



Request Authorization to Enter into Contract with Partnership for Economic Innovation (Ordinance S-48212)

Request authorization for the City Manager, or his designee, to enter into contract with the Partnership for Economic Innovation (PEI) to provide administrative and customer support services to city programs. The term of the contract will begin on or about Jan. 1, 2022 and end Dec. 31, 2024. The total agreement will not exceed \$17 million over the life of the agreement. Further request authorization for the City Controller to disburse all funds related to this item. There is no impact to the General Fund. Funding is available through the City's allocation of the American Rescue Plan Act (ARPA) received from the federal government.

Summary

The City's ARPA Strategic Plan includes programs designed to address the negative economic impacts in the community due to the COVID-19 pandemic. Several programs will provide direct financial assistance to participants to assist with essential household needs. Since City Council approval of the strategic plan on June 8, 2021, staff has researched and interviewed vendors who can provide a debit card solution for direct financial assistance to residents. Staff focused on vendors capable of implementing a streamlined process and support the reporting requirements required by the US Treasury. After a thorough analysis, staff identified PEI as the most capable vendor to provide this outlet and is best equipped to begin services in January 2022.

Currently, PEI, in partnership with the Greater Phoenix Economic Council, Maricopa Association of Governments, Arizona State University, and the Institute for Digital Progress, is focused on developing and deploying technology solutions rooted in connectivity, mobility, equity, and sustainability, and works with cities across the metro area, including the City of Phoenix, to find regional solutions to community challenges. PEI is positioned to assist the city with two programs in the ARPA Strategic Plan. Due to their regional presence, there are opportunities to partner with PEI on other city programs in the future.

City Council approved \$12 million of ARPA funds to initiate the Family Assistance Resource Program, formally known as the Financial Assistance for Phoenix Families Program as part of the City's ARPA Strategic Plan. On Sept. 21, 2021, City Council

approved the program as follows:

- Provide 1,000 households with children a \$1,000 stipend for 12 months beginning in January 2022.
- Households that have applied to the Emergency Rental Assistance Program and households of City-owned public housing properties, including residents with Section 8 vouchers, will be chosen via a lottery system.
- Participants must agree to allow general purchasing information to be shared with the City to track and report on the progress of the program, as encouraged by the US Treasury.

PEI will work with a program manager to supply reloadable and replaceable debit cards to selected participants. A customer service line will be available where participants can call and ask both technical and programmatic questions. The customer services resources will be available in both English and Spanish. Additionally, PEI will provide administrative staff during the launch of the program to provide in-person events to distribute the debit cards and answer preliminary questions. PEI will assign a dedicated staff member to work closely with the City of Phoenix to ensure the program is running effectively. Deliverables consist of quarterly reports on various performance metrics and a comprehensive program evaluation at the end of the 12-month period. Finally, none of the city-allocated funds will be used for administrative services or other associated overhead costs. All requested funds allocated by City Council will go directly to program participants.

PEI will also assist with the debit card portion of the Workforce Wraparound Tuition/Apprentice Program, approved by City Council on Sept. 21, 2021. A component of the program includes a monthly stipend of \$1,000 to eligible participants to assist with transportation and other personal expenses to support individuals while completing their programs at a Maricopa County Community College. Those individuals with young children will receive an additional \$500 per month to cover childcare expenses. Funding for this portion of the program is up to \$5 million. Similarly, all allocated funds will go directly to program participants.

Contract Term

The term for the contract will begin on or about Jan. 1, 2022 and end Dec. 31, 2024, with two one-year renewal options.

Financial Impact

Total funding will not exceed \$17 million. There is no impact to the General Fund as funding is available through the City's allocation of the ARPA received from the federal

government.

Responsible Department

This item is submitted by City Manager Jeff Barton and the City Manager's Office.