



**DATE:** January 13, 2013  
**TO:** Board of Commissioners  
**FROM:** Patrick Quinton, Executive Director  
**SUBJECT:** Report Number 13-02  
Adopting Program Guidelines for the Economic Opportunity Initiative Adult Workforce Development Program

### **BOARD ACTION REQUESTED**

Adopt Resolution No. 6989

### **ACTION DESCRIPTION**

This action will adopt a set of guidelines for the Economic Opportunity Initiative Adult Workforce Development Program (EOI Adult Workforce). Program guidelines (Program Guidelines) do not currently exist because the Initiative has been operating according to the policies and practices that were in place at the time of the Initiative's transfer to PDC from the Bureau of Housing and Community Development (BHCD), now Portland Housing Bureau (PHB).

PDC anticipates developing a Request for Proposals (RFP) in February 2013 to select a new roster of approximately eight non-profit workforce development providers to provide vocational case management services for very low income multi-barriered populations of Portland residents who are unemployed or under-employed. Providers will oversee career planning, job training, job placement, retention, and advancement for individuals. Complementary resources will be leveraged from Worksystems, Inc. (WSI) to accelerate participant progress. The RFP will be developed consistent with the Program Guidelines.

### **BACKGROUND AND CONTEXT**

The EOI Adult Workforce Program has been a program administered by PDC since July 2009 when it was transferred to the agency from BHCD. At the time of the transfer, PDC elected to continue contracts with EOI Adult Workforce providers that were selected through a RFP process administered by BHCD. As PDC develops the new RFP, staff is working with WSI to create a system-level alignment of PDC and WSI workforce development resources for barriered populations. This alignment will bring together PDC's vocational case management services and WSI's workforce preparation, training, and employment services with the goal of providing:

- Increased access of high need populations to a robust set of workforce development and other support services;
- Increased career-track skill level and earnings for participants; and
- Increased potential for outside funding and leverage.

PDC's workforce development resources will continue to be invested to serve low income, multi-barriered populations. Workforce development resources will continue the longstanding practice of providing intensive service and individualized, long-term supportive case management. Based on the guidelines an RFP will be issued in February 2013, grant recipients will be chosen in May 2013 and

contracts will begin in July 2013. It is possible that PDC may elect to co-invest its workforce development resources with WSI and that a procurement for new services would be issued by WSI in collaboration with PDC. If this alternative is selected, the RFP will continue to be consistent with the Program Guidelines and the timeline remains the same.

The Program Guidelines are consistent with PDC's Strategic Plan and the Neighborhood Economic Development Strategy which call for PDC to:

“Proactively connect communities of color and residents in priority neighborhoods to jobs in high growth, high demand industries by partnering with Worksystems, Inc. (WSI), community-based workforce development providers, and community colleges. Work with providers to support residents while they access workforce training through assertive case management and wrap-around services.”

### **COMMUNITY AND PUBLIC BENEFIT**

The current EOI Adult Workforce three-year program has had five graduating classes which enrolled 1,259 participants. After three years, projects had a goal of achieving a minimum 25 percent increase in income with 635 individuals. The actual number of individuals achieving this success was 682 individuals, 107 percent of the goal, and 54 percent of all individuals enrolled. Forty one percent of those enrolled were people of color and seventeen percent were non-native English speakers.

Moving forward, the EOI Adult Workforce Development Program will be evaluated according to the following:

- Reviewing provider **outputs** against contract goals, including service levels, number of people enrolled in the program, demographics of enrollees, trainings and educational programs completed, and number of job placements.
- Reviewing **outcomes** of program enrollees including wage progression: at the time of enrollment at the time of initial job placement and at the time of program exit.
- Conducting **client satisfaction** surveys to assess how clients feel about the service they've received.

**This action will support the following PDC goals:**

- Strong Economic Growth and Competitiveness
- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

By adopting the guidelines, PDC can continue to assist Portland's low income residents, immigrants, and people of color with workforce development services citywide. Through a variety of support services, training, education, and job placement and advancement assistance, EOI Adult Workforce and leveraged services from Worksystems, Inc. will bring a higher level of resources to disadvantaged residents than is typically available. The expected benefits of these resources are:

- Stronger, more successful wage earners and stable families
- Decreased reliance on public benefits
- Increased worker contribution to tax base and consumer spending

### **PUBLIC PARTICIPATION AND FEEDBACK**

The development of the EOI Adult Workforce Program Guidelines has been informed by discussions with WSI, PHB, and current EOI Adult Workforce providers. Input about the program has included:

- Continued investment in priority populations;
- Continued support for a long-term, intensive vocational case management; and
- A desire to better connect PDC and WSI's workforce development resources in a systematic way to achieve better outcomes for participants.

As the RFP is developed, PDC, in collaboration with WSI, will continue to seek input from a wide range of stakeholders. In late January, the two agencies anticipate releasing a framework document setting forth the current thinking about the substance of the RFP. Interested parties will be invited to share comments on the RFP framework document and the RFP process in writing and at a public meeting.

### **BUDGET AND FINANCIAL INFORMATION**

In FY 2012-2013, EOI Adult Workforce received \$906,676 in Community Development Block Grant (CDBG) funds from PHB and \$333,340 from the City of Portland General Fund. It is expected that these allocations may decrease by as much as 10 percent in FY 2013-2014 due to local and national budget reductions. These reductions will impact numbers served and the eventual number of providers selected. A new grant for \$100,000 for EOI Adult Workforce Development has been obtained from the Northwest Area Foundation.

### **RISK ASSESSMENT**

No significant risks identified.

### **ALTERNATIVE ACTIONS**

The Board could choose not to adopt guidelines as proposed and direct changes or the Board could revise the guidelines.

### **ATTACHMENTS**

- A. Financial Summary – Fund 106
- B. Financial Summary – Fund 213

## Five-Year Forecast Program Requirements Detail

	Revised-3 FY 2011-12	Revised FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16	Forecast FY 2016-17
<b>General Fund EOI</b>						
<b>Resources</b>						
Beginning Fund Balance	238,931	200,876	0	0	0	0
Intergovernmental Revenues	1,574,382	1,722,018	1,574,382	1,605,018	1,605,018	1,605,018
Miscellaneous	100,000	2,250	0	0	0	0
Reimbursements	0	53,187	0	0	0	0
<b>Total Resources</b>	<b>1,913,313</b>	<b>1,978,331</b>	<b>1,574,382</b>	<b>1,605,018</b>	<b>1,605,018</b>	<b>1,605,018</b>
<b>Requirements</b>						
<b>Program Expenditures</b>						
<b>Business Dev</b>						
<b>Small Business &amp; Entrepreneurs</b>						
E10690060 OTH-NW Area MCIP-EOG	100,000	0	0	0	0	0
E10610000 Technical Assist Contracts-EOG	1,612,150	1,794,104	1,390,155	1,350,000	1,350,000	1,350,000
<b>Total Business Dev</b>	<b>1,712,150</b>	<b>1,794,104</b>	<b>1,390,155</b>	<b>1,350,000</b>	<b>1,350,000</b>	<b>1,350,000</b>
<b>Total Program Expenditures</b>	<b>1,712,150</b>	<b>1,794,104</b>	<b>1,390,155</b>	<b>1,350,000</b>	<b>1,350,000</b>	<b>1,350,000</b>
Personal Services	82,877	80,563	80,563	0	0	0
Transfers - Indirect	118,286	103,664	103,664	0	0	0
<b>Total Fund Expenditures</b>	<b>1,913,313</b>	<b>1,978,331</b>	<b>1,574,382</b>	<b>1,350,000</b>	<b>1,350,000</b>	<b>1,350,000</b>
Ending Fund Balance	0	0	0	255,018	255,018	255,018
<b>Total Requirements</b>	<b>1,913,313</b>	<b>1,978,331</b>	<b>1,574,382</b>	<b>1,605,018</b>	<b>1,605,018</b>	<b>1,605,018</b>

## Five-Year Forecast Program Requirements Detail

	Revised-3 FY 2011-12	Revised FY 2012-13	Forecast FY 2013-14	Forecast FY 2014-15	Forecast FY 2015-16	Forecast FY 2016-17
<b>CDBG EOI</b>						
<b>Resources</b>						
Beginning Fund Balance	835,148	107,500	0	0	0	0
Intergovernmental Revenues	2,376,034	2,114,907	2,114,907	1,903,417	1,903,417	1,903,417
<b>Total Resources</b>	<b>3,211,182</b>	<b>2,222,407</b>	<b>2,114,907</b>	<b>1,903,417</b>	<b>1,903,417</b>	<b>1,903,417</b>
<b>Requirements</b>						
<b>Program Expenditures</b>						
<b>Business Dev</b>						
<b>Small Business &amp; Entrepreneurs</b>						
E21310000 Technical Assist Contracts-EOC	2,002,868	1,836,316	1,836,316	1,790,000	1,790,000	1,790,000
<b>Total Business Dev</b>	<b>2,002,868</b>	<b>1,836,316</b>	<b>1,836,316</b>	<b>1,790,000</b>	<b>1,790,000</b>	<b>1,790,000</b>
<b>Total Program Expenditures</b>	<b>2,002,868</b>	<b>1,836,316</b>	<b>1,836,316</b>	<b>1,790,000</b>	<b>1,790,000</b>	<b>1,790,000</b>
Personal Services	175,569	143,921	143,921	0	0	0
Transfers - Indirect	197,745	134,670	134,670	1	1	1
<b>Total Fund Expenditures</b>	<b>2,376,182</b>	<b>2,114,907</b>	<b>2,114,907</b>	<b>1,790,001</b>	<b>1,790,001</b>	<b>1,790,001</b>
Operating Transfers Out	835,000	107,500	0	0	0	0
Ending Fund Balance	0	0	0	113,416	113,416	113,416
<b>Total Requirements</b>	<b>3,211,182</b>	<b>2,222,407</b>	<b>2,114,907</b>	<b>1,903,417</b>	<b>1,903,417</b>	<b>1,903,417</b>