

The goal of the Economic Opportunity Workforce program is to increase the incomes and/or assets of low-income workforce trainees over a three year period by at least 25%. If that goal is achieved within the three-year program service period, new higher advancement goals are identified.

### **WORKFORCE DEVELOPMENT NEEDS**

In the years since the development of the Economic Opportunity Initiative (EOI), the role of a program that provides very challenged workers with long term coaching, training, supports and advancement assistance has become even more important. The outcomes of the first three-year graduating class demonstrate the value of the EOI's approach. Most graduates began the program with zero income; a few were employed at minimum wage. The average graduation wage is \$15.69 per hour. The recent Portland self-sufficiency study conducted by the University of Washington says that \$15.25 is a self-sufficient wage for our average participant, a single parent with two children.

The mainstream workforce system has had to significantly reduce its support service budgets and adopt a service model that provides no case management for any of their customers. To improve this situation, the Economic Opportunity Initiative will work to create a coordinated service plan agreement with the local Workforce Investment Board (WIB). The WIB would make referrals to EOI of people that come in their doors needing more and different types of help than they can provide to succeed in employment.

### **PROGRAM DESCRIPTION**

The Economic Opportunity Workforce Development program funds 24 community-based organizations to provide life and basic skills training, occupational training, job placement, personal and peer support, and long-term advancement assistance to specific groups of low-income people. These include homeless adults, high risk youth, recent immigrants and refugees, and public housing residents. Each organization must identify the specific group of low-income people that it will serve, and must show competency at serving this group. The activity must increase the incomes and/or assets of the identified group by a minimum of 25% over three years. After EOI job placement, new goals for wage advancement are set based on individual factors.

### **PROGRAM TOOLS**

- An RFP process that relies upon a community review panel to select the projects that have the best chance of success.
- Quarterly wage reporting through an on-line system.
- Detailed contract benchmarks to ensure projects progress and produce outcomes as promised.
- Early participation of committed employers who agree to hire participants.
- An arrangement with the State Employment Department to verify participant employment and earning status on an annual basis.

**PROGRAM SELECTION**

Projects were selected in 2004 or 2005 by RFP with a few additional projects added through a joint Enterprise Zone/Economic Opportunity Initiative RFP in 2007. Continued funding is based on performance information assessed in April of each year based on three quarters of that year's performance. PDC is considering developing a new RFP for the 12/13 program year which would somewhat reshape the requested services to align with the Portland Economic Development Strategy and the Neighborhood Economic Development Strategy.

**PROGRAM ELIGIBILITY**

Workforce development projects receive funds to work with individuals in their focus populations with household incomes of 50% MFI or below.

**POTENTIAL BARRIERS**

The success of workforce trainees depends on their own skills, abilities, and motivation, as well as the economic marketplace. Personal challenges and economic fluctuations can both impact program success. Because funders and agencies do not have control over these variables, workforce training projects have a somewhat greater risk of failure than conventional community development projects that produce tangibles like units of housing, miles of pavement, or community centers. However, programs that assist people to successfully make the transition into paid employment will be directly benefiting the low-income participants and their families.

Private employers must be willing to commit to hire workforce trainees. The 2008 economic downturn has made employer commitments harder to obtain but we still have enough to justify the funding based on CDBG standards unless the project is part of an organization that qualifies as a Community-based Development Organization (CBDO). The Economic & Workforce Development goals of a CBDO based EOI project must be articulated in their mission and by-laws.

**PARTNER AGENCIES AND ORGANIZATIONS**

- The NW Area Foundation employs a firm each year to study the effectiveness of their projects. EOI has participated in that study since 2005.
- The United Way of the Columbia-Willamette, NW Area Foundation, OR Community Foundation & the NW Health Foundaton are partners and joint funders.
- We hope to increase our use of Portland Development Employer connections to assist workforce participants .
- Worksystems, Inc. provides funding and some service to approximately one-third of workforce project participants.

**COMPLEMENTARY LOCAL, REGIONAL AND NATIONAL EFFORTS**

There are several nationally funded, local workforce development efforts that focus on general job readiness and/or skill training. The Economic Opportunity Initiative Workforce program complements these efforts in several ways:

- Projects are tailored to the specific assets and needs of discrete groups of low-income residents.
- Participants may receive greater preparation for skill training, as well as enhanced supports throughout the training program.
- Projects include longer term follow up with both the participant and the employer to ensure success.

An increasing number of cities have begun to look at the Portland Initiative as a model, as the positive outcomes become clear from the graduation data. The program has been replicated in Duluth MN & locally Gresham has begun operating some similar project with CDBG.

**GEOGRAPHIC SERVICE AREAS (INCLUDING AREAS OF LOW INCOME FAMILIES AND/OR RACIAL/MINORITY CONCENTRATION- 56%)**  
Consortium-wide.

### **MONITORING**

All contractors are pre-screened for CDBG compliance during the RFP process. PHB will monitor all contractors as described in Section One.