

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	<b>CLASSIFICATION</b> YouthBuild
	<b>CORRESPONDENCE SYMBOL</b> OWI-DYS
	<b>DATE</b> October 7, 2015

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 6-15**

**TO:** STATE WORKFORCE AGENCIES  
 STATE WORKFORCE LIAISONS  
 STATE WORKFORCE ADMINISTRATORS  
 STATE AND LOCAL WORKFORCE INVESTMENT BOARDS  
 ALL YOUTHBUILD GRANTEES

**FROM:** PORTIA WU /s/  
 Assistant Secretary

**SUBJECT:** Qualifying Work Sites and Construction Projects for YouthBuild Grantees and Their Role in Training

1. **Purpose.** The intent of this Training and Employment Guidance Letter (TEGL) is to provide guidance on the types of work sites that are acceptable for construction training for YouthBuild participants, describe the minimum construction activities allowed for work site training, and clarify the policy around successful exit as it pertains to hands-on occupational training.

2. **References.**

- Workforce Innovation and Opportunity Act (Pub. L. 113-128 July 2014);
- YouthBuild Final Rule, 20 CFR Part 672;
- ETA-9143, "Work Site Description"  
[http://www.doleta.gov/Youth\\_services/YouthBuild.cfm](http://www.doleta.gov/Youth_services/YouthBuild.cfm));
- TEGL 05-10, "Match and Allowable Construction and Other Capital Asset Costs for the YouthBuild Program"  
[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=2932](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2932));
- TEGL 35-12, "Definition and Guidance on Allowable Construction Credentials for YouthBuild Programs" ([http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8795](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8795));  
 and
- Joint Letter between Housing and Urban Development (HUD) and Department of Labor (DOL) encouraging Section 3 partnerships with YouthBuild grantees, Registered Apprenticeship sponsors, and Public Housing Authority contractors  
[http://www.doleta.gov/Youth\\_services/pdf/HUDDOL\\_FinalJointLetter.pdf](http://www.doleta.gov/Youth_services/pdf/HUDDOL_FinalJointLetter.pdf))

3. **Background.** The YouthBuild program model requires hands-on construction training that supports the outcome of increasing the supply of affordable housing within the communities that YouthBuild serves. A key component of the program model is providing hands-on

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
----------------------------	--------------------------------------

training for youth in industry-recognized curricula that develops skills necessary to build or substantially renovate housing for low-income or homeless individuals or families.

Per the Workforce Innovation and Opportunity Act, the five purposes of the YouthBuild program are to:

- (1) enable disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and postsecondary education and training opportunities;
- (2) provide disadvantaged youth with opportunities for meaningful work and service to their communities;
- (3) foster the development of employment and leadership skills and commitment to community development among youth in low-income communities;
- (4) expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth; and
- (5) improve the quality and energy efficiency of community and other nonprofit and public facilities, including those facilities that are used to serve homeless and low-income families.

To ensure that youth are obtaining the required employment skills for in-demand occupations, they must have training opportunities that will support them in attaining industry-recognized credentials. Experiential learning is a key component of credential attainment. In terms of construction training, there is a wide variety of trades and specializations within construction and it is important that youth have hands-on exposure to these trades to better prepare them for the job market.

Grantees satisfy this requirement by offering construction skills training to youth on approved work sites, either building housing from scratch or through extensive rehabilitation of existing housing stock. Utilizing work sites, above and beyond classroom and lab training, is a vital and necessary component of a successful YouthBuild program. Proper work sites ensure that youth obtain hands-on experience and build the skills necessary to support the goal of expanding affordable housing in communities served.

Some grantees struggle to find and maintain access to construction work sites because planned partnerships fall through or the proposed work site loses funding. It is important that grantees plan ahead for potential work site issues and understand that not every work site opportunity qualifies for the required work site component of the grant. Grantees may need to have a second or even third alternative in mind should the proposed work site fall through and/or not qualify. However, grantees are required to ensure that YouthBuild participants are engaged in the hands-on construction at an approved work site to meet the intent and purpose of the DOL YouthBuild program. Therefore, participants that are exited from the

YouthBuild program without completing the hands-on construction component at an approved residential work site will be considered unsuccessful exiters of the DOL YouthBuild program. As a result, the Department may question or disallow grant costs.

- 4. Qualifying Work Site Examples.** There are several criteria that impact whether a work site qualifies as appropriate for construction skills training. The first is whether the work site meets the threshold for low-income, as defined by the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)). The second is whether the site provides substantial hands-on experience for youth. This means that the work site must include from-the-ground-up building experience (e.g. foundation, framing, roofing, dry wall installation, finishing) or a substantial level of rehabilitation (i.e., “a gut job”). Additional examples of “a gut job” include demolishing existing walls and then reframing them; completely gutting a kitchen and installing new flooring, cabinetry, upgraded plumbing, upgraded electrical and installation of new appliances, or completely gutting a bathroom and installing new flooring, upgraded plumbing and/or electrical to make the bathroom more energy efficient and up to code, removing an old commode and replacing it with a water-conserving commode, installing a new sink, tub (or resurfacing the existing tub) or shower and replacing older faucets with water-efficient faucets, etc.

All YouthBuild work sites must be built or renovated for low-income individuals or families and are required to have a restrictive covenant in place that only allows for rental or re-sale to low-income participants for a particular period of time. This ensures that the work sites developed by YouthBuild programs fulfill the intent of the legislation to expand the supply of permanent affordable housing.

Determining whether a work site meets the criteria for providing substantial hands-on experience can be complex. Both rehabilitation and new construction are allowable activities. However, there are limitations on the activities in which youth are allowed to engage (i.e., roofing and use of heavy machinery are not allowable activities for youth younger than eighteen based on the Fair Labor Standards Act (see <http://www.cdc.gov/niosh/docs/2004-113/>). Such limitations restrict some YouthBuild participants’ opportunities to engage in certain construction work, especially with new construction. Furthermore, the term rehabilitation can be overly broad in its definition – everything from painting and yard work to potentially gutting and replacing plumbing and electrical work. This TEGL seeks to establish the minimum level of rehabilitation that qualifies for consideration as a YouthBuild work site.

As referenced in TEGL 35-12, “Definition and Guidance on Allowable Construction Credentials for YouthBuild Programs,” there are a number of modules and skill areas that must be studied and tested before the participant is accredited in one of the industry-recognized construction certification programs. Modules are specific training sections within each of the industry-recognized credentials that relate to specific skill areas of construction. These skill areas could include brick masonry, carpentry, painting, or plumbing, just to name a few.

While it may be allowable for programs to also provide more general rehabilitation work, such as deconstruction, landscaping, screen repair, fence building, etc., none of these activities qualifies without also including experience in two or more modules within two or more skill areas. Any work site that does not include exposure to multiple modules and skill areas will not be considered a qualifying work site. For example, painting alone or painting in addition to landscaping would not qualify as significant rehabilitation for YouthBuild participants. Work sites must provide the opportunity for youth to have hands-on training and experience of both breadth and depth in order to qualify. While it may not be possible to provide experience in all modules within all skill areas when training on rehabilitation work sites, the work site must still offer significant hands-on training and experience. Participants are provided a depth of training by studying multiple modules of the chosen industry-recognized credential program and they are provided breadth of training by applying training learned across multiple skill areas while they are at the work site.

All work sites must still adhere to the allowable construction and other capital asset costs, as defined in TEGL 05-10, “Match and Allowable Construction and Other Capital Asset Costs for the YouthBuild Program,” in determining what work site activities are allowable with YouthBuild grant funds. All grantees must utilize the required Work Site Description form (ETA-9143) in submitting proposed work sites for review and approval. The Work Site Description form requests specific information on the property to be built or rehabilitated, the construction activities to be undertaken by participants, the source of funds for the construction, and demonstration of ownership or access to the site. For information on how to secure qualifying work sites and correctly prepare the Work Site Description for approval, please see this archived Webinar: <https://www.workforce3one.org/view/5001422339945839197/info>. The ETA-9143 form must be used at the time of grant application, and also when new work sites are requested for approval through a statement of work modification.

##### **5. Suggested Partnerships.**

Many YouthBuild programs may partner with community agencies, such as *Rebuilding Together* and *Brush of Kindness*, which support housing rehabilitation for low-income homeowners. These partnerships are an excellent addition to the goals of the YouthBuild program and should be considered as community service activities for participants. These partnerships can be very beneficial in developing leadership skills in youth and supporting a commitment to community development, but they do not generally meet the level of rehabilitation necessary to qualify as a required work site. However, where they provide a sufficient opportunity for hands-on experience in two or more modules across several of the skills areas, they may be considered for qualification as work sites.

Many YouthBuild grantees have successfully partnered with local Habitat for Humanity affiliates to provide the work site for participants. This is mutually beneficial as Habitat seeks community volunteers to complete the needed construction and it allows participants to participate in all allowable aspects of new construction that will go to low-income or homeless individuals or families. However, this is not the only option for grantees. Many grantees have also found success partnering with other community associations that do

intensive rehabilitation or new construction similar to what Habitat does, as well as partnering with local Housing Authorities that are rehabilitating housing or building new housing. Some YouthBuild grantees have also brought the construction in-house as the owner of the properties to be built or rehabilitated.

YouthBuild grantees have successfully partnered with City and/or County Housing Community Investment Departments, Non-Profit Community Housing Development Organizations, and Community Development Corporations to expand the market of affordable housing for low-income or homeless individuals. For example, some grantees that have partnered with City and/or County Housing Community Investment Departments (CHCID) have been afforded the opportunity to work on a HUD-funded housing project called the “Healthy Homes Program.” The overall goals and objectives of the Healthy Homes Program are to: (1) mobilize public and private resources, involving cooperation among all levels of government, the private sector, grassroots community-based organizations, including faith-based organizations, and other non-profit organizations, to develop and implement the most promising, cost-effective methods for identifying and controlling housing-related hazards; and (2) build local capacity to operate sustainable programs that will continue to prevent, minimize, and control housing-related hazards in low- and very low-income residences. YouthBuild participants that work on Healthy Homes Programs gain a multitude of construction skills that include learning to install doors, repairing and/or rebuilding water-damaged walls, caulking and painting various surfaces within a residence, inside demolition, repairing and replacing loose siding, replacing bathroom vents, windows, doors and screens for proper ventilation, repairing or replacing plumbing fixtures and lastly, repairing leaking roofs at homes owned by low-income residents within the community.

Grantees have also successfully partnered with organizations like Grid Alternatives. Grid Alternatives Solar Program is designed to create an on-the-job training opportunity. It first educates YouthBuild participants on basic solar installation and electrical science, and then provides participants with a variety of real-time skills as they work to install solar panels on low-income residents’ homes alongside staff from the Grid Alternatives organization. The construction skills they gain include laying out conduits and bending, measuring, and installing runs, brackets and ground wiring from tracks to the roof. By the end of the project, the participants have installed 8 kW and 2.6 kW photovoltaic solar power systems on a number of low-income residents’ homes within their community. Lastly, other YouthBuild grantees have partnered with organizations that specialize in building “micro or tiny” homes for homeless individuals. The tiny homes typically range from 64 to 300 square feet and are considered affordable and energy efficient, aid in reduced materials consumption, and can substantially cut down our carbon footprint.

The Department released a joint guidance letter in 2014 encouraging partnerships between Registered Apprenticeship sponsors, contractors, and YouthBuild program administrators to work together to create local Registered Apprenticeship opportunities for YouthBuild participants upon graduation on HUD-funded construction projects. Section 3 requires recipients of certain HUD funding to direct jobs, training, and contracting opportunities to

local low-income persons and businesses that substantially employ those persons. By having these partnerships in place, YouthBuild grantees will be connected at the local level to Registered Apprenticeship sponsors and contractors that have access to local work sites that may be suitable for YouthBuild participants. The Department strongly encourages YouthBuild grantees to search the Registered Apprenticeship sponsor database to find sponsors in their community that might help them make these connections at: <http://www.doleta.gov/oa/contactlist.cfm>. In addition, you can locate your nearest Public Housing Authority at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/pha/contacts](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/pha/contacts).

- 6. Role in Training.** There are additional considerations to take into account when developing work sites. The work site provides the opportunity to apply skills learned in the classroom while also fulfilling the key purposes of the YouthBuild program. The work site is the main source of experiential training for participants and it is directly tied to the minimum time devoted to educational services and activities, as described in the Additional Program Requirements section of the YouthBuild Transfer Act. This section requires that participants be offered a minimum of forty percent of their time in the program engaging in work experience and skills training, including hands-on construction training on the work site, making work site experience a required component of the program model. Participants who do not receive this hands-on work site training have not received the complete YouthBuild program curriculum and will not be considered as successful exiters because they have not completed their training (as described in the Background section). On average, YouthBuild participants will require as much as 120 hours to complete industry-recognized credential training curricula; however, a minimum of 500 hours of actual hands-on construction training at an approved residential work site is recommended to ensure that their skills and competency levels meet the minimum requirements and standards for entry into the construction industry.
- 7. Inquiries.** Questions on this TEGL may be addressed to the appropriate ETA regional office.