

**CITY OF EL PASO, TEXAS
REQUEST FOR COUNCIL ACTION (RCA)**

DEPARTMENT: Community and Human Development
AGENDA DATE: 01/08/08
CONTACT PERSON/PHONE: Bill Lilly, Director (541-4643)
DISTRICT(S) AFFECTED: 1, 3, 6, 7, and 8

SUBJECT:

A resolution approving the 8th Year (April 2007 – August 2007) expenditures and adopting the 9th Year (2007-2008) U.S. Department of Housing and Urban Development Empowerment Zone Planning and Implementation Grant Program (Agreement No. EZ-99-TX-0013).

BACKGROUND / DISCUSSION:

In April 1999, the City received an Empowerment Zone designation by the U.S. Department of Housing and Urban Development. The geographic boundaries include sections of Districts 1, 3, 6, 7 and 8.

In March 2007, the City terminated its agreement with the El Paso Empowerment Zone Corporation effective June 25 and assumed administrative control of the El Paso Empowerment Zone (EZ) grant and incorporated its functions into three City Departments – Community Development, Economic Development and Financial Services. In accordance with a May 2007 HUD approval letter, administrative costs were incurred from April 2007 to August 31, 2007 to hire staff to administer the EZ program during and after the transition period. The Empowerment Zone Advisory Board reviewed the administrative budget for 2007-2008 at its December 11, 2007 meeting and recommended its approval.

8 th Year (April 2007 – August 2007)	\$ 21,765.59	Administrative Expenditures	(Attachment A)
9 th Year (September 2007 – August 2008)	\$452,920.00	Administrative Budget	(Attachment B)

Personnel included in the 8th Year (April 2007 – August 2007) administrative budget are the Empowerment Zone Coordinator and the Empowerment Zone Secretary.

Personnel included in the 9th Year (September 2007 – August 2008) administrative budget are the Empowerment Zone Coordinator, Empowerment Zone Project Compliance Specialist, Empowerment Zone Senior Accountant, Empowerment Zone Secretary and an Empowerment Zone Loan Specialist. The Loan Specialist may not be filled depending on the activities that are funded via the revised Strategic Plan.

The estimated remaining funds in the Empowerment Zone project are \$3,800,000. It is also anticipated that approximately \$480,000 will be received in revenue from the Empowerment Zone Revolving Loan Fund for the year. The administrative budget will be incorporated into the overall Empowerment Zone budget, when approved. It is anticipated the revised Strategic Plan and Empowerment Zone budget will be presented to City Council in March 2008.

In accordance with federal regulations (24 CFR Part 598) and the October 2007 HUD-approved revised governance plan, a revised strategic plan to implement remaining funds requires a community participation process that ensures continued stakeholder and grass roots input. The proposed FY 08 administrative budget includes funding for related costs in obtaining community input in the revision of the El Paso Empowerment Zone Strategic Plan.

PRIOR COUNCIL ACTION:

The El Paso City Council authorized the Mayor to sign a Grant Agreement and a Memorandum of Agreement between the U.S. Department of Housing and Urban Development, the State of Texas, and the City in April 1999. A subsequent Memorandum of Agreement was authorized by Council between the City and the Empowerment Zone Corporation in May 1999. Council authorized the City Manager to terminate the Memorandum of Agreement with the El Paso Empowerment Zone Corporation on March 27, 2007.

AMOUNT AND SOURCE OF FUNDING:

The El Paso Empowerment Zone Program will be funded by the El Paso Empowerment Zone Planning and Implementation Grant and administered by the Community and Human Development Department. The approximate \$3,800,000 remaining funds are budgeted in account number 71150075-11002-71000-G71EZECEPEZ with the projected \$480,000 EZ Revolving Loan Fund revenue deposited in account numbers 71150075-11002-405065-G71EZBOF (principal) and 71150075-11002-405066-G71EZBOF (interest).

(The City is in process of reconciling Empowerment Zone Corporation fiscal records with those of the City. The City is expected to complete the reconciliation by December 28, 2007.)

BOARD / COMMISSION ACTION:

On November 13, 2007, the Empowerment Zone Advisory Board favorably recommended approval of the April 2007 – August 2007 expenditures. On December 11, 2007, the Empowerment Zone Advisory Board favorably recommended approval of the administrative budget for 2007-2008.

*******REQUIRED AUTHORIZATION*******

LEGAL: (if required) _____

FINANCE: (if required) _____

DEPARTMENT HEAD: _____

cc: Deborah G. Hamlyn, Deputy City Manager, Quality of Life

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the El Paso Empowerment Zone Grant administrative budget for the periods of April 2007 – August 2007 and September 2007 – August 2008, attached hereto as Exhibit "A" and Exhibit "B", are hereby approved.

ADOPTED this _____ day of January, 2008.

THE CITY OF EL PASO:

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Marie A. Taylor
Assistant City Attorney

APPROVED AS TO CONTENT:



William L. Lilly, Director
Community and Human Development

CITY CLERK DEPT.
07 DEC 31 PM 4:08



EMPOWERMENT ZONE GRANT (EZ)

City of El Paso – Community and Human Development Department – Empowerment Zone Grant (EZ)

8th Year (2007 City Transition) Empowerment Zone Grant Administration Expenditures

Sub-Object	Description	FY 07 Apr 2007 – Aug 2007
------------	-------------	------------------------------

PAYROLL

501000	Non-Uniform Wages And Salaries	5,095.31
501002	Overtime – Civilian	32.34
501011	Part-Time Temporary – Civilian	13,319.05
501100	Workers Compensation- Civilian	74.63
501101	Unemployment Compen – Civilian	14.94
501108	Pos City – Employer Contrib.	758.99
501114	Life Insurance – Civilian	11.68
501124	City Pension Plan Contribution	818.59
501129	FICA City Match – Civilian	903.89
501130	FICA Med- City Match-Civilian	211.39
SUBTOTAL		\$21,240.81

OTHER

502304	Mail Room Charges	253.38
503100	Office Supplies	271.40
SUBTOTAL		\$524.78
TOTAL		\$21,765.59

CLARIFICATION:

Payroll:

- (1) EZ Secretary (May 5 – August 31)
- (1) EZ Coordinator (July 2 – August 31)

“Civilian” line items relate to the transition of the EZ Secretary individual from the El Paso Empowerment Zone Corporation’s payroll to the City human resource system.



EMPOWERMENT ZONE GRANT (EZ)
City of El Paso – Community and Human Development Department

9th Year (FY 2007-2008) Empowerment Zone Grant Administration Expenditures

Sub-Object	Description	FY 08 Sep 2007 – Aug 2008
PAYROLL		
501000	Non-Uniform Wages And Salaries	218,108
501002	Overtime	260
501100	Worker's Compensation (Premium)	960
501101	Unemployment Compen (Ins. Premium)	218
501108	Pos City – Employer Contrib.	34,720
501114	Life Insurance	176
501124	City Pension Plan Contribution	25,475
501129	FICA City Match	13,523
501130	FICA Med- City Match	3,162
	SUBTOTAL	\$296,602
OTHER		
502104	Professional Services - Audit	14,000
502109	Professional Services – External Legal Counsel	43,000
502112	Professional Services – Interpreter Services	1,200
502116	Promotional (Advertising)	1,700
502205	Legal Notices	16,000
502301	Motor Pool Usage Fees	900
502302	Print Shop (Quick Copy Center Charges)	4,440
502304	Mail Room Charges (Postage)	2,290
502404	Office Equipment (Lease – Copier Contract)	2,500
502408	Vehicle (Leases – Bus Tour)	400
503100	Office Supplies	2,500
503101	Minor Office Equipment	400
503103	Publications/Subscription	940
503104	Minor Computer Equipment (Supplies)	955
503107	Photograph/Film/Video Supplies	150
503115	Food and Beverage Supplies	375
504000	Phone (Southwestern Bell)	620

504001	Long Distance	200
504003	Postage (Overnight Service)	750
504201	Travel Expenses	1,200
504202	Travel Expenses – Board Members	616
504406	Other Services (Court Cost/Parking)	50
504412	Seminars/Continuing Education Fees	800
504414	Professional Licenses and Memberships	200
504415	Indirect Cost Expenditures	60,132
	SUBTOTAL	\$156,318
	TOTAL	\$452,920