

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

DEPARTMENT: Community and Human Development
AGENDA DATE: February 9, 2016
CONTACT PERSON: Verónica R. Soto, AICP, Director, 212-0138
DISTRICT: 2, 3, 6, 7, and 8

SUBJECT:

Authorizing the City to submit an application for a HUD Promise Zone designation and authorizing the City Manager to sign as co-applicant for the City of El Paso with Workforce Solutions Borderplex as the other co-applicant.

BACKGROUND / DISCUSSION:

A Promise Zone is a federal designation for a defined geographic area that aims to create jobs, increase economic activity, expand educational opportunities and improve public safety. A Promise Zone designation lasts for ten years. During that time, a federal liaison is assigned to the Promise Zone to assist in navigating federal programs and providing technical assistance on federal grant applications. A variety of federal grant programs provide preference points to Promise Zone applicants giving Promise Zones a competitive advantage.

Promise Zone designations are very competitive. Five urban Promise Zones are expected to be designated in this final round of the Promise Zone initiative. Nearly 100 communities applied for this designation in the previous round.

A high level of community coordination is expected from Promise Zones. Partnership commitments and/or support for an El Paso Promise Zone currently include: Workforce Solutions Borderplex, Inc., Medical Center for the Americas, University Medical Center, Project Bravo, Paso Del Norte Health Foundation, United Way, YWCA, Borderplex Alliance, Centro de Salud Familiar La Fe, Project Vida, and others.

The proposed El Paso Promise Zone is generally located from Sunset Heights in Central El Paso to Loop 375 in the Mission Valley. The population of this area is 135,528 with a poverty rate of 36.2% and unemployment rate of 12.5%.

Should the City of El Paso receive the Promise Zone designation, an MOU will be executed between the City of El Paso and partnering agencies.

PRIOR COUNCIL ACTION:

None.

AMOUNT AND SOURCE OF FUNDING:

NA

BOARD / COMMISSION ACTION:

NA

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

DEPARTMENT HEAD:



Verónica R. Soto, AICP, Director

RESOLUTION

WHEREAS, HUD has issued a request for applications for designation of a Promise Zone, a federal/local government partnership initiative seeking to create jobs, increase economic activity, improve educational opportunities, reduce serious and violent crime, leverage private capital, and assist local leaders in navigating federal programs; and

WHEREAS, the City of El Paso's ("City") proposed Promise Zone Designation consists of the area identified herein as "Exhibit A;" and

WHEREAS, a Promise Zone designation would help provide El Paso with preferential access to various competitive federal grants as well as technical support from HUD; and

WHEREAS, a Promise Zone designation would further community development efforts already taking place in the proposed zone and provide a base for future efforts; and

WHEREAS, the City's Promise Zone application is a collaborative effort among the City and Workforce Solutions Borderplex, Inc.

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

1. That the City Council supports the submission to HUD of a Promise Zone application with the City and Workforce Solutions Borderplex, Inc. as co-applicants; and
2. That the City Manager or his designee is hereby authorized to execute and submit all necessary documents related to the City's application; and
3. That if the City is granted the Promise Zone designation, the City Manager is hereby authorized to execute a Memorandum of Understanding with Workforce Solutions Borderplex, Inc. and any other documents necessary for implementing the Promise Zone designation, upon approval of the City Attorney's Office.

ADOPTED this ____ day of _____, 2016.

THE CITY OF EL PASO:

Oscar Leeser
Mayor

(Signatures continue on following page)

ATTEST:

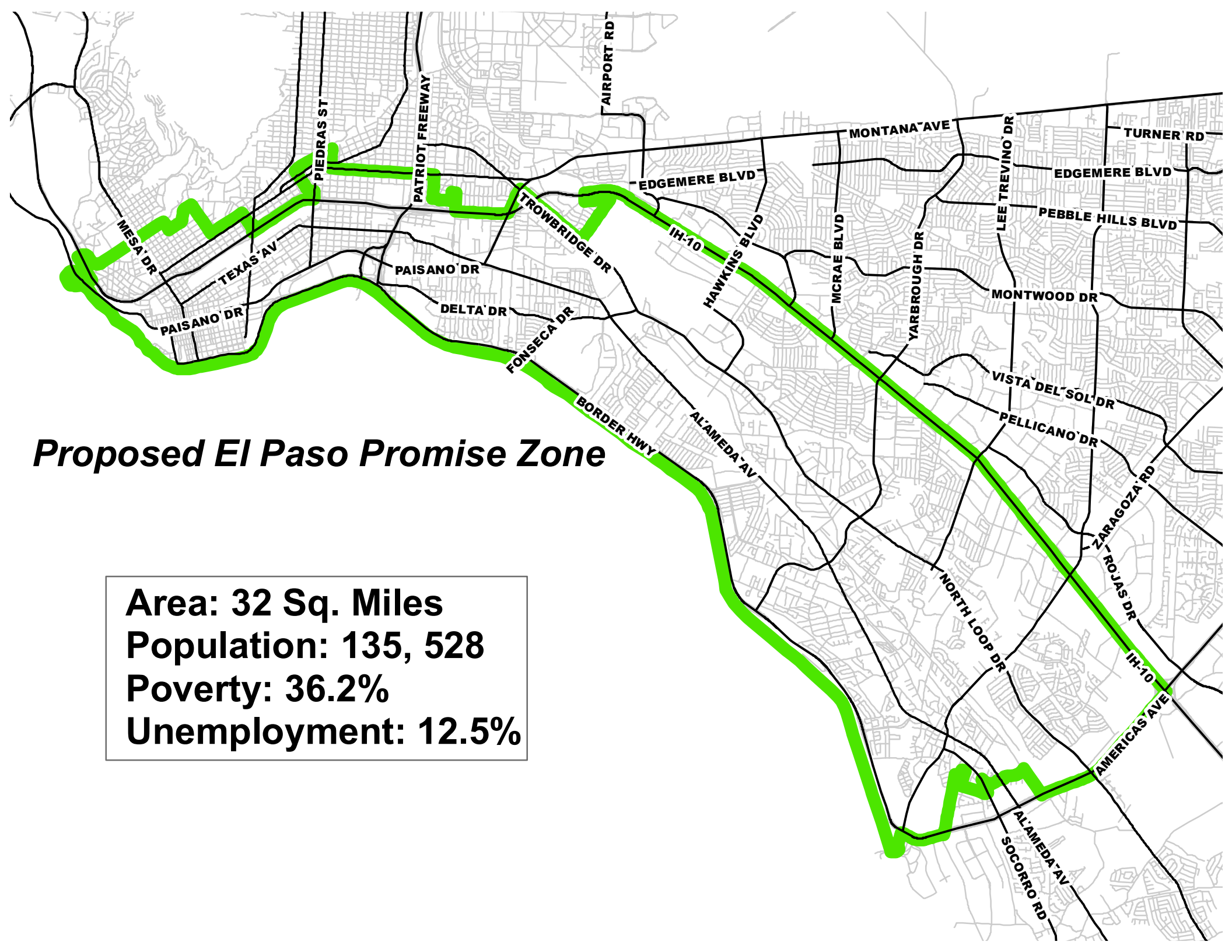
Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:

Lauren Ferris
Lauren Ferris,
Assistant City Attorney

APPROVED AS TO CONTENT:

Verónica R. Soto
Verónica R. Soto, AICP
Director, Community and Human
Development Department



Proposed El Paso Promise Zone

Area: 32 Sq. Miles
Population: 135, 528
Poverty: 36.2%
Unemployment: 12.5%



THIRD ROUND PROMISE ZONES DESIGNATION



PROMISE ZONE COMPETITION

The Obama Administration invites a new round of eligible applicants to apply for a Promise Zone designation. Urban, rural, and tribal communities nationwide are invited to put forward plans to address multiple community revitalization challenges in a collaborative way.

Any community meeting the eligibility criteria can apply for a designation. HUD and USDA will designate 7 Promise Zones across urban, rural and tribal communities in the Spring of 2016.

APPLICATION DEADLINES:

A non-binding [Application Request Form](#) is due **by February 19, 2016 EST**. All Application submissions must be received **by 5:00pm EST on Tuesday, February 23, 2016 via MAX Survey**.

ELIGIBILITY REQUIREMENTS

Eligibility	Urban	Rural/Tribal
Contiguous boundary ¹	Proposed Promise Zone must have one contiguous boundary and cannot include separate geographic areas.	Rural and tribal Promise Zones must encompass one or more census tract(s) across a contiguous geography; tribal applicants may have non-contiguous areas.
The rate of overall poverty or Extremely Low Income Rate whichever is greater. ²	Must be at or above 32.5 percent.	Must be at or above 20 percent and must contain at least one census tract with a poverty rate at or above 30 percent.
Lead Applicant	UGLG; ³ An office/department of a local government submitting on behalf of the local government under a local delegation of authority; The following entities must apply in partnership with local government: Nonprofit organizations; ⁴ Public Housing Agencies; Community Colleges; Local Education Agencies; Metropolitan Planning Organizations. ⁵	UGLG and Federally recognized tribes; The following entities must apply in partnership with local or tribal government: Nonprofit organizations, Public Housing Agencies; Tribal Designated Housing Entities (TDHEs); Local Education Agencies; Community Colleges.
Population	Minimum 10,000 and Maximum 200,000 residents.	Minimum 10,000 and Maximum 200,000. May not include incorporated municipalities or unincorporated areas with individual populations greater than 50,000.
Letter of Support	Local leadership, including the mayors or chief executives of UGLGs.	Local leadership of UGLGs or tribal areas.
Applications per jurisdiction	One per UGLG.	One per UGLG or tribal area.

¹ Applicants are required to use the Promise Zone mapping tool to show both the boundary and the poverty levels. The mapping tool emails this information as a PDF to the applicant. This PDF, in its entirety, must be included in the application. See page [33](#) for more information on the mapping tool.

² See definition of Extremely Low Income Rate on page 11 of urban application guide.

³ See Definition for UGLG on page 11 of urban application guide.

⁴ Including Workforce Investment Boards(WIBS) and Community Action Agencies(CAA). Examples are illustrative and not exhaustive. See Definition of nonprofit on page 29.

⁵ See Definitions for Urban Lead Applicant and urban subcategories on pages 11-14 of urban application guide.

PROMISE ZONES INITIATIVE

OVERVIEW

In his 2013 State of the Union address, President Obama announced his plan to work with local communities and businesses to create jobs, increase economic security, expand educational opportunities, increase access to quality, affordable housing and improve public safety by creating 20 “Promise Zones” across the country. On January 9, 2014, the first urban, rural, and tribal Promise Zones were announced in a ceremony at the White House. They are located in: San Antonio, Los Angeles, Philadelphia, Southeastern Kentucky, and the Choctaw Nation of Oklahoma. On April 28, 2015, the Obama Administration announced eight additional promise zones. The second round promise zones are: Camden, NJ; Hartford, CT; Indianapolis, IN; Minneapolis, MN; Sacramento, CA; St. Louis, MO; South Carolina Low Country; and Pine Ridge Indian Reservation of the Oglala Sioux Tribe, SD.

For communities selected, the federal government will partner to help the Promise Zones access the resources and expertise they need. To date, there are 13 federal agencies working in close collaboration to provide resources and expertise to urban, rural, and tribal Promise Zones to expand economic mobility and opportunity in their communities.

BENEFITS

Promise Zone Designees receive:

- Opportunity to engage Five AmeriCorps VISTA members in the Promise Zone.
- A federal liaison assigned to assist with navigating federal programs.
- Preferences for certain competitive federal programs and technical assistance from participating agencies.
- Promise Zone tax incentives if enacted by Congress.

Promise Zone designations will have a term of ten years and may be extended as necessary to capture the full term of availability of the Promise Zone tax incentives if enacted by Congress.

During this term, the specific benefits made available to Promise Zones will vary from year to year, and sometimes more often than annually, due to changes in the agency policies and changes in appropriations and authorizations for relevant programs. All assistance provided to Promise Zones is subject to applicable regulations, statutes, and changes in federal agency policies, appropriations, and authorizations for relevant programs. For a list of the participating federal agencies, along with the programs affiliated with the Promise Zone initiative, visit [HUD’s website](#).

RESOURCES FOR APPLICANTS

Read more about the urban, rural and tribal application guides, *the Frequently Asked Questions*, and the schedule for informational webcasts and webinars on [HUD’s website](#).

Application related questions should be directed by email to: Promisezones@hud.gov.

To receive information about upcoming webcasts, webinars, and funding and technical assistance opportunities, please join the [Promise Zone mailing list](#).

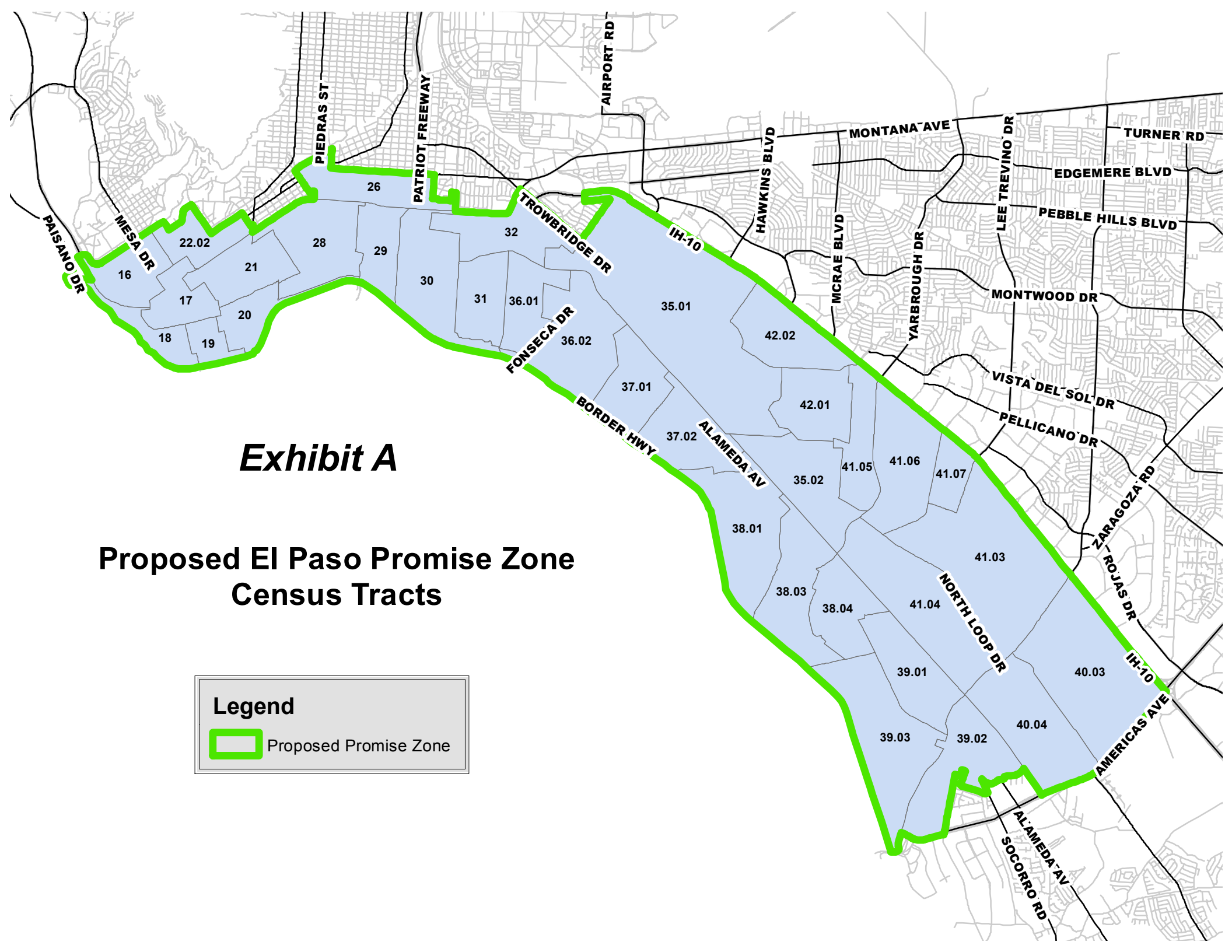


Exhibit A

Proposed El Paso Promise Zone Census Tracts



El Paso Promise Zone Designation



Alignment with City Strategic Plan

Strategy 4.2: Create innovative recreational, educational, and cultural programs

Strategy 6.6: Ensure continued financial stability and accountability...

Strategy 8.1: Deliver prevention, intervention and mobilization services to promote a healthy, productive and safe community

Strategy 8.2: Stabilize neighborhoods through community, housing and ADA improvements

Community & Human Development Department - February 9, 2016

"Delivering Outstanding Services"



Purpose

Authorizing the City to submit an application for a HUD Promise Zone designation and authorizing the City Manager to sign an MOU between the City of El Paso and Workforce Solutions Borderplex, Inc. as co-applicants.



Why seek designation?

Problem

Federal grant funding is more competitive and more limited; over the last three years the amount of federal grant funding that organizations in the City receive have stagnated. The region receives only about 9% of federal grant applications.

Possible Solution

Promise Zone designation is a federal tool to help regions draw down more federal funds.



Background

What is a Promise Zone?

A federal designation for a defined geographic area that aims to create jobs, increase economic activity, expand educational opportunities and improve public safety. (Ten years designation.)

Why pursue a Promise Zone Designation?

- **Preference for certain competitive federal grant programs**
- Assigned a federal liaison to assist in navigating federal programs and provide **technical assistance for federal grant applications**
- Potential tax incentives (if approved by congress)



Los Angeles Promise Zone

Federal agencies used to say “ABLA” meaning that their grants should go to “anywhere but Los Angeles” because of a lack of coordination between Los Angeles agencies/service providers.

Civic, business and nonprofit leaders in L.A. got together to form LA ‘n Sync to coordinate federal grant applications. That effort ultimately resulted in a Promise Zone designation.

City of Los Angeles was co-applicant with private foundation (Youth Policy Institute)



Los Angeles Promise Zone

Preference points from the Promise Zone designation helped LA 'n Sync to secure

\$36 million in funding awards since 2014.





San Antonio Promise Zone

An area in the City of San Antonio was designated a Promise Zone in 2014. The City partnered with:

- San Antonio Housing Authority
- San Antonio ISD
- Judson ISD
- St. Phillip's College
- United Way
- Various private businesses, employers and investors



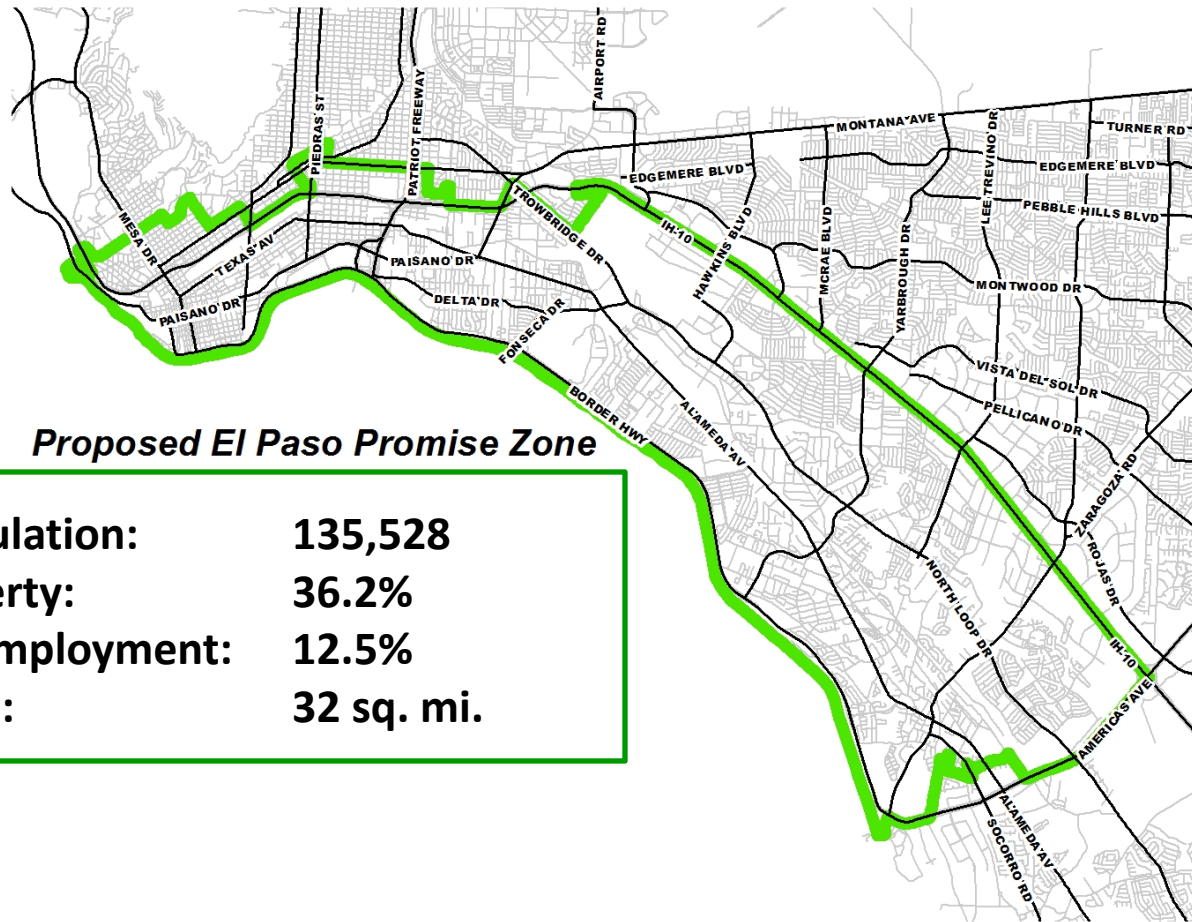
San Antonio Promise Zone

The Promise Zone designation for the San Antonio, Eastside Promise Neighborhood resulted in **\$32 million in federal investments** in the Promise Zone





Proposed El Paso Promise Zone



Proposed El Paso Promise Zone

Population:	135,528
Poverty:	36.2%
Unemployment:	12.5%
Area:	32 sq. mi.



What is City's role?

- Co-applicant along with Workforce Solutions Borderplex, Inc.
 - Workforce Solutions will be the lead implementation agency

- Assign staff to serve on Promise Zone Steering Committee
 - The purpose of the steering committee is to strategically target and pursue federal grants.
 - Receive Technical Assistance to make local applications more competitive and find ways to pool local resources and talent to write more competitive proposals for larger pools of funding



Partnering Agencies

- Workforce Solutions Borderplex
- Project Bravo
- YWCA
- United Way
- Paso Del Norte Health Foundation
- Borderplex Alliance
- Centro de Salud Familiar La Fe
- Project Vida
- University Medical Center
- Medical Center for the Americas
- Others...



Next Steps

- Submit Promise Zone application submitted to HUD by February 23, 2016
- Continue collaboration with partners and develop Promise Zone Steering Committee
- Designations to be announced by HUD, Spring 2016