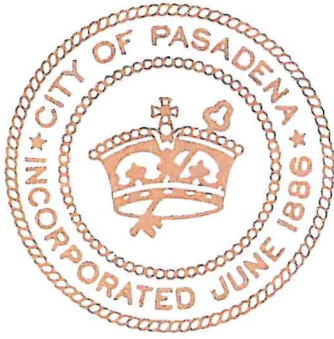




# Agenda Report

September 15, 2026

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

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

**SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT FOR \$3,239,091 WITH THE CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT FOR THE WORKFORCE INNOVATION OPPORTUNITY ACT PROGRAM AND AMEND THE CITY MANAGER'S FY 2027 OPERATING BUDGET BY \$808,267 TO RECOGNIZE AND APPROPRIATE THE FUNDS**

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the proposed action is not a "project" subject to the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Sections 15060(c) and 15378(b);
- 2) Authorize the City Manager to execute a contract to receive funding in the amount of \$3,239,091 for a two-year term to implement the Workforce Innovation Opportunity Act grant program and execute any related documents necessary to implement the program; and
- 3) Amend the City Manager's FY 2027 Operating Budget by recognizing revenues and appropriating \$808,267 in the Workforce Innovation Opportunity Fund (Fund 681) and increase the personnel allocation by 2.0 full-time equivalent (FTE) limited-term grant-funded positions.

## **BACKGROUND:**

On July 1, 2026, the City was notified of a grant allocation in the amount of \$3,239,091 from the State of California Employment Development Department (EDD) to support the

implementation of the Workforce Innovation Opportunity Act (WIOA). The funding covers the time period between July 1, 2026, through June 30, 2028.

The actual amount allocated for this grant period is \$808,267 greater than the amount projected when FY27 budgets were submitted in April 2026. The increase in funds is based on a yearly state formulation incorporating local area population size, poverty rate, and unemployment. This additional funding will require that enrollment and services goals will be increased. Two additional staff will be needed to be brought on to ensure program goals and requirements are met. Both positions are vacant positions that were previously removed from the FY27 budget due to funding constraints.

1) Career Services Case Worker (Limited-Term) is essential to manage the increased client volume and service delivery demands resulting from the expansion of federal grant resources. 2) Management Analyst IV (MA IV - Limited-Term) is critical for ensuring budget oversight, administrative support, and compliance with federal WIOA grant regulations during this period of enhanced funding.

The WIOA program is the primary funding for career service activities performed by the Foothill Workforce Development Board. This is federal workforce funding from the Federal Department of Labor, that is passed through to the state of California to sub-award to each local workforce area. The Foothill Workforce Development Board (FWDB) will provide administrative and programmatic duties for each of the programs designated in the funding.

Key program elements include:

**Adult/Dislocated Worker:** Unemployed or underemployed individuals are able to enroll into career services including but not limited to case management, occupational training, job search assistance, and other employment related supportive services.

**Youth:** Low-income youth facing barriers to employment will receive services such as case management, work readiness training, mentoring, and participate in paid work experiences.

**Rapid Response:** FWDB staff work along with the local EDD staff to coordinate services with local businesses that have provided a Work Adjustment and Retraining Notification (WARN). Staff provide information on available resources and assistance to affected employees to help them navigate unemployment and workforce development support system to reduce the length of their unemployed time.

**Layoff Aversion:** FWDB staff also meet with local businesses that are contemplating potential layoffs to help them identify training or other services that may support the retention of workers that may otherwise be laid off.

**COUNCIL POLICY CONSIDERATION:**

The WIOA grant program aligns with the City Council's strategic priorities related to workforce development, youth engagement, and economic opportunity. By providing career services, training, and work experience opportunities in high-demand fields, the program supports the development of a skilled workforce pipeline while expanding access to career pathways for adults, youth, and dislocated workers facing barriers to employment.

Additionally, the program strengthens partnerships between education, workforce development, and local employers, contributing to long-term economic vitality and community resilience.

**ENVIRONMENTAL ANALYSIS:**

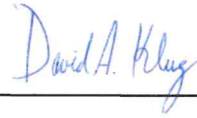
The action proposed herein falls outside the definition of a "project" because it will not result in a direct or reasonably foreseeable indirect physical change in the environment under section 15060 (c), and because it is a type of project covered in 15378(b).



**FISCAL IMPACT:**

Approval of the recommended action will amend the City Manager's FY 2027 Operating Budget to recognize the additional revenues and appropriate \$808,267 in the Workforce Innovation Opportunity Fund (Fund 681) to implement the Workforce Innovation Opportunity Act grant program. There is no matching funds requirement.

Respectfully submitted by,



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DAVID A. KLUG  
Economic Development Director

Prepared by:



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MICHAEL TROGAN  
Executive Director, Foothill Workforce  
Development Board

Approved by:



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MATTHEW E. HAWKESWORTH  
Interim City Manager