

CITY OF LOS ANGELES

CALIFORNIA

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To: Charlie Woo, Chair
Workforce Investment Board

From: Robert Sainz, Assistant General Manager
CDD, Workforce and Economic Development

SUBJECT: WORKFORCE INVESTMENT BOARD (WIB) YEAR TEN ANNUAL PLAN, FISCAL YEAR 2009-2010 & AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

BACKGROUND:

The U.S. Department of Labor (DOL) announced the availability of \$4 billion dollars in Workforce Investment Act (WIA) Adult, Dislocated Worker, and Youth funding under the American Recovery and Reinvestment Act (ARRA) of 2009. The City of Los Angeles Local Workforce Investment Area (LWIA) anticipates receiving approximately \$42 million from this appropriation. The Adult and Dislocated Worker ARRA appropriation for the City of Los Angeles is estimated at \$22 million.

The Community Development Department will be seeking formal approval and recommendation through its Workforce Investment Act Annual Plan process. This is a memo that serves as a strategic framework for the WIA Annual Plan.

The ARRA is intended to preserve and create jobs, promote the nation's economic recovery, and assist those most impacted by the recession. As stated in the DOL Training and Employment Guidance Letter No. 14-08 (released March 18, 2009), ARRA activities should be guided by four principles:

- Transparency and accountability in the use of ARRA funding;
- Timely spending of the funds and implementation of activities;
- Increasing workforce system capacity and service levels; and
- Using data and workforce information to guide strategic planning and service delivery.

Additionally, the DOL has indicated that workforce activities funded through ARRA should:

- Emphasize "green jobs," renewable energy, infrastructure, energy efficiency, home retrofitting, biofuel development, advanced drive/train vehicle development and manufacturing.
- Connect to other Federal ARRA investments to complement programs and services.
- Adhere to WIA eligibility requirements and meet strict performance expectations.
- Additional guidance on performance measures, timelines, rules and regulations are

- currently in development by the U.S. DOL Employment and Training Administration.
- Be operational within 60 days of funding approval, and completed within 18 months. However, the expectation is that most (if not all) dollars are to be spent immediately.

The City is requesting input from WIB members and the public to help craft the Year 10 Annual Plan, particularly with regards to the use of ARRA funds. The input received to date has focused on providing increased training, supportive services, and needs-based payments for WIA participants. Specifically, WIB members and others have suggested that the soft labor market enhances the likelihood that participants will want to pursue training opportunities while searching for employment. Based on this recent input, the workforce development system should strive to improve access to training, particularly training that is high caliber, is industry recognized, and results in a post-secondary credential valued in the labor market.

RECOMMENDATIONS

In order to meet the ARRA requirements for expedited and effective use of the funds, and to respond to the WIB members desire to enhance the provision of training opportunities and to provide adequate supports to individuals engaged in training, the City has outlined a framework to implement Adult and Dislocated Worker programs quickly, to allocate sufficient resources through the Year 10 Annual Plan process, and to expend fully the funds within 18 months of receipt.

- 1. Allocation of ARRA-Appropriated WIA Adult and Dislocated Worker Funds for Training and Supportive Services**
 - Allocate \$2 million exclusively for the provision of training and supportive services (including needs-based payments) to low-wage, low-skilled individuals and those with barriers to employment. The City recommends that the PY 09-10 Annual Plan continue to identify priority of services (including training and supportive services) for vulnerable populations. Low-wage and low-skilled workers are more likely to be unemployed or underemployed than are high-wage workers, and are more likely to experience long-term unemployment. Training activities should be focused on obtaining a post-secondary credential with value in the labor market. These monies will be identified as a specific set-aside in the WorkSource Center contracts.
- 2. Additional Training and Supportive Services Procured through Competitive Process**
 - Allocate \$4 million to develop a Vocational Training / Bridge Program to serve up to 1,000 adults and dislocated individuals through the WorkSource System. Provide a short term Certificated Vocational Training Program for individuals focused on a high growth employment sector. The primary target of these funds would be a low-skilled and low-wage worker. These Vocational / Bridge programs would emphasize integrated services in basis skills remediation, English language proficiency, and occupational training. To increase likelihood of completion, participants would be eligible for Needs-Based Payments while engaged in WIA services. Allocations to the WorkSource Centers would be determined through a procurement process that emphasizes the region's public educational system. Potential training providers could include, but not limited to the:

- Los Angeles Unified School District,
 - Los Angeles Community College District,
 - California State University System, and
 - University of California Los Angeles.
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- Allocate \$3 million dollars for training in designated High Growth, High Wage employment sectors. This initiative will complement the current investments that the City has made in Public Safety, Logistics and Transportation, Construction, Utilities, and Financial sectors. This initiative will provide up to 1,000 individuals with customized training opportunities. Coupling employer commitment with both classroom and on-the-job training, this approach affords participants the opportunity to obtain an industry-recognized credential and increases the likelihood of securing employment within the industry. When appropriate, customized training should include Vocational English as a Second Language (VESL) as a component. Needs-based payments will be available for eligible participants during the classroom component.
 - Allocate \$3.3 million to develop and expand sector initiatives in Healthcare, Hospitality, and Green Technology. The ARRA provided additional monies for competitive national grants. In anticipation of the Solicitation for Proposals, the City recommends this investment to increase its competitiveness for additional federal funds.
 - Allocate \$2 million dollars to initiate a young adult 21-24 year old Sector Based Internship Academy (coupled with the proposed WIA Youth investment, this would total \$4 million). The Adult and Dislocated Worker program component would provide work experience coupled with classroom training, comprehensive case management, and intensive services to 400 young adults. The current Workforce Development system operators will provide program implementation in partnership with Community and Faith Based Organizations.
 - Allocate \$3 million dollars through an RFP to expand core services to serve vulnerable populations. Targeting 650 job seekers with barriers to employment, (including, Limited English Proficient, Ex-offender, Homeless, Individuals with a Disability, Homeless and Returning Veterans), this initiative will provide transitional employment intended to provide real work, skill development, and supportive services to help individuals successfully transition to the competitive labor market.
 - Allocate \$2 million to the WorkSource Centers to address the significant increase in customer activity in the universal access resource rooms. With unemployment rates exceeding 12.0% in the City (and greater in resource poor communities), this increase in activity is taxing the Centers' capacity to serve adequately low-skilled job seekers. This will provide staffing to facilitate the provision of pre-enrollment training through the public education system (LAUSD and LACCD) and will provide the ability to improve the technological infrastructure within the WorkSource Centers.

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- Allocate \$500,000 to support the provision of workforce, training, and supportive services at the five Family Development Portals serving the City's residents in poverty. Modeled after the highly successful Skid Row Portal, these sites would be staffed by both City and WorkSource Center employees. These expanded Portals will provide an integrated complement of Human and Family Development and Workforce services to 375 residents, job seekers, youth, and their families.
- Allocate \$2.2 million City program and administrative costs. This would limit City administrative costs to no more than 10% of the funds.

IMPLEMENTATION TIMELINE AND REQUIRED ACTIONS

President Sign into law America Recovery & Reinvestment Act of 2009	2/19/09
WIB and City Council approval process	4/01/09
Mayor and City Council approve of CDD/WDD Year Ten (10) Annual Plan	6/30/09
CDD to execute WorkSource contracts including \$2.0 M Training and Supportive Services set aside	7/01/09
Older Youth RFP (Youth and Adult)	7/01/09
CDD to secure MOU with Educational Institutions	8/01/09
Develop & Implement Vocational Training/Bridge Program RFP	9/01/09
Internal CDD/WDD RFQ is released for Sector Based Internship Academy	9/01/09
Vocational Training Certification programs begins	10/01/09
Secure Employer base for Training Internship program	10/01/09