



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

R-22

May 5, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents with the State of California to accept \$6,373,593 in federal Workforce Investment Act funds as part of the American Recovery and Reinvestment Act of 2009; to authorize an increase to appropriations totaling \$2,500,000; and to execute any needed subsequent amendments. (Citywide)

DISCUSSION

The American Recovery and Reinvestment Act of 2009 (Recovery Act) provides the U.S. Department of Labor and states with additional Workforce Investment Act funds to support local communities. For the portion of those funds that will be distributed by formulas based on need and the local economy, the Workforce Investment Network will receive \$6,373,593 as follows:

▪ Dislocated Workers	\$1,861,230
▪ Unemployed/Under-Employed Adults	\$1,158,051
▪ Youth	\$2,726,003
▪ Rapid Response/Business Downsizing:	\$ 628,309

In anticipation of the Recovery Act funds, the Workforce Investment Board adopted a framework in February for priority of investment of resources around the residents and businesses most in need of assistance. For the Dislocated Worker, Adult and Rapid Response grants, eligible uses of funds for worker retraining, skills development, and support services continue as key strategies. The Network will place additional emphasis on customized training for businesses, development of on-the-job training opportunities, temporary financial assistance to trainees, and leverage of complementary training investments by One-Stop Partners.

For the Youth grant, use of funds will be prioritized toward a Summer Youth Employment Training Program for 2009, whereby an estimated 1,200 youth will be trained and then placed into employment with local public, nonprofit and business organizations. In April, the Workforce Investment Board adopted the U.S. Chamber of Commerce's National Work Readiness Credential framework to bolster the preparedness of young adults being referred to businesses by the Youth Opportunity

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Center and local youth-serving organizations through the Hire-A-Youth Program. The Work Readiness Credential will be implemented concurrently with the summer-based program as an initial pilot of that strategy. A small set-aside of the Youth Grant will be used to also fund a limited number of youth career pathways projects aligned to key industries.

Whereas the majority of Recovery Act Funds in support of workforce development are to be spent by June 2010, the Network is creating much of its temporary, additional capacity through One-Stop Partners and through new and existing community-based organizations under contract to the Network.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on April 14, 2009, and by Budget and Performance Management Bureau Manager, David Wodynski on April 20, 2009.

TIMING CONSIDERATIONS

City Council action is requested on May 5, 2009 in order to facilitate processing of required documents. The Network received funding allocations and instructions on April 10, with effective dates of Recovery Act documents retroactive to February 18.

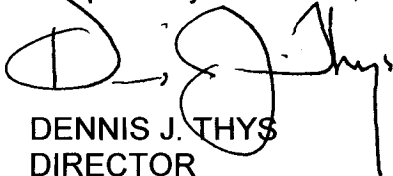
FISCAL IMPACT

An appropriations increase of \$2,500,000 is requested in the Community Development Grants Fund (SR 150) in the Department of Community Development (CD). The increase is included in the recommended action. The remaining amount will be appropriated in FY 10. There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS
DIRECTOR

DEPARTMENT OF COMMUNITY DEVELOPMENT

DJT:BSR:mh
5-5-09 ARRA Formula Funds v4.doc

APPROVED:



PATRICK H. WEST
CITY MANAGER