



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Welsh

SUBJECT: SEE BELOW

DATE: May 31, 2011

Approved

Date

6/7/11

COUNCIL DISTRICT: Citywide

**SUBJECT: IMPLEMENTATION OF WORKFORCE INVESTMENT ACT
PROGRAMS AND PROJECTS FOR 2011-2012**

RECOMMENDATION

Adoption of a resolution authorizing:

- (a) The City Manager or designee to negotiate and execute all contracts, amendments, agreements, leases, subleases and memorandums of understanding with contractors and vendors providing services to the Workforce Investment Act Program (WIA), including, but not limited to, novations or assignments, vendor training contracts, case management contracts, consultant contracts, memorandums of understanding required with Mandatory Partners for the use of One-Stop facilities, and cities and the unincorporated area of Santa Clara County whose residents receive service under the WIA program for the period from July 1, 2011 to June 30, 2012 in accordance with procurement procedures and requirements mandated by the State and Federal governments for Workforce Investment Act grant recipients and with established City procurement procedures and requirements that have been reviewed and approved by the Silicon Valley Workforce Investment Network (work2future) Executive Committee and/or the Board. The City Manager or designee is also authorized to negotiate and execute Council-approved agreements that have been reviewed and approved by the work2future Executive Committee and/or the work2future Board so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.

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- (b) The City Manager or designee to negotiate and execute all grants and sub-grant agreements for discretionary funding applied for and approved by the work2future Board for the period from July 1, 2011 to June 30, 2012.

EXECUTIVE SUMMARY

The proposed resolution authorizes the City Manager or designee to negotiate and execute all contracts and grant-related documents pertaining to the implementation of the Workforce Investment Act grant. The City of San Jose is the recipient and fiscal administrator of the WIA funds and serves the City of San Jose, five other South County municipalities, and the unincorporated areas of Santa Clara County. Prior to the beginning of each fiscal year, the Office of Economic Development (OED) recommends to the City Council approval of an omnibus resolution. Council has approved the omnibus resolution annually since 2000.

Funds for the WIA program originate at the United States Department of Labor (DOL) in the Employment & Training Administration (ETA) and are disbursed to Local Workforce Investment Act programs through the State of California's Employment Development Department (EDD). There are four main components of these funding streams: WIA Dislocated Worker funds, WIA Title 1B Adult funds, WIA Youth funds, and WIA Rapid Response funds.

In Fiscal Year 2011-2012 the City of San Jose, as fiscal agent for the work2future WIB, will receive the following amounts:

WIA Dislocated Worker Program	\$ 3,490,684
WIA Title 1B Adult Program	\$ 2,851,549
WIA Youth Program	<u>\$ 3,365,644</u>
Total Funds	\$ 9,707,877

work2future's Executive Committee reviewed and approved the FY 2011-2012 budget at its June 9, 2011 meeting; the Finance Committee formally approved the budget on June 8, 2011; and the work2future Board will follow with formal approval on June 16, 2011.

Summary of work2future's Key Activities and Accomplishments

work2future provides residents with the workforce tools and opportunities to maximize their employment potential, and provides successful employment strategies for residents with barriers. The work2future public-private board, consisting of 37 members primarily from the private sector, brings government, business, education, and training providers together to create innovative workforce strategies and programs and foster a One-Stop System that fulfills the needs of our diverse communities, and continuously improves our organization and the delivery of our services. work2future's efforts over the past year, and since its inception, have served thousands of businesses and individuals annually through the One-Stop centers located throughout Santa Clara County.

At this time, 89,000 Santa Clara County residents are officially unemployed, with 56,000 unemployed in San Jose. In addition, a substantial number of unemployed individuals have

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ceased looking for employment but are not captured in these still unprecedented unemployment statistics. work2future's Adult and Dislocated Worker clients range from highly skilled individuals with advanced degrees and significant job experience to individuals with multiple barriers to employment and very low incomes. In addition, 99% of work2future's youth clients are low-income with at least one additional barrier to employment (e.g., basic skills deficient, ex-offender, homeless).

work2future Served Over 10,000 Clients in FY 2010-2011

In 2010 work2future enrolled 8,562 new clients, served over 10,000 clients, and assisted 448 businesses with recruitment and business development services. On average, each work2future client is utilizing well over 10 services, such as workshops, assessments, job fairs, specialized recruitments, and training.

With the change to work2future's service delivery model and the prolonged and severe economic downturn, work2future has seen a surge in its client base from 500 participants in 2007 to 10,000 currently. Given the relatively modest job creation still occurring in the local economy, work2future is seeing a significant increase in underemployed individuals and anticipates enrolling 7,000 new clients in the upcoming year.

As part of the process to place jobseekers in growth industries and upgrade worker skills, the WIA program provides vocational training opportunities, including classroom, on-line, on-the-job, and customized training to meet the demands of local employers for a skilled, well-trained workforce. Last year, work2future exceeded all but one of its U.S. Department of Labor (DOL) performance measures. Except for the Dislocated Worker Entered Employment measure, which work2future missed by 0.1%, work2future has met or exceeded all performance measures for each of its funding streams since FY 05-06.

For the second year in a row, work2future is providing on-site workforce services to City of San Jose employees at risk of layoff, including talent coaching, job fairs, assessments and workshops. Further, in response to the NUMMI auto plant closure, work2future opened a specialized center near the San Jose One-Stop to ensure that over 500 NUMMI dislocated workers receive training and placement assistance customized to their needs.

work2future Provided Training to 8,200 Clients

Over the last two years, work2future has supported over 8,200 clients to attend a wide range of trainings. During FY 2009-2010, work2future provided training services to approximately 5,000 individuals. By securing these training services, customers have had the opportunity to upgrade their skills, which could ultimately lead to employment opportunities that otherwise may not have been available to them. Through work2future, customers were able to take advantage of a number of qualified training providers; these training opportunities included occupational skills training, short-term training through college courses or on-line training, comprehensive workshops, cohort training, and pre-apprenticeship training which, upon successful completion, lead to a certificate, competency, or skill recognized by an employer.

work2future Receives State and International Awards

This year, the California chapter of the International Association of Workforce Professional (IAWP) honored the Parkmoor San Jose One-Stop as the *Outstanding One Stop in California* at its Annual Education Conference on April 29, 2011. The Parkmoor One-Stop has also been chosen to receive recognition at the International level as the *Outstanding One-Stop* at IAWP's International Education Conference to be held on June 29th in St. Louis, Missouri. Founded in 1913, the IAWP is a non-profit professional association of over 13,000 members who work in public and private workforce development programs.

work2future Served Over 930 Youth

In 2010 over 930 youth received work experience training, internships, and supportive services. A total of 725 youth participated in work2future's CalWORKS/ARRA-funded summer youth employment programs at 195 different worksites, including 120 youth participants at 35 sites supervised by various City of San Jose departments.

In addition, in support of the Mayor's Green Vision, work2future's 2010 Green Cadre program provided leadership training for 50 youth, ages 18-24. Green Cadre program participants earned nationally recognized *green* certifications, participated in over 40 internships with nonprofits and City departments, and provided over 1850 hours of community service. The Green Cadre program trains participants to become environmental stewards, green advocates for their communities, and ambassadors for the City of San Jose's Green Vision.

In 2011, the Green Cadre will serve 80 youth. Over 90% of these youth have earned industry-recognized certifications. The Cadre members have completed 4320 internship hours with Goodwill Industries, Green Mouse Recycling, Guadalupe Parks and Gardens, Resource Area for Teachers (RAFT), and PRNS. California Waste Management, Our City Forest, and Environmental Services will also provide internship opportunities for participants. The Green Cadre has completed 1052 hours of community service as of May 13. The program is predicated on combining technical certifications and work readiness training with community service and internships that link participants with adults in a work environment.

Nearly 232,000 Served through BusinessOwnerSpace.com

work2future has continued to play a leading role in the oversight and expansion of the City's small business initiative. BusinessOwnerSpace.com (BOS) has connected or served approximately 232,000 businesses and entrepreneurs since its inception in October 2007. BOS, a City-driven initiative to assist and support small businesses, serves as a virtual one-stop for entrepreneurs and business owners, connecting them to a wide array of services.

Last year, through a Small Business Administration grant, additional work was done to enhance BOS outreach and to provide versatile tools including a Green Assessment of business operations. Further, BOS has expanded access to procurement information and opportunities for entrepreneurs and small business owners, as well as providing social media connectivity. Ultimately, the vision is to provide a streamlined permitting and licensing *wizard* to move BOS and its customers into the 21st century.

As an enhancement to BOS, in fall of 2011, work2future and BOS expect to launch a Shop San Jose campaign to drive more retail and business customers to San Jose-based providers of goods and services. The Shop San Jose campaign will be steered by a comprehensive set of partnerships with large and local social media providers.

Over 4,100 Job Seekers Attend work2future Job Fairs and Specialized Recruitments

Last year, work2future staff conducted over 33 job fairs and specialized recruitments with 127 employers and over 4100 job seekers attending. A specialized recruitment to fill 200 openings for a new Target Store brought over 585 attendees to the One-Stop center, resulting in 187 job offers for One-Stop customers. work2future offered many additional special programs and services to job seekers, businesses and youth through American Recovery & Reinvestment Act of 2009 (ARRA) funding, providing skills training for over 4,500 individuals and enabling One-Stop staff to extend the center's customer contact hours by 40%. work2future responded to 21 Worker Adjustment and Retraining Notification (WARN) notices and 50 non-WARN layoff contacts to provide transition information and services, reaching 5,087 impacted employees.

work2future Receives \$5,662,363 in Special Appropriations

Over the last two years, work2future has received a cumulative reduction of funding of 58%, although the demand for services continues to increase due to relatively slow job creation and the increase in underemployed individuals. To assist work2future to continue to support a wide variety of client services such as assessments and job training for laid off public employees, NUMMI workers and suppliers, and the long-term unemployed, work2future has applied for and received a total of \$5,662,363 from special grants.

ANALYSIS

(a) Contracts and Agreements

Staff recommends that Council authorize the City Manager or designee to negotiate and execute, upon review and approval by the work2future Board, all contracts, amendments, agreements, leases, subleases, and memos of understanding with contractors and vendors providing services to the Workforce Investment Act Program including, but not limited to:

- Novations or assignments;
- Vendor training contracts;
- Case management contracts;
- Consultant contracts;
- Memoranda of understanding with Mandatory Partners and others, including memoranda of understanding for the use of One-Stop facilities; and
- Memoranda of understanding with other cities and the unincorporated area of Santa Clara County that will receive services from work2future for the period July 1, 2011 to June 30, 2012.

Mandated partners are WIA Title II adult education and literacy providers that must provide core services through the one-stops, and include programs authorized under the following:

- Wagner-Peyser Act;
- Adult Education and Literacy title of the Workforce Investment Act;
- The Vocational Rehabilitation Act;
- Welfare-to-work grants;
- Title V of the Older Americans Act;
- Postsecondary vocational education under the Perkins Act;
- Trade Adjustment Assistance;
- Veterans employment services under chapter 41 of title 38, U.S.C.;
- Unemployment compensation laws;
- Community Service Block Grants; and
- Employment and training activities carried out by the Department of Housing and Urban Development.

Some of these partners include:

- Employment Development Department (EDD)
- Job Corps
- National Council on Aging
- Department of Rehabilitation
- Adult Education

The City Manager or designee will ensure that sufficient funds are available and that agreements are in accordance with federal and state laws and regulations.

(b) Grant Applications

During FY 2011-2012 work2future will endeavor to obtain additional discretionary funding through grant applications. Funding proposals may require partnerships with other public, private, and community-based organizations as a prerequisite for funding. In other instances, funding may be awarded to work2future for activities that may be undertaken by community-based organizations, institutions of higher learning, or vendors to be selected through a subsequent request for proposal processes. These grants can support City operations through the payment of overhead.

Staff recommends that the City Council authorize the City Manager or designee to negotiate and execute all grant applications, grants, and sub-grant agreements for discretionary funding applied for and approved by the work2future Board for the period from July 1, 2011 to June 30, 2012.

(c) Council Reporting

The work2future program is housed within the Office of Economic Development. OED and work2future make an annual comprehensive presentation on title and discretionary funding availability, contracting and program activity and performance, and client services to the Community and Economic Development Committee (CEDC). On November 29, 2010, work2future provided a report to the CEDC for its activities to date.

FY 2011-12 Implementation Issues

Relocation

This summer, work2future anticipates relocating from its Parkmoor facility to two or three City-owned community center facilities that would not otherwise be used by the community. These facilities are the Kirk Community Center, the Old Almaden Winery Community Center, and the Shirakawa Community Center. Regarding the Shirakawa center, it still remains uncertain whether work2future will relocate to this site, given the potential purchase of the center by an external party. work2future will provide \$461,000 to the City for rent, maintenance, and utilities associated with the use of these three facilities.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although the outreach activities do not specifically meet any of the above criteria, outreach has been undertaken as follows:

- The WIA activities represented in this report involve a wide variety of public outreach including working with various community-based organizations, private sector businesses, educational entities, and other governmental organizations.
- The work2future Board is comprised of 37 private and public sector members appointed by the Mayor and ratified by the City Council, and has sought public input at all board and committee meetings on each of the projects detailed above. All work2future

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meetings, as well as those of the supporting committees, are covered by the Brown Act and are subject to public notice requirements and public comment sections on the agendas of their actual meetings.

- This memorandum to Council will be posted on the City's website for the June 21, 2011 Council Agenda.

COORDINATION

This report has been coordinated with the Office of the City Attorney and the City Manager's Budget Office.

FISCAL/POLICY/ALIGNMENT

The activities represented by this action are consistent with the 2010 Economic Development Strategy approved by the Council, specifically Strategic Goals No. 4, "Nurture the Success of Local Small Business, and No. 7, "Prepare Residents to Participate in the Economy Through Training, Education, and Career Support."

CEQA

Not a project. PP10-066; Agreements/Contracts (New or Amended).



KIM WALESH

Director of Economic Development

For questions, please contact Jeff Ruster at (408) 535-8183