

2014 Economic Development Request for Application

Scope of Work

1. INTRODUCTION

The overall objective for this competitive solicitation is to establish contracts with community-based organizations for services that promote career and occupational training, based on the needs for labor that are determined by industry growth and occupational demand, in an amount not to exceed \$1,280,650 million per 12-month period.

Contracts entered into under this RFA are anticipated to be for an initial three-year period, beginning October 1, 2015, with three one-year renewal options for a total contract period not to exceed six (6) years. All contracts awarded through this solicitation will require authorization of the Austin City Council. The City Council has directed that final contract decisions be consistent with the goals of the Imagine Austin Comprehensive Plan.

The initiatives of the Economic Development Department (EDD) create jobs in Austin that provide employment opportunities for those unemployed, underemployed and “hard to employ” residents of Travis County. This program seeks to assist individuals who wish to enter the local labor force and/or elevate their income to become self-sufficient or enrich their quality of life. This program seeks to align current industry needs for skilled individuals and future employment opportunities with the unemployed, underemployed and “hard to employ” population through career and occupational training.

This Scope of Work is intended to describe the relationships between industry, occupational training providers, and the targeted population of unemployed, underemployed or “hard to employ” individuals. The contracted services will target people who are residents of Austin and/or Travis County with gross family income at or below 200% of federal poverty guidelines.

Through this Request for Application (RFA), The City seeks to provide training for skill associated with high-demand occupations that will accommodate immediate, current, and future labor force demand, determined by industry needs, input from industry professionals and supporting market data. To that end, the City of Austin (City) seeks applications in response to this RFA from qualified providers (Applicants) with demonstrated experience in providing occupational training to persons with diverse needs and backgrounds.

1.1 Industry-based Goals for Career and Occupational Training:

- a. Market Knowledge for Labor Force Capacity: The ability to collect information and develop research that provides insight and trends regarding the local labor market and labor force assessment.
- b. Industry Input: The ability to develop relationships with industry groups to allow for regular input regarding labor needs, concerns and feedback related to overall performance of the training programs developed and deployed for their respective industry segment.
- c. Employer Engagement: Developing one-on-one relationships with employers to better understand their needs for labor, training, and labor force recruitment and retention.
- d. Industry based Services: The ability to connect all collected information to provide career and occupational training in the following areas:
 - High Demand Occupations: Training for occupations in which collected data yields Current or Immediate labor needs which provide opportunities for job placement and advancement that already exist in the market.

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- Targeted Occupations: Training for Future labor needs and occupations that would be a result of the City's focus for proactive efforts in business recruitment and expansion:
 1. The expansion of small business locally and the recruitment of technology based manufacturing and logistics industries.
 2. Industries of interest that are presented through Opportunity Austin.
 3. Science, Technology, Engineering and Math (STEM) related careers.
- e. Speed of Business: The ability to engage with industry and address needs by developing and offering curriculum for:
 - Immediate needs within 3 to 4 months.
 - Current needs within 6 months to 2 years.
 - Future needs within 2 to 4 years.

1.2 Career Pathway Related to Economic Development Goals:

- a. Targeted Participation: Ensure that services are tailored to and provided to individuals that are prepared to enter or re-enter the labor force as a competitive candidate for employment. These individuals include but are not limited to:
 - Unemployed individuals seeking employment.
 - Underemployed individuals seeking advancement.
 - Individuals with a high school diploma or GED.
 - Individuals with some post-secondary education but not a formal degree.
 - Individuals with disabilities.
 - Veterans.
 - Single parents with minor children.
 - Individuals with criminal histories.
 - Residents of Permanent Supportive Housing (PSH) and other housing programs funded by City of Austin Health and Human Services Department (HHSD).
 - Individuals served by other HHSD social services contracts.
- b. Participant Eligibility: The ability to program training courses that will cater to those with a family income at or below 200% of poverty or those individuals that are able to show evidence of being "head of household" with younger or older dependents.
- c. Participant Outreach: The capacity for the organization to actively promote programming and occupational opportunities to the targeted participants; strategically generating interest and enrollment.
- d. Participant Assistance: Demonstrate the ability to provide support services that will encourage and incentivize the target participant's enrollment by removing or reducing entry barriers and allowing the participant to remain enrolled in the program until completing the training curriculum.
- e. Occupational Placement: The ability to mentor targeted participants on steps needed for entering or re-entering the labor force, while actively connecting the participants with potential job opportunities in Austin, Texas.
- f. Employee Retention: The capacity for the organization to provide follow-up services on a regular cycle to those individuals that have completed the training curriculum to ensure that the participants will have a mentor to share or overcome any new employment concerns, as well as a source of information for assistance in remaining employed.

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- g. Self-sufficiency: This RFA aligns with the Social Service RFA, particularly with these self-sufficiency goals:
- Transition Out of Poverty: Ensure developmental, educational, employment and other special opportunities for disadvantaged persons to further self-reliance.
 - Enrichment: Encourage personal development and community enrichment through cultural and educational programs

2. BACKGROUND

The Economic Development Department (EDD) has traditionally supported career and occupational training by providing grant funding to Austin/Travis County Health and Human Services at over \$1.2M per fiscal year for labor force development organizations. Second, EDD increasingly stimulated labor force development through direct department initiatives to pioneer new components to economic development incentive agreements to instill STEM skills in local schools.

A Labor Force Ready for Modern Industry

Austin's economic competitiveness has been supported by a capable labor force ready to engage in the on-going venture of creating our dynamic, innovative city. This program seeks to continue the development of a local labor force to maintain Austin's competitiveness and to provide Austinites an opportunity to fully derive the benefits of a strong, growing economy. The Austin technology sector alone will create 9,000 jobs in the next three years, and skilled, local workers are crucial in order to sustain the pace of our enviable economic engine. The parameters of this RFA are predicated on current trends: companies are forecasted to continue to expand in Austin, generating employment in the years to come.

It will be critical to engage traditionally underrepresented populations in Austin's local labor force to fill these jobs. The growing Hispanic population is particularly important in this regard: Hispanics currently account for 35% of Austin's population, yet they only represent up to 22% of the STEM labor force (and when healthcare practitioners and technical occupations are excluded, representation dwindles to a meager 9%). At the same time, the Austin African American population continues its steady decline from 15% of the total population just a few decades ago to 8.1% today. Providing STEM education and training to the African American community could help engage this population in area job opportunities to retain the diversity of the Austin area in the decades to come.

This RFA: The Labor Force Connection to the Overall Economy

The Austin economy depends on both a capable labor force and self-sufficient individuals, those that are not dependent on government or public assistance, outside of the labor force. This Economic Development RFA recognizes the need to empower the current labor force with modern skills and engage hard-to-employ populations as a meaningful part of the economy. Applicants are invited to find a place for all local residents in the growing Austin economy.

As the social and economic environment changes, the City will strive to invest in career and occupational training services that focus on the needs of growing industry, the ability to promote Austin as an economically competitive location for business attraction and expansion, while also provides self-sufficiency for targeted individuals and families.

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3. PRINCIPAL OBJECTIVE & GOALS

This RFA establishes an open and competitive process that encourages Applicants to focus on providing the career and occupational training needed to bridge unemployed, underemployed and “hard to employ” individuals with the immediate, current and future job opportunities that are available through incoming and expanding industry in Travis County. This RFA requires the service strategy/strategies proposed be consistent with one or more of the goals outlined below:

- a. **Demand for Immediate Labor Force:**
By way of working with the Economic Development Department and utilizing the department’s contracts with allies for business recruitment and expansion, companies look to enter or expand in the local market. Depending on circumstances, the company(ies) may need to realize their ability to develop a specialty-skilled labor force from the local labor market in a very short period of time. The company may be more inclined to locate their expansion if local training providers can demonstrate the ability to create a customized training curriculum for rapid labor force development needs, building a pool of trained individuals eligible for employment within a three to four month period. Applicants are expected to create relationships with the Economic Development Department, the department’s allies, and companies looking to locate or expand in Austin to demonstrate the ability to develop this type of customized training curriculum.
- b. **Demand for Current Labor Force:**
Applicants for this process are expected to create relationships with the Economic Development Department and a diverse group of business leaders, organizations and/or focus groups that offer a comprehensive snapshot of Travis County’s current industry portfolio. Applicants will be expected to demonstrate how they are able to utilize these relationships to collect information regarding current labor force needs and concerns for the Austin market. Further, Applicants will be expected to provide reporting that shows the development and deployment of industry-based curriculum that is directly connected to findings from industry input and a range of secondary data sources that reference occupational availability and demand. This level of interaction and data collection should help industry to feel more confident that the local labor force and labor market can support their expansion in Austin, matching high-demand occupations and potential labor pools with the career and occupational training that will address market needs in six to eighteen months.
- c. **Demand for Future Labor Force:**
By way of working with the Economic Development Department, Applicants are expected to provide labor force development services that coincide with the City’s overarching plan to grow and sustain a competitive economy through industry diversification and business expansion. Applicants will be expected to demonstrate how it is that they will flex their relationship with industry leaders, organizations and/or focus groups to collect information regarding industry development related to new technologies, growth, and the resulting next wave of high-demand occupations. Further, Applicants will be expected to overlay this information with that of industry sectors being proactively targeted by the Economic Development Department and its allies efforts for business recruitment and expansion. Within reason, Applicants should be prepared to

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launch programming that will meet the needs of new-horizon, high demand occupations, while still offering participants the transferable skills needed to obtain the jobs of tomorrow, today.

- d. **Bringing the Hard-to-Employ into the Labor Force:**
At the same time that Austin benefits from a growing tech sector, about 10,000 individuals in the area fit the chronically hard-to-employ category; often relying on social services for much needed support. This population includes homeless individuals, former convicts, post-secondary dropouts, individuals with language barriers and other individuals noted in the Targeted Participation (1.2 a). This population needs the career and occupational training to benefit from the growing Austin Economy. Moving 60% of this population away from dependence on social services, through self-sufficiency, to joining the productive labor force over a five year period is a priority for Economic Development.
- e. **Return to the Economy**
Applicants for this process are expected to provide metrics on their interaction and program development for targeted industries, targeted occupations and the targeted participants. Reporting would include, but are not limited to the following metrics that meet economic development goals of industry driven occupational development; the direct connection between occupational demand, program development and targeted participants entering these occupations; the participants career pathway for sustainability, the benefit or growth related to the industry or the individual company(ies) as a result of the training efforts; the return calculated for the investment and resources used during the process of assisting these individuals.

Applicants are encouraged to refer to studies regarding the outcomes and impacts for participants in community-based workforce programs. Applicants are also encouraged to describe existing or planned relationships with an independent evaluation or research organization(s) and how this relationship will be utilized to provide metrics for Return to the Economy. Annual reports will be required, and Applicants should include and delineate the cost for such reports as a component of the response.

4. CONNECTION TO IMAGINE AUSTIN

Successful Applicants will indicate how proposed strategy/strategies correspond to the Imagine Austin Comprehensive Plan complete vision statement and one or more of its core vision components. Imagine Austin identifies a host of policies that it terms “building blocks” and then groups them under “priority programs” to narrow a path toward implementation. Applicants will benefit from understanding that this RFA is part of the implementation of priority program #3: “Continue to grow Austin’s economy by investing in our labor force, education systems, entrepreneurs, and local businesses.”

The Imagine Austin Comprehensive Plan Vision Statement

“Austin is a beacon of sustainability, social equity, and economic opportunity; where diversity and creativity are celebrated; where community needs and values are recognized; where leadership comes from its citizens, and where the necessities of life are affordable and accessible to all.”

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Core Components of the Imagine Austin Comprehensive Plan Vision

Several core vision components specifically relate to investment in social service. These key vision components and supporting points may be viewed online in their totality at <http://www.austintexas.gov/page/Imagine-Austin-Vision>. Particularly relevant are (note, these are in a redacted form):

Austin is Livable: All residents have a variety of urban, suburban, and semi-rural lifestyle choices with access to quality schools, libraries, parks and recreation, health and human services, and other outstanding public facilities and services.

- Austin's diverse population is active and healthy, with access to locally-grown, nourishing foods and affordable healthcare.

Austin is Educated: Austin provides everyone with an equal opportunity for the highest quality of education that allows them to fully develop their potential. Networks of community partnerships support our schools and ensure that our children receive the resources and services they need to thrive and learn.

- Our school campuses provide safe and stable environments enabling future success.
- Every child in Austin has the chance to engage with other cultures, communities, and languages, providing pathways for healthy development and the critical thinking skills students need as future citizens of Austin and the world.

Austin is Prosperous: Austin's prosperity exists because of the overall health, vitality, and sustainability of the city as a whole — including the skills, hard work, and qualities of our citizens, the stewardship of our natural resources, and developing conditions that foster both local businesses and large institutions.

- Equitable opportunities are accessible to all through quality education, training, and good jobs.

Austin Values and Respects its People: Austin is its people. Our city is home to engaged, compassionate, creative, and independent thinking people, where diversity is a source of strength, and where we have the opportunity to fully participate and fulfill our potential.

- People across all parts of the city and of ages and income levels live in safe, stable neighborhoods with a variety of affordable and accessible homes with access to healthy food, economic opportunity, healthcare, education, and transportation.

Implementation of Priority Program #3

This RFA is part of transforming vision into reality through implementation. Applicants may want to consider referencing metrics to help demonstrate the capacity of a proposed strategy for implementation. Applicants may want to consider such metrics as:

- Employment rate and average wages by age, geography, and race/ethnicity
- Total number and percentage of Austin skilled labor force compared with the region
- Working wage.

5. PROGRAM STRATEGIES & TARGET POPULATION

The City is intentionally leaving program service/strategy and target population options open beyond the criteria listed in this section for the areas described above, allowing Applicants to

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propose solutions to improve or promote relationships between industry, occupational training providers, and the targeted population of unemployed, underemployed or “hard to employ” individuals. Applicants are encouraged to incorporate strategies that reflect evidence based or promising practices and the proposed strategies shall be aligned with the Economic Development goals outlined in sections of this RFA.

Applicants may propose multiple strategies either within the same application or in separate applications as appropriate for connecting high demand occupations and industry labor force needs with the targeted population(s). Applicants shall clearly identify the target population(s) they plan to serve.

The services the City will purchase will reflect the following:

- a. Industry-centered with a holistic approach
- b. Provides career and occupational training to high-risk clients living at or below 200% of poverty with significant and/or multiple barriers to self-sufficiency and stability
- c. Integrated with the community to improve access to supportive services
- d. Links client and services to other City-funded or City-operated services
- e. Independent research to support describing outcomes and impacts for participants, and other metrics showing Return to the Economy

The applicant will also provide data to demonstrate the need for the strategy/strategies being proposed. Data should include but is not limited to:

- a. Industry growth and labor needs assessment
- b. Occupational demand and alignment with trainings provided
- c. Client demographic
- d. Community need

If the proposed strategies are collaborative with other service providers, Applicants will indicate how the proposed strategies will be implemented to successfully reach individuals and/or how the proposed collaborative will successfully work together to maximize service delivery to industry and the target populations.

Applicants may submit one or more applications as a primary contractor and may choose to participate as a subcontractor or partner in another application.

6. OUTCOMES & OUTPUTS

One or more of the following high-level outcomes designed to demonstrate progress in the relationship between industry, occupational training providers, and the targeted population is required for all applications. Additional outcomes may also be proposed, if applicable.

1. Percent of employer partners offering jobs to participants
2. Percent change in high demand occupations as a result of programming
3. Percent of individuals who gain employment in high demand occupations
4. Percent of individuals who demonstrate independence from social services
5. Percent of individuals who maintain or increase income
6. Percent of participants earning at least \$11.00 per hour
7. Percent of participants receiving health care benefits as part of their wage package

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All applications shall also include the following high-level output. Additional outputs may also be proposed which show the connection to primary and secondary Life continuum category/categories, if applicable.

1. Number of unduplicated participants served per contract year
2. Number of unduplicated participants served during the initial 36-month contract period
3. Number of employee partners
4. Average hourly wage of participants who become employed after training

As described in 3(e) above, Applicants will provide annual reporting conducted through independent evaluation and research related to performance measurements of the programming and participation outlined in this RFA. Applicants should include and delineate the cost for such reports as a component of the response.

7. ELIGIBILITY GUIDELINES

The eligibility guidelines for this RFA are outlined in Section 0610 – City of Austin Health and Human Services Department Client Eligibility Guidelines. The City requires all awarded agencies to maintain a complete and current record of client eligibility throughout the entire contract period (e.g. client file or electronic record) that includes documentation of the elements listed in Section 0610.

Applicants may propose alternate eligibility criteria from the guidelines in Section 0610 for the proposed target population(s). If applicable, Applicants shall clearly define the proposed alternate eligibility criteria and make a case for the need for alternate criteria.

Applicants shall describe how the City of Austin Health and Human Service Department Client Eligibility Guidelines (Section 0610) or the proposed alternate eligibility criteria will be documented for the target population(s) identified in the application.

8. FUNDING INFORMATION

- a. \$1,280,650 million is available per 12-month period for a total three-year amount of \$3; 841,950 million dependent upon Austin City Council approval.
- b. Applicants shall apply for at least \$57,000 per 12-month period.
- c. The initial funding period will be October 1, 2015, through September 30, 2018.
- d. It is the City's intent to provide initial three-year contract with three (3) one-year renewal options, for a total contract period not to exceed six (6) years.
- e. The City of Austin reserves the right to adjust the contract amount or scope of work over the contract period based on community needs, applicant's ability to expend funds in a timely manner or any other factor. When the City determines adjustments need to be made, the City will provide at least 90-day notice to the contractor.

9. ELIGIBLE APPLICANTS

- a. Any nonprofit or governmental agency that can legally contract with the City (as verified by the City Purchasing Office).

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1. City policy does not permit entering into a contract with an entity that owes taxes to the City.
2. The Applicant and its principals may not be currently suspended or debarred from doing business with the Federal Government, as indicated by the United States General Services Administration list of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- b. Applicants shall be able to meet the City's insurance requirements for social service contractors. See the insurance requirements in Section 0400 of the RFP.
- c. Applicant shall be able to obtain a Fiduciary Bond if a contract is awarded in the amount of the proposed application.
- d. Applicant's two most recent audit years:
 1. Shall reflect an unqualified opinion
 2. Shall not reflect a "Going Concern Uncertainty"
 3. Shall not reflect financial management issues unless Applicant can provide evidence that necessary changes have been implemented.
- e. Applicant's Board of Directors shall:
 1. Have specific terms
 2. Meet in person a minimum of three times per fiscal year
 3. Have a process to review program performance, approve budgets, and review financial performance.
- f. Within the last five years, the Applicant shall have a minimum of two years successful experience working with target populations and providing proposed services to clients.

All Applicants must submit the following documents in a sealed envelope in the same package as their application:

- a. Completed Threshold Review Checklist (Section 0605)
- b. Current Board of Directors by-laws
- c. Approved Board of Directors minutes during the previous fiscal year reflecting the Board has a process to:
 - a. review program performance
 - b. approve budgets
 - c. review financial performance
- d. Copy of the most recently filed 990 or 990-EZ form
- e. A complete set of audited financial statements to include the auditor's opinion and any management letters, covering the two most recent audit years
- f. Completed Non-Suspension or Debarment Certification Form (Section 0805)
- g. Letter from a Surety Bond Agency certifying they will provide a Fiduciary Bond to the Applicant if a contract is awarded in the amount of the proposed application