

City of Duluth Community Development Program

CDBG and Approach to Workforce Development- August 2021

New Approach to CDBG-funded Workforce Development efforts

City of Duluth supports workforce development and job training activities through its Community Development Block Grant (CDBG) funding. Since 2008, CDBG has been used to support the Duluth at Work model, which sought to increase incomes by 25% among individuals, and assist small businesses in achieving 25% growth over three years. Due to changes in funding regulation interpretations, efficiencies, and community goals the Duluth at Work model has changed substantially since it was established.

Beginning in FY 2021, the City of Duluth adjusted its approach to supporting work force development efforts with CDBG. The city will move beyond the Duluth at Work model and utilize CDBG to support a new workforce development approach that aligns with current community workforce efforts and goals and also meets current needs of both funded organizations and the participants they serve. In light of the COVID-19 pandemic and emerging community needs, over the coming year the City will continue to adjust approaches to job training to ensure CDBG funding goals evolve to meet critical community needs.

Program Standards for Implementing Workforce Development Programs

Applications for CDBG-funded workforce efforts are still encouraged, however applications for funding should demonstrate how the program will meet the identified standards in the delivery of those services. Proposals should focus on how programs will assist people in increasing their incomes to a living wage and in jobs with career pathways.

Participant Focus: 100% of participants assisted in programs funded by CDBG shall be low- and moderate-income people who reside in Duluth. In addition, proposals for programs and services that emphasize outreach and enrollment of people of color and individuals experiencing greater disparities are strongly encouraged. To meet this threshold an individual's household income must be at 80% of the area median income or less. Demographic information to be collected will include income (including proper documentation), race, ethnicity, female head of household, and homeless status.

Participant Tracking: Participant engagement, assistance, and reporting outcomes should be tracked for 12 months. Organizations may choose to provide services for a longer time frame, however outcomes achieved after 12 months do not need to be captured and reported to the city for this funding.

Outcomes: Goals and outcomes shall align with those set by the Duluth Workforce Development Board and include:

- a. Number of people enrolled in CDBG-funded program
- b. Number enrolled in training that leads to a credential (including GED, post-secondary training, and registered apprenticeship)
- c. Number who completed training and earned a credential
- d. Number gaining employment
- e. Average wage at placement
- f. Employment retention at 6 and 12 months after placement
- g. Percent of participants earning at least \$15/hr
- h. Any additional outcomes a sub-recipient wishes to track and report to measure participant success

Eligible applicants

Applicants proposing to use CDBG funds to provide job training services shall be certified as a Community Based Development Organization (CBDO) by the beginning of the program year. An organization that is not certified as a CBDO may partner with a CBDO-certified organization under the same application.

Cost Reimbursement

Costs to administer a job training program shall be requested for reimbursement quarterly. Costs shall no longer be reimbursed based on benchmarks, however contract progress shall be reviewed before releasing final payments.