



Memorandum

TO: COMMUNITY AND
ECONOMIC DEVELOPMENT
COMMITTEE

FROM: Jeff Ruster

SUBJECT: work2future Activities
Annual Report

DATE: April 14, 2025

Approved

Date:

4/18/25

RECOMMENDATION

Accept the annual report on work2future's activities and accomplishments in support of employers and job seekers.

BACKGROUND

work2future is the local Workforce Development Board in the City of San José's City Manager's Office of Economic Development and Cultural Affairs to oversee and administer the federally funded Workforce Innovation and Opportunity Act (WIOA) Program. work2future is certified by the California Workforce Development Board as a High Performing Board.

As mandated by WIOA, work2future is led by a Board of Directors comprised of 19 members, representing the diversity of Silicon Valley's employers, including well-known companies such as Applied Materials, Google, Kaiser Permanente, Manex, Tech Mahindra, and CAES. It also includes federally mandated representation from the Labor, the State of California Employment Development Department, the County of Santa Clara Social Services Agency, the Department of Rehabilitation, Adult Education and Literacy, and Post-Secondary Career and Technical Education.

WIOA Reauthorization Update

Though actively under consideration by Congress, WIOA legislation has yet to be reauthorized. However, one provision expected to be included in the new legislation would require workforce development boards to allocate 50% to 75% of their Adult and

Dislocated Worker funding to training activities. work2future currently spends 25% to 30% on training.

Should this new provision be included, it would detract significantly from work2future's ability to provide intensive case management and customized job development services to those who are unstably housed or have multiple employment barriers. Though reauthorization of WIOA is anticipated in the short term, this new training expenditure requirement is not expected to take effect until Fiscal Year (FY) 2026-2027.

Nonetheless, work2future plans to allocate 35% to 40% of its adult and dislocated worker funds towards training in FY 2025-2026 to smooth the transition to this higher expenditure requirement.

ANALYSIS

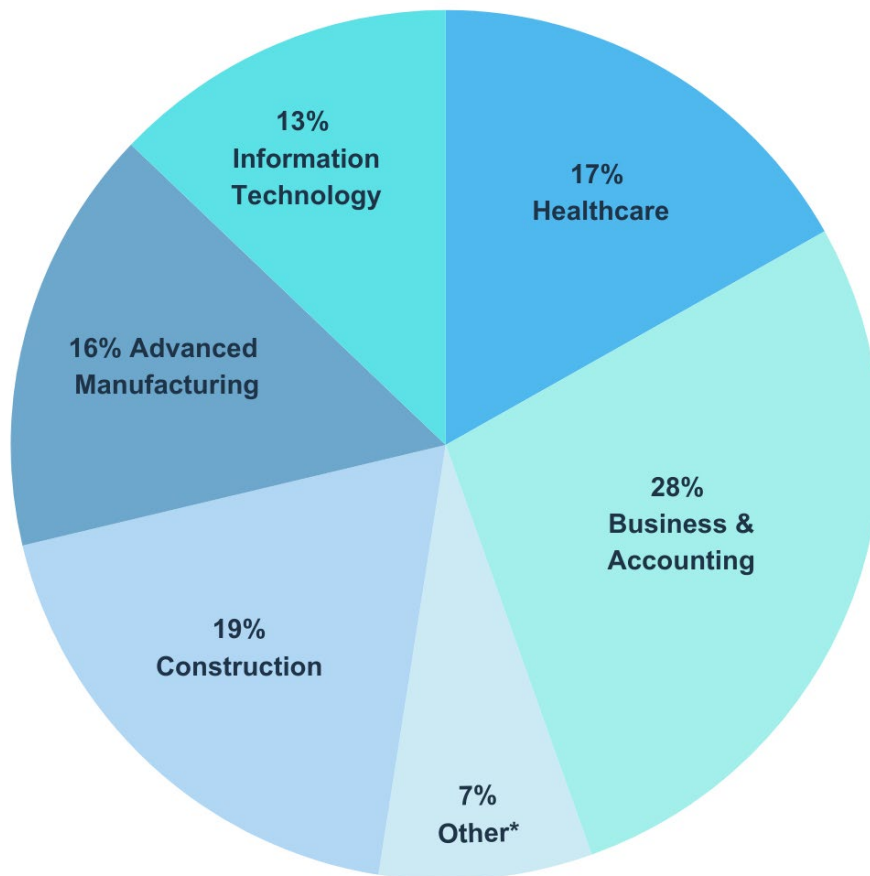
For FY 2024-2025, work2future will serve at least 2,000 youth and adult clients enrolled. The WIOA program will serve 1,200 youth and adult clients, and the San José Works program, in partnership with Parks, Recreation and Neighborhood Services (PRNS) Youth Empowerment Alliance, has already served 375 high school youth with subsidized internships in high-wage, high-growth occupations. Additionally, San José Works is well on track to connect 425 youth with unsubsidized employment.

The majority of work2future clients are low-income youth and adults facing multiple barriers to employment, with 65% being unstably housed. For the current fiscal year, work2future WIOA is on track to meet all 15 federally mandated performance requirements. See **Attachment A: State Performance Reports for FY 2023-2024 and FY 2024-2025** for additional details.

High-Wage High-Growth Employment

For the calendar year 2024, work2future helped 935 WIOA participants secure employment, with 82% placed in high-wage, high-growth occupations. Participants found opportunities across a wide range of industries, including information technology, advanced manufacturing, healthcare, business and accounting, and the construction trades, earning an average of \$35/hour plus benefits. Figure 1 below provides a detailed breakdown of high-wage, high-growth placements for calendar year 2024 by sector.

Figure 1: WIOA High-Wage, High-Growth Placements for Calendar Year 2024



**Majority in education. Examples include Education Administrators, Teachers, Guidance Counselors and Advisors, Instructional Coordinators*

Many participants secured positions as software developers, database administrators, and network and computer systems administrators at leading tech and manufacturing firms such as Amazon, Applied Materials, Western Digital, Infinera/Nokia, Teledyne, Olympus, and Jabil. Others launched careers in healthcare as registered nurses, healthcare social workers, and medical assistants at Good Samaritan Hospital, Kaiser Permanente, Valley Medical, and Sutter Health. Figure 2 includes additional examples of WIOA employers for calendar year 2024.

Figure 2: Examples of Calendar Year 2024 WIOA Employers

Information Technology	Nvidia Roku Cisco Intuit Accenture HCL Technologies Hypergiant Cognizant Technology Solutions NK Technologies
Advanced Manufacturing	Applied Materials Western Digital Infinera/Nokia Enablece Jabil Rivian Automotive Tesla Teledyne Microwave Solutions Olympus Lockheed Martin Therma Manufacturing
Healthcare	Kaiser Permanente Sutter Health Good Samaritan Gardner Health Stanford Health Valley Medical Palo Alto Health Regional Medical Center In-Home Supportive Services Quest Diagnostics Pacific Homecare Services
Business & Accounting	PayPal Fidelity Investments JPMorgan Chase State of California City of San Francisco H&R Block Wells Fargo First Citizens Bank Aardvark Tax Advisors Downtown Streets Inc
Construction & Trades	PG&E Calpro Contractors Sheetmetal Local 104 Central Home Builders Silicon Valley Mechanical
Education/ Other Sectors	Santa Clara County Office of Education Eastside, Santa Clara Unified School District (San Jose, Santa Clara, Campbell)

High-Wage, High-Growth Occupation Career Pathways Training

Since the program launch in October 2024, 80 participants have enrolled in AI-related training programs, with 59 having completed their training and 21 still in progress. Of the 59 participants who completed the program, 23 secured employment in AI-related occupations, while the remaining 36 are actively working with job developers to find employment.

WIOA Paid Work Experience Program

Young adult clients received paid work experience training focusing on high-wage, high-growth occupations. Of the 102 young adults who received a work experience opportunity, 78 were subsequently placed in unsubsidized employment related to high-wage, high-growth occupations and/or entered post-secondary education, while the remaining 24 continued with career services. While in training, participants earned a living wage (\$26.73/hour) for approximately 250 hours and worked in areas related to business/accounting, healthcare, advanced manufacturing, ICT, and construction and the trades. Examples of employers include Sutter Health, Palo Alto Health, Lockheed Martin, Santa Clara University, and Therma Manufacturing.

Non-Traditional Apprenticeships

- work2future, with initial funding support from the City of San José, launched California's first semiconductor apprenticeship program in July 2024. Of the 23 participants who started the program, nine have been hired as journeyman by Applied Materials, Enablece, Infinera/Nokia, and Western Digital, with the remaining 14 continuing with their apprenticeship.
- work2future has a longstanding partnership with PG&E to provide pre-apprenticeship training under the PG&E Power Pathways program. Of the 25 individuals trained as electrical technicians this past year, 22 (88%) were placed in high-paying jobs of over \$35 per hour with PG&E and their subcontractors.
- work2future partnered with Working Partnerships and City College to provide a Trades Orientation Program, a pre-apprenticeship training program. This program has served 93 individuals, with 67 (72%) placed in unsubsidized/permanent employment, and the remaining 26 (28%) recent graduates continuing with career services.

San José Works

The San José Works program, in partnership with PRNS's Youth Empowerment Alliance, provided 375 high school youth with subsidized paid internships. 100% of these allowed the youth to learn a skill related to high-wage, high-growth occupations. Examples of key employers are Intuit, Roku, NVIDIA, CreaTV, NK Technologies, Veggielution, JP Graphics, and seven City of San José Departments and Offices.

Over 93% of the youth completed their internship, nearly 90% were referred by PRNS/Youth Empowerment Alliance and/or lived in a priority neighborhood, and 82% were Black, Indigenous, and People of Color. All 375 participants successfully completed career readiness training, which entailed soft skills, emotional intelligence, financial literacy, career exploration, entrepreneurship, and wage theft prevention (See Attachment B – Client Success Stories).

Furthermore, San José Works is also on track to secure unsubsidized employment for at least another 425 youth participants aged 16-29 for FY 2024-2025. Approximately 80% of these unsubsidized participants live in a priority neighborhood, and over 80% are Black, Indigenous, and People of Color. In total, 800 young adults will secure employment from this program.

San José Works Longer-Term Program Outcomes

To assess the long-term impact of the San José Works program on job placement and post-graduation success, work2future recently surveyed the status of graduating seniors

from the previous FY 2022-2023. For this cohort, 61 seniors graduated the following summer and responded to staff's survey regarding follow-up outcomes:

- 29 secured employment with all working in high-wage, high-growth occupations.
- 32 reported being enrolled in school, with 26 pursuing higher education and the remaining six in vocational training programs (e.g., healthcare)
- Of these 61 positive outcomes, 13 participants secured employment and pursued higher education.

Moving forward, San José Works staff will continue to follow up with the program's past graduates. The team will also examine various technology tools, update current procedures, and review best practices to mitigate the workload impact entailed with following up (often numerous times) with a large number of youth from past programs.

Partnerships

Children and Youth Master Plan

work2future's long-standing success in meeting its federally mandated performance requirements while serving clients with multiple barriers to employment has always been based on its commitment to working through partnerships with City Departments and a diverse set of community-based organizations and employers.

A notable partnership is with PRNS/Youth Empowerment Alliance, the San José Public Library, and work2future, supporting the City's Children and Youth Master Plan. Examples of this collaboration include the following:

- Provided career services at Tully and Alum Rock Library branches.
- Connected over 140 San José Works interns to work experience opportunities with seven City Departments and three City Council Offices.
- Assisted in the creation and launch of a workforce tool, led by San José Public Library, to help job seekers identify training and employment opportunities in the County.
- Collaborated with the San José Public Library to identify opportunities for San Jose Works youth to access technology and enhance training offerings in areas such as cybersecurity.
- For the upcoming year, San José Works will partner with the library to support participants in digital literacy and pilot an 80-hour paid soft skills training program.

City of San José's Homeless Implementation Plan

In support of the City's Homelessness Implementation Plan, work2future launched a series of pilot partnerships with homelessness agencies serving young adults. Partnering agencies included Bill Wilson Center, Metro-ED, San José Job Corp, San José Conservation, and City Teams. These young adult clients, many of whom are also

justice-involved, received career and training services, paid work experience, supportive services, and intensive case management. This holistic shared case management model, while still in the pilot phase, has served 110 clients, with 73% securing employment and the majority placed in high-wage, high-growth occupations related to IT, Healthcare, and Manufacturing. The remaining 37 clients are still receiving career services.

External Partnerships

Of equal importance have been external partnerships with federally mandated organizations, including the State of California Employment Development Department, Co. San Jose Evergreen Community College, County of Santa Clara Social Services Agency, Department of Rehabilitation, East Side Union High School District, and San Jose Job Corps. work2future also collaborates with agencies like the County Probation and Sheriff's Departments, Working Partnerships, Catholic Charities, Goodwill, regional workforce development boards, and various other faith- and community-based organizations. In light of these very diverse and longstanding partnerships, work2future has been able to exceed all its federally mandated performance outcomes, place a significant majority of its clients in high-wage, high-growth occupations, while serving a client base where most have multiple barriers to employment. In all instances, these partners provide the majority of clients' referrals and provide critical wrap-around services that support these individuals while they are enrolled with work2future.

Job Fairs

For the calendar year 2024, work2future organized six job fairs, with nearly 1,900 job seekers and 200 employers (mostly high-wage, high-growth) attending. Key sectors represented included ICT, advanced manufacturing, business and finance, healthcare, and construction and the trades. Employers included Applied Materials, Western Digital, Infinera/Nokia, Kaiser, Regional Medical Center, and many others, offering high-wage, high-growth occupations. In addition, work2future served an additional 700 unenrolled clients through workshops, online training, and layoff aversion services.

Next Steps

OEDCA Economic Strategy Work Plan

On March 18, 2025, as part of its approval of the OEDCA Economic Strategy Work Plan for FY 2025-2026 and FY 2026-2027, the City Council included the amended March 17, 2025 memorandum from Councilmember Campos to refer a fifth objective, "prepare residents to participate in the local economy through training, education, and career support," to the Community and Economic Development Committee for further investigation and discussion on the potential key results associated with the potential fifth objective, for a deeper conversation to understand the budget, staffing, and tradeoffs if a fifth objective were to be adopted, and if additional capacity or

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deprioritization of other work may need to occur. Staff will submit a Manager's Budget Addendum during this year's budget process in alignment with the City Council's direction.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

/s/

Jeff Ruster

Assistant Director, Office of Economic
Development and Cultural Affairs

For questions, please contact Sangeeta Durrall, work2future Director, at sangeeta.durrall@sanjoseca.gov

ATTACHMENTS

Attachment A - State Performance Reports for FY 2023-2024 and FY 2024-2025

Attachment B - Client Success Stories

Attachment A: State Performance Reports for FY 2023-2024 and FY 2024-2025

FY 2023-2024

STATE PERFORMANCE REPORT PY 2023-24 [PREDICTIVE]			
PERFORMANCE MEASURES	WIOA STATE GOALS	ACTUAL	SUCCESS RATE
ADULT			
Entered Employment Rate 2nd Qtr	65.0%	75.4%	116.0%
Entered Employment Rate 4th Qtr	62.0%	70.2%	113.2%
Median Earnings	\$7,500.00	\$11,277.00	150.0%
Attainment of a Credential or Certificate	65.5%	70.6%	107.8%
Measurable Skills Gain	55.0%	80.2%	145.8%
DISLOCATED WORKERS			
Entered Employment Rate 2nd Qtr	68.0%	72.6%	100.0%
Entered Employment Rate 4th Qtr	67.0%	76.0%	113.4%
Median Earnings	\$8,508.00	\$11,572.00	136.0%
Attainment of a Credential or Certificate	68.0%	71.4%	105.0%
Measurable Skills Gain	55.0%	67.7%	123.1%
YOUTH			
Placement in Employment or Education 2nd Qtr	71.0%	82.4%	116.0%
Entered Employment Rate 4th Qtr	66.0%	70.0%	106.0%
Median Earnings	\$4,000.00	\$6,871.00	171.8%
Attainment of a Credential or Certificate	60.4%	75.0%	124.2%
Measurable Skills Gain	57.8%	79.2%	137.0%
Overall Performance - State Target (90%)	Exceeded 15/15		
Overall Performance - Local Target (100%)	Exceeded 15/15		

FY 2024-2025

STATE PERFORMANCE REPORT 3RD QUARTER PY2024-25 (PREDICTIVE)			
WIOA Performance Measure	WIOA State Goal	Actual	Success Rate
ADULT			
Entered Employment Rate 2nd Quarter	69.0%	69.0%	100.0%
Entered Employment Rate 4th Quarter	65.5%	70.5%	108.0%
Median Earnings	\$11,500	\$10,629	92.4%
Attainment of Degree or Certificate	66.0%	86.0%	130.2%
Measurable Skills Gain	71.0%	88.6%	125.0%
DISLOCATED WORKER			
Entered Employment Rate 2nd Quarter	68.0%	63.2%	93.0%
Entered Employment Rate 4th Quarter	70.0%	71.7%	102.4%
Median Earnings	\$13,500	\$16,814	125.0%
Attainment of Degree or Certificate	70.0%	100.0%	143.0%
Measurable Skills Gain	65.0%	90.3%	139.0%
YOUTH			
Placement in Employment or Education 2nd Quarter	68.0%	64.4%	95.0%
Entered Employment Rate 4th Quarter	68.0%	60.9%	90.0%
Median Earnings	\$6,500	\$5,969	92.0%
Attainment of Degree or Certificate	67.0%	60.7%	91.0%
Measurable Skills Gain	65.0%	60.4%	92.0%
Overall Performance State Target 90%	Exceeded 15/15		
Overall Performance Local Target 100%	Exceeded 8/15		

Attachment B: Client Success Stories

Maximiliano Gutierrez is a proud graduate of Santa Teresa High School. He joined SJ Works during his junior year, unsure of what the future held. Like many teens, he was still discovering his passions, but he was curious and driven, qualities that stood out from the beginning. When the opportunity arose to be part of a new pilot partnership between SJ Works and Roku, Max took advantage of it.

Roku wasn't just any placement. As a three-year partner of SJ Works, Roku was more than a worksite—they were deeply invested in youth mentorship and creating real-world opportunities for students like Max. From day one, Max was immersed in a professional environment where he didn't just shadow engineers—he worked alongside them.

As part of the pilot cohort, Max was paired with a senior software engineer who became both a mentor and a guide. With their support, Max embarked on an ambitious project: conceptualizing and building a Roku TV app. From designing the product architecture to developing and testing the app, Max found himself doing work he had only dreamed of.

He applied a range of coding languages, learned the intricacies of the Roku platform, and ultimately demonstrated his completed app to senior Roku engineers—a moment that marked a turning point in his confidence and sense of possibility. Max had not only learned how to build something from the ground up; he had learned that he belonged in tech.

“This is something I never thought I would be exposed to let alone experience,” Max shared. “Working with professionals, being trusted with real development, and actually launching something, it changed how I see my future.”

Through SJ Works Unsubsidized (UNSUB) support, he continues to receive guidance as he refines his resume, builds a professional portfolio, and prepares to take the next big step, applying for an internship opportunity offered directly by Roku. The relationship he built with his mentors at Roku didn't just open a door, it laid the foundation for a career.

Max remains deeply connected to the SJ Works community, now serving on the Alumni Mentorship Committee where he shares his journey and insights with the next generation of youth participants.



Jacob Topete, a proud graduate of Mt. Pleasant High School and a standout SJ Works alumni, has become a shining example of how mentorship, opportunity, and determination can change the trajectory of a young person's life.

Growing up in a gang-impacted neighborhood with limited access to resources, Jacob faced challenges that could have easily derailed his future. But from early on, he was determined to rise above his environment and build a better path for himself. That drive led him to become one of the first interns in SJ Works' inaugural mentorship cohort, a program designed to empower youth through real-world work experience and supportive guidance.

During his time with SJ Works and junior year in high school, Jacob was placed at JP Graphics, a long-time employer partner with a deep commitment to community impact. It was there that Jacob's passion for art and design began to take shape. Surrounded by a team that believed in his potential, Jacob thrived while soaking in knowledge, sharpening his skills, and building lasting relationships.

A year after graduating high school, Jacob reached out to JP Graphics with a simple question: Would you consider hiring me? Without hesitation, they said yes. Not only did they offer him a part-time position, but they also went above and beyond by helping him apply for and receive scholarships to support his college journey—something Jacob and his family could not believe.

Today, Jacob is a student at San José State University, proudly studying in the Arts and Design Department. He still works at JP Graphics, where his mentors continue encouraging his growth. With their support and motivation, Jacob even launched his own Etsy store, turning his creative vision into a business. His entrepreneurial spirit is

stronger than ever, and he's now focused on expanding his brand and inspiring others with similar backgrounds.