

SMALL BUSINESS CONSTRUCTION GRANT PROGRAM

Presented by: Brenda Hicks-Sorensen, Director
City Council "B" Session
January 11, 2023



Background

- The COVID-19 Pandemic placed a significant burden on small businesses, and secondary effects such as staffing shortages, inflation, and supply chain issues continue
- San Antonio's rapid growth necessitates ongoing infrastructure improvements through voter-approved bond programs
- City is near substantial completion for a majority of 2017 Bond Program Projects, and City Council awarded design contracts for 2022 Bond Program Projects in Fall 2022
- Small businesses are an integral driver of economic activity, tourism, and are cultural anchors



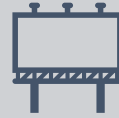
Construction Mitigation Pilot Program

- \$400,000 allocated in FY 2023 Budget for program creation
- Identify direct and indirect assistance measures for small businesses along City-initiated projects lasting longer than 12 months
- Stakeholder Input
 - Small Business Advisory Commission & Subcommittee
 - Affected businesses
 - Business development organizations, chambers and other cities
- Desired Outcomes
 - Re/building trust with impacted small businesses
 - Enhanced economic sustainability and resilience for businesses during construction projects and beyond
 - Program that is sustainable, scalable, and leverage existing assets and resources
- Presented to EWDC on December 16
 - Implementation ongoing

Construction Mitigation Program Components



Unified Branding Strategy



Marketing and Promotion of Small
Businesses



Small Business Toolkit



Technology Improvements

Previous and Ongoing Assistance

- 2014: City Council approved the \$225,000 Blanco Road Utility Assistance Pilot Program utilizing Chapter 380 Economic Development agreements to issue interest-free loans
 - 5 businesses submitted applications; 4 were approved utilizing \$13,000 of the funding
- 2021: \$262,500 from each Midtown and Houston Street TIRZ to support Broadway Corridor and Alamo Plaza businesses impacted by construction
 - Provided grants averaging \$10,769 to 39 businesses
- 2022: \$17M of ARPA funds towards COVID impact
 - Grants awarded a maximum of \$35,000 for COVID-impacted businesses
 - Additional \$10,000 possible for awardees also impacted by construction
 - As of January 9, 135 businesses have received the construction supplement



The poster features a smiling woman with curly hair wearing a light blue sweater and a tan apron. In the top left corner is the City of San Antonio logo and the LiftFund logo with the tagline "DREAM IT. FUND IT.". To the right of the woman, the text "COVID IMPACT GRANTS" is written in large, bold, white capital letters. Below this, a paragraph explains the program: "The City of San Antonio COVID Impact Grants program will provide financial aid to small businesses that continue to be impacted by the pandemic. This program is funded by American Rescue Plan Act (ARPA) dollars provided to the City of San Antonio and is administered by LiftFund." A QR code is located in the bottom right corner. At the bottom of the poster, it says "APPLICATIONS OPEN AUGUST 1-22, 2022" in blue text, followed by contact information: "Call 1-800-923-9551 to apply, or visit www.cityofsanantoniocovidgrants.com. Contact sbgrantsliftfund.com or (888) 215-2373 for additional information." At the very bottom, there is a row of logos for partner organizations: Southside First Economic Development Council, Culturingua, Prosper West, Maestro, Centro San Antonio, and SAGE.

COVID IMPACT GRANTS

The City of San Antonio COVID Impact Grants program will provide financial aid to small businesses that continue to be impacted by the pandemic. This program is funded by American Rescue Plan Act (ARPA) dollars provided to the City of San Antonio and is administered by LiftFund.

APPLICATIONS OPEN AUGUST 1-22, 2022

Call 1-800-923-9551 to apply, or visit www.cityofsanantoniocovidgrants.com
Contact sbgrantsliftfund.com or (888) 215-2373 for additional information.

SOUTH SIDE FIRST ECONOMIC DEVELOPMENT COUNCIL **Culturingua** **PROSPER WEST** **MAESTRO** **CENTRO** SAN ANTONIO **SAGE** San Antonio's for Growth and the Economy

COVID/Construction Recovery Grant Program

- Provides one-time cash assistance to eligible small businesses recovering from COVID-19 in commercial corridors impacted by long-term, City-initiated construction projects
- \$2.25 million reallocated within ARPA Small Business Implementation Plan
- Grants range from \$10,000 to \$35,000 based on actual business losses
- Administered in partnership with LiftFund

Eligible Project Criteria

Projects must be within major, City-initiated construction zones

Started within the
timeframe of
January 1, 2020 and
June 30, 2022



Planned project
duration time of at
least 12 months



Ongoing as of
December 1, 2022



Eligible Projects

- Broadway Street (IH-35 to E Houston Street)
- Bulverde Road (Butterleigh Drive to North of Quiet Meadow Street)
- Commerce Street (St. Mary's Street to Santa Rosa Street)
- Commerce Street (Frio Street to Santa Rosa Street)
- Historic Old Highway 90 (Area)
- Fredericksburg Road (North Flores Street to West Woodlawn Avenue)
- Harry Wurzbach Road/Austin Highway Connectors
- Maverick Plaza (La Villita)
- North Main Avenue & Soledad Street (Pecan Street to Navarro Street)
- North New Braunfels Avenue (East Houston Street to Burleson Street)
- North St. Mary's Street (East Mistletoe Avenue to West Josephine Street)
- San Saba Street (Nueva Street to Martin Street)
- Santa Rosa Street (César E. Chávez Boulevard to Martin Street)
- The Alamo (Area Streets)
- West Commerce Street (Frio Street to Colorado Street)

Eligibility Criteria

- Must be located within an eligible construction zone and remain for one year from date of grant award
- Minimum \$10,000 reduction in net revenues in 2022 when compared to 2021
- Retail or service business that requires customer foot traffic for operations
- Meet SBA size standards for small businesses for 6-digit NAICS code
- Established in current location prior to January 1, 2021
- Be in operation and not filed for bankruptcy at time of application
- Grant applicant must be majority owner of business

Exclusions:

- gambling/gaming businesses
- franchisors
- sexually oriented businesses
- payday & auto loan providers
- liquor stores and
- businesses in which a City employee or officer has a financial interest, as defined in Sec. 2-53 of the City's Ethics Code

Scoring Criteria and Grant Amounts

Reduction in Net Revenue 2022 from 2021	30 Points
30% or Greater	30
15% - 29.9%	20
Up to 14.9%	10
% of SBA Size Standard	30 Points
Less than 20%	30
20 – 39%	25
40-59%	20
60-79%	15
80% or Greater	10
Equity Atlas Score	30 Points
Equity Atlas Score 8-10	30
Equity Atlas Score 5-7	20
Equity Atlas Score 2-4	10

Project Duration	30 Points
Greater than 30 months	30
24 to 30 months	20
Less than 24 months	10



Potential Grant Awards & Eligible Uses

- Up to 100% of the difference in net revenue in 2022 compared to 2021
 - Minimum \$10,000
 - Maximum \$35,000 regardless of losses
- Businesses that received the \$10,000 construction enhancement from the COVID Impact Grant program will have maximum grant capped at \$25,000

Eligible uses:

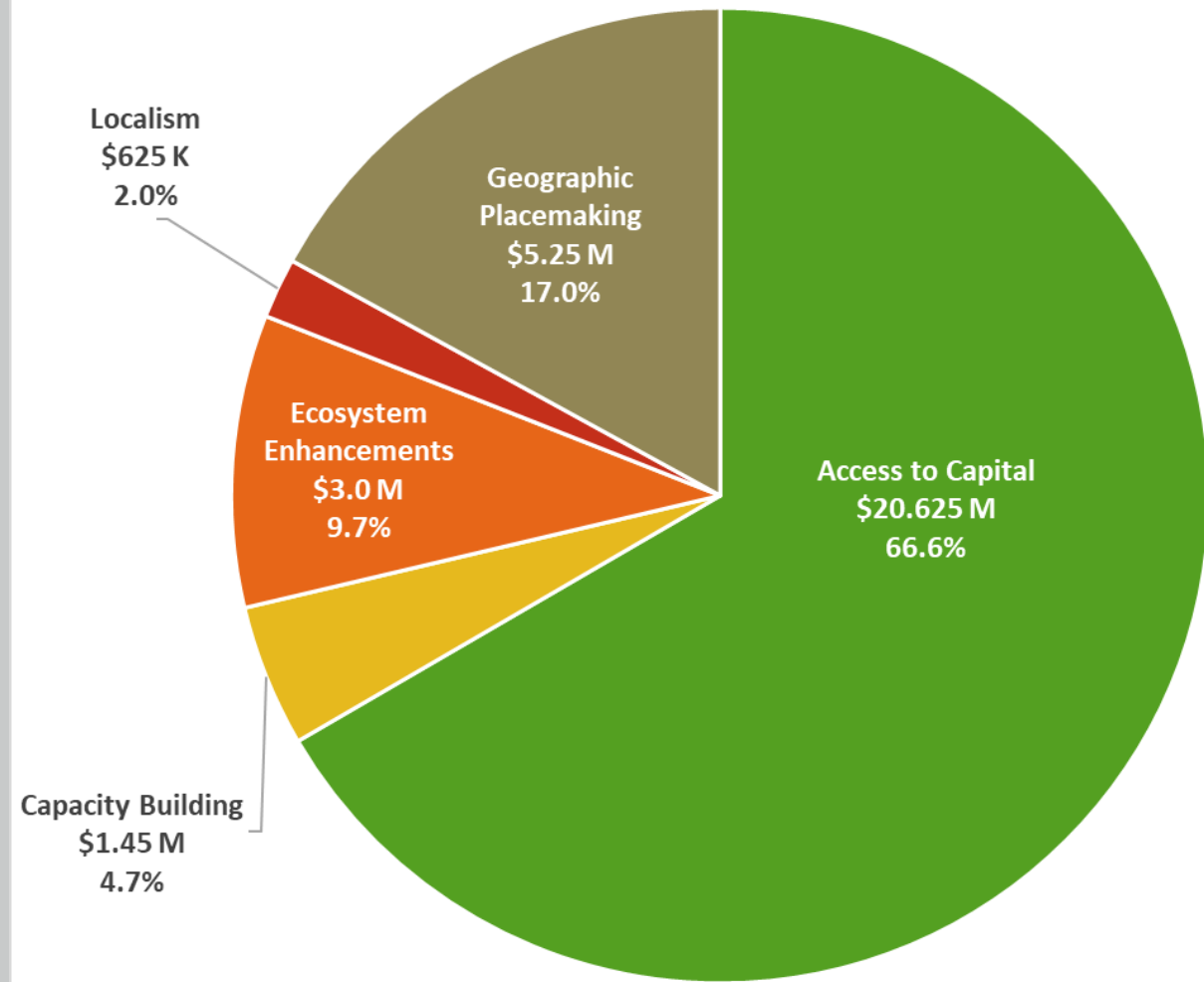
- Working capital
- Machinery and equipment
- Payroll/health care benefits
- Contract labor
- Supplier payments
- Rent, lease or mortgage payments (business property only)
- Utility payments (business property only)
- Cost of critical business operations

Ineligible uses:

- Distributions to owners/investors
- Acquiring other assets

ARPA Small Business Implementation Plan

\$30.95 Million



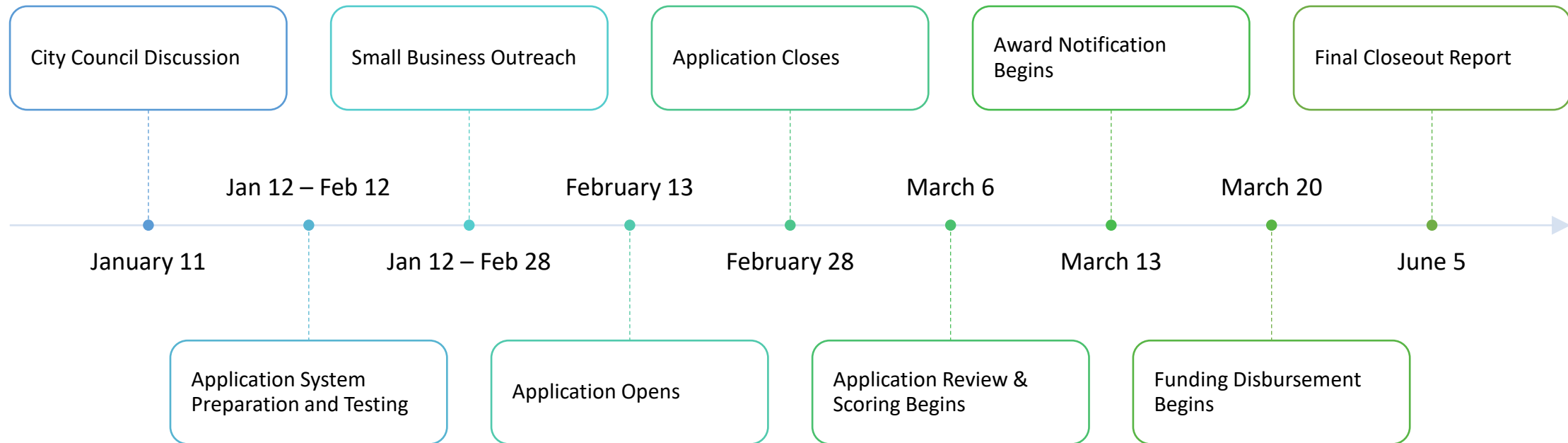
Access to Capital

Provide access to flexible capital that meets the needs of small businesses at every stage

Strategy	Adopted	Revised
COVID Impact Grants	\$17 M	
COVID Impact Grants Outreach & Marketing	\$625 K	
Growth Fund	\$3 M	\$750 K
COVID/Construction Recovery Grants		\$2.25 M
Total	\$20.625 M	\$20.625 M



Implementation Timeline



SMALL BUSINESS CONSTRUCTION GRANT PROGRAM

Presented by: Brenda Hicks-Sorensen, Director
City Council "B" Session
January 11, 2023

