

Agenda Report

TO: CITY COUNCIL

FROM: Cynthia J. Kurtz, City Manager

DATE: November 13, 2000

SUBJECT: RECOMMENDED MODIFICATIONS AND ENHANCEMENTS TO THE MASH (MAINTENANCE ASSISTANCE SERVICES TO HOMEOWNERS) PROGRAM BY THE PASADENA NATIONAL LEAGUE OF CITIES (NLC) LEADERSHIP TEAM ON WORKFORCE DEVELOPMENT FOR POVERTY REDUCTION

RECOMMENDATION

Based on the recent work of the National League of Cities (NLC) Poverty Reduction Pilot Project with the MASH Program, it is recommended that the City Council approve the following:

1. Add 10 FTEs (9 MASH Trainees and 1 Work Experience Supervisor) to the approved operating budget for the MASH program (acct. # 101-448200); no additional funding is requested for these positions.
2. Appropriate \$11,000 from the Unappropriated General Fund reserve to account #101-448200 to create a higher wage rate of \$7.50 per hour for experienced MASH Trainees who complete a successful cross-training assignment of at least 12 weeks and, due to the lack of a long-term job opportunity, returns to the core MASH program until an alternative placement is available. Effective with the FY2002 budget process, this appropriation would be requested annually and will only be drawn on as needed for eligible MASH trainees meeting the established experience and performance criteria.
3. Support the development and implementation of an expanded MASH program that would offer in-home minor repair, handicap home modification, yard clean-up and related services on a fee-for-service (at cost) basis to persons in need of the service, with a particular focus on low- and moderate-income seniors and persons with disabilities who need the assistance to maintain independent living.

EXECUTIVE SUMMARY

MASH continues to be a very effective in achieving it's primary purpose: maintaining and improving affordable housing stock, providing minor home repairs, adding handicap access ramps, and doing yard cleanup services for limited-income homeowners. The

program has consistently met annual goals consistent with federal government requirements. In order to be equally successful in meeting the secondary purpose of MASH - - providing economic opportunity for low-income residents, with work experience, job training and placement services that lead to a living wage and positive career path - - requires several program design modifications. Key such actions include: approval of an additional 10 full-time equivalent positions; an expanded wage rate to \$7.50 per hour for qualified, experienced trainees who meet specific requirements; and the availability of a fee-for-service MASH Program to community residents in need of minor home repair, yard clean up and related services.

BACKGROUND

In November, 1998, the City of Pasadena was selected through a competitive process by the National League of Cities (NLC) as one of five cities to participate in a 30 month Workforce Development for Poverty Reduction Project. The overall purpose of this Project is to "assist city officials to work with business, education, and community leaders to connect poor people with jobs that lead to economic self-sufficiency." In this effort, NLC provides technical assistance to identify and implement new strategies and system change that links workforce development, poverty reduction, and economic development.

To implement this project locally, a Pasadena NLC Leadership Team was first convened in February, 1999, including representatives of City government (elected officials and city management), business (e.g. Chamber of Commerce, Kaiser Permanente, Washington Mutual Bank), Workforce Investment Board/Foothill Employment and Training Consortium, community organizations addressing job training and placement (Women at Work, Urban League), educational institutions (e.g. PUSD, PCC), minority business associations, and State Trade and Commerce Agency. Specific Team Members and affiliations are listed in Attachment 1. The Team has met monthly since its initiation, and has participated in two conferences with NLC, the other four cities and various experts in workforce and economic development and poverty reduction. This Team developed a vision and an action plan, and recommended selection of a pilot project to identify specific opportunities for improvement and implement system changes that could be later replicated in the broader community to better link unemployed and low-wage workers with living wage jobs.

Following consideration of a range of possible activities, the City's MASH Program was selected as the pilot project to "field test" a range of review, analysis, modification and improvement efforts to reduce poverty through workforce development. Given the history, goals, target population and ongoing services of the MASH Program, this selection offered the opportunity to pilot a range of activities designed to better help local unemployed or very low wage residents move into jobs that pay a living wage and lead to an upward career path. In a preliminary review of MASH, it appeared that the Program had achieved major success in meeting the primary goal of maintaining and improving affordable housing stock, but had been less successful at the secondary program goal of providing long-term economic opportunity for low-income residents.

SUMMARY OF THE MASH PROGRAM

The Maintenance Assistance and Services to Homeowners (MASH) program was established in 1978 to provide minor repair (e.g. house painting, building wheelchair

ramps) and yard clean up services to low- and moderate-income families and seniors in Northwest Pasadena. The primary purpose of this effort has been to maintain and improve affordable housing stock owned by limited-income households. Since the inception of the program, approximately 770 homes have been repaired. MASH consistently meets or exceeds annual performance standards in completing property repair and improvement activities.

The secondary purpose of MASH is to provide entry-level job training for persons with limited or no work history, and barriers to employment. MASH provides up to one year of work experience and job training in housing rehabilitation and related job areas, at minimum wage (current scale: \$5.41 to \$6.57 per hour). Successful trainees may participate in a second year in “cross training” work assignments, filling temporary jobs in various City departments (doing maintenance, building and field operations, basic construction, etc.), generally at a higher wage after 12 weeks of satisfactory performance in such assignments. These trainees acquire specific skills in the work of the assigned department (e.g. painting, carpentry, etc.). Within two years, many MASH participants successfully compete for City jobs in Public Works and Transportation, Planning and Permitting, Water and Power, and other City departments; others secure employment with other local public and private employers, often in construction and construction-related positions. To date, over 350 Trainees have been placed in regular employment as a result of MASH Training.

A brief summary of the background and operations of the MASH Program is included as Attachment 2.

SELECTION OF MASH AS THE LOCAL PILOT PROJECT

In summary, the NLC Pasadena Leadership Team selected MASH as the pilot project for the following key reasons.

- The MASH participant profile shows a population with significant barriers to long-term living wage employment and career growth, necessitating the development and implementation of a comprehensive “paths out of poverty” strategy.
- The unmet needs of MASH trainees for such assistance as employability assessment, education, training, support services and linkage to jobs is not just a “more funding” issue but a system change issue, requiring collaboration with other providers, institutions, employers, etc.
- MASH-like programs exist nationwide, so improvements may have wide application and broad potential for replication.
- Via the MASH Pilot Project, the Team can explore key questions regarding workforce development and poverty reduction, using collaboration to implement system change, such as:
 - Integrate world of work, job training and job readiness into MASH;
 - Address unmet support service needs (transportation, work boots, child care) key to successful long-term employment;
 - Improve access and linkage to jobs in public and private sectors (with some focus on jobs created through economic development initiatives);
 - Expand and diversify the MASH participant pool to reflect the local low-income unemployed and underemployed population.

FINDINGS, MODIFICATIONS AND RECOMMENDED IMPROVEMENTS TO THE MASH PROGRAM

The NLC Team conducted an extensive review and analysis of the MASH Program, in partnership with the MASH Program and Division management staff, between January and July, 2000. Many study items have been completed and modifications implemented, while the MASH review continues to date in a few remaining areas. Attachment 3 summarizes key areas analyzed, findings, activities and outcomes to date. As can be noted from this report, 11 of 14 key areas have been addressed and improvements implemented.

Three remaining review and recommendation items to enhance the MASH Program require City Council action. These items are summarized as follows.

A). Review the number of full-time equivalent (FTE) positions allocated to the MASH program and evaluate whether this number is sufficient to meet the demand and opportunity for cross-training placements in City departments.

FINDINGS: The current allocation of 50 FTE's to the MASH workforce is not sufficient to complete both the required core program work (i.e. CDBG-contracted numbers of homes to be repaired, etc.) as well as fill the volume of cross training placements available for skilled, experienced MASH trainees. Following a review of the number of positions that can effectively and efficiently be supported within the existing MASH funding (including the CDBG allocation and funds generated through fee-for-service arrangements with City departments), it has been determined that an additional 10 FTE's (9 MASH Trainees and 1 Work Experience Supervisor) are required to meet the demand.

B). Consider options to offer an additional wage incentive to experienced MASH Trainees who successfully complete at least a 12 week cross training placement but, due to the lack of an available ongoing job, return to the core MASH program while awaiting another cross training assignment and/or the transition to regular employment.

FINDINGS: MASH trainees who successfully complete at least 12 weeks in a cross training assignment generally are awarded a wage increase from the maximum MASH trainee wage of \$6.57 per hour up to \$12.24 per hour, depending on the position. Upon completion of that cross training assignment, if no ongoing job is available, the trainee returns to the core MASH Program and, in the current system, returns to the former \$6.57 hourly rate. This action has been found to have a negative impact on trainee morale and work performance, reduces motivation and creates a financial hardship for the impacted trainee, and fails to recognize and reward the trainee for his/her successful performance and demonstrated employable skills. Keeping a small number of experienced, high-performing MASH trainees during brief intervals between cross training assignments and/or before transition to a regular job, can strengthen the overall MASH Program performance. Accordingly, it is recommended that an additional wage step of \$7.50 be added to the MASH wage scale, awarded only to successful, experienced trainees who meet the

established performance and related requirements, at an additional annual cost of up to \$16,000.

C). Review community need for MASH services (minor home repair, yard clean-up, addition of handicap ramps, etc.) beyond the funding and design limitations of the current program, and consider development of cost-based fee-for-service MASH program to local residents in need of the service, with a particular focus on low- and moderate-income seniors and persons with disabilities who need the assistance to maintain independent living.

FINDINGS: The waiting list for MASH services is extensive, with demand well exceeding the present level of funding. A local review of the availability of similar services on a cost basis reveals a significant unmet need. Interviews with potential users of such a service reveal a general reluctance to hire independent "handypersons" to come into their homes to do minor home repairs, due to the fear of inviting an "unknown" person without an affiliation or sponsorship into their residences. This concern was particularly acute for frail elderly and handicapped persons. To potentially address this issue, a public fee-for-service MASH service could be made available, particularly utilizing experienced MASH trainees and graduates.

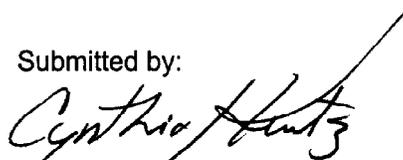
MASH and Code Enforcement are currently submitting a joint grant proposal with the Pasadena Senior Center to the California Department of Aging to supply needed minor home repair and related services to seniors who may be in danger of losing their independent living arrangements because they no longer have the ability to maintain their homes. MASH will provide the needed repairs to make sure their homes meet all of the city's health and safety codes. Accordingly, it is recommended to expand MASH and reach out to moderate-income seniors who do not qualify for the federally funded MASH program.

FISCAL IMPACT

The approval of these recommendations will require an allocation of \$11,000 for the balance of the current fiscal year. Funding options other than the General Fund will be explored (i.e. CDBG) for FY2002, to secure the annual allocation of \$16,000 required for this activity. This money would bridge the salary gap between the MASH salary cap of \$6.57, to the living wage rate of \$7.50 per hour for approximately 11 people per fiscal year who meet the established performance and experience requirements. Any unspent funds for this year will be returned at year's end.

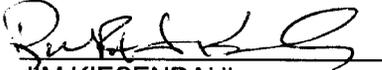
The additional FTEs will be funded through the provision of services and reimbursement from various City departments, based on actual use and consistent with the current fee-for-service agreements with said departments.

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