

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

AGENDA DATE: August 15, 2023
PUBLIC HEARING DATE: N/A
CONTACT PERSON(S) NAME AND PH. NUMBER: Mirella Craigo, Assistant Director 915-212-1617
Elizabeth Triggs, Director 915-212-0094
DISTRICT(S) AFFECTED: ALL
STRATEGIC GOAL: 1. Cultivate an Environment Conducive to Strong, Economic Development
SUBGOAL: 1.1 Stabilize and expand El Paso's tax base

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.

Discussion and action that the City Manager be authorized to execute a Subrecipient Agreement by and between the City of El Paso and the **PEOPLESFUND**, 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.

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?

The American Rescue Plan Act of 2021 (ARPA) is a \$1.9 trillion stimulus bill passed by the US Congress and signed by President Joe Biden in March of 2021. The bill was a response to the COVID-19 Pandemic and sought to speed the United States' recovery by addressing both the health and economic impacts of the pandemic. The City of El Paso received \$154,365,135 from the ARPA bill and on May 14, 2022, City Council approved the allocation of \$14M to small business recovery and relief.

Established in 1994 as a nonprofit Community Development Financial Institution (CDFI), PeopleFund has almost 30 years of experience serving the most underrepresented small businesses. Their focus is on advancing opportunities for small businesses owned by people of color, women, Veterans, individuals of Low to moderate income (LMI), and those located in hard-to-reach areas. Their programs provide diverse entrepreneurs with the capital, education, and resources needed to build a healthy small business.

PeopleFund will administer ARPA funds to offer loans up to \$100,000 loans with a 2% buy-down interest rate. With an average loan amount of \$33k, they project this will create 37 new loans and net \$1.2M in new business loans. One of the greatest challenges to growing a small business is access to capital. The allocation of the interest buy-down will help businesses reduce their borrowing costs, which is critical to businesses affected by inflation, shrinking profit margins and workforce shortages.

PRIOR COUNCIL ACTION:

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

Yes, seven American Rescue Plan Act (ARPA) Agreements were approved between January 31 and April 11, 2023.

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?

American Rescue Plan Act (ARPA) Funds

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? X YES ___ NO

PRIMARY DEPARTMENT:

SECONDARY DEPARTMENT:

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



DEPARTMENT HEAD: _____

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

RESOLUTION

WHEREAS, on March 11, 2021, the federal government enacted the American Rescue Plan Act (“ARPA”), which established the Coronavirus State Fiscal Relief Fund & Coronavirus Local Fiscal Relief Fund (“CSLFRF”) and appropriated \$150 billion to the Fund to be used to address the economic fallout caused by the COVID-19 pandemic; and

WHEREAS, the City is a recipient of \$154,365,135 under the ARPA funding grant; and

WHEREAS, on May 9th 2022 the City Council appropriated ARPA funds to be used by the City in accordance with the requirements stipulated by the CSLFRF, ARPA and federal guidelines; and

WHEREAS, the City desires to enter into a Subrecipient Agreement with **PEOPLETUND**, a Texas 501(c)(3) non-profit Community Development Financial Institution, whereby **PEOPLETUND** will provide expanded access to capital and business education programing in El Paso; and

WHEREAS, the City’s expenditure under this Agreement is, in the reasonable judgement of the City Council, a necessary expenditure incurred due to the public health emergency with respect to COVID–19, and which was not accounted for in the budget most recently approved as of the date of enactment of this section for the City; and

WHEREAS, the City’s expenditure under this Subrecipient Agreement is related to the provision of grants to address business interruptions to affected small businesses caused by the ramifications of the COVID-19 pandemic.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

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

That the City Manager be authorized to execute a Subrecipient Agreement by and between the City of El Paso and the **PEOPLETUND**, a Texas 501(c)(3) non-profit Community Development Financial Institution, to provide expanded access to capital and business education programing in El Paso, for an amount not to exceed \$500,000.

APPROVED this _____ day of _____, 20__.

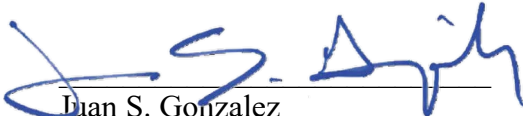
CITY OF EL PASO:

Oscar Leeser
Mayor

ATTEST:


Laura Prine
City Clerk

APPROVED AS TO FORM:



Juan S. Gonzalez
Senior Assistant City Attorney

APPROVED AS TO CONTENT:



Elizabeth K. Triggs, Director
Economic & International Development

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

SUB-RECIPIENT AGREEMENT
[ARPA – Economic Impacts]

This Sub-Recipient Agreement (“**Agreement**”) is made this ____ day of _____, 20____ by and between the **CITY OF EL PASO**, a municipal corporation organized and existing under the laws of the State of Texas, hereinafter referred to as the “**CITY**”, and **PEOPLETUND a Texas 501(c)(3) non-profit Community Development Financial Institution** (“**Sub-Recipient**” or “**Contractor**”).

RECITALS

WHEREAS, on May 9th, 2022, the City Council appropriated ARPA funds to be used by the City in accordance with the requirements stipulated by the CSLFRF, ARPA and federal guidelines; and

WHEREAS such funding may be used to provide loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees and mortgage, rent, utility, and other operating costs; and technical assistance, counseling, or other services to support business planning; or other assistance as identified in the Final Rule to support impacted and disproportionately impacted small businesses; and

WHEREAS the CITY intends to engage the Sub-Recipient to provide *expanded access to capital and business education in El Paso program*, hereinafter referred to as the “**Scope of Work**” or “**Project**”, as further described in **Attachment “A”**; and

NOW, THEREFORE, for the consideration set forth in this Agreement and its attachments, the CITY and Sub-Recipient agree as follows:

ARTICLE I. ATTACHMENTS

1.1 The attachments listed herein and attached to this Agreement are incorporated herein by reference for all purposes.

Attachment “A”	Scope of Work (Project)
Attachment “B”	Budget
Attachment “C”	Insurance Certificates / Certifications
Attachment “D”	Additional Terms & Conditions (ARPA)

ARTICLE II. PROJECT

2.1 The CITY hereby agrees to retain the Sub-Recipient and the Sub-Recipient agrees to perform the services contemplated in the for the Project. The Project shall consist of the Sub-Recipient’s completion of the Scope of Services as further described in **Attachment “A”**.

2.2 During the term of this Agreement, Sub-Recipient will establish a contractual obligation to provide support services, as reasonably needed, at a business support center to be identified by CITY. Said business support center will be located within the geographic boundaries of the City of El Paso. Sub-Recipient acknowledges that they will not be the exclusive support services provider; but will cooperate and support the CITY’s efforts at the business support center through the Sub-Recipient’s participation

and providing various metrics as may be requested by the City.

ARTICLE III. SUB-RECIPIENT FEES AND PROJECT BUDGET

3.1 PAYMENT TO SUB-RECIPIENT. The CITY shall pay to the Sub-Recipient an amount not to exceed **\$500,000** for all services and reimbursables performed pursuant to this Agreement.

The parties agree and understand that all fees and compensation to the Sub-Recipient shall only become due and payable in accordance with the terms of this Agreement and the fees to be charged for the Project shall be pursuant to the Budget attached to this Agreement as **Attachment “B”**.

3.2 SUB-RECIPIENT’S SERVICES. The Services to be provided by the Sub-Recipient for this Agreement are attached hereto as **Attachment “A”**.

3.3 SUB-RECIPIENT’S INVOICES. The Sub-Recipient shall bill the CITY not more often than monthly, through written invoices. Invoices shall indicate the costs for outside consultants with copies of their invoices as back-up materials as well as other authorized direct costs for hourly rate contracts. All invoices shall be made in writing.

3.3.1 Each invoice shall contain a brief summary indicating, at a minimum, the total amount authorized for the Sub-Recipient, the current invoiced amount and the amount billed to date.

3.3.2 The CITY agrees to pay invoices for all services performed as soon as reasonably possible but **not later than thirty (30) days** from receipt. Upon dispute, however, the CITY may, upon notice to the Sub-Recipient, withhold payment to the Sub-Recipient for the amount in dispute only, until such time as the exact amount of the disputed amount due the Sub-Recipient is determined. The total amount paid to Sub-Recipient shall not exceed Sub-Recipient’s fee proposal, except by written amendment to this Agreement, executed by both parties.

Applicant shall provide all required invoices and other required documentation to City electronically at the following address:

EDcompliance@elpasotexas.gov

ARTICLE IV. PERIOD OF SERVICE AND TERMINATION

4.1 PERIOD OF SERVICE. The services called for by each phase shall begin upon the execution by all parties to this Agreement. The Sub-Recipient shall complete the requested services in accordance with the timeline(s) and schedule(s) outlined in **Attachment “A”**.

4.2 TERMINATION. This Agreement may be terminated as provided herein.

4.2.1 TERMINATION BY CITY. It is mutually understood and agreed by the Sub-Recipient and CITY that the CITY may terminate this Agreement, in whole or in part for the convenience of the CITY, upon **fourteen (14) consecutive calendar days’** written notice. It is also understood and agreed that upon such notice of termination, the Sub-Recipient shall cease the performance of services under this

Agreement. Upon such termination, the Sub-Recipient shall provide one final invoice for all services completed and reimbursable expenses incurred prior to the CITY's notice of termination. CITY shall compensate Sub-Recipient in accordance with this Agreement; however, the CITY may withhold any payment to the Sub-Recipient that is held to be in dispute for the purpose of setoff until such time as the exact amount due the Sub-Recipient from the CITY is determined. Nothing contained herein, or elsewhere in this Agreement shall require the CITY to pay for any services that are not in compliance with the terms of this Agreement and its attachments.

4.2.2 TERMINATION BY EITHER PARTY. It is further understood and agreed by the Sub-Recipient and CITY that either party may terminate this Agreement in whole or in part. Such a termination may be made for failure of one party to substantially fulfill its contractual obligations, pursuant to this Agreement, and through no fault of the other party. No such termination shall be made, unless the other party being terminated is granted: a) written notice of intent to terminate enumerating the failures for which the termination is being sought; b) a minimum of **seven (7) consecutive calendar days** to cure such failures; and c) an opportunity for consultation with the terminating party prior to such termination. However, the CITY retains the right to immediately terminate this Agreement for default if the Sub-Recipient violates any local, state, or federal laws, rules or regulations that relate to the performance of this Agreement. In the event of termination by the CITY pursuant to this subsection, the CITY may withhold payments to the Sub-Recipient for the purpose of setoff until such time as the exact amount due the Sub-Recipient from the CITY is determined.

4.2.3 TERMINATION FOR FAILURE TO COMPLY WITH SUBCHAPTER J, CHAPTER 552, GOVERNMENT CODE. The requirements of subchapter J, Chapter 552, Government Code, may apply to this Contract. Sub-Recipient agrees that the Contract can be terminated if the Sub-Recipient or any of its vendor(s) knowingly or intentionally fails to comply with a requirement of that subchapter.

4.2.4 TERMINATION SHALL NOT BE CONSTRUED AS RELEASE. Termination by either party shall not be construed as a release of any claims that the terminating party may be lawfully entitled to assert against the terminated party. Further, the terminated party shall not be relieved of any liability for damages sustained by the terminating party by virtue of any breach of this Agreement.

ARTICLE V. INSURANCE AND INDEMNIFICATION

5.1 INSURANCE. The Sub-Recipient shall procure and maintain insurance coverage as required herein and attached in **Attachment "C"**. Sub-Recipient shall not commence work under this Agreement until the Sub-Recipient has obtained the required insurance and such insurance has been approved by the CITY. The Sub-Recipient shall maintain the required insurance throughout the term of this Agreement. Failure to maintain said insurance shall be considered a material breach of this Agreement.

5.1.1 WORKERS' COMPENSATION INSURANCE. The Sub-Recipient shall procure and shall maintain during the life of this Agreement Workers' Compensation Insurance as required by applicable Texas law for all of the Sub-Recipient's employees to be engaged in work under this Agreement. The Sub-Recipient shall provide the following endorsement:
"The policy is endorsed to provide that insurer waives any right of subrogation it may acquire against the CITY, its partners, agents and employees by reason of any payment made on or account of injury, including death resulting therefrom, sustained by any employee of the insured."

5.1.2 COMMERCIAL LIABILITY, PROPERTY DAMAGE LIABILITY AND AUTOMOBILE LIABILITY INSURANCE. The Sub-Recipient shall procure and shall maintain during the life of this Agreement such Commercial General Liability, Property Damage Liability and Automobile Liability Insurance as shall protect the Sub-Recipient and the Sub-Recipient’s employees performing work covered by this Agreement from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by the Sub-Recipient or by anyone directly or indirectly employed by the Sub-Recipient. The minimum limits of liability and coverages shall be as follows:

- a) **Commercial General Liability**
\$1,000,000.00 Per Occurrence
\$1,000,000.00 Products/Completed Operations
\$1,000,000.00 Personal and Advertising Injury

- b) **AUTOMOBILE LIABILITY Combined Single Limit**
\$1,000,000.00 per accident

5.1.3 OWNER AS ADDITIONAL INSURED. The CITY shall be named as an Additional Insured on all of the Sub-Recipient’s Insurance Policies, with the exception of Workers’ Compensation required by this Agreement.

5.1.4 PROOF OF INSURANCE. The Sub-Recipient shall furnish certificates showing the type of insurance coverages, limits on each insurance policy, class of operations covered under each insurance policy, effective dates and expiration dates of policies, insurance companies providing the insurance coverages, name of agent/broker and include confirmation of any endorsement(s) required in this Agreement.

5.1.5 GENERAL INSURANCE PROVISIONS. All certificates required herein shall be attached hereto and incorporated for all purposes as **Attachment “C”**. All certificates shall also include the name of the project on the corresponding insurance certificate.

5.2 INDEMNIFICATION. TO THE FULLEST EXTENT PERMITTED BY LAW, SUB-RECIPIENT SHALL INDEMNIFY HOLD HARMLESS, AND DEFEND CITY, AND CITY’S OFFICERS, DIRECTORS, PARTNERS, AGENTS CONSULTANTS, AND EMPLOYEES FROM AND AGAINST ANY CLAIMS, COSTS, LOSSES, AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL FEES AND CHARGES OF CONSULTANTS, SUBCONSULTANTS, VENDORS, ATTORNEYS, AND OTHER PROFESSIONALS, AND ALL COURT, ARBITRATION, OR OTHER DISPUTE RESOLUTION COSTS) ARISING OUT OF OR RELATING TO THE PROJECT, PROVIDED THAT ANY SUCH CLAIM, COST, LOSS, OR DAMAGE IS ATTRIBUTABLE TO ANY NEGLIGENT ACT OR OMISSION, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR, VENDOR, OR SUPPLIER COMMITTED BY SUB-RECIPIENT OR SUB-RECIPIENT’S OFFICERS, DIRECTORS, PARTNERS, AGENTS, CONSULTANTS OR EMPLOYEES. THE SUB-RECIPIENT SHALL NOT BE RESPONSIBLE FOR ANY ACTS OF ANY OF THE CITY’S INDEPENDENT PROJECT MANAGERS.

TO THE EXTENT ALLOWED BY STATE LAW, THE CITY WILL BE RESPONSIBLE FOR ITS OWN ACTIONS.

ARTICLE VI. GENERAL PROVISIONS

6.1 CONTRACT TIME. Sub-Recipient understands and agrees to provide all professional services and deliverables requested herein, as expeditiously as is prudent and to use its best efforts to complete all phases of this Agreement within the time schedules indicated within **Attachment “A”**.

6.2 ADDITIONAL TERMS AND CONDITIONS (ARPA). Sub-recipient agrees to comply and adhere to all terms and conditions associated with the CITY’s receipt of ARPA funds. For Sub-recipient’s ease of reference links and references to the additional Terms and Conditions are attached to this Agreement as **Attachment D**.

6.3 COPYRIGHT AND REPRODUCTION RIGHTS. Upon payment of amounts due, the concepts, design, and other documents prepared by the Sub-Recipient for this Project including, without limitation, those in electronic form (sometimes referred to as the “Instruments of Service”) are the property of the CITY, who shall be vested with all common law and statutory rights. The CITY shall have the right to the use of the documents; provided however the Sub-Recipient shall have no liability for any use of one or more of the Instruments of Service by the CITY. The CITY shall have the consent of the Sub-Recipient, provided, however, the Sub-Recipient shall have no liability or responsibility for such use of the concepts, design, and other documents. The rights granted to the CITY herein for the use of the documents for additional projects shall not grant the CITY any right to hold the Sub-Recipient responsible for any subsequent use of the documents. The Sub-Recipient shall provide the CITY with copies of the Instruments of Service in both electronic form and in hard copy.

6.4 AUDITING RECORDS FOR THE SPECIFIC PROJECT. Sub-Recipient’s records subject to audit shall include but not be limited to records which, have a bearing on matters of interest to the CITY in connection with the Sub-Recipient’s work on this Project for the CITY and shall be open to inspection and subject to audit and/or reproduction by CITY’s agent or its authorized representative to the extent necessary to adequately permit evaluation and verification of (a) Sub-Recipient’s compliance with contract requirements, and (b) compliance with provisions for computing Direct Personnel Expense with reimbursables, if applicable.

Such records subject to audit shall also include those records necessary to evaluate and verify direct and indirect costs, (including overhead allocations) as they may apply to costs associated with this Agreement. In those situations where Sub-Recipient’s records have been generated from computerized data, Sub-Recipient agrees to provide CITY’s representatives with extracts of data files in computer readable format on data disks or suitable alternative computer data exchange format.

The CITY or its designee shall be entitled, at its expense, to audit all of the Sub-Recipient’s records related to this Project, and shall be allowed to interview any of the Sub-Recipient’s employees, pursuant to the provisions of this section throughout the term of this contract and for a period of **three (3) years** after final payment or longer if required by law or the additional Terms and Conditions referred to in *Section 6.2* above. Such audits may require inspection and photo copying of selected documents from time to time at reasonable times (limited to Sub-Recipient’s office hours) and places upon reasonable notice.

6.5 CONTRACTING INFORMATION. the Contractor must preserve all contracting information related to this Contract as provided by the records retention schedule requirements applicable to the City

for the duration of this Contract. Contractor will promptly provide the City any contracting information related to this Contract that is in the custody or possession of the Contractor on request of the City. On completion of this Contract, Contractor will either provide at no cost to the City all contracting information related to this Contract that is in the custody or possession of the Contractor or preserve the contracting information related to this Contract as provided by the records retention requirements applicable to the City.

6.6 SUCCESSORS AND ASSIGNS. This Agreement shall be binding on the CITY and the Sub-Recipient, their successors, and assigns. Neither party may assign, sublet, or transfer its interest in this Agreement without the written consent of the other.

6.7 VENUE. For the purpose of determining place of Agreement and the law governing the same, this Agreement is entered into in the City and County of El Paso, the State of Texas, and shall be governed by the laws of the State of Texas. Venue shall be in the County of El Paso, Texas.

6.8 GOVERNING LAW. The Sub-Recipient shall comply with applicable Federal, State and local laws and ordinances applicable to the work contemplated herein.

6.9 CAPTIONS. The captions of this Agreement are for information purposes only and shall in no way affect the substantive terms or conditions of this Agreement.

6.10 SEVERABILITY. Should any section, paragraph or other provision of this Agreement be found invalid, such invalidity shall not affect the remaining provisions of this Agreement.

6.11 NOTICES. Any notice, demand, request, consent or approval that either party may or is required to provide to the other shall be in writing and either personally delivered or sent via certified mail, return receipt, to the following addresses:

To the CITY: The City of El Paso Attn: City Manager
P. O. Box 1890
El Paso, Texas 79950-1890

With a Copy to: The City of El Paso
Attn: Economic and International Development
P. O. Box 1890
El Paso, Texas 79950-1890

To the Sub-Recipient: PeopleFund
Attn: CEO & President
2921 E. 17th, Building D., Suite 1
Austin, TX 78702

With a Copy to: PeopleFund
6070 Gateway East #105E
El Paso, TX 79905

Changes may be made to the names and addresses noted herein through timely, written notice to the other party.

Applicant shall provide all required invoices and other required documentation to City electronically at the following address: **EDcompliance@elpasotexas.gov**

6.12 CONFLICTING PROVISIONS. Any provision contained in any Attachments to this Agreement, which may be in conflict or inconsistent with any of the provisions in this Agreement shall be void to the extent of such conflict or inconsistency.

6.13 ENTIRE AGREEMENT. This Agreement, including attachments, constitutes and expresses the entire agreement between the parties and supersedes all prior negotiations, representations or agreements, whether written or oral. This Agreement shall not be amended or modified, except by written amendment, executed by both parties.

(Signatures begin on the following page)

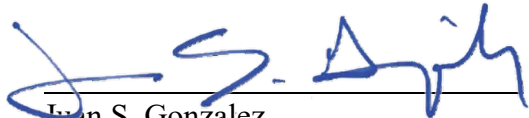
WITNESS THE FOLLOWING SIGNATURES AND/OR SEALS:

CITY:
CITY OF EL PASO:


Cary Westin
Interim City Manager

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:



Juan S. Gonzalez
Senior Assistant City Attorney



Elizabeth Triggs
Director,
Economic and International Development

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on this _____ day of _____, 20____, by
Cary Westin, as Interim City Manager of the City of El Paso, Texas.

Notary Public, State of Texas

My commission expires: _____ / _____ / _____

(Signatures continue on the following page)

SUB-RECIPIENT:
PEOPLETUND

By: *Gustavo Lasala*
Name: Gustavo Lasala
Title: President & CEO.

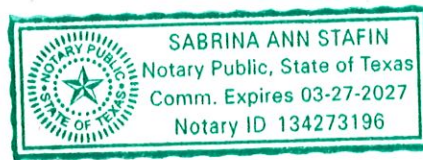
ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on this 1st day of August, 2023
by Gustavo Lasala, as President/CEO of PEOPLETUND.

Sabrina Ann Stafin
Notary Public, State of Texas

My commission expires: 3 / 27 / 2027



ATTACHMENT “A”

SCOPE OF WORK



Program Name: EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO

Subrecipient: PEOPLEFUND

Authorized Signer: Gustavo Lasala, CEO & President

Mailing Address: 2921 E 17th, Building D, St #1, Austin, TX 78702

Local Address: 6070 Gateway East # 105E, El Paso, TX 79905

Service Period Start: August 1, 2023

Service Period End: Until Buy-Down Program funding is depleted

PROGRAM DESCRIPTION

Partnering with the City of El Paso, PeopleFund will expand access to capital and business education in El Paso by increasing our local services supporting underserved entrepreneurs who are often overlooked or turned away from traditional financial institutions. We will focus on advancing equitable economic opportunities for small businesses owned by Veterans, people of color, women, and individuals of low to moderate income (LMI) and are requesting \$500,000 from the city of El Paso to support our expansion:

PeopleFund provides free business education and technical assistance to entrepreneurs regardless of whether they receive a loan from us. We also offer free specialized services to meet entrepreneurs' diverse needs, including 1x1 Business Coaching, BIPOC Small Business Accelerator, Women's Programs, and Veterans' Programs. To grow our El Paso educational programming, PeopleFund will add a Small Business Specialist to our El Paso team.

PeopleFund also provides small business loans and capital to entrepreneurs in El Paso. In 2022, we deployed over \$1.6 million to under-resourced small businesses across Greater El Paso. The average interest rate for these loans was 10%. To make our capital even more accessible, PeopleFund will leverage funding from the City to implement an interest buy-down program for under-resourced entrepreneurs in El Paso. Underrepresented small businesses with loans of \$100,000 or less will receive an interest rate reduction that buys down their interest rate down to a fixed 2%. Small businesses owned by women, people of color, Veterans, Veteran spouses, and individuals of LMI (or whose business is located in an LMI tract area) with loans up to \$100,000 will all qualify for this buy-down to a 2% interest rate—helping to close the access to capital gap for underrepresented small businesses across El Paso.

We are proud to partner with the City of El Paso as we achieve and demonstrate a culturally competent re-imagining of what assets do and can look like. We will transcend traditional deficit notions of risk by investing in the fundamentals of community wealth building, as we provide the resources and training underserved entrepreneurs need to grow a healthy small business.

PROBLEM STATEMENT

Veterans, people of color, women, and individuals of low to moderate income (LMI) are historically underserved. These communities lack the means, services, and infrastructure to build healthy small businesses, and the devastating economic effects of COVID-19 only further compounded these challenges.



Between February and April 2020, business survival among Black entrepreneurs fell by 41% and LatinX entrepreneurs by 32%. Women-owned small businesses were disproportionately hit by 25%. Entrepreneurs of LMI experienced higher rates of distress, as only 15-20% of small business owners on average had enough cash on hand to cover three months of operations (Fairlie, 2020). Veteran-owned businesses also struggled and were disproportionately impacted.

After enduring a pandemic, small businesses face several challenges on their path forward. Accessing capital continues to be a struggle, as *Business News Daily* highlights, “it can be difficult for entrepreneurs to find the money they need...banks are not loaning money like they were 10 years ago...it’s a lot more conservative” (Uzialko, 2022). According to a recent study on why small business startups fail, the number one reason cited is insufficient funding and obstacles to raising capital (“The Top 12 Reasons,” 2021). This challenge is even greater for businesses owned by Veterans, people of color, women, and individuals of LMI—all who are denied for loans at disproportional rates than their peers. If approved, these communities experience higher interest rates than their peers. For instance, Black entrepreneurs are denied loans at more than 2X the rate of white business owners. Only 1% successfully obtain loans in their first year, and those who do pay higher interest rates (Torres-Rahman 2021).

These same challenges hold true in El Paso, TX. Underrepresented communities in El Paso face barriers to accessing the capital and training needed to start or grow a small business. According to the U.S. Census Bureau, 88.6% of El Paso County identifies as ethnicities other than White (non-Hispanic), and yet only 51% of employer firms in El Paso County are owned by people of color. 50.2% of El Paso County are women, but only 18% of employer firms in the county are owned by women. Additionally, out of the 46,088 Veterans living in El Paso, less than 2% own an employer firm (“*QuickFacts El Paso*,” 2021). Yet, recently declared as the Veterans Capital of the U.S.A., El Paso is welcoming more Veterans and their families to call the city home.

In response, PeopleFund aims to expand our reach in El Paso to support an increasing number of underrepresented entrepreneurs with the business education needed to succeed and lower loan interest rates to make funding more accessible.

About PeopleFund & Our Program Response:

Established in 1994 as a nonprofit Community Development Financial Institution (CDFI), PeopleFund has almost 30 years of experience serving the most underrepresented small businesses. We serve the entire state of Texas and have grown a team of over 55 operating out of 10 offices across Texas—including an office located in El Paso. Our mission focus is on advancing opportunities for small businesses owned by people of color, women, Veterans, individuals of LMI, and those located in hard-to-reach areas.

Our programs provide diverse entrepreneurs with the capital, education, and resources needed to build a healthy small business. PeopleFund’s clients are able to successfully grow their businesses, create jobs, and help families build assets, purchase homes, and attain higher levels of education. This impact is transformative—uplifting distressed communities from cycles of poverty and joblessness while revitalizing and strengthening local economies.



Since inception, PeopleFund has made a deep impact in the communities we serve through our innovative programs, setting us apart from others in our field. We have delivered over \$200 million in financial assistance to over 4,650 small businesses and \$150 million in New Market Tax Credit allocations that attracted \$750 million in investments—putting PeopleFund’s direct impact in the Texas economy as approaching \$1 billion. We have also helped create and retain 20,000 jobs and delivered over 150,000 hours of free business education. Our reach also extends beyond Texas, as PeopleFund is the managing member of the Veteran Loan Fund, a \$40 million national capital source supporting Veteran entrepreneurship across the U.S.

With an extensive record of impact across Texas and in El Paso, PeopleFund is a leading expert at serving diverse and historically underutilized small businesses. In El Paso, we currently have over \$2,455,500 invested. 80% of this funding is to small businesses owned by people of color, 71% to individuals of LMI, 54% to women, and 27% to Veterans. In 2022 so far, PeopleFund has lent over \$1.6 million to El Paso small businesses and delivered almost 1,200 hours of free technical assistance and business education to entrepreneurs across El Paso.

This well-positions PeopleFund to further expand services to support an increasing number of underserved small businesses in the Greater El Paso community. We will provide targeted technical assistance to equip El Paso entrepreneurs with training to build business acumen and the knowledge to succeed. This growth in services will be supported with funding from the city of El Paso. We will also leverage funding from the city of El Paso to provide an interest buy-down program, reducing rates to a fixed 2% rate on loans of \$100,000 or less to underrepresented El Paso entrepreneurs seeking capital to start or grow their businesses.

References:

- Fairlie, R. (2020, June). *The Impact of Covid-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 Current Population Survey*. National Bureau of Economic Research. https://www.nber.org/system/files/working_papers/w27309/w27309.pdf
- QuickFacts El Paso County, Texas* (2021, July 1). U.S. Census Bureau. Retrieved from <https://www.census.gov/quickfacts/elpasocountytexas>
- The Top 12 Reasons Startups Fail* (2021). CB Insights. Retrieved from <https://bit.ly/3ugSJ3z>
- Torres-Rahman (2021, Jul 1). *Getting Entrepreneurs of Color Access to the Tools of Success*. Stanford Social Innovation Review. <https://bit.ly/3QMNZwn>
- Uzialko, A. (2022, August 3). *How to Run a Business in Texas*. Business News Daily. <https://www.businessnewsdaily.com/8743-doing-business-in-texas.html>

METHODOLOGY

PeopleFund’s programs are strategically designed to invest in entrepreneurship across sectors as a dignity-based approach to leaving no talent behind while repairing and healing systemic and converging health, economic, and societal disparities. Partnering with the City of El Paso, we will fortify and grow the following programs in El Paso:

- Small Business Lending: We provide loans to under-resourced entrepreneurs who might otherwise struggle to qualify or access the capital they need.
- 1x1 Business Coaching: We provide free 1x1 business coaching in key topics of business planning, credit, start-up assistance, loan readiness, financials, and more. Our curriculum is



strategically designed to help diverse entrepreneurs build business acumen, scale their businesses, improve financial literacy, and become loan ready.

- BIPOC Small Business Accelerator: This program provides entrepreneurs of color and of LMI with the resources needed to grow their business. Participants engage in a training series and upon graduation receive a loan of up to \$50,000 and a grant up to 10% of the loan amount. Graduates also receive dedicated after-care for the following three years.
- Women & Veteran Programs: Women-owned and Veteran-owned businesses receive specialized technical assistance.

These programs are methodically designed through a Diversity, Equity, and Inclusion (DEI) lens to ensure we are meeting diverse needs:

- Many of our lending options do not require minimum credit scores to apply, and applicants with a “thin file” who are unable to demonstrate wealth or collateral are encouraged to apply. Applications are given a holistic review by our team, who is trained and committed to nondiscriminatory practices.
- To meet the cultural needs of Spanish-speaking entrepreneurs, all of our technical assistance and educational curriculum is available and offered in Spanish. We have several Spanish-speaking team members on both our Lending and Education & Training Teams. The new Small Business Specialist based out of El Paso will also speak Spanish.
- Our educational curriculum is thoughtfully designed to be culturally competent and build entrepreneurs’ loan-readiness, instructing on topics such as business planning, financial projections, cashflow, marketing, business taxes, and more.
- DEI is integral to our hiring practices. Lenders that lack diversity in their team face increased “risk that bias will creep into their selection of entrepreneurial ventures to fund” (Torres-Rahman 2021). At the end of 2022, PeopleFund’s team identified as 64% women and 67% people of color. Of managers, 65% were women and 41% were people of color.
- We provide space for clients to share their personal experiences and offer their voice. We listen to what is or is not working in order to constantly learn about the challenges underserved entrepreneurs face to evaluate and improve programming.

PeopleFund will execute comprehensive outreach and field work to spread awareness of PeopleFund’s expanded programs in El Paso and recruit additional small businesses who would benefit from our services. We will leverage our vast network of partnerships, collaborating closely with partners in the El Paso area (such as SBDC and SCORE) to market our programs. Our team will continue to foster and grow relationships with El Paso bankers to outreach and acquire referrals for small businesses that would be a good fit for PeopleFund’s programs. Our team will attend small business forums and networking events to engage and connect with small business owners across El Paso. Our Marketing Team will also develop and organize a detailed outreach strategy to increase PeopleFund’s visibility in El Paso.

Program Frequency/Duration/Scheduling/Locations:

PeopleFund will offer our programs on an ongoing and continual basis. Technical assistance will be accessible in-person or remotely over phone/email/video conferencing—whatever the entrepreneur prefers. In-person meetings can take place at the small business’ location, at PeopleFund’s El Paso office, or at an agreed-upon neutral third-party location.

For 1x1 Business Coaching, interested entrepreneurs can receive up to six or more private consultations with our new El Paso-based Small Business Specialist. Sessions can last anywhere between 15 minutes to



over an hour depending on the entrepreneur's needs and are process-focused in order to meet the unique demands of each client. Previously, this program was offered on only a virtual basis to El Paso entrepreneurs, but with the addition of a Small Business Specialist based out of El Paso, entrepreneurs can opt to receive their 1x1 advising in person.

The BIPOC Small Business Accelerator will graduate an El Paso cohort at least once a year. All graduates will receive ongoing and dedicated after-care for the following three years post-graduation. The BIPOC Small Business Accelerator training series is held virtually on a customized online learning platform over the course of eight weeks. Group classes are held weekly while participants meet at least every other week with a Small Business Specialist to reinforce learning and tailor instruction. Meetings with the Small Business Specialist can take place in person or virtually, depending on the client's preference.

References:

Torres-Rahman (2021, Jul 1). *Getting Entrepreneurs of Color Access to the Tools of Success*. Stanford Social Innovation Review. <https://bit.ly/3QMNZwn>

METRICS/MILESTONES

The purpose of PeopleFund's program expansion in El Paso is to provide more entrepreneurs (especially Veterans, people of color, women, and individuals of LMI) with accessible capital and the education needed to grow a healthy small business in El Paso.

PeopleFund's lending and educational programs are designed to support diverse needs and close the capital access gap for under-resourced communities. More El Paso entrepreneurs will be able to build successful small businesses and find financial security and independence for themselves, their families, and their communities.

PeopleFund will measure outcomes and evaluate accomplishments along the following goals during the year of the program:

1. Provide a buy-down to a 2% interest rate on loans up to \$100,000 to Veterans, Veteran spouses, women, people of color, individuals of LMI (or whose business is located in an LMI area) until funding for buy-down program is depleted.
2. At least 95% of El Paso loans will benefit underserved small businesses owned by Veterans, people of color, women, and/or individuals of LMI.
3. At least 95% of borrowers will still be in business 12 months after receiving financial assistance, 90% after 24 months, and 85% after 36 months.
4. Businesses funded will help create and retain at least 200 jobs.
5. At least 285 entrepreneurs will receive technical assistance each year.
6. At least 1,500 hours of technical assistance will be deployed each year.
7. Graduate at least one cohort from the BIPOC Small Business Accelerator in El Paso each year.
 - a. El Paso graduates will create or retain 60 jobs.
 - b. At least 60% of graduates are of LMI and 50% women.
8. Expand and strengthen PeopleFund's impact in El Paso
 - a. Achieve El Paso-area lending levels higher than our pre-pandemic levels.
 - b. Grow the number of jobs to be created or retained in El Paso from pre-pandemic levels.
 - c. Incorporate client and staff feedback to bolster programming quality.



- d. Increase the number of 1x1 business advising sessions in the El Paso area from 2021 levels.

Deliverables:

PeopleFund will provide two reports (one at 6 months and one at project end) summarizing the impact of expanded programming on small businesses across Greater El Paso, including the following data:

1. Total number of loans deployed
2. Number of loans deployed with 2% interest rate reduction (supporting small businesses owned by Veteran/Veteran spouses, women, people of color, and individuals of LMI or located in LMI areas)
3. Total amount of capital deployed
4. Number of jobs retained and projected to be created from funded businesses
5. % of loans deployed to start-ups or existing small businesses
6. List of industries funded
7. % of loans serving target communities (small businesses owned by women, Veterans, people of color, and/or individuals of LMI)
8. Number of unique individuals receiving technical assistance
9. Amount of technical assistance hours deployed
10. Any qualitative data or notes of interest on El Paso programming from the past six months

As part of the project-end report, PeopleFund's reporting will also include:

1. Summary of progress regarding program metrics and milestone goals
2. Highlights of program achievements

PeopleFund will collaborate with the city of El Paso to add any requested information to the reports, such as names of businesses funded or other relevant data. Any reimbursement invoices will comply with all essential data required. PeopleFund will also comply with any audits requested by the federal agency supervising the use of federal funds.

Method of Delivering Measurables:

PeopleFund will track and report on data to ensure our programs are successfully advancing economic opportunities for entrepreneurs in El Paso. PeopleFund utilizes internal methods and software to manage and track program and client data, including a portfolio management system to track lending and fintech software systems to track technical assistance deployed. More information can be found under the Evaluation section below.

EVALUATION

PeopleFund uses both qualitative and quantitative performance data to measure the success and impact of our programs. We regularly collect and report on key metrics including number of businesses served, client demographics, number of technical assistance hours, amount of capital deployed, and number of entrepreneurs that remain in business. We will document program achievements and the impact on individuals and small businesses in the El Paso community through our quarterly and annual reports to the city of El Paso.

Clients' socioeconomic data is captured in our portfolio management system at the time of application and payoff. Our borrowers also submit quarterly financials, helping us assess programming, better assist



clients, and identify early warnings. If an entrepreneur is struggling, we are able to provide intervention and get them back on track. We also monitor portfolio performance, tracking stats monthly, quarterly, and annually.

To determine the LMI status of a small business, we analyze HUD income limits and tract income levels. If the client's household Median Family Income (MFI) percentage is between 0% to 120%, we consider them to be of LMI. A client also qualifies as LMI if their small business is located in an area with a tract income level of low or moderate. To verify revenue, income, and tract income levels, PeopleFund collects tax returns, bank statements, payroll stubs, financial statements, receivables, invoices, or other documents proving income.

Our technical assistance is tracked and monitored utilizing fintech software and internal review methods. PeopleFund is currently implementing a new fintech system which will allow us to more efficiently analyze technical assistance deployed and provide an even more in-depth analysis of impact.

Additionally, PeopleFund continues to listen and provide opportunities for clients and staff to share their experiences in order to constantly assess, improve, and learn about the obstacles underserved entrepreneurs face. We are committed to ongoing, intentional, and strategic program debrief and evaluation as we consider lessons learned and feedback to determine outcomes and make informed decisions regarding program planning and management.

BUDGET

PeopleFund is requesting \$500,000 in funding from the city of El Paso to support our local expansion efforts to increase the number of El Paso small businesses served.

We will grow our local El Paso team and hire a Spanish-speaking Small Business Specialist based out of El Paso onto our Education & Training Team. \$58,785.53 of funding will support salary and fringe benefits for our El Paso Team members over the next year. \$50,000 of funding will be purposed to administration fees to cover costs relating to expanding our El Paso programs. \$1,000 of funding will support strategic marketing and outreach efforts. \$350,000 will be deployed as interest buy-down to a fixed 2% rate on loans up to \$100,000 to El Paso small businesses owned by women, people of color, Veterans, Veteran spouses, and individuals of LMI/located in LMI areas. \$40,217.47 will help supplement cost of loan capital for the Buy-Down Program to ensure PeopleFund's self-sufficiency remains unaffected and strong.

This ARPA funding will allow PeopleFund to better serve under-resourced small businesses in El Paso and amplify our impact in El Paso during a time of record-level demand while continuing to achieve program goals.

PeopleFund's technical assistance programming is completely free and accessible to all, regardless of whether or not an entrepreneur is receiving a loan from us. We serve all entrepreneurs and do not have a membership option. Entrepreneurs do not "join" our organization nor are there any fees to access our technical assistance services. Accessing our lending programs is also free. Entrepreneurs do pay back their loans over time with payment plans created with non-predatory lending practices in order to set up our clients for long-term success.



PeopleFund’s team holds the specialized expertise and capacity needed to expand our lending and educational programs in El Paso while tracking metrics and accomplishing project milestones. Staff’s time and resources will deeply engage the El Paso community, helping bridge the service gaps for historically underutilized small businesses. The following personnel will be key team members regarding this project:

- *Elvira Valles, Regional Lending Manager:* Working out of our El Paso office, Elvira is passionate about connecting small businesses in West Texas to the resources they need. She is active in local communities and brings over 30 years of experience in the nonprofit sector. Before PeopleFund, Elvira served as Sr. Vice President over the West Texas Region at Lift Fund supporting traditionally non-bankable business owners. She has been honored with SBA Awards for both the Financial Champion of the Year and the Minority Advocate of the Year. Elvira also serves on many Boards including Wise Latina International, Government Employees Credit Union, Family Services of El Paso, and Center Against Sexual and Family Violence. She provides great insight on the ever-changing needs of local entrepreneurs. Elvira is fluent in both English and Spanish.
- *David Villalba, Loan Officer:* David operates out of PeopleFund’s El Paso office and works directly with small business owners to help them access the tools they need to grow a healthy small business. He provides clients with technical assistance and loan support. Prior to PeopleFund, David has years of experience providing direct services to clients including case management and client service management at organizations like Continuity Global Solutions, AccentCare/Texas Home Health, and El Paso Mental Health. With this background, David holds deep expertise strategically supporting diverse clientele and making sure clients are matched with the exact resources and knowledge they need to succeed. David is fluent in both English and Spanish.
- *Bill Anderson, Director of Lending:* Bill is responsible for identifying and supporting the financial needs of small business owners and working with them throughout the loan process. Bill analyzes loan requests, screens potential clients, educates entrepreneurs about the loan process, and assists startups, small businesses, and nonprofits in preparation for a loan. He also supervises PeopleFund’s Loan Officers to ensure compliance with lending policy. Bill has over 33 years of banking experience including business lending, retail lending, mortgages, and customer service. He is fully bilingual and able to meet the needs of Spanish-speaking clients. Bill attended Texas Southmost College and has received specialized education and training from the American Institute of Banking.
- *Hector Marin, Small Business Specialist:* Hector provides coaching and group instruction to small business owners. He has a strong background in business development and strategic planning and is experienced connecting business owners with essential education and tools. Before PeopleFund, Hector served as City of Garland Branch President for the Tri-County Regional Hispanic Chamber of Commerce where he advocated for the development of Hispanic-owned businesses while providing information and resources to advance economic opportunities. Hector also spent many years as president and owner of his own small business, where he learned firsthand what it takes to develop a sustainable business plan, manage operational and back-office functions, and supervise a team of staff. Hector is fluent in both English and Spanish.
- *Dr. Dawnetta Smith, Senior Director of Education & Training:* Dawnetta supervises our Education & Training Team while directing PeopleFund’s educational programming statewide and managing compliance related to technical assistance. Dawnetta oversees PeopleFund’s



educational programs to ensure they raise the expertise of entrepreneurs through comprehensive learning opportunities such as classroom-style instruction, integrated boot camps, an online education portal, and tailored business advising. Dawnetta has over 15 years of combined higher education leadership, teaching, and nonprofit management experience that promotes students' growth and academic success. She holds a Doctor of Education, Educational Leadership from Dallas Baptist University and an MS in Social Work from the University of Texas at Arlington. Her knowledge ensures PeopleFund’s educational services are accessible and inclusive to small businesses from all backgrounds.

- *Marketing Team:* PeopleFund’s Marketing Team manages our external communications across Texas, spreading awareness about PeopleFund and our services. They regularly create and execute collateral, media campaigns, and public relation strategies to market our programs and recruit small businesses.

Program Name: EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO	Amounts
Funding Request Total:	\$500,000
Salaries	\$47,929.50
Fringe Benefits	\$10,856.03
Contract Services-Marketing	\$1,000
Buy-Down Program	\$350,000
Supplementary Cost of Capital	\$40,217.47
Administrative Fee	\$50,000
Administrative Fee %	10%
Program Cost	\$500,000



PeopleFund Buy-Down Program Guidelines

PeopleFund will provide a buy-down to a 2% interest rate on qualifying loans up to \$100,000 to Veterans, Veteran spouses, women, people of color, individuals of LMI (or whose business is located in an LMI area) until funding for buy-down program is depleted.

Loans will vary in both size and their starting current interest rate depending on each individual small business. With that in mind, there is a range in the number of loans that could be made. A *sample* breakdown:

		Current Rate	Buy Down Options
Loan Amount	\$33,000	\$33,000	\$33,000
Term	60	60	60
	Interest Rate	12.00%	2%
	Payment amount	\$734.07	\$578.42
	Monthly buy down		\$155.65
	Total buy down per loan		\$9,339.04
		Grant	\$350,000
		Number of Loans	37
		Total Amount Disbursed	\$1,221,000

Using the same above calculations, if all loans were at \$50,000 using a 14.99% starting rate, PeopleFund would be deploying 18 loans totaling \$800,000. However, loans will vary in both size and starting current interest rate, so there is a range in number of loans and total amount of capital deployed.

Loan Eligibility:

- Loan recipients can be either a startup or an established small business.
- Small businesses must be owned by a Veteran, Veteran spouse, woman, person of color, individual of LMI, or an individual whose business is located in an LMI area.
- All loan applications are subject to eligibility based on PeopleFund’s underwriting and scoring criteria using fair lending practices.

Loan Terms:

- Loans up to \$100,000.
- Our starting interest rates (prior to buy-down) vary by the type of loan and are priced to reflect the loan’s risk and lending program. PeopleFund’s current starting interest rates (prior to the buy-down) range from 7% to 14.99% and are subject to change.
- Loan terms may vary: 24 months, 36 months, and 60 months are common terms.
- Up to a 3.5% origination fee.

Program Timeline:



Program Timeline	
Summer 2023	City Council approval and contract signed.
July 2023 (and ongoing as needed)	Create and launch marketing materials promoting program, including updated website with program details, virtual info session, social media, e-newsletter blasts, press release, community outreach.
July 2023	Program funds + ½ administrative fee released.
August 2023	Buy-Down Program begins (until \$350k funds exhausted).
Starting September 15 (and ongoing monthly)	Monthly progress report submitted on the 15th regarding previous month until program concludes.
October 2023	Remaining administrative fee released.
July 31, 2024	Buy-Down Program end date (or earlier when funds are exhausted).
August 15, 2024	Final program report submitted.

ATTACHMENT “B”

BUDGET

Project Budget Expense Summary

Agency Name:	PeopleFund	Project Name:	EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO
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Line Item Expense Category	Budget Year 1		
			Total Budget
Salaries			\$ 47,929.50
Fringe benefits			\$ 10,856.03
Contract services			\$ 1,000.00
Rent			
Communications			
Utilities & occupancy expenses			\$ -
Equipment rental & maintenance			\$ -
Equipment purchases			\$ -
Mileage reimbursements			\$ -
Postage & shipping			\$ -
Printing & publications			\$ -
Supplies			\$ -
Local conferences & meetings			\$ -
Insurance			\$ -
Travel - long distance			\$ -
Other Expenses			\$ 440,214.47
Total Project Expenses	\$ -	\$ -	\$ 500,000.00

Project Budget Income Summary

Agency Name:	PeopleFund	Project Name:	EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO
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Be specific. Include funding source, and contact person and phone number for purposes of verification.

Funding Source	Contact Person and Phone or Email		Year 1
Other Federal Funds (please itemize)			
SBA - Technical Assistance Grant			\$ 71,344.00
Other State & Local Government Funds (please itemize)			
ARPA Funds - El Paso			\$ 175,000.00
Private Funds (please itemize)			
Wells Fargo (El Paso - BIPOC)			\$ 50,000.00
Program Income			\$ 90,000.00
Other Grants			\$ 15,000.00
Total Project Income		\$ -	\$ 401,344.00

Project Budget -- Supporting Schedule 1: Salaries

Agency Name: PeopleFund **Project Name:** EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO

You must include **all staff** that will work on the project.

The **total** on this page must correspond to the **total** on Expense Summary

Position Title	Total Project Budget			
	Full-time Employment (FTE)	# Months Employed	Avg Annual F/T Salary	Total Project Cost
Positions				
Loan Officer	1.00	11	\$ 45,000.00	\$ 23,400.00
Lending Director	1.00	77	\$ 100,000.00	\$ 10,000.00
Regional Manager	1.00	31	\$ 58,118.00	\$ 14,529.50
Total Funded Salaries	3.00			\$ 47,929.50

Project Budget Supporting Schedule 2: Employee Benefits

Agency Name: PeopleFund **Project Name:** EXPANDED ACCESS TO CARE AND BUSINESS EDUCATION PASO

You must include expenses **for all staff** that will work on the project.

The total on this page must correspond to the total on Expense Summary

Total Project Budget			
Payroll-based Costs	Benefit Rate	Salary Base	Total Cost
FICA Taxes	7.6500%	\$ 47,929.50	\$ 3,666.61
Worker's Compensation			
Unemployment Insurance			
Costs related to Health	15.0000%	\$ 47,929.50	\$ 7,189.43
Employee-based Costs	Covered Staff	Cost per Employee	Total Cost
Other Benefits (please itemize)	Basis for Estimate		Total Cost
Total Benefits			\$ 10,856.03

Project Budget Supporting Schedule 3: Partners and Contractors

Agency Name: PeopleFund **Project Name:** EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO

You must include all **PARTNERS OR CONTRACTORS** that will work on the project. Provide clear description of services to be provided and the rate at which the consultant will be paid. Any consultant that will be performing services for this project and receiving \$5,000 or more funds as part of this budget is considered to be a “partner”. A “Partner Supplement” must be provided for each partner sharing funds and responsibility for this project. The City’s prior written approval will be required for any changes exceeding 10% within the consultants’ line item. The total on this page should correspond to the total on Expense Summary.

Partners / Contractors	Services Provided & Costing Methods	Total Project Budget		
		Units	Rate	Total Cost
	Marketing	1.00	\$ 1,000.00	\$ 1,000.00
	Includes labor and marketing costs			
Total Contractual				\$ 1,000.00

Project Budget Supporting Schedule 4: Occupancy and Equipment

Agency Name: PeopleFund **Project Name:** EXPANDED ACCESS TO CAP AND BUSINESS EDUCATION

Agencies purchasing equipment with ARPA funds must demonstrate that they are NOT on a flood plain or provide a copy of valid flood insurance covering the life of the grant.

	Total Project Budget		
	Months	Monthly Rate	Total Cost
Occupancy Costs			
Rent/lease costs			
Communications			
Utilities			
Electric service			
Natural gas service			
Water & sewer service			
Other occupancy costs			
Equipment Rental & Maintenance	Basis for Estimate		Total Cost
Equipment Purchases	Basis for Estimate		Total Cost
Total Occupancy & Equipment			\$ -

Project Budget Supporting Schedule 5: Supplemental Items

Agency Name:	PeopleFund	Project Name:
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Use this page to provide information on any line item not included in the previous Supporting Schedules. You must include all applicable expenses for the project. The totals on this page should correspond to the totals on Expense Summary. The total of Supporting Schedules 1-5 must match Project Budget. List only and all line items on Project Budget that are not covered on any previous Supporting Schedules. Give details for any expense that Economic Development is asked for \$500+ in funds.

Item Description	Total Project Budget	
	Basis for Estimate	Total Cost
Mileage reimbursements		
Postage & shipping		
Printing & publications		
Supplies		
Local conferences		
Insurance		
General liability		
Professional liability		
D & O liability		
Auto liability		
Property & casualty		
Fidelity bonding		
Other insurance		
Travel (long distance)		
air fares		
ground transport		
meals & lodging		
Other Expenses (please itemize)		
Interest Buy-Down Program on loans to Veterans, women, individuals of LMI, people of color		\$ 350,000.00
Supplementary cost of capital for Buy-Down Program		\$ 40,217.47
Admin. Expenses (Admin. Fee)		\$ 50,000.00
Total Supplemental Items		\$ 440,217.47

Public Services Application: Site Breakdown for Multi-Site Projects

Agency Name

Project Name:

#	Name of Site (Activity)* (ex. Beall School, Armijo Rec Center)	Address Street Number, Street Name, Zip Code	ARPA Funds Total	Outside Funds	Total Site Cost	Units of Service
1	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
2	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
3	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
4	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
5	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
6	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
7	Line item 1 (ex. Salaries)					
	Line Item 2					
	Line Item 3					
	Line Item 4					
	Total		\$0	\$0	\$0	\$0
*If more than one activity will be at the same address, list the activity in parentheses.						
*** Add lines for more line items and sites as needed						

**ECONOMIC DEVELOPMENT RESPONSE + RECOVERY
FUNDING**

AGENCY LEGAL NAME: PeopleFund
(AS APPEARS ON CURRENT ARTICLES OF INCORPORATION)

PROJECT TITLE: EXPANDED ACCESS TO CAPITAL AND BUSINESS EDUCATION IN EL PASO

Please provide your definition of the Service to be provided by the project:
PeopleFund defines the unit of service as one hour of technical assistance.

How did you arrive at the number of units for the project? Please describe the rationale or formula used to determine the total number of units of service. **On an ongoing basis, PeopleFund tracks technical assistance hours and number of unique clients who receive technical assistance throughout the year. Our budget for 2022 reflects this tracked data for El Paso clients. A buy-down program bringing loan interest rates down to 2% will generate an rise in interest in PeopleFund's services and loan products. In turn, we anticipate delivering an increased amount of technical assistance in 2023.**

Complete information for current year, even if Economic Development is not currently funding the project.

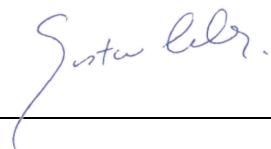
Current Year FYE22	ED Portion	Total Project
Number of units of service delivered	NA	1144
Cost to deliver these units (project cost)	NA	\$218,989
Cost per unit of service (divide project cost by units)	NA	\$191.42
Number of unduplicated clients to be served	NA	217
Percent of overall clients reported	NA	100%

Budget Year FYE23	ED Portion	Total Project
Number of units of service delivered	1300	1300
Cost to deliver these units (project cost)	\$109,782.53	264,971.00
Cost per unit of service (divide project cost by units)	\$84.45	\$203.82
Number of unduplicated clients to be served	285	285
Percent of overall clients to be reported	100%	100%

Fiscal Federal Funding Accountability and Transparency Act (FFATA)

The certifications enumerated below represent material facts upon which DSHS relies when reporting information to the federal government required under federal law. If the Department later determines that the Contractor knowingly rendered an erroneous certification, DSHS may pursue all available remedies in accordance with Texas and U.S. law. Signor further agrees that it will provide immediate written notice to DSHS if at any time Signor learns that any of the certifications provided for below were erroneous when submitted or have since become erroneous by reason of changed circumstances. ***If the Signor cannot certify all of the statements contained in this section, Signor must provide written notice to DSHS detailing which of the below statements it cannot certify and why.***

Legal Name of Contractor: PeopleFund	FFATA Contact: (Name, Email and Phone Number): Amy East, aeast@peoplefund.org, (512) 222-1015
Primary Address of Contractor: 2921 E 17th St. Bldg. D, Ste. 1, Austin, TX 78702	Zip Code: 9-digits required www.usps.com 78702-1572
Unique Entity ID (UEI): This number replaces the DUNS www.sam.gov MJ6LY78SHJR8	State of Texas Comptroller Vendor Identification Number (VIN) – 14 digits:

Printed Name of Authorized Representative: Gustavo Lasala	Signature of Authorized Representative 
Title of Authorized Representative PeopleFund President & CEO	Date Signed 6/16/2023

Fiscal Federal Funding Accountability and Transparency Act (FFATA) CERTIFICATION

As the duly authorized representative (Signor) of the Contractor, I hereby certify that the statements made by me in this certification form are true, complete, and correct to the best of my knowledge.

Did your organization have a gross income, from all sources, of less than \$300,000 in your previous tax year? Yes No

If your answer is "Yes", skip questions "A", "B", and "C" and finish the certification. If your answer is "No", answer questions "A" and "B".

A. Certification Regarding % of Annual Gross from Federal Awards.

Did your organization receive 80% or more of its annual gross revenue from federal awards during the preceding fiscal year? Yes No

B. Certification Regarding Amount of Annual Gross from Federal Awards.

Did your organization receive \$25 million or more in annual gross revenues from federal awards in the preceding fiscal year? Yes No

If your answer is "Yes" to both question "A" and "B", you must answer question "C".
If your answer is "No" to either question "A" or "B", skip question "C" and finish the certification.

C. Certification Regarding Public Access to Compensation Information.

Does the public have access to information about the compensation of the senior executives in your business or organization (including parent organization, all branches, and all affiliates worldwide) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986? Yes No

If your answer is "Yes" to this question, where can this information be accessed?

If your answer is "No" to this question, you must provide the names and total compensation of the top five highly compensated officers below.

Provide compensation information here:

ATTACHMENT “C”

INSURANCE CERTIFICATES / CERTIFICATIONS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/16/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER SWBC Insurance Services, Inc. P O Box 791028 San Antonio TX 78279	CONTACT NAME: Nancy Hutchison PHONE (A/C, No, Ext): (800) 499-7922 FAX (A/C, No): (210) 525-0054 E-MAIL ADDRESS: nhutchison@swbc.com
INSURER(S) AFFORDING COVERAGE	
INSURER A: Federal Insurance Company NAIC # 20281	
INSURER B: Great Northern Insurance Co. 20303	
INSURER C: Great American Insurance Co	
INSURER D: Scottsdale Indemnity Company	
INSURER E:	
INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2023 Master **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			35921693	02/09/2023	02/09/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			73566008	02/09/2023	02/09/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						COMBINED SINGLE LIMIT EACH OCCURRENCE \$ AGGREGATE \$ \$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C	Crime Coverage including ERISA D. Fiduciary 09/30/2022 - 09/30/23			SAA09917940800/EKI3397867	07/03/2023	07/03/2024	\$500,000 ded. \$5,000 \$1,000,000 Fiduciary

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 City of El Paso is additional insured on the Auto and General Liability. Insurance is primary and noncontributory. Waiver of subrogation on all policies in favor of City of El Paso. 30 day notice of cancellation.

CERTIFICATE HOLDER City of El Paso, City Manager 123 W Mills Ave. Suite 111 El Paso TX 79901	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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ATTACHMENT “D”

ADDITIONAL TERMS & CONDITIONS (ARPA)

The subrecipients must abide by the following, as may be updated and revised.

- A) [**Social Security Act Title VI Sections 602 and 603, Enacted March 11, 2021.**](#)
- B) [**Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds**](#)
- C) [**2022 State and Local Fiscal Recovery Fund Compliance Supplement**](#)
- D) [**Coronavirus State and Local Fiscal Recovery Funds Final Rule Frequently Asked Questions**](#)

In addition to the above requirements, subrecipients must comply with the [April 1, 2022 Final Rule for the Coronavirus State & Local Fiscal Recovery Funds](#). An overview of the federal agency requirements in the Final Rule is attached for ease of use of the subrecipients.