

Southeast Local Workforce Development Board
ACTION ITEM
March 12, 2025

SUBJECT: American Job Center Infrastructure Redesign Effective PY 25-26

ACTION REQUIRED: Approve the relocation strategy and footprint redesign following the recommendation of the Executive Committee. Approval will authorize the Administrative Entity to terminate existing leases due to declination of funds, finalize new lease agreements, and implement a transition plan to ensure continuity of services for job seekers and businesses.

RATIONALE: This action will reduce lease, maintenance, and operational costs to ensure long-term financial and programmatic stability, prioritizing staff retention, integration with existing community resources, and improvement in accessibility and technology infrastructure.

FINANCIAL IMPACT: Projected IFA (systemwide) cost savings of \$582,576. Annual board budget (Title I) savings of \$200,694.

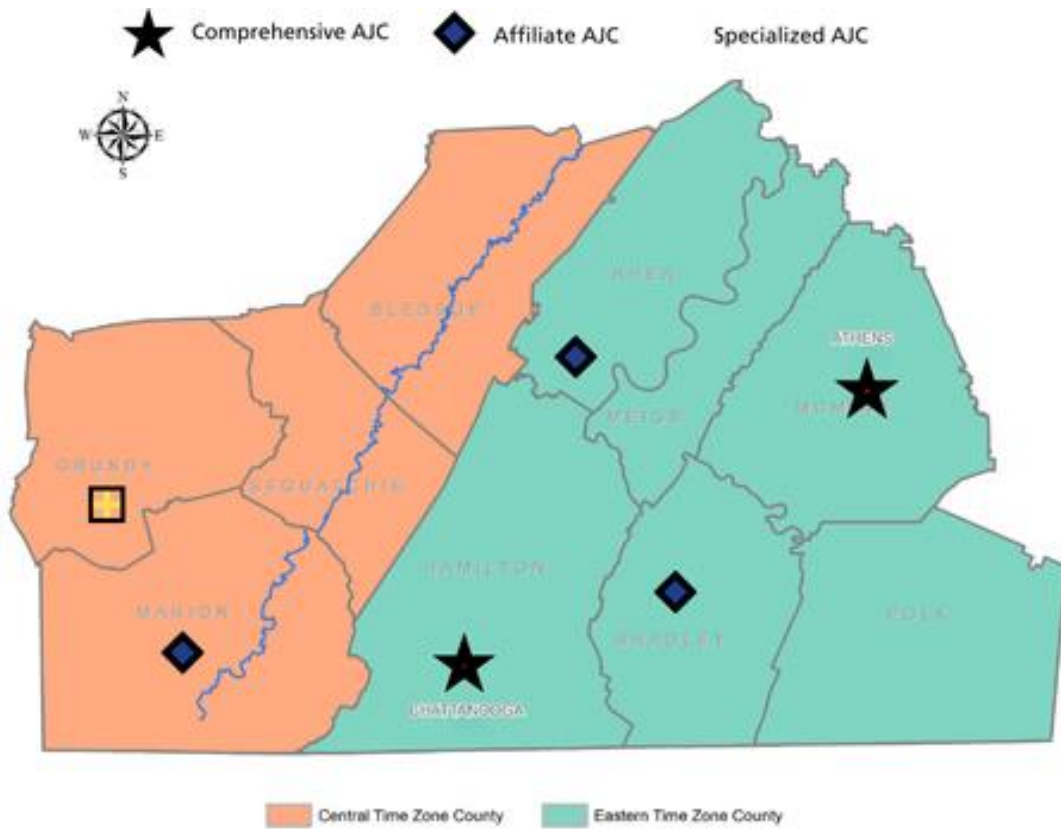
SUMMARY NARRATIVE:

The Administrative Entity proposes a strategic realignment of American Job Centers (AJCs) across the region to enhance service delivery and reduce operational costs. The Chattanooga and Athens comprehensive centers will remain open but relocate to postsecondary education sites, reducing their physical footprint while maintaining essential services. Meanwhile, affiliate and specialized AJCs will close, with staff transitioning to a hybrid service model that leverages community access points, virtual services, and a rotating schedule of in-person support. This proposed plan prioritizes staff retention and integration with existing community resources and improves programmatic accessibility through technology.

PLAN MATRIX:

<u>Current Address</u>	<u>AJC Type</u>	<u>Counties Served</u>	<u>Proposed Action</u>	<u>New Location</u>	<u>Lease End Date</u>	<u>Proposed Closure Date</u>	<u>Re-Open Date</u>	<u>Current IFA Budget</u>	<u>Projected Annual IFA Cost Savings</u>	<u>Title I Cost Savings</u>
Athens 410 Congress Pkwy N Athens, TN 37303	Comprehensive	Hamilton	Relocate	TCAT Athens	1/14/2029	6/27/2025	7/1/2025	\$ 155,109	\$ 130,918	\$ 25,798
Chattanooga 5600 Brainerd Rd Suite A-5 Chattanooga, TN 37411	Comprehensive	McMinn Meigs	Relocate	Chattanooga State	12/31/2025	6/27/2025	7/1/2025	\$ 460,322	\$ 394,554	\$ 123,534
Cleveland PIE Center Unit 209 2373 Parker St NE Cleveland, TN 37311	Affiliate	Bradley Polk	Close - Move to Hybrid Services Model	N/A	12/31/2025	6/27/2025	N/A	\$ 21,637	\$ 14,551	\$ 14,551
Dayton 200 4th Ave Dayton, TN 37321	Affiliate	Rhea Bledsoe	Close - Move to Hybrid Services Model	N/A	6/30/2026	6/27/2025	N/A	\$ 38,397	\$ 22,314	\$ 16,572
Marion County 5510 US-41 Jasper, TN 37347	Affiliate	Marion Sequatchie	Close - Move to Hybrid Services Model	N/A	N/A	6/27/2025	N/A	\$ 22,597	\$ 14,834	\$ 14,834
Tracy City 14399 US-41 Tracy City, TN 37387	Specialized	Grundy	Close - Move to Hybrid Services Model	N/A	N/A	6/27/2025	N/A	\$ 8,173	\$ 5,405	\$ 5,405
TOTAL								\$ 706,236	\$ 582,576	\$ 200,694

CURRENT FOOTPRINT:



PROPOSED HYBRID MODEL:

