

Public Records Request #3960

The following materials have been gathered in response to public records request #3960. These materials include:

- Email

This information was provided as a response to a public records request on 7/28/20 and is current to that date. There is a possibility of more current information and/or documents related to the stated subject matter.

Further Information

For further information about this request or the Citywide Records Program, please contact:

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From: Mills, Jeremy
Sent: Tuesday, July 28, 2020 10:45 AM
To: michael.f.roessler@gmail.com
Cc: Knight, Amelia; Flotree, Cheyenne
Subject: Public Records Request #3960

Mr. Roessler,

Please consider this email as fulfillment of PRR #3960, seeking a copy of a letter sent by CM Bokhari on Monday, July 20. Your public record is included below.

Jeremy Mills
City of Charlotte Communications

From: Bokhari, Tariq <Tariq.Bokhari@ci.charlotte.nc.us>
Sent: Monday, July 20, 2020 5:26 PM
To: Driggs, Edmund <edriggs@ci.charlotte.nc.us>
Cc: Watlington, Victoria <Victoria.Watlington@ci.charlotte.nc.us>; Ajmera, Dimple <Dimple.Ajmera@ci.charlotte.nc.us>; Eiselt, Julie <Julie.Eiselt@ci.charlotte.nc.us>; Mitchell, James <James.Mitchell@ci.charlotte.nc.us>; Lyles, Viola <vlyles@ci.charlotte.nc.us>; Jones, Marcus <Marcus.Jones@ci.charlotte.nc.us>; Baker, Patrick <Patrick.Baker@ci.charlotte.nc.us>; Egleston, Larken <Larken.Egleston@ci.charlotte.nc.us>; Graham, Malcolm <Malcolm.Graham@ci.charlotte.nc.us>; Johnson, Renee' <Renee.Johnson@ci.charlotte.nc.us>; Newton, Matthew <Matt.Newton@ci.charlotte.nc.us>; Winston, Braxton <Braxton.Winston@ci.charlotte.nc.us>
Subject: Re: Agenda Request-Yes

Council Colleagues,

This message is a complete overview of the COVID-19 economic recovery program design efforts that have taken place over the last several months, particularly relating to the Advanced Technology Cohorts. I hope this helps anyone who has additional questions at this point.

The Carolina Fintech Hub (CFH) is a nonprofit joint venture of the major banks and tech companies in the region that I founded, and among other work is in its 3rd year of providing workforce development programs to the Charlotte region. These cohorts have grown in reputation and size through the years, with the current 2020 in-flight cohort serving over 50 people in need of upward mobility.

CFH and the Charlotte Executive Leadership Committee (CELC) had been working on an initiative since the Fall of 2019 called Youth Technology Apprenticeship Camp (YTAC), which we decided to accelerate to help provide additional support to graduating seniors of primarily Title 1 schools who were not planning on going to college. While launching the YTAC program jointly, leaders from the two organizations were in discussions of partnering on cohort III of the advanced technology training cohort (WIN), previously scheduled to start in March 2021, to scale the positive social impact further.

COVID-19 hit, and the initial and forecasted impacts to small business and workforce were devastating and unprecedented. Our entire governing body, as well as the broader community, called for action. Innovative execution by all those that were able was a duty.

At that initial point in the crisis (mid to late March), the City Manager personally asked me to help design the City of Charlotte's economic recovery plan given my pre-existing involvement with and ability to quickly mobilize the private sector in the areas of small business support and workforce development. I had always viewed my nonprofit work and City work as synergistic but totally separate hats to avoid even the perception of an issue, but given the ask and the nature of this crisis, I decided this work was necessary despite the significant effort it would entail for my organization. I accepted the Manager's ask to help design the program, and stayed in constant contact with him throughout the entire process.

As we did with YTAC, we accelerated the timeline and scope of our efforts to design an approach that would provide in-year relief to those impacted by the pandemic at the broader workforce level, based upon the WIN program construct – but focused specifically on those impacted by COVID- with CELC joining in as lead hiring partner, helping us achieve even higher levels of hiring commitments (90 hiring commitments). That design could have worked on a longer timeline as a solely private sector solution, but at that scale would not have been able to provide the traditional participant 'learning stipends' that are critical to the historical success of the upward mobility programs.

At that point I presented the initial program design to City staff and the Manager as an opportunity to engage in a public/private partnership, where the private sector would be able to provide the advanced technology training program overhead (curriculum, instructors, laptops, etc.) as well as 90 job placement commitments starting at \$55,000 per participant... and make that all work on an aggressive timeline for the 2nd half of 2020.

It was relayed that the private sector felt this aggressive undertaking could be achieved by the City of Charlotte engaging, and taking on the role of paying the educational stipends of those involved in the program, within the constraints of CARES Act requirements (dollars must be spent in the calendar year of 2020, could not be used for items that would have already happened and have been funded otherwise, had to demonstrate COVID-19 had impacted the recipient, etc.).

It was further designed to ensure conflicts of interest were mitigated: The private sector would ensure the funding for overhead and job placement commitments was achieved and administered (an overall investment that exceeds \$5M over the next 1.5 years, and up to \$25M over the next 5 years), and the City would vet, approve and administer the payroll "learning stipends' directly to the participants with no involvement or co-mingling of funds with the private sector (an investment that totaled up to \$1.5M, assuming 90 participants earning an annualized salary of \$35k for 5 months, plus related payroll administration overhead). This was not approached as a vendor engagement opportunity, rather a public/private partnership.

CFH had already spent our 2020 annual budget allocations for workforce programs, so this approach required us to raise another ~\$365k for direct overhead spend (in addition to raising the \$4.95M of 2021 job placement salary commitments) to cover curriculum, instructors, laptops etc if we were to recall are the timeline up to 2020 instead of out normally planned 2021 next cohort. I have previously shared these cost breakdowns with Staff, and they do not include anything else (items such as CFH staff payroll, or funds for other initiatives - which are covered in our existing annual budgets).

City Staff and the Manager relayed that they liked the program, incorporated it into their broader economic recovery plan, and presented their plan to the task force and broader council for adoption. They were clear that this approach was pending further diligence and design that needed to occur, and that Staff would ultimately have the authority to decide between this opportunity, other viable options, or nothing at all. I was, and still am, in complete support of any

other program designs that could deliver the end outcome of changing lives – there just haven't been this unique combination of job commitments, overhead investments and salary 'learning stipends' that could all come together on such a condensed timeline.

It was ultimately approved by council, and within the next month of continued efforts, staff indicated their support to the private sector of moving forward as the 'educational stipend' provider in this specific public/private partnership. [The CELC Staff received formal board approval to move forward as the "hiring" provider on June 23rd and has since secured 70 of the 90 positions].

In closure... Staff has asked me to continue forward with this program, as have many of my private sector partners. I will be making a final decision this week if we will continue forward with this public/private partnership that we have designed over the last several months, or if the political risks that have arisen over the last week make this safer to only have it exist as it has, in the private sector. It is a terribly difficult decision to make – since so many have worked so hard on this, and many lives won't have the opportunity to be changed forever if we opt out – but I must ponder these decisions very carefully in the current environment.

Please let me know if you have additional questions.

Sincerely,

Tariq