

# AGENDA REPORT

**TO:** Steven Falk

Interim City Administrator

**FROM:** Joe DeVries

Deputy City Administrator and Chief Resilience Officer

**SUBJECT:** Contract Amendment- Add Youth

Employment to TCC Workforce

Program

**DATE:** May 31, 2023

City Administrator Approval

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Date: Jun 1, 2023

## **RECOMMENDATION**

Staff Recommends That The City Council Approve And Authorize A Contract Amendment To Add Youth Employment Partnership (YEP) In The Transformative Climate Communities (TCC) Workforce Program In An Amount Not To Exceed \$281,025.

## **EXECUTIVE SUMMARY**

Staff recommends that the City Council approve a resolution to amend the State of California Strategic Growth Council Transformative Climate Communities (TCC) Workforce Development Program portion of the Grant Agreement to include Youth Employment Partnership, Inc. (YEP) as a partner in a total amount not to exceed \$281,025 in funding to provide job training and placement for young adults through the TCC Workforce Program from February 1, 2023 through December 31, 2024.

#### **BACKGROUND**

The City Council adopted Resolution 88352 CMS on November 10, 2020 which authorized the acceptance of grant funding from the California Strategic Growth Council to fund The Better Neighborhoods, Same Neighbors("BNSN") project in East Oakland. This included a Workforce Development Program has faced challenges in reaching the unemployed and underemployed residents of the TCC area in deep East Oakland (Zip Codes 94603 and 94621), and enrolling people in training resulting in completion and job placement.

The original proposal for the Workforce Development Program was created prior to the COVID pandemic, which had a major impact on the low-income areas in Oakland, including the TCC defined area. The pandemic caused small businesses to close increasing unemployment and also making it difficult to pursue employment training programs. Many of the networks and the processes for reaching the community were no longer available. As a result, nonprofits experienced significant challenges in being able to provide the level of services that had existed pre-COVID. It became impossible for nonprofits to implement outreach and training programs when people were not able to meet in person. This delayed the Better Neighborhoods, Same Neighbors ability to directly connect with the residents most in need of access to training and

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higher paid jobs. With most of the training reverting to online, the digital divide also excluded those individuals who would most benefit from workforce programs. BNSN partners reported a significant decline overall in training enrollments.

Another challenge has been recruiting residents from the specific BNSN project area that is less than 5 square miles in 94621 and 94603. The partners also reported the challenge of people unwilling to participate in training as opposed to quickly seeking a job, even though the job may pay less than one available at the conclusion of training. Committing to several weeks of training without pay hurts low-income individuals that are still attempting to recover from the pandemic. The BNSN partners have expressed this concern, noting that it had an impact on their enrollment and completion of training beyond the current grant. In the previously approved workforce program, Cypress Mandela Training Center (CMTC) and West Oakland Jobs Resource Center (WOJRC) would only be paid when residents of the TCC area complete the training and are placed in jobs. This resulted in neither CMTC nor WOJRC being able to submit invoices for their services and raised the question about whether this grant is worthwhile for their agencies to continue pursuing.

Because of these challenges, staff recognized the need to add another workforce partner who is already serving residents from the 94603 and 94621 zip codes. For the recommended program amendment, YEP was invited as an additional workforce partner. YEP has been providing job training, education, job placement, and supportive services to youth and young adults up to the age of 28 years old in Oakland since 1973. YEP serves residents from the 94621 and 94603 zip codes, and partners with CMTC and WOJRC on other grants. Introducing YEP as another partner, created a need to set realistic achievable goals that will begin to demonstrate that the program is working for the residents.

YEP addresses many of the challenges that were identified above by providing additional outreach capacity, pay incentives to trainees for completion of classes, and payment of wages during work while learning, along with diversified training for additional career options. With an expanded on-site training facility, YEP can offer training in construction and culinary arts through its newly certified commercial kitchen that prepares daily meals for the unhoused cabin site located adjacent to the YEP facility. Through additional partnerships with other agencies, YEP offers the following credentialed programs:

- Construction NCCER Core credential (via Youth Employment Partnership YEP)
- Community Health Workers CHW credential (via City College of San Francisco)
- Culinary Arts ServSafe Food Handler and ServSafe Food Manager credential (via YEP)
- Medical Assisting Certified Medical Assistant (via Chabot College)
- Certified Nursing Assistant (via Golden Hearts School for Nursing)
- Warehousing & Logistics MSSC Certified Logistics Technician (via YEP)

In addition to the incentive bonuses- trainees also earn wages between \$15.20 per hour to \$22 per hour. Below is a partial wage rate list for YEP's Young Adult Trainees:

**Construction Trainees** earn between \$17-\$20 per hour: starting at \$17; advancing to \$18 when earning their HSD; increasing to \$19 when they earn an industry recognized certification and earning an extra \$1 per hour every week for having perfect attendance.

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**Culinary Trainees** earn between \$16-\$19 per hour: starting at \$16 and advancing to \$17 when earning their HSD; increasing to \$18 when they earn an industry recognized certification and earning an extra \$1 per hour every week for having perfect attendance.

Warehouse/Logistic Trainees earn between \$16-\$19 per hour: starting at \$16 and advancing to \$17 when earning their HSD; increasing to \$18 when they earn an industry recognized certification and earning an extra \$1 per hour every week for having perfect attendance.

**Team Oakland Team Leaders** earn between \$19-\$22 per hour depending on experience.

High school age youth trainees:

**After School Jobs and Summer job Trainees -** earn \$15.20 per hour and \$100 for completing pre training and \$25 per week for development trainings.

#### **Recommended Amendment:**

Based on these challenges and the assessment to date of the BNSN workforce program, we have recommended that going forward the workforce partners have performance goals that are achievable. The three training partners, YEP, CMTC and WOJRC, agree that the recommended amendment to the BNSN Workforce Program is a needed change for the program to be successful.

#### **ANALYSIS AND POLICY ALTERNATIVES**

The number of socially and economically vulnerable residents in the TCC project area heightens the importance of developing resilient infrastructure and investments that give all communities the opportunity to thrive. The project area is 4.96 square miles with 41,566 residents in six East Oakland neighborhoods. The project area ranks in the 90th percentile in pollution burden and socioeconomic vulnerability per CalEnviroScreen 3.0. The TCC grant addresses housing with the construction of 55 units of affordable housing; economic development by addressing workforce training and business development; and ensuring that the culture of the area is preserved through addressing displacement avoidance to help people remain in the neighborhood.

#### FISCAL IMPACT

This request represents existing funding from the Strategic Growth Council Transformative Climate Communities grant for the next two years for 2023 and 2024 to add YEP as a training partner.

## **PUBLIC OUTREACH / INTEREST**

OWDB meetings are publicly noticed and there is active public participation in both committees and full OWDB meetings. Prior to presenting this request to the OWDB, the need to amend the TCC Workforce Program was discussed with project partners, community stakeholder committee representatives and the Strategic Growth Council at monthly partnership meetings and the bi-monthly Community Stakeholder Committee meetings. The addition of YEP as a

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training partner was supported because of the existing partnership with CMTC and WOJRC and the ability to cross refer residents from the 94603 and 94621 zip codes to different training programs.

## **COORDINATION**

All the TCC Training partners will work as a workforce team to cross refer to the appropriate training programs and assist with outreach and recruitment to ensure the residents of the TCC designated area are receiving workforce training that will lead to higher paying jobs. The TCC Workforce Training Partners meet monthly with the City of Oakland to report out and coordinate services.

#### **SUSTAINABLE OPPORTUNITIES**

**Economic**: In July 2020, the California Strategic Growth Council's Transformative Climate Communities Program awarded the City of Oakland "Better Neighborhoods, Same Neighbors" An East Oakland Neighborhood Initiative with a \$28.2 grant to implement five projects and four transformative elements over a four-year time period. The TCC Workforce Program is one of the transformative elements with a budget of \$1,410,000 to provide job training to the residents living in the designated 5 square mile area of deep East Oakland serving the 94603 and 94621 zip codes. The training partners were approved by the Strategic Growth Council because their training provides access to higher paying jobs and career paths that build the wealth of families in East Oakland.

**Environmental**: This report does not directly address environmental sustainability, however, the partners were selected based on training that includes green jobs and improving the healthy environment of East Oakland.

**Race & Equity**: Oakland's Workforce Development system and the TCC grant prioritizes services to targeted populations (African American and Latinx) and the low-income geographic area of East Oakland that has the highest numbers of residents who face disproportionately high levels of unemployment focusing services on the zip codes of 94621 and 94603.

## **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Approve And Authorize A Contract Amendment To Add Youth Employment Partnership (YEP) In The Transformative Climate Communities (TCC) Workforce Program In An Amount Not To Exceed \$281,025.

For questions regarding this report, please contact Michael Dyer, Oakland TCC Program Manager, at 510-238-6483.

Respectfully submitted,

Joe DeVries

Deputy City Administrator and Chief Resilience

Officer, City Administrator's Office

Prepared by:
Michael Dyer
Oakland TCC Program Manager
City Administrator's Office