

CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Economic & International Development Department
AGENDA DATE: December 15, 2014
CONTACT PERSON/PHONE NUMBER: Cary S. Westin, Director – 915-212-1614
DISTRICT(S) AFFECTED: District 3

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? **OR AUTHORIZE** the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Presentation and discussion by Project Arriba on their Annual report on status of activities during the fiscal year, use of grant funds and progress in the performance measures required under the agreement executed on August 27, 2013 with the City of El Paso.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

On August 27, 2013 City Council approved a grant agreement between the City of El Paso and Project Arriba Advanced Retraining and Redevelopment Initiative in Border Areas, Inc. ("Grantee"), a 501(c) 3 tax exempt, non-profit Texas corporation.

For the purpose of creating a permanent and sustainable source of local health care professionals, teachers and information technologists to address severe shortages in the City of El Paso.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

On May 6th, 2014 Project Arriba presented their Mid-year (Sep. 1, 2013 – March 31, 2014) report to City Council.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

Impact Fund - \$300,000 reimbursed annually for program expenses. Contract period from September 1, 2013 to August 31, 2018.

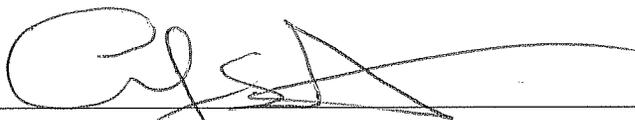
BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

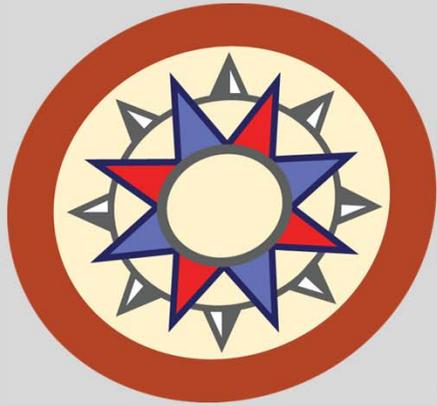
N/A

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

DEPARTMENT HEAD: _____



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager



PROJECT
ARRIBA

*2013/14 City Impact Fund Project
Final Report for Year 1 of 5*

Mission

- Create a permanent and sustainable workforce
 - Health care professionals
 - Teachers
 - Other
- Project ARRIBA will provide long term, high skilled training and case management services to eligible El Paso City residents.

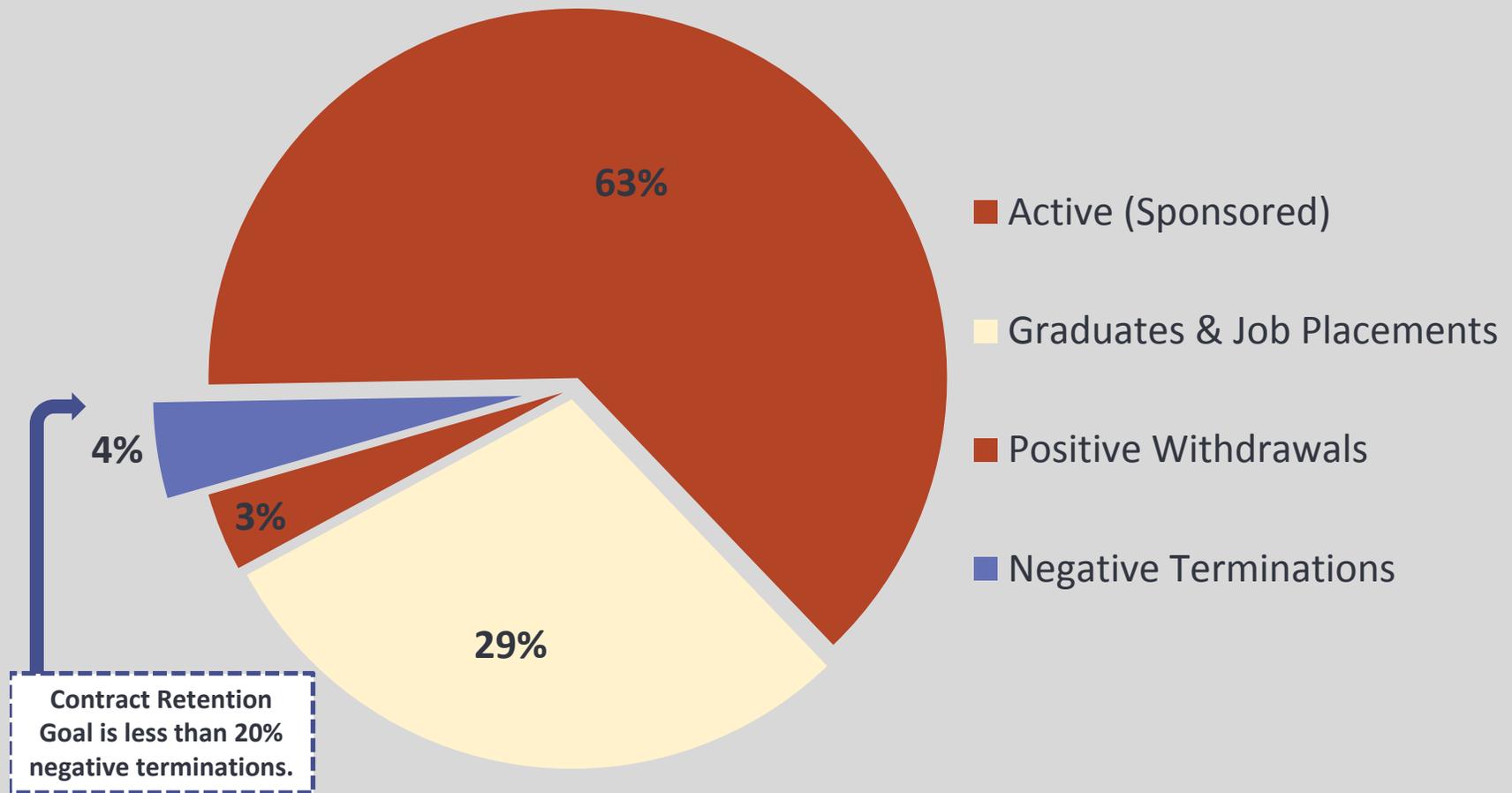


Objective

- Higher Education
 - Bachelors Degree
 - Associates Degree
 - Licensed Certification
- Focus
 - Nursing and health-related areas
 - Education
 - Information technology

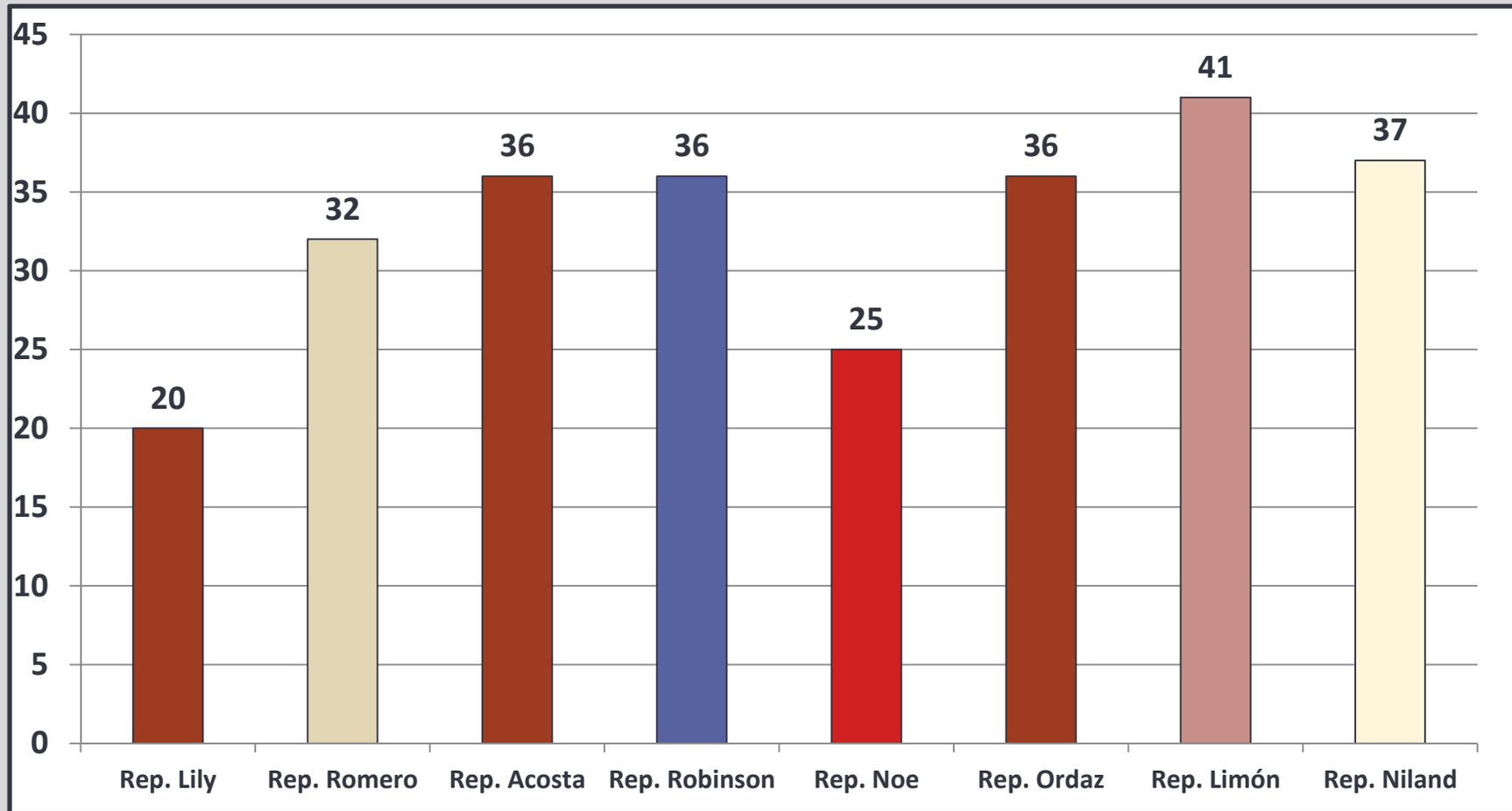
95% Retention Rate for Impact Fund Participants

(9/1/2013—8/31/2014)



263 Participants Case Managed

(9/1/2013—8/31/2014)

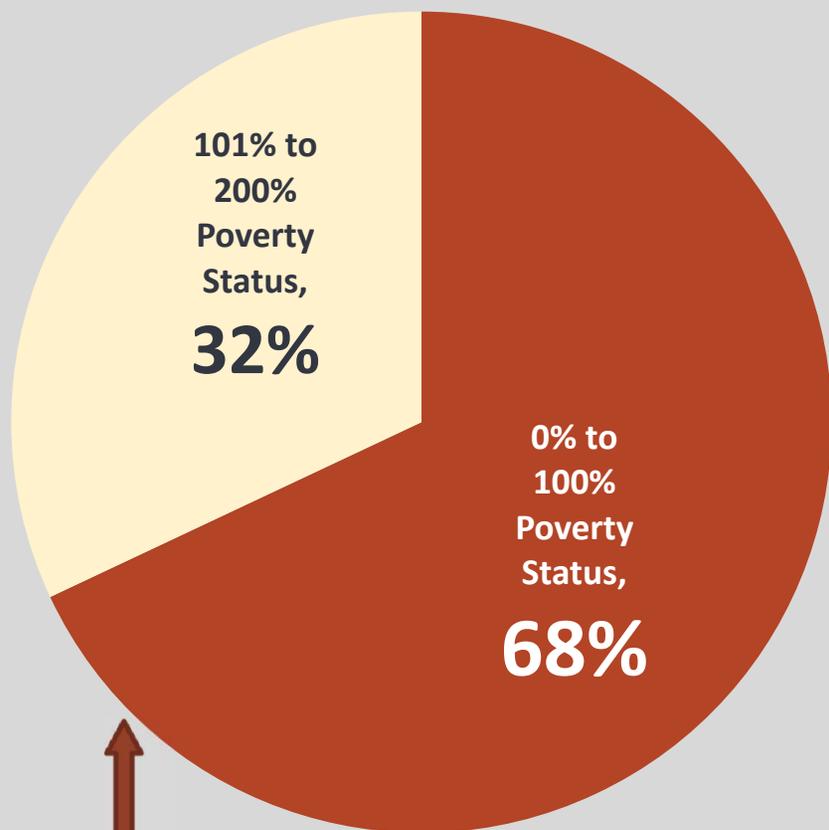


Contract Goal is 225 case managed in Year One



Poverty Demographic

(9/1/2013—8/31/2014)



Contract goal is 60% will be at or below 100% HHS poverty levels.

2014 Health & Human Services Poverty Guidelines (100%)

Family of 1	\$11,670
Family of 2	\$15,730
Family of 3	\$19,790
Family of 4	\$23,850

All participants are below 200% of Poverty



Graduation Status

(9/1/2013—8/31/2014)

- Goal: 52 will graduate on or before August 31, 2014.
 - 48 participants have graduated from long-term training.
 - We anticipate another 56 participants to graduate by the end of Year Two of the contract which will bring our year two cumulative graduates to at least 104.



Job Placement Status

(9/1/2013—8/31/2014)

- Goal: 43 will be job placed at or above \$14.00/hr. (median county wage), on or before August 31, 2014.
 - **Actual: 40 participants have been job placed into living wage careers averaging \$22.69 /hr base salary (does not include benefit package in salary which could be an additional 30%).**
 - **We anticipate another 46 Job Placements by the end Year Two of the contract period which will bring year two cumulative placements to at least 86.**



ESL to LW Status

(9/1/2013—8/31/2014)

- Goal: Five will be enrolled in the “Bridges to Success”, ESL to Living Wage model in Year One.
 - **Actual: 4 Participants were enrolled in the “Bridges to Success” ESL to Living Wage Program as of 8/31/2014.**
 - **We anticipate exceeding our Year Two goals for this measure with our new partnership with United Way.**



The Economic Impact in El Paso

- Graduates (763) have added **\$490.30 million** in income to El Paso's economy on a present value basis (end of 2009).
- Implied Benefit/Cost ratio = 26.36. A **\$26.36 return for each \$1.00 invested.**
- 2009 graduates (102) alone increase region's income stream by **\$70.70 million.**

*Schauer, David A. "The Economic Impact of Project ARRIBA on El Paso, Texas." UTEP's IPED Technical Report #2010-03 (2010): 1.



Use of Funds

- Program costs are:
 - Participant training costs (tuition, books, child care, and other support services)
 - Client Services' salaries
 - Enrollment costs (orientation, testing, intake, and individual service strategies)
 - Expenses related to the delivery of case management program services



Project ARRIBA

City of El Paso Impact Fund Project

Year 1 Contract Expenditures as of August 31, 2014

Direct Participant Expenses

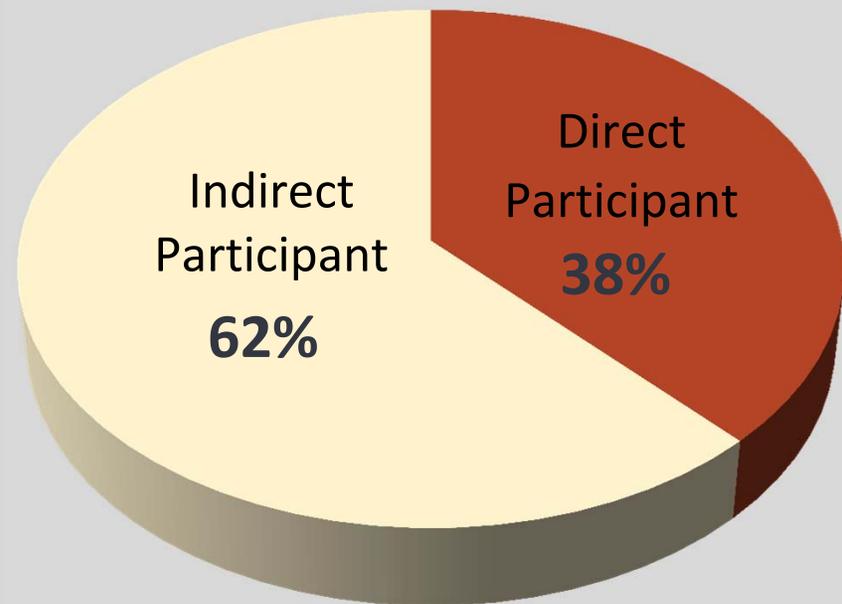
Tuition	\$	17,393
Books		37,968
School Materials / Testing Fees		27,619
Child Care		29,775
Support Services		712
Total Direct Participant Expenses	\$	113,467

Indirect Participant Expenses

Personnel (Case Management, Client Services)	\$	149,472
Non-Personnel*		37,061
Total Indirect Participant Expenses		186,533

Total Expenses \$ 300,000

Contract Spending



100% Program Expenses

* Non-Personnel includes office rent for areas used for orientations, testing, intakes, the delivery of case management services and additional programmatic expenses critical to the operation of the program



Matching Funds (Public)

- The GRANTEE must prove that it received funding from either a state program, federal program, or private donors in an amount equal to the amount granted by the CITY to GRANTEE in years one, two, three, or four as applicable.



Matching Funds Met

- **State & Federal Programs**
 - Wagner Peyser - \$250,000 (1/15/2014 – 1/31/2015)
 - Workforce Solution Upper Rio Grande - \$33,333 (10/1/2013 -12/31/2013)
 - Texas Adult Career Education Grant Program - \$500,000 (5/1/2014 – 8/31/2015)
- **Total: \$783,000**



Matching Funds (Private)

- In order to qualify as matching funds, donations from a private donor must be cash donations from either (1) a donor that has not donated to the GRANTEE in the year prior to the effective date of this Grant Agreement or years one, two, or three of this Grant Agreement; or (2) a donor that has increased its donation to the GRANTEE over the year prior to the effective date of this Grant Agreement or years one, two, or three of this Grant Agreement. In the case of a donor that has previously provided funding to the GRANTEE, only that portion of the donation that exceeds the amount contributed to the GRANTEE in the applicable prior year shall be used to calculate the amount of matching funds.



Matching Funds Met

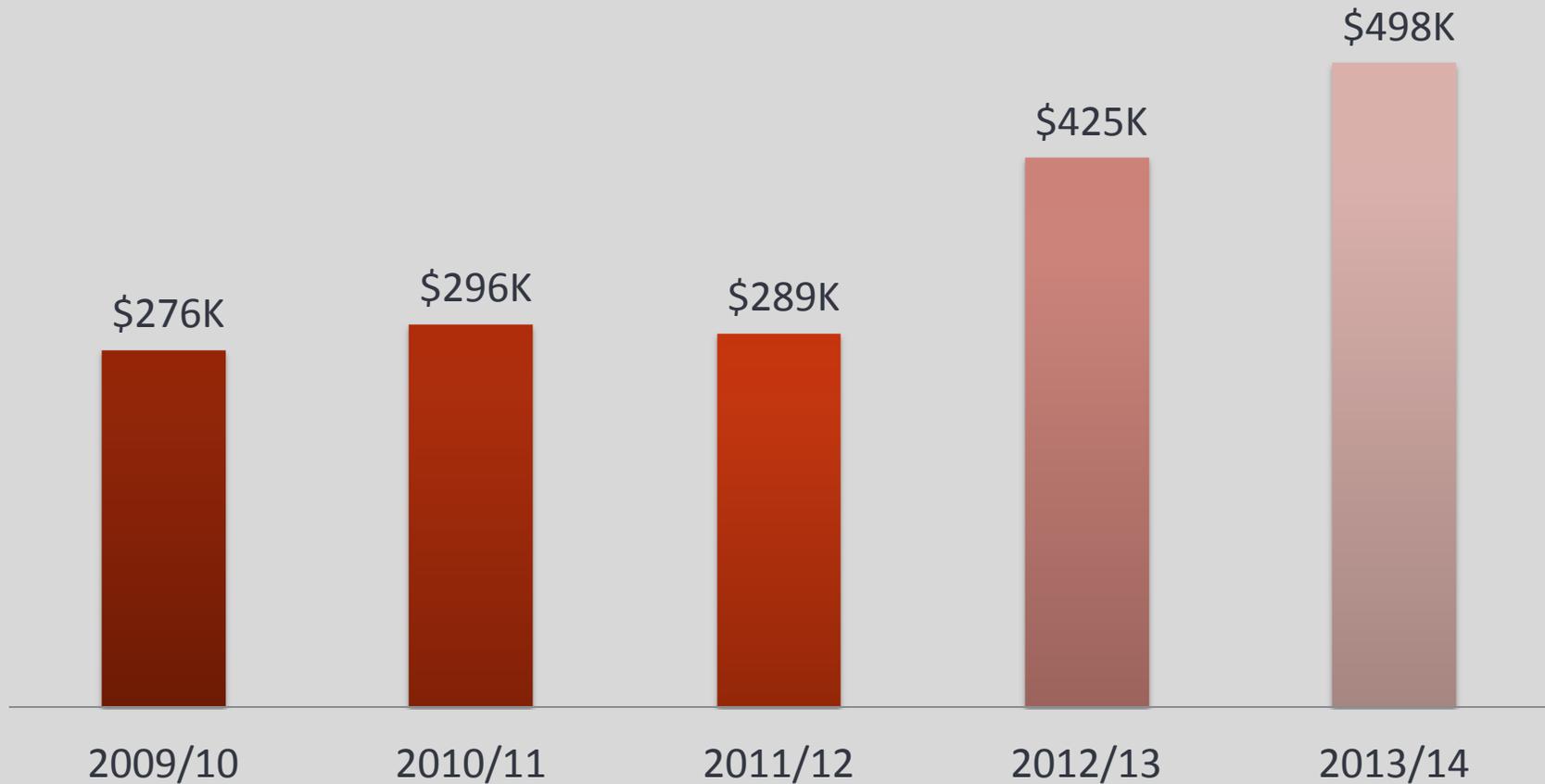
- **Private Investments**

- United Way of El Paso County: \$50,000 12/16/2013. No previous year investment. \$50,000 towards match.
- El Paso Electric: \$30,000 4/17/2014. \$20,000 4/10/2013. \$10,000 increase towards match.
- Texas Gas Service, a Division of One Gas (formerly ONEOK): \$25,000 7/18/2014. No previous year investment. \$25,000 towards match.
- Bank of America: \$40,000 8/6/2014. \$8,500 10/30/2012 and \$8,500 7/9/2013. \$23,000 increase towards match.
- JPMorgan Chase: \$40,000 8/27/2014. \$35,000 9/19/2013. \$5,000 increase towards match.

- **Total Private Investment Match = \$113,000**



5-Year Trend Private Cash Investments



Year 2: Performance Measures

- 5.1 The Grantee will maintain a minimum 80% academic retention rate over the life of this Agreement.
- 6.1 Case Manage a total of 320 City Participants by the close of year two;
- 6.2 Of the City Participants sponsored at Project ARRIBA, 60% will be at or below 100% HHS poverty levels;
- 6.3 Of the City Participants sponsored at Project ARRIBA, a total of 104 will graduate by the close of year two;
- 6.4 Of the City Participants sponsored at Project ARRIBA, a total of 86 will be job placed by the close of year Two at or above \$14.00/hr;
- 6.5 Of the City Participants sponsored at Project ARRIBA, 5 per year will be enrolled in the Grantee's "Bridges to Success", ESL to Living Wage model.

Year 2: Award Reduction

- In summary, Year 1 performance goals are short by a total of 8 participants: 1 ESL Participant, 4 Graduates, and 3 Job Placements. As a result:
 - A unit cost of \$1,140.68 will be withheld for every participant we were short in Year 1;
 - 8 participants X \$1,140.68 unit cost equal \$9,125.44;
 - Revised Year 2 award now totals \$290,874.56;
 - Once cumulative Year 2 figures are met, \$9,125.44 will be added to Year 3 award to total \$309,125.44.

Board Members

2014

Board of Directors for Project ARRIBA

Burt Blacksher, Chairman	Rev. Dr. Ed Roden-Lucero, Vice Chair
Dolores De Avila, Secretary	Eduardo A Rodriguez, Esq., Immediate Past Chair
Gary Hedrick, Past Chair	Rev. Ken Ducre
Guillermo Silva, Jr.	Rev. Pablo Matta
Martha Rochford	Rabbi Larry Bach
Justin Chapman	Rev. James Hall
Eddie Garcia	Martha Parton



Project ARRIBA TEAM

What We Do

Provide Opportunities for People to Succeed
Build Capacity by Investing in Human Capital
Create, Develop and Secure the TalentForce in
the PDN Region

Our Standard

Treat others better.
Make every effort to build people up.
Always do the right thing.

Our Vision

Be a leader in workforce development for the
region, which will impact the state and nation,
and overtime, the world.

Staff of Project ARRIBA

Yvonne Castillo, Program Developer

Sam Correa, AP Clerk

Herminia Duran, Principal Case Manager

Priscilla Estrada, Case Manager I

Estela Flores, Case Manager I

Jeremy Hensley, Director of Accounting

Isela Loera, Case Manager III

Roman Ortiz, Chief Executive Officer

Patrick Perez, Program Support Analyst

Vikki Rey, Senior Case Manager

Lydia Valenzuela, HR Coordinator / Acct. Asst.

Patricia Villarreal, Receptionist



In Closing

Our great work is only possible through the generosity of our investors and partners like the City of El Paso. On behalf of the participants, board of directors, and staff of Project ARRIBA,

THANK YOU!