



CITY OF DURHAM | NORTH CAROLINA

**Date:** 02/26/16

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Kevin Dick, Director of Office of Economic and Workforce Development

**Subject:** Amendment to the City of Durham Employment and Training 2015-2017 Grant Project Ordinance #14891

### **Executive Summary**

This item amends the City of Durham Employment and Training 2015-2017 Grant Project Ordinance #14891

The amendment reflects a total increase of \$22,031 in available Workforce Innovation and Opportunity Act (WIOA) funds resulting in a new total of \$1,592,307. Line-item revisions to the 2015-2017 budget have made this amendment necessary to maintain an overall balanced budget.

### **Recommendation**

Staff recommends that City Council authorize the City Manager to accept the “Employment and Training” Grant by executing the grant documents and adopting the “City of Durham Employment and Training 2015-2017 Grant Project Ordinance” in the amount of \$1,592,307, superseding Grant Project Ordinance #14891.

### **Background**

The Office of Economic and Workforce Development (OEWD) receives Notices of Fund Availability (NFA's) from the North Carolina Department of Commerce, *Division of Workforce Solutions* (DWS), periodically during the year as additional funding becomes available or when special funding is awarded. Funds received are added to the City of Durham *Employment and Training* grant project ordinances to provide workforce development services to Durham residents and businesses.

On February 18, 2016, OEWD Staff received notification that the Adult and Dislocated Worker PY2015 funds that were rescinded in October 2015 have been restored. The PY2015 Administrative funds were also impacted as these funds are funded through the Adult and Dislocated Worker grants. The overall increase of funds across all three programs totals \$1,831.

On January 13, 2016, OEWD staff received written notification that Durham Economic Resource Center (DERC), a training provider located at 118 Hunt St. in Durham, was awarded \$9,800.00 to

provide 8 of their employees training in database management through the State of North Carolina NCWorks Incumbent Worker Training Grant program. Due to staffing changes within DERC, the company is not able to utilize the grant funds.

The State of North Carolina NCWorks Incumbent Worker Training Grant program offers opportunities for North Carolina businesses to compete for funding that will help them train existing employees for the purpose of skill upgrades. Funds flow from the North Carolina Department of Commerce – Division of Workforce Solutions through the Durham Workforce Development Board/Office of Economic and Workforce Development.

On October 22, 2015 OEWD was awarded \$30,000 in National Emergency Grant funds for dislocated workers. The North Carolina Division of Workforce Solutions awarded the funding to support the development of a NC Works Certified Pathway in the Health and Life Sciences Industry Cluster. The funds can be used from October 1, 2015 through June 30, 2017. Once two Durham career pathways receive NC Works Certification, OEWD can apply for up to \$300,000 implementation grant to serve dislocated workers.

To date, OEWD has received NFAs from DWS totaling \$1,592,307 for 2015-2017 to implement and/or administer federally funded WIA programs for eligible youth, adults, and dislocated workers; and to support services through the provision of special activities funds.

### **Issues/Analysis**

This item will increase the City of Durham 2015 -2017 Employment and Training Grant Project Ordinance by \$22,031 from \$1,570,276 to \$1,592,307.

To accurately reflect an increase of \$22,031 in available PY15 WIOA funds, an amended City of Durham Employment and Training 2015-2017 Grant Project Ordinance in the amount of \$1,592,276 has been prepared to supersede Grant Project Ordinance #14891.

### **Alternatives**

Council may choose to not approve the Grant Project Ordinance, as amended, or may choose to approve specific line items within the amended Grant Project Ordinance.

If Council chooses not to approve the amended Grant Project Ordinance, OEWD would have a lower operating budget and be less able to implement the employment and training objectives outlined in the Issues/Analysis section.

### **Financial Impact**

WIOA funds are federal formula dollars administered by OEWD. Funding or not funding this item will have no impact on the City's general fund.

This item will increase the City of Durham 2015 - 2017 Employment and Training Grant Project Ordinance by \$22,031 from \$1,570,276 to \$1,592,307.

### **SDBE Summary**

An SDBE summary is inapplicable because no project-specific goals have been set and no SDBE's are involved in this item.

### **Attachments**

City of Durham Employment and Training 2015-2017 Grant Project Ordinance Superseding Grant Project Ordinance #14891, 1 page.