



DATE: July 18, 2018
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 18-27

Authorizing a Subrecipient Contract with Worksystems, Inc., to Implement Economic Opportunity Initiative Youth and Adult Workforce Development Services and Community Workforce Navigator Program during Fiscal Year 2018-19

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7279

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to sign a Subrecipient Contract with Worksystems, Inc. (WSI) for purposes of administering and implementing youth and adult workforce development services as part of the Economic Opportunity Initiative (EOI) in fiscal year (FY) 2018-19. This action will support the continuation of services to youth and adults including vocational case management, work experience opportunities, on-the-job training, and occupational training. Approximately \$1,100,000 will be provided for youth workforce development and \$1,000,000 for adult workforce development; for greater detail on the full budget, see Table 1 later in this report. In addition, approximately \$500,000 will be allocated toward the Community Workforce Navigator Program which provides community-based support to high-barrier job seekers in priority neighborhoods. Funding will come from federal Community Development Block Grant (CDBG) funds, City of Portland (City) general funds allocated to Prosper Portland, and Enterprise Zone funding.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action meets Prosper Portland's 2015-2020 Strategic Plan objectives by improving connections between target industry employers and job seekers and by employing workforce development initiatives to connect neighborhood residents to nearby quality job opportunities.

BACKGROUND AND CONTEXT

The EOI was first implemented in FY 2004-05 by the former Bureau of Housing and Community Development (now Portland Housing Bureau) and was transferred to Prosper Portland in FY 2009-10. The program is managed by Prosper Portland's Entrepreneurship and Community Economic Development team in the Economic Development Department. The people-based EOI program has three components (youth workforce development, adult workforce development, and microenterprise) and is aimed at increasing economic vitality of low-income individuals and focuses on target populations most in need of assistance to achieve economic stability. Participants enrolled in the EOI receive up to three years of support.

Prosper Portland implements the youth program (known as NextGen) and adult workforce development program (known as Economic Opportunity Program) through grants to WSI, which delivers the two

programs in coordination with its other workforce services. WSI, in turn, provides sub-grants to non-profit providers specializing in youth and adult workforce development. Youth workforce development providers were selected through a request for proposals (RFP) in the summer of 2017 and adult workforce development providers were selected through an RFP issued by WSI in the spring of 2013. Prosper Portland was involved in the issuance of both RFPs and in the selection of providers. For a list of anticipated FY 2018-19 youth and adult workforce development service providers, see Attachment A.

The Community Workforce Navigator Program began in 2015 as a way to improve access to appropriate workforce development services and to increase the incomes of low-income residents so they can afford to stay in the neighborhood as housing costs rise due to an increasingly strong market. The target populations are under- and unemployed residents, low-income residents, people of color and/or English as a Second Language speakers. Prosper Portland piloted this program in the Our 42nd Avenue and Cully Boulevard Alliance Neighborhood Prosperity Initiative (NPI) neighborhoods and has seen that the hands-on, community-based workforce navigator approach better connects services to communities of color and immigrant and refugee populations.

The program has since expanded to include Jade, Division Midway Alliance, Rosewood Initiative, and St. Johns NPI neighborhoods. The program also includes a navigator to connect residents in these priority neighborhoods to high-growth jobs in the manufacturing industry. In order to streamline processing and incorporate additional workforce supports, this program will be implemented through a sub-grant from WSI to Worksource Portland Metro (WSPM) providers. Coordination between Prosper Portland, WSI, WSPM providers, NPI staff, and community leaders is critical for successful program implementation.

EQUITY IMPACT

The EOI promotes achievement of the Prosper Portland 2015-2020 Strategic Plan goals for wealth creation, access to high quality jobs, and 21st century networks and partnerships. As of March 31, 2018, 1,249 individuals had been served through workforce development programs in FY 2017-18; of those served, approximately 73 percent are people of color.

Prosper Portland's investments in youth and adult workforce leverage significant investment by WSI. For the youth system, WSI anticipates spending an additional \$2,000,000 in Multnomah and Washington counties. In addition to these investments in intensive one-on-one workforce development services, WSI contracts with a work experience intermediary to develop and match youth to appropriate work experience opportunities and provide coaching to the youth and the employer to achieve successful placements. Work experiences are essential in learning the demands and expectations of the work environment and exploring careers of interest in a safe and supportive context. The youth system also funds cohort trainings in the four targeted sectors of healthcare, construction, technology, and manufacturing to give youth entry-level skills to start them on a career path in one of these industries.

For adult participants, WSI anticipates providing an additional \$1,000,000 in workforce preparation, training, and employment services through WSPM, whose services are set aside for low-income individuals with barriers to employment in Multnomah County. WSPM services are available to address different skill levels, work histories, and career goals and can be accessed by the EOI participants to support their career plans.

The Community Workforce Navigator Program provides neighborhood-based workforce support to residents and business owners who are able to more easily connect job seekers to employment opportunities right in their neighborhood. In FY 2017-18 the program served Our 42nd Avenue, Cully Boulevard Alliance, Jade District, and Division Midway Alliance NPI neighborhood residents. As of March 2018 the program provided services to 265 individuals; of those, 214 are people of color.

COMMUNITY PARTICIPATION AND FEEDBACK

As mentioned, Prosper Portland and WSI, in coordination with the Portland Housing Bureau (PHB), issued RFPs for the selection of service providers for the youth and adult workforce development programs. The process of selecting new providers was done in an open and transparent manner and involved significant outreach and input from existing providers and other entities interested in the EOI.

BUDGET AND FINANCIAL INFORMATION

The total WSI workforce program budget is \$3,106,724. The CDBG funds will be provided to Prosper Portland through the annual intergovernmental agreement (IGA) with PHB, which is also on the July 18, 2018 Prosper Portland Board meeting agenda for consideration; the General Funds will be included in the annual IGA with the City of Portland City (City) Budget Office (CBO) through a separate action on the September 12, 2018 Prosper Portland Board meeting agenda. The overall budget with all funding sources is shown in Table 1. Funds from both PHB and CBO will be provided on a reimbursement invoicing basis with the respective City bureau.

Table 1 – Estimated Budget

	General Fund	CDBG	Enterprise Zone	Total
Total Resources	\$1,129,080	\$1,748,644	\$229,000	\$3,106,724
Program Delivery				
Adult Workforce Development	\$252,452	\$690,777	\$57,565	\$1,000,794
Youth Workforce Development	\$293,563	\$824,176		\$1,117,739
Community Navigator Program	\$98,876	\$233,691	\$169,665	\$502,232
Personnel Services	\$203,298			\$203,298
Materials and Services	\$69,462			\$69,462
Indirect	\$211,429		\$1,770	\$213,199

Of the \$3,106,724 to WSI, \$1,117,739 will fund youth workforce development and \$1,000,794 will fund adult workforce development with the remaining \$502,232 funding the community workforce navigator.

It is possible that additional funds may be identified to support this work. Therefore Resolution No. 7279 authorizes the Executive Director to increase funding to WSI by up to \$500,000 through the youth and adult workforce development contract, should additional resources become available.

RISK ASSESSMENT

There are few risks to authorizing these contracts. The EOI is a long-standing City program and has been consistently administered since FY 2004-05. CDBG funds flow to the City from the federal Department of Housing and Urban Development (HUD). In FY 2012-13, HUD conducted a monitoring of the EOI program; the report recommended changes that have improved the administration and oversight of subrecipients and have resulted in a stronger understanding by Prosper Portland staff of issues related to administration of CDBG funds. The WSI contracts will further require WSI to adhere to federal regulations regarding the use of CDBG funds, to report to Prosper Portland quarterly about system accomplishments, challenges and outcomes, and to regularly involve Prosper Portland in policy discussions about the youth and adult workforce development system. Additionally, WSI provides training to the community navigators and other workforce providers to ensure CDBG funds are properly administered.

ATTACHMENTS

A. List of Anticipated FY 2018-19 Youth & Adult Workforce Development Service Providers

LIST OF ANTICIPATED FY 2018-19 YOUTH & ADULT WORKFORCE DEVELOPMENT SERVICE PROVIDERS

Subcontractor	Adult Workforce	Youth Workforce	Workforce Navigator
Central City Concern	X		
Creating IT Futures		X	
Home Forward		X	
Human Solutions	X		
Immigrant and Refugee Community Organization	X	X	
Impact NW		X	
Mt Hood Community College			X
New Avenues for Youth		X	
Oregon Tradeswomen / Constructing Hope	X		
Portland Opportunities Industrialization Center		X	
Portland Community College		X	X
Portland Youth Builders		X	
SE Works	X		X
Worksystems, Inc.	X	X	X