momentum of existing initiatives, which are listed below. Recommended strategies for each goal are outlined in the Framework.

1. Innovation and Industry - Retain, expand, and attract businesses within each strategic industry cluster, provide more effective small business support, and facilitate innovation-centric entrepreneurship.
2. Placemaking and Real Estate - Accelerate place-based real estate development projects that create quality spaces for new jobs and investment in San Antonio's regional centers and neighborhood economic nodes.
3. Talent and Workforce - Ensure San Antonio residents have accessible pathways to well-paying jobs and employers have access to a robust pipeline of talent.
4. Capacity and Resources - Align the City's economic development tools around strategic growth and coordinate with local organizations on shared goals and actions that benefit San Antonio as a whole.

The Strategic Framework serves as a foundational document and is accompanied by a departmental workplan. The departmental workplan focuses on each of the four goals and the tasks identified within each goal. Tasks are assigned ranges for completion, and some are identified as ongoing due to the nature of the task.

ISSUE:

EDD identified several areas of emphasis to support the implementation of the Economic Development Strategic Framework in the FY 2023 Workplan. These include:

- Revised incentive guidelines adopted by City Council on December 1, 2022. The guidelines create an objective approach to incentives that allows companies and consultants to better calculate the value and term of a potential incentive, emphasize the City's desire to recruit high-paying, high quality jobs to San Antonio, and allow San Antonio to be more competitive on time sensitive projects.
 - Supporting efforts include the Second-Stage Company Grant Program and SBIR/STTR Matching Grant Program briefed at EWDC on February 28, 2023. Both programs provide business support and facilitate innovation-centric entrepreneurship opportunities to high growth potential small businesses.
- The San Antonio Economic Development Corporation Board (SAEDC) Board approved their revised workplan, via bylaw revisions, on March 7, 2023, which incorporates real estate and revitalization initiatives to facilitate job growth and investment. These revised bylaws were approved by City Council on April 20, 2023.
- EDD hired two staff for a Research and Business Intelligence team. Staff will be responsible for proactively analyzing data to tell compelling stories, creating and maintaining dashboards, responding to city-wide and department data needs, and publishing department reports. These efforts will further support EDD's efforts to make

data informed decisions, recommend programs and policies that further enhance the implementation of the Strategic Framework, and incorporate additional outcome-based performance metrics.

- City Council allocated \$5.25 million in ARPA funding for placemaking initiatives, including \$1 million for a Corridor Program Pilot and partnership with Main Street America, \$3 million for a Façade Improvement Program, and \$1.25 million for an Outdoor Spaces Program. The Corridor Pilot Program is currently accepting applications, with selected corridors to be presented at EWDC in June. The Façade Improvement and Outdoor Spaces programs will begin their application periods in the summer, with awards anticipated in the fall.
- EDD continues to identify opportunities for further collaboration among internal and external stakeholders. For example, EDD has established a quarterly Economic Development Collaborative with 17 other departments to discuss opportunities for partnerships on various initiatives. EDD continues to meet with community partners within the small business and entrepreneurial ecosystem to identify additional ecosystem enhancements.

The Strategic Framework includes both economic performance indicators and growth targets for consideration in tracking progress. EDD is evaluating the suggested economic performance indicators and growth targets and developing a benchmarking dashboard to measure performance. The dashboard and additional benchmark data will be available by September 30, 2023.

In FY 2024, the department will focus on its BRE program and continue the work started in FY 2023. In FY 2025, the department will focus on the continuation of strategies implemented in preceding years, placemaking strategies, and revising the incentive guidelines as required by state law every two years.

FISCAL IMPACT:

This item is for briefing purposes only.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This item is for briefing purposes only.