

SA Ready to Work

City Council B Session
December 2, 2020



CITY OF SAN ANTONIO
**ECONOMIC DEVELOPMENT
DEPARTMENT**

Agenda

- Overview
- Governance
- Advisory Board
- Economic Impact
- Service Model
- Implementation Options – Staffing Scenario and Financial Forecast
- Timeline and Milestones





Overview



**Workforce
Training**



**Degree
Completion**



**Wraparound
Support**



**Emergency
Financial
Assistance**

Governance

Interlocal Agreement

San Antonio Early Childhood Education Municipal Development Corp. (MDC) and City

City Responsibilities:

- Implementation - City Manager
- Oversight - City Council
- Fiscal Agent – similar to Pre-K for SA

MDC Responsibilities:

- Approve budget (recommended by City staff)
- Receives bi-annual updates

- **MDC and City Council to approve amendments to bylaws**
 - Delineate early childhood education functions and add a separate section for workforce education functions

SA Ready to Work Advisory Board

- **Purpose**

- Provide input on demand occupations, workforce training alignment and training targets (certificates vs. degrees per year), and wraparound support
- Serve as community program ambassadors, promoting resident participation and employer hiring of participants

Proposed Composition – appointed at-large

4 - Local employers (in-demand occupations)
2 – Current/previous participants
1 - Trade and labor organization
1 - Community organization
1 – Training provider*

2 City Council
liaisons
appointed by
Mayor

Additional
ad-hoc
working
groups may
be convened

* Cannot serve program participants

Near-term Council Actions

December 2020

- Establish Advisory Board

January - February 2021

- Recruit, Interview and Appoint Advisory Board

February 2021

- Approve Interlocal Agreement
- Amend MDC bylaws

Economic Impact

- Completed by Dr. Steve Nivin
- Assumptions consistent with performance measures

80%
Certificate Completion

70-80%
Degree Completion

80-90%
Job Placement

90%
Compensation
Increases

Economic Impact

\$13.1 Billion

TOTAL PROJECTED COMMUNITY BENEFIT

\$5.7 Billion Increased wages of participants

\$7.4 Billion Additional and induced spending of increased wages

\$85 to \$1

RETURN ON INVESTEMENT

Recently Moody's stated **Proposition B** can help increase employment and ultimately lift sales tax revenue

Service Model – In-Demand Training and Education *Enrollment*

Level of Training	2021	2022	2023	2024	2025*
Certificate	1,200	6,000	6,000	4,000	3,200
Associates**	260	1,300	1,300	2,000	1,600
Bachelors**	540	2,700	2,700	4,000	3,200
Total	2,000	10,000	10,000	10,000	8,000

*Program enrollment to begin Sept. 2021 and continue through Dec. 2025

** Class enrollment to begin in Spring 2022

Service Model – In-Demand Training and Education *Enrollment*

Fiscal Year: July-June

Level of Training	FY 2022 ¹	FY 2023	FY 2024	FY 2025 ¹	FY 2026 ²	FY 2027 ²
Certificate	4,500	6,000	4,000	4,000	1,200	0
Associates ³	975	1,300	2,000	2,000	600	600
Bachelors ³	2,025	2,700	4,000	4,000	1,200	1,200
Total	7,500	10,000	10,000	10,000	3,000	1,800

1. Program enrollment to begin Sept. 2021 and continue through Dec. 2025
2. Continued support for participants enrolled before Dec. 2025
3. Class enrollment to begin in Spring 2022

Service Model – Wraparound Support

Level 1

Highest Barriers

Potential Challenges:

Homeless, food insecurity,
Disability, ACEs

Weekly or bi-monthly
contact

Level 2

Moderate Barriers

Potential Challenges:

Childcare needs, transportation,
emergency assistance

Contact every 2 to 3
weeks

Level 3

Minimal Barriers

Potential Challenges:

Soft Skills, career identification,
resume development,

Contact every 1 to 2
months

Wraparound Support RFP Process



Various community organizations available

Preliminary input from potential partners

Effectively assess partner capacity

Quantity and quality contract deliverables

Wraparound Support Scenario Comparison

	Outsource All Support	City Provides All Support	Hybrid Option
Wraparound Support Average Annual Cost	\$10.4 million*	\$11 Million	\$11.4 million*
Total City Personnel	21	159	63
Scale/Ramp Up	Requires substantial additional capacity to serve at scale		Establishes internal structure to augment agencies, if needed
Accountability and Performance Monitoring	Via contracts	Direct employee supervision	Direct employee supervision and via contracts
Service Delivery Consistency	Via contract compliance	Via supervisors – direct monitoring	Direct monitoring for Level 1 and some Level 2/3

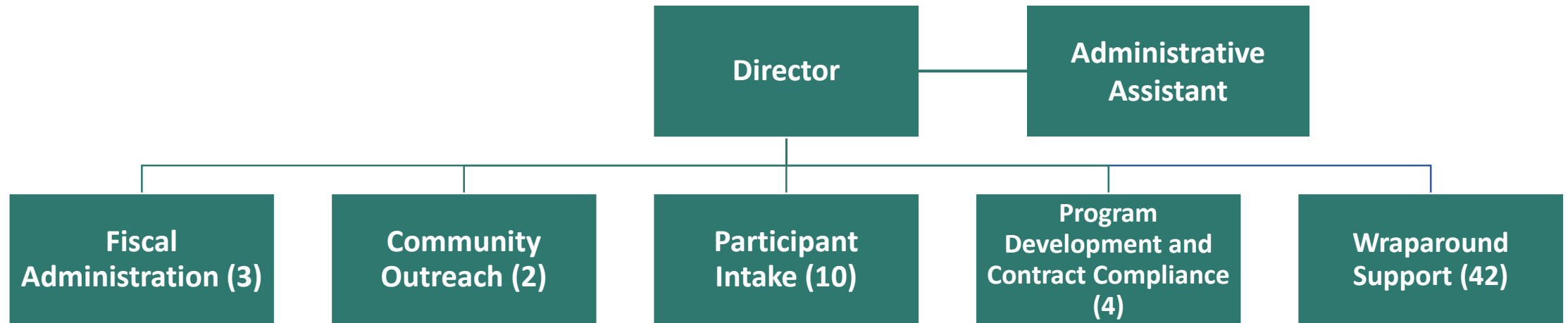
*Estimate – to be finalized through contracting process

Wraparound Support Scenario Comparison

Outsource All Support	City Provides All Support	Hybrid Option
Strengths <ul style="list-style-type: none">• Lower average annual cost: \$10.4 million• Total City personnel: 21	Strengths <ul style="list-style-type: none">• Service consistency for participants• Direct employee accountability and performance monitoring	Strengths <ul style="list-style-type: none">• Service consistency and direct employee accountability and performance monitoring for participants with most barriers• Infrastructure to scaling service delivery, if needed
Challenges <ul style="list-style-type: none">• Agency capacity to scale• Accountability and performance monitored via contracts - slower to identify and resolve challenges	Challenges <ul style="list-style-type: none">• Total City personnel: 159	Challenges <ul style="list-style-type: none">• Concentrated costs for high level wraparound support

Proposed Structure

Level 1 and Some Level 2/3 Wraparound Support provided by City



Proposed Structure

Level 1 and Some Level 2/3 Wraparound Support provided by City

(\$ in Millions)	FY 2021 ¹	FY 2022	FY 2023	FY 2024	FY 2025 ¹	FY 2026 ²	FY 2027 ²
Beginning Balance	\$0	\$8.4	\$17.3	\$13.5	\$10.0	\$6.9	\$9.0
Revenues	9.2	38.4	39.8	41.2	42.0	21.5	0
Administration	\$0.6	\$1.8	\$1.8	\$1.9	\$1.9	\$1.5	\$0.9
Sales Tax Collection Fee	0.2	0.7	0.8	0.8	0.9	0.4	0
Intake	0	1.0	1.0	1.1	1.1	0.5	0
Wraparound Support	0	8.5	11.2	11.4	11.7	3.9	2.0
Tuition	0	15.5	26.3	27.0	27.0	12.3	5.1
Emergency Financial Assistance	0	2.0	2.5	2.5	2.5	0.8	0.5
Total	\$0.8	\$29.5	\$43.6	\$44.7	\$45.1	\$19.4	\$8.5
Ending Balance	\$8.4	\$17.3	\$13.5	\$10.0	\$6.9	\$9.0	\$0.5

1. Program Enrollment: Sept. 2021-Dec. 2025

2. Continued support for participants enrolled prior to Dec. 2025

Fiscal Year: July-June

Staffing Scenarios

Executive Recruitment

- Function as a separate office
- Oversee by Director

December 2020

- Begin National Recruitment Process
- Contract with Executive Recruiting Firm

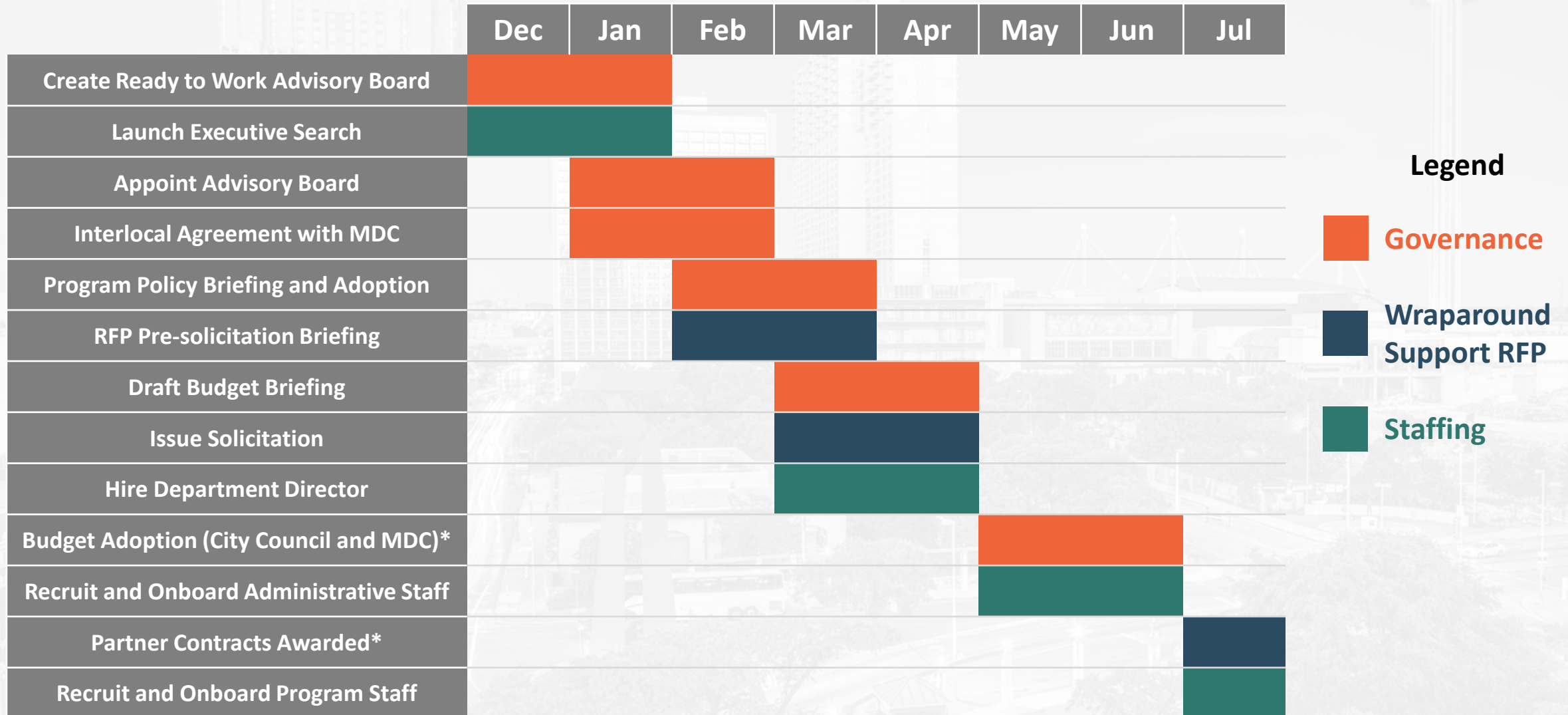
January/February

- Recruitment and Interview Process
- Include City and Community Stakeholder

March/April

- City Manager Appoints Director
- Director Begins

Timeline & Milestones





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