



# AGENDA REPORT

Economic Development

<b>DATE:</b>	April 5, 2022
<b>TO:</b>	Mayor Butt and Members of the City Council
<b>FROM:</b>	Shasa Curl, Interim City Manager Samantha Carr, Environmental Manager
<b>Subject:</b>	Contract Approval to Develop a Richmond Green-Blue New Deal Plan
<b>FINANCIAL IMPACT:</b>	The proposed expenditure will be funded by the America Rescue Plan Act of 2021 (Account String 13661065-400201-AR237).
<b>PREVIOUS COUNCIL ACTION:</b>	July 6, 2021
<b>STATEMENT OF THE ISSUE:</b>	City staff members are seeking City Council approval to award a contract to Appraccel LLC to develop a Richmond Green-Blue New Deal Plan.
<b>RECOMMENDED ACTION:</b>	APPROVE a contract with Appraccel LLC to provide professional services to develop a Richmond Green-Blue New Deal Plan, in an amount not to exceed \$300,000, with the contract term ending October 31, 2023 – City Manager's Office (Shasa Curl/Samantha Carr 620-5407).

## DISCUSSION:

### Background

On July 6, 2021, the Richmond City Council adopted [Resolution 88-21](#) to support the process of developing a Richmond Green-Blue New Deal and Just Transition to 21st Century jobs. In addition, City staff members were directed to prepare a Request for Proposals (RFP) to hire an environmental consultant to conduct a one-year to 18-month

planning process to develop and facilitate a comprehensive and inclusive public engagement process to co-create the plan to achieve a local Green-Blue New Deal and return to the City Council with a recommendation of a consultant within 90 days. As stated in [Resolution 88-21](#), a “Green New Deal” is a program of investments in equitable clean-energy jobs and infrastructure, transforming and transitioning not just the energy sector, but the entire economy. A “Blue Economy” is the “sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystems.” A Green-Blue New Deal incorporates key sectors of the Blue Economy in order to fully address the climate crisis.

There is a nexus between the Green-Blue New Deal, [Climate Action Plan \(CAP\)](#), [Richmond Workforce Development Local Plan](#), and [Economic Development Action Plan \(EDAP\)](#). The Richmond CAP, through a Health Equity lens, provides a framework of policies and programs to achieve the City’s health and environmental goals by operationalizing the community-driven vision laid out in the Richmond General Plan 2030. The City Manager’s Office, Economic Development division and Economic Development Commission worked with Richmond community members and HR&A Advisors to establish the EDAP consisting of two phases, the Short-Term Local Business Recovery Action Plan (STLBRAP) and the Richmond Business Investment and Attraction Strategy, to facilitate continued equitable economic growth. The Richmond Workforce Development Board’s Workforce Development Local Plan (“Local Plan”) for Program Years 2021-2024 provides an action plan for operationalizing the road map laid out in the Regional Plan by describing how individuals access services through the America’s Job Centers of California<sup>SM</sup> (AJCC) system. The Local Plan is used to articulate how Local Boards will coordinate with local partners to ensure a person-centered service-delivery. All focus on the development of sustainable economic growth that provides a healthy, resilient, and equitable environment for all. The adoption of the Green-Blue New Deal resolution provides the opportunity for the incorporation into the CAP update.

The City of Richmond’s workforce has been greatly affected by the COVID-19 pandemic. COVID-19 caused an unemployment surge in Richmond with a peak of 3,412 weekly unemployment claims in late March 2020. Since then, weekly unemployment claims have significantly decreased and have stayed below 500 per week. In February 2020, the Richmond unemployment rate was at 3.3 percent and spiked to 17.10 percent in April 2020. The unemployment rate since then has gradually decreased and as of May 2021, the Richmond unemployment rate was at 7.9 percent. Although there has been some recovery, the Richmond unemployment rate is higher than the Contra Costa County unemployment rate of 6.2 percent and slightly higher than the California unemployment rate of 7.5 percent.

The [City Manager’s Office, Economic Development](#) division is continuously working to promote a competitive, sustainable, and equitable economy for all. City staff members are focused on supporting our community through both the COVID-19 pandemic and in the long-term to maintain the City of Richmond’s vibrancy and diversity.

## American Rescue Plan Act (ARPA) Funding

City staff members have reviewed the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF) US Treasury website and related documents for clarification on how the funding can be utilized by cities. Within the Fiscal Recovery Fund, eligible uses categories include supporting public health response, addressing negative economic impacts, replacing public sector revenue loss, premium pay for essential workers, water and sewer infrastructure improvements, and broadband infrastructure access improvements.

Based on the information included in the [Interim Final Rule](#) (IFR) and [Compliance and Reporting Guidance](#) documents, City staff members believe consultants could be hired to create a workforce development plan with a Green-Blue New Deal and Just Transition framework to address the high unemployment rate resulting from the COVID-19 pandemic. The interim rules emphasize that economic development related projects should be designed to address an economic harm “resulting from or exacerbated by the [COVID-19] public health emergency”. Emphasizing how a workforce development plan will help to address the negative economic impacts (e.g., unemployment) of the COVID-19 public health emergency, will provide a stronger justification for the use of ARPA funds. Other goals included in the Green-Blue New Deal related to Climate Action will be incorporated into the CAP update.

## Request for Proposal/ Qualifications (RFP)

On October 7, 2021, City staff members released an RFP to solicit an environmental consultant to complete and facilitate an inclusive public engagement for the co-creation of a workforce development plan through a Green-Blue New Deal and Just Transition framework. Some key aspects of the scope of services were to:

- Provide consultant expertise to assist the City of Richmond in expanding the city’s current workforce development, economic development, and climate action goals with a Green-Blue New Deal and Just Transition framework
- Identify, gather, and track data to represent an accurate community profile
- Research, assess, and expand current plans, policies, City services, and delivery methods to conduct a “gap analysis” with respect to a Green-Blue New Deal and Just Transition
- Develop and facilitate an inclusive and innovative multilingual community engagement process
- Provide and/or present updates to the Richmond City Council
- Create a draft city plan and implementation workplan

For the purpose of due diligence, City staff members followed up with Green-Blue New Deal inquiries received prior to the release of the RFP and responses are illustrated below:

<b>Inquiry</b>	<b>Response</b>
Inquiry 1	Applied
Inquiry 2	Resident
Inquiry 3	Provides services to market RFP/Q/B
Inquiry 4	Felt like their consulting firm could not provide services requested at this time

Through the BidsOnline System, 3256 vendors were notified of the RFP. The RFP closed on November 2, 2021, with one response received from Appraccel LLC. The Appraccel LLC team includes HR&A Advisors, Groundwork Richmond, Inclusive Economics, MIG, Inc, Safe Return Project, and Medema Consulting. The response was reviewed and scored by an interdepartmental evaluation panel. The response was determined to be a viable response.

## **SYNERGY WITH EXISTING CITY POLICY**

### [General Plan 2030](#)

- Policy ED2.4 Existing Employers: Encourage established employers to remain and expand in Richmond in order to retain employers in key industries including green businesses
- Policy ED2.6/LU3.1 Environmentally Progressive Business and Industries: Promote and encourage new, clean, and green industries that provide well-paying jobs, revenue and other community and environmental benefits
- Action ED2.D Green Business Strategic Plan: Work with local business support agencies and community stakeholders to develop a strategic plan to retain, attract, and support innovative “green” companies, consistent with City Council Resolution 45-07, which declared Richmond a “Green Economic Development Area.” Support this effort by monitoring industry trends, assisting commercial brokers in matching companies with available sites and including a strategic marketing campaign that highlights Richmond’s strengths and strategies to prepare the local workforce for emerging green industries. Work with State and local agencies to develop criteria for green business certification for new and existing businesses. Seek opportunities to create incentives for existing businesses to participate in the program.
- Action ED3.A Workforce Development Strategy: Continue to support efforts to expand job training opportunities for residents to enter the workforce, with particular emphasis on green collar and other high-growth employment categories. Encourage the local community colleges, universities, the school district, and adult education programs to offer more coursework and training oriented toward emerging industries such as the green industry in addition to traditional trades.
- Goal LU3 Expanded Economic Opportunities: [...] Encourage innovative, high-growth and green business, and further support businesses and industries in providing a range of job and entrepreneurial opportunities while minimizing environmental and health impacts.

### Health in All Policies Strategy (HiAP)

- Developing partnerships with community-based organizations that support workforce development and green jobs.

### Climate Action Plan (CAP)

- Strategy GB2 Green Workforce Development: Increase number of individuals trained for green jobs.
- Strategy GB3 Support Green/Clean Technology Incubator Programs: Promote networking and training organizations and raise awareness of financial assistance sources available to entrepreneurs.
- Strategy GB4 Support Local Energy and Green Business Programs: Maximize participation in local energy and green business programs.
- Strategy RE1 Increase Local Solar Generation: By 2030, [1,010 new residential solar installations](#) averaging 4 kW per system; 69 new commercial solar installations averaging 174 kW per system.
- Strategy TL1 Promote Smart Growth and Complete Neighborhoods: By 2030, increase residential and employment density by 15% as compared to BAU.
- Strategy WA3 Green Building Strategies for Water Conservation: 100 percent compliance with CalGREEN Code or more stringent water standards.
- Strategy GA3 Support Green Infrastructure and Streetscape Design: Increase green infrastructure projects Citywide by 2030.

### Richmond Workforce Development Board's (RWDB) Workforce Development Local Plan

- Pillar 1 Strengthening Partnerships: The RWDB will collaborate with key/core partners to streamline education and training opportunities for candidates to address basic skills deficiency and support English Language Learners through coordinated services with Title II – Adult Education and Literacy. Collaboration also will include working with community-based organizations that serve individuals who lack basic skills and English language skills.
- Pillar 1 Engaging Industry Leaders: The RWDB will engage industry leaders to develop training programs and create stronger connections between employers and the workforce system.
- Pillar 2 Engaging Businesses: The RWDB will collaborate with businesses to determine local hiring needs and design innovative initiatives and trainings that are responsive to those needs, in order to start job candidates on a career path.
- Pillar 2 Engaging Labor Unions: The RWDB will collaborate with local labor unions to improve employee representation, essential for high-quality jobs, and strengthening apprenticeship programs which are a critical route to developing needed skills.
- Pillar 3 Preparing Local Residents: RWDB will collaborate with community members and prepare them for the current realities of the changing labor market and the future of work by creating new opportunities for low-wage workers and businesses in the changing economy.
- Pillar 4 Strengthening Services for Those with Barriers: RWDB will focus on addressing and determining appropriate pathways for low-income adults and youth

who have limited skills, lack work experience, and face other barriers that prevent them from achieving economic success.

- Pillar 4 Earn and Learn: RWDB will focus on work-based training strategies and employment approaches to benefit low-income individuals. Work-based training provides adults and youth the chance to earn income while also receiving training and developing essential skills that are best learned on the job.
- Pillar 4 Promoting Project ACES (Accelerating Careers through Essential Skills): RWDB will work with business and educational institutions to design and offer candidates necessary and in-demand work ethic and learning opportunities, contributing to the creation of a pipeline of candidates with the essential skills businesses require.
- Pillar 4 Designing Career Pathways: RWDB will design and deliver pathways that prepare candidates to reach their full career potential.

#### [Economic Development Action Plan/Short-term Local Business Recovery Action Plan \(STRLAP\)](#)

- Action 3B Workforce Recovery: Workforce development programs exist at the City, County, and regional levels that rely on partnerships between the public sector, employers, and educators. The City can coordinate with these existing organizations and partnerships to pursue state and federal recovery funding for new or existing workforce development programs to connect Richmond residents to employment.

#### **DOCUMENTS ATTACHED:**

Attachment 1 – Resolution 88-21

Attachment 2 – Request for Proposal/Qualifications

Attachment 3 – BidsOnline Report Green-Blue New Deal Workforce Development Plan RFP

Attachment 4 – RFP Response Score Sheet

Attachment 5 – Proposed Contract with Appracel LLC