



## **Richmond Workforce Development Board Meeting Minutes – October 13, 2016**

Cassandra Youngblood, RWIB Chairperson, called the Richmond Workforce Investment Board Meeting to order on Thursday, August 11, 2016 at 11:50 am.

### **Roundtable introductions**

Minutes approved for the August 11, 2016 Richmond Workforce Investment Board Meeting. Tony Castillo made a motion to approve the meeting minutes; the motion was seconded by Willie Hicks. No corrections to be made; approved unanimously.

### **Director's Report**

Sal Vaca, City of Richmond-Employment and Training Department

Sal acknowledged Cassandra Youngblood as she has served as a chairperson for this community for many years. Due to the new WIOA legislation, we are required for the chair to be a representative of the business sector. Ms. Youngblood continues to be our best option and will now be representing her private business, Quality Cleaning, LLC. She will also be working with the county to identify her reflection as a replacement.

Bob Lilley is no longer representing IBEW Local 302. Mr. Lilley will now be representing the private sector with Contra Costa Electric. Sal requested for Mr. Lilley to give a presentation of work performed by their organization in a future meeting. Due to this change Mr. Lilley has invited Dan Torres, representing the Sprinkler Fitter and Apprentices Local No. 483 in hopes for him to be his replacement. Sal welcomed Mr. Torres and invited him to apply.

Sal discussed the unemployment rate for the City of Richmond. Currently the rate is at 5.5% this is one of the lowest in 35 years. Typically Richmond unemployment rate is 150% of what the county is rated. We are less than 1% below the county and we have a lower unemployment rate than the Solano County. Solano is usually typically viewed as a veteran community. RichmondWORKS is currently working with employers that are hiring for multiple jobs on a weekly basis. Out of the 48 Workforce Investment Boards throughout the state, Richmond ranks in at 21<sup>st</sup> place.

Blue Apron has cited over one-thousand employees and has been growing fast. RichmondWORKS will be working with Blue Apron to better match qualified candidates and help with job retention. A problem with job retention is the competition with other similar local companies. The companies are increasing the starting hourly wage to remain competitive.

The demand of warehouse space in Richmond is incredible. Sal mentioned that the Planning Director, Richard Mitchell, shared that there are two more permits issued by the City to build another warehouse. One warehouse will be on Harbor Way and will be 200,000 sq. feet. The second warehouse will be on Parkway and about 600, 000 sq. feet.



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### **Quarterly Sales Tax Presentation**

Fran Mancia, MUNIS Financial

Economic Composition for the City:

- Transportation 30% Richmond is on top with sales of new and used cars (leaders are: Toyota, Ford and Chrysler)
- General Retail 30% (Costco being the top sales tax generator and Wal-Mart, Target, Sears and JCPenny)
- Business to Business 19%
- Construction 10%
- Food Products 10%
- Miscellaneous 1%

The City of Richmond is reliant on General retail, gas sales and car sales. We have the narrowest economic tax structure in the country we only tax about 32% of the total potential tax market that other states are taxing.

Energy sales are down due to gas prices declining over the past years. Chevron is responsible for about 70% of all petroleum product sales.

*5% of sales tax is coming from the top 25 sales generators*

Top 25 Sales Tax by Category:

- General Retail 37%
- Transportation 32%
- Construction 12%
- Business to Business 19%

City of Richmond does not have big tax revenue from food products like restaurants and grocery stores.

*Regional Differences in Taxable Sales:*

- April 2015–June 2016
- Total -5.7% Down
- Apparel Stores 6.8% Up
- Department Stores -0.4% is down due to more people buying thru the internet
- Energy Services -32. % is down due to the low gas prices



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*Performance by Benchmark Year over Benchmark Year:*

BMY 2016 Q2

Drug Stores, 24.8%, are up due to medical Marijuana dispensaries. The dispensaries are considered medical sales and taxes are collected. However, that might change in November 2016 if Proposition 64 passes, which will not allow to tax “medicinal” marijuana items.

*Differences nearby in Annual Per-Capita Sales Tax:* California \$127 sales tax is divided by the population of that state; Richmond is \$118. We are under of the average of the state. San Pablo \$60, Moraga \$54; Moraga is low because there are few businesses in that area. Orinda \$49 is also low due to few businesses in that area.

*Annual Change in Sales Tax Cash Receipts:* Due to the recession in 2008-2009 the City of Richmond has seen a down turn in cash receipts but quickly increased again in 2010.

*Growth in Population and Employment:* The population has grown fairly steadily in the last 10 years this is due to the employment growth in Richmond. The number of people employed has grown at a fairly steady rate since the recession of 2008 and 2009.

2007Q2 Annual employment 47,200 and in 2016Q2 50,800.

*Capita Sales Tax:* .78 correlations of employment is good anything over 3.0 is considered modern or strong correlation.

*Opportunities:* People coming to the City of Richmond to purchase goods. Consumer total is 116%.

Overall Richmond is doing great with the 0.1% tax.

### **Presentation on Senate Bill 1069**

Joe Serrano, TentMakers Inc.

Joe Serrano introduced Rachele Trigueros, Policy Manager for the Bay Area Council. Ms. Trigueros presented a presentation regarding Accessory Dwelling Units. With a short fall in housing in California the Accessory Dwelling Units are a great opportunity. ADUs are small self-contained second dwellings on the same property as a primary house, whether in a converted basement, bedroom, garage, or a tiny backyard cottage. Depending on whether the second unit is attached or detached to the main unit, the bill calls for eliminating or reducing parking requirements, utility hook-up fees and speeding up the permit approval process.

The city of Vancouver is a sample with 35% of the dwelling units already constructed in that city.



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Accessory dwelling units offer multiple benefits:

- Low cost to build and affordable-by-design.
- Provide income to homeowners.
- Environmentally friendly.
- Flexibility for changing households.

A copy of the presentation will be e-mailed.

### **Workforce Innovation & Opportunity Act (WIOA) Implementation:**

Charita Patterson, City of Richmond-Employment and Training Department

Sal Vaca, Rosemary Viramontes and Charita Patterson have started the discussion for the Strategic plan of 2017-2020. RCH Local Area Strategic Plan documents are due to the state by March 15, 2017. The final directive just came out in mid-September 2016. Employment & Training is going to contract with Glen Price Group to work with Steven Shultz to develop the plan. We are required by the directive to work with our Regional Planning Unit and that will incorporate Contra Costa, Alameda, Oakland, and RichmondWORKS developing board. Simultaneously there will be two Strategic plans that we will be worked on.

On January 19, 2017, a specially scheduled meeting will take place with this board to present the draft of the Strategic plan. Next, a 30 day public comment period will take place between January and February 2017. Following the 30 day public comment period the RCH Local Area Strategic Plan final draft will be developed from the comments. The final draft will be present to the WIB president and to the group on the March 9<sup>th</sup> meeting. After the board has had the chance to review the final draft it will go to the Mayor for his signature. The new Workforce Innovation and Opportunity Act will take effect on July 1, 2017.

### **MOU Phase II Cost Sharing Agreements**

Rosemary Viramontes, City of Richmond-Employment and Training Department

RichmondWORKS and partners will be coming together to develop a plan on financial contribution or in-kind services to our clients. The Timeline for completion of the Phase II MOU is June 30, 2017.

Two elements of the phase II MOU include:

1. Infrastructure Cost
2. Sharing other system cost



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Partners will also have the option to assist in-kind services with the services that we offer which include:

- Job assistance
- Assessment
- Working on the computer
- Workshop on job search properness
- Basic computer class

Training will take place in Sacramento that the Employment & Training will participate, the training will consist overview of the Workforce Innovation Opportunity Act (WIOA) rules and regulation.

### **Announcements**

Ms. Cassandra Youngblood announced her transition to Chairperson as a business sector; she is representing Quality Cleaning, LLC.

Mr. Bob Lilley announced that he is now working for the Contra Costa Electric, an EMCOR Company, and will no longer be listed under the labor sector for the RWDB but under private business sector. He has brought Mr. Dan Torres to the meeting in hopes he will be his replacement.

### **Public Comment**

None

### **Announcements**

None

### **Next RWIB Meeting**

Thursday, December 8, 2016

11:30 a.m. to 1:00 p.m.

RichmondWORKS

330 25<sup>th</sup> Street

2<sup>nd</sup> Floor Training Room

Richmond, CA 94804

### **Attendees**

Adrienne Acquistapace, Antonio Banuelos, Antonio Castillo, Barrie Hathaway, Bob Lilley, Cassandra Youngblood, Chuck Carpenter, Dan Torres, Itza Gonzalez, Jacquelyn Holley-Young, Jane Fischberg, Jill Perry, Joe Serrano, John Troughton, Kristina Lopez, Len Turner, Martha Gonzalez, Mayling Alvarado, Michael Parker, Paul Shatswell, Per Lorentzen, Rashaad El, Richard Johnson, Roger Holly, Rosemary Viramontes, Sal Vaca, Sandra Escalante, Sherry Drobner, Uche Uwahemu, Willie Hicks, Yvette Williams-Barr

**- Meeting adjourned at 1:00p.m. -**