

# CITY OF OAKLAND

## AGENDA REPORT

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OFFICE OF THE CITY CLERK  
OAKLAND

2012 JAN 12 PM 1:00

TO: Office of the City Administrator  
ATTN: Deanna J. Santana  
FROM: Community and Economic Development Agency  
DATE: January 24, 2012

RE: Report and Recommendations from the Jobs Working Group on Employment-Related Community Benefits for the Development and Operations at the Former Oakland Army Base

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### SUMMARY

This Report is intended to clarify recommendations presented in the Army Base Community Benefits staff reports, which were scheduled for the December 13, 2011 and January 10, 2012 Community and Economic Development (CED) Committee meetings, but not presented.

This Supplemental Report focuses specifically on the package of recommendations developed by the Army Base Jobs Working Group, which was facilitated by Councilmember Jane Brunner.

The other recommendations regarding Army Base Community Benefits previously published will be presented to the CED Committee and considered as a separate item.

### FISCAL IMPACT

There is no negative fiscal impact anticipated to the City's General Purpose Fund as a result of this report and recommendations. It is currently staff's position that the re-use of the Oakland Army Base constitutes an enforceable obligation that will require implementation by the successor entity to redevelopment. Staff will return to the City Council with a fiscal impact analysis regarding Community Benefits at a later date.

### BACKGROUND

This report presents a set of recommendations reached by consensus by the Army Base Jobs Working Group. It is being presented as a distinct report to ensure that everyone who participated in this extensive process is clear about the recommendations being forwarded to City Council, which the Working Group agreed to by consensus during its October 27, 2011 meeting.

### KEY ISSUES AND IMPACTS

The recommendations of the Jobs Working Group will serve as the platform for developing an over-arching Community Jobs Agreement for the Army Base project, which will encompass construction and operations jobs.

Item: \_\_\_\_\_  
CED Committee  
January 24, 2012

The Project Labor Agreement with the City for the construction phase of the Army Base project will be based upon the goals and policies of the Community Jobs Agreement.

## PROJECT DESCRIPTION

Following are the recommendations from the Army Base Jobs Working Group, which are consistent with the recommendations published in previous staff reports regarding Army Base Community Benefits. Staff concurs with the recommendations of the Army Base Jobs Working Group.

### Local Hire

- The goal for local hire is 50% of work hours for Oakland residents. It applies to both construction jobs work hours (similar to the City's existing Local Employment Program), and also to operations jobs work hours.
- "Local" is defined as the City of Oakland, with first priority being given to the zip codes that comprise West Oakland and City Council District 3, and second priority to areas within the Oakland Enterprise Zone Targeted Employment Area.
- Staff will conduct a "capacity study" of West Oakland and other targeted communities to better understand the skill sets, training and support needs and demographics of local residents [to the extent possible given the dissolution of Redevelopment].<sup>1</sup>

### Jobs Center

- The Working Group recommends the development of a one-stop Jobs Center located in West Oakland. The Jobs Center is a critical piece for the community. The Center should be readily accessible, and serve as a resource for contractors, employers and job seekers during construction and operations phases of the Army Base project. The Jobs Center will also connect job seekers with existing job training, education and other support services.
- The Working Group developed a tracking system for construction work that met the needs of both the Building Trades and community groups to ensure transparency regarding hiring. Every request for workers to hiring halls and dispatches will be forwarded to Jobs Center staff to track retention and compliance with the 50% local hiring goal craft by craft.

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<sup>1</sup> This and other types of staff work to support Community Benefits are dependent upon the availability of staff and other resources given the dissolution of Redevelopment.

- The Jobs Center will also serve as a resource for matching local residents with operations jobs on the former Army Base.

### Apprenticeships

- Working Group members support providing career pathway opportunities for Oakland residents, not just temporary jobs. In line with this goal, the Working Group recommends that:
  - The goal for the percent of overall apprentice work hours should be raised from 15% to 20% of total work hours.
  - All new apprentices must be Oakland residents.
  - There should be a requirement for a specific number of new apprentices, craft by craft. The recommended range for new apprentice utilization is 5-10% of total work hours (which translates to about 25-50% of apprentice hours).
  - New apprenticeship hiring opportunities shall be given first to qualified graduates of Oakland pre-apprenticeship training programs. (The process of developing the Community Jobs Agreement and Jobs Center will also include the establishment of pre-apprenticeship training standards.)

### Disadvantaged Workers

- The Working Group wants to ensure that there are opportunities for segments of the populations facing significant obstacles to employment, such as low income young adults ages 18 to 25, disabled individuals, and the formerly incarcerated.
  - For operations jobs, the Group recommends a goal of 25% of hours for disadvantaged workers.
  - For construction jobs, the Group recommends a goal of 25% apprentice hours to be completed by workers qualifying as disadvantaged.
  - The Working Group also supported requiring employers to ban the box on job applications and preventing employers from asking for credit references.

### Oversight Committee

- The Working Group recommends establishment of a trained Stakeholder Oversight Committee charged with monitoring the good faith efforts of contractors (for construction jobs) and employers (for operations jobs) to comply with the goals of a Community Jobs Agreement, including local hiring and the City's Local Employment Program goals.
- The Stakeholder Oversight Committee will be made up of representatives from the community, labor, City and Port government, contractors and developers, with a majority representing community groups from a cross-section of the community. Representatives would serve specific terms and be expected to participate regularly.

- The Working Group recommends dedicating resources to train community members to serve on the Stakeholder Oversight Committee and to provide stipends for community Committee members who are not paid by another organization.
- The Stakeholder Oversight Committee will have the authority to recommend solutions and to enforce penalties when contractors are out of compliance. Tough penalties are needed to hold contractors responsible for meeting goals. There should be non-monetary penalties in addition to monetary penalties such as:
  - An increase in local hiring percentage (as an option instead of withholding retainer funds);
  - Banning contractors from future City funded work.
- There should also be incentives for contractors who exceed goals by 10% or more (and are on schedule).

#### Project Labor Agreement/Community Jobs Agreement

- The Working Group recommends the development of a binding Community Jobs Agreement (CJA), which will serve as the overarching policy and program framework for construction and operations jobs. The CJA would be a “3<sup>rd</sup> party agreement” between the developers, the City, community stakeholders (representatives to be determined) and labor. A CJA would provide signatories with legally enforceable rights and obligations.
- The City’s Project Labor Agreement for the construction jobs with the Building Trades and developers will be aligned and consistent with the terms and conditions of the Community Jobs Agreement, including local hiring.
- A CJA will be developed and approved prior to the City of Oakland signing a PLA for the construction phase of the Army Base development project.

#### Operations Jobs

- The Working Group confirms that all of the policies developed for local hire, disadvantaged workers, the CJA and the Jobs Center shall be the baseline policies for operations jobs, including the 50% local hire goal and 25% disadvantaged worker goal.
- The goal for operations jobs at the redeveloped Army Base is permanent jobs not temporary ones. The Working Group does not support the use of temporary employment agencies. If temporary workers are employed, there should be a time limit on their employment and a pathway for temporary workers to become permanent.

- Seasonal workers (“casual workforce”) hired directly by employers are permissible but temporary employment agencies should not be used.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** The development of the former Army Base has the potential to create thousands of construction and permanent jobs for Oakland residents. While it is staff s position that the re-use of the Oakland Army Base is an enforceable obligation, we will continue to closely monitor Sacramento’s position on enforceable obligations because without the continued ability to develop the base, the construction and permanent jobs associated with the bases re-use will not come to fruition.

**Environmental:** This report does not directly address environmental sustainability.

**Social Equity:** This report addresses the City’s commitment to social equity by way of jobs for local residents.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

Individuals with disabilities may be given preference for local hire depending on the goal that is approved for hiring of local “disadvantaged” residents.

## **RECOMMENDATION AND RATIONALE**

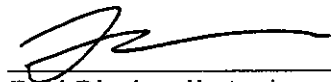
That the City Council adopt the policy recommendations of the Jobs Working Group as the platform for developing a Community Jobs Agreement for the Oakland Army Base project.

The Army Base Jobs Working Group meetings were open to anyone wishing to weigh in on developing a comprehensive set of goals, conditions and implementation processes regarding local hiring for the construction and operations phases of the Army Base project. Upwards of 50 people participated in this process. Councilmember Jane Brunner and her staff recorded each recommendation offered by meeting participants. The group discussed each item at length, and voted on each item. (Please see Attachment A, which is the original summary of the Areas of Agreement reached by the Working Group.) Only those recommendations that achieved 100% approval of the entire group are included in this report.


**ACTION REQUESTED OF THE CITY COUNCIL**

That the City Council adopt the policy recommendations of the Jobs Working Group as the platform for developing a Community Jobs Agreement for the Oakland Army Base project.

Respectfully submitted,



Fred Blackwell, Assistant City Administrator  
Community and Economic Development Agency

Reviewed by:   
Gregory D. Hunter, Deputy Director of Economic  
Development and Redevelopment

Prepared by:  
Al Auletta, Redevelopment Area Manager

APPROVED AND FORWARDED TO THE  
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:

  
Office of the City Administrator

OAKLAND ARMY BASE JOBS WORKING GROUP

AREAS OF AGREEMENT

October 27, 2011

*The following is the compilation of all of the Areas of Agreement developed in the Jobs Working Group (Large Group) sessions facilitated by Councilmember Jane Brunner.*

*Please note that some of these notes have been modified in the staff report for the benefit of those who did not participate in this consensus process.*

I. LOCAL HIRE (FOR CONSTRUCTION AND OPERATIONAL JOBS)

- 50% (plus one) work hours for Oakland residents, craft by craft.
- There should be additional priority for local hire given to:
  1. West Oakland residents
  2. Enterprise Zone residents (or another proxy for areas of low-income, high employment etc.)
- 100% of new apprentices must be Oakland residents.
- Unions/contractors must guarantee that Oakland journey workers will get preference.
- Existing workers in Oakland must be recruited for job opportunities.
- A study of existing, trained workforce in Oakland is needed.
- Employers need to disclose info on jobs in advance (construction and operations).
- Contractors should get credit for local hire if they employ workers at other projects in other cities.
- Majority agree that there should be a one-source center for all employees.

*Develop priority criteria for local hire*

- "Local" is defined as the City of Oakland, with priority being given to the zip codes that comprise West Oakland and city council District 3, and then to all of the Oakland Enterprise Zone.
- Staff will conduct a capacity study of West Oakland to better understand the skills, needs, and demographics of the targeted population.

*Clarify hiring process at jobs center*

- The Jobs Center should be located in West Oakland, be readily accessible, and serve as a resource for contractors, employers and job seekers during Construction and Operations phases.
- The Center will connect job seekers with job training, education and other support services, such as transportation.

- The Center will be overseen and administered by an independent body. Staff will develop an RFP for the operations of the Jobs Center.
- To meet local hire goals, contractors would send requests to the union hiring hall and to the Jobs Center simultaneously. If the hall cannot provide a local worker within 72 hours, the contractor would then call the Jobs Center to provide a qualified worker. All such workers need to be dispatched through the appropriate union hiring hall.
- The Jobs Center will monitor and track job assignments and worker hiring and retention. On a regular basis, the Jobs Center will transmit these results to the Monitoring and Enforcement sub-committee of the stakeholder Oversight Committee for compliance determination and enforcement actions.

*Should Oakland residents who had to move away be included in the local hire policy? If so, how?*

- Not included in recommendations. The general opinion of the Working Group was that it would be difficult to establish parameters for determining local hire eligibility for people who once lived in Oakland.

## II. TRAINING AND JOB PATHWAYS

### Apprenticeships

- 100% of new apprentices must be Oakland residents.
- There should be a requirement for a specific number of new apprentices, craft by craft.
- There should be a number of apprenticeships set aside for graduates of pre-apprenticeship training programs.
- Statistics and regular reports on the number of pre-apprenticeship graduates in apprenticeships, and number of apprentices becoming journeyworkers should be provided.
- Contractors should be required to keep apprentices on for at least one year, beyond that the requirement will be negotiated case by case.
- Need a mechanism to recognize, analyze and ensure that contractors use apprenticeship graduates on a long-term basis (must include an enforcement mechanism).
- Need to define and implement pre-apprenticeship training standards.
- Apprentices should reflect ethnic diversity of Oakland community.

### General Workforce Development

- City/CEDA/WIB should have a workforce development plan for the Army Base.
- Community Colleges should be encouraged to offer associate's degrees as well as certificates to trainees.
- Existing Workforce Development/job training programs should be utilized to train workers.



- Use linkages with Peralta Community College District.
- Employers must provide advance information on the type of jobs, number of jobs and duration of jobs.

#### Number for new apprenticeships

- The goal for the percent of overall apprentice work hours should be raised from 15% to 20% of total work hours.
- 5-10% of total work hours must be worked by new apprentices. (This translates to 25-50% of apprentice hours must be worked by new apprentices). The Working Group did not reach agreement on an exact number.
- Developers/contractors will get credit for new Oakland apprentice hires once the apprentice has worked 1,000 hours. Off-site hours may also be included.
- New apprentices are defined as individuals who have not worked in union construction prior to being hired on the Oakland Army Base (OAB) and who are starting at the entry level of a 1<sup>st</sup> period apprentice.
- Stakeholders will contribute to a revolving loan fund that will help pay for initiation fees for low, very low and extremely low-income new apprentices.
- New apprenticeship hiring opportunities shall be given first to qualified graduates of Oakland pre-apprenticeship training programs.
- Jobs Center will track and support the progress of apprentices becoming journey-level workers.
- There should be established pre-apprenticeship training standards.

### 111. YOUNG ADULT/RE-ENTRY EMPLOYMENT PROGRAM

- Need job training and placement opportunities for young adults (18 and over).
- For youth (under 18):
  - Start basic math and reading foundational skills training in middle schools.
  - Funding for high schools, like McClymonds and others, to offer pre-apprenticeship training for pathways to Army Base jobs.
- For formerly incarcerated workers:
  - Require employers to ban the box on the job applications.
  - Jobs should be open to folks on parole or probation.
  - There should be a commitment by employers to hire re-entry workers.
  - Employers cannot ask for credit references.
  - If a background check is required, it should be done at the end of the hiring process.

- There should be targets set for hiring and retaining re-entry workers and other disadvantaged workers.
- There should be incentives/penalties associated with meeting re-entry/disadvantaged worker targets (i.e. discounts on lease payments).
- Need outreach and education to both employers and potential employees (young adult/formerly incarcerated).

#### **Definition of “disadvantaged worker”**

- “Local Disadvantaged” will include such populations as low income young adults (18-25), disabled individuals, and the formerly incarcerated.
- The Jobs Center will follow Federal Department of Labor guidelines for defining “disadvantaged”. Under the Workforce Investment Act (WIA), the term “disadvantaged adult” means an adult who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of the poverty line or 70% percent of the lower living standard income level.
- Formerly incarcerated residents also qualify as disadvantaged.
- The project should include a goal of 25% of apprentice hours to be completed by workers qualifying as “disadvantaged”. These hours can be met by new apprentices and local workers.

#### **IV. MONITORING AND COMPLIANCE**

- The City, Port and community must all make a commitment to doing monitoring and compliance, including a commitment to funding staff to do monitoring and compliance.
- Resources are needed to train community members to participate in monitoring.
- A joint committee made up of representatives from the community, labor, government, and contractors should be responsible for the oversight of monitoring and compliance.
- A majority of the committee should be from community groups and should represent a cross section of the community.
- WOCAG should be part of the stakeholder oversight group.
- The Committee will have the authority to recommend solutions and to enforce penalties when contractors are out of compliance.
- Majority support a “Good Faith” effort to reach goals.
- Tough penalties are needed to hold contractors responsible for meeting goals. There should be non-monetary penalties in addition to monetary penalties such as:
  - increase local hire percentage (as an option instead of withholding retainer funds)
  - ban contractor from future Oakland work
- Penalty funds should go towards training, one-stop job center, monitoring and compliance, and/or a fund to address other problems associated with meeting the local hire goals.
- There must be a process that includes technical support, to help contractors get into compliance.

- There should be incentives for contractors that exceed goals by 10% or more (and are on schedule).

#### The “Good Faith” hiring process

- “Good faith” efforts will involve utilizing “name call,” “rehire,” or other similar programs at the hiring halls to reach goals when they are available as part of the hiring hall dispatch procedures, as well as using the Jobs Center as a resource if the union cannot provide the local residents as requested.
- The Oversight Committee will review the “good faith” efforts of the contractor or employer and determine whether they meet the goals of the Community Jobs Agreement, including local hiring and the City’s Local Employment Program goals.
- If the Committee determines that “good faith” has not met, then there shall be corrective actions, penalties, or possibly referral to arbitration.

#### What should be included in the monitoring program e.g. retention, verifying residency, software?

- The Working Group agreed on the need for an ongoing monitoring program.

#### What is the definition of “community” in terms of determining community representatives on Stakeholder/ Oversight group?

- In general, membership would be composed of representatives from the local community, developers, labor, contractors, employers, the City and the Port.
- No consensus on specific composition of committee or definition of “community.”

#### Should this committee be modeled on the Port’s Social Justice Committee?

- There was no consensus on whether the Committee should be modeled on the Port’s Social Justice Committee.

#### Definition of the Oversight Committee

- There should be a “transparent, participatory and stakeholder model” for the Oversight Committee.
- Representatives to the stakeholder Oversight Committee would have to be specific individuals, committed to serve a term and to participate regularly.
- The Working Group agreed that the stakeholder Oversight Committee should be a separate entity from the Jobs Center and its related advisory board.

- There should be a stipend provided for community members (who are not paid by another organization for their time) for serving on the Oversight Committee.

## V. PROJECT LABOR AGREEMENT/COMMUNITY JOBS AGREEMENT

**Overall structure and general content of agreement (community workforce agreement, project labor agreement etc.)**

- The Community Jobs Agreement (CJA) should be a “3<sup>rd</sup> party agreement” between the developers, the City, community stakeholders (representatives to be determined) and labor. A CJA would provide signatories with legally enforceable rights and obligations.

**How the PLA meet the goals of community benefits**

- A binding Community Jobs Agreement (CJA) will serve as the overarching policy and program framework for construction and operations jobs. The terms of the Project Labor Agreements (PLA) for the construction jobs will conform to the mutually agreed upon local hiring and program operations requirements within the CJA.
- The terms and conditions of a Project Labor Agreement, Community Jobs Agreement and Development Agreements will be aligned and consistent.
- A CJA should be developed and approved prior to the City of Oakland signing a PLA for the Army Base development.

## VI. OPERATIONS JOBS

- Need operations jobs for Oakland residents, including blue collar and white collar jobs.
- Need an additional focus on sustainable industries like clean energy, movement of agriculture products, clean energy, and recycling, and on green jobs.
- Want permanent jobs not temporary ones. If temporary workers are employed, there needs to be a time limit and there should be a pathway for temporary workers to become permanent.
- Seasonal workers (“casual workforce”) hired directly by employers is permissible but temp agencies should not be used.
- All of the policies developed for local hire, disadvantaged workers, the CJA and the Jobs Center shall be the baseline policies for operations jobs, including the 50% local hire goal and 25% disadvantaged worker goal.

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