



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: Golden State Works (GSW) Reentry
Employment Public Entity Agreement
Extension

DATE: May 9, 2016

City Administrator Approval

Date:

5/11/16

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To 1) Amend The Public Entity Agreement Between The City Of Oakland And The California Department Of Corrections And Rehabilitation And Accept And Appropriate Additional Funding In An Amount Not To Exceed \$3,236,720 To Provide A Golden State Work Transitional Employment And Job Placement Services Program For Oakland Residents On Parole Through June 30, 2017, And 2) Amend The Grant Agreement With The Center For Employment Opportunities (CEO) To Increase The Grant In An Amount Not To Exceed \$3,086,720 To Provide Work Crews, Job Placement, And Job Retention Services From July 1, 2016 Through June 30, 2017.

EXECUTIVE SUMMARY

Staff is seeking Council authorization for the City Administrator to amend the public entity agreement between the City of Oakland and the California Department of Corrections and Rehabilitation (CDCR) to extend the contract through June 30, 2017, with additional funding in the amount of \$3,236,720 given to the City of Oakland to provide a Golden State Works (GSW) transitional employment and job placement services program for Oakland residents on parole, and 2) amend the grant agreement with Center for Employment Opportunities (CEO) in the amount of \$3,086,720 to provide work crews, job placement, and job retention services from July 1, 2016 through June 30, 2017.

Approval of this resolution will allow staff to amend the agreement with the State of California Department of Corrections and Rehabilitation (CDCR) to receive an additional \$3,236,720 for the GSW program and extend the grant agreement of the existing GSW provider, CEO through June 30, 2017 and increase the grant amount, to avoid a break in services while a new Request for Proposals (RFP) process can be conducted. CEO was selected in 2014 following a competitive RFP process. The Human Services Department (HSD) will administer payments over this one year period from July 1, 2016 to June 30, 2017, totaling approximately \$3,086,720 to CEO to deliver GSW services of which approximately \$2,737,000 is paid directly as wages to participants at the City of Oakland's minimum wage. HSD will retain the remainder of the contract amount for program oversight and administration.

Item: _____
Public Safety Committee
May 24, 2016

BACKGROUND / LEGISLATIVE HISTORY

GSW replicates a proven, highly evaluated reentry employment program, deployed first in New York State in the 1970s by the Vera Institute for Justice, designed to serve the formerly incarcerated population. The primary feature of the program is placing people on parole immediately into employment, with a daily paycheck, coupled with job development and job placement. HSD has successfully implemented this program with State of California funding since May 2011.

In partnership with Caltrans, CDCR developed and supports the GSW work crew model, which places individuals on parole to work on litter abatement and other maintenance work on Caltrans right-of-ways in and around Oakland. In addition to gaining immediate work experience and wages, program participants receive supportive job readiness training, job placement, and job retention services.

GSW serves Alameda County residents on parole with a focus on Oakland residents 18-35 years old who have been recently released from prison. By providing immediate employment and supportive services in the early time after release, the GSW program addresses a major causal factor for recidivism. Currently the City provides grant funding to the CEO to implement the program.

In April 2011, the City Council approved a public entity agreement with CDCR to receive \$2,350,000 to implement the GSW program from May 1, 2011 through June 30, 2013 (Resolution No. 83133 C.M.S.). In May 2013, CDCR and the City agreed upon an extension of this public entity agreement during negotiations for continued funding. The extension was for a one-year period through June 30, 2014 with additional funding in the amount of \$2,808,895 (Resolution No. 84437 C.M.S.). The additional funding also supported an increased number of work crews from two crews to six crews.

Due to excellent program performance, CDCR offered to continue and expand funding for the GSW program in Oakland. In February 2014, the City entered into another 2-year public entity agreement with CDCR to receive \$5,869,339.17 to continue to implement GSW from July 1, 2014 through June 30, 2016 (Resolution No. 84837 C.M.S.). CEO was selected to provide program services following a competitive RFP process and a grant agreement was executed in July 2014. Additionally, in April 2015, (Resolution No. 85549 C.M.S.), the City amended this agreement and accepted \$435,387 in additional funding to cover a potential loss of services due to the impact of the City's minimum wage increase on crew wage costs.

ANALYSIS AND POLICY ALTERNATIVES

The goal of GSW is to assist the successful reintegration of people on parole into their community upon release from prison through effective employment preparation, transitional employment, job placement and job retention services, thereby reducing recidivism and increasing public safety.

Since 2011, GSW has served over 1,100 individuals by providing life skills education, employment support services and transitional employment opportunities. In that time, GSW has placed 759 people in jobs, with 479 of those individuals in permanent job placements (of over 25 hours per week), which demonstrates how this program model helps formerly incarcerated people gain valuable work experience, secure temporary and permanent employment, and advance over time. The average wage for these placements is \$12.16 per hour.¹ GSW crews have been deployed for over 38,164 client work days with client average earnings of \$3,026 during their participation in the program, which averages 90 days of subsidized work provided directly by GSW.

The proposed Fiscal Year (FY) 2016-2017 agreement with CDCR will provide an estimated \$3,236,720 to the City of Oakland for the continued implementation of GSW through June 30, 2017. During the extension year, the City anticipates that the State will allocate additional funds in a two-year agreement that will extend the GSW partnership from July 1, 2017 to June 30, 2019. This proposed extension will allow HSD to release an RFP and, after a competitive selection process, enter into a grant agreement with a selected grantee to provide subsidized employment, job placement, and job retention services for FY 2017-2019.

Of the total estimated \$3,236,720 award in FY 2016-2017, the City of Oakland will allocate an estimated \$150,000 to HSD for program management, coordination with CDCR and Caltrans, contract reporting, and grantee monitoring, and an estimated amount of \$3,086,720 to a grant agreement with CEO, which will primarily go towards work crew wages of \$12.55 per hour (or the current Oakland minimum wage) for six work crews consisting of an average of eight people per crew, where each person works an average of 32 hours per week for up to three months. In addition, CEO will provide job placement and retention services.

FISCAL IMPACT

Approval of this resolution will accept and appropriate an estimated \$3,236,720 from CDCR. The funds will be appropriated in the State of California Other Fund (2159), Policy and Planning Organization (78311), FY 2016-2019 CDCR/GSW Project (TBD), FY 2016-2019 Caltrans Project (TBD), and Fostering Safe and Healthy Communities Program (SC22).

Approval of this resolution will also authorize the City Administrator to amend the grant agreement with CEO to increase the grant in an amount not to exceed \$3,086,720, to provide a work crew model that includes job readiness training, job placement and job retention services from July 1, 2016 through June 30, 2017. There is no impact to the City's General Fund. These funds are fully cost covering.

Approximately \$150,000 of the CDCR funds will be allocated for program administration. HSD will utilize portions of existing Human Services Director and Program Analyst II, Permanent Part-time (PPT) positions included in the Adopted Budget to administer the grant agreement

¹ This average wage includes job placements outside of Oakland and before the City's new minimum wage ordinance went into effect. The current hourly rate for individuals working on transitional employment work crews as well as any job placements in Oakland is in compliance with the City's minimum wage ordinance.

and manage overall coordination and resources. Approximately 0.60 Full Time Employee (FTE) of the Program Analyst II, PPT position will be dedicated to coordination and oversight of the GSW agreement and the work of the GSW provider.

PUBLIC OUTREACH / INTEREST

GSW is a collaborative effort with HSD and CDCR as primary partners working closely with Caltrans and community partners including CEO. HSD is in regular communication with CDCR's Division of Reentry Services and also has site visits at CEO to analyze progress and program implementation.

COORDINATION

In addition to coordinating with CDCR this report and resolution was developed in consultation with the Office of the City Attorney and the Controller's Bureau.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

GSW has grown from serving 150 people annually to an annual capacity of 450 people on parole of whom 71 percent are African American and 94 percent are 21 or older with most ranging in age from 22 to 40. In addition, on average 4,800 bags of trash and debris removed from the local roadways each month.

An overall evaluation of CEO's program model that is part of a 2015 Mathematica evaluation² demonstrated that CEO participants throughout California are employed for a longer and more sustained period of time when compared to other social enterprises serving hard to employ populations. The evaluation found that 75 percent of CEO participants had at least six continuous months of employment since enrolling in the program – the employment period includes both the transitional job and permanent job placements. Further, CEO graduates were more likely than graduates from similar programs to retain their permanent job once placed.

Though the State is not currently funding a robust evaluation of the impact and outcomes specific to GSW, HSD will track program performance through data entry by CEO in a database required by CDCR and will conduct regular monitoring. CDCR, the City and its Contractor(s), and any evaluator(s) shall agree to share all evaluation outcomes in an effort to determine the model's impact on continued employment and recidivism rates for the GSW population.

² Mathematica Policy Research Report *Economic self-sufficiency and life stability one year after starting a social enterprise job*, January 2015 available at http://www.mathematica-mpr.com/~media/publications/pdfs/labor/redf_yearone_rpt.pdf

SUSTAINABLE OPPORTUNITIES

Economic: Providing stable employment and strong retention support will enable formerly incarcerated individuals to successfully transition and become contributing members of our community and will decrease the rate of recidivism.

Environmental: GSW work crews provide litter abatement on Caltrans rights-of-way in Oakland that decreases blight. The community benefits from the overall beautification as well as diversion of waste and other contaminants from the watershed.

Social Equity: This program will provide skill development, paid employment, and job placement for individuals on parole who traditionally have substantial barriers to economic self-sufficiency thus increasing their social equity.

ACTION REQUESTED OF THE CITY COUNCIL

Staff is seeking adoption of a resolution authorizing the City Administrator to 1) amend the public entity agreement between the City of Oakland and the California Department of Corrections and Rehabilitation and accept and appropriate additional funding in an amount not to exceed \$3,236,720 to provide a Golden State Work transitional employment and job placement services program for Oakland residents on parole through June 30, 2017, and 2) amend the grant agreement with the Center for Employment Opportunities (CEO) to increase the grant in an amount not to exceed \$3,086,720 to provide work crews, job placement, and job retention services from July 1, 2016 through June 30, 2017.

For questions regarding this report, please contact Peter Kim, Oakland Unite Manager, at (510) 238-2374.

Respectfully submitted,


SARA BEDFORD
Director, Human Services Department

OAKLAND UNITE DIVISION

Reviewed by: Peter Kim, Manager

Prepared by: Jessie Warner, Planner

Dan Simmons, Program Analyst II

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2016 MAY 12 PM 3:50

OAKLAND CITY COUNCIL

Approved as to Form and Legality


City Attorney

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO 1) AMEND THE PUBLIC ENTITY AGREEMENT BETWEEN THE CITY OF OAKLAND AND THE CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION AND ACCEPT AND APPROPRIATE ADDITIONAL FUNDING IN AN AMOUNT NOT TO EXCEED \$3,236,720 TO PROVIDE A GOLDEN STATE WORK TRANSITIONAL EMPLOYMENT AND JOB PLACEMENT SERVICES PROGRAM FOR OAKLAND RESIDENTS ON PAROLE THROUGH JUNE 30, 2017, AND 2) AMEND THE GRANT AGREEMENT WITH THE CENTER FOR EMPLOYMENT OPPORTUNITIES (CEO) TO INCREASE THE GRANT IN AN AMOUNT NOT TO EXCEED \$3,086,720 TO PROVIDE WORK CREWS, JOB PLACEMENT, AND JOB RETENTION SERVICES FROM JULY 1, 2016 THROUGH JUNE 30, 2017

WHEREAS, the City of Oakland as part of its overall violence prevention strategy, has supported transitional reentry employment as a key element under its Measure Z initiative; and

WHEREAS, the City of Oakland, is home to an estimated 750 individuals on state parole who frequently have substantial employment barriers; and

WHEREAS, the City of Oakland through Measure Z, currently funds work crew transitional employment programs for high risk individuals including those on probation and parole and has found the strategy to be successful; and

WHEREAS, pursuant to City Council Resolution No. 84837 C.M.S. the City of Oakland entered into a public entity agreement with California Department of Corrections and Rehabilitation (CDCR) to obtain funding to implement a transitional employment program Golden State Works (GSW) initiative for individuals on parole providing litter abatement and other maintenance services on CalTrans rights-of-ways in the Bay Area; and

WHEREAS, pursuant to City Council Resolution No. 85549 C.M.S., the City amended the agreement with the State of California for additional funds; and

WHEREAS, the current public entity agreement with CDCR, in an amount of \$6,304,725, is set to expire on June 30, 2016; and

WHEREAS, CDCR has offered the City of Oakland, Human Services Department (HSD) a one year extension of the public entity agreement and an additional \$3,236,720 in funds, for a total agreement of \$9,541,445; and

WHEREAS, the City entered into a grant agreement with Center for Employment Opportunities (CEO) to provide the GSW transitional employment and job placement services, and CEO has extensive experience running crew based programs and in working with individuals on parole; and

WHEREAS, CEO successfully competed in a competitive Request for Proposal process in 2014; and

WHEREAS, City wishes to amend the grant agreement with CEO to increase the grant in an amount not to exceed \$3,086,720 and extend the term through June 30, 2017 for work crews, job placement, and job retention services, for a total grant amount of \$8,661,532 over three years; and

WHEREAS, HSD will utilize the remaining grant funds to fund an existing staff position at an estimated 0.60 FTE to provide program management and grantee monitoring ; and

WHEREAS, the Department of Human Services wishes to extend the public entity agreement to run this transitional employment program through June 30, 2017; now, therefore, be it

RESOLVED: That the City Administrator is hereby authorized to amend the public entity agreement with CDCR to extend the agreement for one year from July 1, 2016 through June 30, 2017 and accept additional funds in the amount not to exceed \$3,236,720 and appropriate the funds to the State of California Other Fund (2159), Policy and Planning Organization (78311), Fiscal Year 2016-2017 CDCR/GSW Project (TBD), Fiscal Year 2016-2017 Caltrans Project (TBD), and Fostering Safe and Healthy Communities Program (SC22); and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to amend the grant agreement with CEO to increase the grant in an amount not to exceed \$3,086,720 to provide work crews, job placement, and job retention services from July 1, 2016 through June 30, 2017; and be it

FURTHER RESOLVED: That the funds for the grant agreement with CEO are available from State of California Other Fund (2159), Policy and Planning Organization (78311), Fiscal Year 2016-2017 CDCR/GSW Project (TBD), Fiscal Year 2016-2017 Caltrans Project (TBD), and Fostering Safe and Healthy Communities Program (SC22); and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, payment requests and related actions which may be necessary in accordance with this resolution's basic purpose, including extending the grant term with the service provider or CDCR without returning to Council if CDCR authorizes an extension; and be it

FURTHER RESOLVED: That if additional funding becomes available from the grantor, CDCR, for the same purpose, within the existing grant term, the City Administrator is authorized to accept and appropriate these funds to HSD and amend the above-referenced grant agreement with CEO to increase the grant amount without returning to Council within the duration of the grant term (July 1, 2016 – June 30, 2017); and be it

FURTHER RESOLVED: That said agreements shall be approved as to form and legality by the Office of the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, SCHAAF, REID and
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California