

Attachment B

New York City
Local Workforce Development Board
2015 Regional Workforce Plan

1. Priority Industries

a. Identify the priority industries in the region.

- Health Care & Social Assistance
- Technology
- Construction
- Industrial/Manufacturing
- Retail
- Food Service

b. Identify the members of the LWDBs that represent the priority industries.

Health Care & Social Assistance

- Donald Ashkenase, Executive Vice President, Montefiore Medical Center
- Paula Caputo, Administrative Director of Business Development at Richmond University Medical Center – Staten Island
- Paloma Izquierdo-Hernandez, President and CEO, Urban Health Plan Inc.

Technology

- Adda Birnir, SkillCrush
- Mohamed Azzat Elkhashab, CEO / Head of North America Operation & President, Reach Media Inc.
- Leo Hindery, Managing Partner, InterMedia Partners VII, LLP
- Richard Windram, New York State Director and Government and External Affairs, Verizon

Construction

- Husam Ahmad, Chairman and Chief Executive Officer, HAKS Construction Management
- Les Bluestone, Founder & President, Blue Sea Development Company

Industrial/Manufacturing

- Laurice Arroyo, Senior Counsel, Litigation, National Grid
- Scott Berger, President, Arista Air Conditioning Corporation and Kelnard Refrigeration/Kitchen
- Laura James, Community Relations Manager for the Eastern Region, UPS
- Patricia Ornst, Director of New York State and Local Government Affairs, Delta Air Lines
- Jocelyne Rainey, Chief Administrative Officer, Brooklyn Navy Yard Development Corporation

Retail

- Amy Bennett, Founder and CEO, The Greene Grape
- Carolyn Duvall, Senior Vice President of Human Resources, Macy's

Food Service

- Amy Bennett, Founder and CEO, The Greene Grape (the company operates four locations; three are retail establishment while one is a food service establishment)
- c. Describe how the sector partners represented on the LWDB (i.e. representatives of education, labor, apprenticeship, economic development, etc) support the priority industries of the region.

Our Board includes several representatives from unions, a labor-management partnership, and the workforce development arm of the New York City Central Labor Council, AFL-CIO. These individuals bring substantial expertise, possess extensive relationships with businesses, and represent hundreds of thousands of workers in some of our target sectors:

Health Care & Social Assistance

- Deborah King, Executive Director of Training and Employment Funds, 1199SEIU

- Joseph McDermott, Executive Director, Consortium for Worker Education

Construction

- Eddie Christian, President, International Union of Operating Engineers – Local 14
- Joseph McDermott, Executive Director, Consortium for Worker Education

Industrial/Manufacturing

- Lenore Friedlaender, Assistant to the President, 32BJ

Additionally, we have the leader of one of the foremost nonprofit organizations in New York City implementing a sector strategy in technology:

Technology

- Plinio Ayala, President & CEO, Per Scholas

In addition, the NYC Workforce Development Board's economic development representative is Maria Torres-Springer, President of the New York City Economic Development Corporation. This organization is the City's economic development arm, which has a broad reach across a variety of economic sectors, development projects, and incentive programs. Finally, the board's higher education representative is John Mogulescu, Senior University Dean of Academic Affairs/Dean of CUNY School of Professional Studies, City University of New York. One of his responsibilities is oversight of the City University of New York's Adult and Continuing Education programs, many of which offer occupational skills training in the NYCWDB's target sectors.

2. Regional Workforce Development

- a. Identify goals for regional workforce development in the region, including targeted industries and sector strategies that will be used; and provide an overview of how they align with REDC strategic planning.

Too many working New Yorkers do not have the education, training, experience, and professional networks required to compete for stable jobs that pay family-supporting wages. New York City's insufficient investment in skill building disadvantages both jobseekers and incumbent workers in need of training and

skill development, as well as employers, who cannot utilize the workforce system to access talented employees. The City will implement two interrelated and mutually-dependent strategies to significantly expand its capacity to provide job-relevant skills and education: Industry Partnerships and Career Pathways.

1) Industry Partnerships will be comprised of teams of industry experts focused on addressing mismatches between labor market supply and demand in six economic sectors. To define and fulfill labor demand in each sector, Industry Partnerships will establish feedback loops that formalize regular interaction with employers. Industry Partnerships will work to determine the skills and qualifications that employers need, and continuously upgrade curricula, training, and credential attainment programs to reflect local market conditions. Industry Partnerships, housed in City government or contracted through a competitive process, will collaborate with organized labor, educational institutions, service providers, philanthropy, and City agencies to develop workforce strategies and mobilize resources in their respective sectors.

To identify focus sectors, the City considered factors such as tax revenue, recent job growth, forecasted job growth, total employment, job multipliers, wages, and wage distributions. This analysis identified six sectors – healthcare, technology, industrial/manufacturing, construction, retail, and food service – that offer the strongest prospects for economic mobility and mutual “employer-worker” benefits through job quality improvements. Collectively, these sectors account for approximately half of all jobs in New York City.

The City’s analysis revealed that healthcare and technology are both characterized by high growth, higher-wage, middle-skill occupations and solid job multipliers, with every direct job created in healthcare generating an additional 0.4 jobs, and each new job in technology adding 1.4 additional jobs. In addition, a systematic skills gap in hiring impedes growth in both of these sectors.

The industrial/manufacturing and construction sectors both have lower growth projections, but these jobs tend to offer relatively high income while not requiring high educational attainment. For this reason, these two sectors provide potential advancement pathways for disadvantaged and low-income workers through targeted training and apprenticeships.

Finally, both the retail and food service sectors have enjoyed robust job growth, but in mostly low-wage positions that provide few benefits and limited stability. Since these two sectors will continue to employ large numbers of New Yorkers, the City must prioritize raising job quality in these sectors, while taking advantage of any existing opportunities for advancement.

These six sectors will be the City’s preliminary focus, with opportunities to scale the number of Industry Partnerships over time in order to respond to changes in the labor market. The City will expand the existing healthcare and technology

Industry Partnerships, with a focus on recruiting more low-income New Yorkers into higher-wage jobs with better career potential.

There is significant overlap between the sectoral focus here and the NYC Regional Economic Development Council's strategic plan priorities to support strategies that foster the development of an emerging high tech cluster in fields such as biotech, health IT and clean energy, among others; and to make investments in projects that create good jobs with upward mobility and reinforce fast growing sectors of the economy. Further, staff from the Mayor's Office of Workforce Development, including the Director of the NYC Workforce Development Board, have attended a number of REDC meetings to engage with the process and to ensure that the City's Local Plan reflects the priorities of the REDC.

Healthcare Industry Partnership

Accounting for 15.91 percent of overall employment in New York City, the healthcare industry employs more New Yorkers than any other industry and is projected to continue growing apace through 2020. Despite its size and robust growth trajectory, this sector has struggled to anticipate staffing needs or strategically engage with educational institutions and training providers to create a pipeline of qualified workers. To address this need, the NYC Workforce Funders partnered with SBS and healthcare stakeholders in 2011 to launch the New York Alliance for Careers in Healthcare (NYACH). Since then, NYACH has expanded employment opportunities for nurses in partnership with select hospitals and the City University of New York (CUNY), and upgraded CUNY's medical assistant training program, leading to better hiring and wage outcomes.

Mainly focused on bridging experience and qualifications gaps for high-skill workers, NYACH has only recently begun providing opportunities for individuals who lack basic education and high school diplomas. With additional support from the City, the 1199SEIU Training and Employment Fund and other stakeholders, NYACH will expand its services to low-skill New Yorkers by integrating healthcare skills training with basic education. NYACH will also develop a system to connect students with post-secondary healthcare education opportunities. Through these initiatives, NYACH will address a broader range of labor market needs, establishing critical entry points and advancement opportunities through the new Career Pathways model.

Technology Industry Partnership

Technology is among the fastest growing and highest paying sectors in New York City, representing 7.58 percent of New York City's employment today. In an otherwise slack labor market, technology companies are struggling to fill large

numbers of open positions. In response, dozens of training providers, academic institutions, and community organizations have introduced programs to address this talent deficit. Unfortunately, lower-income New Yorkers and young adults often cannot access these programs, the most successful of which require full-time commitments of three-to-six months.

The Tech Talent Pipeline (Tech Talent), recently launched at SBS with public, private and philanthropic funding, will serve as the Industry Partnership for the technology sector, working to incubate and expand strategies for growing technology talent in New York City. Tech Talent will develop a training strategy that reaches low-income New York City residents and increases recruitment of New Yorkers for technology jobs. It will also develop program models that connect youth to careers in technology and technology education. To address the skills gap at scale, Tech Talent will also collaborate with City-funded educational institutions to upgrade standards and educational programs in response to local employer demand.

Create Four New Industry Partnerships

The City will establish four new Industry Partnerships focused on improving workforce outcomes in New York City's industrial/ manufacturing, construction, retail, and food service sectors.

Industrial/Manufacturing Industry Partnership

The industrial and manufacturing sector is undergoing a modern revival in New York City as firms leverage advanced technologies to create new products, improve their processes, and meet the demands of a growing consumer base. Even after decades of job losses, the sector accounts for over 13.47 percent of employment in the city. In recent years, total employment in these fields has stabilized at more than 517,000 jobs, and some sub-sectors such as food manufacturing and wholesale trade have shown significant growth. The sector offers relatively high-paying job opportunities for low- and middle-skill workers across the five boroughs. According to a recent survey of local businesses by the NYC Economic Development Corporation (EDC), 50 percent of industrial and manufacturing firms expect to increase employment in the near future. However, nearly half the firms surveyed reported that their biggest challenge is finding skilled employees.

The industrial/manufacturing Industry Partnership will help train New Yorkers to fill the growing number of jobs in the modern industrial ecosystem. Led by SBS in collaboration with EDC, this industry partnership will convene Industrial Business Solutions providers, business leaders, and other stakeholders to understand the needs of the sector and inform the development of training programs that fill the

skills gap and connect residents to quality jobs. The Partnership will build on the success of the Workforce1 Industrial and Transportation Career Center (ITCC), a one-stop center in Jamaica, Queens, and create satellite ITCCs in select Industrial Business Zones with high job density. The ITCCs will target skills training and job placement in sub-sectors such as construction, manufacturing, transportation, utilities, and wholesale distribution. In addition, EDC's proposed Innovative Manufacturing Centers, a network of physical spaces that will act as hubs for research and development and adoption of new technologies by servicing both entrepreneurs and incumbent firms alike, will offer on-site workforce training, apprenticeships, and certification in the fields of advanced manufacturing and fabrication. This broad-based approach facilitated by the Industry Partnership will ensure that residents have strong employment opportunities in legacy and emerging companies across the industrial/manufacturing sector.

Construction Industry Partnership

Construction activity in New York City is approaching the pre-recession levels of 2007 and 2008. The City itself is the largest purchaser of construction services across the five boroughs, from allocating an annual average of \$9 billion dollars through the City's Capital Plan, to supporting ambitious initiatives including the Housing New York plan to create or preserve 200,000 units of affordable housing over the next ten years, and Hurricane Sandy recovery and resiliency infrastructure work. A unique opportunity exists to leverage the billions of dollars budgeted for these projects to create new employment and advancement paths for jobseekers and low-wage workers. As more than half the City's construction workers are over the age of 40, it is increasingly important to cultivate a new pipeline of homegrown talent to meet burgeoning demand.

The City will launch a new construction Industry Partnership focused on connecting local residents to newly created construction jobs. To accomplish this, the construction Industry Partnership will improve referral and recruiting systems in collaboration with the construction unions; construction firms; contractors; developers; City agencies conducting large scale capital and infrastructure projects such as the Department of Environmental Protection (DEP), Department of Transportation (DOT) and Department of Design and Construction (DDC); City agencies leading housing and economic development activity such as the New York City Housing Authority (NYCHA), EDC and the Department of Housing Preservation and Development (HPD); and SBS, which will help build referral systems. The City will continue to look for ways to build upon the success of Project Labor Agreements and pre-apprenticeship programs to increase opportunities for minorities, women, returning veterans, and high school students to access quality jobs in the trades. For example, the Edward J. Malloy Initiative for Construction Skills, a partnership between organized labor, City agencies and union construction contractors, has been successful in providing the recruitment

and training needed to place Department of Education (DOE) youth in union apprenticeship programs. The construction Industry Partnership will also explore measures to maximize the hiring of disadvantaged New Yorkers to bring more City residents into the fold.

Retail Industry Partnership

The retail sector has become one of the largest employers of low-wage workers, with 48,479 jobs added between 2009 and 2013. Unfortunately, typical employment practices in this sector help perpetuate economic instability for many New Yorkers who occupy these jobs. Retail workers are often scheduled for shifts that fluctuate on a weekly or biweekly basis, leaving little room to coordinate non-work commitments such as school and childcare. A survey conducted in 2012 found that hourly retail workers living in New York City earned a median wage of \$10.00 per hour. Only 29 percent of survey respondents received health benefits through their employers; the remaining 71 percent either relied on government health benefits or did not have health insurance at all.

The City will launch a retail Industry Partnership to help low-wage retail employers improve job quality for their workers. Strategies will include employer education campaigns, employer-based financial empowerment initiatives, collaboration with the Retail, Wholesale and Department Store Union and UFCW, and technical assistance to help small businesses adopt better business practices. In addition, the retail Industry Partnership will maximize access to training and jobs in sectors with better income and job quality prospects.

Food Service Industry Partnership

Similar to the retail sector, the food service industry has enjoyed strong job growth in the aftermath of the Great Recession, but these jobs have generally been characterized by low wages, detrimental work conditions, and limited workplace benefits. The Restaurant Opportunities Center of New York (ROC-NY), an advocacy group for restaurant workers, reported that typical food industry workers earn a median wage of about \$8.84 an hour, or \$18,400 annually. Many tipped food service workers, such as waiters, face additional economic hardships. Tipped workers receive \$5.00 an hour, far less than the state minimum wage of \$8.00, with the expectation that they will earn the difference in tips. In the event that tipped workers do not make the minimum wage, it is up to employers to compensate them, which leaves ample room for wage theft and inconsistent compensation. Compared to retail, however, food service offers more paths for advancement and income gains. Licenses and certifications such as the ProStart® National Certificate of Achievement, the

Qualters Culinary Arts Practical Assessment, and the food safety training certification enable food service workers to compete for higher wages.

The food service Industry Partnership will collaborate with the National Restaurant Education Foundation (NRAEF), the New York State Restaurant Association, UNITE HERE and the New York Hotel Trades Council, AFL-CIO, to maximize access to training and advancement opportunities for workers, while also educating and helping businesses improve job quality and stability. The food service Industry Partnership will work with employers to improve compensation, benefits, job-design, tipped worker practices, and training standards. This Industry Partnership will also create programs that allow low-wage individuals to obtain the licenses and certifications that can increase their earning potential.

Training

The New York City One-Stop System will continue to issue a range of Individual Training Account vouchers in in-demand occupations that largely align with the City's six target sectors. As another channel for connecting individuals to training, the NYC Workforce Development Board plans, in some cases, to have contracts entered into with service providers to deliver training informed by the needs of local employers. The mechanism for awarding such contracts includes, but is not limited to, a competitive Request for Proposals process. Finally, the City's six target sectors will likely be the focus of such contracted training, but other sectors offering quality jobs with advancement potential may also be considered.

2) Career Pathways will be a new system-wide framework that aligns education and training with specific advancement opportunities for a broad range of jobseekers. All agencies overseeing workforce development programs will reorient their services toward career progression instead of stopping at job placement. This effort will include sector-focused bridge programs, skills training, job-relevant curricula, and work-based learning opportunities.

Career Pathways connect education, training, credential attainment, and wraparound services to support new and incumbent workers as they advance to higher levels of employment. The primary agencies that manage workforce programs—SBS, HRA, and the Department of Youth and Community Development (DYCD)—will work with the Department of Education (DOE), CUNY, and other educational institutions to align education (including career and technical education programs), post-secondary education (including certificate, associate, and bachelor's degree programs), and credential training with specific career advancement opportunities as jobseekers' needs evolve over time.

The Career Pathways framework will require agencies to work together more effectively. Each agency will focus its efforts on the steps along the career continuum that best leverage its strengths and are most relevant to the needs of its client population. Agencies will also connect their respective programs through “handoffs” that will allow individuals to move seamlessly from one educational and training step to the next. For example, HRA will fund programs that build the basic skills of clients who are not prepared for more advanced training and then hand off those clients to SBS for occupational training. System alignment, including improved cross-agency coordination and data-sharing, will be essential to supporting individuals with a diverse range of needs along the full continuum of the Career Pathways model.

- b. Provide an overview of how the LWDBs in the region will work together towards the regions identified goals. Include any specific practical examples of how sector partner alignment is currently being accomplished in the region.

New York City is unique in that the Local Workforce Development Area is considered to be a single region. That said, the membership of the Board and the Industry Partnership descriptions above illustrate how the City is aligning key partners within each of the six target sectors.