CITY OF OAKLAND

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Office of the City Administrator
Dan Lindheim
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July 21, 2009

Oakland City Council
Oakland, California

President Brunner and Members of the City Council:

RE: Informational Report on Possible American Recovery and Reinvestment Act Grant Applications that the City May Submit or Support During Council Recess, Including The Broadband Technology Opportunities Program, Green Jobs Training, and State Energy Efficiency and Conservation

SUMMARY

The following provides information on possible grants under the American Recovery and Reinvestment Act (ARRA) that City staff may be submitting during Council recess. These grant possibilities include the Broadband Technology Opportunities Program (BTOP) issued by the U.S. Department of Commerce's National Telecommunications and Information Administration (DOC NTIA); Green Jobs Training issued by the U.S. Department of Labor's Employment and Training Administration (DOL ETA); and the State Energy Program issued by the California Energy Commission (CEC).

FISCAL IMPACT

As this is an informational report, there are no known fiscal impacts at this time.

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KEY ISSUES AND IMPACTS

Broadband Technology Opportunities Program (BTOP)

Grant Guidelines Overview

Funded at $4.7 billion nationally, BTOP provides grants to support the deployment of broadband infrastructure in unserved and underserved areas, to enhance broadband capacity at public computer centers, and to encourage sustainable adoption of broadband service. Through this support, BTOP will also advance the Recovery Act's objectives to spur job creation and stimulate long-term economic growth and opportunity.

It is anticipated that there will be three rounds of funding availability, the first round will provide up to $1.6 billion in BTOP funds and focuses funding on three categories:

1. The *Broadband Infrastructure* category (up to $1.2 billion) will fund projects that deliver broadband service through Last Mile or Middle Mile facilities to unserved and underserved areas.
    *   **Unserved Area**: is defined as an area, composed of one or more contiguous census blocks where at least 90 percent of households in the proposed funded service area lack access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband speed (see below).
    *   **Underserved Area:** is defined as an area composed of one or more contiguous census blocks where at least one of the following is met: 1) no more than 50 percent of households in the proposed funded service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband speed; 2) no fixed or mobile broadband service provider advertises broadband speeds of at least 3 Mbps downstream in the proposed funded service area; or 3) the rate of broadband subscribership for the proposed service area is 40 percent of households or less.

2. The *Public Computer Center* category (up to $50 million) will fund projects that expand computer center capacity at entities that permit the public to use these computer centers, such as community colleges and public libraries.

3. The *Sustainable Broadband Adoption* category (up to $150 million) will fund innovative projects that promote broadband demand, such as projects focused on broadband education, awareness, training, access, equipment or support, particularly among vulnerable populations.

Eligible Entities: include States, local governments, for profit and non-profit organizations. Other eligibility factors require that all BTOP applicants: demonstrate the project can be substantially completed within two years of the grant issuance date and fully completed within three years of the grant issuance date; provide matching funds of at least 20 percent toward total

eligible project costs (unless a waiver petition is approved); document that the project would not have been implemented during the grant period but for a federal grant; and demonstrate that the budget is reasonable.

The following additional factors are required of applicants for Broadband Infrastructure grants:

- The applicant must propose to offer "**broadband**" service as defined in the Notice of Funding Availability (NOFA) — i.e., two-way data transmission with advertised speeds of at least 768 kbps downstream and at least 200 kbps upstream to end users; or sufficient capacity in a middle-mile project to support "broadband" service to end users.

- NTIA must be able to determine that the proposed project is technically feasible, including submitting a system design and project timeline certified by a professional engineer for any project requesting funds over $1 million.

- The applicant must demonstrate the ability of the project to be sustained beyond the funding period.

- Applicants for Last Mile infrastructure projects must provide service to the entire territory of each census block included in the funded service area unless the applicant can provide a reasoned explanation as to why providing coverage for an entire census block is infeasible.

States will be provided an opportunity to make recommendations concerning the allocation of funds for qualifying projects in or affecting the individual states during step two of the BTOP application process.

Applications will be accepted between July 14–August 14, 2009. The guidelines do not provide any information about the average grant award size.

Possible City Grant Projects

Among the possibilities for City grant projects are the following:

1.   **Partnership between the Oakland Public Library (OPL) and the Oakland Unified School District (OUSD) on a Public Computer Center**

As reported in previous Council meetings, OPL staff has been in meetings with the OUSD regarding a possible partnership for the BTOP. This partnership project would seek grant funding for a dedicated Computer Lab (30 computers) and additional Internet-accessible computers (20 computers) at the 81st Avenue Library, the first joint School-Public Library in Oakland. The Computer Lab will be used for student technology instruction and for adult public computer training on job information, vocational skill-building, resume writing, assistance with online job applications. Training will be conducted in English and Spanish.

The City/OPL would apply for the grant as the lead applicant. ARRA funding will leverage additional funds for the Library project that have come from State grant, City of Oakland Redevelopment Funds, OUSD, and private and foundation grants. The BTOP requires a 20% local match which is available through current funding.

The approximate grant request would be $200,000.

2.   OPL Participation in a Statewide Libraries Proposal

The Oakland Public Library is also participating in a statewide proposal for a project to obtain federal stimulus funds to expand high speed library internet connectivity and public access in California libraries. This proposal will be coordinated closely and partnered with another proposal being put together by CENIC, California's statewide education and research network, to connect libraries in unserved and underserved areas of the state with high speed service and to incorporate a set of network-based collaborative and educational tools that would serve the library and educational community.

3.   Participation in a Bay Area Regional Proposal—the Urban Area Security Initiative

Staff has been working with the Bay Area UASI (Urban Area Security Initiative), consisting of three major cities, San Francisco, San Jose and Oakland, and the ten counties that make up the Bay Area. The UASI has been developing an RFI (Request For Information), and planning to publish it in September 2009 for building a Bay Area Public Safety Broadband Wireless Network in the 700 MHz Public Safety spectrum.

Prior to the issuance of the guidelines, the UASI had preliminary ideas of applying for a regional core network, broadband technology, and deployment services. However, with the release of the guidelines, staff is exploring whether Oakland meets the eligibility requirements for "underserved" communities as provided above, and whether any of the UASI communities are eligible under the broadband infrastructure category.

4.   Serving as the Lead Applicant in a Sustainable Adoption Grant

Staff has met with OUSD and local grantees of the California Emerging Technology Fund, OCCUR and OTEX, to discuss the possibility of a citywide proposal. The focus has been on utilizing the City's parks and recreation centers as the gateway for serving the technology and education needs of youth and other residents, especially during afterschool hours. Partners are exploring both the program design and the existence of funds to support a grantwriter for the planning process and application.

Staff is looking at other possibilities as well.

Green Jobs Training

The Recovery Act designates $500 million for projects that prepare workers for careers in the energy efficiency and renewable energy sectors described in Section 171(e)(1)(B) of the Workforce Investment Act (WIA). The purpose of these grants, which fund both green job training and research projects, is to teach workers the skills required in these emerging energy efficiency and renewable energy sectors. These efforts will lead program participants to job placement while leveraging other Recovery Act investments intended to create jobs and promote economic growth. On June 24, 2009 the Department of Labor's Employment and Training Administration (DOL ETA) published a Notice of Availability of Funds and Solicitation for Grant Applications to compete for these funds. Five funding categories are available:

1. State Labor Market Information Improvement ($50 million total; average award of $2-4 million)
2. Energy Training Partnership ($100 million total; anticipated award of 20-30 grants; average award of $2-5 million)
3. Pathways out of Poverty ($150 million total; average award of $2-4 million)
4. State Energy Sector Partnerships and Training ($190 million total)
5. Green Capacity Building ($5 million total, anticipated award of 50 to 100 grants, average award of $50,000 to $100,000).

Guidelines are available at: http://www.doleta.gov/grants/find_grants.cfm.

As part of the City's Interdepartmental Planning Committee on the stimulus efforts, Mayor Dellums asked that Oakland workforce development stakeholders be convened to coordinate citywide planning and application efforts. The first planning meeting occurred on July 13th and the following organizations were interested in working together to submit a joint application:

- Oakland Metropolitan Chamber of Commerce
- East Bay Green Corridor Partnership
- Oakland Private Industry Council (PIC)
- Spanish Speaking Citizen's Foundation
- Growth Sector
- Cypress Mandela Training Center
- Alliance for West Oakland Development
- Men of Valor
- Allen Temple Economic Development Corp

Other groups have been invited to participate. Analyzing the grant guidelines, two of the five funding categories lend themselves to a collaborative application: Pathways out of Poverty and the Energy Training Partnership grants. At a recent regional coordination meeting with the East Bay Green Corridor Partnership and other East Bay jurisdictions, the following proposals were developed:

1. Pathways out of Poverty Grant:

Oakland to submit an Oakland-centered application focused on energy efficiency, solar installation, and green building working with the Oakland WIB, Laney Community College, and other community stakeholders. Richmond WIB will be the lead on a regional application that covers the other East Bay Green Corridor cities (Richmond to San Leandro, sans Oakland). Peralta Community Colleges will hopefully be involved in both grants.

2. Energy Training Partnership Grant:

The Alameda County WIB will take the lead in working with Tri-Valley Business Council / Workforce Incubator on a regional application that might focus on green building, energy, and biofuels.

The following provides more information about these two grant opportunities:

Pathways Out of Poverty Grant

Purpose: Pathways Out of Poverty Grant funds are intended to integrate training and supportive services into cohesive programs that will help target populations find pathways out of poverty and into economic self-sufficiency through employment in the energy efficiency and renewable energy industries.

Funding Available: The Pathways Out of Poverty Grant contains approximately $150 million in grant funds authorized by the Recovery Act.

Eligible Applicants: Two types of applicants will be funded through this solicitation: 1) national nonprofit entities with networks of local affiliates, coalition members or other established partners, and 2) local entities. Projects in each community served must be implemented by a strategic partnership that includes, at a minimum: nonprofit organizations, such as community and faith-based organizations; the public workforce investment system; the education and training community; labor organizations; and employers and industry-related organizations. All applicants must have experience serving target populations. Populations eligible to receive services include unemployed individuals, high school dropouts, individuals with a criminal record and disadvantaged individuals within areas of high poverty.

As part of the technical review process, points will be awarded for applications that demonstrate that the proposed project serves areas of high poverty. Proposals should 1) include sound recruitment and referral strategies for targeted populations; (2) integrate basic skills and work-readiness training with occupational skills training, as necessary; (3) combine supportive services with training services to help participants overcome barriers to employment, as necessary; and

(4) provide training services at times and locations that are easily accessible to targeted populations.

Grant Amounts: ETA intends to fund grants ranging from approximately $3 to $8 million for national grantees, and grants ranging from approximately $2 to $4 million for local grantees.

Deadline: The closing date for receipt of applications under this announcement is September 29, 2009. Applications must be received no later than 4 p.m. (Eastern Time).

Green Industries and Occupations: Grantees will implement research and training programs that will help prepare individuals for careers in any of the seven energy efficiency and renewable energy industries defined in Section 171(e)(1)(B)(ii) of the WIA; which include: the energy□efficient building, construction, and retrofit industries; the renewable electric power industry; the energy efficient and advanced drive train vehicle industry; the biofuels industry; the deconstruction and materials use industries; the energy efficiency assessment industry serving residential, commercial, or industrial sectors; and manufacturers that produce sustainable products using environmentally sustainable processes and materials.

Section 203(b)(2) of the Energy Policy Act of 2005, Pub. L. No. 109-58, 119 Stat. 595, defines "renewable energy" as "electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project." "Energy efficiency" can be broadly defined as programs aimed at mitigating the use of energy, reducing harmful emissions, and decreasing overall energy consumption.

Working with Other Recovery Act Programs: DOL is partnering with other federal agencies to support the creation of jobs by developing a pipeline of skilled workers in the energy efficiency and renewable energy industries. Where possible, ETA encourages applicants to connect their workforce development strategies to other Recovery Act funded projects that create jobs or impact the skill requirements of existing jobs. ETA recommends that applicants review other parts of the Recovery Act, with a focus on the activities funded through the Department of Energy (Energy), the Environmental Protection Agency (EPA), the Department of Housing and Urban Development (HUD), the Department of Transportation (DOT), the Department of Education (Education) and others.

Energy Training Partnership Grants

Purpose: Energy Training Partnership funds are intended to provide training and placement services for workers that will prepare them to enter the energy efficiency and renewable energy industries, as well as green occupations within other industries.

Funding Available: The Energy Training Partnership Grants contains approximately $100 million in grant funds authorized by the Recovery Act. Approximately $25 million of the total funds available through this Solicitation will be awarded for projects serving communities impacted by auto industry restructuring.

Eligible Applicants: Projects funded through this SGA will be implemented by partnerships made up of a diverse set of stakeholders. Eligible applicants are private nonprofit organizations that must apply under one of two categories: 1) National labor-management organizations with local networks or 2) Statewide or local nonprofit partnerships. All applicants are expected to work in conjunction with partnerships consisting of labor organizations, employers, Workforce Investment Boards (WIBs), and other organizations as defined in section 171(e)(2)(B)(ii) of WIA. Applicants are strongly encouraged to include the education and training community (such as secondary, community and technical colleges, registered apprenticeship training programs, four year colleges and universities, technical and vocational training and others), Federal partners such as DOL/ETA's Office of Apprenticeship or the appropriate State Apprenticeship Agency, State entities with experience in the renewable energy and energy efficiency industries, community-based and faith-based organizations, and organizations implementing projects funded by the Recovery Act. Applications funding registered apprenticeship and/or pre-apprenticeship strategies are strongly encouraged.

Grant Amounts: ETA intends to fund 20 – 30 projects ranging from approximately $2 to $5 million each.

Deadline: The closing date for receipt of applications under this announcement is September 4, 2009. Applications must be received no later than 4 p.m. (Eastern Time).

State Energy Program

Under the ARRA, the State of California's CEC was allocated $226 million to expand and support energy efficiency and renewable energy programs. Monies are to be directed to energy efficiency retrofits of buildings and industrial facilities, and to support renewable energy projects. The Act also encourages using the funding for cooperative and joint activities between states to support these activities. The CEC has stated that it will use these funds to implement various energy programs, providing the following examples of eligible activities:

- Implementing building and industrial energy efficiency programs

- Establishing and expanding financial incentives or loans for energy efficiency

- Expanding renewable distributed generation programs

- Expanding renewable energy programs

- Promoting regional cooperation

- Facilitating sharing of best energy practices

- Increasing coordination with utilities including promulgation of measurement and verification methodologies
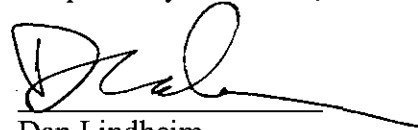
It is still unclear how the State will utilize the available funds. Preliminary information provided on May 14th stated that the CEC would be developing guidelines for the program between April and July 2009 and that the first round of funding awards was anticipated for September 2009. However, guidelines have yet to be issued.

Staff has been meeting with representatives from the Oakland Unified School District to discuss possible partnership opportunities on this grant. However, no determinations can be made regarding City eligibility, programming focus, or the viability of a City submission until the actual guidelines are released.

RECOMMENDATION

It is recommended that the Council accept this informational report.

Respectfully submitted,

Dan Lindheim
City Administrator

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