COUNTY OF HUMBOLDT

For the meeting of: 8/22/2023

File #: 23-393

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:
Memorandum of Agreement Related to the Emergence of the Offshore Wind (OSW) Industry in Humboldt County and Supplemental Budgets (4/5 Vote Required)

RECOMMENDATION(S):
That the Board of Supervisors:

1. Ratify the acceptance of $1.5 million in funds from the California Employment Development Department;
2. Approve the attached supplemental budget in Fund 1120, Budget Unit 287 for Fiscal Year 2022-23 in the amount of $210,000 (4/5 vote required; attachment 4);
3. Approve the attached supplemental budget in Fund 1120, Budget Unit 287 for Fiscal Year 2023-24 in the amount of $467,500 (4/5 vote required; attachment 5); and
4. Direct the Chair of the Board, or designee, to execute a Memorandum of Agreement, on behalf of the County of Humboldt, with RWE and Vineyard Wind supporting Economic Development and Workforce planning activities and studies to help advance programs and services (attachment 2).

SOURCE OF FUNDING:
California Development Department WIOA Additional Assistance Grant; Economic Development (1120), Workforce Development Fund (1120-287150)

DISCUSSION:
On May 24, 2022 the Board of Supervisors (Board) directed staff to engage with local community partners to explore and vet opportunities and obligations surrounding the development of local supply chains and the preparedness of the workforce for offshore wind. Additionally, the Board authorized the County Administrative Officer (CAO) to submit, on behalf of the County and Board of Supervisors, letters of support and requests for funding related to the development of local supply chains and the preparedness of the workforce for offshore wind.

On Nov. 29, 2022, your Board adopted Resolution 22-140 furthering the county's proactive efforts to ensure that offshore wind development occurs in a sustainable manner, maximizes environmental and economic benefits to the region, and minimizes or mitigates unavoidable impacts.

On March 14, 2023 the Board authorized the CAO, or designee, to execute a grant agreement for $851,500 awarded by the State of California Employment Development Division (EDD) for offshore wind-related activity.

To date this award has been used to provide offshore wind related education opportunities for Board members, staff and community partners. Additionally, this award was used to support Partners for Ocean, Wind, and Energy Renewables in California (POWER CA), an official US Department of Commerce (DOC) Select USA Spin-Off event, which was hosted by the Humboldt County Workforce Development Board (HCWDB) and County of Humboldt's Office of Economic Development, which occurred May 10 through May 12, 2023.

POWER CA welcomed over 150 participants from federal, state, and local government as well as tribes, educational institutions, industry specific private businesses, and non-profits. Speakers, panels and excursions focused on research, education, workforce and implementation for renewable energy industries in Humboldt County.

Due to the success of POWER CA, the DOC Select USA team has asked Humboldt to host annual such events. Additionally, EDD has shown immense support and has provided an increase of $648,500 from the original $851,500 award for a total of $1.5 million. This increased funding will be used to fund activities related to workforce analysis and development, supply chain analysis and development, stakeholder analysis and road mapping, business, worker, and staff readiness and education, legal support services, civic outreach and engagement, and updates to the HCWDB Local and Regional Plans.

As this is a modification to an existing grant the initial executed agreement covers the increased funding and does not require additional signatory authorities for execution of any further agreements. Staff recommends that your Board ratify the acceptance of these additional funds and approve the attached supplemental budget for the Auditor-Controller to prepare in 1120-287150.

Additionally on May 14, 2023 the Board directed staff and the corresponding ad hoc committee to engage the HCWDB in discussions with wind developers to explore the braiding of resources, funding, and community interests needed to develop a robust workforce and supply chain. Through this direction a Memorandum of Agreement (MOA) (Attachment 2) has been developed between the County of Humboldt and the wind developers, Vineyard Offshore, LLC and RWE Offshore Wind Holdings, LLC.

The MOA reflects the parties’ shared goals of investing in regional economic and workforce development planning to create a strong foundation for the sustainable and equitable growth of offshore wind and related industries, through a mutual commitment to cooperate and partner with the region’s existing related activities. In addition, the MOA reflects a goal to provide future funding

support for county economic development and workforce planning. Through these coordinated efforts the analysis and planning endeavors, supported by the aforementioned grant, will be bolstered by further collaborative planning initiatives and supportive analysis, which is required to create robust strategies, notably the County Economic Development Strategy (CEDS) and the HCWDB Local and Regional Plans.

Moreover, this MOA represents a shared objective to cultivate strong partnerships, recognizing that economic and workforce growth thrives on collaboration and necessitates the inclusion and representation of diverse organizations, government agencies, and populations to achieve genuine success.

Staff recommends the Board authorize the Chair of the Board, or designee, to sign this MOA, on behalf of the County of Humboldt, which represents one of many important partnerships needed to further collaborative economic and workforce planning as related to offshore wind.

FINANCIAL IMPACT:

Expenditures (1120, 287150)	**FY22-23 Adopted**	**FY23-24 Adopted**	**FY24-25 Projected***
Budgeted Expenses	0	707,500	115,000
Additional Appropriation Requested	210,000	467,500	0
Total Expenditures	210,000	1,175,000	115,000
Funding Sources (1120, 287150)	**FY22-23 Adopted**	**FY23-24 Adopted**	**FY24-25 Projected***
State/Federal Funds	210,000	1,175,000	115,000
Total Funding Sources	**210,000**	**1,175,000**	**115,000**

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:
The attached supplemental budgets will increase the Economic Development - Workforce Development funds by $210,000 for Fiscal Year (FY) 22-23 and $467,500 for FY 2023-24 in fund 1100, budget unit 287150. In FY 2024-25, it is anticipated that the remaining $115,000 will be spent, these funds will be included in the annual budget cycle. Funding for the increased expenditures is available from the California Employment Development Department's Workforce Innovation and Opportunity Act (WIOA) Additional Assistance grant.

STAFFING IMPACT:
This will not increase staff levels, however, one existing Board approved position will be utilized to support offshore wind community engagement efforts.

STRATEGIC FRAMEWORK:
This action supports the following areas of your Board's Strategic Framework.

Core Roles: Support business, workforce development and creation of private-sector jobs, Strengthen

climate change resiliency
New Initiatives: Facilitate public/private partnerships to solve problems
Strategic Plan: 3.1 - Improve the economy of Humboldt County

OTHER AGENCY INVOLVEMENT:
Employment Development Department
Department of Commerce
Vineyard Offshore, LLC.
RWE Offshore Wind, LLC.

ALTERNATIVES TO STAFF RECOMMENDATIONS:
The Board could choose not to approve this agenda item. This alternative is not recommended as the activities conducted under these funds support the efforts of the Humboldt Workforce Development Board as well as those the Board.

ATTACHMENTS:
1. Memorandum of Agreement between the County of Humboldt, RWE Offshore Wind, and Vineyard Offshore.
2. Humboldt County offshore wind additional assistance grant application
3. Humboldt County offshore wind additional assistance grant modification
4. Humboldt Offshore Wind grant 22-23 supplemental budget
5. Humboldt Offshore Wind grant 23-24 supplemental budget

PREVIOUS ACTION/REFERRAL:
Board Order No.:D-12; D-1; I-2
Meeting of: May 24, 2022; Nov. 29, 2022; March 14, 2023
File No.: 22-615; 22-1584; 23-236