



**ECONOMIC  
DEVELOPMENT  
CORPORATION**

## **MEMORANDUM**

**To:** Seguin City Council  
Donna Dodgen, Mayor

**CC:** Steve Parker, City Manager  
Andy Quittner, City Attorney

**From:** Josh Schneuker, Director of Economic Development / SEDC Executive Director

**Date:** October 27, 2022

**Subject:** SEDC High Demand Job Training Grant Application

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### **High Demand Job Training Grant Program - Background Information**

The Texas Workforce Commission's (TWC) High Demand Job Training Program was created using Workforce Innovation and Opportunity Act ("WIOA") funds to address skill gaps and ensure a talent pipeline to address industry needs, through collaborations between Local Workforce Development Boards and local Economic Development Corporations. Collaborations must engage in allowable WIOA activities, focusing on high demand occupational job training determined by the Workforce Development Boards in the local workforce areas. The intent of the High Demand Job Training Program is to support Workforce Development Boards in partnering with local EDCs that use their local economic development sales taxes for high demand job training. To achieve this purpose, the TWC wants to enable Workforce Development Boards to collaborate with local EDCs and leverage funds from their local economic development sales tax funds to jointly support the provision of such training. Grant funds awarded cannot exceed \$150,000 per Workforce Development Boards per fiscal year, and require EDC's to leverage one dollar (\$1.00) for every one dollar (\$1.00) of grant funds awarded.

### **Proposed SEDC HDTJ Application**

The SEDC Staff is seeking approval to submit an application for the HDJT Grant Program to help offset costs for the purchase of equipment necessary to support the TX FAME – Lone Star Chapter. The HDJT Grant request is for a total amount of \$300,000, with the Seguin EDC leveraging \$150,000 (required EDC leveraged funds) and Workforce Solutions Alamo (Workforce Development Board, as Described Above) granting \$150,000 for the purchase of equipment necessary to support the TX FAME – Lone Star Chapter. Equipment to be purchased with using HDJT Grant Funds includes industrial controls, phase convertors, tool cabinets, drill presses, sheet metal brakes, horizontal band saws, hand tools, measurement kits, heavy duty metal tables, arbor presses, tool cabinets, bench grinder and sheet metal shears.

The TX FAME – Lone Star Chapter AMT program equipment identified will assist with filling a skills training gap that does not exist in the South-Central Texas region due to lack of instruction. The equipment requested has been vetted by Texas State Technical College, the education provider for the TX FAME Lone Star Chapter. The acquisition of this equipment will provide FAME AMT Program Students with the opportunity to "earn while they learn", engage in a minimum of 1,800 work based learning hours, gain an associate degree of Applied

Science in Advanced Manufacturing, graduate debt free, and attain employment in a high-wage-high-demand occupation in the field of industrial maintenance.

If the SEDC's application for the HDJT Grant Program is accepted and approved, the SEDC and Workforce Solutions Alamo are required to enter into an Agreement which must:

- identify each entity's roles and responsibilities;
- identify the workforce area's high demand jobs for which local economic development sales tax funds will be used for high demand job training;
- identify and describe the activities and associated costs of the high demand job training of both the Workforce Solutions Alamo and the SEDC;
- provide that funds provided to the Workforce Solutions Alamo will be used to match local economic development sales tax funding for job training, on a dollar-for-dollar basis, up to \$150,000 per year;
- support the provision of high demand job training;
- provide an assurance that grant funds will not be used to encourage or induce relocation or for customized or skill training or related activities after relocation. (WIOA § 181(d)(1) and (d)(2), 29 U.S.C. § 2931(d)(1) and (d)(2));
- provide an assurance regarding complying with Texas Government Code, Chapter 2264; and
- identify the estimated number of individuals to be trained in high demand occupations based on the partnership between the SEDC and Workforce Solutions Alamo.
- provide an assurance regarding compliance with the Financial Manual for Grants and Contracts by Workforce Solutions Alamo;
- identify that the Workforce Solutions Alamo must provide periodic Progress Reports to the Agency (according to dates listed in the contract) using an Agency-provided format;
- identify that the SEDC must provide periodic narratives to Workforce Solutions Alamo including, but not limited to, the number of participants trained and/or assessed and the costs expended for each activity conducted during the reporting period; and
- be signed by both the Workforce Solutions Alamo and the SEDC.

## **Staff Recommendation**

Jobs to be created and or retained as a result of this Project are within the Manufacturing Industry (NAICS: 31-33) and meet the requirement of a "Primary Job" as defined by Chapter 501 of the Texas Local Government Code. SEDC funding allocated towards the HDJT Grant is permissible as it will help promote the creation and/or retention of primary jobs within the City of Seguin.

Staff recommends approval of the Resolution by the Seguin City Council authorizing the application for a grant from the Texas Workforce Commission High Demand Job Training Program, for the facilitation and creation of high-demand jobs in the City of Seguin. The SEDC's financial obligation for the HDJT Grant Program will be \$150,000.