

CITY OF LOS ANGELES

CALIFORNIA



Workforce Investment Board
CHARLES WOO, CHAIR



ERIC GARCETTI
MAYOR



Economic and Workforce
Development Department
JAN PERRY
GENERAL MANAGER

December 1, 2014

Council File:

Council District Nos.: All

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City Council

c/o City Clerk

Room 395, City Hall

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

Attention: Mandy Morales, Legislative Coordinator

TRANSMITTAL: AUTHORIZATION TO ACCEPT AND EXPEND UP TO \$6,000,000 FROM THE UNITED STATES DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING ADMINISTRATION (DOLETA) IN WORKFORCE INNOVATION FUNDS (WIF) TO PROVIDE TRAINING AND RE-EMPLOYMENT SERVICES TO JOB SEEKERS EXPERIENCING HOMELESSNESS, INCLUDING FORMERLY INCARCERATED INDIVIDUALS AND DISCONNECTED YOUTH

RECOMMENDATIONS

The General Manager of the Economic and Workforce Development Department (EWDD), and the Chair of the Los Angeles Workforce Investment Board (WIB) respectfully request that the Mayor and City Council:

1. AUTHORIZE the General Manager, EWDD, or designee, to accept on behalf of the Los Angeles WIB up to \$6,000,000 in WIF grant award under the designation, "Los Angeles Regional Initiative for Social Enterprise" (LA:RISE) for a grant term of 60 months, retroactive to October 1, 2014 through September 30, 2019;
2. AUTHORIZE the General Manager, EWDD, or designee, to execute grant agreements and/or amendments with the United States Department of Labor for receipt of the WIF monies for a demonstration project that will target 1,000 job-seekers with a history of homelessness and/or incarceration, as well as to disconnected youth, and that will provide enhanced employment services to 500 of these individuals;

AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER

3. AUTHORIZE the General Manager, EWDD, or designee, to negotiate agreements - retroactive to October 1, 2014 - with the following grant application partners:
 - Roberts Enterprise Development Fund (REDF) in an amount not to exceed \$889,360 as key administrator of programmatic function, for planning activities (October 1, 2014 through June 30, 2015) and technical assistance (from October 1, 2014 through September 30, 2019); and
 - Social Policy Research Associates (SPRA) in an amount not to exceed \$900,000 for program evaluation (from October 1, 2014 through September 30, 2019);
4. APPROVE the allocation of \$1,100,000 to the EWDD for grant management, program oversight, and administrative costs for the contract term;
5. AUTHORIZE the General Manager, EWDD, or designee, to allocate \$3,110,640 to the Workforce Development System, the Transitional and Bridge Employment Social Enterprises (ESE), and the Personal Supports providers. The selection and contracting authority for these providers will be subsequently recommended in the Year 16 Workforce Investment Board PY 15-16 Annual Plan, as program activities will begin July 1, 2015;
6. AUTHORIZE by Council Resolution authority for one new exempt Project Coordinator position, subject to review and approval by the Personnel Department as to Civil Service classification, allocation, and exemption:

Number	Civil Service Code	Class Title
1	1537	Project Coordinator

This exempt authority is being requested to provide for increased organizational flexibility based on the temporary nature of the awarded grant allocation and exemption from civil service status. The exemption request will be for no longer than a two-year appointment, with the possibility of a request for a one-year extension, in accordance with Charter Section 1001 (d)(4). This position will be responsible for grant management, program oversight, and reporting functions. This position will serve as the lead program staff for the Workforce Development System’s (WDS) social enterprise projects.

7. AUTHORIZE the Controller to establish a new, interest-generating fund titled “LA Regional Initiative for Social Enterprise (LA:RISE) Program Fund.”
8. AUTHORIZE the Controller to:
 - a. Establish a receivable within the newly established LA Regional Initiative for Social Enterprise (LA:RISE) Program Fund No. XXX from the US Department of Labor for \$6,000,000.
 - b. Establish new accounts within the newly established LA Regional Initiative for Social Enterprise (LA:RISE) Program Fund No. XXX and appropriate as follows:

Acct #	Title	Amount
22L122	EWDD	166,268
22L299	Related Costs – EWDD	52,292
22L622	Reserved for EWDD Oversight	881,440
22L780	WIF LA:RISE	4,900,000
Total		6,000,000

c. Increase appropriations within Fund 100/22 as follows:

Acct #	Title	Amount
001010	Salaries-General	134,702
001070	Salaries-As Needed	623
001090	Overtime	23
002120	Printing and Binding	59
002130	Travel	5,140
003040	Contractual Services	3,058
003310	Transportation	101
006010	Office and Admin Expense	7,545
006030	Rent	15,017
Total		166,268

9. AUTHORIZE the General Manager, EWDD, or designee, to prepare Controller's instructions for any necessary technical adjustments, subject to review by the City Administrative Officer; and direct the Controller to implement the instructions.

FISCAL IMPACT STATEMENT

All recommendations in this transmittal will have no negative financial impact on the City General Fund, inasmuch as the grant provides full-cost recovery of the EWDD salaries, expenses, and all related costs.

BACKGROUND

On May 14, 2014, the DOLETA released a Solicitation for Grant Applications (SGA) to seek applicants for the WIF Grants. On June 18, 2014, the EWDD submitted its application for a \$6,000,000 Los Angeles Regional Initiative for Social Enterprise (LA:RISE) demonstration grant to provide enhanced workforce services to job seekers with a history of homelessness and/or incarceration, as well as to disconnected youth.

On September 24, 2014, the DOLETA awarded \$50,744,449 to eleven organizations in nine states to expand and enhance innovative workforce development strategies to improve federal job training programs. The WIB led application for LA:RISE was successful and awarded \$6,000,000. The expectation is that these grants will be used to deliver workforce services more efficiently, facilitate cooperation across federal and state workforce programs and funding streams, and expand partnerships with specific employers or industry sectors to develop programs that reflect current and future skill needs.

The LA:RISE Program is a collaborative led by the Los Angeles Workforce Investment Board (WIB). The collaborative includes the WorkSource and YouthSource Systems, Roberts Enterprise Development Fund, Bridge and Transitional Employment Social Enterprises, Personal Supports Providers, the Los Angeles Unified School District, and Social Policy Research Associates. The LA:RISE project aligns with the WIB's emphasis on serving vulnerable populations through the redesign of the WDS, and also responds to a motion from Councilmember Huizar (CFN 14-0292) which instructed EWDD to develop a strategy to provide employment services and opportunities to individuals experiencing homelessness.

The LA:RISE strategy is to move job-seekers through a continuum of employment experiences, using Employment Social Enterprises (ESE) as the initial employer of record. ESE generate revenue through the provision of goods and services, and often provide the first opportunity for employment to individuals with significant barriers to employment such as histories of incarceration, periods of homelessness, etc. ESE provides a range of job opportunities (subsidized, temporary employment; unsubsidized temporary employment; and unsubsidized, competitive employment) to build employment skills, along with training and supportive services to address these employment barriers. Under the LA:RISE initiative, individuals will progress from Transitional (subsidized) employment with ESE, to Bridge (unsubsidized) employment with ESE, and onto competitive employment in the open labor market.

LA:RISE Program

As a demonstration project, LA:RISE will serve 1,000 individuals, half of whom will receive traditional workforce services and half of whom will "enhanced" workforce services. Traditional workforce services include: staff assisted job search, placement assistance, career counseling, comprehensive and specialized assessments, development of an Individual Employment Plan, short-term pre-vocational services, and training services. The enhanced services under the LA:RISE program includes four program components:

- Transitional jobs, delivering subsidized transitional employment;
- Bridge jobs, designed to provide unsubsidized employment opportunities to a select group of transitional graduates demonstrating sufficient gains in skills;
- Training services, providing both hard and soft job skills; and
- Supportive services, designed to help participants stabilize their lives and retain competitive employment.

To varying degrees, these four components have been part of the existing workforce development programs, but the combination of them into an integrated model, especially in conjunction with the Workforce Delivery System (i.e., WorkSource and YouthSource Centers) represents a bold and innovative approach to serving the hard-to-employ.

The goals of LA:RISE include the following:

Goal #1: Increase sustained employment for job seekers with significant barriers to employment, while reducing turn-over cost for employers.

Goal #2: Pool high-quality, standardized, evidence-based training, personal, and professional support services provided by qualified providers so that they can be efficiently accessed by job seekers and employees of Transitional Employers, Bridge Employers, and the mainstream sector.

Goal #3: Integrate ESE and specialized service providers into the WorkSource system to yield stronger employment results for job seekers with significant barriers.

LA:RISE Program Evaluation

As part of the WIF grant, recipients are required to undertake an independent evaluation of their proposed projects. The City's evaluation will examine differential impacts of Transitional employment and Bridge employment on the long-term, competitive employment outcomes for this hard-to-serve population.

The proposed evaluation will focus on the employment outcomes of the control group (Group 1), and two treatment groups (Groups 2 and 3). One-thousand individuals will be randomly assigned either to the control group or to one of the treatment groups.

Group 1 (Control): Five hundred individuals will be assigned to a "traditional services" group. These individuals will receive traditional workforce services, and will be ineligible for enhanced services under the LA:RISE project.

Group 2: Two-hundred individuals will be assigned to receive LA:RISE enhanced workforce services emphasizing subsidized employment opportunities. These individuals will not receive Bridge employment opportunities.

Group 3: Three-hundred individuals will be assigned to receive the full-complement of LA:RISE enhanced services, including the Bridge employment component.

The evaluation will help EWDD to understand the added-value of Transitional jobs through the ESE. In addition, the evaluation will seek to understand the role that the Bridge employer component has on long-term, employment outcomes for this population.

WIB ACTION

In compliance with the WIB-Local Elected Officials agreement, the acceptance of a grant in excess of \$250,000 is subject to approval of the WIB, the City Council, and the Mayor. The WIB took action to approve the recommendation contained within this transmittal on October 30, 2014.


JAN PERRY
General Manager


CHARLES WOO
Chair
Workforce Investment Board

JP:RS:JHP