



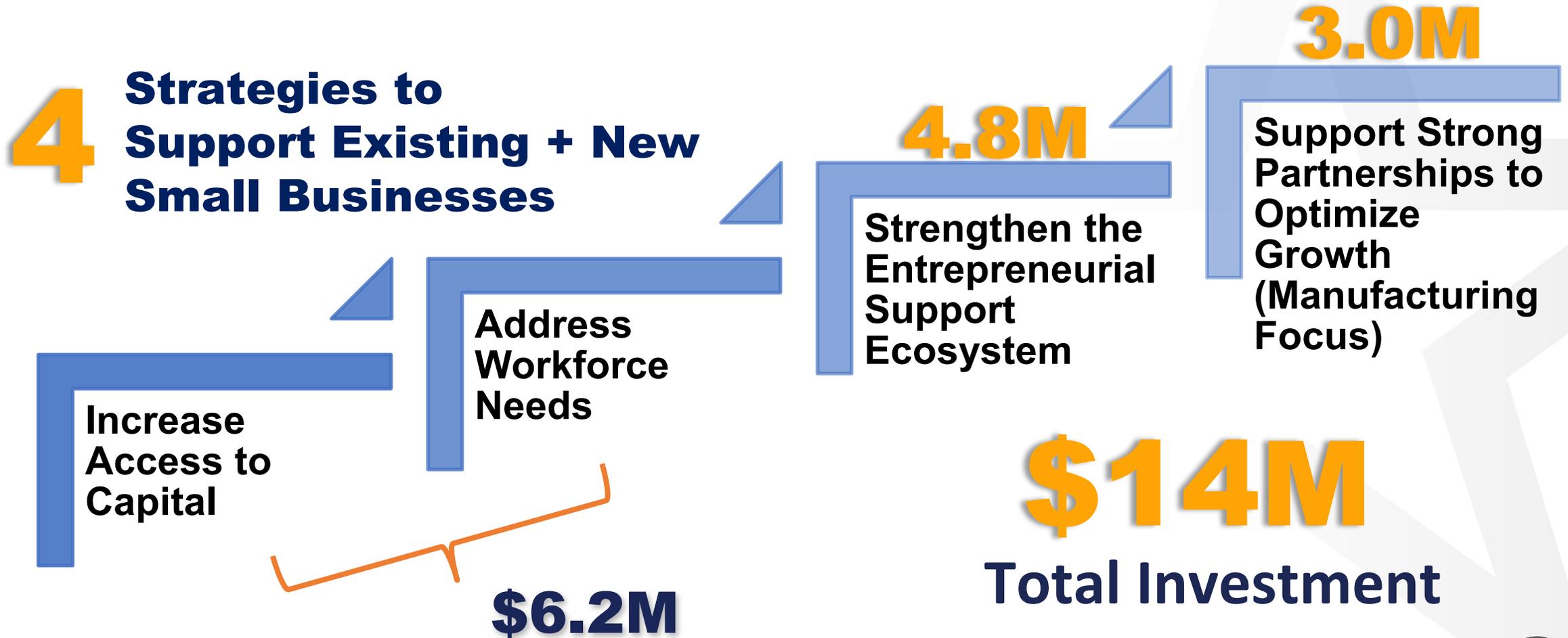
American Rescue Plan Act: Small Business Recovery + Growth

Partnerships between the City of El Paso: PeopleFund, and LiftFund for the provision of small business services

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

Item 39 & 40

Council Approved Local American Rescue Plan Allocation for Small Business Support



ARPA Allocations Summary

Executed ARPA Allocations

Approved: 1/31/2023	
LiftFund	\$ 2,500,000
Project Vida	\$ 200,000
Better Business Bureau	\$ 1,435,522
Approved: 4/11/2023	
JUST	\$ 125,000
Hunt Institute	\$ 299,989
FabLab	\$ 300,000
STTE	\$ 500,000
Total Allocated Funds	\$ 5,618,803

Discussion & Action

1. Discussion and action that the City Manager be authorized to execute a Subrecipient Agreement by and between the City of El Paso and **PeopleFund**, a Texas 501(c)(3) non-profit Community Development Financial Institution, to provide expanded access to capital and business education programming in El Paso, for an amount not to exceed **\$500,000**.
2. Discussion and action that the City Manager be authorized to sign a First Amendment to that certain Subrecipient Agreement (“Agreement”) for the establishment and administration of the City of El Paso Small Business Grant and Interest Buy-Down Program by and between City of El Paso, a Municipal Corporation organized and existing under the laws of the State of Texas (the “City”), and **LiftFund Inc.**, a Texas non-profit organization (“LiftFund”; “Sub-Recipient”; or “Contractor”) increasing the Funding Amount by **\$605,000** to a total of \$3,105,000.

ARPA Results Summary

Organization	Program Description	Program Overall Metrics		Up-to-Date Metrics	% Complete
LiftFund	\$10k Grants for Businesses that didn't Receive CARES Act Funds;	215	Grants to Small Businesses	215	100%
	Loans Interest Buy-Down to 2%	25	Loans to Small Businesses	11	44%
Project Vida	Technical Assistance for Microentrepreneurs	260	Microentrepreneurs	236	91%
Better Business Bureau	Buy El Paso Rewards QR Program for Businesses	500	Businesses	118	24%
JUST	Technical Assistance for Female Entrepreneurs	150	Female Entrepreneurs	82	55%
UTEP Hunt Institute	Data Compilation and Economic Impact Analysis for ARPA-funded Small Business Programs	215	Small Businesses Surveyed	212	99%
FabLab	New Collar Workforce Development for High-School Students – Digital Badging Micro-certifications for 3D Printing	25	High School Students (25 Identified)	25	0%
STTE	Start-Up Business Assistance	20	Start-Ups	5	25%

PeopleFund: Expanded Access to Capital & Business Education Program

Buy-down interest rate

- Loans Up to **\$100,000** to eligible small businesses for working capital
- Average interest rate **14.99%** reduced to **2%** interest buy down
- Approximately **120 businesses** will receive funds for a total output of **\$1.2M** in loans



Increase Access to Capital + Workforce Development Budget	
Other Contributions	\$401,344
City's ARPA Allocation	\$500,000

LiftFund 1st Amendment: Small Business Grant & Interest Buy-Down Program

Cash grants

- **\$10,000** to eligible small businesses making \$1M or less in annual gross revenue
- Eligible businesses that did not receive CARES Act funding will be prioritized for grant funding
- 215 selected + **additional 55 businesses** will receive funds = **270 Businesses**

Loans Buy-down interest rate

- Interest buy-down to **2%**
- Loans up to **\$100,000**
- Approximately **25 businesses** will receive funds

LiftFund

DREAM IT. FUND IT.

Increase Access to Capital + Workforce Development Budget

ARPA Agreement 01/23	\$2,500,000
1st Amendment	\$605,000
Total	\$3,105,000

ARPA Summary

Remaining ARPA Allocations

Remaining Funds	\$5,381,197
LiftFund 1st Amendment	\$605,000
PeopleFund	\$500,000
Total Remaining Funds After CC Approval	\$4,276,197

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MISSION



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, **R**espect, **E**xcellence,
Accountability, **P**eople