



Atlanta-based First Step Staffing Expands into Philadelphia; Acquires Portion of On Time Staffing to form unique job training & placement for homeless and returning citizens

First Step is the largest non-profit, light-industrial staffing agency in the country and the expansion will create more than 700 job opportunities for Philadelphia region's homeless and at-risk citizens

ATLANTA (January 10, 2018) -- [First Step Staffing](#), a nonprofit social enterprise based in Atlanta, today announced its expansion into Philadelphia. Founded in 2007, First Step's mission is to secure sustainable income for individuals transitioning out of homelessness, including veterans, re-entering citizens, and others with significant barriers to employment. In the first 12 months of operation in Philadelphia, First Step expects to employ 500 homeless men and women in the area and grow to serve more than 1,000 by year three.

"We are honored by the warm and supportive welcome already provided by the city and look forward to making Philadelphia our first replication location," said Greg Block, First Step Founder and Chairman. "Our goal is to help thousands of Philadelphia's most vulnerable citizens gain sustainable employment, and eventually, a permanent residence. We believe a steady and sustainable income is the only reliable path out of homelessness."

First Step has acquired a portion of the Philadelphia-based division of On Time Staffing—a for-profit staffing company founded 18 years ago specializing in warehouse, packaging, and manufacturing jobs—which will now become part of First Step's nonprofit operations. First Step will collaborate with On Time Staffing, the City of Philadelphia, and other local social service providers to transition the approximately 700 acquired staffing jobs to serve the region's homeless and at-risk men and women. On Time Staffing's operations outside of the Philadelphia metro region will remain unaffected and continue to operate under the On Time Staffing family of brands.

"This transition allows us to give back in a more meaningful way and serve the community of associations and clients that allowed for the tremendous growth over the last two decades," said Brian Kares, CEO of On Time Staffing.

First Step initially acquired a for-profit company in Atlanta in 2015 and, since the expansion, has placed thousands of men and women into jobs--many of whom were then able to secure permanent housing within six months. In 2017 alone, First Step helped 3,384 homeless or at-risk individuals find jobs, with an average of 550 to 750 working on a daily basis. Clients are referred to First Step through other nonprofits and social service organizations. These men and women are then provided with wrap-around support services, such as job coaching and transportation, to increase job retention and support their overall personal success.

The Philadelphia acquisition was funded by philanthropic dollars, including a significant grant from The Barra Foundation, support from the City of Philadelphia, investments by a consortium of socially minded members of Investors' Circle, and a senior acquisition loan from four Community Development Financial Institutions ("CDFIs"), including Nonprofit Finance Fund ("NFF"), Reinvestment Fund, Local Initiatives Support Corporation (LISC), and Philadelphia Industrial Development Corporation.

"First Step's model stands out as an innovative, effective way to help level the playing field for people who face steep barriers to economic mobility," said Norah McVeigh, Managing Director of Financial Services at Nonprofit Finance Fund. "NFF is pleased to partner with this group of community lenders and First Step to create meaningful opportunities for people whose contributions our economy really needs."

“When we saw the results First Step was achieving in Atlanta and heard they wanted to expand, we jumped at the chance to help bring this model to Philadelphia,” said Andy Rachlin, Managing Director at Reinvestment Fund. “The amazing support they’ve received— not just from us and the rest of the community lending group, but from the City, philanthropy, and other leading homeless services providers in town— underscores what an important addition they are to our existing safety net.”

Global law firm Dentons provided pro bono legal services during the acquisition process, while all funders have facilitated introductions to other funders, government officials, and human services organizations in Philadelphia. As First Step prepares to transition the newly acquired jobs, these partnerships will be critical to ensuring the new candidates are work-ready and fully supported.

“We are excited and eager to take our model – using a business approach to help solve a social concern – and implement it here in Philadelphia where the poverty rate is the highest of the top largest cities in the country,” said Dave Shaffer, First Step Staffing CEO. “Ultimately, we aim to be a true resource and collaborative partner for the organizations and passionate individuals who are already working to help Philadelphia’s homeless men and women take steps toward financial sustainability.”

Officials in Philadelphia have been engaged and excited about the new opportunities and approach offered by First Step.

Eva Gladstein, Deputy Managing Director of Health and Human Services, City of Philadelphia: “Homelessness remains an issue for too many of our men and women, but First Step’s commitment to employment and, eventually, housing is a step in the right direction.”

Tina Wahl, President of The Barra Foundation: “By purchasing a for-profit staffing company and converting it into a nonprofit with existing earned revenue streams, First Step is taking a fresh approach to combatting homelessness. This type of rapid employment for homeless individuals does yet not exist in Philadelphia and will be an important addition to the continuum of care.”

First Step Staffing Philadelphia will be located at 1952 E Allegheny, Suite 500, Philadelphia, PA 19134.

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About First Step Staffing

Founded in 2007, First Step Staffing was designed to address a critical gap in homelessness services in metro Atlanta with a mission is to end homelessness by assisting people to secure income sufficient to maintain housing through. While focused on its mission, First Step also aims to offer best in class service for companies using temporary staffing services. This social enterprise approach utilizes a unique, transitional job placement model, placing individuals who are able to work into selected jobs and providing critical wrap-around support services, such as transportation and job coaching that increase job retention. After a major expansion in Atlanta in 2015, First Step became the largest, nonprofit temporary staffing agency in the country. With the recent replication efforts in Philadelphia, First Step will nearly double its mission-driven impact. www.firststepstaffing.com

About Investors’ Circle

Investors’ Circle is the world’s largest and most active early-stage impact investing network. We have been finding, fostering, and funding startup innovation for over 25 years. It is a national community of angel investors, foundations, and family offices who have invested over \$200 million into more than 300 enterprises dedicated to improving the environment, education, health, and community. Investors’ Circle’s Philadelphia chapter is excited to support First Step’s entry to the Philadelphia market with loans of \$525,000. First Step’s business approach to providing jobs for Philadelphia’s at risk population resonates strongly with Investors Circle’s social impact mission. <http://investorscircle.net/>

About The Barra Foundation

The Barra Foundation invests in innovation to inspire change that strengthens communities in the Greater Philadelphia region. Barra's funding provides both risk capital and core support to acknowledge and advance innovation in our region. Through its Catalyst Fund and Barra Awards, the Foundation provides approximately \$4 million in grants annually that are focused in a number across the fields of Arts & Culture, Education, and Health and Human Services. For more information, visit www.barrafoundation.org.

About the CDFI Investors

Nonprofit Finance Fund® (NFF®) advances missions and social progress in underserved communities through financing, consulting, partnerships, and knowledge-sharing that empower leaders, organizations, and ideas. A leading Community Development Financial Institution (CDFI), NFF currently manages over \$310 million. Since 1980, we have provided almost \$700 million in financing and access to additional capital in support of over \$2.3 billion in projects for thousands of organizations nationwide. www.nonprofitfinancefund.org

The Reinvestment Fund's mission is to build wealth and opportunity for low-wealth people and places through the promotion of socially and environmentally responsible development. Reinvestment Fund is a catalyst for change in low-income communities. We integrate data, policy and strategic investments to improve the quality of life in low-income neighborhoods. Using analytical and financial tools, we bring high-quality grocery stores, affordable housing, schools and health centers to the communities that need better access—creating anchors that attract investment over the long term and help families lead healthier, more productive lives. www.reinvestment.com.

Local Initiatives Support Corporation works with residents and partners to forge resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families. We focus on several strategies, including; strengthening existing alliances while building new collaborations to increase our impact on the progress of people and places; developing leadership and the capacity of partners to advance our work together; equipping talent in underinvested communities with the skills and credentials to compete successfully for quality income and wealth opportunities; investing in businesses, housing and other community infrastructure to catalyze economic, health, safety and educational mobility for individuals and communities; driving local, regional, and national policy and system changes that foster broadly shared prosperity and well-being. www.lisc.org.

Philadelphia Industrial Development Corporation is Philadelphia's public-private economic development corporation. Our mission is to spur investment, support business growth, and foster developments that create jobs, revitalize neighborhoods, and drive growth to every corner of Philadelphia. To achieve our mission we attract, manage, and invest public and private resources in the clients, communities, and markets that energize Philadelphia's economy. www.pidcphila.com.

Dentons Statement

Dentons is pleased to support First Step in its growth activities. First Step's entrepreneurial vision for addressing homelessness fits well with Dentons community activities. www.dentons.com.

About On Time Staffing

Founded in 1999, On Time Staffing, LLC is a privately-held national onsite workforce management and temporary staffing services company headquartered in Cherry Hill, NJ. On Time Staffing specializes in providing the highest quality staffing exclusively in the Light Industrial segment to Fortune 1000 companies. Associates work in three main areas: warehouse, packaging, and manufacturing. For more information, visit www.ontimestaffing.com.

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