

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Nanci Klein

**SUBJECT:** SEE BELOW

**DATE:** June 7, 2021

Approved



Date

**6/11/2021**

**SUBJECT: ANNUAL AUTHORIZATION FOR WORKFORCE INNOVATION AND  
OPPORTUNITY ACT PROGRAM AND PROJECTS FOR 2021-2022**

## **RECOMMENDATION**

Adopt an annual resolution authorizing the City Manager or his designee to negotiate and execute the following agreements relating to the Workforce Innovation and Opportunity Act (WIOA) Program and projects:

- (a) All contracts, amendments, agreements, leases, subleases, and memorandums of understanding with contractors, consultants, vendors, and partners providing services to the WIOA Program and workforce programs funded by other sources, including, but not limited to, novations or assignments, case management contracts, and consultant contracts, for the period July 1, 2021 to June 30, 2022 in accordance with procurement procedures and requirements mandated by the State and Federal governments for WIOA grant recipients and with established City procurement procedures and requirements, that have been reviewed and approved, as required, by the work2future Workforce Development Board (work2future Board), so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (b) All memorandums of understanding with Required and Additional One-Stop Partners for the period July 1, 2018 to June 30, 2022 in accordance with Section 121 of the WIOA, including, but not limited to memorandums of understanding with other workforce development boards, regional memorandums of understanding, partnership agreements, cost-sharing agreements, regional consultant agreements, and memorandums of understanding with cities and the unincorporated area of Santa Clara County whose residents receive services from the work2future One Stops, a partner of the America's Job Center of California<sup>SM</sup>, so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses, if any, of the agreement.
- (c) All amendments to City Council-approved agreements that have been reviewed and approved, as required, by the work2future Board so long as monies have been appropriated

and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.

- (d) All grant applications, grant agreements, sub grant agreements, and any documents necessary to accept the grant for discretionary funding applied for and approved by the work2future Board, for multi-year periods so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (e) All Eligible Training Provider List (ETPL), Youth Career Technical Training, Youth Workshops, Adult Workshops, and Adult Cohort agreements, and multiple-scope agreements that combine two or more of the above agreements that have been reviewed and approved, as required, by the work2future Board, for the period from July 1, 2021 to June 30, 2022, subject to annual appropriation of funds by the WDB.
- (f) All agreements specified in sections (a) through (e) above with a term end date beyond the fiscal year in which the contract begins (an end date beyond June 30, 2022), so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (g) All agreements specified in sections (a) through (e) above that do not involve a disbursement of funds (no-fund agreement) with an end term beyond the fiscal year in which the agreement begins (beyond June 30, 2022).

## **OUTCOME**

Approval of this action will ensure that the workforce development services provided to the community through the funding and contractual partnerships under the management of the work2future program will be delivered in a timely and efficient manner to meet the immediate needs of individuals seeking employment assistance. Council has approved the omnibus resolution annually since 2000.

## **EXECUTIVE SUMMARY**

work2future, the federally authorized Workforce Development Board (WDB) administered by the City of San José, provides workforce development services to the City of San José as well as seven other Santa Clara County cities and the county's unincorporated areas. work2future has a Board of Directors to oversee and ensure that it is in compliance with federal regulations and that approves its annual budget.

work2future has met all federally mandated performance outcomes, including the number of adult clients that enter employment, are retained in employment, and have average earnings of a

specific amount. For youth, the current performance outcomes require a percentage of youth to enter employment or education, and earn a degree or credential. work2future also provides rapid response services for laid-off workers, and services to the area's businesses. work2future focuses on employer engagement, intensive career advising and case management, and focused training options and supportive services so that clients will achieve occupations in high-growth sectors. work2future is confident that this career pathway strategy will result in exceeding its placement goals for this reporting period.

The COVID-19 pandemic has affected the way work2future provides its services. The County's shelter-in-place order necessitated that work2future quickly develop and implement an online service delivery strategy. In a very short time, work2future was able to provide the majority of its services remotely.

work2future also provides workforce services to San José youth through the San José Works (SJ Works) program. The SJ Works program places underserved youth into employment that is either subsidized using City of San José General Fund funding, or unsubsidized, with the employer paying the youth. SJ Works also provides the youth with wrap-around services such as career counseling, supportive services, and entrepreneurship training.

Since the onset of COVID-19, work2future has responded to over 250 Work Adjustment and Retraining Notification (WARN) and other layoff notices impacting approximately 30,000 workers. Ninety percent of the WARN notices were temporary due to the County's Shelter-in-Place Order. work2future also provided 47 Rapid Response Sessions with 346 individuals in attendance.

For the future, work2future will continue to provide services, notwithstanding the constraints brought on by the COVID-19 pandemic. In addition to sustaining programs such as San José Works, Trades Orientation Program and PG&E's Power Pathways, work2future has designed and implemented a new work experience program for youth participants, "Career Connections" with Facebook.

work2future plans to participate in the Resilience Corps (RC) program, included in the Mayor's March 2021 Budget Message as approved by the City Council. As part of the small business RC pathway, RC youth will receive a paid work experience opportunity and training in technology areas such as social media, digital marketing, e-commerce, and website design; after which the youth will be paired with a local San José small business or non-profit to grow their social media and online presence.

work2future has begun conducting outreach for the upcoming San José Works 7.0 program which will begin Summer 2021. The program plans to increase services from 375 to 400 internships with employer-paid job opportunities.

Staff is recommending that the City Manager's authority to negotiate and execute various types of contracts, agreements, amendments, and memorandums of understanding be reauthorized for

FY 21-22. All such agreements are compliant with Federal, state and local laws, rules, and policies, and have been approved by the work2future Board. There must be an unexpended and unencumbered balance of the appropriation sufficient to pay the expenses of each agreement.

## **BACKGROUND**

work2future, the federally-authorized Workforce Development Board (WDB) administered by the City of San José and certified by the State of California as a High Performing Board for the period of July 1, 2020 to June 20, 2023, once again met all its federally mandated performance outcomes (see Attachment A), while maintaining full compliance with a complex array of federal and state program and fiscal requirements. With federal and City of San José support, a total of 1,985 youth, adults and dislocated workers secured employment between July 1, 2019 and June 30, 2020 after using work2future services. In addition to San José, work2future's service area includes seven other Santa Clara County cities and the county's unincorporated areas, comprising approximately two-thirds of Santa Clara County's workforce.

work2future has a private sector-led Board of Directors (Board) comprised of 20 members, representing the diversity of Silicon Valley's employers, including well-known companies such as Nextflex, Manex, Kaiser Permanente, and Cobham Advanced Electronic Solutions. The Board also includes required representation from Labor, including Santa Clara County Electrical Joint Apprenticeship Training Center, International Brotherhood of Electrical Workers, California Employment Development Department (EDD), Department of Rehabilitation, community colleges and universities.

The Board is empowered through the WIOA to oversee and ensure adherence to federal regulations and an annually adopted budget. The Board provides guidance and direction to staff and approves the federally mandated Local and Regional Strategic Plans.

The Board's activities are guided by the Local and Regional Plans which were updated in March 2021. work2future submitted updates to the Local and Regional Plans as part of two-year modifications required by WIOA. The Local Plan<sup>1</sup> and Regional Plan<sup>2</sup> are currently awaiting state approval.

The Mayor of San José is the federally designated local Chief Elected Official (CEO), and the City of San José is the fiscal agent for the program. The CEO's responsibilities include the appointment of members to the work2future Board and approving, along with the Board, the previously referenced local and regional strategic plans.

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<sup>1</sup> [Local Plan Link](#)

<sup>2</sup> [Regional Plan Link](#)

### Enhanced Access and Outreach to COVID-19 Impacted Neighborhoods

In March 2020, the County of Santa Clara and the Bay Area were ordered to shelter in place (SIP) under the authority of the California Health and Safety Codes, due to the outbreak of the COVID-19 virus.

Prior to the pandemic the unemployment rate was at an all-time low with approximately 1,000 Santa Clara County residents filing initial unemployment insurance (UI) claims per week. In the first week of the pandemic, approximately 49,000 individuals opened initial UI claims for loss of a job or loss of work hours. Since the introduction of pandemic control measures, Santa Clara County residents have filed more than 530,000 initial claims for unemployment assistance, including approximately 109,000 applications for the new Pandemic Unemployment Assistance (PUA) which assisted individuals not usually eligible for regular UI benefits. These included business owners, self-employed workers, independent contractors, and those with a limited work history who are out of business or have significantly reduced their services as a direct result of the pandemic.

Although the employment rebound seems strong in Silicon Valley, service sector workers continue to be deeply affected. Analysis of labor market data indicates that the largest declines in jobs and job postings have been in lower-paid occupational groups, and that occupations with lower educational requirements, as well as occupations more vulnerable to automation, are at higher risk of COVID-19- related unemployment<sup>3</sup>.

Thus, although the unemployment rates reflect the fact that many of the region's white-collar workers remain employed and able to work remotely, the situation is far more dire for lower wage workers who are the primary customers of the regional workforce system.

In addition to the impact on the Latinx community as well as youth, COVID-19 has had a regressive impact on female labor force participation, as women are over-represented in some of the most impacted occupations, and many mothers have been forced to leave their jobs because of children at home due to school closures. Disparities in families' financial circumstances reflect an uneven recovery in which high-wage workers have regained nearly all jobs lost while many low-wage workers remain unemployed and in which the labor market has recovered more quickly for white workers than for Latinx and Black workers, especially in the Accommodation and Food Service and Retail Trades.

Subject to funding availability, work2future will look at undertaking additional research to understand the needs, challenges, and the strategies to bolster support for those individuals living in the 'low resource' census tracts from the 2021 map of data related to the Fair Housing Task Force, <https://belonging.berkeley.edu/2021-tcac-opportunity-map> and will connect with the City's Place Based efforts.

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<sup>3</sup> [labormarketinfo.edd.gov](https://labormarketinfo.edd.gov); [economicmodeling.com](https://economicmodeling.com)

Unlike in the 2009 great recession, individuals have been unable or hesitant to return to the workforce due to COVID-19. The pandemic has especially affected women who have withdrawn from the workforce<sup>4</sup> where they have faced childcare issues<sup>5</sup> and other extenuating circumstances. Individuals are concerned about contracting COVID-19<sup>6</sup> if they return to work. Furthermore, many are dealing with mental health issues such as anxiety and or depression<sup>7</sup> because of prolonged periods of isolation due to the SIP.

As a result, work2future has seen a significant decrease in participants as have other workforce boards throughout California. The job seeker dynamic is diminishing, and it remains an issue to be addressed in the short to medium term. Nonetheless, work2future intends to increase and enhance its outreach to make it easier for clients to access services.

Specifically, work2future will move the one-stop from its current location in the southside of San José to the eastside and will market services to the 'low resource' census tracts. Historically, work2future has worked with many CBOs in these census tracts and will continue to focus and expand these relationships and add new partnerships with the move to the east.

#### Transition to Online Service Delivery

At the onset of SIP, work2future dedicated its website, [www.work2future.org](http://www.work2future.org), to COVID-19 resources for job seekers, businesses, and non-profits. Webpage traffic to the COVID-19-focused home pages resulted in over 43,000 unique views as of March 2021. work2future, its partners, and contractors moved to a fully online service delivery system that included:

- Virtual Job Fairs – work2future was the first in the region to host an online job fair for laid off employees, a mere two weeks after the SIP order was announced. Participating essential businesses included those from the Healthcare, Finance, Technology, and Manufacturing sectors. Beginning in April 2020, virtual job fairs were held using videoconferencing technology with approximately 75 employers and over 500 participants.
- Orientation/Enrollments – The newly revamped work2future.org website was quickly transformed into a portal for services. Interested participants can attend a virtual orientation and proceed to virtual enrollment in the same week.
- Job Readiness Workshops have been transferred to a Zoom platform where clients can sign up and attend remotely.
- Maintaining client contact via telephone, text messaging, and email – Career Advisors have continued to contact clients remotely to offer counseling services or other services as requested.

<sup>4</sup>[Nearly 3 million U.S. women have dropped out of the labor force in the past year](#)

<sup>5</sup>[COVID-19 Impact on Childcare](#)

<sup>6</sup>[Mental Health and COVID-19](#)

- On the Job Training – Training Team staff reached out to On-the-Job Training (OJT) providers to ensure that clients would be able to access OJT experiences through job opportunities that are able to be accessed remotely.
- Online occupational skills training – Clients are obtaining occupational skills training from providers that have State approval to provide online classes.
- work2future website with local employment opportunities & other resources – The updated work2future website has been used to inform clients as well as residents of San José and its surrounding areas of vital services since the SIP order began and is monitored frequently to ensure updated information. Current employers featured on this website include Amazon, Wells Fargo, Click Diagnostics, and USPS.

The change to the online service delivery model, which went live in April 2020, represented a significant body of work and required certain temporary approvals from EDD. Notwithstanding, work2future anticipates that many of the changes implemented due to the SIP order will remain, offering a hybrid model for both online and or in-person services (depending on the social distancing restrictions in place) which will provide safe, alternative options for clients.

### Key Operational Highlights

This section provides an overview of work2future’s employment outcomes, federal performance outcomes, funding, and other key operating highlights.

### ***Employment Outcomes***

#### **1,985 Clients Secured Employment**

Over the last fiscal year, work2future services assisted a total of 1,985 youth, adults, and dislocated workers in securing employment. This included 1,120 individuals served through the WIOA-funded Youth, and Adult and Dislocated Worker programs. In addition, 865 youth secured employment through the San José Works program funded by the City of San José.

The shift to virtual services caused by the pandemic has exposed the barriers to digital inclusion faced by many jobseekers. Although work2future quickly converted many of its programs into virtual services, many individuals were unable to access or struggled to access services. The pandemic has also heightened the challenges for individuals who did not have strong digital literacy skills pre-pandemic<sup>7</sup>. To help address these inequities many local and regional efforts are underway, such as the [Bridge to Recovery Program](#) (B2R), a community-wide initiative coordinated and led by Catholic Charities of Santa Clara County, to re-envision an integrated and holistic interagency approach to providing a social safety net and workforce development for the region’s most vulnerable and traditionally underserved communities.

<sup>7</sup> (Further resources on digital inclusion issues are available through the [National Digital Inclusion Alliance](#) and the [Digital US coalition](#), of which NSC is a member.)



work2future's Director sits on the steering committee of this initiative to help foster economic recovery, resilience and seamless access to services for residents of Santa Clara County.

At the onset of the pandemic work2future immediately worked in conjunction with the City of San José's Virtual Local Assistance Center (VLAC) to provide employment information and online workshops to those impacted by the pandemic. work2future shifted all services to virtual services and provided local employment opportunities on its website, and virtual job fairs to all residents regardless of enrollment status.

As jobseekers begin to return to the workforce and the economy continues to reopen, work2future will continue to address the needs of those living in the 'low resource' census tracts. work2future will consider the impacts of the pandemic across different dimensions, including employment, labor force participation, and digital literacy.

### ***The CARES Act Work Experience and Training Project***

The CARES Work Experience and Training Project was created to provide workforce development-related assistance and financial support to San José residents displaced from work directly or indirectly by the pandemic. It was funded by the City of San José through an allocation of approximately \$2.5 million in Coronavirus Relief Fund (CRF) monies that the City received through the federal CARES Act.

The project served 173 low-income, pandemic-impacted San José residents. Sixty-six participants were placed in work experience opportunities with fifteen employers, most from the private sector representing industries such as transportation and logistics, manufacturing, information and communications technology, business services and others. Most of the placements were full-time for eight to ten weeks, with an hourly wage rate between \$18 and \$20. Wages and related payroll expenses were covered by the allocation of CRF.

More than 105 additional participants enrolled in a range of occupational training programs. Participants had access to additional support for housing and transportation expenses, books and materials, work-related clothing and tools, and other items necessary for their participation in the program. Outreach for the program was conducted with the assistance of organizations participating in the countywide B2R Program.

At the conclusion of the program, 82% of the participants successfully completed work experience and 68% completed training. Many of the participants have either gone on to other employment opportunities, enrolled with work2future, or accessed services from other community-based organizations.

### ***Federal Performance Outcomes***

Attachment A represents the Federal Performance Outcomes for the last two program years of WIOA and for the third quarter of fiscal year 2020 - 2021. As noted for the last two program



years, work2future once again met or exceeded all its required measures. These measures include clients securing employment, retention in employment, average earnings, credentials, and measurable skill gains. work2future staff and Board track performance outcomes utilizing reports from the State of California's [CalJOBS<sup>SM</sup>](#) data management system.

Of note for the first time this year is a new performance measure — measurable skill gain, which is a measure of the documented progress (academic, technical, occupational, or other) that a client makes in a training or education program toward obtaining a recognized postsecondary credential or reaching employment-related performance outcomes. Subject to final receipt of data from clients still pending, work2future anticipates meeting this goal and the Youth Credential rate at the State-required 90% by the fourth quarter.

### ***100% of San José Works Youth Placed in Demand Occupations***

SJ Works is a collaboration among work2future, the City's Parks, Recreation, and Neighborhood Services Department (PRNS), and the Mayor's Gang Prevention Task Force (MGPTF). Notwithstanding the SIP, the SJ Works 6.0 program provided 374 youth with paid internships supported with General Fund monies provided by the City of San José. Approximately 90% were youth of color. Of the 374 paid internships, 155 were recruited from high school Career and Technical Education classes and placed with employers in advanced manufacturing, business/financial services, construction, health care and social assistance, and information technology. The remaining 219 youth were placed in high-growth sectors or demand occupations, some of which include placements at Cisco, JP Graphics, and the Better Business Bureau as well as youth being placed in internships with community centers, library branches, City departments, Council offices, and non-profit organizations.

SJ Works 6.0 ended as of April 26, 2021. Over 89% of the subsidized youth successfully completed their paid six-week internship, and 81% of the unsubsidized youth have completed their job placement period.

Due to SIP, all SJ Works services were provided virtually, including remote recruitments, placement, and onboarding services. Youth also accessed career counseling, supportive services, and workshops on topics that included Communication Etiquette, Anti-Sexual Harassment, Anti-Discrimination, Emotional Intelligence and Job Readiness Training.

Last year, SJ Works introduced a pilot mentoring program to a small number of youth participants. The goal was to match youth participants with mentors that match their academic and career aspirations. Experienced professionals from some of Silicon Valley's most prominent companies, such as Intel and Western Digital, as well as retired community leaders. They served as mentors to the participants, offering guidance and serving as role models. Participants' experiences were varied; however, the participants learned how helpful it was to hear others' experiences, especially those of the mentors, as a catalyst for sharing their own experiences.

### ***High Road Construction Careers – Trades Orientation Program***

work2future, the Building and Construction Trades Councils (BTCs), Working Partnerships USA (WPUSA) and other community-based organizations (CBOs), joint apprenticeship training centers (JATCs, the Santa Clara County Trades Orientation Program (TOP) have graduated nearly 350 students (as of March 2020) from 15 pre-apprenticeship training cohorts centered on the Multi-Craft Core Curriculum (MC3) approved by the National Building and Construction Trades Council. With the support of job development and career coaching from work2future and WPUSA, which operates TOP, 85% of graduates have secured placement in employment/apprenticeship within one year of MC3 certification with an average hourly starting wage of \$24.

In January 2020, following State delays in launching the program, the partnership of workforce development boards, BTCs, CBOs, JATCs, community colleges and adult education programs with WPUSA acting as fiscal lead, submitted a collaborative application for \$1.18 million in HRCC funds to support six TOP cohorts of approximately 30 students each. In June 2020, funds were awarded to WPUSA with work2future playing a prominent role.

The first course of a 130-hour standardized pre-apprenticeship curriculum began in late January 2021, and on April 12 the program graduated the first cohort of 30 students, the first ever to have a 100% distance learning experience. Among these 30 students are nine women and several students who have faced, or are facing, a variety of challenges including lack of family support, recovery from addiction, criminal background, housing insecurity, low income, and of course persevering through a global pandemic. Two students had already been accepted into an apprenticeship and started working in unionized construction before the class ended. The 12-month program began with 34 individuals who started in January. All participants are currently in the job coaching phase except for three who ended early employment, which represents 91% retention to date. Additionally, out of the 34 who started, 82% earned the MC3 certificate. The three that did not were due to their early placement, working as Ironworkers apprentices.

### ***Power Pathways***

In 2017, PG&E developed the Power Pathway program to help meet its workforce needs. Since then, it has broadened to include opportunities with other related employers and has continued to evolve as market conditions and PG&E's needs have changed over the years. The program is offered periodically throughout PG&E's service area.

work2future added PG&E Power Pathway to its portfolio of Cohort Training programs, and it is offered as a Career Pathway Training in collaboration between work2future, San José City, Evergreen Valley Community Colleges, and PG&E. All the partners play critical roles in the operation and success of each Power Pathway cohort. Each cohort is comprised of 20 to 35 participants, depending on market conditions, and requires eight-to-ten 40-hour weeks of

classroom training, fieldwork, and on-the-job training. The employment rate of program graduates is generally above 80% within a year of completion, with a significant number employed by PG&E.

work2future offered one PG&E Power Pathway Entry to Gas Operations cohort in 2020 and plans to offer at least two cohorts in 2021, which are intended to be tied directly to PG&E employment opportunities, with PG&E conducting preliminary employability screenings prior to enrollment in the cohort and hiring interviews before the conclusion of the cohort.

### ***Prison to Employment (P2E)***

In planning the Prison to Employment (P2E) program, work2future conducted extensive community engagement and met with Second Chance and other partners who work most closely with justice-involved individuals. These planning partners included members of local Community Corrections Partnerships — County Probation Departments, County Sheriffs, County Office of Re-entry Center, Parole Units and California Department of Corrections and Rehabilitation (CDCR) representatives, and CBOs that serve justice-involved individuals.

work2future, with Goodwill of Silicon Valley as its service provider, worked together in developing and planning for the deployment of P2E Construction Training Program. The program has served 65 participants with completion and placement rates of 85% and 80% respectively. Two additional cohorts are planned for the remainder of the year. Examples of P2E placements include Souto Landscape & Concrete, American Civil Construction West Coast, Balfour Beatty Construction, Bay Cities Paving & Grading Inc., and Lewis and Tibitts Inc.

Since Santa Clara County's COVID-19 SIP order was issued, P2E classes have been held outside. For the job search component of the program, many participants were unable to function in a fully virtual format due to inadequate access to technology. To help address this barrier a job search curriculum drop-off mechanism was implemented to ensure program completion.

### ***Priority Focus on High-Growth, High-Wage Jobs***

work2future's Local and Regional Strategic Plans shift work2future's emphasis from a broad and generalized approach to employment placement, to one that places clients in priority, high-growth industries and in-demand occupations that can provide the foundation for career pathways that lead to economic self-sufficiency. As part of the Career Pathway focus, the Board established the following goals for the WIOA Youth and the Adult and Dislocated Worker programs:

- 75% of clients served secure employment, including:
  - A minimum of 50% of clients served secure employment in high-growth sectors/occupations or continue onto post-secondary education, and
  - No more than 25% of all clients served secure employment in other occupations.

- The remaining 25% who do not secure employment should be comprised of those who either:
  - Completed a nationally recognized credential or on-the-job training, or
  - Exited the program without completing a nationally recognized credential or an on-the-job training program.

### Adults and Dislocated Workers

For the 12-month period ending March 2021, there were 364 adult and dislocated worker clients who exited the work2future program. Of these 364 exited clients, 48 secured employment within work2future's Priority Sectors, with another 89 clients finding jobs in non-Priority Sector areas.

There are an additional 227 clients for whom work2future is still verifying their employment status from EDD. Staff is confident that it will exceed its Career Pathways Priority Sector placement goal of 50% for this most recent reporting period given that of these pending 227 clients, only 134 (or 59% of the pending) need to secure Priority Sector placements.

One example of work2future's State-mandated regional focus was a collaboration with Evolve Manufacturing Technologies, Inc. — a woman-owned biomedical device manufacturer, Ohlone College, City of Fremont's Economic Development Department, and the Alameda County Workforce Development Board. The project tests the viability of combining paid work experience with a community college-based career technical education program into a single integrated "Earn and Learn" experience.

Recruitment began in January 2021 for participants in the Earn-and-Learn pilot; 22 participants enrolled, with work2future enrolling the larger share. work2future and Alameda County WDB subsidized the project through WIOA Title I funds. Participants were placed in an eight-week, 40 hours per week, entry-level job at Evolve and enrolled in an Ohlone College six-week Introduction to Smart Manufacturing course requiring both lecture and lab hours. Evolve provided release time and an on-site space during the workday for participants to attend the lectures, which were delivered via remote learning technology. Evolve and Ohlone College have worked together to incorporate the lab requirements into the work experience at Evolve. Ninety-one percent of the participants have completed the program, with 80% of the program completers moving to regular employment with Evolve. The remainder were employed by LAM Research. The lessons learned from this regional effort will be applied further in the *Gateways to High-Road Opportunities in Manufacturing* section of this memorandum.

### Youth

The WIOA-funded Youth Program serves at-risk, primarily out-of-school, 18-24-year-olds. Virtually all come from low-income households and face at least one additional barrier to employment such as a basic-skills deficiency, a history of substance abuse, and/or have one or more parents currently incarcerated.

There were 76 youth who exited from the work2future program over the 12-month reporting period ending March 2020. Of the 76 exited clients, 11 have been placed in Priority Sectors, with another 33 finding jobs in non-Priority Sector areas. There are an additional 32 clients for whom work2future is still verifying their employment status from the State and other sources. In order to meet the placement target 27, 32 pending clients need to secure Priority Sector or in-demand occupations.

### ***work2future's Funding***

work2future heavily relies on grant funding to provide services to the community, therefore allocations vary each year. The primary sources of funding are the Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker, and Youth program allocations. These funding sources are derived from a formula driven by the nation's economic situation relative to unemployment, underemployment and economically disadvantaged population, thus funding fluctuates as the economic landscape changes. work2future's WIOA annual allocation for FY 2020-2021 was \$5,813,009. The overall work2future operating budget decreased by 31%, and because of work2future's Board-mandated reserve account and savings generated from the previous year's funding, work2future was able to mitigate service delivery impacts. For FY 2021-2022, staff is planning on a 5% decrease in allocation. If this is realized, the anticipated WIOA Adult, Dislocated Worker and Youth final funding allocation will be \$5,522,359. Then the overall decrease in work2future's operating budget will be 34%.

### **Other Key Operational Highlights**

#### ***Service Delivery Operations***

work2future client services are currently provided in San José at the Kirk Community Center (Kirk), and in Gilroy at the County Social Services Agency offices. In addition, services are also provided at the EDD Job Services office in North San José. work2future business services are provided at the Old Almaden Winery Community Center. However, due to SIP, work2future began providing remote services beginning March 2020 to date.

As mentioned in the Enhanced Access and Outreach to COVID-19 Impacted Neighborhoods section above, work2future is in the process of relocating from the Kirk location in the southern part of San José to the east side on 1608 Las Plumas Avenue where there is a high need for services to low income and skills-deficient individuals in low resource census tracts. The move is anticipated to take place by the end of the calendar year and will allow for more residents in these impacted areas to receive services closer to their neighborhoods.

Career Services for Adult, Dislocated Worker and Youth Services are provided by Equus Workforce Solutions and International Rescue Committee (IRC). The service providers were selected via an open and competitive procurement. The Request for Proposals was released April 21, 2020 and proposals were received on May 19, 2020. Equus Workforce Solutions was selected to provide services to Adults and Dislocated Workers in both the San José and the South County

areas, and IRC was selected to provide services in South County for Youth clients for an initial term of September 1, 2020 through June 30, 2021, with four one-year options to extend depending on performance, funding availability and Board approval.

### ***Small Business***

work2future's BusinessOwnerSpace.com (BOS), specializes in small, minority-owned businesses in collaboration with over 30 small business assistance organizations, such as SCORE, SBDC, Minority Business Development Agency, AnewAmerica, chambers of commerce (Hispanic, Black, and Filipino), neighborhood associations, and financial institutions such as Wells Fargo and Meriwest Credit Union.

Of note for the small business community, work2future has launched the Facebook project "Career Connections" to provide a paid work experience internship opportunity to approximately 30 young adults. In April, Facebook provided a four-week training course to learn Digital Media Marketing skills and during that time participants were matched with a Facebook mentor. During the month of May, the participants were paired as interns with local San José small businesses or non-profits to grow their social media and online presence. This project will introduce youth to new professional networks, help to build confidence, increase career readiness skills, and could launch a career pathway.

### ***Rapid Response***

Immediately following the SIP order, work2future staff began receiving Worker Adjustment and Retraining Notification notices (WARN). WARNs offer protection to workers, their families, and communities by requiring employers to provide notice 60 days in advance of covered plant closings and covered mass layoffs. work2future then deploys its Rapid Response team as an early intervention service that assists both employers and employees.

### ***Looking Ahead***

A summary of anticipated key programs and initiatives for FY 2021-2022 follows.

### ***Resilience Corps***

The Resilience Corps (RC) program, included in the Mayor's March 2021 Budget Message as approved by the City Council, is for young adults who have suffered extended unemployment and poverty. As of December 2020, the unemployment rate of young adults was about twice that of the general rate of unemployment in California. The program would work through a network of non-profits and City departments that can place primarily, but not exclusively, young adults residing in high-poverty, high-unemployment neighborhoods with a jobs program with a living wage. The pathways below require modest training which aims to bolster the community's resilience against the pandemic:

- **Pathway 1:** Participants will undertake various environmental work such as tree planting, weed abatement, creek clean up, trail maintenance, and wildfire safety defense lines. RC youth will work closely with the City of San José — PRNS, DOT and Public Works Department to identify and perform the above-referenced work.
- **Pathway 2:** Led by the City's Library Department, RC youth (college students, such as those in SJSU's School of Education) will provide tutoring and extended-day education support at schools, non-profits, and City libraries to assist younger youth in recovering from the learning loss that arose from the pandemic.
- **Pathway 3:** RC youth will be provided a paid work experience opportunity and will receive training in technology areas such as social media, digital marketing, e-commerce, and website design; after which the youth will be paired with a local San José small business or non-profit to grow their social media and online presence. Goodwill of Silicon Valley will provide case management and supportive services to the youth, and the Foundation for California Community Colleges will serve as the employer of record.

Though still pending City Council approval, work2future will continue to actively work with the City Departments and external partners to develop the various pathways and partnerships critical to the success of the overall goals of this program.

#### ***San José Works 7.0: Increase Paid Internships and Scale Up Mentoring Opportunities***

In partnership with PRNS, work2future has begun conducting outreach for the upcoming San José Works 7.0 program which will begin Summer 2021. The program plans to increase services from 375 to 400 internships with employer-paid job opportunities.

The success of the SJ Works program relies on an ongoing strategy for youth outreach, which includes job fairs, resource fairs within the community, co-location with high schools, co-location at the HUB — Santa Clara County's youth-led community resource center for current and former foster and Independent Living Program-eligible probation youth. Other outreach include events at the local community colleges, San José State University, agency referrals and referrals from past clients.

The program will continue the focus on career pathways to recruit employers in providing internship positions in high growth industries and in-demand occupations.

San José Works introduced a pilot mentoring program to a group of 30 students with a complement program curriculum that included job readiness, workplace skills, financial literacy, career exploration, academic and life skills. The goal was to match youth participants with mentors that match their academic and career aspirations. Moving forward the program will be refined to create one-on-one mentor-mentee relationships, increase capacity, and provide ongoing sustainability.



## **Special Initiatives**

### ***Logic Model***

A recent Neighborhood Services and Education Committee discussion has led to the development of a logic model headed by the Neighborhood Services City Service Area (CSA) team, which began to coordinate a College and Career Readiness (CCR) Logic Model across the following City entities: MGPTF, PRNS, Library, Public Works and work2future. The CCR Logic Model will highlight programs and opportunities that City departments provide to teens (14-18) and young adults (18-29), in alignment with the CCR Quality Standards. In addition, the logic model will allow the City to visualize ways that departments may collaborate with one another, find gaps, and learn about additional opportunities available to students in high school and college, to pursue a certification or take advantage of an apprenticeship. Staff anticipates that the draft CCR Logic Model will be ready for review in Fall 2021.

### ***Veterans Continuum of Opportunity Council – (VCOC)***

The VCOC is a project in partnership between NPower and work2future beginning April 2021 through March 2022. The project will create a VCOC that brings together stakeholders who serve Veterans, including the Santa Clara County Veterans Service Office and local Jobs for Veterans State Grants staff, and employers seeking to hire Veterans. Ultimately, this project will engage over 230 Veterans on a journey to mid-income tech careers through NPower's well-established courses and apprenticeship programs, using a variety of social supports, and giving participants a chance to earn industry-recognized certifications in Tech Fundamentals, Cloud Computing and/or Cybersecurity.

### ***Gateways to High-Road Opportunities in Manufacturing***

Beginning in fall 2021, this project will target dislocated and/or economically disadvantaged Latinx and Southeast Asian adults, as well as high school juniors and seniors from low-income families. Many of the individuals in these target populations are precluded from the Science Technology Engineering and Math (STEM) economy due to a lack of appropriate training, industry work experience, and relevant professional networks. The Engineering Technologist Pre-Apprenticeship includes proven cohort-based training beginning at the lowest academic level, includes hands-on coursework, provides paid work experience, and is organized around wraparound student support. Participating job seekers will be hired into jobs starting at \$20 per hour and rising significantly with attainment of relevant community college-issued associate degrees in advanced manufacturing technology.

### ***Inmate Services***

In partnership the Santa Clara County Office of the Sheriff-Custody Bureau Programs Unit, and Ohlone, Evergreen, San José and Mission Community Colleges, work2future will provide the following cohort training services to incarcerated individuals: Commercial kitchen/Culinary,

Auto Services, Welding courses that will align with the Ironworkers Apprenticeship, and Multimedia services. The first cohort of approximately 20 individuals began at the end of May 2021 with additional cohorts continuing throughout the year.

## **ANALYSIS**

### **(a) Contracts and Agreements**

Staff recommends that Council authorize the City Manager or his designee to negotiate and execute all contracts, amendments, agreements, leases, subleases, and memorandums of understanding with contractors, consultants, and vendors providing services to the WIOA Program and programs operated by work2future, including, but not limited to: novations or assignments; training vendor contracts; case management contracts; and consultant contracts.

Such agreements must comply with procurement procedures and requirements mandated by the State and Federal governments for WIOA grant recipients and with established City procurement procedures and requirements. In addition, they must be reviewed and approved, as required, by the work2future Board, and may be executed so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.

Under WIOA, work2future must enter into memorandums of understanding with Required and Additional One-Stop Partners for a three-year period, with the agreement reviewed every three-year period to ensure appropriate funding and delivery of services. Other WIOA memorandums of understanding are on an ad-hoc basis. These memorandums include, but are not limited to:

- Memorandums of understanding with other workforce development boards
- Regional memorandums of understanding
- Partnership agreements
- Cost-sharing agreements
- Regional consultant agreements to share training and labor market research tools
- Memorandums of understanding with other cities and the unincorporated area of Santa Clara County whose residents receive services from work2future
- Required partners specified in WIOA Title I include programs authorized under the following:
  - Title II of the Workforce Innovation and Opportunity Act, Adult Education and Literacy
  - Title III of the Workforce Innovation and Opportunity Act, Wagner-Peyser Act, (State of California Employment Development Department)
  - The Title IV of the Workforce Innovation and Opportunity Act, Vocational Rehabilitation Act (State of California Department of Rehabilitation)
  - Senior Community Services Employment Program (Sourcewise)
  - Migrant Seasonal Farmworkers Program (Center for Employment and Training)
  - Community Services Block Grant (Center for Employment and Training)

- The Job Corps
- Career and Technical Education under the Perkins Act
- Veterans employment services under chapter 41 of title 38, U.S.C.
- Employment and training activities carried out by the Department of Housing and Urban Development.
- Trade Adjustment Assistance
- Unemployment Compensation Programs
- County of Santa Clara Departments and Agencies, including, but not limited to, Human Services CalWORKS CalFresh Programs
- Local Child Support Agencies
- English Language Learners, Foreign Born and Refugees
- Re-entry services providers – Probation, Parole
- Community Based Organizations
- Labor Organizations

WIOA allows federal funds received by local areas during a program year to be expended during that program year and the succeeding program year. To meet the needs of clients and businesses that work2future serves, there must be sufficient flexibility to begin agreements in one fiscal year and end agreements in the following fiscal year to provide a continuum of services consistent with and in alignment with work2future's programs. The nature of some work2future services is such that programs offered to clients can be initiated during various periods within the fiscal year. The coordination of vendor training programs such as the Eligible Training Provider List (ETPL), Youth Career Technical Training, Youth Workshops, Adult Workshops, and Adult Cohort Training, is dependent on when the client is determined eligible and the type and length of the training program selected. No-fund agreements that provide work experience to Youth Program participants are dependent upon a school year and summer schedule. In addition, Adult Programs are subject to similar variables. Under these circumstances, the time to perform and complete services necessitates extending the agreement beyond the fiscal year.

The City Manager or his designee will ensure that sufficient funds have been appropriated and are available and that agreements are in accordance with federal and state laws and regulations.

(b) Grant Applications and Grant Agreements

During FY 2021-2022, work2future will endeavor to obtain additional discretionary funding through grant applications. Funding proposals may require partnerships with other public, private, and community-based organizations as a prerequisite for funding. In other instances, funding may be awarded to work2future for activities that may be undertaken by community-based organizations, institutions of higher education, or vendors to be selected through a subsequent request for proposal processes. These grants can support City operations through the payment of overhead and in support of City-wide services that align with WIOA activities.

As discretionary grants may be for terms of up to four years, staff recommends that the City Council authorize the City Manager or his designee to negotiate and execute all grant

applications, grant agreements, and subgrant agreements, and any documents necessary to accept the grant for discretionary funding applied for and approved by the work2future Board, for multi-year periods not to extend beyond June 30, 2026 pending appropriation of grant funds by City Council.

(c) Council Reporting

The work2future program is housed within the Office of Economic Development (OED). OED and work2future make an annual comprehensive presentation on formula and discretionary funding availability, contracting and program activities and performance, and client services to the Community and Economic Development Committee (CEDC).

**CONCLUSION**

work2future provides important services to the jobseekers, businesses, and employers in its service area, as well helping youth seeking to improve their circumstances through employment or education. work2future is in the process of relocating to the eastside of San José where we will be engaging in targeted outreach to the low resource census tracts where we will be undertaking multilingual face-to-face outreach. work2future's ramping up of our partnership with the Office of Racial Equity, Library and PRNS will enhance connections for clients and their families where we will support extremely low income, basic skill deficient individuals through earn and learn approaches and entry level incumbent worker training. work2future is also pursuing alternative funding sources, partnerships and legislative opportunities to expand its ability to serve non-WIOA eligible populations. work2future will continue to be community focused in our work by convening with partners and community-based organizations.

With the adoption of an annual resolution authorizing the City Manager or his designee to negotiate and execute agreements relating to the WIOA Program, the services that work2future provides can continue in a timely way. Individuals and businesses seeking work2future's services have immediate needs and this resolution will ensure that these needs can be met efficiently.

**EVALUATION AND FOLLOW-UP**

No additional follow-up actions with the City Council are expected at this time. work2future will be providing a program update to the Community and Economic Development Committee, scheduled for May 2022.

### **CLIMATE SMART SAN JOSÉ**

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals.

### **PUBLIC OUTREACH/INTEREST**

The WIOA activities represented in this report involve a wide variety of public outreach including working with various community-based organizations, private sector businesses, educational entities, and other governmental organizations.

The work2future Board is comprised of 20 private and public sector members and has sought public input at all work2future board and committee meetings on each of the projects detailed above. All work2future meetings, as well as those of the supporting committees, are covered by the Brown Act and are subject to public notice requirements and public comment sections on the agendas of their actual meetings.

This memorandum to Council will be posted on the City's website for the June 22, 2020 Council Agenda.

### **COORDINATION**

This report has been coordinated with the Office of the City Attorney and the City Manager's Budget Office.

### **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

### **FISCAL/POLICY ALIGNMENT**

This action supports Initiative 7 of the City's Economic Development Strategy, "Prepare Residents to Participate in the Economy through Training, Education, and Career Support."

HONORABLE MAYOR AND CITY COUNCIL

June 7, 2021

**Subject: Annual WIOA Programs and Projects for 2021-2022**

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**CEQA**

Not a Project, File No. PP17-004, Government Funding Mechanism, or Fiscal Activity with no commitment to a project which may result in a potentially significant impact on the environment.

/s/

NANCI KLEIN

Director of Economic Development

For questions, please contact Monique Melchor, work2future Director, at (408) 794-1108.

Attachment A:

work2future WIOA Performance Summary for WIOA clients: PY 2018-2021

## Attachment A

### Federal Performance Results

WIOA PROGRAM YEAR	2018 - 2019			2019 - 2020		
Performance	Actual	Required	Success Rate	Actual	Required	Success Rate
<b>ADULT</b>						
Entered Employment 2 <sup>nd</sup> Quarter	65.0%	55.0%	118.18%	68.4%	56.0%	122.1%
Entered Employment 4 <sup>th</sup> Quarter	62.4%	54.0%	115.56%	65.8%	55.0%	119.6%
Median Earnings	\$7,715	\$5,650	136.55%	\$8,573	\$5,800	147.8%
Credential Attainment Rate	54.9%	53.0%	103.6%	69.2%	54.0%	128.1%
<b>DISLOCATED WORKER</b>						
Entered Employment 2 <sup>nd</sup> Quarter	64.4%	60.0%	107.3%	69.2%	62.0%	111.6%
Entered Employment 4 <sup>th</sup> Quarter	68.7%	62.0%	110.8%	66.7%	64.0%	104.2%
Median Earnings	\$11,459	\$8,600	133.2%	\$11,434	\$8,800	129.9%
Credential Attainment Rate	62.9%	57.0%	110.4%	69.9%	58.0%	120.5%
<b>YOUTH</b>						
Entered Employment or Ed 2 <sup>nd</sup> Q	72.8%	60.0%	121.3%	80.9%	61.0%	132.6%
Entered Employment or Ed 4 <sup>th</sup> Q	73.7%	62.0%	118.9%	75.6%	63.0%	120.0%
Median Earnings	baseline	baseline	baseline	baseline	baseline	baseline
Credential Attainment Rate	59.5%	53%	112.3%	91.0%	54.0%	168.5%
For each program year provided State Performance is met at 90%						
				<b>2020-2021 3<sup>rd</sup> Quarter</b>		
<b>WIOA PROGRAM YEAR 2020 -2021 3<sup>RD</sup> QUARTER</b>				Actual	Required	Success Rate
<b>Adult</b>						
Entered Employment Rate				69.8%	62.0%	112.6%
Entered Employment Rate				65.5%	61.0%	107.3%
Median Earnings				\$8,913	\$6,250	142.6%
Attainment of Credential*				50.0%	55.0%	90.9%
Measurable Skill Gain*				25.8%	45.0%	57.3%
<b>Dislocated Workers</b>						
Entered Employment Rate				66.9%	65.0%	102.9%
Entered Employment Rate				68.1%	67.0%	101.7%
Median Earnings				\$11,869	\$7,800	152.2%
Attainment of Credential*				57.5%	58.0%	99.1%
Measurable Skill Gain*				23.5%	47.0%	50.1%
<b>Youth</b>						
Entered Employment Rate				72.7%	71.0%	102.4%
Entered Employment Rate				69.4%	67.5%	102.9%
Median Earnings				\$6,476	\$3,390	191.0%
Attainment of Credential*				30.8%	57.5%	53.5%
Measurable Skill Gain*				10.0%	49.7%	20.1%

\* Staff anticipates that we will meet these outcomes at the State required level of 90%