



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Paul Krutko

**SUBJECT:** SEE BELOW

**DATE:** June 1, 2009

Approved

*Christine J. Shippy*

Date

*6/5/09*

**COUNCIL DISTRICT:** Citywide

**SUBJECT: IMPLEMENTATION OF WORKFORCE INVESTMENT ACT PROGRAMS  
AND PROJECTS FOR 2009-2010**

## RECOMMENDATION

Adoption of a resolution authorizing:

- (a) The City Manager 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, 2009 to June 30, 2010 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 is also authorized to amend 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.
- (b) The City Manager 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, 2009 to June 30, 2010.

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## **EXECUTIVE SUMMARY**

The proposed resolution authorizes the City Manager 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.

### **work2future**

work2future, a division of the Office of Economic Development, provides businesses with the workforce tools they need to succeed in a global economy. work2future also 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 42 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 over 100,000 individuals annually through the One-Stop centers located throughout Santa Clara County.

work2future is now entering its tenth year of operations. During this time it has established itself as a leader in the California workforce community. Based on new U.S. Department of Labor Common Measures performance requirements for youth, adult, and dislocated worker clients, work2future has met the required outcomes for the past three years and anticipates the same result for this year. During the course of this current fiscal year, work2future has witnessed a 30% increase in the number of visits at its one-stop centers and will serve approximately 130,000 individuals this year.

### **Five-Year State Plan**

Workforce Investment Act (WIA) policies require that the local workforce investment board submit a five-year plan to the Governor for its WIA-allocated funds. Each year work2future submits an update to the five-year plan to the State of California (EDD), which highlights new innovations, service changes, and major accomplishments. The purpose of the plan is to describe the local area's one-stop approach to workforce development programs that responds to the employment needs of its many customers, including current workers, unemployed workers, dislocated workers, new entrants to the labor force, youth, veterans, and employers. The most recent update to the five-year plan was subject to a 30-day period for receipt of public comment during November 2008.

### **Service Delivery**

work2future continues to streamline services currently offered through its existing three One-Stop Centers and works effectively at coordinating all aspects of its service delivery including virtual access to information and select services. This approach allows for customer needs to be met in a more efficient manner, and will expand the current customer base of programs.

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work2future will continue to focus on building responsive systems that respond to the ever-changing needs of a dynamic labor market and the emergence of a new economy. work2future will continue to provide leadership in promoting the economic and community development benefits which can be achieved with a strong and viable workforce development system.

### **Green Vision**

In response to the Mayor's Green Vision, work2future is developing a "Green Job Corps" program that will provide customized and on-the-job training (OJT) to participants in support of clean and green technologies and companies. The new program's goal is to provide youth and young adults (18-24 years old) with the opportunity to obtain employment in green construction jobs that open career pathways in high-growth energy efficiency and environmental conservation industries. Upon completion of the program, participants will become part of a competitive, green workforce. Additionally, the business-friendly OJT and customized training options support San Jose's clean and green business attraction and retention strategy.

By focusing on the key elements of the City of San Jose's Green Vision, our Green Job Corps Program will help drive economic growth and improve the quality of life and attract young talent to future green and clean tech jobs. It is anticipated that work2future will create partnerships with local educational institutions to address program participants' training needs.

### **BACKGROUND**

#### **work2future Board Actions**

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, 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 2009-2010 the City of San Jose, as fiscal agent for the Silicon Valley Workforce Investment Board (SVWIB), will receive the following amounts:

WIA Dislocated Worker Program	\$ 4,255,510
WIA Title 1B Adult Program	\$ 3,671,512
WIA Youth Program	\$ 3,851,009
WIA Rapid Response Program	\$ 358,860*
Total Funds	\$12,136,891

\*Estimated amount – actual figure not available at this time.

Additional funding this year will be coming from the American Recovery and Reinvestment Act (ARRA) – the Stimulus Bill. Funding components are the same and are broken down as follows:

WIA Dislocated Worker Program	\$ 4,448,400
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WIA Title 1B Adult Program	\$ 2,026,103
WIA Youth Program	\$ 4,744,413
WIA Rapid Response Program	\$ 638,390
Total Funds	\$ 11,857,306

Total funding for work2future for FY 2009 – 2010 is \$23,994,197. The work2future Finance Committee will formally approve the budget for FY 2009-2010 at the Committee's meeting on June 3, 2009, the Executive Committee will approve at its meeting on June 8, 2009, and the work2future Board will follow with formal approval at its meeting on June 18, 2009.

## 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;
- Memorandums of understanding with Mandatory Partners, including memorandums of understanding for the use of One-Stop facilities; and
- Memorandums of understanding with other cities and the unincorporated area of Santa Clara County that will receive services from work2future for the period July 1, 2009 to June 30, 2010.

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

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- 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; and
- Adult Education

The City Manager 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 2009-2010 the 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 process.

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, 2009 to June 30, 2010.

(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. The next presentation is scheduled for November 2009.

**FY 2009-10 IMPLEMENTATION ISSUES**

**State of California Integration Project**

work2future has volunteered to be a learning lab as part of a statewide integration project. The objectives of a statewide learning lab are to reduce paperwork, provide additional services, and eliminate duplication of services between the Employment Development Department (EDD) and the One-Stop Centers. As a designated learning lab, work2future has been released from certain regulatory requirements that create barriers to achieving true integration with the One-Stop partners. For example, work2future and partners are no longer required to retain documentation of eligibility for enrollment into adult and dislocated worker programs, allowing work2future to operate the programs in a paperless environment. The operational and contractual implications of this Integration effort are numerous and complex. Of particular note, however, is that work2future has

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experienced an increase in the number of enrolled adult and dislocated worker clients, and by the end of June 2009 will have enrolled 7,000 clients, which equates to approximately 60,000 activities that include assessments, workshops, and one-on-one counseling.

### **BusinessOwnerSpace.com**

Moreover, the organization continues to play a leading role in the oversight and expansion of the City's small business initiative, BusinessOwnerSpace.com (BOS), which has served nearly 65,000 small businesses since its inception in October 2007. The BOS web site and key marketing material has been translated into Spanish and Vietnamese in order to serve a wider range of businesses.

### **Special Appropriations**

In the past year, work2future has received funding from the Housing Trust and a Federal Earmark grant, additional funding which has supported job training for ex-offenders and transitional homeless individuals as part of the county-wide blue ribbon task force on ending homeless initiative, and a New Immigrant program providing supportive services and job training for individuals that have arrived in the United States within the last five years.

### **America Recovery and Reinvestment**

Stimulus funding will enable work2future to implement new programs during fiscal year 2009-2010. 1,000 to 1,200 youth will be placed in jobs under the Summer Youth Work Experience Program. These jobs are with government, civic, and community-based organizations and will include weekly mandatory work readiness training. work2future will serve an additional 1,500-2,000 Adult and Dislocated workers, 800 of which will receive job training in high growth and emerging industry sectors, such as clean technology, health care, and stimulus-funded construction projects. In addition to new programs, ARRA funding will allow work2future to provide additional rapid response services to companies that are downsizing, off shoring, or closing their 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:

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- 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 42 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 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.
- In addition to publication of notice for the 30-day posting of work2future's five-year plan for public comment during November 2008, this memorandum will be posted on the City's website for the June 23, 2009 Council Agenda.

### **COORDINATION**

This report has been coordinated with the Office of the City Attorney, City Manager's Budget Office, and the Planning, Building and Code Enforcement Department.

### **FISCAL/POLICY/ALIGNMENT**

The activities represented by this action are consistent with the Economic Development Strategy approved by the Council, specifically Initiative No. 9, "Prepare Residents to Participate in the Region's Economic Opportunity, from K-12 to Lifelong Learning."

### **CEQA**

Not a Project. However, individual projects, such as lease agreements, will require additional environmental review prior to approval.



PAUL KRUTKO  
Chief Development Officer

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