



Date: June 20, 2023

To: Wanda S. Page, City Manager
Through: Bertha T. Johnson, Deputy City Manager
From: Victoria W. Samayoa, Administrative Coordinator
Subject: American Rescue Plan Act (ARPA) Project – For Youth, By Youth (FYBY)

Executive Summary

On November 3, 2021, Audacity Labs, submitted proposal “For Youth, By Youth” (FYBY) requesting \$5,000,000 from the American Rescue Plan Act (ARPA) funds to create a safe, innovation space for Durham youth to pursue entrepreneurial and economic opportunities. On May 18, 2022, City Council approved \$1,000,000 funding for this entity. Staff has reviewed the revised proposal and recommends funding.

Motion

To authorize the City Manager to execute an ARPA subrecipient grant agreement with Audacity Labs in an amount not to exceed \$1,000,000.

Background

The original proposal from Audacity Labs, requested \$5,000,000 from the ARPA funds under core category of Negative Economic Impacts. Audacity Labs’ “For Youth, By Youth” (FYBY) program is intended to be a pipeline of transformative economic opportunities for youth in Durham, housed in a welcoming “teen space” in downtown Durham at 112 Broadway Street that will be open daily after school. FYBY is part of collaborative effort of Audacity Labs (echo) with other nonprofit organizations to provide advanced placement entrepreneurship classes, advisory boards, design-thinking, coding electives, test prep, tutoring, venture team coaching, mentoring, social events, and community engagement for youth in this teen space.

Audacity Labs’ goal is to prepare Durham youth for the rapidly changing educational and workforce landscape by empowering them with skills rooted in developing an entrepreneurial mindset (i.e. encouraging and facilitating collaboration, teamwork, failing forward, flexibility, adaptability) and building a network and community.

Issues and Analysis

The pandemic impact on young people reduced opportunities in the downtown area:

1. Youth unemployment and
2. Lack of space for young people.

Youth ages 24 and younger comprise 31% of Durham’s population. Post pandemic, Durham youth continue to experience disconnect, especially in the downtown area where space for younger people is limited. FYBY intends to invest in apprenticeships and paid internships to help facilitate local businesses in addressing these issues. Additionally, the empowerment of Durham’s youth will increase capacity for positive community contributions. Implementing FYBY

will require continued collaboration between various stakeholders, local businesses, government agencies, and community organizations.

FYBY remains committed to serving those audiences underrepresented in growth entrepreneurship, particularly youth from low-to-moderate income households. In service to this objective, the youth program application process includes self-reporting questions to identify if the applicant is aware of and qualifies for free or reduced-price lunch. Eligible participants must be low-to-moderate income or live in qualified census tracts. FYBY will continue to track and report this as one of the program's key performance indicators.

FYBY success is achieved measuring the unique number of memberships/youths enrolled and participating, collaborative partnerships with likely and unlikely organizations that are youth-facing, and the overall long-term economic sustainability of minority and women-owned businesses started by planting the seed of entrepreneurship in youth by recruiting, training and keeping local talent, especially from under-resourced communities.

Center Evaluation/ Measured Outcomes: (Goal: 75% minimum average)

- Average participation amount by time spent engaged at the center
 - current membership participation
 - Audacity Labs - average 30 per semester in a cohort; 60 summer camp members; 15 student advisory board members; 15 student magazine staff
 - Youth-Serving Program Partners/Collaborators (prospective)
 - Increase partnerships by 15%
 - 2024 - 2025
 - Increase membership and participation another 18%
 - 2025-2026
 - Increase membership and participation another 18%
- Unique number of youths participating in each category:
 - entrepreneurship classes
 - coaching/mentoring sessions
 - venture team meetings
 - skills workshops
 - and ancillary services (tutoring, college prep, wellness)
 - field trips/social events
- Number of mentor hours spent with mentee/number of mentors participating
- Number of youth-led businesses (started and supported)
 - Number of youth-led businesses launched/supported
 - Number of students engaged in an internship or apprenticeship opportunities
 - Number of students leading or supporting projects/events
- Entrepreneurial education measures
 - entrepreneurial orientation
 - opportunity discovery and exploitation
 - problem-solving and creative capacity
 - and entrepreneurial intention

Youth-Reported Growth: (Goal: 75% reported growth)

- Content knowledge of Human-Centered design model for entrepreneurship
- Content knowledge of Lean Start Up model for entrepreneurship

- Network growth in the community
- Experience working with entrepreneurship on the practical, tangible level through their own venture, working with a team, or through internship or apprenticeship.

Youth-Reported Impact: (Goal: 75% reported impact/improvement)

- Awareness of internship opportunities
- Awareness of resources available to support entrepreneurship career path
- Motivation to contribute to the community
- Increased connection to local community of business, government, and activities
- Increased interest in entrepreneurship
- Increased awareness of different career opportunities
- Increased academic engagement
- Increased confidence in skills needed to pursue future goals

Alternatives

The City Council can choose not to accept the staff recommendation.

Financial Impact

\$1,000,000 is available for this purpose from the funding source of the ARPA federal funds. The City of Durham received \$51,881,733 in two distributions; the first distribution was received on June 1, 2021, in the amount of \$25,940,866.50; the remaining amount was received May 2022. The City will have until December 2024 to obligate the funds. Recipients have until December 2026 to spend the funds.

Equal Business Opportunity Summary

Due to the nature of this agenda item, a review by the Finance Department was not required.

Contractor Workforce Diversity & Hiring Practices

Due to the nature of this agenda item, obtaining Contractor Workforce Diversity & Hiring Practices information would not be applicable.

Attachments

Audacity Labs Subrecipient Grant Agreement