



Policy Board Agenda

Date: Thursday, September 14, 2023
Time: 2:00 pm
Place: San Diego County Administration Center Board of Supervisors Chamber, Room 310
1600 Pacific Highway, San Diego CA 92101

AGENDA ITEMS – OPEN SESSION:

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AGENDA ITEMS – CLOSED SESSION:

Item 7: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Government Code Section 54956.9: (one or More Potential Cases)	
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PUBLIC COMMENT: Members of the public may address the Board on issues on this agenda (three minutes per subject) and/or other items within the Board's scope. To speak please complete a Public Comment Form. The SDWP will provide accommodations to persons who require assistance. Questions: (619) 228-2900.

Item 1: Non-Agenda Public Communication

Opportunity for members of the public to speak to the Policy Board on any subject matter within the Policy Board's jurisdiction but not an item on today's agenda.

Item 2: Minutes of the June 22, 2023 Meeting

San Diego Workforce Partnership
Consortium Policy Board
Minutes of the June 22, 2023 Meeting

Members Present

Monica Montgomery Steppe, Council President Pro Tem, City of San Diego, District 4 (Chair)

Terra Lawson-Remer, San Diego County Supervisor, District 3 (Vice Chair)

Sean Elo-Rivera, Council President, City of San Diego, District 9

Legal Counsel Present

David Powell, Deputy City Attorney, City of San Diego

Randall Sjoblom, Senior Deputy County Counsel, County of San Diego

Staff Present

Desiree Daugherty, VP of Customer Experience

Claudia Huerta, VP of Business Engagement

Shaina Gross, VP of Client Services

Camila Obermiller, Senior Grant Analyst

Parina Parikh, VP of Sector Initiatives

Rick Vaccari, WDB Chair

Location

San Diego County Administration Center

1600 Pacific Highway, Room 302 San Diego, California 92010

All reports, memoranda and letters contained in the agenda or distributed at the meeting shall by this reference become part of the original minutes.

The meeting was called to order by Council President Pro Tem Montgomery Steppe at 2:00pm, with a quorum present.

Non-Agenda Public Comment

Item 1 Non-Agenda Public Communication

None

Action Items

Item 2 Minutes of the May 26, 2023 Meeting

Motion: Board approves the meeting minutes.

*Moved (S. Elo-Rivera), Seconded (M. Montgomery Steppe)
Carried unanimously*

Item 3 Foster Youth Subrecipient Proposals

S. Gross, VP of Client Services, outlined the five (5) million dollars County of San Diego Foster Youth Grant and presented the proposals for Foster Youth Subcontracts. S. Gross recommended subcontracting with First, Promises2Kids to provide social-emotional support, participant referrals, and supportive services toward goals of employment for \$570,000 over two (2) years. Second, San Diego Black Chamber of Commerce to provide internships, mentorships, and entrepreneurship for \$100,000 for one (1) year.

S. Elo-Rivera mentioned housing situation barriers for foster youth and asked about housing supportive services within this grant. S. Gross mentioned that housing support is built-in in this grant and that SDWP is allowed to help youth facing housing challenges. She also mentioned that, while SDWP doesn't have a specific housing resource, SDWP is working closely with San Diego youth Service who provides youth housing services. Also, she mentioned that SDWP is open to partner with other community service providers to help with housing barriers.

Motion: Board approves the proposals

*Moved (T. Lawson-Remer), Seconded (M. Montgomery Steppe),
Carried Unanimously*

Sector Initiatives Procurements

P. Parikh, VP of Sector Initiatives, presented Sector Initiatives Procurements and highlighted the state of California grant for SDWP's Public Administration and Healthcare Career Pathways. She recommended entering into sub-agreements with:

First, the San Diego Regional Innovation & Policy Center (SDRPIC) for \$184,000 to conduct research to help outline the training & employment landscape, drivers for turnover, and training as well as placement bottlenecks in the fire and emergency medical services industries. SDRPIC will issue a report detailing the extent, likely causes, and proposed solutions for any shortages in fire and emergency medical services. This report is tied to Phase 1 of the EMS-Fire Pilot Pathways grant.

T. Lawson-Remer asked about the parameters of the State grant. P. Parikh answered that the parameters follow what was included in the grant proposal. P. Parikh mentioned that grant proposal outlines three phases, system design phase from July 1 to May 31 of next year, program design, and program implementation.

T. Lawson-Remer and P. Parikh discussed the firefighter employment landscape, its diversity, and the need for a focus group and steering committee for this kind of research and project.

M. Montgomery Steppe asked about the timeline of the research report and whether the program will be pending the research report. P. Parikh replied that the report will be issued by May 31, 2024, and that SDWP will not wait for the final report to start working on the program. SDWP will be reviewing and assessing the deliverables (milestones) delivered by the research team to start the discussion about the program design and implementation.

Second, contracting with NAMI San Diego to provide in-person Cal-MHSA approved Peer Support Specialist training for \$150,000/year for three (3) years, and Futuro Health to provide virtual Human Touch Healthcare training for \$60,000/year for three (3) years. Both contractors will provide training and supportive services to 240 program participants.

T. Lawson-Remer asked whether any of these partnerships can involve the County's jails. P. Parikh mentioned that the intention of this program is to include all people with lived experience with mental health and/or substance use disorders, homelessness, incarceration, living with a disability, etc. therefore, there will be no limitation on partnering with jails and provide services to incarcerated individuals to achieve this program goals.

Motion: Board approves the Sector Initiatives Procurements

*Moved (M. Montgomery Steppe), Seconded (S. Elo-Rivera),
Carried unanimously*

Item 5

Metro Career Center Lease Renewal

S. Gross presented the proposal for executing a new lease at the Metro Career Center. S. Gross also, mentioned, per a WIOA requirement, EDD must be located on the premise of at least one career center within the county. SDWP is occupying 19% of the premise and co-located partners, including EDD, occupy the remainder of leased space. Lease negotiations included reducing the rent rate, five (5) months free rent and tenant improvement funds which leads to a \$986,137 in total savings over 5 years, from the planned auto-renewal.

S. Elo-Rivera recognized the total saving achieved by the negotiation process led by the SDWP and asked if there were any engagement or working sessions from both boards on this matter. He also, discussed the lease terms and commercial lease market condition. S. Gross mentioned that although both boards are required to approve the lease agreement, no working sessions or direct involvement were outlined in previous instances. S. Gross Also, mentioned that SDWP worked with JLL broker to help understanding the commercial market conditions and rent rates.

M. Montgomery Steppe asked about the sub-leasing percentage of the full lease term. S. Gross mentioned that SDWP is occupying 19% of the premises and co-located partners occupy the remaining leased space which is 81%.

Motion: Board approves the new lease agreement.

*Moved (S. Elo-Rivera), Seconded (M. Montgomery Steppe),
Carried unanimously*

Item 6

FY24 Proposed Budget

C. Obermiller, Senior Grant Analyst, and the executive team presented an overview of the Workforce Partnership FY24 budget expecting revenue of \$36.5 million of which \$28.3M Program Costs, \$4.2M Direct Allocated Costs and \$4M Indirect Costs. The FY24 budget includes a 14% overall increase from FY23.

Policy Board members appreciated the comprehensive overview of the FY24 Budget presentation and asked about future plans, anticipated funds, and potential growth opportunities. Executive Team shared their visions, explanations, and examples on different departments and programs' expenses and funds allocations.

Motion: Board approves the FY24 Proposed Budget.

Moved (S. Elo-Rivera), Seconded (M. Montgomery Steppe),

Carried unanimously

Item 7

Employment Agreement for Interim Executive Director of the San Diego Consortium and Interim President and Chief Executive Officer of the San Diego Workforce Partnership, Inc

R. Vaccari, WDB Chair, overviewed the Policy Board on the JPC Committee work and the selection process for the Interim CEO position. He mentioned that while 115 candidates submitted their applications for this role, the JPC Committee conducted its interviews and finalized the selection process with one candidate recommended.

David Powell, Deputy City Attorney, City of San Diego, provided some guidance on the agreement and proposed to grant authority to WDB chair to execute the agreement once all prior procedures and formalities have been completed.

Motion: Board grants authority to the WDB chair to execute the employment agreement on behalf of the policy board.

Moved (S. Elo-Rivera), Seconded (T. Lawson-Remer), Carried unanimously

Adjournment: The meeting was adjourned at 3:10 pm for closed session.

Next Meeting: September 14, 2023 at 2:00pm

Item 3: HQ Lease Renewal

ACTION ITEM – VOTE REQUIRED:

Recommendation:

That the San Diego Workforce Partnership (SDWP) Board of Directors authorize the Interim President & CEO to sign the first amendment to the existing lease between CRP-3 Spectrum, LLC and SDWP for the HQ location at 9246 Lightwave Avenue, San Diego, CA 92123, for a 40-month extension effective Jan 1, 2024.

Background:

San Diego Workforce Partnership (SDWP) signed a lease agreement with CRP-3 Spectrum, LLC for the HQ location in July of 2018. At the time, SDWP leadership concluded 9246 Lightwave Ave. was the best option for the corporate office. Previous executive, A. Hall cited the significant reduction of rental rate and a projected savings over the 5-year lease term as factors in the decision. The reduction in exposure to expense realized by a shortened lease term and a decrease in square footage also contributed to the decision to move from the prior location at University Avenue.

The first amendment is between SDWP and the Landlord and extends the term 40 months to March 31, 2027, with 4 months free and tenant improvement allowance of \$388K (up to 50% on furniture). Upon commencement of this amendment, the base rental rate will be \$2.90 per square foot with an estimated 3% base rent increase annually. There is a cost savings of \$.25 per square foot from the previous agreement.

The landlord provided SDWP with a tenant improvement allowance of \$388,760 (which is \$20.00 per square foot of rentable area of the Premises). The landlord also agreed to allow SDWP the ability to convert free rent to TIA.

FISCAL IMPACT

Current Lease Agreement (Base Rent)			
Year Begin	Cost /SF/Mo	Cost per Month	Ttl Annual Cost
12/1/2018	\$ 2.80	\$ 54,426.40	\$ 653,117
12/1/2019	\$ 2.88	\$ 56,059.19	\$ 672,710
12/1/2020	\$ 2.97	\$ 57,740.97	\$ 692,892
12/1/2021	\$ 3.05	\$ 59,373.20	\$ 712,478
12/1/2022	\$ 3.15	\$ 61,257.40	\$ 735,089

Proposed Lease Agreement (Base Rent)			
Year Begin	Cost /SF/Mo	Cost per Month	Ttl Annual Cost
1/1/2024	\$ 2.90	\$ 56,370.20	\$ 676,442
1/1/2025	\$ 2.99	\$ 58,061.31	\$ 696,736
1/1/2026	\$ 3.08	\$ 59,803.15	\$ 717,638
1/1/2027	\$ 3.17	\$ 61,597.24	\$ 739,167

Comparison between current rent and proposed agreement.

Property	Base Rent per sq ft	Size	Monthly Base Rent	Annual Cost	Annual Cost Savings from Current
Current	\$ 3.15	19,438	\$ 61,257.40	\$ 735,089	
Proposed 40-Month	\$ 2.90	19,438	\$ 56,370.20	\$ 676,442	\$ 58,646.40

Base rate and annual rent increase comparisons

The proposed lease rate and annual base rent increases are competitive for the San Diego region as referenced in the table below:

Location	Amendment Rate Per Square Foot	Annual Base Rent Escalation
9246 Lightwave Avenue	\$2.90	3%
Comparative Locations	Rate Per Square Foot	Annual Base Rent Escalation
4660 La Jolla Village Drive	\$3.50	4.50%
9909 Mira Mesa Boulevard	\$2.85	3%
5015 Shoreham Place	\$3.25	3%
5887 Copley Drive	\$3.75	3%
9201 Spectrum Center Boulevard	\$3.05	3%
9640 Granite Ridge Drive	\$2.95	3%
2365 Northside Drive	\$2.80	3%

Item 4: Sector Initiatives – High Road Construction Career (HRCC) Resilient Workforce Subcontracts

ACTION ITEM – VOTE REQUIRED:

Recommendation

That the WDB and PB authorize Workforce Partnership staff to issue new contracts funded by High Road Construction Careers: Resilient Workforce Funding (HRCC: RWF).

The specific contracts are as follows:

Contractor	Amount	# Participants	Cost Per Person
San Diego Continuing Education Foundation	\$371,260.80	48 served, 39 trained	\$7750
Southwestern College/Foundation	\$371,260.80	48 served, 39 trained	\$7750
San Diego Building & Construction Trades Council	\$546,156.00	74 placed	\$7380
Contract Outcomes (determined by California Workforce Development Board contract 7/18/23)			
For Training Providers: <ul style="list-style-type: none">Funding covers 2 cohorts (cohort cap: 24) for a maximum of 48 students80% of enrolled individuals complete training and earn MC3 and other industry recognized certificationsDelivery of weekly stipends, supportive services, and other resources are tracked in SGDS (State Grants Data System) and entered no later than 7 days after service delivery			
For SDBTC: <ul style="list-style-type: none">Hire, train, certify Instructor for each Training Provider location and MC3 Program LeadEnsure 96% of all completed individuals receive placement (apprenticeship, employment, post-secondary education)			

Contract Term: September 1, 2023 – June 30, 2024

New contract or renewal: New

Option Years: Available based on performance and funding.

Contract Payment Terms: Cost Reimbursement

HRCC: RWF Program Design & Regional Expansion:

As the demand for construction workers has grown alongside demand for the program, SDWP and SDBTC determined that under HRCC: RWF funding, the Apprenticeship Readiness Collaborative (ARC) must increase access to the program through expanding the number of MC3 Providers across the County from one to four. With locations across the region (in Central, South, East, and North San Diego County), this promotes greater access to the MC3 opportunity and increases the likelihood that an individual can enroll in a program closer to home, also removing extreme transportation barriers. At the same time, cohort scheduling, size, and cadence must align with industry need and opportunities available to ensure placements are available within apprenticeship programs and with signatory contractors. This and other adjustments to the MC3 Program and its delivery were made with an eye on uniformity to ensure equity across MC3 programs no matter where an individual is placed (examples: cohort cap size of 24 to promote safety and participation opportunity; uniform program hours & certifications for full-time and part-time program offerings).

The total grant period for HRCC: RWF runs through July 2025. ARC has carefully scaffolded the scaling of the Apprenticeship Readiness Program to consider industry need, regional availability of a program, and development time for a new provider.

HRCC: RWF Outcomes	# of Participants
Enrolled	288
Completed (MC3 Earned)	224
Placed (Apprenticeship)	214
Placed (Post-Secondary Ed)	71

The following is a high-level overview of the approved training providers. Based on the proprietary nature of the MC3 curriculum alignment with CWDB's High Roads initiative, these entities have been approved as a Sole Source by the California Workforce Development Board (CWDB). In the future, SDWP will bring forth additional subcontracts for approved training providers under HRCC: RWF.

Cohort numbers, size, and frequency are subject to change based on performance, re-certification of program by SDBTC, and availability of funding.

San Diego Continuing Education Foundation: 5 cohorts

Southwestern College: 4 cohorts

Vista Unified School District: 3 cohorts (*pending CWDB modification*)

Grossmont-Cuyamaca College District: 3 cohorts (*pending District selection of college*)

Scope of Work: The [Apprenticeship Readiness Program \(ARP\)](#) is a multi-week program (8 (FT) - 16 (PT) weeks) that prepares pre-apprentices to launch successful careers as construction apprentices and upon successful completion, individuals earn their MC3 (Multi-Core Craft Curriculum), OSHA (Occupational Safety and Health Administration), CPR, First Aid, MEWP (Mobile Elevated Worker Platform), and AutoCAD certifications, in addition to learning other industry-recognized skills that are critical to a career in the trades. Throughout their program journey, students receive career exploration with job site visits, meetings with unions and signatory contractors, and post-program placements.

San Diego Continuing Education Foundation and Southwestern College and its Foundation will serve as two of the four California Workforce Development Board and San Diego Building & Construction Trades Council approved training providers to deliver the ARP. They will receive enrolled individuals from SDWP and enroll them in CCC (CA Community College) Apply (to connect to college resources), host the ARP and deliver training, including college & career readiness, support outreach efforts to their unique communities, and promote retention through the duration of the program by delivering supportive services and stipends to participants. Training providers are responsible for tracking key data with support from SDWP.

San Diego Building & Construction Trades Council hires and certifies the region's MC3 Program Lead and Instructors to ensure they meet the requirements established by North America's Building Trades Union (NABTU), TradesFutures, and Apprenticeship Readiness Collaborative (ARC). Staff under SDBTC will be responsible for curriculum & program development, instruction, assessment, mentoring, and post-program placements in union apprenticeship programs and/or with signatory contractors.

Background:

The Workforce Partnership was awarded its first HRCC grant in 2020 under SB1 funding from CWDB, which established the Apprenticeship Readiness Collaborative (ARC, the partnership framework) and the Apprenticeship Readiness Program (ARP, the MC3 program) under the High Roads initiative. SDWP served as fiscal agent and worked in close collaboration with the San Diego Building Trades Council (who was unfunded during the last term) to create ARC and launch the program with one training provider: San Diego Continuing Education Foundation.

SB1 funding was placed under WIOA funding restrictions, meaning all reporting was done through CalJobs. Under this previous grant term, SDWP contracted out a majority of responsibilities to the singular training provider: SDCEF.

Training provider subcontracts now focus on the delivery of the educational components, delivering supportive services and stipends, and supporting data entry and outreach (versus holding sole responsibility before). There will be one program application for the ARP in San Diego, managed by SDWP, with training providers given a unique trackable application code for their outreach. Enrolled individuals will now have a choice, electing a preference in MC3 program based on training provider location, program schedule, or other personal preferences. SDWP expects to bring the other MC3 training providers' subcontracts to board approval in the fiscal year.

SDBTC will now be funded for their efforts to hire, certify, and maintain quality control over MC3 instructors and programs (both funded by HRCC and by other sources) and for participant placement efforts in union apprenticeships and on the job with signatory contractors.

Item 5: CEO Report

INFORMATION ITEM – NO VOTE REQUIRED:

Interim President & CEO Tony Young to provide a status organization update.

- Get to know staff: Meet with staff of each department, visit Career Centers, convene monthly All Staff meetings
- Board relations: Meet with all WDB & PB members; recruit specialized Corporate Governance attorney to clarify Board roles to effectively support SDWP
- Meet with key stakeholder groups
- Fill internal vacant positions: Executive Assistant to CEO, COO, VP Finance, VP Client Services (in process)
- Promote a well-functioning P&C (HR) Department (new P&C Manager, ADP consolidation)
- Assess and review internal departmental structures (beginning with alignment & centralization of Compliance & Operations team)
- Support Executive Team to have clearly defined goals for FY24 and beyond.
- Provide FY23 Budget closure update by October
- Launch a new, more robust Annual Report (last full version in 2018)
- Launch a Strategic Plan process with support of Irvine Foundation

Item 6: CA Economic Resiliency Fund (CERF) - Regional Plan for Southern Border Region

INFORMATION ITEM – NO VOTE REQUIRED:

The California Economic Resiliency Fund (CERF) Program is a \$600 million state investment to support inclusive regional planning and the development of high-priority economic development projects that benefit disadvantaged communities, create high-road jobs, and transition the region to a net-zero emission economy.

As part of the rollout of CERF funding across CA, the State has been divided into 13 regions, each region receiving a \$5M planning grant to develop a local economic development plan. San Diego and Imperial counties are combined as the “Southern Border Coalition” and are led by 8 ‘co-convenors’. The regional economic development plan for the Southern Border (or Regional Plan) is intended to promote economic diversity, support the creation of high-road jobs, and advance the region toward an equitable transition to a net-zero emission regional economy. The plan includes two (2) parts, laying the groundwork for aligning with and attracting public and private investments.

Part one (1) presents a snapshot of socio-economic conditions in the region including mapping stakeholders, providing a regional summary, and conducting analyses such as Labor Market Analysis, Industry Cluster Analysis, and SWOT Analysis. Part two (2) establishes a forward-looking economic development and transition roadmap using the information obtained in Part one (1). This will include vision and goals, strategies to create a sustainable future, and priority projects for implementation.

CERF also includes the engagement of 15 different Sectors, including for Workforce Development Entities. Sectors will meet to discuss and provide feedback on the Regional Plan. Sectors are comprised of Coalition Members, and Sectors are led by a Sector Lead. Sector Leads participate in Subregional (county-level) Task Forces as well as Regional (bi-county) Task Forces. This presentation will cover an overview of CERF and the process for participation.

E. Wier, VP, Chief Policy & Strategy Officer at San Diego Regional Policy & Innovation Center as part of the coalition and co-convenor, to present the latest on the regional plan for Southern Border area. B. Browning, WDB member and also co-convenor proposed at the previous WDB meeting to discuss the Regional Plan at the next WDB meeting and to seek nomination of a participant on behalf of the SDWP to participate along with other community partners in the CERF process. Board Members Status