

**KENTUCKIANAWORKS BOARD MEETING  
GREATER LOUISVILLE WORKFORCE DEVELOPMENT BOARD  
Thursday, August 26, 2021 – 8:30 a.m.-10:00 a.m.  
Virtual Meeting via Zoom**

**Members Present:** Andy Bianco, Cornelius Cotton, Eric Friggle, Harold Reynolds, Jenny Lampton, Jennifer Carman, John Archer, Kim Blanding, Dr. Marty Pollio, Michael Hesketh, Sadiqa Reynolds, Rebecca Fleischaker, Sarah Davasher-Wisdom, Tony Georges, Dr. Ty Handy, Ty Richardson, Willie Byrd

**Welcome and Greetings – *Chairman Tony Georges***

Chairman Georges welcomed everyone to the Board Meeting and thanked them for attending.

**Welcome to new KentuckianaWorks Staff Member Lada Gasparac – *Michael Gritton***

Mr. Gritton introduced Ms. Gasparac, the new Senior Director of Youth Programs. This was her ninth day on the staff. She provided a brief introduction on her background, which has involved working with children and in the corrections system, with a focus on evidence-based programs and collaboration. She was excited about contributing to the work to come in the next few years.

**Review and Approve Minutes from June 2021 Meeting – *Tony Georges***

A motion to accept the June Meeting minutes was made by Ms. Reynolds and seconded by Mr. Archer. The motion passed unanimously.

**Review and Approve Consent Agenda from POC Meeting – *Cindy Read***

Ms. Read mentioned there were a few new staff members on Goodwill's young adult programs in Jefferson County under the leadership of Renee Walters, namely re-entry expert Dennis Ritchie and program managers X'Zashea Lawson-Mayes and Andrew Pierre. She felt they were off to a great start. Ms. Read then went over the two items found on the Program Oversight Committee's consent agenda:

1. Recommendation to issue an RFP for the operation of SummerWorks – By law, KentuckianaWorks' contracts are single-year contracts renewed every five years. The current contractor (YouthBuild) has started the fifth and final year of its contract, so it was time for a new RFP. YouthBuild had been granted a three-month extension by Metro Purchasing on their current contract. The RFP would go live in September, the deadline in October, and a decision made at November POC and Board Meetings.
2. Code Louisville / Kentucky contract with Pluralsight – When it began a decade ago, Code Louisville used a company called Treehouse for its online coding program. Over time, staff have shifted to thinking Pluralsight would be a better option. Pluralsight has a non-profit wing that would provide better costs while still being up to date. Pluralsight does not really participate in bidding processes. Staff have done the due diligence and received employer recommendations; the proposed Pluralsight contract could be up to \$125,000. Metro Government now required Board approval for this situation.

Mr. Hesketh praised the POC for being such a strong committee and for doing a great job.

A motion to accept the Consent Agenda was made by Mr. Richardson and seconded by Mr. Byrd. The motion passed unanimously.

**Labor Market Update – Sarah Ehresman**

Ms. Ehresman stated she called these presentations “Snapshots of the Louisville Economy During the COVID-19 Pandemic” because the economic situation changes so quickly and often. The data was current through mid-June, so before the impact of Delta started to become apparent. The region has regained 70% of the jobs lost during the pandemic-based recession; the slope had started to flatten a little bit, though, as the last 30,000 jobs proved slower to recover. Job recovery was proving stronger in some industries (e.g., logistics, professional, and financial services) than in others (e.g., manufacturing, construction, leisure/hospitality). Rebounding to where employers were before the pandemic might not be sufficient due to shifts in consumer spending that have taken place (more spending on goods but less spending on services). As far as composition of jobs in the region: higher wage jobs have more than rebounded, while lower wage jobs were still down (before the pandemic, nearly 250,000 Louisville-area workers earned less than \$30,000/year, including half of the region’s Black workers). On average, the size of Louisville’s labor force was about 2.5% smaller (down about 17,000 jobs) in 2021 than it was in 2019. Many people have pointed to the role of expanded UI benefits as a disincentive for people looking for work. About half of states have ended UI, so some data can be determined; namely, cutting off UI benefits has produced a lot of pain for very little gain. There was no strong difference in employment rates for states that ended expanded UI benefits, but there were immediate increases in financial hardship. Looking into the demographics, younger and older workers have seen steeper declines in labor force participation during the pandemic. 40% of Kentucky’s prime working age adults who were not employed said caregiving was their main reason for not working. Mothers in particular have been driven out of the labor force, as childcare remained limited and uncertainty remained high. Older workers, on the other hand, had health concerns about COVID or went into early retirement thanks to the strong stock market. With the tight labor market, Q2 2021 average hourly wages (\$25.30) were 8% higher than Q2 2019 (\$23.75). To recap the data findings, Ms. Ehresman cited the following points:

- The local labor force was smaller than it was before the pandemic.
- Ending expanded UI benefits did not appear to have a significant impact on increasing employment levels.
- Older (health concerns / early retirement) and younger (sector-specific issues and care responsibilities) workers have left the labor force at higher rates.
- Wage pressure was occurring as a result of the tight labor market.
- There were still more than 35,000 people out of work, but looking for work in June 2021.

And some final takeaways from the update:

- The tight labor market was giving workers more choices.
- Workers value higher wages, but also stable scheduling, benefits, flexibility, and voice.
- Workplace culture matters; the region was becoming more racially/ethnically diverse.
- Pre-COVID barriers (transportation, justice involvement, childcare) remain a problem.
- Ultimately, the pandemic itself was the cause of the current labor market tension.

Mr. Georges asked what the current workforce participation rate was; Ms. Ehresman said that data was only available for the state level, and only issued annually. Mr. Archer asked if this data

had been rolled into the ARP strategy; Ms. Ehresman stated she had been in conversation with Mr. Gritton, Mr. Lancaster, and others on providing data-informed input. Mr. Archer focused on mothers, especially single mothers, as a big factor from the workforce quantity standpoint. He also asked if remote jobs were rolled into the data; Ms. Ehresman answered yes, as long as the respondents lived in the Louisville region and reported being employed. Mr. Richardson said the report was fantastic data and consistent with what they were seeing at Humana and exploring in terms of career pipelines, working mothers, impact on the Black community, etc.). He asked Ms. Ehresman how in one slide, she used \$30,000 as a living wage sort of threshold; where was that coming from? Did that include benefits? Ms. Ehresman said “low-wage worker” could be defined in a lot of ways; that number indicated just wages/income/salary, not benefits. Ms. Reynolds said the data was great and pointed out how she hoped the state of Kentucky was looking at the data coming from the states cutting off UI needs; she appreciated the myths being dispelled about when states cut off those services. She was wondering how have COVID deaths impacted the workforce, thinking about the thousands that have died in Kentucky alone; Ms. Ehresman said she was absolutely right, there were not just deaths to consider but also people who were sick, quarantined, or concerned about going back to work. Mr. Archer said his only concern was that it was a snapshot of one month, and most employers could not hire that quickly; would the Board see additional updates? Ms. Ehresman said yes, she gets new numbers every month; the August numbers should be ready in about six weeks. She pointed out she would miss a few months later this fall for maternity leave. Ms. Reynolds asked Ms. Ehresman to explain again about the number of people who went back to work; Ms. Ehresman said the cutoff for this data was in June. The data indicated that out of every eight people who lost their UI benefits, just one person found a job about two months after the benefits cut off. Ms. Ehresman clarified this was not indicative of the total labor force. Ms. Reynolds wanted to emphasize this information with her colleagues: new earnings made up just 5% of lost benefits, which led to decreased consumer spending. Mr. Gritton sought clarification on how there were a lot of reasons why unemployed people were not working, thinking it came back to COVID, childcare availability, school availability. Ms. Ehresman said that was absolutely correct, that UI benefits were not the culprit necessarily, there were many other contributing factors. Mr. Lancaster wondered about the overlay of unemployment with job openings, thinking it was a really inefficient market and how it was often difficult for the unemployed to get jobs that were available. Ms. Ehresman said it was true that some workers were not going back to thankless low-wage jobs, prioritizing education, or taking time to find a job that was right for them (which leads to a better working economy); but often it was more complicated than that with a lot of different factors. Ms. Reynolds pointed out how if workers were staying at home with children, they had no childcare expenses; if they went back to low-wage jobs, that childcare expense had to be factored in. She also said the impact of schools opening had to be considered in any future data and that it was imperative for employers to be more flexible with their hours. Ms. Ehresman pointed out how childcare centers were having their own staffing/employment issues, impacting affordability.

**Presentation and Discussion: American Rescue Plan (ARP) Funds and Workforce Development – Tony Georges, Jim Lancaster, and All**

Mr. Georges reminded the Board of KentuckianaWorks’ mission and strategy. He called this a once-in-a-generation opportunity, emphasizing the importance of the moment.

Mr. Lancaster discussed the Citizens Collective initiative related specifically to workforce. It was an extremely dynamic environment; the numbers were changing, and would continue to change

really rapidly. Just in the past couple weeks: JCPS went back to school, employers had raised wages, the economy was bouncing all over the place. He wanted to concentrate on the principles and ideas behind the initiative. His presentation was a draft that would be built with everyone's input, a community conversation about a community objective. The collective decided Louisville's biggest problem was its incredible and dangerous cultural/racial economic divide. This was a really unique time, a combination of resurgence of understanding that divide, significant issues in hiring leading to borderline desperation by employers, and ARP sitting there ready to break through a bunch of barriers. The Citizens Collective was a group of key players with a shared objective: the need to build a self-sustaining middle class in Louisville's Black and Brown community, to address root causes and not just put on a Band-Aid. To achieve it, distribution of ARP funding should focus on three key investment areas that, when/if coordinated, would build economic prosperity and racial equity for Louisville:

1. Affordable and Reliable Housing (\$100m) – A multi-tiered approach was needed to better leverage existing federal funding. Home ownership was the most important housing factor, but “you gotta get there from here.” Folks need jobs so they can climb career ladders. Mr. Lancaster was trying to bring more people into the conversation (very large low-income development folks from around the country, the Louisville Urban League, the Coalition for the Homeless, and New Directions Housing Corp. to name some). His main point was if you wanted to change something by just a little bit, you would crash; it was like running hurdles. You had to overpower it to actually get change.
2. Workforce Enablement (\$100m) – Workforce was a challenge because all employers were not the same, just like all unemployed people or job tracks were not the same. They do not live in the same spot, have the same barriers, skills, desires, motivations, etc. Mr. Lancaster said the current connection was inefficient, and there were lots of assumptions about how the workplace works that needed to be dispelled. There was a need to get employers and workforce professionals together to break through workforce barriers. We need to get people into career tracks rather than just jobs.
3. Quality Early Care & Pre-K (\$100m) – Childcare funding was critical. There was a political problem in Louisville; the city, state, and JCPS need to be part of the solution.

Thinking as a community about how to lead this effort was really important. Mr. Lancaster did not feel the city was properly set up to manage a bunch of RFPs, and the city needed to think about a structure with a fiscal intermediary to handle ARP funds, to appoint leadership in each of these areas, and to set it up in a way that it could be effectively managed over the next few years.

Ms. Reynolds started the discussion by mentioning the lack of affordable housing everywhere, specifically cited the example in Prospect as to how affordable housing should be available in all parts of the community and not just some parts of the community. She gave the city credit for acknowledging this issue. No one wants to always be the bad guy, and she felt there were lots of examples in every area Mr. Lancaster mentioned where opportunities have been missed because people felt like it was not their issue. She emphasized how we were all connected, as the pandemic has shown. Mr. Archer hoped we had considered utilizing the same pathways/vendors as in the past. His fear in all this was that now that there is all this money, all of a sudden people without experience or previous interest would see an opportunity. If RFPs were issued, there was a need to build on established relationships (like the ones with organizations like the one led by Ms. Reynolds), to build structural things that would live on after the infusion of ARP money was expended. Mr. Georges asked about the timeline; Mr. Lancaster said it was very short. There was

a Metro Council vote later today on some of this stuff. By this fall, “the horses will have left the barn.” Mr. Lancaster said his basic idea was to encourage collaboration and connection between non-profits and employers so everyone’s proposal was as good as it could possibly be. Ms. Fleischaker said it would be nice to have Ms. Handmaker and some of her team involved. They were talking about late October, with the process of how it would work starting to gel together now; \$350m would go very quickly. Mr. Bianco asked about the content of the Academies, if they were job-specific or inclusive of the entire ecosystem; Mr. Gritton said he would love to give Mr. Bianco a separate briefing on the Academies, but the highlight was that they were organized around key sectors like manufacturing, IT, healthcare, and other growing parts of the economy. Mr. Bianco mentioned a report by McKinsey on key workforce competencies he would send out after the meeting. Ms. Davasher-Wisdom said there was a lot in Mr. Lancaster’s presentation that GLI could be supportive of and rally around. One quick point on affordable housing: GLI had a land development task force that had a lot of ideas and she encouraged collaboration there. On childcare, she felt there was a misunderstanding this would be taken care of by the state; did we know how much would be going to Louisville? Finally, for workforce development, she felt it was important to work together in one voice so there was no confusion or duplication as GLI worked to scale its Career Acceleration Network. Mr. Richardson shared thoughts from an employer perspective. Humana was part of the OneTen national organization focused on career tracks for Black Americans. When he looked at workforce, his ideas focused on apprenticeships, degree requirements, sustainable pipelines and wages. He felt it was critical to get focused on key skills and pipelines, so there would be a match in what employers and employees looked for in terms of career building. Mr. Georges praised the Eastern Kentucky workforce board (EKCEP) as a prime example in terms of supply and demand. Dr. Pollio mentioned how JCPS was really committed to being a partner in terms of the early childcare component based on how important it was to learning. For example, JCPS had first graders who had not been in school before who were learning how to potty train and hold a pen; that showed how critical early childhood/pre-K was. Everyone talks about it but no one does it. Dr. Pollio saw two big but not insurmountable challenges: 1) People (particularly a teacher shortage) and 2) Building space. Mr. Lancaster asked if the Board was willing to lean-in on this issue; Mr. Georges said that collectively we have made progress, and this was an opportunity to build further. Thankfully, workforce development was the wheelhouse of this Board and Mr. Georges was, personally, all-in. Ms. Davasher-Wisdom cautioned about creating another management group, and how she would hate to see us lose momentum on some of the other areas. Mr. Gritton clarified he definitely wanted to be coordinated and not duplicative, and that GLI would be involved in future ARP discussions. He also wanted to make sure the City knew KentuckianaWorks already did cost-reimbursement contracts with some of the key non-profits like Goodwill and the Urban League. The City would ultimately decide how to manage the process, but KentuckianaWorks was willing to help. Additionally, there were key employers like Humana and Computershare on the Board who represented the type of good first-job on-ramp type of major employers needed.

In his closing comments, Mr. Georges said the ball was moving fast and the next Board meeting would be too late; if any Members or their businesses wanted to get involved, make the call now.

The meeting adjourned at 10:05 a.m. The next meeting was scheduled for Thursday, Sept. 30.

**Staff:**

**Contractors/Guests:**

Aleece Smith  
Christine Tarquinio  
Angella Wilson  
Bailey Preston  
Brian Luerman  
Chris Locke  
Cindy Read  
Dr. Darrius Brooks  
Jaime Disney  
Joi McAtee  
Katie Elliott  
Lada Gasparac  
Mary Rosenthal  
Michael Gritton  
Regina Phillips  
Sarah Ehresman  
Stacy Roderick  
Tobin Williamson

Charlotte Kerns  
Deb Giordano  
Dennis Ritchie  
Jim Lancaster  
Joshua McKee  
Kimberly Boyd-Lane  
Lisa Thompson  
Monica Collins  
Regan Wann  
Rena Sharpe  
Renee Walters  
Sara Dodeci  
Shatrece Johnson  
Stacey Wade  
Tim Foster  
Violet Olds  
Zakiyyah Raymore