

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 25, 2017

CAO File No. 0220-01024-2764

Council File No. 17-0959

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 August 22, 2017;
Additional information received through September 20, 2017

Subject: **REQUEST FOR AUTHORITY TO ACCEPT \$300,000 FROM THE UNIVERSITY OF SOUTHERN CALIFORNIA FOR WORKFORCE DEVELOPMENT SERVICES AND RELATED ACTIONS**

RECOMMENDATIONS:

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

1. Authorize the General Manager, Economic and Workforce Development Department (EWDD), or designee, to:
 - a. Accept funds from the University of Southern California (USC) in the amount of \$300,000 to provide work readiness and employment services to 120 individuals for the USC Village Local Project Area;
 - b. Execute contract agreements with the four service providers identified below, retroactive to July 1, 2017 through November 30, 2017, subject to: 1) the review and approval of the City Attorney as to form and legality; 2) compliance with the City's contracting requirements; and 3) determination by the Personnel Department and, as necessary, by the Office of the City Administrative Officer regarding the Charter Section 1022 process; and compliance with the Workforce Development Board-Local Elected Officials Agreement:

SERVICE PROVIDER	ALLOCATION
Archdiocesan Youth Employment	\$75,000
Pacific Asian Consortium in Employment	75,000
Los Angeles Hospitality Training Academy	75,000
RightWay Foundation	75,000
TOTAL	\$300,000

2. Authorize the Controller to:
 - a. Establish a receivable of \$300,000 within the Miscellaneous Fund No. 45L from the University of Southern California;
 - b. Establish a new account 22PXXX, titled USC Village Local Project, within the Miscellaneous Fund 45L and appropriate \$300,000;
 - c. Expend funds from account 22PXXX, USC Village Local Project, within the Miscellaneous Fund 45L upon presentation of proper documentation from the EWDD General Manager, or designee;
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 August 22, 2017 (C.F. 17-0859), the Economic and Workforce Development Department (EWDD) requests Mayor and Council approval to accept and expend \$300,000 in funding from the University of Southern California (USC) to provide job training for residents within the USC Village Local Project Area pursuant to the USC Village Development Agreement between the City and USC (Contract Number C-121970) (C.F. 12-0968). EWDD also requests authority to execute contracts for four service providers listed in Recommendation 1b of this Report pursuant to the results of a Request for Information process.

This Office recommends approval of authority for EWDD to accept the \$300,000 in funding from USC for workforce services. However, the City Charter 1022 Review process for these requested contract services has not yet been completed. Therefore, we recommend that authority for EWDD to execute contracts with the service providers in Recommendation 1b of this Report be contingent on completion of the Charter 1022 Review process and determination as to whether City classifications or staff can perform the requested contract services.

In December 2012, the Council authorized the execution of a Development Agreement between the City and USC (Contract Number C-121970) (C.F. 12-0968) regarding the USC Village development project located adjacent to USC's main University Park campus south of downtown Los Angeles. The project has been completed. The new USC Village now includes a fitness center, several retail stores, restaurants, and a bank.

As part of the Development Agreement, USC allocated a maximum of \$300,000 dollars in non-restricted funds to be distributed to community-based organizations and public training providers to train and place local residents of the Local Project Area in permanent jobs in the USC Village.

The Development Agreement defines “local” as “Tier 1” (three miles from project area), with “Tier 2” (five miles from project area) as a second priority. Participants are to receive services in preparation of anticipated hiring at the USC Village, including University Auxiliary Services and new retail establishments, including Trader Joe’s and Target. The target population includes all working-age residents living within Tier 1 and Tier 2, while current USC students are not eligible to participate.

The EWDD issued a Request for Interest (RFI) from employment development service providers on April 5, 2017. Additional information related to the service provider requirements, program tracking and goals is included in the EWDD Transmittal.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommendations in this Report comply with the City Financial Policies in that grant funds from the University of Southern California (USC) will support funding for employment development services for workers in the USC Village Local Project Area.

RHL:SAM:02180027C