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EMPLOYMENT AND ECONOMIC DEVELOPMENT

SFY 2018 Getting to Work

Progress Report

02/12/19

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

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Background

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. Funding under this appropriation is 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 DEED's website and published in the State Register on August 14, 2017.

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.

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.

The RFP was published in the State Register on August 14, 2017 and on the <u>Grant and Contract Opportunities</u> section of DEED's website on the same date. Applications were due by September 1, 2017,

Program Overview

Six (6) organizations were selected for funding out of 10 organizations that applied:

Organization	Area To Be Served	State Fiscal Year 2018 Grant	State Fiscal Year 2019 Grant
Community Action Partnership of Ramsey and Washington Counties St. Paul, MN	Ramsey and Washington Counties	\$9,000	\$12,000
Community Action Partnership of Hennepin County St. Louis Park, MN	Hennepin County	\$20,000	\$20,000
Hmong American Partnership St. Paul, MN	St. Paul (Frogtown, East Side); North Minneapolis	\$15,000	\$15,000
Arrowhead Economic Opportunity Agency Virginia, MN	Northern St. Louis County	\$25,000	\$25,000
United Community Action Partnership, Inc. Marshall, MN	Rural Southwest and Central Minnesota	\$21,000	\$18,000
Resource West Hopkins, MN	Western Twin Cities Suburbs	\$10,000	\$10,000
TOTAL		\$100,000	\$100,000

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: Steve Piekarski (spiekarski@caphennepin.org)

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: Mai Moua (maim@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>)

Participant Details: Calendar Year 2018

(Note: The data included below is from the individual grantee reports.)

Service Provided	Number of Participants	Percent of Program Participants
Provision of Motor Vehicle	13	10.30%
Motor vehicle repair service	113	89.70%
Motor vehicle loan	0	0.00%

Program Helped Participants To:	Number of Participants	Percent of Program Participants
Obtain a job (of those responding to survey)	17/65	26.2 % of those responding
Keep a job (of those responding to survey)	56/65	76.9% of those responding
Increase wages (of those responding to survey)	9/18	50.0% of those responding

Expenditure Data

As of January 3, 2019, the "Getting to Work" program has spent \$50,605.16 of \$100,000 of SFY 18 funds (50.6 percent) and \$22.295.87 of \$100,000 of SFY 19 funds (22.9 percent). The average cost per participant is \$578.58

Evaluation of the Program by Participants

(Samples from grantee reports)

"I would like to thank you so much for the program it enable me to stay gainfully employed." (Hennepin CAP)

"In February of 2018, a client requested **Hennepin CAP** assistance in repairing her vehicle. Her car needed to have a whole host of issues addressed including re-aligning the tires, fixing the suspension and steering and having the battery checked. The client was a single mother working part-time with two young children and through the Lift to Work program at CAP-HC she was able to get her car back in working, safe condition and was able to get back on her feet."

"One of the more meaningful outcomes for me (counselor at **United CAP**) was when a participant, "Z", and I worked for almost two hours on her personal household budget. She had completed all of the required elements of the program, but was having difficulty completing the budgeting section of her curriculum. We spent our time together going over every element of her current spending, of her current and projected income, of her recurring and potential expenses, and finally put together a working budget that, while very frugal, still allowed for a small amount of "fun money" as well as a fixed budget line item for savings. This was huge, as one of the hardest areas for families to remain successful is budgeting to create savings. The ability to come up with a plan that looked to the future, even slightly so, was a step in the direction of hope for this participant, in that she was able to see that it was possible to continue to move on a trajectory out of paycheck to paycheck living."

""Liz" was a young mother of four who had lost her job due to her battle with cancer. While she was undergoing radiation treatment, she was unable to work and therefore her car was repossessed. Her children walked to school, cared for their mother, and helped maintain their household while she healed. As she began to regain her health, she worked closely with her Employment Specialist at the Minnesota Workforce Center in Litchfield. She soon found a job that offered both full time and part time work, but she was unable to work more than part time hours due to a lack of transportation. After being referred to Helping People Get There, Liz completed a financial literacy curriculum, budgeted and saved for six months of insurance, and was matched with a vehicle that allowed her to bring her children to school, perform all of the daily activities of life, and-most importantly-get to work!"(United CAP)

"In April, a partnering community agency referred "Tracey" to **ResourceWest** for emergency assistance. The young mother of two needed help paying for her children's birth certificates in order to apply for Hennepin County Child Care Assistance. Tracey was motivated to get a job, but needed financial help with daycare for her kids. And with the family currently experiencing homelessness, her goal is housing, which will bring stability for her and her children. Tracey was approved for childcare assistance in May. She found a job, but still needed additional funds for car repairs so she could get to work. In June, **ResourceWest** helped pay for the repairs and Tracey is now able to get to work. She started with a few problems, got help with solving those problems, and is now on her way to wellness building."

"A participant's vehicle needed repairs considered essential to its drivability and safety. The participant had received a repair estimate of \$800, much more than she could afford. A household of five, the participant is the primary earner for her family and as a Personal Care Attendant (PCA), the vehicle is necessary for her to maintain employment. Because of the vehicle repair grant and a 15% discount provided by the auto repair vendor, she was able to repair her vehicle without falling behind on other bills and maintain her employment." (CAP of Ramsey and Washington Counties)