

MEETING: LANE ECONOMIC COMMITTEE
DATE: Monday, October 15, 2018
TIME: 11:30 a.m. – 1:00 p.m.

LOCATION:
Lane Council of Governments
859 Willamette Street, Suite 500
Eugene, Oregon 97401

CONTACT:
Dan Betschart, (541)-682-3359, dbetschart@lcog.org
Denise Walters, (541) 682-4341, dwalters@lcog.org

Lunch will be ordered for LEC Members unless you notify us of your inability to attend

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1. Agenda: October 15, 2018

Documents:

[OCT 15 AGENDA.PDF](#)

2. Minutes: September 17, 2018

Documents:

[LEC 180917.PDF](#)

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All individuals are expected to observe respectful behavior and decorum during this public meeting. Anyone acting in a disruptive, disorderly or threatening manner will be asked to leave, and may be precluded from participating in future opportunities for public comment. Please be courteous and respectful. Please turn off or mute all cell phones and pagers.

1. Welcome / Introductions / Changes to the Agenda (5 minutes) Rob Scoggin
2. Public comment (5 minutes) Rob Scoggin
3. Comments from the Members, Chair & Staff (2 minutes) Rob Scoggin
4. Review minutes from September 17, 2018 (2 minutes) Rob Scoggin
Action item: Approve minutes
5. Nation of Makers (45 minutes) Darby Giannone
6. Oregon Impact Fund Oregon Community Foundation (30 minutes) Kate Hammarback
7. Current Government Loan Programs (15 minutes) Dan Betschart
8. Set next meeting date: November 19, 2018 Rob Scoggin

Adjourn

MINUTES

Lane Economic Committee

Lane Council of Governments (LCOG), Fifth Floor Conference Room

859 Willamette Street -- Eugene

September 17, 2018

11:30 a.m.

PRESENT: Robert Scoggin, Chair; Dan Betschart, Denise Walters, Gary Collins, Mark Bodie, Denise Walters, Mike Galvin, John Milandin, Larry Brice, Bob Ehler, Mike Galvin, Paul Berger, Barry Miller, Susie Johnston, Ric Ingham

GUESTS: David Richard, Rick Weinhold, Howard Schussler, Allison Weatherly, Jessica McCormick, Jeff Gepper

1. Welcome/Introductions/Changes to the Agenda

Robert Scoggin convened the Lane Economic Committee (LEC) at 11:34 a.m. Those present introduced themselves.

2. Public Comment

None.

3. Comments from the Members, Chair & Staff

There were no comments.

4. Review minutes from May 21, 2018

Action item: Approve minutes

Mr. Galvin moved, seconded by Mr. Miller, to approve the May 21, 2018 minutes. The motion carried unanimously.

5. Recap of Cascades West Economic Development District (CWEDD)

Mr. Scoggin reported that CWEDD had a meeting in June in Newport. It included an explanation about the brewery, how it started, and how it is involved in the economic development of Newport, Independence, and two places in Central and Eastern Oregon. There was also discussion of Cascadia, disaster planning, and the need to select leaders to follow through with the plan. In the next month, a representative from University of Oregon will come and talk about the next steps.

Mr. Betschart added that with respect to disaster planning and insurance, just having a risk mitigation plan in place saves \$24,000 per year in insurance costs.

Mr. Scoggin noted that the next CWEDD meeting will be October 11th in Eugene, at the Comfort Inn in Glenwood.

6. Technology Apprenticeship Program (Lane Workforce Partnership/Technology Association of Oregon)

Jessica McCormick of Lane Workforce Partnership (LWP) and Allison Weatherly of the Technology Association of Oregon (TAO) gave a presentation about their organizations' joint Technology Apprenticeship Program.

Ms. McCormick began by explaining that LWP was looking into how to fill the talent gap in the tech industry, and they pitched the idea of piloting a tech apprenticeship program to the Oregon Employment Department. Due to minimal grant funding, the budget for this program was small. LWP learned about the Apprenti program in Washington State and brought that program here. The program was vetted with the TAO's advisory board. With the ability to use Apprenti as a model for the framework of the program, the grant funding was used to pay for apprentice training. Ms. Weatherly added that Oregon is the first affiliate state to take on Apprenti.

Ms. Weatherly continued by showing a slide indicating the quick growth of the tech industry in Lane County, including the different types of jobs it encompasses. She mentioned that TAO works closely with LCC, U of O, etc. to make sure they are helping the local workforce by providing them with the talent they need. She also spoke about the constantly changing skills sets needed in the IT industry, and how an apprenticeship provides a front-loaded training program so that people can gain the current skills they need quickly and get to work as soon as possible. Ms. Weatherly and Ms. McCormick both spoke about this program's commitment to recruiting and providing more opportunities for women, minorities, and veterans.

Ms. McCormick stated that the apprenticeship addresses the gap between the skills someone has upon graduation from school and the skills needed at the moment for particular positions, given how quickly technology changes. The program brings in local employers and asks what skills are needed right now for particular positions, so the apprentices can learn what they need for a particular occupation. Ms. Weatherly explained that this program differs from other apprenticeships in that people are selected to then go into the training for those particular jobs. The curriculum is approved by employers, the state, and the Apprenti national team.

Ms. McCormick said that the front-loaded training is then followed by year of on-the-job training and continued classroom training. Apprentices are paid at 70% of journey level wage rate for the first 6 months of on-the-job training, and then 80% for the second 6 months. Mr. Berger asked what those wages are in real numbers. Ms. McCormick responded that, as an example, \$4,500 per month is the journey level wage for a network security administrator position. It differs by position, and they review the numbers yearly by surveying the employers program in the Apprenti program. Ms. Weatherly added that the numbers used here in Lane County reflect wages in this area.

Ms. McCormick stated that while this program targeted tech companies originally, a diverse group of employers are interested, as they have tech needs as well. For example, many employers need network security administrators, including government entities.

Ms. McCormick reported that the joint apprenticeship committee has filed standards with the state Department of Labor for four occupations: network security administrator, web developer, software developer, and IT support professional. Other occupations can be added in the future as employers express interest in them. Apprentices are vetted by the industry according to industry-recognized credentials, and they are certified before they go to work.

Ms. McCormick added this apprenticeship program is different from others because tuition is free (paid for by a grant through 2020). The goal is to keep the training cost per apprentice at \$10,000. The training period is 1-5 months, depending on the position.

Ms. Weatherly explained that a person who wants to get into the program starts by going to the website and taking a 3-hour assessment. Then there is a phone screening of the top-ranked assessment takers in Lane County.

Ric Ingham arrived at 11:59 pm

Ms. Weatherly emphasized they make sure a candidate can go without pay for the apprentice term, because the workload is too intense to allow time for a paying job during that time period as well. After the phone screening, there is an in-person interview. The program cannot request a resume or ask an applicant to describe technical training they have had, but an applicant may offer that information. They seek applicants with motivation and aptitude. When interviewing and looking for an apprentice, they also consider the employers and who would fit in with them. Finally, they send at least 2 potential apprentices to each employer, and the employer selects the apprentice they would like. Again, no resume or list of skills can be requested..

Mr. Berger inquired what kind of outreach is being done to organizations that promote the interests of women and minorities so that members of those groups can know what they should be doing if they want to pursue apprenticeship opportunities. Ms. Weatherly responded that they have talked with LCC groups, and Ms. McCormick added that they work with Worksource Lane County so that job coaches there can look out for potential candidates. She said they also engage with Redefining Women in Tech.

Mr. Berger further remarked that he has worked with at-risk youth, and he wondered if this program would consider some sort of mentorship program for at-risk youth, and if they could reach out to alternative schools, Saturday Academy, people in rural communities, etc.

Mr. Milandin advised that this should be coordinated through counselors at the high schools. It is important to figure out how to feed this into high schools so the counselors can offer students opportunities that will help them eventually get apprenticeships.

Ms. McCormick reported that this apprenticeship program participated in an apprenticeship panel through Lane ESD and Connected Lane County, presenting information about apprenticeships to high school students. Ms. Weatherly added that Connected Lane County and Elevate Lane County from the ESD reach high schools and provide CTE opportunities. Within the tech industry, they put together tours for high school students through different tech companies (LWP partners in this). CTE groups know about Apprenti programs, so high schools can encourage students to take the assessments. In response to a question from Mr. Milandin, Ms. McCormick noted that the Apprenti program is only for tech occupations, but the state is working on other apprenticeship programs in different industries.

Mr. Weinhold spoke about his work in California with an organization dealing with high schools, in which teachers identify which kids are not going to college, and these students can be taught trades, including tech occupations. Mr. Weinhold wondered how local non-college-bound students could be identified in a similar way. Ms. Weatherly replied that Elevate Lane County is doing this with tours, panels, job shadows, and internships, and high school counselors are helping in this regard. TAO also pairs students with tech companies.

Mr. Brice asked if employers commit to hiring apprentices after they have completed the intensive training in the program. Ms. McCormick explained that employers commit to pay 70% and 80% of

journey level wages during the one year on-the-job training so that the apprentices can meet the required standards. They also commit to providing the same benefits that they give to all other employees. The hope is that after the one year of on-the-job training, they will convert that apprentice to a full-time employee.

In response to Mr. Brice's inquiry about each participant being asked to forego working for the 1-5 months of up-front training, Ms. McCormick stated that they are working with the Oregon Unemployment division to see if participants might still be able to receive unemployment insurance. They are also in the process of getting the apprenticeship program approved for G.I. benefits.

Ms. Johnston wondered what the success rate is for apprentices who have completed the program. Ms. McCormick shared in response that Lane County just had its first five apprentices in two different cohorts, and they lost two during the training portion. Two others have been placed at their jobs, and it is working out well. The Seattle program has a success rate of 80%. Approximately 200 apprentices have gone through the Seattle program so far.

In response to a question from Mr. Collins, Ms. Weatherly said that the average age of apprentices in the program is 36.

Mr. Berger spoke of work that UO does with respect to CTE and employment training for people with disabilities, as the people involved in that program might be a good resource for ideas for a grant.

Ms. McCormick then showed slides about individual apprentices who have gone through the program, including their bios and their success with their new employers. Ms. McCormick emphasized that apprenticeship opportunities are employer-driven. For example, one employee was already working part-time at Homes For Good, and the employer then requested that he be their apprentice, after he had already made it through the first couple rounds of interviews. Ms. Weatherly added that the program is open to all sorts of employers, as long as they have a tech department.

Mr. Brice asked if TAO and/or its membership has committed funding to the apprenticeship program. Ms. Weatherly responded that for now, funding has not been committed to the program, but some members have offered free training. They expect more support in the future for the apprenticeship program.

McCormick noted that Lane Workforce Partnership received the grant, but they knew they needed to partner with TAO to drive the work. TAO is officially the affiliate of Apprenti.

In response to a question from Mr. Miller, Ms. Weatherly explained that if a company wants to pursue an apprenticeship, they may contact either LWP or TAO.

Mr. Miller inquired about the OJT (on-the-job training) program through LWP, and Ms. McCormick replied that the OJT program still exists, and it pays for half of an employee's wages during the training plan, up to \$3,500. The wages are \$12/hour with benefits, or \$15/hour without. This is for a candidate whom a company wants to hire but still needs more training.

Mr. Gepper asked if apprentices provide their own computers, and Ms. McCormick replied that having a laptop is a requirement of the program, but that can be worked through on a case-by-case basis if an apprentice needs help obtaining a laptop.

Mr. Richard asked whether the apprenticeship program is connected with Hack For Cause or with Code Oregon, and Ms. McCormick clarified that Code Oregon is over. Ms. Weatherly added that Hack For

Cause is a TAO event, and the fourth one will be in April, supported by local tech companies.

Ms. Johnston wondered if there are opportunities for future grants to continue the program. Ms. McCormick responded that one issue they are looking at is how to expand to rural communities, such as Florence. They hope funding will be available, and they plan to leverage some of their federal dollars for that purpose. Employers pay a \$2,500 placement fee per apprentice, and that helps to offset the program costs.

Mr. Berger talked more about the grant process. He recognized that if this program is going to be sustainable, it might help to bring in marketing people from UO to recruit employers and to make a sustainable funding model. Ms. McCormick replied that one benefit of choosing the Apprenti program is that they have the Seattle team, which is already ahead and in a sustainability phase. Mr. Berger emphasized that the issue is recruiting companies, and recruitment should be turned into a marketing effort, so that employers commit up front. Ms. McCormick responded that they need a proof of concept.

Mr. Scoggin invited Ms. McCormick and Ms. Weatherly to speak to the CWEDD board next month so that workforce partnerships from other counties can hear about the apprenticeship program.

Mr. Milandin wondered whether this committee should formulate a recommendation to LCOG to support the apprenticeship program. Mr. Scoggin replied that a recommendation like that could be made after this is brought to the CWEDD board, where the development directors from the various counties will hear about it.

Mr. Schussler asked Mr. Milandin what he would like LCOG to do with respect to this program. Mr. Milandin responded that he doesn't know, but his hope is that this program could be made sustainable and budgeted and funded by the legislature.

Ms. Walters mentioned that Lane ESD and Elevate Lane County can help bring the right people together.

Mr. Brice asked where the apprenticeship program's grant funding is coming from. Ms. McCormick replied that most of it is from the federal Department of Labor.

Mr. Brice mentioned that Jackie Mikalonis, as the liaison to the Governor's office, might be able to help, and Mr. Scoggin replied that she would be at the CWEDD meetings. Ms. McCormick remarked that Governor Brown is aware of Apprenti program

Mr. Weinhold suggested that when there are more success stories and companies talk about it, it will help propel the apprenticeship program forward.

Mr. Berger asked what the next steps are. He encouraged the program representatives to speak with Ms. Walters at Lane ESD and to follow up after subsequent meetings. Ms. Weatherly and Ms. McCormick agreed to follow up with various contacts.

7. Government Loan Programs

Mr. Betschart postponed this topic until the next meeting due to time constraints.

8. Set next meeting date: October 15, 2018

Mr. Scoggin said the next LEC meeting will be on October 15, 2018.

Mr. Scoggin adjourned the meeting at 12:52 pm.

(Recorded by Rachel Burstein)