

AGENDA

Newport News City Council Work Session

May 14, 2019

*10th Floor Conference Room
City Hall*

- 3:45 p.m. I. Summer Training & Enrichment Program (STEP) Update
- 4:15 p.m. II. Invest Newport News Opportunity Zone Website
- 4:45 p.m. III. 3rd Quarter Financial Report
- 5:00 p.m. IV. Line of Duty Act (LODA)
- 5:05 p.m. V. ShotSpotter Briefing
- 5:15 p.m. VI. Comments/Ideas/Suggestions
- 5:30 p.m. VII. Closed Meeting
- VIII. Adjourn
- 6:00 p.m. IX. Dinner

CITY OF NEWPORT NEWS

OFFICE OF THE CITY MANAGER

May 8, 2019

TO: The Honorable City Council
FROM: City Manager
SUBJECT: 2019 Summer Training & Enrichment Program (STEP)

The STEP program is one component of the City's Violence Prevention Initiative to increase positive outcomes for youth and young adults between the ages of 16 to 24 through exposure to the world of work.

Participants work up to 30 hours per week and earn \$8.00 or \$9.00 per hour, depending on their completion of high school or GED. The STEP program covers all wages, and there are no direct costs for employers to serve as a host worksite other than in-kind supervision while participants are working. The program has grown from 160 participants in 2014 to 470 participants in 2018. More than 1,500 young people have participated in STEP over the past five years, working roughly 300 thousand hours and earning more than \$2 million in wages.

The 2019 STEP program is designed around a new model of service delivery. Our goal is to transition STEP from a ten-week "summer program" to a systematic year-round initiative. The City will serve as the fiscal agent and monitor the work of three strategic partners to deliver the program over a twelve-month period. These partners are the Hampton Roads Community Action Program, Newport News Public Schools, and the New Horizons Regional Education Center. We expect to serve 200 high school or in-school students and 75 out-of-school participants. An annual evaluation will provide feedback for City Council and the City administration about program effectiveness.

Hampton Roads Community Action Program (HRCAP)

The Hampton Roads Community Action Program will serve as the Program Administrator and primary service provider for approximately 75 out-of-school participants between the ages of 18-24. In addition to program oversight, payroll administration, and communication with strategic partners, HRCAP will utilize a cohort-training program that provides industry focused employment training and certificates to 15 participants at least 5 times a year.

Job Coaches will assist with cohort job placement and support services for seven-weeks. Each participant will complete pre- and post-assessments, soft-skill training, financial literacy, obtain at least one industry credential, and develop a professional portfolio. The desired outcome for all participants is to obtain unsubsidized, full-time employment with benefits in an in-demand occupation.

- The enrollment period for the first cohort of 15 participants is May 16 - May 31. Eligible participants can continue for a maximum of 520 additional hours with the support and coordination of New Horizons Regional Education Center on-the-job programs.

Newport News Public Schools (NNPS)

Newport News Public Schools will serve as the primary service provider for approximately 200 in-school participants enrolled in high school between the ages of 16-18. Each high school will champion a cohort of STEP participants to receive monitoring and support throughout their participation in the 2019-2020 school year program. Additionally, participants will receive Career Pathways training, Career & Technical Education (CTE) courses, industry certification opportunities, bi-monthly enrichment experiences, and team building activities.

Job Coaches will assist with worksite placement, support services for six-weeks, and provide program participants with, soft-skills training, and professional portfolios. School Counselors, Graduation Coaches and college and career specialists will assist students with academic and career assessments, planning/advisement, and interest inventories throughout the 2019-2020 school year. The desired outcomes for all participants is increased self-esteem and motivation, year round career exploration and pathway training, increased attendance and academic improvement, and exposure to college and enrichment activities.

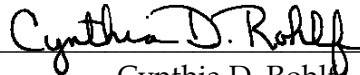
- The enrollment period is May 6 - May 17. The summer worksite experience begins June 24 and concludes on August 1. Eligible participants can continue for a maximum of 520 additional hours with the support and coordination of New Horizons Regional Education Center on-the-job programs.

New Horizons Regional Education Center/Youth Workforce Center (YWC)

New Horizons Regional Education Center will provide workforce training and support to all STEP participants. The Youth Workforce Center is located at the New Horizons Regional Education Center and offers an array of comprehensive services through in-school and out-of-school programs for youth between the ages of 16-24. Services are funded through the Workforce Innovation and Opportunity Act to assist youth with skills training, educational attainment, and successful employment. The desired outcome is to ensure a higher rate of success for each participant while serving our local employers.

The Honorable City Council
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2019 Summer Training & Enrichment Program
May 8, 2019

On May 3, 2019, the City sponsored a Breakfast Meeting at the Holiday Inn City Center to brief worksite partners about the 2019 STEP program. A total of 50 businesses completed Commitment Cards to participate as a worksite. We look forward to providing you with more information about the 2019 STEP program at the May 14 City Council Work Session.


Cynthia D. Rohlf

CDR:AKA:jlt

Attachments

cc: Alan K. Archer, Assistant City Manager
Steve R. Drew, Chief of Police, Newport News Police Department
Lisa J. Cipriano, Director, Department of Budget
Susan M. Goodwin, Director, Department of Finance
Elaine T. Johnson, Director, Department of Human Resources
Venerria L. Thomas, Director, Department of Human Services
MaRhonda Y. Echols, Youth and Gang Violence Prevention Manager

STEP 2019

COLLABORATION FOR SKILL DEVELOPMENT



PROGRAM ADMINISTRATION

- HRCAP will serve as the 2019 STEP Program Administrator over both In-School Youth and Out-of-School Youth program delivery
- Paylocity will be used for mobile time and attendance for Payroll – mobile app, desktop, and paper-based



PROGRAM ADMINISTRATION (Cont.)

- Worksite visits will be coordinated to assist employers with on-the-job training needs with participants
- Participants will receive soft-skill training during orientation and prior to worksite placement

IN-SCHOOL YOUTH

- A **6-Week** program is available to **200** NNPS students who meet eligibility criteria for STEP
- Eligible participants can continue for a maximum of 520 additional hours with the support and coordination of New Horizons Regional Education Center
- Summer and Year-Round
- Monthly afterschool sessions
- Saturday sessions offered every other month September – May



STEP

WORK TRAINING EXPERIENCE
for young people between the ages of 16-18.

JUNE 25 - AUGUST 1, 2019

PROGRAM COMPONENTS

- Paid workforce experience
- Provide employment training
- Provide career exploration
- Provide college exposure
- Provide academic support

ARE YOU ELIGIBLE FOR STEP?

- Current NNPS student
- Ages 16-18

NEWPORT NEWS PUBLIC SCHOOLS

IN-SCHOOL YOUTH (Cont.)

- Year-round engagement opportunities included for in-school youth enrolled in STEP:
 - Career Exploration and Work Experiences
 - Mentoring and Field Trips
 - Academic Tutoring and Credit Recovery
 - Team-building Activities
 - Youth Development and Community Service Activities

OUT-OF-SCHOOL YOUTH

A **7-Week** program is available to 75 participants who meet eligibility criteria for STEP:

- 3-Week Work-readiness preparation/in-classroom experience
 - Week 1** – Job Readiness Skill Building
(Workplace Excellence Series, Mock Interviews)
 - Week 2** – Credentials and Certifications
(NorthStar Basic Computer Skills Certificate, OSHA, ACT, etc.)
 - Week 3** – Budgeting and Job Preparedness
(Benefits coordination, Equipment and supports for employment)

OUT-OF-SCHOOL YOUTH (Cont.)

- A **4-Week** Job Placement Experience at worksites where Job coaches provide ongoing supports for participants
- Eligible participants can continue for a maximum of 520 additional hours with the support and coordination of New Horizons Regional Education Center



WORK TRAINING EXPERIENCE
for young people between the ages of 19-24.

PROGRAM COMPONENTS

- Computer skills training
- Free industry certificates and credentials
- GED or National External Diploma
- On-the-job training
- Direct employment (with support)

ARE YOU ELIGIBLE FOR STEP?

- Must reside in Newport News
- Underemployed
- Unemployed
- Out-of-school
- Limited work experience

HRCAP
Hampton Roads Community Action Program
Maximizing Opportunities & Transforming Lives

EDUCATION CENTERS

- **New Horizons**, owned and operated by the six Peninsula School Divisions, prepares youth for academic and post-secondary educational opportunities and occupational skills training
- Educational opportunities will be offered through the **Youth Workforce Center** and the **Career & Technical Education Center**



EDUCATION CENTERS (Cont.)

- The **Youth Workforce Center** is the Youth Services one-stop partner for the Greater Peninsula Workforce Development Board (WIOA)
- **The Youth Workforce Center offers:**
 - In-School Program for at-risk youths ages 16-21
 - Out-of-School Program for youths ages 17-24
 - Work Experience
 - Support Services



EDUCATION CENTERS (Cont.)

- **The Career & Technical Education Center offers:**
 - 25 Specialized programs
 - Hands-on real world curriculum
 - Industry-specific credential exams
 - Work-based learning experiences
 - Post-secondary education — dual enrollment with TNCC
 - Employment — Academy for Advanced Technical Careers



QUESTIONS?



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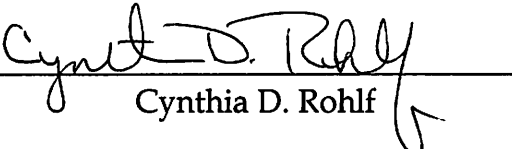
OFFICE OF THE CITY MANAGER

May 9, 2019

TO: Honorable City Council
FROM: City Manager
SUBJECT: Opportunity Zones Tool

Seven (7) Census Tracts in Newport News have been designated as Opportunity Zones. Opportunity Zones are a new revitalization tool resulting from the Federal Tax Cuts and Jobs Act of 2017. The program is designed to drive long-term capital investment to low-income and distressed areas by offering tax benefits to investors.

At your May 14, 2019 Work Session, a presentation, a copy of which is attached, will be given about Opportunity Zones and how Development is marketing this new tool.


Cynthia D. Rohl

CDR:FGK:mcb

Attachment

cc: Florence G. Kingston, Director, Department of Development

Great Things are Happening!

Opportunity Zones
May 14, 2019
City Council Work Session



Newport News
Where Great Things Are Happening

Opportunity Zones

What are Opportunity Zones?

- A new revitalization tool.
- Result of the Federal Tax Cuts & Jobs Act of 2017.
- Designed to drive long-term capital investment to low-income and distressed areas by offering investors tax benefits.

How were Zones designated?

- Feds determined initial eligibility based on Census data.
- Governors nominated 25% of eligible Census tracts.
- Governor Northam sought recommendations from localities with emphasis on proportionality; ex., 25% from each community.
- Over 8,700 Census tracts nationwide, including 212 in Virginia and 7 in Newport News, designated.
- Each of Newport News' Zones capitalize on established strategic plans, economic drivers and public investment and offer the greatest opportunity for future private investment.

Newport News
Where Great Things Are Happening

Opportunity Zones continued

The basics:

- Investors receive tax benefits by investing in Opportunity Zones through a “Qualified Opportunity Fund” (QOF).
- The QOF invests in:
 - Stock in a qualified Opportunity Zone business/corporation;
 - Partnership interest in a qualified Opportunity Zone business; and/or
 - Property in a qualified Opportunity Zone business.

Tax advantages for investors:

- **Defer** capital gains tax on the sale of an asset if sales proceeds are invested in a QOF.
- **Reduce** amount of capital gains tax paid on the deferred amount invested within the QOF if the assets are held for 5 or more years.
- **Avoid** capital gains tax on any appreciation arising from investment in the QOF if investment is held for at least 10 years.



Opportunity Zones continued

Guidance and Regulations:

- U.S. Treasury preparing regulations and holding public hearings.
 - First round held February 14th.
 - Second round scheduled for July 9th.

Marketing of Newport News' Opportunity Zones:

- www.InvestNewportNewsOppZone.com

Summary:

- Opportunity Zones are another tool for private investment and revitalization.



Questions



Opportunity Zones
May 14, 2019
City Council Work Session



CITY OF NEWPORT NEWS

OFFICE OF THE CITY MANAGER

May 14, 2019


TO: The Honorable City Council
FROM: City Manager
SUBJECT: Chapter 31, Pensions and Retirement; Article IV., Line of Duty Act Addition

The Line of Duty Act (LODA) established by the Virginia General Assembly provides health and death benefits to certain public safety employees who are killed or injured in the line of duty. Benefits include health, dental, and vision insurance for life for disabled officers, surviving spouses, and dependents, as well as a one-time death benefit payment for officers who die in the line of duty or within five years of retirement from a "presumptive cause."

In 2010, the state began requiring localities to contribute to LODA benefits with the costs for these benefits budgeted as a General Fund expense. In FY 2016, City Council transferred approximately \$2.7 million in General Fund Reserves to establish a LODA fund for these expenses. Currently, the City contributes to this fund each year an amount sufficient to pay claims and expenses related to LODA benefits.

To meet Governmental Accounting Standards Board (GASB) standards, the City's external auditors are recommending that the LODA fund be formally established as an irrevocable trust, similar to the City's retirement and other post retirement funds. The proposed amendment to Chapter 31 will establish the LODA fund as a trust fund administered by the Board of Trustees (the Board) of the Newport News Employees' Retirement Fund, satisfying the GASB requirements.

The Board supports the proposed amendment, and I recommend approval.


Cynthia D. Rohlif

CDR:SMG

cc: Susan M. Goodwin, Director, Department of Finance



Line of Duty Act Fund

May 14, 2019

What is the Line of Duty Act (LODA)?

- Established in Title 9.1 of the *Code of Virginia*, enacted in 1972
- Provides benefits for certain public safety employees (and their families) who are disabled or killed in the line of duty
- All localities are required to provide LODA benefits to covered personnel
- Benefits include:
 - Continued health insurance coverage through state LODA Health Benefits Plans
 - One-time death benefit to beneficiary of deceased officers
- Virginia Retirement System (VRS) determines line of duty eligibility
- Department of Human Resource Management (DHRM) administers health benefits

LODA Membership

- Currently, 1,179 employees are in positions eligible for LODA benefits
 - Police Officers
 - Firefighters and medics
 - Sheriff and sheriff deputies
- There are currently 24 members receiving health benefits
- There are no new applications pending at this time



LODA Funding History

- When established, LODA benefits were funded by the state
- In 2010, the state began requiring localities to pay LODA costs
 - \$327,516 in benefit costs in FY 18
- In 2013, \$2.6 million of the City's General Fund balance was reserved for LODA based on a actuarial analysis
- Annual General Fund contributions are made toward LODA benefits on a pay-as-you-go basis

LODA Fund Balance
(as of June 30, 2018)

\$ 2.6 million

LODA Trust

- The City reports the LODA Fund as a trust fund in the CAFR
- GASB standards require the City to establish the Fund as a formal irrevocable trust
- Amendment to Chapter 31 will establish the proposed trust
 - Similar to OPEB trust
 - Funds may only be used for the exclusive benefit of City LODA recipients
 - Administered by NNERF Retirement Board
 - Investment of funds overseen by Investment Committee
- City will continue to fund annual benefit costs on a pay-as-you-go basis

Questions?