

Federal American Rescue Plan Act 2021
Coronavirus State and Local Fiscal Recovery Funds
Subject Matter Workgroup Reports

Assistance to Unemployed and Underemployed Workers/Job Training and Re-employment Assistance
Revised/Edited Version Supersedes February 8, 2022

March 22, 2022



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INTRODUCTION

NOTE: This is an updated subject matter workgroup report that is intended to replace and supersede the February 8, 2022 ARPA paper on the same subject and is intended to clarify the funding concepts initially shared but in a revised format to address the Board’s input received on February 8, 2022. A second subject matter workgroup report will be prepared and presented separately for services, potential programs and funding concepts that focus on small businesses needs and assistance as part of economic impact recovery.

The COVID-19 pandemic and resulting economic impact created historical labor market shifts, unprecedented unemployment impacts, and negative economic impacts on Solano’s labor force and small business community. The past two years have highlighted the need for increased investment in workforce training, education, and work experience and in economic development investments assistance to promote a more inclusive economic recovery that helps rebuild Solano’s talent base that was most significantly impacted and revitalizes the local economy in a way that works for all populations.

The economy has made strides, as is evidenced by the reduction in employment and the number of businesses seeking employees. However, research and data analysis show that the negative economic impacts of the pandemic have not been experienced equitably, and that Solano’s more vulnerable populations and businesses continue to experience immediate crises, as well as reduced long-term economic opportunities. Interventions and public investment are needed to build upon the successful recovery strategies deployed during the pandemic to aide in continuing recovery and transformative and sustainable innovations for Solano County’s workforce and small businesses to not only recover but reenter the evolving economy.

The Workforce and Economic Recovery Subject Matter Workgroup Report outlines recommendations for investments that the County of Solano could make to mitigate the negative economic impacts of COVID-19 for Solano County’s displaced and impacted workers. ARPA also makes it a priority and gives the county an opportunity to invest in services and programs to aide disproportionately impacted communities.

The Subject Matter Workgroup Report presents our priority (4) funding option categories for workforce development:

Funding Option	Key Concept	Funding Amount
1. Sustain/Extend current service Delivery	This funding option ensures public workforce and small business development services can meet the current demand without turning people away.	\$736,455
2. Investment in Community-Based Workforce	This funding option would provide grants to organizations providing employment and training in the community with technical assistance and infrastructure support for non-profits.	\$2,806,000
3. Industry-Based Job Training	This funding option focuses on short-term, industry-led occupational and work-based training to meet current business needs/opportunities, as well as ensuring disproportionately impacted communities/workers can access training.	\$1,898,000

4. Expanded Workforce Services to Address COVID Gaps	This funding option expands services to address key negative COVID impacts (digital literacy and economic mobility) and improve workforce services in disproportionately impacted communities.	\$1,206,000
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In total, the Subject Matter Workgroup report outlines **\$6,646,455** of priority funding recommendations to encourage a robust workforce for further economic recovery. Coordination with cities, other Subject Matter Workgroups, and local entities are detailed in applicable funding options. The team focusing on training, education, work experience and other tools used to raise a workers skills and knowledge and potential earnings recommends consideration of investments in a combination of direct costs and the uses of funding through Requests for Proposals (RFPs) to comply with US Treasury ARPA guidelines.

The workgroup team intentionally embedded approaches aimed at closing equity gaps in the workforce, as well as helping to drive upward mobility for the economic sustainability of the community as a whole. The team conducted a literature review of best practices and policy recommendations, as well as analyzed employment and business data. In addition, over fifty (50) organizations were engaged in the discussion process to ensure community engagement and diverse perspectives were included in investment option design and recommendations.

SUBJECT MATTER WORKGROUP – TEAM MEMBERS

The lead members of the workforce and economic recovery subject matter workgroup team are:

- **Workforce Development Board of Solano County** – Heather Henry, President / Executive Director
- **Solano Economic Development Corporation** – Sean Quinn, Interim President / CEO
- **Solano-Napa Small Business Development Center** – Tim Murrill, SBDC Director

As part of the recommendation design process, the following organizations provided input and feedback that have been incorporated into the priority funding options:

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|---|--|
| California Biomanufacturing Center | Dreamcatchers |
| California Human Development | Fairfield-Suisun Chamber of Commerce |
| California Workforce Association | Fighting Back Partnership |
| Caminar | First 5 Solano |
| Center for Employment Opportunity | Five Keys |
| Center for Volunteer and Nonprofit Leadership | Healthy Vallejo Community Support Services |
| Choice in Aging | JA NorCal |
| City of Benicia, Economic Development | Kaiser Permanente Napa-Solano |
| City of Dixon, Economic Development | Lions Center for the Visually Impaired |
| City of Fairfield, Economic Development | NAMI Solano County |
| City of Suisun | Napa-Solano Building Trades Council |
| City of Vacaville, Economic Development | Partnership Health Plan |
| City of Vallejo, Economic Development | Planned Parenthood Northern California |
| Community Action of the North Bay | Shelter, Inc. |
| Connections for Life | Solano Adult Education Consortium members |
| Downtown Theater Foundation | Solano College |

Solano Community Foundation
Solano County Black Chamber of Commerce
Solano County Dept of Health & Human Svcs
Solano County Office of Education
Solano Dream Center / Christian Help Center
Solano Family and Children Services
Solano Hispanic Chamber of Commerce
Solano Library Foundation
Solano Trauma Recovery Center

Sustainable Solano
Urban Strategies
Vacaville Chamber of Commerce
Vallejo Chamber of Commerce
Vallejo Project
Vallejo Together
Visit Fairfield
Visit Vacaville
Visit Vallejo

U.S. TREASURY/BOARD APPROVED ELIGIBLE CATEGORIES

The State and Local Fiscal Recovery Funds (SLFRF) Final Rule outlines the importance of not only supporting families and businesses struggling with COVID-19 economic impacts; but also “working to build a strong, resilient, and equitable recovery with investments that support long-term growth and opportunity.” Therefore, ARPA funds are allowable not only to respond to the immediate harms of the pandemic, but also to mitigate its longer-term impacts in compounding economic challenges for disproportionately impacted populations.

The priority for the funding options outlined in the report by the workgroup are made based on data and research, and done so with input from representatives from chambers of commerce, industry representatives, small business owners, nonprofits and others engaged in workforce and business support and addresses the following eligible uses under the SLFRF funding categories:

Negative Economic Impacts

1. Assistance to Households

- a. Internet or digital literacy
- b. Basic needs assistance

2. Assistance to Unemployed and Underemployed Workers

- a. Unemployed workers
- b. Underemployed workers
- c. Individuals seeking economic advancement
- d. Job training to accelerate rehiring of unemployed workers or to address negative economic impacts experienced due to a worker’s occupation or level or training
- e. Subsidized employment
- f. Job and workforce training center capital expenditures for expanded access to services
- g. Assistance to unemployed workers seeking to start small businesses

3. Aid to Nonprofits

- a. Loans or grants to mitigate financial hardship
- b. Technical assistance

Disproportionately Impacted Communities

1. Building Stronger Communities through Investment in Housing and Neighborhoods

- a. Addressing limited economic opportunities in disproportionately impacted communities.

EXISTING STUDIES/REPORTS

The studies / reports listed below address this specific category and may inform the Board of Supervisors:

- Ash, K., et al. "[State Roadmap for Workforce Recovery.](#)" *National Governors' Association Center for Best Practices*. January 2021.
- Good, Larry and Earl Buford. "[Modernizing and Investing in Workforce Development.](#)" *Corporation for a Skilled Workforce*. March 2021.
- "[Solano County 2020: Index of Economic and Community Progress.](#)" *County of Solano and Solano Economic Development Corporation*. May 2021.
- "[Workforce Innovation and Opportunity Act Local Workforce Plan: Program Years 2021-2024.](#)" *Workforce Development Board of Solano County*. 2021.
- Bergson-Shilock, Amanda. "[The New Landscape of Digital Literacy: How Workers' Uneven Digital Skills Affect Economic Mobility and Business Competitiveness, and What Policymakers Can Do About It.](#)" *National Skills Coalition*. May 2020.
- Mandsager, Nathan and John Saccocio. "[Employer Resource Networks: Improving Job Retention Through Private-Public Partnerships.](#)" *Policy and Practice*, December 2016.

IDENTIFIED NEEDS

Before the pandemic, nearly one-half of US workers were falling behind economically. As identified in the Solano County Community Health Assessment Report of 2020, the highest prioritized community health need pre-pandemic was Economic Security. In the report, community-identified barriers to economic security included:

- Difficulty to manage work, household, and education;
- Lack of affordable childcare
- Salaries below living wage
- Lack of employment and job training programs

The pandemic and related economic shutdowns exacerbated each of these identified barriers to economic security. Difficulty in managing work and household has led to a disproportionate drop of women, especially Latina women, from the labor force. Further reductions in available childcare during the pandemic have hindered parents' ability to return to the workforce. A desire to not return to salaries below living wages has led to a critical talent shortage. This trend is exacerbated by the fact that low-wage occupations have had the highest deduction in number of jobs as a result of the pandemic. Interventions and transformative changes in the workforce are needed to ensure that economic insecurity is not intensified, and that equity gaps are not magnified, as a result of COVID-19 and its economic impacts.

Additional COVID-19 factors accelerated the pace of economic impact factors such as:

- Globalization and supply chain disruptions which impacted costs to businesses and consumers
- Automation and adoption of technology which created a bigger gap for those lacking digital access and digital literacy
- A reduction of jobs due to technology efficiencies
- Shifting/changing relationships between employers and workers which requires better career coaching for workers, and helping businesses shift their models of work and employee engagement
- Rise in the gig economy and entrepreneurship as a career option (increases in self-employed & small businesses)

Participants in the ARPA Workforce Roundtable, co-hosted by the WDB and Solano Community Foundation on December 16, 2021, observed that the more vulnerable individuals were pre-pandemic, the more intense the challenges of returning to work and gaining self-sufficiency became for them in COVID recovery. To address the “perfect storm” of workforce issues our community and businesses face in recovery, a community-coordinated recovery response is necessary to mitigate the immediate and long-term economic impacts of COVID-19 on the workforce and the employer community.

DISPROPORTIONATELY IMPACTED COMMUNITIES

Prior to and throughout the pandemic, Vallejo, Suisun City, and Rio Vista have consistently had the higher unemployment rates in the county. Vallejo and Fairfield have consistently had the highest volume of unemployed individuals. Vallejo, with 3,500 unemployed in November 2021 according to Employment Development Department data, constituted 31% of total unemployed in the county. These geographic areas have also historically struggled with higher poverty rates (lower wages, limited skills workers, fewer with health care, and lower total family income), which further exacerbated the impacts of COVID on these communities. In addition, the zip code with the highest volume of UI claims has been 94533 in Fairfield. Using unemployment and poverty data and considering Treasury defined Qualified Census Tracts (QCTs), **neighborhoods in Vallejo and Fairfield** are identified as disproportionately impacted communities.

The SLFRF specifically identifies **minorities** and **lower educated individuals** as disproportionately impacted communities. The WDB recommends these populations be considered disproportionately impacted and that **individuals under 35** be included as a disproportionately impacted class. Unemployment claim data shows individuals under 35 represented half of Solano County’s unemployment levels at the height of the pandemic. In addition, a Strada Network survey revealed that 65% of young adults canceled or changed their education plans as a result of COVID. The largest percentage of those individuals have been Hispanic and African American students. This data suggests the fragility of Solano’s young adults and their potential need for opportunities for economic mobility.

FUNDING OPTIONS

Funding Option #1: Sustain/Extend Current Service Delivery

Title: Sustain/Extend Current Service Delivery

Amount Recommended: \$736,455

The funding recommendation budget is as follows:

	Item	Amount
1a	WDB Staffing Cost: <ul style="list-style-type: none"> • 1 FTE Career Advisor focused on COVID-impacted workers • 0.5 FTE Business Services Consultant focused on business support in rehiring • Program Support • Provides Staffing from April 1, 2022 – June 30, 2023 	\$216,213
1b	WDB Training Dollars – direct participant training-related costs (average training-related cost per person: \$7,000) <ul style="list-style-type: none"> • Provides participant training from April 1, 2022 – June 30, 2023 	\$400,000
1c	SBDC Business Advising and training – direct support to businesses <ul style="list-style-type: none"> • Provides advisors from April 1, 2022 –December 31, 2022 	\$120,242

U.S. Treasury Category: 2.7 – Job Training and Reemployment Assistance; 2.9 – Small Business Economic Assistance; Costs also eligible under 2.1-2.5 – Assistance to Households

Summary:

The Workforce Development Board (WDB) of Solano County operates the federally required America’s Job Center of California (AJCC) centers in Fairfield and Vallejo, as well as the federally regulated Workforce Innovation and Opportunity Act (WIOA) programs for adults and youth ages 16-24. During COVID, many workforce boards across the state shut their doors. Solano County’s Fairfield Job Center was one of four job centers in the state that remained completely open to the public. The WDB prioritized this service to support unemployed individuals in accessing Unemployment Insurance (UI) support and basic needs aid and resources.

The WDB invested WIOA funds into stabilization of the workforce through basic needs funding; meeting the needs of customers in the Job Center; providing funds to support digital access to job seekers, students, and businesses; and supporting businesses with layoffs. From the beginning of COVID mid-March 2020 to the end of 2021, the WDB served over 20,000 individuals in-person in the Fairfield Job Center. Providing continued service and augmented supports for those impacted by COVID overextended Solano’s public workforce dollars. However, in the midst of this COVID support effort, WIOA federal funds to Solano County were cut by 6%.

1a. WDB Staffing Costs: \$216,213

With reduced WIOA allocation funding in Solano County, in addition to the expanded services provided during COVID, the WDB cannot continue level services to job seekers and businesses regarding COVID

recovery. Demand for job seeker services is back up to pre-pandemic levels, but with the current funding, the WDB will have to reduce staffing.

WIOA allocations are based on 18-month lagging data. Current expectation is that Fiscal Year (FY) 2022-2023 WIOA allocations will be level WIOA. As such, the WDB anticipates similar funding challenges in FY2022-23. However, COVID data should impact Solano's allocations for FY2023-24, leading to an increase in Solano's WIOA funding allocation. Therefore, staffing costs to maintain the career coaching, training support, and job placement activities on the job seeker side, as well as staffing costs to maintain the recruitment and employer-based job training support on the business side would ensure that job seekers and businesses would not be turned away in the coming year.

1b. WDB Training Dollars: \$400,000

WIOA training-related funds are used for the cost of training at approved training provider locations, training fees, books, and supportive services such as transportation, training equipment, and basic needs to complete training. Workforce training focuses on short-term training (less than one year) that provides in-demand skills and certifications.

WIOA training funds for Fiscal Year 2021-2022 have already been exhausted. The WDB received grants pre-pandemic to support veterans, military spouses, justice-involved individuals, and individuals with disabilities. However, COVID impacts on training providers, closures of partners, and hesitancy of targeted participants led to unmet expenditures and heavier reliance on WIOA training funds. The demand of job seekers to seek short-term retraining has returned to pre-pandemic levels, but federal training dollars have been exhausted. The WDB recommends training funds to cover the remaining fiscal year and supplement the anticipated reduced funding in FY2022-23. The WDB will leverage WIOA training dollars in FY2022-23 to maximize the potential match of ARPA funding.

To continue level employment and training services to the community, a local investment to supplement federal allocations is required. Otherwise, services in Solano's public workforce system will need to be reduced and the WDB will not be able to meet the demand of job seekers and businesses in COVID recovery. Therefore, the WDB is recommending ARPA funding to maintain public workforce service delivery.

1c. SBDC Business Advising: \$120,242

In addition, the WDB is the host to the Solano Small Business Development Center (SBDC), who provides training and technical assistance to Solano's small businesses. The demand for business advising has increased dramatically during COVID. In 2020, the SBDC served 1,027 businesses with one-on-one business advising. In 2021, that number doubled to 2,307. To date in 2022, the SBDC is averaging 10 new clients a week. At the current rate, the SBDC's funding for business advising (a combination of Small Business Administration, GoBiz, and Cities of Vallejo, Benicia, Fairfield, and Vacaville) will not be able to sustain services to meet the increased demand and will need to begin turning small businesses away. Therefore, the WDB, on behalf of the SBDC, is recommending ARPA funding to maintain service delivery for small businesses to meet the COVID recovery demand. All business advising and training is conducted by industry experts contracted by the SBDC. The recommended funding would be used to cover the cost of expanded services provided by these contracted Business Advisors.

Outcomes: Expected outcomes include

- 80 new COVID-impacted workers provided career coaching
- 60 job seekers trained with industry skills
- 52 training classes held for businesses
- 800 businesses provided one-on-one advising

Funding Process (Direct Cost, RFP Etc.): Direct costs

Timeline: Services would begin immediately upon receiving funding. WDB staffing costs and training dollars are anticipated to support services through the end of FY2022-23. SBDC Business Advising are anticipated to support services through December 2022.

Lead Agency: Workforce Development Board of Solano County and Small Business Development Center

Population Served: Unemployed workers, Small businesses

Funding Option #2: Investment in Community-Based Workforce

Title: Investment in Community-Based Workforce

Amount Recommended: \$2,806,000

The funding recommendation budget is as follows:

	Item	Amount
2a	Grants to Nonprofits to deliver reemployment and job training services	\$2,000,000
2b	Technical Assistance contractor for non-profits	\$100,000
2c	Grants to Nonprofits to improve business infrastructure and technology	\$500,000
2d	WDB Staffing Contract Administration and Coordination	\$206,000*

* This represents WDB costs to administer and run the above programs. This amount would need to be calculated per project if all not approved.

U.S. Treasury Category: 2.7 – Job Training and Reemployment Services; 2.9 – Small Business Economic Assistance (Aid to Nonprofit Organizations)

Summary:

The WDB heard from multiple community stakeholders of the importance to provide grants to the non-profit community working with individuals who provide job readiness skills, employment and training services to targeted communities or demographics, or employment and training supports. The average wage of occupations with the largest volume of layoffs is \$31,982. This implies many impacted by COVID unemployment were already financial vulnerable. Hands-on, intensive assistance is needed to support reemployment of individuals most impacted by COVID's negative economic impacts. Solano's non-profit community provides substantial intensive assistance to Solano's most vulnerable populations. To date, no local COVID relief or recovery dollars have been significantly invested in Solano's non-profit community. This option serves a dual purpose – to provide the intensive reemployment supports our vulnerable populations need, while support Solano's non-profit base for a sustainable recovery. This investment would lead to a stronger and more coordinated workforce provider network is needed that includes community-competent providers who have expertise serving disproportionately impacted populations and is aligned with public workforce investment programs.

2a. Grants to Nonprofits to Provide Employment and Training: \$2,000,000

Solano’s nonprofit workforce providers deliver important community and population-specific workforce services, but many expressed struggles to secure and retain the funding needed to meet the demand during COVID-19.

Designed in concert with local funders, this option will require an RFP process to satisfy SLFRF guidelines for grant funds to nonprofits for employment and training-related services within the community. At the ARPA Workforce Roundtable co-hosted by the Solano Community Foundation, participants resoundingly requested support in order to continue providing services to COVID-impacted clients and be more effective at operating government-funded projects. One roundtable participant summarized: “We need to teach one another and build strength together. We have to be working from the same roadmap.”

An outcome of 200 individuals receiving services is a conservative estimate. This equates to a \$10,000 anticipated cost per individual. This is an industry standard for services to vulnerable populations, because the cost could include supportive services such as childcare or transportation assistance, occupational training (which averages about \$7,000 per person), job readiness training, staff costs to provide mentoring, coaching, and hands-on job placement assistance. It may also include work-based learning or subsidized employment to reengage individuals in the workplace, which includes the cost of participant wages during the subsidized employment period. However, the WDB anticipates that RFP respondents will propose a wide range of services intended to meet their specific community needs, and a clearer cost per individual and outcome results can be provided to the Board.

It is recommended the County of Solano designate the WDB as the administrator of the RFP and funds disbursement. The WDB has a proven track record of getting COVID-19 relief funds out timely for the County of Solano, while meeting all federal compliance requirements. Having the WDB serve as the administrator of these grants has many benefits for the county:

- Experience in administering grants through COVID-19 relief funds
- Ensure services align with community and industry needs
- Use of a standardized data system that can track and report participant outcomes for County of Solano’s ARPA reporting
- Ensure compliance and monitoring requirements for federal funds are followed by grant recipients
- Connect technical assistance needs for non-profits to ensure success

The WDB anticipates a three-month timeline to develop the RFP process after potential Board approval of the funding option. The grants to non-profits are intended to be for a two-year timeframe to provide the in-depth, longer-term support many vulnerable residents will need to return to economic stability.

2b. Technical Assistance: \$100,000

Solano County has numerous small non-profit organizations providing employment or training related services to residents. The community-based organizations self-identified challenges in providing fiscal controls, strong measures attainment, and digital access and virtual services for participants. Proposed

technical assistance would include a professional development series and include topics such as cultural competency, labor market information, digital literacy, growing capacity, sound business practices, performance tracking, government accounting and compliance structures, and emerging workforce trends. Technical assistance would be procured for nonprofits receiving funding. The WDB would provide leveraged staff time to coordinate and help facilitate technical assistance.

“Accessing funds with technical assistance in place would be a real benefit.”

- Solano ARPA Workforce Roundtable participant

2c. Infrastructure Grants: \$500,000

The SLFRF Final Rule recognizes that nonprofits have faced significant challenges because of the pandemic, including increased demand for services, decreased funding, and changing operational needs. The SLFRF Final Rule identifies that assistance to nonprofits falls under assistance to small businesses and can include loans, grants, in-kind assistance, technical assistance or other services if the nonprofit experienced negative economic impacts such as decreased revenues or increased costs.

Solano County’s non-profits have faced similar challenges to the small business community as it relates to the need to pivot business operations to meet a new virtual environment and remote staff, conduct outreach in new ways to customers, and challenges in maintaining staffing while continuing service delivery for Solano’s vulnerable populations. Many non-profits have not had the capital to be able to pivot and adjust to the same level as our small business base and need assistance in order to rebuild.

Infrastructure grants could include technology improvements, performance and compliance tracking tools, and administrative enhancements to improve their service delivery capabilities. This investment would create a sustainable and transformative investment in services to Solano’s vulnerable populations most impacted by COVID and its negative economic impacts. In addition, it would create a sustainable network of service providers that will lead to a more dynamic and responsive workforce development system in the County. The WDB will work with Members of the Solano Funders’ Collaborative to support the design process and review proposals for infrastructure grants, as well as provide input on the design of technical assistance.

The WDB anticipates this part of the RFP process would be developed within three months of the launch of the participant-based grants to non-profits. This would be a one-time funding investment to support non-profits in bringing their operations up to speed to respond to new COVID business model requirements.

2d. Contract Administration and Coordination: \$206,000

To ensure effective outcomes, it is recommended to fund partial staffing time of current employees to administer the RFPs, contracts and grants; provide performance and compliance technical assistance; and coordinate the grants with technical assistance.

Outcomes: Expected outcomes include:

- At least 200 individuals receiving employment and training services through community-based nonprofits
- 320 workforce practitioners receiving training and technical assistance to improve services for participants and non-profit operations

- Improved ability of non-profits to apply for and successfully deliver outcomes for future government and philanthropic funding
- A workforce system network that is more closely aligned and able to provide a seamless continuum of employment and training services

Funding Process (Direct Cost, RFP Etc.): RFP

Additional Funding Considerations: This funding option will provide the County’s nonprofits the opportunity to apply for funding from local area funders. Many philanthropic funders are interested in providing grants to more nonprofits in Solano County but want to see stronger results and administrative controls. Strengthening non-profits’ capabilities in successfully completing grants will create an opportunity to bring more funds into the County to serve vulnerable populations and those disproportionately impacted by COVID.

Timeline: RFP development for the Community Workforce Initiative could be completed within three months of approval. Grants for participant services and staffing costs, technical assistance, and staffing costs would be for a two-year timeframe. Grants for business infrastructure would be a one-time investment.

Lead Agency: Workforce Development Board of Solano County

Population Served: unemployed and underemployed workers, individuals seeking economic advancement, non-profits experiencing and addressing negative economic impacts

Funding Option #3: Industry-Based Job Training

Title: Industry-Based Job Training

Amount Recommended: \$1,898,000

The funding recommendation budget is as follows:

	Item	Amount
3a.	Industry-Based Job Training Dollars – direct training-related costs	\$406,000
3b.	Program Coordination (staffing costs)	\$460,000
3c.	Special Job Training Project: Biomanufacturing	\$200,000
3d.	Special Job Training Project: Childcare Entrepreneurship	\$130,000
3e.	Special Job Training Project: Entrepreneurship	\$264,000
3f.	Outreach and Career Awareness Campaign	\$438,000

U.S. Treasury Category: 2.7 – Job Training and Reemployment Assistance

Summary:

The changing economic landscape and the talent shortages across industries necessitate new methods to approaching occupational training. Prior to the pandemic, the top 5 fastest growing occupations in the region were:

- Home Health and Personal Care Aids
- Registered Nurses
- Fast Food and Counter Workers
- Stockers

- Office Clerk

However, the top 5 regional occupational losses between December 2019 and December 2021 were:

- | | |
|-----------------------------------|---|
| • Waiters and Waitresses | • Home Health and Personal Care Aides |
| • Fast Food and Counter Workers | • Childcare Workers |
| • Retail Salespersons | • Secretaries and Administrative Assistants |
| • Cooks, Restaurants | • Office Clerks |
| • Maids and Housekeeping Cleaners | |
| • Cashiers | |

Most of the fastest growing occupations pre-pandemic and all of the occupational losses due to the pandemic are low-wage jobs held by the most economically vulnerable residents in our community. On the business side, the WDB and economic partners continually hear that the job candidates do not meet the industry skills needed for the jobs open, which is supported by labor market data. Therefore, short-term training to reskill our vulnerable residents is needed to support reemployment at a living wage for our workers. The WDB recommends the bulk of the job training be provided through the sector strategies job training model.

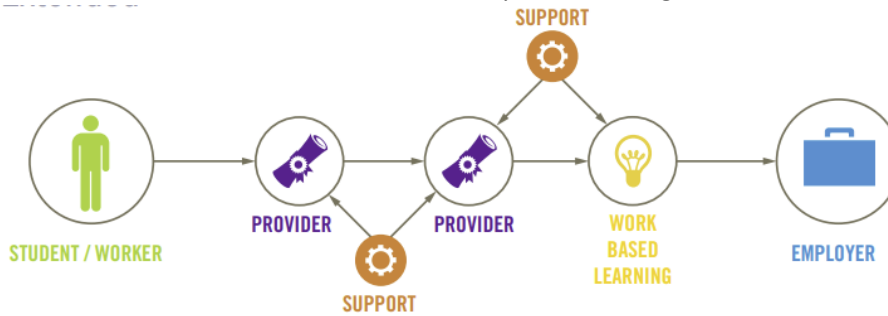
As part of this funding option, the WDB will partner with the Affordable Housing Subject Matter Workgroup team to coordinate affordable housing grants to homeless and housing insecure populations with proposed job training programs. The Affordable Housing Subject Matter Workgroup report will provide additional detail on this coordinated approach.

The WDB recommends Job Training dollars to expand or pilot industry-based job training in key Solano industries outlined below to be coordinated through the WDB. Three industry-based job training programs are recommended that would be facilitated through other entities and are specifically highlighted: biomanufacturing, childcare provider training (entrepreneurship bootcamp), and entrepreneurship. This overarching approach of industry-based job training is a well-established, evidenced based practice nationwide, but is new to Solano County, and therefore will require staff coordination to build basis for this training approach. For this funding options to be successful in training and reemploying populations in disproportionately impacted communities, a strong outreach campaign will be needed.

3a. Industry-Based Job Training Dollars: \$406,000

Industry-based job training is a nationally recognized, evidence-based solution to rapidly training job seekers for the specific skills local businesses need to be successful. Also known as sector strategies, industry-based job training is short-term training developed rapidly with industry engagement in a cohort learning environment. Sector strategies have been heavily evaluated nation-wide to close skill gaps for populations who do not traditionally have easy access into the workforce, quickly limit workforce shortages in critical sectors, and lead to high employment rates with significant wage increases. The strategy creates onramps into key industries that create stackable training opportunities into community colleges and four-year universities for continued career advancement.

The U.S. Chamber of Commerce Foundation provides a good visualization of this approach:



The WDB would work with industry leaders and education partners to develop short-term credential or industry-skill-based trainings. Key elements of the job training will include cohort-based training approaches, work-based learning experiences, wrap-around supports for students, and strong industry engagement in program design and implementation. Businesses will be able to directly hire from the graduate pool of a job training program designed to meet their specific hiring or upskilling needs. These trainings could be developed within 3 to 6 months.

Trainings may take many forms depending on the business need – it could be primarily job readiness training with basic industry certifications (such as ServSafe for restaurants); it could be apprenticeship-like models with training occurring onsite at the business location, or it could include a specific combination of industry-based skills bundled together (such as complementary health care certifications).

Based on economic development priorities and where the skills gaps are in key current or future industries in Solano County, **trainings would be implemented in the following industries: healthcare and social assistance (including childcare), manufacturing, entrepreneurship, transportation and logistics, hospitality and climate transition.**

The WDB has been developing this model in Solano during COVID to build a more responsive training response to changing business needs. The WDB is currently working with restaurants in Vallejo and the Vallejo Adult School to develop a culinary program that will launch in April 2022. In addition,

By creating this model, the County workforce and education system will be able to be more responsive to quickly changing industry needs. The WDB anticipates developing these training in concert with the Adult School system and Solano College.

The WDB will leverage WIOA funding for the staffing to support participants in trainings, as well as to provide supportive services such as transportation and training tools to ensure success of the training dollars. In addition, the WDB will be receiving approximately \$400,000 from the California State Workforce Board to train 40-50 individuals through Solano College that it will leverage for this funding option. The award is anticipated in June 2022.

3b. Program Coordination: \$460,000

Industry-based job training is a new approach to job training in Solano County and will therefore require staff support and coordination to effectively launch and coordinate early iterations of the job training programs. Early development and pilots conducted by the WDB have already begun, but expansion to other key industries will require additional coordination. Staff time is also needed to develop the outreach

and career awareness campaign. Once the trainings are established and the outreach campaign completed, the staffing costs can be absorbed into the operations of WDB's business services unit.

3c-e. Special Training Projects

Some sector strategy job training programs have already been designed or proposed by partners and are shovel ready. Due to the reporting requirements and federal compliance requirements associated with ARPA funding, the WDB recommends administering the funds for the special projects and ensuring compliance and reporting requirements are met.

Shovel ready special job training projects:

- **3c. Biomanufacturing (\$200,000)** – The California Biomanufacturing Center submitted an unsolicited proposal to the County Administrator's Office that was reviewed as part of the subject matter workgroup. The proposal illustrates an industry-based job training need of a growing industry in the County and the best practice of using transferrable skills of COVID-impacted workers to fill biomanufacturing needs. Since the proposal is the launch of a new program and provides training that other entities in the County may be able to also provide, the WDB recommends an RFP instead of a sole source procurement to provide pilot funding for a biomanufacturing industry-based job training program in the amount of \$200,000. This would allow a baseline of trainings to be provided and tested.
- **3d. Childcare Provider Bootcamp (\$130,000)** – The number of family-based childcare providers have decreased significantly due to COVID, yet childcare remains a major barrier to individuals wanting to return to the workforce. The WDB recommends a sole source procurement with Solano Family and Children Services to provide additional cohorts of the Childcare Entrepreneurship Bootcamp. This innovative, 25-hour training includes childcare business practices and marketing, infant and toddler development, and access to childcare provider resources. Entrepreneurs will be given a full business start-up kit that includes business management tools, tools for screening children, sample curriculum, professional development opportunities, and COVID-related PPE supplies.

This bootcamp has been tested and proven successful by a well-established local provider and is unique in the area, allowing for a sole source procurement. WDB recommends \$130,000 to support four childcare provider cohorts. The WDB has applied for funding from the California Employment Training Panel to support English-language learners and foreign-born entrepreneurs and small businesses, including funding to develop and implement two cohorts of the Childcare Bootcamp in Spanish that will be leveraged if received. The WDB will learn the results of the application after March 25, 2022.

- **3e. Entrepreneurship (\$264,000)** – Entrepreneurship has seen a significant rise during COVID. In 2020, Americans filed paperwork to start 4.3 million businesses, a 24% percent increase from the year before and by far the most in the decade and a half that the government has kept track of new business applications. Additional assistance is needed to support COVID entrepreneurship, who are most often sole proprietors and freelancers.

The WDB has developed a partnership with BuildED, a national leader in entrepreneurship training, to provide basic entrepreneurship training for individuals seeking to start a business or sole proprietorship. The proposed Entrepreneurship program will include thirty (30) “21st Century Entrepreneurship Workshops,” eight (8) “Sole Proprietor Academy Bootcamps,” and four (4) Biz Startup Jumpstarts. These job training program elements include mini stackable credentials from NAEBL (National Association of Entrepreneurship and Business Leadership) and are intended to be an on-ramp into SBDC services.

WDB recommends \$264,000 over two years to implement this shovel-ready program. The WDB recommends a sole source procurement, as BuildED provides a unique service that has been tested nationally.

3f. Outreach and Career Awareness Campaign: \$438,000

Many unemployed and underemployed individuals, as well as the emerging workforce, are not aware of the quality employment opportunities within these key economic industry sectors. The Subject Matter Workgroup team recommends a collaborative approach with workforce partners, training providers, and industry leaders to build awareness and improve perception of key opportunities within the county. This would include community awareness and marketing campaigns that identify key employment opportunities and the training pathways available locally to obtain employment within these industries.

Included in the career awareness campaign (based on feedback from community partners, training providers, and ARPA Workforce Roundtable attendees) will be visualizations of career pathways within Solano’s key industries for more informed career choices and to outline opportunities for individuals to increase their wages and career options with additional training. The career pathway visualizations will improve resident understanding of Solano’s industries and occupations, leading to improved connections between job seekers and business.

An investment in an outreach and career awareness would lead to increased numbers of Solano residents entering not only the proposed industry-based job training programs, but also into local two-year and four-year programs. Outreach methods and click rates would be measured and reported to the Board of Supervisors quarterly.

Additional Partners

The WDB would partner with the following organizations to implement this funding option:

- **Adult Schools** – Adult Schools are able to create contract job training programs quickly that provide entry-level occupational training. The WDB has a strong training partnership with the county’s Adult Schools and will leverage this partnership. The WDB will leverage Adult School Title II and state funding where feasible to braid funding streams.
- **Solano College** – The WDB will partner with Solano College to align Strong Workforce Training and develop on-ramps from sector strategies into degree and Career and Technical Education programs. Solano College will be a key partner in the career awareness campaign to connect awareness and outreach for sector strategy job training programs, community college programs, and in-demand jobs in the county.
- **Solano Economic Development Corporation** – The WDB will partner with the Solano EDC to build industry awareness and engagement in sector strategies and align with Moving Solano Forward

III activities where feasible. Solano EDC will also be a key partner in the career awareness campaign to connect career awareness and local training options to in-demand jobs.

- **City Economic Development Departments** – Every economic development department in the community engagement process for ARPA recommendations stated talent was the number one challenge in COVID recovery. The WDB will work with city economic development departments to identify additional businesses to participate in sector strategy job training programs.
- **Businesses** – The WDB has taken steps over the past year to build the basis for sector strategies. The WDB has established business partnership interested in developing industry-based training in healthcare, manufacturing, hospitality, transportation and logistics, and climate transition.

Outcomes: Outcomes include

- 400 residents trained in key industries and occupations
- 300 individuals trained in the entrepreneurship training project
- 40 entrepreneurs trained in becoming licensed childcare providers
- Increased worker awareness of career opportunities in Solano County
- Businesses receive a direct pipeline to a locally customized training workforce
- Unemployment and underemployment reduced, with onramps into good-paying jobs for Solano’s vulnerable communities
- Pilots conducted will prepare Solano for future funding opportunities at the state and federal level

Funding Process (Direct Cost, RFP Etc.): The recommended funding process would be a combination of direct costs and procured training. The special job training projects will require contracts over \$75,000, which would be reviewed for approval by the Board of Supervisors.

Additional Funding Considerations:

The WDB, in partnership with the California Association of Healthcare Providers, the National Certified Nursing Assistants Association, LeadingAge California, and Paradise Valley Estates, applied for funding from the California Workforce Development Board to implement a Certified Nursing Assistant upskilling program. If this funding is awarded, it would be leveraged with ARPA funding to build a strong economic mobility pathway in Healthcare.

Implementing these job training programs will position Solano County for additional future grants focused on sector-based training. Sector-based training is the basis of recent and proposed U.S. Department of Labor grants, Economic Development Administration grants such as the Good Jobs Challenge, and state workforce grants, such as the Community Economic Resiliency Fund. Many of these grant opportunities look for tested models from which to build upon.

Timeline: Direct costs to the WDB could be implemented immediately. Shovel ready projects could begin as early as summer 2022. Costs are based on two-year estimates of funding to develop and launch training programs across the industry sectors that can become sustainable models.

Lead Agency: Workforce Development Board of Solano County

Population Served: Targeted community engagement and access would be focused in disproportionately impacted communities; however, all eligible unemployed and underemployed would be able to access job training programs.

Funding Option #4: Expanded Workforce Services to Address COVID Gaps

Title: Expanded Workforce Services to Address COVID Gaps

Amount Recommended: \$1,206,000

The funding recommendation budget is as follows:

	Item	Amount
4a	Expanded community engagement and job readiness: <ul style="list-style-type: none">• 1 FTE Community Navigator for disproportionately impacted communities• 1 FTE Spanish-Speaking Job Center Specialist in Vallejo• 1 FTE Workshop Trainer to build job readiness skills throughout the county• Program Support	\$ 664,000
4b	Improved virtual service tools – support shift to user-friendly online services	\$ 55,000
4c	Vallejo Job Center Improvements – technology upgrades and COVID floor design	\$ 267,000
4d	Employer Resource Network – provide employment and training supports for low-wage, underemployed workers throughout the county	\$ 220,000

U.S. Treasury Category: 2.7 – Job Training and Reemployment Assistance; Costs also eligible under 2.1-2.5 – Assistance to Households

Summary:

COVID has significantly changed what jobs look like and how businesses hire. However, our residents do not have the job search and job readiness skills to adapt to the new business hiring and employment models in the shadow of COVID.

Business reliance on technology for basic business operations, for example, has increased dramatically due to COVID. Eight (8) out of 10 middle-skill jobs now require competence in digital literacy (or basic understanding of computers and technology), yet over 50% of adults state they are “relatively hesitant” with new technology and digital skills. Current WIOA funding cannot meet the expanded need to provide the community with digital literacy skills.

In addition, pre-pandemic the most vulnerable populations living in poverty faced barriers to getting and keeping a good job. Economic mobility, or the ability to increase wages and wealth, was challenging at best. Over a ten (10) year period, according to Brookings Institute, only 43% of workers in low-wage occupations leave low-wage work. Unfortunately, low-wage work is disproportionately populated with women and people of color, regardless of education level. While pathways out of poverty and into good-paying jobs exist, they tend to be difficult and full of hurdles for the most vulnerable populations, who also must balance food and housing insecurity, lack of healthcare coverage, lack of transportation, and more. However, federal workforce funding does not easily allow for support of underemployed individuals.

The proposed solution to these new challenges consists of job readiness coaching and preparation to help job seekers and underemployed adapt to the post-COVID workplace. This funding option proposes expanding the system’s capability to provide both hands-on and virtual support to help residents navigate the new complexities of remote hiring practices, digital literacy standards and other job readiness

components. In addition, the proposed solution meets unemployed and underemployed where they are in order to build up their ability to make family-sustaining wages and reduce reliance on public assistance.

4a. Expanded Community Engagement and Job Readiness: \$664,000

Many job seekers are lacking the foundational work skills needed to adjust to a COVID recovery economy. These skills include basic computer and technology skills, understanding new virtual hiring practices, and how to transfer skills to new occupations. Shifting occupations will be key for many as job needs are changing in the local economy; high-growth jobs are declining, and new jobs are emerging. The WDB proposes to build these foundational skills by providing workshops in the Job Centers and in community locations through the county on today's jobs, virtual job search techniques, changing careers, and foundational digital literacy skills.

In addition, The City of Vallejo represents approximately one-third of the county's unemployed individuals. Investing in stronger employment supports in Vallejo will have the most impact and return on investment for expanding employment services. Vallejo has a high concentration of COVID's disproportionately impacted community as it relates to employment. There are pockets of Vallejo that are not effectively served by workforce entities. Many residents cannot take advantage of workforce services at established Job Centers due to location and time of service. Given the uncertainty of the labor market, additional focus is needed in Vallejo to reengage the community in employment and training opportunities. Costs would include short-term additional community access points for workforce services would provide more equitable access, 1 FTE Community Navigator focused in disproportionately impacted communities to work with community-based partners in reemployment efforts and to offer expanded service hours. Costs would also include expansion of Spanish-speaking services at the America's Job Center of California (AJCC) in Vallejo. This short-term response within Vallejo would create sustainable connections and awareness of services and would inform the WDB of any needed adjustments to time or location of services that can be continued with WIOA and grant funding in the future.

4b. Improved Virtual Service Tools: \$55,000

The WDB made substantial changes to remote access to job seeker and business services during COVID. However, lessons learned have shown additional tools that are more user-friendly and accessible on smartphones are needed to maintain engagement with participants and securely share information. Improved virtual service delivery tools include texting services, web-based forms for participants, and virtual job fair platforms. The WDB has invested approximately \$50,000 into web-based service upgrades and technology upgrades during COVID. ARPA funds would match this investment and complete the conversion to user-friendly virtual services. This would be a one-time investment.

4c. Participant-Focused Upgrades to Vallejo Job Center: \$267,000

The pandemic highlighted needed improvements in job seeker access at the Vallejo Job Center. For example, when Employment Development Department required individuals to scan their Real ID to provide their identity for Unemployment Insurance purposes, the copying and scanning capabilities at the Vallejo Job Center were not able to support the participant need. Job seekers need modern technology to effectively apply for jobs, conduct virtual interviews, gain computer skills, and complete resume documents, but the current computers in the Job Center are on average over 10 years old. They are operating on i3 processors, up to 8mb of memory, and unable to handle the operating power necessary to update Microsoft Office to MS 2019. Upgrades to technology and tools for job seeker usage will allow job seekers access to up-to-date technology, which is necessary for in-demand digital literacy skills and

new virtual hiring practices. Recommended costs include upgrading computer equipment and auxiliary devices used by job seekers. In addition, recommended costs include furniture and equipment to aid in floorplan changes to better allow for social distancing. This would be a one-time investment.

4d. Employer Resource Network - Reaching Underemployed Workers: \$220,000

Given the current labor market environment and the concerns for low-income workers in post-COVID recovery, a new solution is needed to meet the needs of our underemployed workers and those who are working but are not making ends meet. The WDB proposes an Employer Resource Network (ERN) as the solution.

Employer Resource Networks (ERN) are a promising national practice that assists low-income workers with navigating access to social systems that provide sustained support, increased job retention, and access to economic mobility through the use of Success Coaches. ERNs are an employer-driven model that have been particularly successful with small and mid-size firms in increasing their employee retention and productivity. Businesses pay membership fees that usually cover over half of the costs of the network, with the remaining funds leveraged through a combination of public funds, grants, and donations. Quantified results include increased employee productivity, increased employee qualification for higher-paid positions, decreased public assistance use, and an increased average employee retention rate of 95%. ERNs also allow small and mid-size businesses to create economies of scale in addressing employee retention and mobility.

For this funding recommendation, the Subject Matter Workgroup recommends a two-year investment to launch an ERN in Solano County. ERN USA partners with ERN start-ups to build employer engagement and buy-in and lead employer groups in the development of the local ERN parameters and structure. Nationally, grants often cover 75% of the total ERN operating costs with businesses covering 25% in the initial start-up. Within three years, evidence has shown the funding model is reversed.

Outcomes: Expected outcomes include

- 6,000 job seekers receive improved technological, accessible, and in-language employment support in Vallejo
- 600 job seekers participate in job readiness workshops
- Improved virtual access to services for individuals unable to come in person to Job Center locations
- 100 underemployed workers receive employment and training support, reducing reliance on public assistance and becoming more productive and reliable employees

Funding Process (Direct Cost, RFP Etc.): Direct costs

Additional Funding Considerations:

Federal and state investment in COVID recovery to date has been in targeted training or employment approaches, rather than in improved access to services. Investment in expanded services in Vallejo and enhancing job readiness skills for the local workforce has no additional leveraged funding capabilities at this time. Therefore, local ARPA investment would fill a gap not covered by other funding sources.

The Employer Resource Network model focuses an initial government or philanthropic investment in start-up costs. After two years, the model begins to bring in the revenue to fund the bulk of the cost to

operate an Employer Resource Network. If this funding option is selected, the WDB plans to refocus its Layoff Aversion annual allocation to support the cost to maintain the Employer Resource Network (ERN) after the initial start-up investment. The Board may choose instead to first invest an upfront \$20,000 to bring ERN USA to Solano County to support industry engagement and ERN development. Based on the initial business interest, the Board may then choose to invest the remaining funds needed to launch the ERN.

The Board may also choose to select one or more elements of the bundled funding option.

Timeline: Implementation start-up of the services within this funding options would begin immediately upon receiving funding. Staffing costs and the launch of an Employer Resource Network are based on two years of funding.

Lead Agency: Workforce Development Board of Solano County

Population Served: Unemployed workers, underemployed workers, individuals seeking economic advancement

FUNDING RECOMMENDATIONS

The Workforce Development Board (WDB) of Solano County, the Solano-Napa Small Business Development Center (SBDC), and the Solano Economic Development Corporation (EDC) have compiled a comprehensive set of funding options that the Subject Matter Workgroup believes will address and mitigate the negative economic impacts for Solano's workers and businesses.

The Subject Matter Workgroup reviewed the unsolicited proposals received by the County as part of the recommendation process. The proposal received from the California Biomanufacturing Center is recommended at reduced funding to develop the model and ensure successful outcomes. The proposal received from Healthy Vallejo is recommended to apply for funding through the investment in community-based workforce RFP.

Key Takeaways

- Allocate \$736,455 to maintain current service delivery of employment, training, and small business advising and training in order to meet current demand.
- Provide grants to non-profit organizations providing employment and training services in the community, coupled with technical assistance and infrastructure funding.
- Allocated funding for Industry-Led Job Training to establish locally customized skill training that effectively meets in-demand skills and improves access into key career pathways in the county.
- Targeted investments in disadvantaged communities and post-COVID foundational skills are recommended to facilitate an inclusive and sustainable economic recovery.

<p>FUNDING OPTION #3 Industry-Based Job Training</p> <p><i>3a Industry</i> <i>3b Program Dev</i> <i>3c Biomanufacturing</i> <i>3d Childcare</i> <i>3e Entrepreneurship</i> <i>3f Outreach</i></p>	<p>2.7 Job Training and Reemployment Assistance</p>	<p>This funding option focuses on short-term, industry-led occupational and work-based training to meet current business needs, as well as ensuring disproportionately impacted communities can access training.</p>	<p>Outcomes:</p> <ul style="list-style-type: none"> Over 700 individuals trained in key industries and occupations <p>Impact: Rapid reemployment of unemployed and underemployed; increased community awareness of good jobs in Solano County; promising practices established for future funding opportunities</p>	<p>\$1,898,000</p> <p>Recommended RFP amount: \$594,000</p> <p><i>\$ 406,000</i> <i>\$ 460,000</i> <i>\$ 200,000</i> <i>\$ 130,000</i> <i>\$ 264,000</i> <i>\$ 438,000</i></p>	<p>Partial</p>
<p>FUNDING OPTION #4 Expanding Workforce Services to Address COVID Gaps</p> <p><i>4a Readiness</i> <i>4b Virtual Tools</i> <i>4c Vallejo JC improv</i> <i>4d Employer Netwk</i></p>	<p>2.7 Job Training and Reemployment Assistance</p> <p>2.1-2.5 Assistance to Households</p>	<p>This funding option expands services to address key negative COVID impacts (digital literacy and economic mobility) and improve workforce services in disproportionately impacted communities.</p>	<p>Outcomes:</p> <ul style="list-style-type: none"> 6,000 job seekers receive improved technological, accessible, and in-language employment support in Vallejo 600 job seekers participate in job readiness workshops 100 underemployed workers receive employment and training support <p>Impact: improved service delivery in Vallejo and county-wide disproportionately impacted populations; improved digital access and literacy of residents; more effective and efficiency participant access to remote services; improved economic mobility for Solano’s vulnerable workers</p>	<p>\$1,206,000</p> <p><i>\$ 664,000</i> <i>\$ 55,000</i> <i>\$ 267,000</i> <i>\$ 220,000</i></p>	<p>No</p>

* This represents WDB costs to administer and run the above programs. This amount would need to be calculated per project if all not approved.