

# Agenda Report

July 20, 2020

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee (July 9, 2020)

**FROM:** Office of the City Manager – Career Services Division

**SUBJECT: RECOGNIZE REVENUE AND APPROPRIATE FUNDS OF \$1,876,323 TO THE FISCAL YEAR 2021 OPERATING BUDGET FOR THE ACCEPTANCE OF THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT GRANT FUNDS AND APPROVAL OF A CONTRACT AMENDMENT WITH THE SOUTHBAY WORKFORCE INVESTMENT BOARD TO PROVIDE INDIVIDUAL TRAINING ACCOUNT SERVICES**

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the proposed actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
- 2) Authorize the City Manager to enter into a contract between the City of Pasadena (administrative entity for the Foothill Workforce Development Board) and the State of California Employment Development Department for the receipt of:
  - a. Workforce Innovation and Opportunity Act Youth Program Year 2020-21 grant funds in the amount of \$501,323.00 over a 27-month term; and
  - b. COVID-19 Employment Recovery National Dislocated Worker Grant funds in the amount of \$525,000.00 over a 24-month term; and
  - c. Additional Assistance Underserved COVID-19 Impacted Individuals grant funds in the amount of \$450,000.00 over a seven-month term; and

- d. Regional Planning Implementation 3.0 grant funds in the amount of \$400,000.00 over an 18-month term; and
- 3) Authorize the City Manager to enter into a contract amendment between the City of Pasadena (administrative entity for the Foothill Workforce Development Board) and the South Bay Workforce Investment Board (administrative entity for the City of Inglewood), for an increase of \$360,000 for a new contract amount not to exceed \$2,860,000.
- 4) Amend the Fiscal Year 2021 Career Services Division Operating Budget to recognize revenues in the amount of \$1,876,323 and appropriate expenditures in the amount of \$2,236,323.

**BACKGROUND:**

The City of Pasadena is part of the six city Joint Powers Authority that is known as the Foothill Workforce Development Board (Foothill WDB). This partnership includes the cities of South Pasadena, Sierra Madre, Arcadia, Monrovia, and Duarte. As the largest city in this partnership, Pasadena has maintained the role as the administrative agent. Pasadena provides staff and support resources to the JPA. With the exception of modest administrative overhead costs, the Foothill WDB operating budget is fully funded by a series of Federal, State and Local Grants that are allocated to support workforce programs for the under and unemployed. Programs for laid-off workers, veterans, youth, the disabled and those previously incarcerated are among the primary activities. The Foothill WDB operates the One Stop Center located at 1207 East Green Street, Pasadena, CA 91106. Services offered at the One Stop Center include career training information, career assessment, job search workshops, case management, youth and adult work experience, skills upgrade training, entrepreneurship training, and other workforce related services. The proposed programs identified above will expand existing services to the youth population, individuals impacted by COVID-19, and regional efforts. All proposed programs will be administered at the One Stop Center through existing staff apart from contracted training providers who are subject to State training eligibility requirements. The acceptance of these funds is required for the Foothill WDB to begin providing services to these vulnerable populations.

**A. Workforce Innovation and Opportunity Act (WIOA)**

President Barack Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law on July 22, 2014. The WIOA supersedes the Workforce Investment Act of 1988 (WIA). WIOA is designed to strengthen and improve our nation's public workforce system and help get Americans, including youth and those with significant barriers to employment, into high-quality jobs and careers and help employers hire and retain skilled workers.

On May 27, 2020, the State of California Employment Development Department issued an award to the Foothill WDB for WIOA Youth funding in the amount of \$501,323 with a term of April 1, 2020 through June 30, 2022.

The funding is intended for the Foothill WDB to provide youth access to employment, education, training, and support services while matching employers with the skilled workers they need to compete in the global economy. The Youth Services program serves eligible youth, ages 18-24, who face barriers to education, training, and employment with a focus on out-of-school youth. Eligible youth will be offered a minimum of 420 hours in paid work experience for opportunities to gain knowledge, develop skills, and build work habits that prepare youth for unsubsidized employment opportunities. Other youth program services include activities that lead to attainment of occupational skills training, work readiness, and social skills development. Support services payments will be offered to ensure the clients ability to successfully complete work experience and meet their basic needs such as shelter, transportation, and other needs-related payments.

**B. COVID-19 Employment Recovery National Dislocated Worker Grant:**

In April 2020, the City of Pasadena, which serves as the administrative agent for the Foothill Workforce Development Board (Foothill WDB), submitted a grant application to the State of California Employment Development Department for additional emergency funds through the National Emergency Grant. Foothill WDB requested funding to provide workforce services to individuals dislocated by the COVID-19 virus. On June 9, 2020, the State of California Employment Development Department issued an award and distributed a subgrant agreement to the Foothill WDB for COVID-19 Employment Recovery National Dislocated Worker Grant funding in the amount of \$525,000 with a term of April 10, 2020 through March 31, 2022.

The funding is intended to provide services to individuals dislocated by the COVID-19 virus. Services will focus on dislocated workers and members of the US Armed Forces. Training will be offered to ensure measurable skill gains and credential attainment for job placement in high-demand sectors. Support service payments will be offered to ensure the clients ability to successfully receive workforce services and meet their basic needs such as shelter, transportation, and other needs-related payments.

**C. COVID-19 Impacted Individuals Program:**

In April 2020, the City of Pasadena, which serves as the administrative agent for the Foothill Workforce Development Board (Foothill WDB), submitted a grant application to the State of California Employment Development Department for additional emergency funds through the Governor's 25% Dislocated Worker Additional Assistance discretionary funds. Foothill WDB requested funding to provide workforce services to individuals dislocated by the COVID-19 virus. On May 12, 2020, the

State of California Employment Development Department issued an award and distributed a subgrant agreement to the Foothill WDB for Underserved COVID-19 Impacted Individuals funding in the amount of \$450,000 with a term of March 1, 2020 through September 30, 2020.

The funding is intended to provide support services to individuals impacted by the COVID-19 virus. Services will focus on underserved populations, particularly those in need of support services in the English Language Learner (ELL) and ELL Navigator programs. Support service payments will be offered to ensure the clients ability to successfully receive workforce services and meet their basic needs such as shelter, transportation, and other needs-related payments.

D. Regional Planning Implementation 3.0 Program:

In January 2020, the City of Pasadena, which serves as the administrative agent for the Foothill WDB submitted a grant application to the State of California Employment Development Department on behalf of the Los Angeles Regional Planning Unit. The Foothill WDB along with the seven local workforce development boards in the County of Los Angeles, have come together under this initiative as partners to develop regional plans that will help improve and expand reentry services. In May 2020, the State of California Employment Development Department issued an award and distributed a subgrant agreement to the Foothill WDB for Regional Planning Implementation 3.0 funding in the amount of \$400,000 with a term of April 2020 through September 2021.

The funding is intended for the Los Angeles Regional Planning Unit to strategize and develop initiatives and support continued efforts in implementing the three policy objectives of the California's Strategic Workforce Plan: fostering demand-driven skills attainment in high road jobs, enabling upward mobility for populations with barriers, and aligning, coordinating, and integrating programs and services. Services will be focused on the english language learner, formerly incarcerated, individuals with disabilities, veterans, disconnected youth, and low-wage workers and create opportunity through apprenticeship or career pathways for high road jobs.

E. South Bay Workforce Investment Board Contract Amendment:

The City of Pasadena (administrative entity for the Foothill WDB), and the South Bay Workforce Investment Board entered into agreement No. 31641, dated as of April 30, 2020 for an amount not to exceed \$2,500,000 over a two-year term. Since the execution of the original contract, the Foothill WDB has been awarded additional funding from the California Employment Development Department to be utilized to provide training. The Foothill WDB desires to amend the original contract with an increase of \$360,000 for a total contract amount not to exceed \$2,860,000 to provide additional funding for training services.

Under the Workforce Innovation and Opportunity Act (WIOA), Section 122 requires states to establish and maintain a list of training providers who are eligible to receive WIOA Title I funds for training services. An America's Job Center of California (AJCC) may issue an Individual Training Account (ITA) to a WIOA Title I, subtitle B eligible individual (out of school youth age 16-24, adult or dislocated worker) to fund training services. The training provider must be selected from those listed on the List (ETPL). Under the federal WIOA, most vocational classroom training must be provided through vouchers known as Individual Training Accounts (ITAs). The State of California has established a policy that requires Local Workforce Development Boards to develop procedures for accepting applications of ITA training providers, contracting, payment, and monitoring of performance.

In accordance with state policy, Local Boards may authorize a single Local Board to act on their behalf in making determinations for initial and/or subsequent eligibility of training providers. The South Bay Workforce Investment Board ("South Bay WIB") is the Local Board in the Los Angeles County Area that has acted on the behalf of local workforce development areas, including the Foothill WDB for the past seventeen (17) years.

Training services are offered through individual case management at the One Stop Center located at 1207 East Green Street, Pasadena, CA 91106. Training opportunities are available to eligible populations on a first come first serve basis and is subject to available funding. The selection of training and training providers are customer choice in accordance with the workforce innovation and opportunity act.

#### **COUNCIL POLICY CONSIDERATION:**

Approval of the recommended actions will support local services for those seeking jobs and will have a positive impact on the current economic challenges facing Pasadena and the other partner cities in the Foothill WDB region.

#### **ENVIRONMENTAL ANALYSIS:**

The actions proposed herein are exempt from the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. Entering into this agreement will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project," subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

Approval of the recommended action will result in the City recognizing \$501,323 in WIOA Funds for the Youth Grant revenue fund (68111011-630200-47531) and appropriation account (68111011-47531/47534); \$525,000 National Dislocated Worker Grant revenue fund (68111011-631000-47716) and appropriation account (68111011-47716/47717); \$450,000 COVID-19 Impacted Individuals revenue fund (68111011-631000-47713) and appropriation account (68111011-47713); and \$400,000 Regional Plan Implementation 3.0 revenue fund (68111011-631000-47714) and appropriation account (68111011-47714/47715). The Council action also increases Pasadena's contract with the South Bay Workforce Investment Board by \$360,000 to funding appropriation account (68111011-813000-47706/47717).


Respectfully submitted,



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