

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

DEPARTMENT: Community and Human Development
AGENDA DATE: 04/27/2010
CONTACT PERSON/PHONE: William Lilly, Director (541-4643)
DISTRICT(S) AFFECTED: 1, 3, 6, 7, and 8

SUBJECT:

Discussion and action on a resolution approving the funding award to the Sun Metro Job Express Program with reallocated unexpended funds identified in Exhibit "A", as recommended by the Director of the Community and Human Development Department and the Empowerment Zone Advisory Board.

BACKGROUND / DISCUSSION:

In May 2009, the City received authorization from the U.S. Department of Housing and Urban Development to implement activities noted in the City's Empowerment Zone 2008 Strategic Plan. The geographic boundaries of the El Paso Empowerment Zone include sections of Districts 1, 3, 6, 7 and 8.

On September 22, 2009 and December 22, 2009, City Council approved funding awards for activities in the categories of (1) Small Business Technical Assistance, (2) Small Business Incubator, (3) Bilingual Workforce Development, (4) Childcare, (5) Business Loans, and (6) Façade Improvement Program.

On April 13, 2010, the EZ Advisory Board unanimously recommended that \$459,396 unexpended Empowerment Zone grant funds be awarded to the Sun Metro Job Express program, which can expend the funds on eligible activities and allowable expenditures by the end of the grant implementation period. The grant will assist in purchasing 12 vans equipped with on-board computers (with supporting software) that will serve approximately 18,000 Empowerment Zone residents annually for three years. The funding will open eligibility for EZ residents based on address for free door-to-door temporary transportation services to report for work, job training, education, job seeking, and child care. Empowerment Zone residents presently compose an estimated 60% of the Job Express Program's 30,000 annual clients.

The unexpended funds have been de-obligated by mutual termination, as follows:

\$ 65,000	Small Business Technical Assistance – El Paso Hispanic Chamber of Commerce
180,000	Micro Business Loans – Economic Development Department
174,896	Small Business Loans – Economic Development Department
39,500	Administration – Community and Human Development Department
<u>\$459,396</u>	Total

PRIOR COUNCIL ACTION:

The El Paso City Council approved the FY10 EZ Awards on September 22, 2009 and December 22, 2009.

AMOUNT AND SOURCE OF FUNDING:

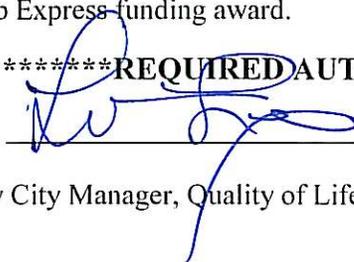
The El Paso Empowerment Zone Program will be funded by the El Paso Empowerment Zone Planning and Implementation Grant and administered by the Community and Human Development Department. The program funds are budgeted in account number 71150075-11002-71000-G71EZECEPEZ.

BOARD / COMMISSION ACTION:

On April 13, 2010, the Empowerment Zone Advisory Board unanimously recommended approval of the \$459,396 Sun Metro Job Express funding award.

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

DEPARTMENT HEAD:



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

RESOLUTION

WHEREAS, as part of City administration of the Empowerment Zone Planning and Implementation Grant No. EZ-99-TX-0013 through the United States Department of Housing and Urban Development (“HUD”), the Empowerment Zone Advisory Board and the Community and Human Development Department Director, recommend that City Council amend the FY10 funded projects by adding the Sun Metro Job Express activity; and

WHEREAS, the Community and Human Development Department Director and the Empowerment Zone Advisory Board further recommend that City Council approve the budget reallocation identified in Exhibit “A”, so that the City can satisfy the July 2, 2010 Grant period deadline for expending the available Empowerment Zone funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That the City Council approves the budget reallocations identified in Exhibit “A”, as recommended by the Director of Community and Human Development Department and the Empowerment Zone Advisory Board, where the Sun Metro Job Express Program - \$459,396 is added to open eligibility for Empowerment Zone residents to receive free door-to-door temporary transportation services to report for work, job training, education, job seeking and/or child care; and,

2. That the City Manager be authorized to sign any agreements or related documents upon approval by the City Attorney’s Office and Director of Community and Human Development Department to take any actions necessary to accomplish the intent of this resolution, including the necessary budget transfer and submission for HUD approval of said amendment.

APPROVED this _____ **day of** _____ **2010.**

THE CITY OF EL PASO

John F. Cook,
Mayor

ATTEST:

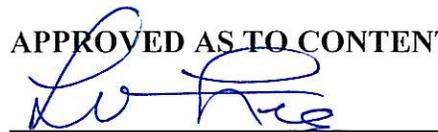
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Marie A. Taylor
Assistant City Attorney

APPROVED AS TO CONTENT:



William L. Lilly, Director
Community and Human Development

April 2010 Empowerment Zone Budget Reallocation

Representative District Codes:

(1) Westside – Lilly, (2) West-Central – Byrd, (3) East-Central – Acosta, (4) Northeast – Robinson, (5) Eastside – Quintana, (6) Lower Valley – Holguin, (7) East-Valley – Ortega, (8) South-West – O'Rourke

Applicant	Project Name – Description	District	Existing Budget	Proposed Reallocation	Balance
City of El Paso – Sun Metro 700-A San Francisco Contact: Jay Banasiak Phone: 915.534.5822	Job Express – This program will open eligibility to Empowerment Zone residents based on their address for free door-to-door temporary transportation services to report for work, job training, education, job seeking, and/or child care.	EZ 1,3,6 7,8	\$0	\$459,396	\$459,396
El Paso Hispanic Chamber of Commerce 2401 E. Missouri El Paso, TX 79903 Contact: Terri Reed Phone: 915.566.4066	Entrepreneurial Technical Assistance Centers – The Entrepreneurial Technical Assistance Centers will provide professional, bilingual business development advice and guidance to entrepreneurs located in the Empowerment Zone. Services include planning, development and implementation of a specialized work plan for businesses in every phase of start-up.	EZ 1,3,6 7,8	\$150,000	(\$65,000)	\$85,000
City of El Paso – Economic Development Department Two Civic Center Plaza – 2 nd El Paso, TX 79901 Contact: Kathy Dodson Phone: 915.541.4670	Micro Loans – This program category will provide individual micro-business loans under \$5,000 and at 3% fixed rate. A forgivable feature is proposed at 50 percent of principal with timely repayment. Eligible borrowers must be Empowerment Zone residents.	EZ 1,3,6 7,8	\$200,000	(\$180,000)	\$20,000
City of El Paso – Economic Development Department Two Civic Center Plaza – 2 nd El Paso, TX 79901 Contact: Kathy Dodson Phone: 915.541.4670	Small Business Loans – This program category will provide individual loans ranging from \$10,000 to \$500,000 (3% fixed rate). A rebate feature is proposed at 20 percent of principal with timely repayment. There is a cap of \$20,000 on this rebate feature. The loan program is funded with existing Revolving Loan Fund collections. *This program is additionally funded with \$1,900,000 program income (as of February 28, 2010).	EZ 1,3,6 7,8	\$553,679	(\$174,896)	\$378,783
City of El Paso – Community & Human Development Two Civic Center Plaza – 8 th Contact: William Lilly Phone: 915.541.4643	Program Administration – Fiscal Year 2010	Admin	\$326,644	(\$39,500)	\$287,144