



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: John Bailey

SUBJECT: Funding for West Oakland Jobs
Resource Center

DATE: May 31, 2013

City Administrator

Date

Approval **/s/ Fred Blackwell**

5/31/13

INFORMATION

Council District: 3

This memo is in response to a question raised at the May 14th Community and Economic Development Committee meeting regarding the sufficiency of the funding level for the West Oakland Job Resource Center.

WEST OAKLAND JOBS CENTER

The Department of Economic and Workforce Development is working to develop a West Oakland Job Resource Center to facilitate the preparation and placement of workers in construction careers, and to help contractors meet the 50% local employment policy at the Oakland Army Base redevelopment project.

On April 16, 2013 Council approved a resolution appropriating and allocating revenue generated from the Oakland Army Base Billboard Franchise and Lease Agreement to the West Oakland Job Resource Center and related Community Benefits uses including Contracts and Compliance Division (CCD) and Oversight Commission staff in an amount not-to-exceed \$500,000 annually for two years.

Of the \$500,000, \$300,000 was approved to fund the West Oakland Job Resource Center operations and \$200,000 was approved to fund City staff to monitor the implementation of the Community Jobs Policies, including tracking the progress of the Job Resource Center. City staff will perform the monitoring and compliance work through the Contracts and Compliance Division (CCD) of the City Administrator's Office and support the Community Jobs Oversight Commission. The Community Jobs Oversight Commission is an eleven-person body established

by recent City Council ordinance, charged with various functions related to monitoring and enforcement of the Community Jobs Policies for the Oakland Army Base project. Staff will be needed to prepare reports and staff Commission meetings. The CCD in the City Administrator's Office will take the lead on tracking overall compliance with the Community Jobs Policies through their existing systems, including the LCPTracker and the weekly posting of certified payroll records.

For the West Oakland Job Resource Center, staff issued a Request for Proposals (RFP) for a non-profit operator on April 19th, 2013. The RFP included two years of funding at \$300,000 per year for a total of \$600,000 for 21 months of operation (operation is not expected to begin until September 2013). Staff anticipates bringing a contract recommendation to Council in July 2013.

The RFP specified a number of services to be delivered for that funding amount including: job-seeker intake and assessment, employer services, retention work and data tracking. However, the RFP did not mandate the specific number of clients to be served. The respondents were asked to estimate their service levels given the services requested and the amount of the contract. Respondents were also asked to leverage those resources with other sources of funding in order to deliver the best service possible.

Respondents could apply to deliver services at the current site of the Interim Job Resource Center on the second floor of the West Oakland Library or could propose an alternative site. To use the space on the second floor of the library, the rent is waived but respondents were asked to include \$4,500 per month for costs associated with maintenance and security (based on estimates from library staff). It was noted that pending additional contractors' location to the second floor, those costs were likely to decrease.

While staff anticipates that a Workforce Investment Act (WIA)-funded provider will use part of the space and that there may be other tenants in the space that could share the costs, it is unclear when those other tenants will begin to occupy the second floor. The WIA provider has been selected by the Workforce Investment Board (WIB) but the timing of the contract execution is uncertain as the California State Employment Development Division (EDD) is considering a complaint regarding the procurement process for that contract.

In conclusion, the RFP funding level was set based on Council approval of the April 16th resolution, which specified funding for the Job Resource Center and for staff to support the implementation of community benefits policies. There is still some uncertainty about the security and maintenance costs at the West Oakland Library depending on the other tenants, but those costs are likely to decrease.

