

## ARPA Small Business Response + Recovery

**Economic & International Department** 

Goal 1. Create an environment conducive to strong, sustainable economic development



## Request

Authorize the City Manager to execute a Subrecipient Agreement by and between the CITY OF EL PASO and







- 1. Better Business Bureau providing \$1,435,522 to BBB to administer American Rescue Plan Act ("ARPA") funds to continue the EPBusinessStrong and Buy El Paso Program and to implement the El Paso Small Business Rewards Program.
- 2. **Project Vida** providing \$200,000 to hire staff to conduct outreach and technical assistance. They will assist businesses submit applications for cash grant opportunities. Their Microenterprise Technical Assistance Program (MTAP) assists underrepresented businesses.
- 3. LiftFund providing \$2,500,000 to LiftFund to administer American Rescue Plan Act (ARPA) funds to institute the City of El Paso Small Business Grant & Interest Buy-Down Program to entities affected by the COVID-19 pandemic.





## **CARES Emergency Relief**

Federal Funds	
Small Business Financial Assistance	\$ 17,334,000
Small Business Financial, Legal, Technical Assistance	\$400,000
Business Resource Clearinghouse	\$156,000
Business Safety Alteration Financial Assistance	\$1,990,000
Safety Product Access + Supply Chain	\$400,000
Contact Tracing + Work Safe Assistance + Training	\$100,000
Downtown Sanitation Program	\$113,000
Downtown Outdoor Dining	\$80,000
E-Commerce Platform Development + Technical Assistance	\$450,000
E-Commerce + Digital Platform Training	\$100,000
"Buy Local" Marketing Initiative	\$577,000
Childcare Assistance	\$50,000
Total	\$21,750,000

City Funds	
Small Business Recovery Program	\$ 3,000,000
Total	\$ 3,000,000

\$24,750,000

Total Economic Support

**1,566 Grants** 











# CARES Act Funding Impact









### **Technical Assistance**

- E-commerce platforms developed for 130 businesses
- 1,040 businesses trained though one-on-one counseling or webinars
- Cash Grants, retained 1,379 jobs

### Health

- 1,276 business visits by Task Force distributing PPE
- 155 businesses aided with "work safer" protocols
- 17 businesses engaged to support PPE supply chain
- 500 COVID-19 Business safety kits distributed
- 1,276 Education Task Force visits

### Safety

- 80 businesses received installation of temperature kiosks and/or barriers
- Disinfected 61,000 public assets within downtown
- 19 handwashing stations installed and maintained, and
- 4,700 patrons utilized downtown Outdoor Dining Area maintained by DMD

### Marketing

- Established EPBusinessStrong resource clearinghouse & Buy El Paso Program
- Buy El Paso Program: Generated 93,600 page views from 58,600 users

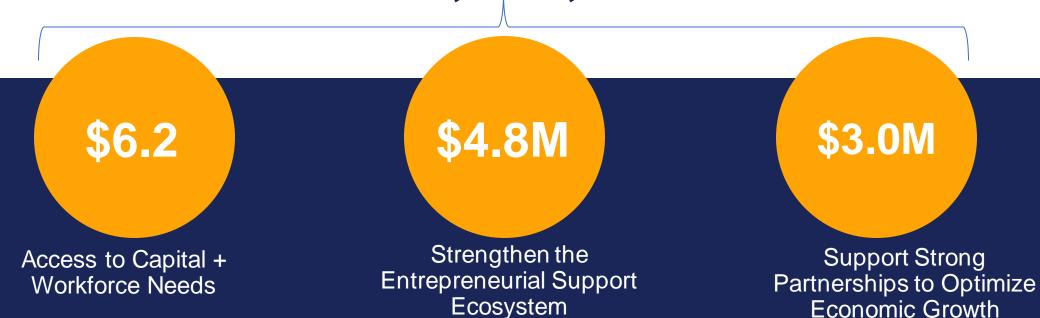




### **Economic Response + Recovery:**

# American Rescue Plan Act (ARPA) Funds Allocation

\$14,000,000





## **Small Business Profile**

- 121 Responses from 13 roundtables/townhall meetings and online outreach from March to July 2022.
- 65% are either sole-proprietor or have 1-5 employees
- Nearly a quarter (24%) of participating small businesses, provide professional services and training

### Type of Business

Accommodations, 2%

Nonprofit, social services, 6%

Healthcare practitioner, healthcare, 7%

Non-Food retail, 12%

Food Service, 13%

Manufacturing, Construction and Maintenance, 17%

Personal care and services, 19%

Professional services and training, 24%





## **Small Business Response**

Which topics or tools are you most interested in developing or strengthening for your business?

E-commerce, 6%

Leveraging data to improve marketing & inventory, 9%

Shifting business model, 10%

Partnerships w/local businesses and business groups, 14%

Expansion to new markets/ locations, 18%

Relationship with the local & state government, 19%

Online marketing /social media, 24%

What types of support would you like to see offered that would help your business thrive?

Incentives or resources for physical accessibility upgrades, 3%

Improvements to the physical design of the area, 4%

Other, 5%

Resources for storefront/façade renovations or energy efficiency, 5%

Stronger organization of businesses in the area, 6%

Trainings on the city's permitting processes, 6%

Trainings with pro-bono legal services, 6%

District-wide marketing and promotion, 11%

Incentives and financial support, 26%

15%

20%

25%

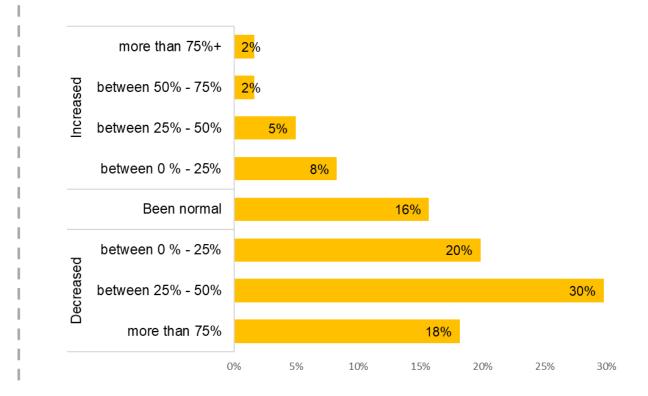




## **Small Business Response**

Thinking of the next six months, how serious are the following concerns for your business?\*

Abiding by COVID-related regulations, 1% Concerns with business's location, 2% Challenges leveraging e-commerce platforms, 3% Cost of building maintenance, 4% Challenges staying fully staffed, 7% Retaining existing customers, 8% Supply chain issues, 8% Cost of rent, 8% Challenges hiring qualified applicants, 11% **Shrinking margins, 12%** Attracting new customers, 14% Challenges with inflation, 20% 5% 10% 15% 25% How has your business revenue changed since COVID-19 became a widespread concern in early March 2020?











## Access to Capital + Workforce Needs

Small Business Financial Assistance:

LiftFund: \$2,500,000

Financial Literacy + Technical Assistance + Community Outreach:

Project Vida: \$200,000

### Strengthen Entrepreneurial Support Ecosystem

**3** Marketing Campaign Partnerships:

Better Business Bureau: 1,435,522





## What's in a Name?





The word LIFT has an inspirational meaning which is why it is often used, services are different.



It means to raise, rise, elevate, pick up, boost, and uplift.





## Small Business Grant & Interest Buy-Down Program

### **Cash grants**

- Up to \$10,000 to eligible small businesses for working capital
- Businesses making \$1M or less in annual gross revenue
- Eligible businesses that did not receive CARES Act funding will be prioritized for grant funding under this program
- Approximately 215 businesses will receive funds

# DREAM IT. FUND IT.

Budget		
Grants	\$2,150,000	
Interest Buy-down	\$100,000	
Administration Fee 10%	\$250,000	
	\$2,500,000	

### **Buy-down interest rate**

- Interest buy-down to 5%
- Loans up to \$100,000



## Microenterprise Technical Assistance Program

Addresses outreach and technical assistance encouraging stabilization and growth of microenterprise businesses:

- Project Vida will utilize a "promotora" (community health worker) model to conduct outreach and build relationships with microentrepreneurs in El Paso.
- Prioritizing outreach to businesses that did not receive CARES Act funding to assist with grant applications in all City Council Districts
- Primary focus of recruitment for the program: self-employed and business owners with less than four employees
- Program will serve over 260 microentrepreneurs



Budget			
Program Cost	\$180,000		
Administration Fee 10%	\$20,000		
	\$200,000		





## EPBusinessStrong, Buy El Paso & SizeUp

- **EPBusinessStrong** designed, created and launched during August 2020, a digital, centralized source of information to help connect small business owners with credible financial resource opportunities.
- Buy El Paso Program began in August 2020 as a pandemic response campaign to help local businesses. Program is focused on increasing support for local small businesses by encouraging the community to shop locally.
- **SizeUp El Paso** business intelligence tool, provides market research data for small businesses.





Budget		
Program Cost	\$1,299,122	
Administration Fee 9.5%	\$136,400	
	\$1,435,522	





### **ELPASOBUSINESSSTRONG**

### EV

#### Made in El Paso

- Video & blog series, supports small businesses by featuring local businesses that make unique items.
- 24 business received marketing and publicity free of charge, through this initiative.

#### **Succes Stories**

- Highlighted local businesses through video.
- Captured how businesses, and its owners survived and navigated the pandemic utilizing resources shared on the website.
- Series concluded July 2022.
- Website pivoted from pandemic response tool to premier business resource digital center.

### **BBB Tips**

- Launched in August 2022
- Video series, answer common questions business owners may have.
- Topics: Why become BBB Accredited?, Why have a business website?, What is a Community Development Financial Institution (CDFI)?

### **Buy El Paso Day**

All-day event, first Saturday of December.

### **Buy El Paso Shirt Campaign**

- Local artists were recruited to design t-shirts depicting what they perceived the "Buy El Paso" initiative means. Each month featured a unique design by a different artist.
- Over **500 t-shirts** were designed by **15 local artists**, distributed to **33 local businesses**

#### **Buy El Paso Adventures**

- Monthly video & written blog, explores local businesses & highlights products.
- 67 businesses have been featured in the program.

#### **Holiday Gift Guide**

- Businesses were encouraged to submit a product they wanted featured.
- Gift guide included: business' information, picture & product description.
- 17,000 gift guides distributed through El Paso Inc & El Paso Times
- Over 500 businesses were listed or featured.

### **Website Analytics**

### **EP Business Strong**

- 57,670 Users
- 75,206 Sessions
- 126,928 Page Views

### **Buy El Paso**

- 63,433 Users
- 74,846 Sessions
- 103,535 Page Views





## TX EI Paso Small Business Reward Program

- Program will serve as a catalyst to help revitalize local businesses by offering a marketing incentive tool to drive customer behavior.
- Technology Driven solution rewards incentive / Movement tracking technology (QR Code)
- Providing business owners behavioral and predictive analytics to support operational decisions.
- Provide real-time economic and consumer movement data, including consumer habits.
- Program will serve a minimum of 500 small businesses.

### **Customer QR Code rewards program process**



Scan QR Code Enter mobile phone number

Receive rewards points





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Deliver exceptional services to support a high quality of life and place for our community

### Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government

### ☆ Values

Integrity, Respect, Excellence, Accountability, People

