EMPLOYMENT AND ECONOMIC DEVELOPMENT

SFY 2018-19 Getting to Work

Final Report

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Minnesota Department of Employment and Economic Development Employment and Training Programs Division

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Introduction

The 2017 Minnesota Legislature (Laws of Minnesota, 2017, Chapter 94, Section 2, Subdivision 3(i)) appropriated \$100,000 in State Fiscal Year (SFY) 2018 and \$100,000 in SFY 2019 for state pilot programs "Getting to Work," that provide, repair, or maintain motor vehicles to assist individuals to obtain or maintain employment as defined by Laws of Minnesota, 2017, Chapter 94, Article 6, Section 25. The one-time funding under this appropriation was available until **June 30, 2021.**

The Minnesota Department of Employment and Economic Development's (DEED)/Office of Youth Development developed a Request for Proposals (RFP) to secure program deliverers for "Getting to Work." The Notice of Funding Availability was posted on the <u>Grant and Contract Opportunities</u> section of DEED's website and published in the State Register on **August 14, 2017.** Applications were due by **September 1, 2017**

Summary of Objectives

The objectives of the "Getting to Work" program included providing transportation resources enabling the target population to obtain and/or retain jobs, to understand vehicle ownership budgeting and financial literacy (including credit counseling), and to understand the mechanics of the automobile. These possible resources included:

- 1. The acquisition of an automobile;
- 2. The repair of an existing owned automobile restoring it to working order;
- 3. The provision of a loan to acquire an automobile

Eligible Organizations

Eligible applicants for the "Getting to Work" program were:

- 1. Organizations that qualified under Section 501(c) (3) of the Internal Revenue Code; and
- 2. At the time of application, able to offer or had the demonstrated capacity to offer, a motor vehicle program that met the following program requirements:
 - Provision of new or used motor vehicles by gift, sale, or lease;
 - Provision of motor vehicle repair and maintenance services; or
 - Provision of motor vehicle loans.

Additionally, an eligible program needed to offer one or more of the following:

- 1. Financial literacy education;
- 2. Education on budgeting for vehicle ownership;
- 3. Car maintenance and repair instruction;
- 4. Credit counseling; or

5. Job training related to motor vehicle maintenance and repair.

Program applicants needed to provide evidence of leveraging of resources on at least a one to one basis.

Target Population

The primary target population was individuals who:

- 1. Had a household income at or below 200 percent of the federal poverty level;
- 2. Were at least 22 years of age;
- 3. Had a valid driver's license:
- 4. Had proof of motor vehicle insurance; and
- 5. Demonstrated to the grantee that a motor vehicle was required for them to obtain or maintain employment.

Other supportive supplement services could be provided to the target population.

Grants Awarded

Six (6) organizations were selected for funding out of 10 organizations that applied: four (4) from the Metropolitan area and two (2) from Greater Minnesota

Organization	Area To Be Served	State Fiscal Year 2018 Grant	State Fiscal Year 2019 Grant
Community Action Partnership of Ramsey and Washington Counties	Ramsey and Washington Counties	\$9,000	\$12,000
Community Action Partnership of Hennepin County	Hennepin County	\$20,000	\$20,000
Hmong American Partnership	St. Paul (Frogtown, East Side); North Minneapolis	\$15,000	\$15,000
Arrowhead Economic Opportunity Agency	Northern St. Louis County	\$25,000	\$25,000

Organization	Area To Be Served	State Fiscal Year 2018 Grant	State Fiscal Year 2019 Grant
United Community Action Partnership, Inc.	Rural Southwest and Central Minnesota	\$21,000	\$18,000
Resource West	Western Twin Cities Suburbs	\$10,000	\$10,000
TOTAL		\$100,000* (No administrative dollars were taken by DEED)	\$100,000* (No administrative dollars were taken by DEED)

Program Overview

More specific information and individual success stories about each program are contained in the Appendix.

Community Action Partnership of Ramsey and Washington Counties: "The Vehicle Repair Fund:" Establishment of a vehicle repair fund partnering with neighborhood car repair sites. Local Contact: Brooke Walker (<u>bwalker@caprw.org</u>)

Community Action Partnership of Hennepin County: "Lift to Work Transportation Program:" Program of partnering to provide discounted labor and parts in cooperation with neighborhood car repair sites. Local Contact: Theresa Leonard (<u>tleonard@caphennepin.org</u>)

Hmong American Partnership: "Getting to Work:" Establishment of automobile maintenance and repair services and financial education in partnership with neighborhood car repair sites. Local Contact: Derlee Moua (derleem@hmong.org)

Arrowhead Economic Opportunity Agency: "Community Care Auto Repair:" Establishment of an auto repair garage and the use of the shop coordinator position as a work experience opportunity in partnership with the Northland Foundation, DuWayne Peterson, University of Minnesota/Duluth Center for Economic Development, and RMS. Local Contact: Beth Peterson (<u>beth.peterson@aeoa.org</u>)

United Community Action Partnership, Inc.: "Helping People to Get There:" Establishment and enhancement of a vehicle donation and recondition program in partnership with various offices of the Central Minnesota Jobs and Training Workforce Development Area, and neighborhood car repair sites. Local Contact: Jonathan Marchand (Jonathan.Marchand@unitedcapmn.org)

Resource West: "Transporting to Self-Sufficiency in Western Hennepin County:" Establishment of grants for car repair and maintenance and establishment of credit counseling in partnership with local social service agencies. Local Contact: Tarrah Palm (<u>tarrah@resourcewest.org</u>)

Performance Measures

Note: The data included below is from the individual grantee reports and includes participants and outcomes from both SFY 2018 and SFY 2019 funding.

Service Provided	Number of Participants	Percent of Program Participants (N=412)
Provision of Motor Vehicle	54	13.1%
Motor vehicle repair service	358	86.9%
Motor vehicle loan	0	0.0%

Program Helped Participants To:	Number of Participants (of those that responded to the follow up survey)	Percent of Program Participants (N=173)
Obtain a job	61	35.2 % of those responding
Keep a job	118	68.2% of those responding
Increase wages	14	8.1% of those responding
Increased Financial Literacy	79	45.7% of those responding
Understanding Vehicle Maintenance	72	41.6% of those responding

Expenditure Data

As of January 14, 2020, the "Getting to Work" program has spent \$187,356.37 of the total \$200,000 grant program (93.7%). A number of the grants ran until December 31, 2019 and not all of the financial reports have been received.

Appendix A: Individual Program Descriptions and Success Stories

Community Action Partnership of Ramsey and Washington Counties, Inc.

Contact: Brooke Walker, Program Director (<u>bwalker@caprw.org</u>)

The program strategies implemented by Community Action Partnership of Ramsey and Washington Counties, Inc (CAPRW) match the work plan providing a grant to low-income households to repair their vehicle, as well as guidance on how to find a low-cost reputable auto repair vendor and how to prioritize repair needs. Additional CAPRW provided financial literacy and case management services to ensure positive financial outcomes and improved financial stability. Finally, in partnership with the Lift Garage and Auto Technical Inc., participants attended the Car Care Workshops, learning the basics of car maintenance.

One hundred percent (100%) of the participants reported the vehicle repair grant helped prevent a financial crisis for their household. Ninety percent (90%) of the participants continued their monthly vehicle loan payments.

SUCCESS STORY: A participant's vehicle needed repairs essential to its drivability and safety. The participant received a repair estimate of \$800, much more than she could afford. A household of five, the participant was the primary earner for her family and as a Personal Care Attendant, the vehicle was necessary for her to maintain employment. Because of the vehicle repair grant and a 15 percent discount provided by the auto repair vendor, she was able to repair her vehicle without falling behind on other bills and maintain her employment.

Community Action Partnership of Hennepin County

Contact: Theresa Leonard (tleonard@caphennepin.org)

The Community Action Partnership of Hennepin County's (CAP-HC) "Lift to Work" car repair program has been very popular. Each month, CAP-HC receives well over 100 inquiries through phone calls or walk-ins from individuals who need car repairs.

CAP-HC receives funding through the Community Services Block Grant for the "Lift to Work" auto repair program but can only serve those up to 125 percent of the Federal Poverty Level. With the funding provided through "Getting to Work,' CAP-HC was able to raise income guidelines allowing households up to 200 percent of the Federal Poverty Level to receive assistance.

CAP-HC was responsible for conducting the intake, determining eligibility, referring clients to reputable mechanics, ordering parts, and paying for the repairs and services. During intake, clients' needs were also assessed, and when appropriate, they were referred to other internal programs such as MNSure, Housing programs, SNAP and Energy Assistance.

CAP-HC established partnerships with local mechanics, such as the local Meineke, and parts suppliers, such as O'Reilly Auto Parts. As a result, CAP-HC was able to receive substantial discounts on parts and services. Other partnerships were formed ensuring clients had services for employment, training, and other needed services.

SUCCESS STORY: A 62-year-old Minneapolitan African-American male came to CAP-HC for assistance with car repair. During intake, he stated that he was currently unemployed and needed his car to obtain employment. At the time, his plan was to become an Uber driver when his car was stolen and involved in an accident. The car was recovered by the police and taken to the impound lot. The car insurance covered all the incurred damages. However, he had additional repairs needed that were not covered by insurance and they were needed to pass inspection for certification. A referral was given to Intermaco Auto Center where his car was assessed, and a repair estimate was sent to CAP-HC. The car was repaired and passed inspection for Uber. At a three-month follow-up, the individual was still employed by Uber and his wages have steadily increase.

Hmong American Partnership

Contact: Derlee Moua (derleem@hmong.org)

Participants were referrals from the county; therefore, we did not have to reach out to the community. During the intake assessment process, HAP counselors used the Employability Measures with new participants identifying employment barriers such as transportation. Counselors also identified the current participants who had transportation barriers and referred them to the Getting to Work program.

The counselors collected eligibility documentation for the program. Once participants were found to be eligible, counselors referred them to the auto shop and to the Job Developer. The repair shop was able to receive the estimates and approve the repairs.

All the participants involved with the program were employed with one exception. This program helped our participant to retain their job by getting them to and from work and to other activities daily.

SUCCESS STORY: Choua is a single mother with three children ages 11, 10, and 3. She has been on the Minnesota Family Investment Program (MFIP) with Hmong American Partnership (HAP) for over three months. She met with her employment counselor and discussed her barriers to employment. She informed her employment counselor that she needed help with fixing her minivan in order for her to start looking for jobs. The employment counselor assisted Choua in applying for the "Getting to Work" program and for the MFIP grant to pay for the car repair. The employment counselor also referred Choua to HAP's job developer to assist with resume writing and mock interviewing. Choua got a job as a Personal Care Assistant with Universal Home Health Care at a salary of \$15 per hour. Choua is thankful to HAP for the monetary help allowing her to get her car repaired. She is currently scheduled to attend financial literacy classes to learn about family budgeting and financial management.

Arrowhead Economic Opportunity Agency

Contact: Beth Peterson (Beth.peterson@aeoa.org)

The Arrowhead Economic Opportunity Agency (AEOA) used the "Getting to Work" funds to leverage additional community resources to open a social enterprise car repair shop offering a reduced rate to income qualified customers and operating as a "normal" shop to "general" community members. In addition to the \$50,000 of the "Getting to Work" grant, AEOA secured \$40,000 from the Northland Foundation and \$40,000 from AEOA's Community Service Block Grant and Minnesota Community Action Grant funds. Additional in-kind contributions from AEOA were provided as well.

AEOA was successful in creating relationships with automobile parts stores, other repair shops and numerous human service agencies. AEOA successful hired and trained seven office coordinators and two car mechanics. Nearly 200 low-income individuals received automobile repairs assisting them in remaining or becoming self-sufficient.

AEOA's program resulted in participants getting and retaining jobs, increased wages at jobs, greater financial literacy, and greater knowledge of vehicle maintenance.

SUCCESS STORY: Mallory had her car repaired at AEOA's Community Care Auto Repair (CCAR). Mallory has been working with the Range Mental Health Center and shared with AEOA that having an unreliable vehicle caused anxiety and stress around not being able to keep appointments or to perform daily activities. With the "Getting to Work" program, she has a working car having been served by an easily accessible repair shop working within a reasonable timeframe.

United Community Action Partnership

Contact: Jonathan Marchand (jonathanm@unitedcapmn.org)

The United Community Action Partnership "Getting to Work" grant enabled the organization to match vehicles to 21 different families. Fifty-four (54) adults and 50 children were helped. The organization was able to expand the program territory to include Cottonwood, Jackson, Lyon, Redwood, and Lincoln Counties into the program. Two vehicles were purchased and matched to families. Five vehicles were donated by the City of Marshall Police Department after forfeiture. Three vehicles were donated by other non-profit organizations disposing of fleet vehicles. Word of the program was disseminated through Facebook, radio, and newspaper, and word of mouth via meetings with County Commissioner and CareerForce Center staff.

From the most recent telephone participant survey, 14 of 15 respondents confirmed sustained employment, 13 of 15 respondents are no longer receiving county cash assistance, 13 of 15 still have the vehicle they were given.

SUCCESS STORY: "Emily" and her child "Autumn" were among those impacted by "Getting to Work." Emily had been working very closely with her employment specialist in Renville County. She was very motivated to succeed and was very compliant with her employment plan, Autumn was in the Head Start program, but Emily had difficulty getting her there in the mornings, and then getting herself to school and work afterwards. She was getting rides from family and friends. After she received a vehicle, she continued on her path to complete her education and began a job as a substitute teacher. She was so very grateful, even asking how she could help the agency and program in any way. She gave a first-hand report to the United Way as to opportunities that simply having a vehicle opened up for her.

ResourceWest

Contact: Tarrah Palm (tarrah@resourcewest.org)

Forty-nine (49) households were recipients of a car maintenance/repair assistance grant. This represents a 75 percent increase from our past 10 years. The average grant was \$412 per household. All of the repair/maintenance work was completed by an Automotive Excellence Service credential vendor. Ninety (90) days after the car repair/maintenance payment was made to the vendor, Resource West followed up with the recipients to identify if employment was obtained or maintained as a result of having a timely care repair completed. Ninety (90) percent reported the timely car repair assisted in obtaining or retaining employment.

Among the accomplishments of the grant were:

- 1. 40 out of 49 participants were able to keep their jobs.
- 2. 8 out 49 participants were able to start a new job. A reliable car is the only bridge to stable employment.

SUCCESS STORY: "Bob" recently relocated to Hopkins and his car broke down. Since he was not near public transportation, he was only able to get a part time job near his home. The part-time job did not cover all his expenses and he got behind on bills. Bob learned of "Getting to Work" at ResourceWest from a friend in the community. After his car was fixed, he was able to get a full-time permanent position that was \$4 an hour more than the previous job. After the repair was completed, he planned on working both the full-time and part-time positions in order to get financially caught up.