

**KENTUCKIANAWORKS BOARD MEETING  
GREATER LOUISVILLE WORKFORCE DEVELOPMENT BOARD  
Thursday, November 18, 2021 – 8:30 a.m. – 10:00 a.m.  
Virtual Meeting via Zoom**

**Members Present:** John Archer, Caitlin Blair, Kim Blanding, Jennifer Carman, Sarah Davasher-Wisdom, Rebecca Fleischaker, Eric Friggle, Tony Georges, Dr. Ty Handy, Mike Hesketh, Jenny Lampton, Rick Purdy, Harold Reynolds, Ty Richardson, Rocki Rockingham, Lisa Thompson (proxy for Sadiqa Reynolds)

**Welcome and Greetings - Chairman Georges**

Chairman Georges welcomed everyone to the Board Meeting and thanked them for attending. Chairman Georges then introduced and welcomed the new Board Members starting with Rick Purdy of Talaris Therapeutics. Mr. Purdy has 30 years of HR leadership experience, and has been in Louisville for three years now. He serves as the Vice President of Human Resources for his organization. Chairman Georges then introduced Rocky Rockingham with GE Appliances. Ms. Rockingham moved to Louisville just five months prior to this meeting. Ms. Rockingham is the head of Human Resources for GE Appliances globally and she noted she will have big shoes to fill replacing Tom Quick! Chairman Georges noted the last new Board Member, Stacy Wade was not on the call at this time but looks forward to greeting him when he is able to join. Lastly, although this was not a part of the agenda, Chairman Georges thanked Rebecca Fleischaker for her year of service to the Board and wished her well as she leaves to become the Director of the Louisville Downtown Partnership initiative.

**Review and Approve Minutes from September 2021 Meeting - Tony Georges**

A motion to accept the September Meeting minutes was made by John Archer and seconded by Rebecca Fleischaker. The motion passed unanimously.

**Review and Approve Consent Agenda from POC Meeting - Cindy Read and Mike Hesketh**

Ms. Read reminded the Board the Consent Agenda items go before the scrutiny of the Program Oversight Committee before they are brought to the Board. Under federal and local procurement guidelines, KentuckianaWorks competitively procures contracts every five years. The contract for the operation of SummerWorks, currently held by YouthBuild Louisville, is in its fifth and final year. The contract ended Sept. 30, 2021; however, Louisville Metro Government Purchasing allowed KentuckianaWorks to extend the contract to Dec. 31, 2021 to provide more time to develop a Request for Proposals that reflects additional funding from the Metro Council (it has doubled from \$500,000 to \$1 million.)

The RFP was issued on October 1, 2021 and promoted widely through KentuckianaWorks and Louisville Metro Government's Purchasing portal, Bonfire. One proposal was submitted on October 28., 2021 by the current service provider, Young Adult Development in Action Inc. (dba YouthBuild Louisville). A committee of two KentuckianaWorks Board members and two Program Oversight Committee members was empaneled to review and score the proposal and to interview YouthBuild Louisville.

The review committee recommended selection of YouthBuild. The POC thoroughly reviewed the committee's recommendation and also voted to recommend the full board that KentuckianaWorks enter into contract negotiations with YouthBuild Louisville, for a budget not to exceed \$500,000 for the first year (January 4, 2022- September 30, 2022), with an option to renew for up to four one-year terms based upon performance, available funding, and local

needs. There was a quorum and the committee recommended board approval for this item. A motion to accept the recommendation was made by John Archer and seconded by Ty Richardson. The motion passed unanimously.

**Vote Needed: Review and Approve Recommendations from the Program Oversight Committee on Locating the Main Career Center on the Future Goodwill Opportunity Campus at 28th and Broadway in 2023 - Cindy Read and Mike Hesketh:** Goodwill Industries of Kentucky is building a new campus at 28<sup>th</sup> and Broadway with a planned opening in first quarter 2023. They have invited KentuckianaWorks to become a tenant at the new space and have offered us 8,000 square feet at a rate of \$10 per square foot. Moving from the NIA Center to the new Goodwill campus presents pros and cons. Staff is seeking the POC's and Board's guidance on making this decision.

Goodwill Industries of Kentucky, a KentuckianaWorks service provider and partner, purchased the former Sypris site at 28<sup>th</sup> and Broadway in order to build a new opportunity campus in West Louisville. The site is next door to the NIA Center, the current location of our comprehensive career center. To date, Goodwill has demolished the previous building and begun site preparation. They have also begun soliciting tenants for the new campus and have begun the process of space design with an architectural firm.

Goodwill's vision is to include a variety of partners who provide services to their customers in West Louisville. The space will be organized like a mall, with a number of services and businesses opening into the mall. Examples of tenants who have already agreed to locate at the new campus are: Legal Aid, Park Community Credit Union, Kentucky College of Barbering, Shawnee Christian Health Care (dental and behavioral health services), a café (possibly run by Catholic Charities' Common Table), drop in child care (possibly provided by the YMCA) and Volunteers of America.

Goodwill has offered KentuckianaWorks the opportunity to be an "anchor tenant" with 8,000 square feet at a cost of \$10 per square foot, which includes utilities. Their research showed that Class A space is leasing at \$14 per square foot. The cost per year for KentuckianaWorks would be \$80,000. KentuckianaWorks would also have access to a large training space (5,000 square feet) that will be shared by the tenants and reserved as needed.

KentuckianaWorks currently leases 6,125 square feet on the second floor of the NIA Center at a cost of \$6.75 per square foot, or \$41,340 per year. The lease includes utilities, maintenance and security. However, there is no running water or kitchen available in the space itself and its location on the second floor is not terribly visible. The NIA building is leased by Louisville Metro Government from TARC.

### **Pros and Cons**

This opportunity presents many positive possibilities for KentuckianaWorks, but it also presents some potential complications. The pros and cons are listed below:

#### **Pro**

- The opportunity to locate our comprehensive center in a new space, built out to our specifications (note that KentuckianaWorks cannot use its federal funds to pay for capital improvements. In this case, Goodwill would take on that cost as part of the construction.)
- The synergy of so many partners at Goodwill's campus would drive more foot traffic.

- The location is next door to the NIA Center, a location in West Louisville critical to our racial equity priority.
- The location would be on the ground floor in a visible location. KentuckianaWorks would be able to have prominent signage and would be branded as KentuckianaWorks.
- The location would provide better access for customers with disabilities.
- There would be running water in our space so that we could have a break room for staff.

#### Con

- The cost is higher than we are currently paying.
- There could be “branding confusion” between Goodwill and KentuckianaWorks. Would KentuckianaWorks’ profile be diminished?
- There could be some “role confusion” as Goodwill would be our landlord at the same time it is a service provider under contract to KentuckianaWorks for our WIOA Youth, Reimage, Compass Rose and Youth Homelessness Demonstration Programs. (Note: Those programs are not currently planning to be located at the new campus and Equus Workforce Services is the adult services provider.)
- The Mayor has raised some concerns that Nia’s loss of a major tenant would likely be a blow to this municipal asset.

#### **Recommendation:**

Option 1: KentuckianaWorks decline Goodwill’s offer and remain at the NIA Center.

Option 2: KentuckianaWorks sign an agreement with Goodwill to become a tenant at their new campus in West Louisville and plan to move the comprehensive career center from the NIA Center in the first quarter of 2023.

Chairman Georges opened the floor up to any questions. Rick Purdy asked a question about branding. Could this possibly send a confusing message to the constituents who utilize our services? Could relocating to a Goodwill campus cause KentuckianaWorks to lose its branding that has been so impactful for so many years at the NIA Center? Michael Gritton answered when talking with Goodwill the vision is to have ground floor space and signage that will make it crystal clear that the Kentucky Career Center is there and is separate from Goodwill. Rena Sharpe of Goodwill added that this building will sit on the corner of Broadway and 28th Street. The thought is that the KentuckianaWorks signage will be right on the corner so that’s its visible. Ms. Sharpe expressed Goodwill wants the Kentucky Career Center to be front and center as we would be the anchor tenant for this property. Goodwill is also open to there being a separate entrance for the Career Center off of 28th Street which would be convenient for parking as well. Ty Richardson asked Michael Gritton what is his perspective on the importance of the brand reputation. Michael Gritton reminded Mr. Richardson and the Board under the Federal Law that authorizes these Career Centers we are prohibited by the black letter of the law from advertising the presence of the Career Center. The brand of the Kentucky Career Center is less important to KentuckianaWorks than the ability to attract people, help them get jobs and to track and report that. Part of what this location will do is attract a lot of foot traffic. This is a busy part of West Louisville that sits right on the bus line. This will possibly give us more exposure in line with how the Federal Government allows us to present ourselves.

Chairman Georges asked Ms. Sharpe what is the timeline for this space to be ready? She answered that ultimately success for Goodwill would look like breaking ground the first quarter of 2022 with a grand opening in April 2023. John Archer asked if the \$10 per square foot is an opportunity to save versus what is now being spent at the NIA Center? If so, could that money be devoted to other programs KentuckianaWorks runs? Michael Gritton answered, it will cost

more to move into the Goodwill space, we are paying a rock bottom rate at the NIA Center right now, no question about that. Not to sound critical of the NIA Center but remember the elevators don't work some of the time and we are on the second level and also there is no running water which makes the NIA Center a slightly less than desirable location. Cindy Read chimed in to remind the Board we have been overall contracting the number of Career Centers as our Federal dollars have gone down. Last year we moved out of the Career Center at Cedar Street in downtown Louisville and that was a savings of \$70,000 per year. So, while the cost will go up, it won't reflect what it could have cost for such brand new prime space. John Archer also asked is there any opportunity legally for some of the sub-businesses to market KentuckianaWorks and the work they do? Michael Gritton answered there is nothing prohibiting Goodwill from advertising KentuckianaWorks is at their Opportunity Campus.

Eric Friggle asked is there a lease agreement we would be breaking to leave the NIA Center? Cindy Read answered no, we are only obligated to give a 30-day notice. Mr. Friggle also asked do we think the NIA Center will have issues backfilling that space? Michael Gritton answered that in talks with the City they already have thoughts on other tenants that may be interested in that space and with a timeline more than a year out we would give them plenty of time to do so before we left. Mr. Friggle also asked is the \$10 per square foot cost for everyone that will be at the campus? Rena Sharpe answered these were very specific intentional invitations we gave based on our work with the partners in the community. All the service providers in this space were given the same quote of \$10 per square foot. The only exception to that is with the Volunteers of America who reached out to us while they were looking for space. VOA is requesting a significantly larger space than the other providers we approached so we are still working out those details. Lastly Mr. Friggle asked Michael what are his thoughts on a service provider being our landlord and giving us prime real estate space at lower than market rate? If Goodwill should need to reapply to be our service provider is there an obvious conflict of interest? Michael Gritton answered we are confident as long as we have an agreement that states we are paying the same rate as the other partners at the campus with the exception of a few special circumstances on the Goodwill side that should shield us from the charge that there is some sort of special deal we are receiving for Goodwill to remain the service provider. Chairman Georges asked Michael Gritton from a KentuckianaWorks branding and service delivery standpoint we can see the positives, but what is the big down side? What would this do to the NIA Center? What are the known major negatives that would come from us moving across the parking lot? Michael Gritton answered there is a sensitivity with the Mayor's office that I've tried to clear up with the Chief of Louisville Forward (Ms. Fleischaker), the Mayor and the Deputy Mayor, Ellen Heslen to make sure they know the Board is thinking about this and to make sure that we give them plenty of notice to think about who the other tenant might be. The second answer is there is a danger of getting swallowed into Goodwill's world and getting lost in that. Part of the negotiations would likely be in a MOU or some sort of an agreement that makes it clear that people know who we are and that we are there but different from Goodwill, yet makes it clear that we are a partner.

Lisa Thompson spoke up to say the opportunities are really self-evident and this could be an exciting time in the West Broadway corridor between the League and the Opportunity Campus. Jenny Lampton took the floor to say that as a partner we want to remind everyone the Office of Vocational Rehabilitation has a contract with Goodwill for fees for service to do evaluations, assessments and to help place the individuals OVR serves. Ms. Lampton is having conversations with the OVR Executive Director to talk through any conflicts of interest if OVR is to contribute to the lease of the business.

Chairman Georges asked if there are no further questions at this time are we ready to vote. Eric Friggle asked for clarification on what we are voting on today. Michael Gritton quickly reminded the group this is the distribution of labor between the staff and the Board. What we are trying to

frame for you is directionally we are going to move forward and bring back to you details as we need to. Mike Hesketh told the Board the Program Oversight Committee challenged Rena on a number of these very issues and we were comfortable moving forward making the recommendation to approve based on Rena's response to all of what we asked of her. Mike Hesketh made the recommendation to approve KentuckianaWorks to move forward with an agreement with Goodwill to become a tenant at the new Opportunity Campus in West Louisville and plan to move the Comprehensive Career Center from the NIA Center in the first quarter of 2023 with the understanding that the details as raised today will be addressed and resolved between now and then. Chairman Georges said that is a clearly stated recommendation from Mike Hesketh and asked were there any further questions on what the staff and POC are asking us to approve today. With there being no further questions Chairman Georges asked for a second. The motion by Mike Hesketh was accepted and seconded by Harold Reynolds. There were no oppositions. Jenny Lampton abstained from voting. The motion passed.

**Saying Thank You and Farewell to a Great Partner: Debra Hoffer of Junior Achievement - Michael Gritton**

Michael wanted to take a moment to thank Debra Hoffer for being a friend, a partner and a fantastic contributor to the education system and the talent and career pipeline work. Not just in Louisville but across the river in Southern Indiana. Ms. Hoffer has announced she is leaving Junior Achievement and opening a consulting practice and KentuckianaWorks wants to take a moment to thank her for her partnership. Ms. Hoffer thanked Michael for taking the time on this agenda to say farewell to her. She also let the Board know the JA Board has hired a new President, Jennifer Helgeson and she has high hopes that she will carry on the great partnership between JA and KentuckianaWorks. Ms. Hoffer says she hopes to be consulting in Louisville in the near future and hopes to connect with KentuckianaWorks again.

**Discussion with Special Guest Councilman Bill Hollander: (American Rescue Plan (ARP) Funds and Workforce Development - Michael Gritton**

Councilman Hollander explained to the Board the American Rescue Plan was passed in March and the City got some guidance on how it could use some local fiscal recovery funds, \$388 million dollars in total. In June the Council appropriated about \$30 million dollars principally diverted to COVID health needs and some other initiatives in the community. The Council then embarked on a public engagement process where they had public meetings across the county that were very well attended as well as an on-line engagement session where we asked the public where we should be spending this money. The priority areas for spending the money were unanimously approved. Those areas are Housing, Homeless Services, Public Safety and Premium Pay. Once the priorities were set the Council divided up into work groups. There were proposals that came out of each work group which were also unanimously approved. The biggest expenditure was in the homelessness area and affordable housing at \$89 million dollars. \$28 million dollars was approved in Premium Pay for Louisville Metro Government and related agency employees and will be distributed in tiers. The idea is that the people who were putting themselves most at risk for COVID exposure daily would receive \$5,000, people coming into the office daily would receive \$1,500 and everyone else would receive \$500. Public Health has a \$12.5 million dollar appropriation to continue their efforts in fiscal year 2022. There is \$10 million dollars assigned for compliance and reporting. Public Safety was appropriated at \$15.8 million dollars. That sends some money to the Police Department for some improvements, it's also a major expansion for the long haul of the Office for Safe and Healthy Neighborhoods. There are a few other smaller funded initiatives. That leaves \$160 million dollars. The Workforce Development and the Healthy Neighborhoods groups continue to meet. The Council released an RFI asking what should we be looking at, how should we attack this and are these goals realistic. The Council got back a total of 752

pages from 25 organizations including KentuckianaWorks. After a review of the responses there have been some adjustments to the goals that were set. This is a remarkable opportunity and we want to assure the Workforce Board and the folks of the community that we are trying to do the best we can for the long haul with this kind of money. Councilman Hollander said he would stop right there and take any questions there may be. Chairman Georges noted that this seems like a once in a lifetime opportunity and while all the wrap around services are extremely important, he asked what approximate dollar amount does the Council envision specifically for workforce development as so many employers are facing labor shortages. Councilman Hollander said it's impossible to tell at this time. That's what the discussion between the Council and the Administration will be. Chairman Georges thanked Councilman Hollander for his time.

**Update: Racial Equity Work and the Board's Strategic Priorities - Aleece Smith**

Ms. Smith gave a Strategic Priorities Update. Not a lot has changed since the September score card. A lot of those headlines still remain the headlines on those priorities. Products Priorities are things you can clearly see at the end of the day for the efforts towards that priority. The Racial Equity Dashboard created by Sarah Ehresman and Katie Elliot developed throughout the year is an example. We were able to get a prototype to you at the beginning of this calendar year and Katie has been able to enhance it with a lot of other program data. We also have Processes Priorities. These are the priorities that have to do with systems and habits change. Relationship Building is the priority set to convene major players to maximize collective impact on African American job seekers. Partnering with Southern Indiana Works to build out a bi-state workforce partnership and working with labor unions to increase the number of African Americans in apprenticeships are also examples of this priority. We have been able to make the most progress with the Products Priorities with five of the seven priorities on this list addressed. We have had less success with the Processes Priorities with two of the six priorities addressed. And as the previous score card showed the Relationship Building Priorities continue to be the area where most of the work is needed. With that said, there has been a lot done in all of these areas over the last year that the scorecard doesn't reflect. KentuckianaWorks has received over \$1 million dollars from the State over the last year and we've even gotten some kudos from the Lieutenant Governor on our Code Kentucky program. Ms. Smith turned the meeting over to Patrick Garvey who played a short clip of the Lieutenant Governor speaking on that program.

In closing Chairman Georges asked the Board to pull out the Strategic Plan between now and the next meeting, reread it and familiarize yourselves with those priorities as we've got some work to do.

Chairman Georges then adjourned the meeting. The next meeting is scheduled for Thursday, January 27, 2022.

**Staff:**

Cindy Read  
Aleece Smith  
Barbara Ferrell  
Chris Locke  
Michael Gritton  
Dr. Darius Brooks  
Jaime Disney  
Joshua McKee  
Lada Gasparac  
Lori Hiser

**Contractors/Guests**

Sara Dodeci  
Bria Henson  
Charlotte Kerns  
Christine Tarquinio  
Deb Giordano  
Debra Hoffer  
Monica Collins  
Patricia Williams  
Regan Wann  
Renee Walters

Patrick Garvey  
Latricia Swope

Zakiyyah Raymore  
Rena Sharpe  
Bill Hollander  
Shatreece Johnson