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OAKLAND REDEVELOPMENT AGENCY
CITY OF OAKLAND
Joint City Council and Redevelopment Agency Agenda Report

To: Office of the Agency Administrator
Attn: Deborah Edgerly
From: Community and Economic Development Agency
Date: July 12, 2005

RE: A RESOLUTION TO AUTHORIZE THE AGENCY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A CONTRACT WITH THE YOUTH EMPLOYMENT PARTNERSHIP, INC., FOR THE ALLOCATION OF FIFTY THOUSAND DOLLARS (\$50,000) FROM COLISEUM REDEVELOPMENT BUSINESS DEVELOPMENT (FY 2004-05) FUNDS FOR BUILDING REPAIRS TO THE YOUTH EMPLOYMENT PARTNERSHIP, INC. BUILDING LOCATED AT 2300 INTERNATIONAL BOULEVARD

SUMMARY

Redevelopment Agency staff seeks Agency approval to allocate \$50,000 from Coliseum Redevelopment Business Development (FY 2004-05) funds to the Youth Employment Partnership, Inc. ("YEP") as a matching contribution to YEP's recent grant award of \$40,000 from the Haas Jr. Foundation. The YEP headquarter offices, located at 2300 International Boulevard, are in desperate need of interior and exterior repairs from unexpected damage to the building.

YEP is also in the process of renovating and remodeling its building in order to house its new charter high school, the Alameda County School for Pregnant and Parenting Teens, and additional space and resources for other community groups. These efforts have triggered additional façade costs by the Americans with Disabilities Act (ADA) compliance regulations and the City's preservation regulations for historic buildings, which the organization cannot cover.

YEP has a significant deficit in its budget for the building remodeling due to the ADA and Historic Preservation requirements, which has in turn negatively impacted the organization's ability to administer its intended program of employment training for at-risk youth in Oakland.

The Redevelopment Agency supports YEP's mission to provide the City's youth with entry-level jobs and intensive professional training, and believes that a monetary contribution to the organization to alleviate its administrative shortfall will help YEP re-focus its energy back to its invaluable training programs. In addition, the construction work for YEP's façade restoration would be completed by young adults already in YEP's construction training programs, therefore providing continued employment for Oakland youth. Finally, the renovation of the YEP building, which almost spans one city-block, will increase the building's property value, and positively impact the surrounding neighborhood.

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FISCAL IMPACTS

The Coliseum Redevelopment Area will allocate \$50,000 from Coliseum Redevelopment Business Development (FY 2004-05) funds to YEP to pay for interior and exterior building repairs. These improvements will increase the value of the building, thereby generating additional tax-increment for the Coliseum Redevelopment Area, alleviate blight, and stimulate YEP's workforce training programs.

The total \$50,000 allocation to YEP is to be funded from Redevelopment Agency funds from Coliseum Redevelopment Area Operations Fund (#9450), Business Development Org (#88559), Miscellaneous Contract Services Account (#54919), Coliseum-ORA Project (#S82600), Business Creation, Attraction, Retention Program (#SC11).

BACKGROUND

Summary and Purpose of YEP

YEP is a non-profit employment training organization dedicated to serving at-risk Oakland youth since 1972. The organization formed from a merger between the St. Elizabeth Youth Employment Corporation (SEYEC) and Oakland YouthWorks (OYW) in 1993. Beginning in 1973, SEYEC served economically disadvantaged youth in its comprehensive long term training programs. OYW was founded in 1979 by the New Oakland Committee, a group of area business and civic leaders, who were concerned about the inaccessibility of entry-level jobs for youth and provided short-term, intensive trainings. The merger allowed YEP to expand its services, taking the best of each organization with it as it continued to grow. Today the agency is bigger than ever, serving approximately 1,000 youth (ages 14 – 24) every year, and offers an ever-evolving slate of training programs to suit a variety of interests.

For in-school youth, YEP has designed several programs that provide pre-employment training and workplace experience, as well as academic assistance and support services. The Organization's goals with in-school youth are to enhance their commitment to their education and to help them explore career options, build workplace skills, and avoid negative behaviors. Examples of YEP's in-school programs include: Team Oakland, which trains youth in environmental restoration and science; Career Try Out, which places students in summer internships; and, Career Alternatives, which provides delinquency prevention services to youth who are at risk of involvement in the justice system. YEP's programs for out-of-school youth help young people build the "soft skills" critical to their workplace success as well as vocational skills in specific areas such as construction and office technology. All the young people served by YEP have access to comprehensive support services which include: after-school tutorials, GED and basic skills education, counseling, transportation, childcare, parenting education, housing assistance, and a variety of other services.

YEP has enjoyed a long-time partnership with the Alameda County Building and Construction Trades Council, which is a conglomerate of 25 construction-related unions. This relationship has helped YEP promote union-membership for those Oakland youth who fill YEP's construction-related positions.

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Over the course of the organization's history, YEP has served more than 18,000 low-income youth. Of these, more than 90% have completed the training programs in which they were enrolled, and more than 80% have been placed in employment or advanced education. YEP's success has been rewarded with Outstanding Achievement Awards from the Oakland Private Industry Council for the past 17 years, awards from Mayor Jerry Brown and Congresswoman Barbara Lee, and the 2002 Innovation and Sustainability Award from the Alameda County Social Services Agency.

YEP is governed by an active and engaged Board of Directors comprised of 10 individuals from the community. The organization's Executive Director has led the agency for more than 15 years and is assisted by a strong management team of highly qualified and experienced individuals. YEP is required by law to have annual independent audits per the requirements of the Single Audit Act, which test all aspects of financial and program compliance with contracts, regulations and applicable laws. YEP's effective internal control systems have resulted in "clean" audit reports for every year since its inception.

Building Repair Budget Deficit

YEP has been located at 2300 International Blvd. in the Coliseum Redevelopment Area of Oakland since December 2000. In 2003 YEP partnered with the Alameda County Office of Education to renovate the YEP building so that it may house the School for Pregnant and Parenting Teens. In addition, the organization would like the renovation effort to accommodate a new charter high school, and additional space and resources for other community groups.

YEP has experienced significant cost overruns for its building repairs budget because of exterior damage to its building, ADA-compliance requirements and Historic Preservation requirements.

Table 1 details YEP's budget shortfall for its building repair efforts. While a minimal budget shortfall of approximately \$4,500 would remain, the Redevelopment Agency contribution of \$50,000 would be used to minimize the organization's funding gap.

Table 1
Youth Education Partnership, Inc.
Building Repair Budget Deficit Detail

Item	Formula	Total
Building Repair Expenses	A	\$143,220
Building Repair Revenue		
Haas Jr. Foundation		\$40,000
Other Funding Sources		\$48,700
Subtotal Revenue	B	\$88,700
YEP Funding Gap for Building Repairs [1]	C=B-A	(\$54,520)

Source: Youth Employment Partnership, Inc.

[1] The Redevelopment Agency contribution of \$50,000 would be used to minimize this funding gap.

KEY ISSUES AND IMPACTS

The Redevelopment Agency supports YEP's mission of implementing several job training programs for at-risk Oakland youth. Past efforts have shown that the non-profit organization has been extremely effective in encourage young residents to value their educations and focus on their careers. YEP's current budget deficit is negatively impacting its ability to carry-out its job training operations. The Redevelopment Agency's monetary contribution to YEP will fund needed repairs and create several temporary jobs for Oakland youth because the construction work for YEP's façade restoration would be completed by young adults already in YEP's construction training programs.

SUSTAINABLE OPPORTUNITIES

A contribution to YEP to cover the costs of building repairs would help alleviate blight in the Coliseum Redevelopment Area, and steer the organization toward spending more if its staff time and budget on its operational goals of youth employment and job training. In addition, the construction work for renovation would be completed by young adults already in YEP's construction training programs, therefore providing continued employment for Oakland youth. Finally, the alleviation of blight by the façade restoration for the YEP offices would dramatically improve the appearance of the City's Lower San Antonio district, thereby stimulating commercial and business activity within the Coliseum Redevelopment Area. Finally, the renovation of the YEP building, which almost spans one city-block, will increase the building's property value, and in-turn generate greater tax-increment for the Coliseum Redevelopment Area.

DISABILITY AND SENIOR CITIZEN ACCESS

YEP is legally required to incorporate multiple ADA-compliant entrances and emergency exits into the architectural design of its remodeled facility. The YEP building, when renovated, will also house the Alameda County School for Pregnant and Parenting Teens. This school includes toddler and infant childcare facilities, which each require an ADA-compliant emergency exit directly to the street. The third door for the school will be the entrance. YEP will upgrade its existing corner entrance and will also have an ADA-complaint emergency exit. Therefore, disability and senior citizen access to YEP offices and schools will be achieved upon full renovation.

RECOMMENDATION AND RATIONALE

The authorization for the Agency to allocate \$50,000 to the Youth Employment Partnership, Inc. preserves legal consistency with California Redevelopment Law in that redevelopment monies should be used for blight elimination projects in a redevelopment area that also stimulate economic development, provide jobs, and deter crime.

ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

Staff requests that the Redevelopment Agency and City Council approve the attached resolution and report.

Respectfully submitted,

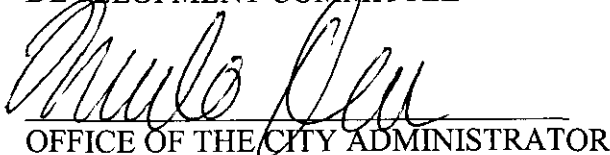


Daniel Vanderpriem
Director of Redevelopment, Economic
Development and Housing and Community
Development

Reviewed by:
Gregory Hunter, East Oakland Redevelopment Area
Manager

Prepared by:
Rupa Parikh, Project Manager
CEDA Redevelopment Division

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE


OFFICE OF THE CITY ADMINISTRATOR

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APPROVED AS TO FORM AND LEGALITY:


AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION TO AUTHORIZE THE AGENCY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A CONTRACT WITH THE YOUTH EMPLOYMENT PARTNERSHIP, INC., FOR THE ALLOCATION OF FIFTY THOUSAND DOLLARS (\$50,000) FROM COLISEUM REDEVELOPMENT BUSINESS DEVELOPMENT (FY 2004-05) FUNDS FOR BUILDING REPAIRS TO THE YOUTH EMPLOYMENT PARTNERSHIP, INC. BUILDING LOCATED AT 2300 INTERNATIONAL BOULEVARD

WHEREAS, the Community Redevelopment Law of the State of California Health and Safety Code Section 33031 states that buildings in which it is unsafe or unhealthy for persons to live or work is a form of physical and/or economic blight; and

WHEREAS, there is an on-going need for blight reduction that impacts general blight conditions throughout the Coliseum Redevelopment Project Area; and

WHEREAS, the Coliseum Redevelopment Area Plan states that redevelopment funds may be used to alleviate physical blight in the form of "unhealthy and unsafe buildings" through building repairs (Section II-8, *Coliseum Area Redevelopment Plan*, July 18, 1995); and

WHEREAS, financial assistance by the Redevelopment Agency to the Youth Employment Partnership, Inc. is consistent with and will further the purposes of the Coliseum Redevelopment Plan and its Five-Year Implementation Plan; and

WHEREAS, the Redevelopment Agency wishes to support the building repair efforts of the Youth Employment Partnership, Inc. to assist at-risk youth in Oakland with job-training and employment opportunities; and

WHEREAS, financial assistance by the Redevelopment Agency to the Youth Employment Partnership, Inc. will help the organization complete its transformation into a facility that will house its existing job-training services, a new charter high school, the Alameda County School for Pregnant and Parenting Teens, and provide additional space and resources for other community groups; and

WHEREAS, The Agency finds and determines that the performance of this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive services; and

WHEREAS, the Agency wishes to support these activities by allocating \$50,000 from FY 2004-2005 Coliseum Redevelopment Area Operations Fund (#9450), Business Development Org (#88559), Miscellaneous Contract Services Account (#54919), Coliseum-ORA Project (#S82600), Business Creation, Attraction, Retention Program (#SC11) to the Youth Employment Partnership, Inc; now, therefore, be it

RESOLVED: That the Agency hereby allocates \$50,000 from FY 2004-2005 Coliseum Redevelopment Project Area Funds to the Youth Employment Partnership; and be it further

RESOLVED: That the Agency Administrator or her designee, is authorized to take any other action consistent with this Resolution and its basic purpose; and be it further

RESOLVED: That the City Administrator is hereby authorized to execute, amend, modify, and extend the agreement regarding building repairs undertaken by the Youth Employment Partnership, Inc. provided that such modifications do not involve the allocation of additional funds; and be it further

RESOLVED: That the executed agreement will be approved for form and legality by the Office of the City Attorney, and a copy of the executed agreement will be on file in the City Clerk's Office.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2005

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

Attest: _____

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California