MEMORANDUM

Date: September 17, 2015

To: The Honorable Ally Miller, Member
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

Re: **Pima County One-Stop Career Center Bond Proposal**

At the September 15, 2015 Board of Supervisors meeting, you questioned how the County intends to fund operation of the proposed Pima One-Stop Career Center, which would be constructed if voters approve Bond Proposition 426. This proposed facility would replace an existing west side One-Stop facility that the County currently operates in leased space that costs approximately $187,000 annually. As stated in the Bond Implementation Plan Ordinance for this project, "Elimination of facility leasing costs makes County proposals for discretionary federal funds more competitive; enables the County to use more federal funds for training rather than overhead cost and makes it easier to ask partners to co-locate in the One-Stop Center."

The County currently operates the existing leased facility with a combination of federal funds and County General Funds and would continue to do so at the replacement facility. The slight increase of $78,000 in operating and maintenance costs listed in the Bond Implementation Plan Ordinance did not account for the cost savings resulting from elimination of the lease payments. If this savings had been taken into account, the One-Stop Career Center project would actually result in a savings of approximately $109,000 each year.

CHH/mjk

Attachment

c: The Honorable Chair and Members, Pima County Board of Supervisors
Jan Lesher, Deputy County Administrator for Community and Health Services
Charles Casey, Director, Community Services and Training
Nicole Fyffe, Executive Assistant to the County Administrator
Diana Durazo, Special Staff Assistant to the County Administrator

426.1 Pima County One-Stop Career Center

Location: Tentative location will be at the County-owned Aerospace and Defense Business and Research Park. Alternatively, a location near the current site west of downtown Tucson would also be desirable, such as the former location of the Theresa Lee Health Clinic at 332 South Freeway (Cushing Street and Interstate 10).

Scope: Pima County One-Stop Career Centers provide basic job seeker and employer services to all individuals and companies, and fund education and training programs for individuals eligible for specific programs. Pima County is required to operate One-Stop Career Centers under the federal Workforce Investment Act (WIA). One-Stop Centers are also expected to house other federal employment programs defined as "partners" under WIA. Pima County owns one Comprehensive One-Stop Center facility and currently rents space for another. WIA funding is limited, vulnerable to sequestration and other cuts, and stretched to cover rising costs of training and higher minimum wage for subsidized work programs. The rented One-Stop facility is overcrowded, serving both adult job seekers and youth job seekers, including summer youth employment program participants.

Approximately 18,000 square feet of space would replace the existing, rented facility. The new facility would include a large resource area for adult job seekers and a Youth Employment Hub with its own entrance. The resource area includes computers for clients to use in job searches, computerized assessments and resume writing; workspace for non-computerized activities; and a library of printed information. Approximately 50 offices/work stations would be provided for staff to determine eligibility and assessment for various programs, business services staff, workforce development specialists, supervisors, and support staff. Space should include three classrooms that are wired for computerized instruction with removable walls in order to hold large groups. The Youth Employment Hub would include a separate reception area, dedicated resource area with job search/career exploration computer terminals, two classrooms – one with computers for assessments and offices for youth services specialists from both the County and partnering youth employment agencies.

Benefits: The One-Stop serves approximately 700 companies and 15,000 job seekers each year. Co-location of partners supports a coordinated regional workforce system that breaks down resource "silos" to ensure the right service mix for each company and/or job seeker. Elimination of facility leasing costs makes County proposals for discretionary federal funds more competitive; enables the County to use more federal funds for training rather than overhead costs; and makes it easier to ask partners to co-locate in the One-Stop Center.

Total Cost Estimate: $6,000,000

Bond Funding Estimate: $6,000,000

Other Funding Estimate: None at this time.

Total Cost Estimate by Major Task: $750,000 for land acquisition (not applicable if County-owned site is selected); $1,217,000 for planning, design, fees and additional project costs (furniture, fixtures, and equipment, information technology costs, and public art); $4,033,000 for construction

Implementation Periods: 4, 5

Project Schedule by Major Task: Land acquisition at 6 months (not applicable if County-owned site is selected), planning and design at 9 to 12 months, construction at 9 to 12 months.

Project Manager: Pima County

Operator: Pima County

Future Operating and Maintenance Costs: It is estimated that this new facility would result in increased operating and maintenance costs of approximately $78,000 a year. Most of this will be covered by federal funding obtained through formula One Stop programs as well as discretionary grants, with the remainder to be paid through the County's general fund.

Regional Benefits: The One-Stop serves all employers in Pima County as well as all job seekers. The majority of people who use the One-Stop live in areas of high unemployment.