



## Los Angeles Cleantech Incubator Final Report for the California Emerging Technology Fund April 2016

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**Name of Project:** OurCycle LA  
**Grant Number:** 16362845  
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### I. Financial Summary

- Total Project Budget Spent: \$746,779
- CETF Grant Amount Spent: \$133,586
- Percentage of Match Funds Raised against Goal (\$507,397): 121%
- Cost Per Unit of Outcomes (\$746,779/579): \$1,290

### II. Project Description, Goals and Objectives, and Outcomes

#### Project Description

Under the leadership of the Offices of the Los Angeles Mayor and City Council, the City of Los Angeles implemented the OurCycle LA Program, which was expected to: (1) Refurbish a minimum of 2,500 computing devices out of approximately 10,000 salvage computers; (2) Provide Digital Literacy training to 2,500 low-income community residents; (3) Provide 1,250 of the mentioned refurbished computing devices at no cost to low-income community residents that complete basic Digital Literacy training and show proof of subscribing to high-speed Internet at home for the first time; (4) Provide 1,250 of the remaining refurbished computing devices to non-profit organizations that serve low-income community residents; and (5) Minimize electronic waste footprint by recycling all computer devices that cannot be refurbished. The program was also expected to facilitate a minimum of 1,500 new broadband subscriptions at home, provide training on computer refurbishment to 75 disadvantaged youths/adults, and establish 2 full-time positions.

OurCycle LA was a collaborative partnership between the City of Los Angeles and a number of non-profit and for-profit organizations serving disadvantaged communities. They included: Los Angeles Cleantech Incubator (fiscal agent), human-I-T, Isidore Electronics Recycling, Youth Policy Institute, EveryoneOn, Citi, REDF, Best Buy and other community partners. The City of Los Angeles was expected to develop a long-term business plan to ensure the sustainability of this model program for the future treatment of the electronic waste produced by the City of Los Angeles.

#### Goals and Objectives Summary

OurCycle LA had eight outcomes and achieved above 100% on three of the outcomes. The outcome on the computer demanufacturing was 43% of goal because the number of refurbishable salvage computers was much better than initial projection. OurCycle LA had lower than projected outcomes on the remaining four goals because of insufficient project funding of which CETF was aware of at the onset, and outreach issues during the pilot which necessitated changes of strategies during the pilot.

## Project Outcomes Summary

Outcome Description	Actual	Goal	Percent Completed
Number of computers refurbished	2,600	2,500	104%
Number of computers demanufactured and properly recycled	3,231	7,500	43%
Number of youth/adults being trained and assisting with computer refurbishing-related work	97	75	129%
Number of jobs created	10	2	500%
Number of participants completing Digital Literacy training	863	2,500	35%
Number of participants (end users) receiving refurbished computers	777	1,250	62%
Number of computers distributed to non-profit organizations	413	1,250	33%
Number of new high-speed Internet subscribers at home	579	1,500	39%

### III. Accomplishments and Challenges

#### Summary of Accomplishments and Impacts of Project

OurCycle LA had eight outcomes and achieved above 100% on three of the outcomes: number of computers refurbished, number of youth/adults being trained and assisting with computer refurbishing-related work, and number of jobs created.

#### ***Assessment of Outcomes Achieved in Comparison to Grant Agreement / Delineation of Deliverables and Outcomes Not Achieved and Explanation***

The pilot achieved the goals that were funded, and did not achieve the goals set out in the CETF grant that were not funded.

- (1) The number of computers refurbished is 104% of goal. The CETF grant funded the refurbishing of the computers.
- (2) The number of computers demanufactured and properly recycled was 34% of goal. This is because the refurbisher evaluated the over 10,000 salvage computers received and inventoried for OurCycle LA, and identified many of them as potentially refurbishable, so they were set aside and not sent to recycling.
- (3) The number of youth and adults being trained and assisting with computer refurbishing-related work was 129% of goal.
- (4) The number of jobs created is 500% of goal through funding provided by other grantors.
- (5) The number of participants completing Digital Literacy training is 35% of goal. This part of the project was not funded, but the training was conducted by the partner YPI funded by CETF. YPI and Everyone On did a tremendous job and provided much of the outreach efforts, but unfortunately the outreach efforts did not produce sufficient number of participants within the timeframe and requirements of the pilot and therefore the training goal was not met.
- (6) The number of participants (end users) receiving refurbished computers is 62% of goal. YPI and Everyone On did a tremendous job and provided much of the outreach efforts, but unfortunately the outreach efforts did not produce sufficient number of participants within the timeframe and requirements of the pilot and therefore this goal was not met. To assist, City Council District (CD) 10 has identified funding to provide free hot-spot devices to the participants in the CD 10 Winter Wonderland event and to the participants receiving the refurbished computers in the future.
- (7) The number of computers distributed to non-profit organizations is 33% of goal. The original strategy of distributing to non-profit organizations had to be changed mid-way during the pilot. The City/OurCycle LA has now successfully partnered with the Housing Authority of the City of Los Angeles (HACLA) and reached an agreement where all the computers originally slated for the non-profit organizations have started being distributed through the ConnectHome program and HACLA/senior housing sites.
- (8) The number of new high-speed Internet subscribers at home is 39% of goal. The City/OurCycle LA has successfully partnered with HACLA/ConnectHome and reached an agreement where all the computers originally slated for the non-profit organizations are now being distributed through HACLA/ConnectHome and HACLA/senior housing sites and the participants receive free internet connection set up by HACLA.

### **Discussion of Other Positive Results from Project**

The OurCycle LA pilot program has met the City of Los Angeles' goal to maximize the use of the salvage computers, minimize the City's electronic waste footprint and provide free computers to low-income communities where people have limited computer access. OurCycle LA is an example of a successful collaborative public private partnership between the City and over 20 non-profit organizations, social enterprises, schools and corporate partners, which worked to help bridge the Digital Divide for the hard-to-reach low-income families and individuals. OurCycle LA also provided job training and career opportunities for individuals with traditionally high barriers to employment - as well as creating local jobs.

### **Impacts of the Project**

One of the most positive results from this grant has been the pilot project's impact on the various partners that contributed their time and resources to making it a success. The CETF grant mainly funded the refurbishing component of the pilot, and below are quotes describing the positive impact of these funds to the participants.

*Gabe Middleton, founder of human-I-T (refurbishing partner organization) said, "OurCycle LA impacted three major areas for us. The first was the fact that over 100 volunteers gained hands-on experience in refurbishing computers and were thankful to use technology to make a difference in their community. The second is the impact on end users. The 579 first-time Internet subscribers expressed gratitude for having access to working technology in their households to improve their quality of life. The third is the impact for our organization. We were able to improve our business and expand our reach to help even more disadvantaged individuals and families in need."*

*The City of Los Angeles' warehouse on 7<sup>th</sup> Street was toured and individual success stories were shared on NBCLA's May 2015 news report about solving LA's Digital Divide. One client, Derek Beaman, who got his first job applying online using one of the refurbished computers he received for free, explained how he was teaching his family to use it. He said, "I use it. I help my sisters out when they go to school and come home to help them out with their homework."*

### **Overview of Major Challenges to Achieving Planned Results**

#### **Identify Major Challenges to Successful Implementation and Discuss Efforts to Address Challenges and Resolve Problems**

OurCycle LA faced several major challenges during the grant period: poor participation rates in spite of outreach efforts and insufficient grant funding for a complete project.

OurCycle LA partnered with Youth Policy Institute (YPI) and EveryoneOn in working with City Council District (CD) 10 on outreach efforts. When the initial efforts working with two identified community-based organizations (CBOs) in CD 10 were not providing sufficient participation results to meet the grant outcomes, the partners developed a list of local CBOs in CD 10 to increase outreach efforts and improve participation rates. When efforts through the list were not sufficient to provide adequate participation results, the partners reached out to local schools in CD 10 and the Los Angeles Dodgers to coordinate mass training and distribution events. CD 10 also reached out to local schools for participation in the Winter Wonderland event and is planning additional mass distribution events. A breakthrough came when OurCycle LA was able to develop a partnership with the Housing Authority of the City of Los Angeles (HACLA) to distribute refurbished computers to senior housing project sites and on ConnectHome-eligible households, a joint project between the City of Los Angeles and HACLA. ConnectHome is a White House and HUD initiative, to provide Internet access to low-income households with school age children.

Grant funding for the overall pilot project was insufficient. The pilot had many components, some of which were not funded which CETF was aware of at the onset of the pilot. CETF was also aware that the City of Los Angeles did not have any experience with such a pilot or the costs and resources required for such an implementation. However, CETF was very supportive of OurCycle LA and provided \$150,000 in grant funding primarily for the refurbishing component of the pilot, as well as the introduction of partners to provide pro-bono/shared outcome

efforts to OurCycle LA for the unfunded components. OurCycle LA also received initial grant funding of \$50,000 from Citi and \$50,000 from REDF for the job training component of the project.

The City of Los Angeles provided all the salvage computers, the warehouse space and staffing to manage the project and provide oversight of the warehouse operations. Los Angeles Cleantech Incubator provided pro-bono contract and fiscal management of the project. For the unfunded components, OurCycle LA relied on pro-bono support from the team partners, some of whom over time were overwhelmed and ultimately had to pull back on the amount of support that they could provide to the pilot. Citi provided a subsequent infusion of \$25,000 grant funding to help with the part of the funding gap and the ConnectHome/OurCycle LA component. However, in spite of the tremendous resources provided, grant funding received, and outreach efforts made by the City of Los Angeles and the partners, the pilot audience was the hardest to reach and connect. Interest and actual participation were mixed since there was no substantial funding to incentivize or buy the hotspot devices for the connection except for one CBO that came up with their own grant funding to provide free hotspot devices in the beginning. All this contributed to the lower than projected outcome results. Fortunately, toward the end of the pilot, CD 10 was able to identify funding to assist and the City/OurCycle LA was able to partner with HACLA/ConnectHome which provided free Internet connection in the public housing projects.

## **IV. Lessons and Recommendations**

### **Summary of Lessons Learned**

Lesson 1: In retrospect, it would have been better if there were more time given to plan out the pilot with industry experts who have more experience in how much time, efforts and funding are needed for a successful implementation and outreach, and not start the pilot until sufficient funding for the entire project has been obtained.

Lesson 2: In retrospect, it would have been better if the pilot, once it was underway, had a full-time project manager devoted solely to the project. Unfortunately, given the staffing resources in the City, the project manager had to manage this pilot concurrently with her other City functions. Other City team members were in similar positions.

Lesson 3: In retrospect, it was a burden to rely so heavily on pro-bono support from some of the partners. These partners became overwhelmed and sometimes non-responsive, creating crisis situations that could have been avoided if there were sufficient funding to pay for all aspects of the pilot project.

### **Summary of Recommendations**

#### ***Recommendations for Expanding the Project in Region or Scaling Up Statewide***

Recommendation 1: The OurCycle LA pilot program has met the City of Los Angeles' goal to maximize the use of the salvage computers, minimize the City's electronic waste footprint and provide free computers to low-income communities where people have limited computer access. However, while the OurCycle LA pilot has met the goals set out by the City and has had a wonderful collaboration with over 20 non-profits, social enterprises, schools and large corporate partners, the City recognizes the challenges of expanding such a program beyond the pilot phase and needs to evaluate the lessons learned from the pilot and do a thorough assessment before deciding on any next steps.

#### ***Recommendations to Close the Digital Divide Based on Your Experience***

Recommendation 1: Find ways to provide low-cost or free devices to more low-income households.

Recommendation 2: Convince more funders (foundations, government, companies) to support digital literacy and the work of helping people adopt broadband at home.

**Recommendations to CETF Regarding Grants Management**

Recommendation 1: Our CETF program officer has been very supportive and helpful, especially with the initial grant preparation and disbursements of funds. She participated fully in the pilot process and helped bring in much needed partners to assist with the various aspects of the pilot. She was responsive and flexible, and was willing to offer advice since the OurCycle LA team had no experience in this area. In retrospect, what would have helped tremendously was full funding of all aspects of the project prior to start of the pilot.

**V. Grant Agreement Requirements**

**Purchased Equipment**

The project did not purchase equipment with the CETF grant.

**Unspent CETF Grant Funds**

There is a balance of \$1,413.81 of unspent CETF grant funds which will be returned to CETF.