

CITY OF LOS ANGELES
CALIFORNIA



Workforce Investment Board
CHARLES WOO, CHAIR



ERIC GARCETTI
MAYOR



**Economic and Workforce
Development Department**

JAN PERRY
GENERAL MANAGER

April 8, 2014

Council File No.:
Council District Nos.: All
Contact Persons and Phones
Robert Sainz, 213-744-7396

The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall

City Council
c/o City Clerk
Room 395, City Hall

Attention: Mandy Morales, Legislative Coordinator

**COMMITTEE TRANSMITTAL: PROGRAM YEAR 2014-2015 WORKSOURCE
CENTER (WSC) OPERATORS REQUEST FOR PROPOSAL (RFP) FINAL
RECOMMENDATIONS**

RECOMMENDATIONS

The General Manager of the Economic and Workforce Development Department (EWDD) and the Chairman of the Workforce Investment Board (WIA) respectfully request that the Mayor and City Council:

1. ACCEPT the Department's Final WorkSource Center RFP recommendations.

No.	Agency	Community Planning Area
1	Managed Career Solutions	Hollywood
2	Community Career Development	Wilshire
3	Pacific Asian Consortium in Employment	Westlake
4	Chicana Service Action Center	Boyle Heights
5	Goodwill Industries of Southern California	Northeast Los Angeles
6	Pacific Gateway	Harbor
7	Youth Policy Institute	Pacoima
8	Build Rehabilitation Industries	Chatsworth
9	El Proyecto del Barrio	Sun Valley
10	Arbor E&T dba Rescare Workforce Services	Canoga Park-Winnetka
11	Watts Labor Community Action Committee	Watts
12	UAW – Labor Employment and Training Corporation	South Los Angeles
13	Los Angeles Urban League	Crenshaw
14	Housing Authority of the City of Los Angeles	Watts
15	Asian American Drug Abuse Program	West Adams
16	Coalition for Responsible Community Development	Vernon-Central
17	Jewish Vocational Services	Mar Vista

2. AUTHORIZE the General Manager, EWDD, or designee, to develop a Replacement Operator List consisting of recommended WorkSource Center (WSC) Operators and non-funded WSC proposers achieving an RFP proposal score of 70 or greater.

FISCAL IMPACT STATEMENT

The recommendations to approve the results of the WSC RFP will have no impact on the General Fund. The recommendations are in compliance with the City’s Financial Policies.

BACKGROUND

The EWDD released a Request for Proposals for the City’s WorkSource Center System on October 18, 2013. Through this RFP, the Department sought to re-design the Workforce Development System to emphasize key innovations built upon best practices piloted by the City as well as national best-practices. Key innovations included:

1. Refocusing the WDS System on developing Career Pathways opportunities in high-demand employment sectors leading to living wage employment.
2. Harnessing new technologies and web-based applications to better serve participants.

3. Implementing an Integrated Service Delivery Model that will encourage WSCs to enroll all eligible participants, thereby significantly increasing the number of participants served by the Workforce Delivery System (WDS).
4. Leveraging Strategic Partnerships with education, employment training, and social-service providers to provide more comprehensive services to program participants.
5. Increasing service levels for vulnerable populations (e.g., Returning Veterans; Individuals with Disabilities; Limited English Proficient Individuals; Individuals Experiencing Homelessness; Mature/Older Workers; Ex-Offenders, and Non-Custodial Parents) by mandating minimum service levels.

The Department also sought to emphasize its focus on serving distressed communities by selecting new system providers that 1) were strategically located in the areas of the City with the highest concentrations of poverty; long term unemployed; and lowest educational attainment rates and 2) reduced infrastructure costs by co-location of facilities with other public entities, thereby increasing the funding available for training and other supportive services.

Through its solicitation, the Department received a total of 26 proposals on or prior to the due date of Friday, December 19, 2013. Proposals were evaluated using a point system with a maximum score of 100 points. The evaluation criteria established in the RFP consisted of the following:

- Demonstrated Ability – 30 points
- Program Design – 40 points
- Cost Reasonableness – 20 points
- Site Visit – 10 points

In rating the Demonstrated Ability and Program Design sections of proposals, the Department used third-party, volunteer evaluators consisting of individuals with expertise in workforce development and/or economic development fields. EWDD employed the California State University Northridge (CSUN) to develop and validate a scoring tool, using a team of economists and workforce consultants with experience in evaluating Integrated Service Delivery Model Pilot Sites. Raters were provided an orientation on the goals of the WDS System Redesign and were trained on the rating tools developed by CSUN prior to rating proposals.

In order to be eligible for funding, proposers were required to achieve a minimum score of 70. Those failing to achieve the minimum score are not eligible for funding. A total of four proposals did not achieve the requisite minimum score. In addition, one agency was disqualified due to an incomplete application.

RESULTS OF THE RFP

Attachment A provides the final scores for the 25 proposals that were rated. The list also includes the WSC sites that the Department is recommending for funding. The City

is proposing to fund all WSCs at \$1.075 million. Final funding recommendations will be included in the Year 15 Workforce Investment Board Annual Plan.

In total, the Department is recommending 17 eligible proposers for funding. The 17 WSC Sites will be located in the areas of highest need (unemployment, education, income level) in the City.

The following includes highlights of the EWDD recommendations:

- \$18.1 million of leveraged (non-WIA) funds are identified to be co-invested in the system through external grants and partnerships. Each successful proposer had an average of 20 partners.
- Six centers are recommended for funding in the South Los Angeles geographical area. This increases the number of WSCs located in this region by one center.
- Three centers are recommended to be co-located with the LA Community College District, (LA Trade Tech, LA City College, and West LA College). The West LA site is proposed to be funded by the City, County and LA Community College District. A transition plan to re-locate the Marina Del Rey site to West LA College will be submitted under separate cover.
- Three centers are recommended to be co-located with the State Employment Development Department (EDD), (Pacoima, Crenshaw & Chatsworth). The County will provide additional funds for the Pacoima Site.
- Four centers will be located within 2.5 miles of Los Angeles City Hall.
- Nine Industry Growth Sectors (Health Care, Security, Green Tech, Financial Services, Logistics, Transportation, Advance Manufacturing, Construction, and Hospitality) have been identified as concentrations.

Establishment of a Replacement Operator List

In addition to approving the 17 recommended WSC Sites, the EWDD will be requesting authority to establish a pre-qualified list of Replacement Operators. The Replacement Operator List will consist of recommended WSC operators and the four eligible proposals that were not selected for funding. This list will be used should it be necessary to replace a proposed WSC Operator, for any reason.

RESULTS OF THE APPEAL PROCESS

All proposers were notified of their final scores in writing on March 3, 2014. The Department's correspondence included a summary of their appeal rights under this RFP as well as instructions for submitting an appeal. All proposals were provided an opportunity to view scores and rater comments prior to the March 10, 2014 deadline to submit their appeal.

Four proposers submitted requests for appeals to EWDD by the March 10, 2014 due date. One appellant (Arbor E&T dba Rescare Worksource Services) subsequently

withdrew its request to appeal via correspondence dated Thursday, March 20, 2014 leaving three appellants.

On March 24, 2014, the Appeals Board, consisting of a representative from the Mayor's Office; the Chair of the Workforce Investment Board (WIB); the Chair of the WIB Youth Council; the Chair of the City Council Economic Development Committee; and the General Manager of the Economic and Workforce Development Department as prescribed by the WIB/LEO Agreement, heard appeals from the following appellants:

- Chinatown Services Center
- Community Centers, Inc.
- El Proyecto del Barrio, Inc.

Appellants were given a total of 10 minutes to present their cases for appealing results of the RFP, followed by the EWDD rebuttal. The Appeal Panel subsequently deliberated on the merits of each appeal.

The panel ultimately voted unanimously to sustain EWDD's recommendations to deny each appeal on the grounds that the appeals were based on disagreements with the points awarded by raters, not procedural issues with the implementation of the RFP.

Per the WIB / LEO Agreement, the decision of the Appeals Panel is final.

NEXT STEPS

WIB ACTION

The attached recommendations have been submitted to the WIB for approval. In order to expedite final approval of the WSC RFP recommendations, this report has been submitted concurrently. Action by the WIB on EWDD recommendations will be taken on April 10, 2014.

WDS Transition

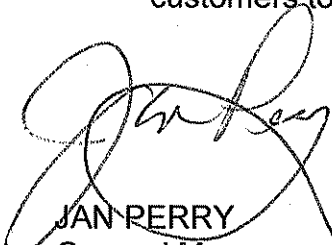
The EWDD has organized a team to plan and implement the City's transition to the new WDS. The plan focuses on the following:

1. Deploying the Integrated Service Delivery Model (ISD) with the Employment Development Department (EDD) and other key partners identified in the RFP. The ISD model will drastically increase the number of Los Angeles residents registered, and served through the system.
2. Negotiating seven Memorandums of Understanding (MOUs) with major partners to be signed by July 1, 2014. The MOU partners include State Employment Development Department, LA Unified School District, LA Community College District, LA City Department of Aging, Department of Veteran Affairs, State Department of Rehabilitation, and LA County Department of Public Social Services.
3. Continuing City investment in a Homeless Service Portal through the use of Community Development Block Grant (CDBG) funds to operate in Downtown Los


Angeles. Additionally, EWDD will work to integrate the Los Angeles Homeless Authority (LAHSA) Special Economic Development System into the City's Workforce Development System to further increase the availability of workforce services available to homeless in downtown Los Angeles.

4. Developing a local electronic infrastructure and website to be operational by July 1, 2014 to complement the State CAL Jobs System. Geo-Solutions, operators of the Cal Jobs System, will develop the local system. A report with specific recommendation items will be submitted to the WIB in 30 days. In addition, several free web-based workforce development applications through the US Department of Labor, Hewlett-Packard (HP Life), and AARP have been identified and will be included in the website.

5. Developing a transition plan for the four current WSC sites that will not be recommended for funding in 2014-15, including grant close-out and transition of customers to new WSCs.



JAN PERRY
General Manager



CHARLES WOO
Chair
Workforce Investment Board

JP:RS:GR

Attachment A: EWDD WorkSource Center RFP Recommendations

Recommendations

No.	Community Planning Area	Council District	Employment Sector	Final Score *	Funding
CENTRAL REGION					
006	Managed Career Solutions	Hollywood	13	1. Healthcare 2. Security	92.5 Recommended
018	Community Career Development	Wilshire	10	1. Logistics 2. Advanced Manufacturing	81.5 Recommended
012	Pacific Asian Consortium in Employment	Westlake	1	1. Green Technology 2. Financial Services	79.5 Recommended
010	Chicana Service Action Center	Downtown	14	1. Green Technology 2. Security	70.5 Not Recommended
020	Youth Policy Institute	Westlake	1	1. Healthcare 2. Construction	66.0 Not Eligible
022	Chinatown Service Center	Downtown	1	1. Healthcare 2. Financial Services	54.5 Not Eligible
EAST REGION					
011	Chicana Service Action Center	Boyle Heights	14	1. Green Technology 2. Security	79.5 Recommended
002	Goodwill Industries of Southern California	Northeast LA	1	1. Green Technology 2. Security	78.0 Recommended
025	Arbor E&T dba Rescare Workforce Services	Boyle Heights	14	1. Green Technology 2. Hospitality	72.0 Not Recommended
023	Community Career Development	Boyle Heights	14	1. Logistics 2. Advanced Manufacturing	- Not Eligible
HARBOR REGION					
017	Pacific Gateway	Harbor	15	1. Healthcare 2. Logistics	93.5 Recommended
007	Managed Career Solutions	Harbor	15	1. Hospitality 2. Construction	82.5 Not Recommended
NORTH VALLEY					
019	Youth Policy Institute	Pacoima	7	1. Healthcare 2. Financial Services	77.0 Recommended
005	Build Rehabilitation Industries	Chatsworth	12	1. Healthcare 2. Logistics	74.5 Recommended
008	El Proyecto del Barrio	Sun Valley	6	1. Logistics 2. Healthcare	71.0 Recommended
004	Build Rehabilitation Industries	Sun Valley	2	1. Security 2. Green Technology	67.5 Not Eligible
SOUTH VALLEY					
026	Arbor E&T dba Rescare Workforce Services	Canoga Park - Winnetka	3	1. Healthcare 2. Advanced Manufacturing	85.5 Recommended
009	El Proyecto del Barrio	Canoga Park - Winnetka	3	1. Logistics 2. Healthcare	76.0 Not Recommended
SOUTH LOS ANGELES					
014	Watts Labor Community Action Committee	Watts	15	1. Healthcare 2. Construction	91.5 Recommended
001	UAW - Labor Employemmen & Training Corp	South LA	8	1. Construction 2. Advanced Manufacturing	87.5 Recommended
003	Los Angeles Urban League	Crenshaw	8	1. Healthcare 2. Hospitality	87.0 Recommended
015	Housing Authority of the City of Los Angeles	Watts	15	1. Construction 2. Healthcare	80.5 Recommended
013	Asian American Drug Abuse Program	West Adams	10	1. Security 2. Construction	79.5 Recommended
021	Coalition for Responsible Community Development	Vernon-Central	9	1. Construction 2. Hospitality	78.5 Recommended
024	Community Centers Incorporated	South LA	8	1. Construction 2. Security	62.5 Not Eligible
WEST LOS ANGELES					
016	Jewish Vocational Services	Mar Vista	11	1. Financial Services 2. Security	82.0 Recommended

* A proposal with a score of 70 points or greater is eligible to receive funding under this RFP. However, a score of 70 points or greater does not guarantee funding.