

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 22, 2017

CAO File No. 0220-01024-2761

Council File No. 17-0682

Council District: Various

To: The Mayor
The Council

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Reference: Economic and Workforce Development Department Transmittal dated June 14, 2017; Additional information received through June 19, 2017

Subject: **YOUTHSOURCE CENTERS OPERATORS REQUEST FOR PROPOSALS (RFP)
FUNDING RECOMMENDATIONS**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve the results of the 2017 YouthSource Centers (YSC) Operators Request for Proposals (RFP) to implement youth workforce development services for the Central, East, North Valley, South Valley, South, and West Service Areas as recommended in Attachment 1 of this Report. The final YSC Operator recommendation regarding the Harbor Service Area is pending a final Workforce Development Board Appeal Board decision;
2. Authorize the General Manager of the Economic and Workforce Development Department (EWDD), or designee to:
 - a. Negotiate and execute agreements with the program operators for the Central, East, North Valley, South Valley, South, and West Service Areas as recommended in Attachment 1 of this Report, with cumulative funding not to exceed \$1,009,000, consisting of \$741,000 in Workforce Innovation and Opportunity Act Title 1 Formula Funds and \$268,000 in Summer Youth Employment funds (City General Fund and LA County Funds), per individual contract, for a term of 12 months effective July 1, 2017 through June 30, 2018, with an option to extend for two additional 12-month periods, subject to review by the City Attorney as to form and legality, compliance with City contracting requirements and federal grant guidelines, and available grant funding; and
 - b. Negotiate and execute agreements and amendments to agreements to implement subsidized youth work experience (Summer Youth Employment Program) with the public, private, non-profit and/or governmental entities and funding allocation as recommended in Attachment 2 of this Report, subject to City Attorney review and approval as to form and legality, and in

compliance with City contracting requirements and applicable provisions of the WDB-LEO Agreement;

- c. Establish the Eligible YSC Operator/Summer Youth Operator Replacement list as recommended in Attachment 3 of this Report, which includes agencies eligible for an award of funds to operate the YSC and Summer Youth Employment Program in the event that a selected operator is unable to perform;
3. Authorize the General Manager of EWDD, or designee to prepare Controller instructions and/or make any technical adjustments consistent with Council and Mayor action on this Report, subject to approval of the City Administrative Officer, and authorize and instruct the Controller to implement those instructions.

SUMMARY

In a Transmittal dated June 14, 2017 (C.F. 17-0682), the Economic and Workforce Development Department (EWDD) requests Mayor and Council approval of the results of a Request for Proposal (RFP) issued on February 1, 2017 for the City of Los Angeles Workforce Development System's YouthSource Centers (YSC) as recommended in Attachment 1 of this Report. EWDD requests authority to negotiate with 11 organizations to provide services for 13 YSC in the Central, East, North Valley, South Valley, South, and West geographic Service Areas in the City as recommended in Attachment 1 of this Report, with two providers operating two YSC each and the remaining nine providers operating one YSC each. On June 1, 2017, the Workforce Development Board (WDB) Executive Committee approved EWDD's recommendations regarding the selection of operators for 14 YSC in the seven geographic Service Areas of the City. The final YSC operator recommendation regarding the Harbor Service Area is pending a final Workforce Development Board (WDB) Appeal Board decision which is anticipated by June 27, 2017. EWDD will present the final selection for the Harbor Service Area for Council and Mayor approval. EWDD also requests to negotiate with providers and allocate funding for subsidized youth work experience (Summer Youth Employment Program) operators as recommended in Attachment 2 of this Report, and requests to establish a list of replacement YSC and Summer Youth Employment Program operators as recommended in Attachment 3 of this Report. The list of replacement providers consists of all agencies awarded 70 points or more in the 2017 YSC RFP regardless of final selection for award and will be used in the event that a selected operator is unable to perform the services.

The EWDD proposes to contract with the 14 YSC in the total amount of \$14,126,000 for Program Year 2017-18. Each YSC is proposed to receive \$1,009,000, comprised of \$741,000 in Workforce Innovation and Opportunity Act Title 1 Formula Funds and \$268,000 in Summer Youth Employment funds (City General Fund and LA County Funds), for a term of 12 months effective July 1, 2017 through June 30, 2018, with an option to extend for two additional 12-month periods.

Pursuant to Los Angeles City Charter Section 1022, the Personnel Department identified City classifications at EWDD, Los Angeles World Airports (LAWA), and the Department of Aging with the expertise to perform a portion of the services requested for contract. However, all three Departments indicate that City staff are not available to provide the requested services.

This Office recommends approval of the results of the RFP and authority for EWDD to negotiate and execute contractual agreements with agencies to provide services in the Central, East, North Valley, South Valley, South, and West Service Areas as recommended in Attachment 1 to this Report. EWDD should provide the final recommendation for the Harbor Service Area provider for Council and Mayor approval after WDB approval. Approval is also recommended for authority for EWDD to negotiate and allocate Summer Youth Employment funding as recommended in Attachment 2 of this Report and to establish a list of replacement operators of YSC and the Summer Youth Employment Program in the event that selected operators are not able to provide the services as recommended in Attachment 3 of this Report.

BACKGROUND

The City of Los Angeles YouthSource Center (YSC) System is funded by Workforce Innovation and Opportunity Act Title I Formula Grant Funds, Summer Youth Employment funds from various sources and leveraged resources required of each YSC. Summer Youth Employment Program funds include \$2.3 million in City General Funds to provide subsidized employment development for 1,000 youth. The YSC provide workforce development services for youth and young adults from 16 to 24 years of age, with an emphasis on out-of-school youth and in-school youth who are most in need. In collaboration with the Los Angeles Unified School District (LAUSD), Los Angeles Community College District and other public and private partners, the system aims to serve young individuals who have not graduated from high school, who are not engaged in the workforce, or who are not pursuing an educational degree or certificate. Services include LAUSD counselor support, identification of current skills and education, and specific needs for development. The YSC also implements various grants for training, development of work readiness skills, pathways to careers in high-growth industries, and subsidized youth employment.

The 13 current YSC contracts expire on June 30, 2017. As part of the Program Year 2016-17 Workforce Development Board Annual Plan (C.F. 16-0660), Council and Mayor authorized the Economic and Workforce Development Department (EWDD) to release Requests for Proposals (RFP) for service providers for a variety of workforce development services, including operators of the YSC. EWDD recommends a total of 14 YSC for the 2017-18 Program Year. This reflects one additional YSC in the South Service Area from the current year which EWDD indicates is due to population needs for workforce development services.

PROCUREMENT PROCESS

The EWDD released the YSC Operators Request for Proposals on February 1, 2017. Proposals were due on March 30, 2017. Agencies were limited to submitting no more than two proposals each. Each proposal was required to cover one of seven geographic Service Areas in the City: Central, East, Harbor, North Valley, South Valley, South, and West. A total of 24 proposals were received from 17 agencies covering all Service Areas.

The EWDD states that the 24 proposals were reviewed and rated by a panel of two reviewers for each proposal. The twelve reviewers were participants from various workforce development agencies

throughout the country and local community volunteers. Additional information related to the proposal scoring and evaluation criteria in EWDD's transmittal.

The final scores of all 24 proposals and the agencies selected for award are provided in Attachment 1 of this Report. On May 24, 2017, EWDD sent proposal review results, including proposal scores, funding recommendations, and information regarding the appeals process, to proposing agencies. The following three proposals were not selected for award and submitted appeals by the June 1, 2017 deadline:

- El Proyecto del Barrio – South Valley Service Area
- Catholic Charities of Los Angeles – Central Service Area
- Managed Career Solutions (MCS) – Harbor Service Area

In accordance with the Workforce Development Board-Local Elected Officials (WDB-LEO) Agreement, the WDB Appeals Board held a hearing on June 12, 2017 to consider the appeals. The WDB Appeals Board voted to uphold EWDD's recommendations regarding the El Proyecto del Barrio (South Valley) and Catholic Charities of Los Angeles (Central) proposals, and sustained MCS's (Harbor) appeal regarding the completeness of information included in the proposal. EWDD has been instructed by the WDB Appeals Board to reconsider the evaluation for the Harbor Service Area, and present the final recommendation to them. EWDD anticipates final recommendation and WDB approval of the Harbor Service Area provider by June 27, 2017, to be followed by presentation to Council for approval.

Proposers recommended for funding through this RFP will be eligible for an award of funds to support the City's subsidized youth work experience program, including the Summer Youth Employment Program (see Attachment 2 of this Report). EWDD also recommends that any proposer that was awarded a score of 70 points or higher be eligible for an award of funds as a replacement operator for the YSC or Summer Youth Employment Program, regardless of whether the proposer is selected for funding through this RFP (see Attachment 3 of this Report). EWDD will draw on the replacement contractors list in the event that a selected agency is unable to perform.

FISCAL IMPACT STATEMENT

There is no additional impact to the General Fund. The recommendations in this Report comply with the City Financial Policies in that federal, state and local grant sources, and the 2017-18 Adopted Budget support funding for the contract operators of the City of Los Angeles YouthSource Centers.

RHL:SAM:02170180C

Attachments

Attachment 1

YOUTHSOURCE CENTER OPERATORS RFP

Final Scores and Funding Recommendations

Recommended contractors are shaded gray

AREA	AGENCY	TOTAL POINTS	FUNDING RECOMMENDATIONS			FUNDING NOTES
			TOTAL	WIOA	CITY GF/COUNTY LACYJ	
CENTRAL	Youth Policy Institute	95	1,009,000	741,000	268,000	
CENTRAL	Para Los Ninos	92	1,009,000	741,000	268,000	
CENTRAL	Catholic Charities of Los Angeles, Inc.	85.5				
CENTRAL	Regents of the University of California	81.4				
EAST	Para Los Ninos	97	1,009,000	741,000	268,000	
EAST	LA YOM - Boyle Heights	89	1,009,000	741,000	268,000	
EAST	Soledad Enrichment Action, Inc.	82				
HARBOR	City of Long Beach (administering entity for Pacific Gateway Workforce Innovation Network)	87.7	1,009,000	741,000	268,000	(1) Recommendation pending Appeal Board final decision. (2) Will be required to have Harbor College location
HARBOR	Managed Career Solutions, Inc.	85				
HARBOR	Los Angeles Unified School District	70.7				
HARBOR	Los Angeles Community College District - LAHC	70.3				
NORTH VALLEY	Youth Policy Institute	80	1,009,000	741,000	268,000	
NORTH VALLEY	El Proyecto del Barrio, Inc.	70.8	1,009,000	741,000	268,000	
SOUTH VALLEY	Goodwill Industries of Southern California	73.6	1,009,000	741,000	268,000	
SOUTH VALLEY	El Proyecto del Barrio, Inc.	70.8				
SOUTH	Watts Labor Community Action Committee	95	1,009,000	741,000	268,000	
SOUTH	Coalition for Responsible Community Development	94.5	1,009,000	741,000	268,000	
SOUTH	LA YOM - Watts	91	1,009,000	741,000	268,000	
SOUTH	Catholic Charities of Los Angeles, Inc.	87	1,009,000	741,000	268,000	
SOUTH	Goodwill Industries of Southern California	85				
SOUTH	Soledad Enrichment Action, Inc.	75				
SOUTH-Crenshaw	Los Angeles Brotherhood Crusade-Black United Fund, Inc.	84.5	1,009,000	741,000	268,000	
SOUTH-Crenshaw	Asian American Drug Abuse, Inc.	61.6				
WEST	Regents of the University of California	91.8	1,009,000	741,000	268,000	

TOTAL 14,126,000 10,374,000 3,752,000

Subsidized Work Experience (Summer Youth Employment Program) Allocation

	LA County Youth Jobs Funds (LACYJ) Allocation I	LACYJ Allocation II	General Fund	CFE / Citi Foundation	Private
Revenue	\$ 4,500,000	\$ 2,500,000	\$ 2,300,000	\$ 410,000	\$ 266,000
YouthSource Centers	2,250,000		1,500,000		
PY 17-18	2,250,000	2,500,000	800,000	410,000	266,000
	LACYJ Allocation I		LACYJ Allocation II		
Subsidized Youth Work Experience Operators	July 1, 2017 \$3,726,000		January 1, 2018 \$2.5 mil LACYJ		
Catholic Charities of Los Angeles, Inc.	189,000		661,000		
All Peoples Community Center	94,500				
Community Career Development, Inc.	189,000				
El Proyecto del Barrio, Inc.	189,000		661,000		
Housing Authority of the City of Los Angeles	472,500		189,000		
Holman Community Development Corporation	94,500				
Los Angeles Conservation Corps. Inc.	94,500				
Los Angeles LGBT Center	94,500				
Los Angeles Unified School District	661,000		661,000		
Managed Career Solutions, Inc.	189,000				
UAW - Labor Employment and Training Corporation	94,500				
Regents of the University of California	661,000		189,000		
Salvadoran American Leadership and Educational Fund	283,500				
Youth Opportunity Movement	410,000				
TOTAL	\$ 3,716,500		\$ 2,361,000		

Attachment 3

2017-18 YOUTHSOURCE CENTER (YSC) OPERATORS

Eligible YSC Operators/Summer Youth Operators Replacement List

AGENCY
Catholic Charities of Los Angeles, Inc.
City of Long Beach (administering entity for Pacific Gateway)
Coalition for Responsible Community Development
El Proyecto del Barrio, Inc.
Goodwill Industries of Southern California
LA YOM - Boyle Heights
LA YOM - Watts
Los Angeles Brotherhood Crusade-Black United Fund, Inc.
Los Angeles Community College District - LAHC
Los Angeles Unified School District
Managed Career Solutions, Inc.
Para Los Ninos
Regents of the University of California
Soledad Enrichment Action, Inc.
Watts Labor Community Action Committee
Youth Policy Institute