

ECONOMIC DEVELOPMENT GRANT

(Review of Year 1)

Budget, Finance, and Economic
Development Committee

September 25, 2018



LEXINGTON

Background

- ❑ \$150,000 was authorized by the Lexington-Fayette Urban County Council in FY2017 for the purpose of providing economic and workforce development services to supplement and support the work of the Urban County Government.
- ❑ Grant awards were made based on a total score. Agencies determined how many people they could train and place into employment based on their funding request.
- ❑ Grant awards were approved by Lexington's Economic Development Investment Board and the Urban County Council.

Year 1 (July 1, 2017- June 30, 2018)

Agencies Impacted

1. *Bluegrass Care Navigators (\$20,000) - **Certified Nursing Assistants***
2. *Build Inclusion, DSACK, Easter Seals Cardinal Hill (\$25,000) - **Employment Transition Services for Youth with Disabilities***
3. *Building Institute of Central Kentucky (\$20,000) - **Skilled Trades (HVAC, Plumbing, Electrical, Building Maintenance, Carpentry)***
4. *FoodChain (\$20,000) - **Culinary Training***
5. *Jubilee Jobs (\$25,000) - **Job Placement Services for Population Re-entering Workforce***
6. *Opportunity for Work & Learning (\$20,000) - **Certified Forklift Training & Customer Service Training***
7. *Urban League / BCTC (\$37,500) - **Fiber Optic Installation Training***



Grant Outcomes – Year 1

Training

- ❑ A total of 162 individuals were provided services through this grant for an average cost of \$926 per person served.

Grant Outcomes – Year 1

Placements

- ❑ A total of 101 placements occurred in the first year of this grant resulting in an average cost of \$1,485 per placement.

- ❑ Agencies were required by the Purchase of Services Agreements to complete at least 75% of their stated placement goal.

Grant Outcomes – Year 1

Wages

- ☐ Average wage = \$11.29
- ☐ Median wage = \$10.28
- ☐ Highest wage = \$21.00
- ☐ Lowest wage = \$8.20

Workforce Sectors

□ **105 placements occurred in these main sectors
(in order of frequency):**

1. *Hospitality* (29 placements)
2. *Healthcare* (25 placements)
3. *Manufacturing* (21 placements)
4. *Retail* (10 placements)
5. *Business & Professional Services* (9 placements)
6. *Skilled Trades* (7 placements)

People & Businesses Impacted

❑ Workforce Development Video

<https://youtu.be/xZk79O4diBw>

Year 2

Agencies Impacted

- ❑ \$300,000 was authorized by the Lexington-Fayette Urban County Council in the FY 2018 Adopted Budget
- ❑ Ten (10) agencies were approved for funding. Agencies are currently training and placing citizens in Year 2.
- ❑ Recommendations for approval of grant funding were brought before the Economic Development Investment Board, Urban County Council Budget, Finance & Economic Development Committee, and final approval from the full Urban County Council.



Year 2 *Training Programs*

1. Bluegrass Care Navigators (\$25,000) – **Certified Nursing Assistants**
2. Build Inclusion (\$20,000) – **Employment Transition Services for Youth with Disabilities**
3. Building Institute of Central Kentucky (\$26,000) – **Skilled Trades (HVAC, Plumbing, Electrical, Building Maintenance, Carpentry)**
4. Community Action Council (\$26,000) – **CDL, Child Development Associate Credential**
5. Community Ventures (\$17,500) – **Business Entrepreneurial Support for Women**
6. Dress For Success (\$22,500) – **Mentoring & Job Placement for Unemployed Women**
7. Jubilee Jobs & Lexington Rescue Mission (\$59,500) – **Job Placement Services for Population Re-entering Workforce**
8. Opportunity for Work & Learning (\$26,000) – **Certified Forklift Training & Customer Service Training**
9. The Plantory & Food Chain (\$55,000) – **Culinary Training**
10. Urban League of Lexington (\$22,500) – **Fiber Optic Installation Training**

Year 2

Grant Operations

- ❑ Financial grantees agree to submit quarterly performance reports in coordination with the Office of the Chief Development Officer and the Workforce Development Manager.
- ❑ Workforce Development Manager conducts on-site compliance and monitoring visits throughout the year.
- ❑ LFUCG reserves the right to demand repayment if the grant outcomes are not met.

Final Notes

- ❑ FY'19 grant tracking for Year 3 will occur July 2019-June 2020.
- ❑ **New application process for the next round of potential grant funding will begin in Fall 2019** (pending council budget approval in FY2020 budget).

Questions?