

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

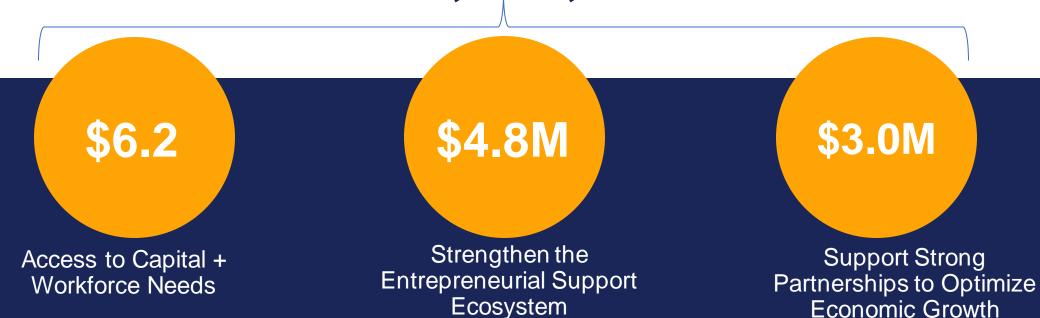




Economic Response + Recovery:

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%

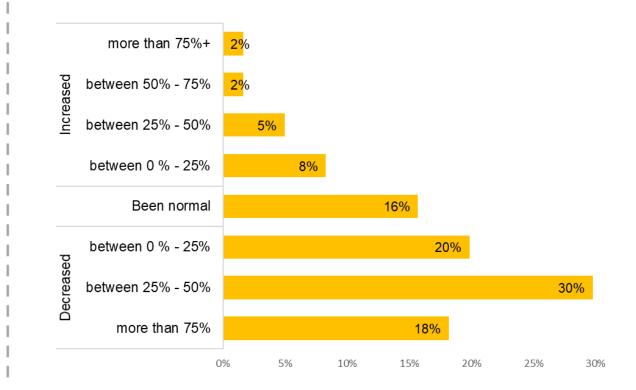




Small Business Response

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

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

- 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

Made in El Paso

- 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

