



# THE FAILURE OF GOOD FAITH


LOCAL HIRING POLICY ANALYSIS AND RECOMMENDATIONS FOR SAN FRANCISCO



BY **CHINESE FOR AFFIRMATIVE ACTION** AND **BRIGHTLINE DEFENSE PROJECT**



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The “good faith efforts” approach has clearly failed to achieve the City’s local hiring goals, and targeted hiring mandates are a legal and powerful tool for San Francisco to utilize going forward.

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## EXECUTIVE SUMMARY

**Over the next decade, the City and County San Francisco will invest \$27 billion in public infrastructure projects pursuant to its 2011-2020 Capital Plan, creating tens of thousands of jobs in the process.** This investment presents policy makers with an extraordinary opportunity to address persistent pockets of high unemployment and poverty, to provide sustainable careers for populations facing systemic barriers to employment, and to strengthen labor standards and worker rights by targeting these job opportunities for residents of San Francisco's local economically disadvantaged communities.

This report first researches the unique nature of the building and construction workforce, and summarizes policies and programs that affect local hiring on public projects. It then presents data on who has worked on recent San Francisco projects and assesses the composition of the construction workforce and trade unions. Next, it offers three models of local hiring policies from other jurisdictions, before finally presenting key findings and recommendations for policy makers to consider in moving forward with a new approach to targeted community hiring in San Francisco.

Creating opportunities for local residents from diverse backgrounds to work on public projects is neither a new nor simple challenge. There are tensions between ambition and reality, state and federal legal constraints, and considerations involving gender, race, class, and geography.

However, this report could not be more timely, with many communities on the brink of destitution at the same time that San Francisco's ambitious public infrastructure agenda has the potential to put so many people to work and keep local dollars in the local economy. San Francisco policy makers are ready to take action now.

The intent here is to help stakeholders understand what current public policy has and has not achieved, and to advance a meaningful dialogue about what reforms are necessary should San Francisco want different outcomes than have been produced in the past. The "good faith efforts" approach has clearly failed to achieve the City's local hiring goals, and targeted hiring mandates are a legal and powerful tool for San Francisco to utilize going forward.

## QUANTITATIVE FINDINGS

A myriad of factors affect who works on San Francisco public projects. In addition to researching and presenting these many policies, programs, and practices, this report provides the following quantitative findings.

- 1) San Francisco is failing to achieve its statutory goal of delivering 50 percent of job hours on public infrastructure projects to residents of the City and County of San Francisco. Good faith efforts have yielded roughly 24 percent of employment opportunities on public construction projects to San Franciscans.
- 2) Apprenticeship hours by San Franciscans – the path by which residents enter the building trades and develop a construction career – comprise between six to seven percent of the work performed on San Francisco public projects, or about one-third of total apprenticeship hours.
- 3) The building and construction workforce remains almost exclusively male; women comprise fewer than four percent of the building and construction trades in San Francisco.
- 4) As measured by work performed on San Francisco public projects, and irrespective of residency, Latinos are the largest racial group among the construction workforce, comprising 46 percent of hours worked. Latinos are followed by Whites 31 percent, African Americans 13 percent, Asian Pacific Islanders 4 percent, and Native Americans less than one percent.
- 5) Racial diversity in the construction workforce varies by union and is most prevalent within the lowest-paid trades. For example, based on work performed on public projects, electricians, elevator constructors, and plumbers are majority white, while laborers, plasterers, and roofers have greater percentages of racial minorities.

## RECOMMENDATIONS

The principle underlying local hiring laws is the maximization of job opportunities for San Francisco residents, especially for those from economically and otherwise disadvantaged communities. To achieve this aspiration, policy makers should consider the six general recommendations below, as well as the additional 27 sub-recommendations found within the general recommendations.

- 1) Amend local hiring provisions for public infrastructure projects in Chapters 6 and 83 of the Administrative Code to replace the “good faith efforts” approach with mandatory compliance, monitoring, and enforcement, as well as to conform to the current state of the law.

The existing statutory goal of delivering 50 percent of job hours on public infrastructure projects is achievable if “good faith” language is replaced with measures to mandate, monitor, and enforce compliance. Compliance must be measured on a trade by trade basis, not based on overall project hours, to avoid continued reliance on a handful of trades to deliver San Francisco residents to the job site.

Though more than 50 percent of the building and construction trades membership reside outside of San Francisco, the number of out-of-work San Francisco trades members, the ability of unions to adopt name-call procedures on public works projects, and the appetite for unemployed San Franciscans to pursue construction work suggest that this goal is achievable over time.

It is also recommended that the City:

- a) Authorize the Office of Economic and Workforce Development to promulgate regulations in order to implement these recommendations and to levy penalties for non-compliance.
- b) Contract community-based organizations to conduct real-time monitoring and reporting on local hiring.
- c) Require trade unions to present detailed plans outlining procedures to comply with local hiring policies on public works projects.
- d) Deposit union training fees that are derived from public projects into escrow accounts that are released as local hiring goals are achieved.
- e) Delineate local hiring goals by project, contractor, subcontractor, and trade that apply to both apprentice and journey level hires.
- f) Create “green” provisions to reduce excessive out-of-town commutes to work sites.
- g) Standardize the use of San Francisco Identification Cards as proof of residency.<sup>1</sup>

<sup>1</sup> The San Francisco City ID Card is a photo identification card available to all San Francisco residents, regardless of immigration status. The card streamlines access to City services and agencies, as well as provides a connection to local businesses. To obtain a City ID Card, proof of identity and proof of residency in San Francisco is required. Because proof of residency is required, utilizing the San Francisco City ID card can help to streamline and identify local residents for hire.

- 2) Require existing and future public works project labor agreements and, to the extent possible, collective bargaining agreements to conform to current and future City local hiring policy.

Each trade union has its own collective bargaining agreements and dispatch rules. With respect to public infrastructure projects, City policy should be clarified to supersede these agreements and rules, which should be modified as necessary to ensure compliance with local hiring. The City's existing project labor agreements must be amended to reflect changes to its local hiring policy.

It is also recommended that the City:

- a) Embed compliance with local hiring policy on public works projects in all project labor agreements and collective bargaining agreements.
- b) Determine the most effective vehicle to incorporate local hiring policy into union dispatch rules when applied to public works projects.
- c) Develop programs to help inactive San Francisco trades people regain good standing so they can work on public construction projects.

- 3) Tailor apprenticeship initiatives and outreach efforts to increase access and retention for women, residents of project-impacted neighborhoods, and disadvantaged communities.

Apprenticeships on public infrastructure projects should prioritize San Francisco residents, particularly from low-income neighborhoods, and include retention efforts to ensure apprentices reach journey level status.

It is also recommended that the City:

- a) Designate that 100 percent of all apprentices on San Francisco public construction projects must be San Francisco residents.
- b) Require trades to guarantee an annual number of apprentice slots per trade for San Francisco residents.
- c) Monitor the retention and absorption rate of apprenticeships on an annual and rolling average basis.
- d) Require contractors and unions to develop specific goals and timetables to increase women apprentices on public construction projects through outreach and recruitment.
- e) Provide sustained employment for San Francisco apprentices on large multi-year projects by allowing them to work the term of the project and from employer to employer.



- 4) Grow training opportunities that promote inclusion in the building and construction unions, for example Vocational English as a Second Language (VESL) programs connected to construction work.

Promising practices such as pre-apprenticeship, VESL, continuing education for trades workers, and partnerships between trades and secondary and post-secondary education institutions should be expanded.

It is also recommended that the City:

- a) Expand ability of incumbent workers to test into unions at trade equivalent levels.
  - b) Provide educational stipends for trades members to receive refresher courses, increase work competencies, and avoid over specialization of skills.
  - c) Support new trades classification for training so that individuals can attend school and work at the same time.
  - d) Identify dedicated revenue streams, such as a portion of bonds that fund public works, to support the City's workforce development training programs.
  - e) Integrate VESL curriculum into apprenticeship and training programs, including additional offerings that accommodate the schedules of incumbent workers, target limited-English proficient workers of Asian Pacific Islander descent, and are connected to entry into the trades.
- 5) Modify local business enterprise programs to include incentives to achieve local hiring goals and consider bidding preference for firms who hire local residents.

Local and community hiring policies are one part of a comprehensive approach to economic and workforce development, one that includes support for community contractors and strategies to build their capacity to work on public works projects and hire local residents.

It is also recommended that the City:

- a) Modify local business enterprise programs to include incentives that encourage the employment of San Francisco residents.
- b) Explore pre-certification, bid discounts, and other incentives to reward local contractors who maintain a minimum of 50 percent core employees that are San Francisco residents.
- c) Require funding for job readiness training and community benefits as part of the bid specifications of every contract for public works.
- d) Integrate workforce goals for San Francisco residents into construction-related policies that address local business enterprises and the emerging field of environmental and energy sustainability.

- 6) Improve and standardize demographic and residency data collection and analysis for unions and public infrastructure projects in San Francisco.

The lack of accessible data with respect to the construction workforce on San Francisco public projects, as well as the building and construction trades, is incompatible with serious, focused job creation efforts.

It is also recommended that the City:

- a) Mandate all City construction contractors and sub-contractors to report race, gender, and ethnicity data through the Elations workforce reporting system as coordinated by the Office of Economic and Workforce Development, including this requirement as part of the bid specification process.
- b) Require all trades to annually report the race, gender, ethnicity, residency, and other demographic data of their apprentice and journey level members to the City.
- c) Make local hiring data such as the race, gender, ethnicity, and residency of workers on public works projects available online to the public in real-time.

## INTRODUCTION

**San Francisco has long declared that the creation and accessibility of jobs for its residents on projects supported by taxpayer dollars to be a major priority.** This stems from an interest in delivering benefits to community members in neighborhoods impacted by development, lifting disadvantaged populations out of unemployment and poverty, and remedying historic and systemic discrimination.

However, the number and percentage of out-of-work residents in San Francisco's most under-resourced communities remains stubbornly high, with double-digit unemployment compounding other social ills that include crime, violence, and racial tension. In addition, questions about the diversity of the construction workforce have prompted a renewed look at which and how many San Franciscans have worked, and are likely to work, on public construction projects.

Absent a robust local hiring strategy and policy, one that acknowledges the failure of the current “good faith” approach, the City will forfeit the opportunity that these projects present to deliver immense social and economic benefits to communities in need.

Yet evaluating San Francisco against its statutory goal of delivering 50 percent of job hours on public projects to local residents should not be episodic. Though the City has taken steps to address bureaucratic constraints in its workforce development programs<sup>2</sup>, these efforts should be coupled with aggressive and regular assessment of performance and capacity to perform with respect to local hiring goals.

Doing so now is especially urgent, as San Francisco prepares to spend an average of two and a half billion dollars per year for the next ten years on public

works construction. Tens of thousands of jobs will be created on large projects, including the Central Subway, the Transbay Terminal, the retrofit of Hetch Hetchy, and the proposed redevelopment of the Hunters Point Shipyard. Dozens of smaller public projects warranted by housing, transportation, parks, education, recreation, health, and energy needs will also create work.

Absent a robust local hiring strategy and policy, one that acknowledges the failure of the current “good faith” approach, the City will forfeit the opportunity that these projects present to deliver immense social and economic benefits to communities in need, while perpetuating familiar patterns of exclusion and allegations of discrimination that have denied many residents fair access and equal opportunity.

In contrast, an ambitious and forward-thinking local hiring strategy can create multiple and powerful positive effects that span generations, while shaping employment practices for decades. Strong local hiring policies in the construction sector on public projects can be expected to ripple into non-construction work, and changes that occur first on public works are likely to influence practices on private projects. Done well, smart local hiring policy should also advance living wage and benefits, improve safety standards and worker conditions, and increase diversity in the workforce to better reflect the current and future population of the City.

<sup>2</sup> An August 2007 San Francisco Budget Analyst audit evaluated the sprawl of City workforce development programs. This led to a policy for consolidation and steps toward partial implementation, yet most of the City's large enterprise departments continue to operate independently without workforce coordination. The audit did not address performance with respect to the City's statutory 50 percent local hiring goal on public works projects.

**This report is divided into eight sections.**

**Section One** provides a basic understanding of construction work and its trade unions, as well as its unique aspects that will be relevant for policy makers interested in local hiring policy.

**Section Two** summarizes local, state, and federal laws and policies that affect local hiring on public construction projects, including what is clearly permissible and what boundaries continue to be challenged in the courts.

**Section Three** is a primer on construction training programs in the City, including a specific focus on Vocational English as a Second Language programs that are linked to construction work.

**Sections Four, Five, and Six** present data gathered for this report. This includes an analysis of the construction workforce on 29 recent San Francisco public infrastructure projects, an assessment of the composition of construction trades based on work performed on public projects, and results of a self-survey completed by a dozen local construction trade unions.

**Section Seven** outlines model local hiring policies that are in effect in Cleveland, Los Angeles, and Richmond.

**Section Eight** provides recommendations for policy makers, with a set of specific recommendations around the Central Subway Project.

## I. Background on Construction Workforce and Local Hiring

This report is focused on policies designed to increase opportunities for San Francisco residents in the construction sector, with an emphasis on jobs for economically disadvantaged residents. San Francisco's continued investment in major public infrastructure projects, most notably in Bayview-Hunters Point, Chinatown, and the South of Market Area, amounts to approximately two and a half billion dollars per year for the next ten years. This makes local hiring reform in construction an issue of utmost importance, despite the complex challenges this entails.

The local hiring dialogue touches nearly every department of San Francisco city government, has the attention of both elected officials and community groups, and has long been a subject for employers and labor unions. This section is a primer on some basics and nuances that will be encountered by stakeholders engaging the subject matter of local hiring.

### a. Construction Trades, Apprenticeships

In general, construction work is based on contract rather than salaried employment. The availability of this contract work is highly sensitive, dictated by the number and scale of active development - from small to large - both in the public and private sector.

On construction projects funded by public dollars or in some way subsidized by the public, construction jobs will likely be union jobs, although unions have characterized this fact as tenuous. Public officials and job developers often hold a sentiment that San Franciscans can best attain a sustainable middle-class livelihood through union membership and the wages, benefits, and working condition protections that unions provide. The largest public projects require the service of larger contractors, and a number of these firms are union firms.

Therefore, understanding a construction career within the context of the trade unions is important, as any successful local hiring policy must take into the account the role that these unions play.

In San Francisco, there are 26 different trades affiliated with the San Francisco Building and Construction Trades Council: Boilermakers, Bricklayers, Carpenters, Carpet Layers, Cement Masons, Electrical Workers, Elevator Constructors, Glaziers, Hod Carriers, Insulators & Asbestos Workers, Ironworkers, Hazardous Waste Laborers, Lathers, Millwrights, Operating Engineers, Painters & Tapers, Piledrivers, Plasterers, Plumbers & Pipefitters, Roofers & Waterproofers, Window Cleaners, Sheetmetal Workers, Sign & Display, Sprinkler Fitters, Steelworkers-Upholsterers, and Teamsters. The general Laborers union, Local 261, is not affiliated with the San Francisco Building and Construction Trades Council.

It is worth noting that with the existence of these many different trades, there are newly developing industries and projects that illuminate the nuances between the different work that they do. For example, with the development of a modern "green industry", many environmentally-oriented projects are difficult to classify.<sup>3</sup>

Each of these trades are represented by a union which advocates on behalf of its worker members, negotiating wages and benefits with contractor associations, advocating for more work for union members, and overseeing the development of workers as they forge their construction career. To remain active and eligible for work through the union system, union members pay dues.

<sup>3</sup> By way of example, there is an ongoing debate regarding the installation of solar panels and whether those jobs should be categorized as electrical work or a combination of several crafts. These categorizations determine which trades, which workers, and therefore which community members work on installation of solar panels.

A “construction career” in the trade unions generally begins when a worker applies to join, passes any requisite pre-admission tests and screening, and is admitted as an apprentice. For each of the trades, admission is based on that union’s own sets of procedures and guidelines, which determine everything from how often application opportunities are made available, the requirements and criteria for entry, and the number of available apprenticeship slots at any given time. Each trade also has its own rules that affect whether and how incumbent workers – individuals already working in construction but not part of a trade union – can join.

Through work experience and classroom training, apprentices are able to advance to become a journey level member of the trade, receiving increased pay and vesting in benefits such as retirement pension. The requirements of “journeying out” vary between each trade but typically depend on a requisite number of hours of work, class completion, and certain certifications.<sup>4</sup> How different apprenticeship programs function has a significant impact on who and how many people are accepted, assigned work, retained, and journey out. This in turn affects who is available to work and the composition of the construction workforce.

## **b. Collective Bargaining Agreements, Project Labor Agreements**

One of the core functions trade unions perform on behalf of their members is the negotiation of collective bargaining agreements (CBAs) with employers that individual contractors sign with the union. These agreements obligate “signatory” contractors to use union labor under terms and conditions outlined in the agreement and contain important provisions that relate to who works and when.

Collective bargaining agreements generally contain rules regarding grievances, dispute resolution, hours, and wage payments. The collective bargaining agreements negotiated between each trade and its associated contractors association vary from trade to trade, often in great detail. One of the most important areas of difference between collective bargaining agreements is in the area of dispatch. Stated another way, each trade has different ways of determining which of their members will be referred to work on construction jobs.

Generally speaking, there are two ways that a worker comes onto a construction project employing union labor. They can come to the job as a “core employee” of a construction contractor, or they can be “dispatched” or “referred” from the union hiring hall.

Core employees are workers that are formally employed by a contractor and work with that company from job to job. Collective bargaining agreements typically regulate the number of core employees that signatory contractors may bring to a job, allowing the union to maintain influence over which of their members work on jobs through the hiring hall system.

When workers are dispatched they are typically referred off the union’s “out-of-work list,” which orders active members in good standing by most time without work to least time without work. Some unions also have practices to address the uneven quality of jobs.

Very relevant to the discussion of local hiring, some trade unions practice the ability to “name call” members off the out-of-work list, allowing contractors to specify a certain employee, such as an employee residing in a certain locality from anywhere off the out-of-work list. This is a tool that contractors can use to comply with local hiring requirements.

<sup>4</sup> By way of example, the Carpenters Training Committee for Northern California requires that applicants for apprenticeship must: (a) be age 18 or 17 with parental / guardian consent; (b) possess a GED, High school diploma, or verified 6 months full time work experience in a construction related trade or preapprenticeship program, (c) possess a valid drivers’ license, (d) have reliable transportation, and (e) a minimum of 8th grade math skills. Once an applicant is accepted into an apprenticeship, the training requirements differ depending on the subtrade of carpentry: carpenters, millwrights and pile drivers require 4 years of apprenticeship while hardwood floor installer requires 3 years and shinglers require 2 years of apprenticeship. As another example, the California of Industrial Relations outlines that an apprentice for elevator construction must have the same pre-admission requirements, and the apprenticeship program can last 4 years. However, based on the industry need for elevator constructors, apprenticeship opportunities are rarely available. The Northern California Elevator Constructor Apprenticeship Program does not anticipate an open application period until 2011..

Unions that provide name call opportunities typically require that name call referrals be matched in a specified ratio from the top of the out-of-work list. This allows the union to balance targeted referrals against the need for equality in terms of time that members spend on the out-of-work list. Unions without a name call option are likely to have a more difficult time meeting local hiring goals.

A Project Labor Agreement (PLA) is a particular type of collective bargaining agreement that governs a specified scope of work with terms negotiated by the project owner, developer or contractor, and the trade unions. The PLA is a form of pre-hire agreement and becomes part of the bid specification that any winning contractors must follow. It requires parties to adhere to the terms of the PLA when working on projects covered by a PLA, and PLA terms supersede conflicting terms within the trades' individual CBA's on covered works.

A PLA works to benefit workers and unions because it guarantees prevailing wage standards and certain working conditions throughout the duration of the often large-scale projects that lead to PLA negotiation. For the contractor or governmental entity, a PLA is beneficial as it guarantees project stability and more timely and cost-effective projects, due in large part to the fact that signatory unions agree not to strike or take other job-site actions that may slow the pace of work on projects covered under a PLA.

With PLAs, there is sometimes a perception of reduced opportunity for non-union contractors to compete for work. However, non-union contractors can still perform work on public sector PLA-covered projects, but on these projects they are bound to the same essential conditions as signatory contractors. PLAs also affect non-union contractors by requiring them to pay into joint union labor-management benefit funds, allowing non-union employees to accrue benefits while working on projects covered under a PLA.

For local hiring supporters seeking to increase opportunities on construction projects funded by public dollars, PLAs are important to understand because they weigh heavily on public infrastructure projects. Similarly, PLAs offer policy makers the opportunity to take the various apprenticeship programs and dispatch rules of different signatory unions and codify mechanisms to guarantee targeted hiring on covered works.

In this manner, a PLA can promote and expand local hiring on PLA-covered work as it applies to the increased number of union jobs that result from projects covered by a PLA. At the same time, the increased work for all union workers might ease any tension within the hiring hall that could result when members are name-called from other than the top of the out-of-work list, or new apprentices are admitted, to help the union deliver workers that allow contractors to meet their local hiring targets..

Last, it is worth noting that a portion of training funds available to unions are derived from and based on the size of public projects on which trade unions work.

### c. Local Hiring

The term “local hiring” can be a term of art meaning different things to different stakeholders, and it is worth noting that the local hiring policy arena expands beyond the act of initial hiring and into strategies designed to promote employment retention.

In the context of San Francisco public policy, “local hiring” is generally understood to mean hiring within San Francisco, or within the city that is investing public dollars subject to an effort to target jobs. In practice, because these “local” jurisdictions are typically the urban core of a metropolitan area, they are usually more racially diverse and economically disadvantaged than the suburbs that surround them. As a result, local hiring is often used to promote diversity and to target city residents with income below a certain threshold or who receive governmental assistance. Efforts to further focus opportunities for specific neighborhoods with high concentrations of economically disadvantaged residents might also be called “community hiring.”

Local hiring among the construction trades can promote community economic development based on the substantial earning capacity of many of the trades. Construction work is not typically associated with high wages or earning capacity, yet many of the skilled trades earn significant hourly wages on public projects. The strong wages and benefits within these trades are very much desirable to economically disadvantaged communities.

Local hiring should be seen as benefiting not only the Bayview-Hunters Point carpenter around the corner from the Bayview Library project, but the Sunset District electrician across from the Sunset Reservoir solar project, and the Chinatown and SOMA laborers above the Central Subway line..

Local hiring also often encompasses the concept of a “project impact area” in seeking to target jobs for residents of the geography within which a project is built, irrespective of the specific characteristics of that neighborhood. This approach can be summarized as giving people the chance to work on projects they see being built in their neighborhoods.

Therefore, local hiring should be seen as benefiting not only the Bayview-Hunters Point carpenter around the corner from the Bayview Library project, but the Sunset District electrician across from the

Sunset Reservoir solar project, and the Chinatown and SOMA laborers above the Central Subway line. Job opportunities are often promised to community residents by project proponents during the approval phase of a project in hopes of earning their support, but often these opportunities do not materialize.

The practice of localization is also not confined to employment. Policy makers have favored promoting local businesses as a way of making communities more resilient, local planning for housing and transportation is an environmental aim under California Senate Bill 375, and local food production is linked to sustainability and health.

However, within the context of employment, local hiring is a compelling social justice tool because while meeting public infrastructure needs, billions of dollars can simultaneously address neighborhood poverty and economic distress and remedy historic inequities facing women and minorities.

Other cited reasons for promoting local hiring are: stabilizing vulnerable neighborhoods and working-class families, racial and gender diversity in the blue-collar workforce, keeping taxpayer dollars local and boosting the local economy, and reducing greenhouse gas emissions associated with the distance of construction workforce commutes.<sup>5</sup>

<sup>5</sup> Projected workforce commute distances, and the emissions they produce, are now part of the California environmental impact reports required for approval of public projects. For example, Chapter III, Section III.S of the Candlestick Point-Hunters Point Shipyard Draft EIR analyzes “Project Construction Greenhouse Gas Emissions,” including emissions associated with construction worker commuting, in Table III.S-2 on page III.S-25.



## II. Existing Law and Policy Affecting Local Hiring on Construction

San Francisco and other governments typically advance local hiring goals in construction through their contracts with construction firms or developers. This occurs when a contractor agrees to adhere to the local hiring policies as part of its bid for public dollars. In nearly every instance a public entity's local hiring policy is attached only to projects funded or in some way subsidized by the public, while hiring in private sector construction remains subject only to market forces.

This section of the report outlines the City's existing local hiring policies, state and federal legislation and case law that impact those policies, and local contracting programs.

### a. San Francisco Administrative Code Chapter 6 and Chapter 83

The primary criticism of San Francisco's current local hiring policies is that they uniformly rely on the "good faith efforts" of employers. These provisions are embedded in Chapter 6 and Chapter 83 of the San Francisco administrative code, which flow from the 1960's Housing and Urban Development<sup>6</sup> effort and mid-1990's welfare reform legislation, respectively.

#### CHAPTER 6 - PUBLIC WORKS

The language found in Chapter 6, Section 6.22(G) of San Francisco's Administrative Code can be considered to be the city's "local hiring policy statement." Pursuant to Chapter 6, all city construction contracts must contain the provision that public works contractors "agree to make a good-faith effort" to hire San Francisco residents for at least 50 percent of the total construction work force. Section 6.22(G) also requires special preference for "minorities, women and economically disadvantaged individuals" in meeting this 50 percent requirement, which is measured in "labor work hours."

Reflective of the "good faith" approach to local hiring, the Administrative Code does not lay out a definition of what "good faith efforts" to achieve the 50 percent goal are, and there is no penalty laid out for even egregiously bad faith efforts. Chapter 6 has also not been amended to reflect developments in law that would sharpen the City's ability to conduct target hiring within the City, and the 50% goal is measured across total project hours instead of trade by trade.

In April 2010, community advocates raised awareness at City Hall that Chapter 6 language had been removed from public works contracts in recent years. Apparently, concerns from the City Attorney's office regarding the ordinance's ability to survive a court challenge based on California Proposition 209 and the privileges and immunities clause of the federal Constitution, both of which will be explained later in this section, prompted this action. This has stripped many San Francisco contracts of local hiring policy, though the statute clearly remains law and unchanged. Millions of dollars worth of public works contracts have been signed without reference to Chapter 6, leaving contractors unaware even of San Francisco's weak "good faith efforts" approach to reaching the 50% goal.

<sup>6</sup> The Department of Housing and Urban Development's Model Cities Program was an element of President Lyndon Johnson's Great Society and War on Poverty. Model Cities was intended to improve coordination of existing urban programs and to provide additional funds for local plans. One of the legacies of the Model Cities program as it existed in San Francisco is the historic 1970 Memorandum of Agreement between the Bayview-Hunters Point Model Neighborhood Agency, the San Francisco Building and Construction Trades Council, and the Associated General Contractors of California. The parties to that agreement pledged to "use their best efforts" to ensure "that no less than 50% of the work force in each craft" on public works within the Bayview-Hunters Point Model Cities Project Area would be recruited from residents of the Model Cities Project Area.

### CHAPTER 83 - FIRST SOURCE HIRING PROGRAM

While Chapter 6 is the City's local hiring policy benefiting all residents, Chapter 83 is the City's local hiring implementation program specifically targeted toward those San Francisco residents who are economically disadvantaged.<sup>7</sup> Administrative Code Chapter 83 outlines San Francisco's First Source Hiring Program, which requires City construction and non-construction contractors to make entry level jobs available to low-income residents. The First Source Hiring Administration is responsible for implementation, oversight, and monitoring of the program and CityBuild, a program within the Office of Economic and Workforce Development, serves as lead agency for the First Source Hiring Administration.

Contractors entering into a contract with the City for construction in excess of \$350,000 or for goods and services in excess of \$50,000 must enter into a First Source Hiring Agreement in which the contractor must: 1) set appropriate hiring and retention goals for entry level positions, 2) set appropriate requirements for providing notification of available entry level positions, 3) set First Source interviewing, recruitment and hiring requirements, 4) set appropriate record-keeping and monitoring requirements, and 5) establish guidelines for employer good faith efforts to comply with the hiring requirements.

However, First Source has been limited by its dependence on the same "good faith efforts" standard found in Chapter 6 and has not been adequately empowered or staffed to manage the significant opportunities created. The lack of a concrete definition or a penalty for non-compliance has undermined local hiring and left compliance focused on vague effort rather than results, and no contractor has ever been penalized for failure to comply with Chapter 83.

### THE RELATIONSHIP BETWEEN CHAPTERS 6 AND 83

In theory, Chapter 6 provides a local hiring policy statement that Chapter 83 implements and administers through First Source. The 50 percent target outlined in Chapter 6 provides a benchmark for hiring and retention goals that are required in First Source Agreements outlined under Chapter 83.

In practice, San Francisco is without a strong local hiring statement of policy. With the removal of Chapter 6 from City contracts, local hiring on San Francisco's public works efforts is governed essentially by the market, though public pressure and demands for local hiring on specific, often high-profile, projects have been occurring with increasing frequency.

The process of laying out a First Source Agreement that obligates engaging economically disadvantaged residents for work is a negotiation between City and contractor. But without even a good faith 50 percent target, many contractors are enabled to declare that their core worker crews are already set with no room for additional hires, San Francisco residents or otherwise.

Data with respect to achievement of local hiring goals, as well as the collection of other workforce demographic information, has also not been consistent or timely. Though the implementation of the "Elations" system by the Office of Economic and Workforce Development has caused significant improvements in this area, workforce information is only beginning to be made available to community members in a timely fashion. For community members, workforce information is most critically needed before a project is complete for it to be useful to change practices or to highlight lack of "good faith efforts," at least until a mandatory local hiring approach is adopted.

As one model for addressing this data problem, City College of San Francisco recently contracted with community-based monitors to provide monthly reports on local hiring goals for construction of City College's Joint Use Facility and the permanent campus in Chinatown/North Beach. The monitors provide regular reports that enable elected Trustees and the administration to fully and regularly urge employers and other stakeholders to implement agreed-upon definitions of good faith efforts.

<sup>7</sup> Admin. Code section 83.4(i) defines "economically disadvantaged individual" as "an individual who is either: (1) eligible for services under the Workforce Investment Act of 1998 (WIA) (29 U.S.C.A. 2801 et seq.), as determined by the San Francisco Private Industry Council; or (2) designated 'economically disadvantaged' by the First Source Hiring Administration, as an individual who is at risk of relying upon, or returning to, public assistance."

## b. California Proposition 209, California Labor Code

### PROPOSITION 209

San Francisco's local hiring policies are also impacted by state law, the most significant being Section 31 of Article 1 of the California Constitution, also known as Proposition 209.

In 1996, California voters passed Prop. 209 and barred state and local government from actions that "discriminate, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting." Since its implementation began, Prop. 209 has curtailed the majority of affirmative action programs that sought to address past and current discrimination and now perpetuates the biases and preferences it purported to prohibit.

Prop. 209 therefore renders San Francisco unable to employ a straightforward approach to expressing hiring targets on the basis of race, sex, color, ethnicity, or national origin. For example, Proposition 209 disallows specific hiring mandates for women or Pacific Islanders, though targeted recruitment and outreach is generally permissible. Yet with respect to local hiring, Proposition 209 does nothing to prohibit targeted opportunities based on residency within San Francisco or by zip codes.

### CALIFORNIA LABOR CODE

The California Division of Apprenticeship Standards regulates state apprenticeship law under the California Labor Code and, according to its mission statement, "creates opportunities for Californians to gain employable lifetime skills and provides employers with a highly skilled and experienced workforce while strengthening California's economy." While each individual trade union maintains its own apprenticeship standards and Joint Apprenticeship Committee, these programs are registered with and regulated by the state.<sup>8</sup>

California Labor Code section 1777.5 requires a certain number of apprentices on public works construction projects. The intent is to promote a sustainable construction workforce by ensuring that apprentices have the chance to work toward attaining journey level status. Apprentices must work no less than one hour for every five hours worked by journeymen on public works project, and this rule can be stated as requiring at least 16.7 percent of job hours (one in six) to be performed by apprentices.

A change to the Department of Industrial Relations' Code of Regulations, section 230.1 outlines the process by which contractors should request dispatch of apprentices for public works. When contractors on public works projects are not already meeting the one to five ratio for apprentices to journeymen, they must request the "dispatch of required apprentices from the apprenticeship committees providing training in the applicable craft or trade and whose geography area of operation includes the site of the public work." The regulation continues that if an apprenticeship committee does not dispatch apprentices as requested, the contractor must request a dispatch from another committee. If in response to written request for a dispatch, no apprenticeship committee dispatches, the contractor shall not be considered in violation. Moreover, if an apprenticeship committee dispatches fewer apprentices than requested, the contractor shall not be considered in violation.

In terms of enforcement of these provisions, the California Labor Code, section 1777.7 provides the penalties that may be issued for noncompliance with provisions involving employment of apprentices. If a contractor or subcontractor has knowingly violated Section 1777.5, a civil penalty not to exceed one hundred dollars (\$100) for each full calendar day of noncompliance may be issued. A second or subsequent violation within a three-year period may forfeit a civil penalty of up to three hundred dollars (\$300) for each full calendar day of noncompliance. The determinations of compliance are made by the Chief of the Division of Apprenticeship Standards. While apprentice programs must be registered with the California Department of Industrial Relations (DIR), the DIR lacks the staff to effectively monitor compliance and assure applicants that apprenticeship programs recognized by the state are fair and open.

<sup>8</sup> Joint apprenticeship committees vary in form but are typically composed of members from unions, contractors and perhaps government officials. The joint apprenticeship committees are responsible for developing curriculum for apprenticeship programs, as well as setting the standards for apprentices to accomplish in order to journey out.

### c. Federal Law

Laws surrounding local hiring on projects funded in whole or in part with federal dollars are not as clear-cut as laws governing projects funded by San Francisco dollars. In fact, depending on the source of federal funding on public works projects, the ability for local jurisdictions to apply local hiring guidelines or mandates may be permitted, prohibited, or located somewhere in between.

For projects funded by federal stimulus dollars under the American Recovery and Reinvestment Act, Section 1.6 of the April 3, 2009 Updated Implementing Guidance for the ARRA contains the following guideline:

“Promoting local hiring: Departments and agencies should seek to maximize the economic benefits of a Recovery Act-funded investment in a particular community by supporting projects that seek to ensure that the people who live in the local community get the job opportunities that accompany the investment.”

This policy tracks a general federal policy that is administered by the Office of Federal Contract Compliance Programs (OFCCP), whose mission is “ensuring that contractors doing business with the Federal government do not discriminate and take affirmative action.” Federal regulation 41 CFR 60-1.4(b)(1) requires all construction contracts receiving federal assistance to include the following clause:

“The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.”

The OFCCP states that “the current goal for the utilization of women is 6.9% of work hours.” The OFCCP goal for minority hiring for San Francisco, Alameda, Contra Costa, San Mateo, and Marin counties is 25.6 percent of work hours. Clearly the federal purpose of this federal regulation is complicated by California’s Prop. 209, which suggest that only targeted hiring by geography, and not gender or race, would be permissible.

On projects funded by the Federal Highway Administration (FHWA) even geographic specifications may be limited. Under federal regulation 23 CFR 635.117(b), on FHWA funded projects, “No procedures or requirement shall be imposed by any State which will operate to discriminate against the employment of labor from any other State, possession or territory of the United States, in the construction of a Federal-aid project.” FHWA projects often span several states and therefore the intent of Congress seems to create a blanket statement that respects the Constitutional prohibition that prohibits measures that are an “unreasonable burden on interstate commerce.”

The FHWA has been relaxed for projects that clearly do not impact other states and in which a municipal local hiring ordinance would be applied. An August 19, 2009 letter from FHWA to the California Department of Transportation clarifies that while FHWA funds and ARRA funds administered by the FHWA cannot be subject to local hiring targets, a project funded by these funds plus other private and non-FHWA funding sources may utilize a local hiring ordinance. The letter highlights, however, that phases of a project should be clearly segmented according to funding source, and that in the case of Los Angeles' Alameda Corridor project, contracts "which received Federal-aid highway funds...did not contain local hiring preferences."

The Federal Transit Administration (FTA) has not made a similar pronouncement regarding targeted hiring goals on FTA-funded projects. In fact, the proposed \$500 million BART Oakland Airport Connector project contains a goal of 50% of construction job hours, by trade, to be worked by residents of Alameda, Contra Costa, San Francisco, San Mateo counties and 25% of hours for residents of Oakland. This agreement, which unlike the Port of Oakland's Maritime and Aviation Project Labor Agreement relies on contractors' "good faith efforts" rather than mandates, was reached before \$70 million of FTA funds were withdrawn, suggesting the ability to apply local hiring policy to FTA-funded projects without the segmentation required by the FHWA.

#### **d. Local Business Enterprise Programs**

Businesses contracting with the City and County of San Francisco are eligible for different types of local business enterprise certifications that are governed by Chapter 14b of the San Francisco Administrative Code and implemented by the Human Rights Commission. Additional local jurisdictions such as the San Francisco Community College District and the San Francisco Unified School District also administer local or small business enterprise programs.

These certifications are intended to help local businesses compete more effectively for City contracts in several ways. First, each City agency typically has subcontracting goals to increase the participation of local businesses. Second, certified local business enterprises are eligible to receive bid discounts when bidding on City contracts. By receiving a bid reduction of between two and ten percent, local business enterprises receive an advantage relative to non-local businesses during the bidding process to win public contracts. And third, "micro" local businesses that lack the capacity to perform large contracts are eligible for City contracts that are set aside for them.

Eligibility for certification as a local business enterprise is generally determined by whether the primary location of a business is in San Francisco, as opposed to whether City residents are employed, and with restrictions that the business is not too large as defined by gross receipts over a three year period. The majority of the company's principal and non-field employees must work at its primary location in San Francisco.

What is worth noting is that the City's local hiring goals are not incorporated into any of these local or small business enterprise programs. The definition of a local business enterprise in San Francisco and the benefits that are associated with it do not consider criteria related to residency or composition of its employees. This presents an opportunity to connect local business enterprises and benefits associated with local business ownership to the hiring of local residents

### III. Training

There are a number of training programs designed to help San Franciscans achieve success in building and construction industry. Within the trade unions, this occurs primarily through apprenticeship, with funding coming from a formula contribution made by construction firms working on public contracts. Typically, apprenticeship programs are sponsored to provide resources to adequately train workers. Programs may be sponsored by a single employer, multiple employers, or a combination of employers and labor unions. As referenced in earlier sections, each of the trades has their own process and guidelines for their apprenticeships as well their own Joint Apprenticeship Committee, though broader oversight is performed by the State Division of Apprenticeship Standards.

Successful apprenticeship programs should be defined by the percentages who are able to complete the intense and demanding requirements of apprenticeship. This success can be facilitated by supports and services such as transportation stipends, childcare or counseling to be able to complete training programs. Another barrier is also “poaching” – the practice of one contractor hiring another’s apprentice. Poaching often happens so that contractors or unions do not have to make the long-term investment in sponsoring or developing their own apprenticeship program. Community-based training programs as well as Vocational English as Second Language, may help to address the barriers that many apprentices face.

#### a. Community-based training programs

Prior and parallel to the apprenticeship process, additional training to meet specific needs can improve the rate at which apprentices are retained and eventually journey out. Community-based programs that are supported by a mix of private and public funds have historically been positioned to do this well because of their unique understanding of and relationship with communities, whether those communities are defined by race and ethnicity, gender, or neighborhood.

Many of these community-based programs are effective because they simultaneously address a range of legal, social service, and other needs that support job readiness and success. In addition, these programs generally do not channel their clients to any one field of employment, such as construction, and as a result they often have a range of innovative partnerships with employers to facilitate entry into the workforce. In fact, the bulk of the City’s workforce development system involves an evolving web of partnerships between multiple stakeholders that include community-based organizations, City agencies, employers, and educational institutions including City College of San Francisco and San Francisco Unified School District.<sup>9</sup>

Generally speaking within construction, however, most training programs support jobseekers. Making opportunities for incumbent workers, both union and non-union, to receive ongoing training and education that is accessible and worthwhile has been a lower priority for the City. This may present a problem to the degree that incumbent workers are not able to upgrade or expand their work competencies. Another resulting problem is that a segment of the population is unable to avoid overspecialization of skills that may not be compatible with the workforce demands of a changing economy.

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<sup>9</sup> The San Francisco Public Utilities Commission (SFPUC) has embarked on the creation of a Community Benefits Program that will increase its delivery of community benefits such as jobs and job training on SFPUC capital projects and that will help tighten the SFPUC’s role within the City’s workforce development system. This program may trigger additional steps by other departments and San Francisco agencies to consolidate their workforce efforts within the centralized workforce system.

## b. CityBuild Academy

CityBuild Academy is the City's centralized, multi-trade pre-apprenticeship program designed to provide training and job-placement for economically disadvantaged San Francisco residents in construction.

CityBuild Academy targets San Francisco residents from groups who traditionally have had a difficult time gaining entry into unionized construction employment and who, without a four-year degree, may have fewer career options.

With a mandatory local hiring approach, CityBuild's role as First Source Administrator can become an even stronger tool for increased apprenticeship and work placement commitments from unions and employers..

CityBuild Academy attempts to place and keep individuals in construction careers by offering an intense recruiting, assessment, and training process. Many of the City's community-based workforce development programs provide recruitment, support, and retention services to clients of CityBuild Academy, and these programs have expanded beyond construction to include academies for the green and health care sectors.

The crux of the Academy's value proposition, however, is that it functions as an arm of CityBuild, which is the City's First Source Hiring Administrator. With a

mandatory local hiring approach, CityBuild's role as First Source Administrator can become an even stronger tool for increased apprenticeship and work placement commitments from unions and employers.

## c. Vocational English as a Second Language

There are many limited-English proficient immigrants in the Bay Area who have experience in construction jobs from their country of origin, with non-union contractors in the U.S., or both. Though they possess construction skills, their limited English often prevents them from successfully competing for employment opportunities on large public works projects. This results in immigrants who are otherwise qualified for union construction work remaining in jobs that pay lower salaries with no health care or other fringe benefits.

This challenge is especially relevant as San Francisco proceeds with the \$1.6 billion Central Subway Project in Chinatown and South of Market, two neighborhoods with large percentages of Asian American immigrants who have faced difficulty in obtaining jobs on public projects.

Employment data from San Francisco public construction suggest that Asian American workforce participation numbers - typically around four percent - fall far below the representative ratio of Asian American residents working in local construction. Whereas Asian Americans are estimated to comprise approximately more than 30 percent of the construction workforce in San Francisco, those workers are not accessing employment at proportional levels numbers on public works projects.

Though improving performance with respect to local hiring goals would benefit all communities of color in San Francisco, it is important to understand that the under-representation of Asian Americans likely stems from the high number of limited-English proficient construction workers in this group, who because of language barriers, are only able to access lower-paying, non-union, construction employment.

Vocational English as a Second Language (VESL) programs in construction can help address this challenge.

#### **COMMUNITY VESL FOR CONSTRUCTION INITIATIVES**

Community VESL for construction initiatives offer much promise. In 2006, a pilot 18-week, 10 hours per week, construction VESL course was designed and implemented by Chinese for Affirmative Action and City College of San Francisco. The project succeeded in finding employment or promotions for nearly half of the graduating students in union construction companies, with an almost equal number joining construction unions while awaiting work, or finding employment with non-union firms. The pilot took a broad approach to enable English learners to access or move up in different trades.

Charity Cultural Services Center, based in San Francisco Chinatown, currently operates an even more targeted approach. The program partners with Carpenters Union Local 22 to offer hard skills construction training, bilingual Chinese-English instruction, and includes a critical agreement with the union so that participants automatically gain entry as apprentices upon graduation.

#### **CITYBUILD ACADEMY VESL MODEL**

Recent efforts have successfully increased the inclusion of VESL into CityBuild Academy. This now happens in several ways. First, pre-Academy VESL opportunities are provided to enable English-learners to qualify for CityBuild Academy. Second, VESL is offered concurrently along with Academy courses to reinforce instruction that is taught. And third, post-Academy VESL is offered for graduates in the trades to improve their language skills so that they can access more work sites.

#### **VESL WITHIN THE TRADES**

The trade unions themselves have the wherewithal to expand and integrate VESL offerings as part of their trainings. For example, Ironworkers Local 377 has had tremendous success in facilitating the entry of Chinese language speakers into the ironworkers union, while other unions have had similar success with Spanish language initiatives.

#### **CITY COLLEGE OF SAN FRANCISCO VESL FOR CONSTRUCTION**

City College of San Francisco offers VESL construction classes that teach students language skills appropriate for the construction field, including occupation-specific vocabulary and verbal communications skills that will be most relevant on work sites. These classes are not formally required to be attached to local efforts by community-based organizations, such as outreach, recruitment, case management, or retention support services. In addition, they are not tied to the pre-apprenticeship programs of the trade unions, or the job placement functions performed by CityBuild.



## IV. Composition of Workforce on Recent SF Public Projects

### a. Methodology

Workforce data from 29 public infrastructure projects in San Francisco over the past seven years is provided within this section of the report and was derived from data requests to the Human Rights Commission, Office of Economic and Workforce Development, and City enterprise departments. For projects that are ongoing and in the case of one project that is complete, the data available does not reflect the final or total number of workforce hours performed.<sup>10</sup>

Moreover, while this study is a snapshot of the workforce on certain public infrastructure projects in San Francisco, it does not present the overall labor market in construction. For example, it is important to understand that at any given time there is a population of construction workers who may not be working or who may be working on private sector projects.

For each table, the leftmost column indicates the number of workforce hours from the 29 projects that were available for analysis. This number varies with respect to the different tables because not all projects were able to provide the same level of information.

The tables present the composition of the workforce by number of hours worked, not by number of individuals employed, on the San Francisco public infrastructure projects for which data is available.

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<sup>10</sup> See Appendix B regarding project dates and descriptions.

**b. Residency****San Francisco Public Construction Projects  
work hours by residency**

RESIDENCY	Total	San Francisco		Non-San Francisco	
sample hours	5,349,915	1,291,992	24.1%	4,057,923	75.9%
sample projects	29				
PROJECT	Total Hours	San Francisco		Non-San Francisco	
Laguna Hospital	1,810,807	374,412	21%	1,436,395	79%
3rd Street Light Rail	1,171,097	393,454	34%	777,643	66%
SFO	632,608	76,237	12%	556,371	88%
3rd Street - Metro East	453,956	115,919	26%	338,037	75%
Geary Building Senior Housing	265,112	71,127	27%	193,985	73%
City College - Mission Campus	264,384	56,178	21%	208,206	79%
149 Mason	108,115	25,296	23%	82,819	77%
Civic Center Residence	104,401	32,098	31%	72,303	69%
City College - Wellness Center	101,811	19,058	19%	82,753	81%
University Mound Reservoir Retrofit	92,529	23,913	26%	68,616	74%
SF General Rebuild	88,967	25,438	29%	63,529	71%
Zygmunt Arendt House	49,881	15,929	32%	33,952	68%
Transbay Temporary Terminal	44,005	5,657	13%	38,348	87%
I-Hotel	24,953	6,737	27%	18,216	73%
MTA - 1 South Van Ness	17,641	6,969	40%	10,672	61%
SOMA Pavement Renovation	17,536	4,372	25%	13,164	75%
Central Subway Utility Relocation Portal/Moscone	15,903	3,088	19%	12,815	81%
Balboa Street Pavement Renovation	11,778	1,394	12%	10,384	88%
Parkside Branch Library	10,344	5,739	56%	4,605	45%
Sunset Reservoir Solar	10,114	5,471	54%	4,643	46%
Misc. MTA Rail Replacement	6,640	4,712	71%	1,928	29%
MUNI Traction Power Feeder	5,961	3,010	51%	2,951	50%
Leland Ave Street Scape	5,676	1,846	33%	3,830	68%
Visitacion Valley Library	5,343	2,262	42%	3,081	58%
Anza Branch Library	2,813	882	31%	1,931	69%
Ortega Brnach Library	1,902	662	35%	1,240	65%
Stockton Street Tunnel	1,833	826	45%	1,007	55%
Geneva Historic Car Enclosure	1,719	859	50%	860	50%
Merced Branch Library Renovation	1,400	555	40%	845	60%

\* not all projects complete; I-Hotel data based on sample of total hours

**c. Gender**

**San Francisco Public Construction Projects  
work hours by gender**

GENDER	Total	Male	Female
sample hours	3,061,641	2,949,275 96.3%	112,366 3.7%
sample projects	13		
PROJECT	Total Hours	Male	Female
3rd Street Light Rail	1,171,097	1,112,169 95%	58,928 5%
SFO	632,608	619,829 98%	12,779 2%
3rd Street - Metro East	453,956	434,374 96%	19,582 4%
Geary Building Senior Housing	265,112	258,670 98%	6,442 2%
149 Mason	108,115	104,017 96%	4,098 4%
Civic Center Residence	104,401	99,964 96%	4,437 4%
University Mount Reservoir Retrofit	92,529	91,881 99%	648 1%
SF General Rebuild	88,967	86,085 97%	2,883 3%
Zygmunt Arendt House	49,881	49,317 99%	564 1%
Transbay Temporary Terminal	44,005	43,037 98%	968 2%
I-Hotel	24,953	24,704 99%	250 1%
Central Subway Utility Relocation Portal/Moscone	15,903	15,771 99%	132 1%
Sunset Reservoir Solar	10,114	9,458 94%	656 7%

*\* not all projects complete; I-Hotel data based on sample of total hours*

**d. Race and Ethnicity**

**San Francisco Public Construction Projects**  
**work hours by race/ethnicity**  
**(includes both San Francisco and non-San Francisco residents)**

RACE/ ETHNICITY	Total	African Amer.		Asian Pac. Isl.		Latino		Native Amer.		White		Other, D/S **	
sample hours	2,879,165	375,786	13.1%	121,907	4.2%	1,309,757	45.5%	6,780	0.2%	898,857	31.2%	166,078	5.8%
sample projects	10												
PROJECT	Total Hours	African Amer.		Asian Pac. Isl.		Latino		Native Amer.		White		Other, D/S**	
3rd Street Light Rail	1,171,097	227,351	19%	35,595	3%	557,540	48%	0	0%	337,779	29%	12,832	1%
SFO	600,092	34,983	6%	25,937	4%	230,143	38%	4,492	1%	240,075	40%	64,463	11%
3rd Street Metro East	453,956	62,862	14%	16,804	4%	218,785	48%	0	0%	104,632	23%	50,873	11%
Geary Building Senior Housing	255,011	16,702	7%	7,768	3%	124,338	49%	265	0%	91,702	36%	14,237	6%
149 Mason	97,304	10,055	10%	4,508	5%	37,927	39%	0	0%	43,257	45%	1,557	2%
Civic Center Residence	97,500	5,857	6%	18,677	19%	44,485	46%	146	0%	16,015	16%	12,319	13%
SF General Rebuild	85,933	8,915	10%	3,212	4%	40,329	47%	356	0%	29,066	34%	4,057	5%
Zygmunt Arendt House	49,880	6,485	13%	3,432	7%	20,102	40%	24	0%	17,019	34%	2,818	6%
Transbay Temporary Terminal	43,688	2,328	5%	3,978	9%	23,882	55%	0	0%	10,579	24%	2,922	7%
I-Hotel	24,704	250	1%	1,996	8%	12,227	50%	1,497	6%	8,734	35%	0	0%

\*not all projects complete; I-Hotel data based on sample of total hours

\*\*Other or Declined to State

**e. Apprenticeships**

**San Francisco Public Construction Projects  
work hours by apprenticeship**

APPRENTICESHIPS	Total	Apprentice		SF Apprentice		SF% of Apprentice Hours
sample hours	3,247,243	583,933	18.0%	208,885	6.4%	35.8%
sample projects	26					
PROJECT	Total Hours	Apprentice		SF Apprentice		SF% of Apprentice Hours
Laguna Hospital	1,810,807	345,180	19%	125,116	7%	36%
SFO	632,608	117,123	19%	26,023	4%	22%
Geary Building Senior Housing	265,112	56,692	21%	24,969	9%	44%
149 Mason	108,115	17,146	16%	7,696	7%	45%
Civic Center Residence	104,401	13,085	13%	5,330	5%	41%
University Mound Reservoir Retrofit	92,529	13,983	15%	8,380	9%	60%
SF General Rebuild	88,967	7,011	8%	4,987	6%	71%
Transbay Temporary Terminal	44,005	5,705	13%	2,249	5%	39%
MTA-1 South Van Ness	17,641	2,242	13%	35	0%	2%
SOMA Pavement Renovation	17,536	0	0%	0	0%	0%
Balboa Street Pavement Renovation	11,778	18	0%	0	0%	0%
Parkside Branch Library	10,344	409	4%	102	1%	25%
Sunset Reservoir Solar	10,114	3,125	31%	2,476	25%	79%
Misc. MTA Rail Replacement	6,640	30	1%	0	0%	0%
MUNI Traction Power Feeder	5,961	151	3%	0	0%	0%
Leland Ave Streetscape	5,676	179	3%	171	3%	96%
Visitacion Valley Library	5,343	948	18%	597	11%	63%
Anza Branch Library	2,813	456	16%	411	15%	90%
Ortega Branch Library	1,902	0	0%	0	0%	0%
Stockton Street Tunnel	1,833	85	5%	0	0%	0%
Geneva Historic Car Enclosure	1,719	276	16%	266	16%	96%
Merced Branch Library Renovation	1,400	90	6%	77	6%	86%

*\*not all projects complete*

## V. Composition of Trades on Recent SF Public Projects

### a. Methodology

The availability of data received from City departments regarding the composition of the trades work on the 29 public infrastructure projects that were surveyed varied from project to project. This section presents all data that was accumulated with respect to trade-specific job hours on these projects.

For each table, the leftmost column indicates the number of workforce hours from the trade that were available for analysis. This number varies with respect to the different trades because different trades perform different amounts of work. This number also varies with respect to different tables because not all projects were able to provide the same level of information.

The tables present the composition of the trades by number of hours worked, not by number of individuals employed, on the San Francisco public infrastructure projects that made data available.

### b. Residency and Apprenticeship

#### Diversity of Building and Construction Trades (based on sample hours from recent SF projects)

TRADE	Sample Hours	San Francisco	Non-San Francisco	Apprentice	SF Apprentice	SF % of Apprentice Hours
Asbestos Related	47,397	1%	99%	10%	0%	0%
Carpenters	408,682	22%	78%	21%	6%	31%
Cement Masons	38,023	13%	87%	7%	1%	14%
Drywall Installers	367,810	13%	87%	16%	5%	34%
Electricians	472,604	21%	79%	24%	7%	28%
Elevator Constructors	17,690	9%	91%	41%	6%	14%
Glaziers	68,034	29%	71%	30%	16%	55%
Ironworkers	232,992	18%	82%	22%	8%	38%
Laborers	534,431	28%	72%	5%	3%	56%
Operating Engineers	115,725	12%	88%	3%	0%	13%
Painters	81,761	16%	84%	21%	9%	40%
Plasterers	55,845	5%	95%	5%	1%	25%
Plumbers	360,105	22%	78%	32%	13%	41%
Roofers	39,144	19%	81%	38%	9%	24%
Sheet Metal Workers	205,517	19%	81%	22%	10%	43%

**c. Gender**

**Diversity of Building and Construction Trades**  
(based on sample hours from recent SF projects)

TRADE	Sample Hours	Male	Female
Carpenters	375,722	98.5%	1.5%
Cement Mason	91,788	99.2%	0.8%
Drywallers	48,064	100.0%	0.0%
Electricians	326,062	98.7%	1.3%
Glaziers	12,376	93.7%	6.3%
Iron Workers	205,095	99.8%	0.2%
Laborers	1,160,624	99.0%	1.0%
Operating Engineers	253,791	99.7%	0.3%
Painters	29,482	94.8%	5.2%
Plasterers	17,846	99.5%	0.5%
Plumbers	144,912	97.9%	2.1%
Roofers	21,986	99.9%	0.1%
Sheet Metal Workers	28,249	97.5%	2.5%

**d. Race and Ethnicity**

**Diversity of Building and Construction Trades**  
(based on sample hours from recent SF projects, includes both San Francisco and non-San Francisco residents)

TRADE	Sample Hours	African Amer.	Asian Pac. Isl.	Latino	Native Amer.	White	Other
Bricklayers	8,956	25%	0%	50%		23%	3%
Carpenters	375,722	10%	5%	40%	1%	39%	2%
Cement Masons	91,788	13%	7%	65%	1%	15%	2%
Drywallers	48,064	28%	0%	34%	0%	30%	8%
Electricians	326,062	5%	11%	11%	0%	68%	5%
Glaziers	12,376	12%	5%	17%	1%	62%	3%
Iron Workers	205,095	9%	10%	41%	1%	33%	6%
Laborers	1,160,624	15%	1%	66%	0%	8%	2%
Operating Engineers	253,791	16%	1%	28%	0%	51%	4%
Painters	29,482	2%	4%	47%	0%	43%	3%
Pile Drivers	31,696	21%	1%	19%	0%	59%	1%
Plasterers	17,846	15%	0%	61%	0%	21%	4%
Plumbers	144,912	5%	8%	8%	0%	61%	17%
Roofers	21,986	7%	0%	71%	0%	9%	13%
Sheet Metal Workers	28,249	9%	13%	22%	0%	53%	4%

## VI. Survey Responses from Building and Construction Trades

### a. Methodology

Chinese for Affirmative Action asked each of the 26 affiliates of the San Francisco Building and Construction Trades Council, as well as Laborers Local 261, to complete a self-survey. An original survey is provided as Appendix C of this report.

In November 2009, Council Secretary-Treasurer Michael Theriault sent a letter to each affiliate requesting that the trades participate in the survey as part of their commitment to “every good faith effort to ensure the success of employment and/or educational or training programs” under the San Francisco City College Project Labor Agreement. In addition, Mayor Gavin Newsom wrote a June 8, 2010 letter to San Francisco Building and Construction Trades Council representatives asking that the trades “work cooperatively and respond to the data requests” in order to “move the discussion of local hire forward.”

The following trades participated: Boilermakers Local 549, Bricklayers, Tilelayers & Allied Craftworkers Local 3, Glaziers Local 718, International Brotherhood of Electrical Workers Local 6, International Union of Elevator Constructors Local 8, Ironworkers Local 377, Laborers Local 67, Laborers Local 261, Roofers Local 40, Sprinkler Filters Local 483, Painters & Drywall Finishers Local 913, Piledrivers Local 34, In some cases information requested was not available, or answer prompts were left blank.

The following trades did not participate: Carpenters Local 22, Carpenters Local 2236, Carpet Layers Local 12, Cement Masons Local 300, Cement Masons Local 300 Area 580, Heat and Frost Insulators Local 16, Hod Carriers Local 166, Lathers Local 68L, Milwrights Local 102, Operating Engineers Local 3, Plasterers Local 66, Plumbers and Pipe Fitters Local 38, Sheet Metal Workers Local 104, Sign and Display Local 510, Teamsters Local 853, Teamsters Local 853-San Mateo

Survey responses are provided herein exactly as they were received. All gaps in the following tables are intended and accurately reflect the data that was provided in the survey.



**b. Responses**

**Survey Responses from Trades**  
Trade Membership and Apprenticeship

	Total Members	Apprentices	Active Journeymen	Applications received during last cycle for apprenticeship	How many passed the written exam	How many passed the oral interview
Boilermakers Local 549	380	99	380	50	no exam	no exam
Bricklayers, Tilelayers & Craftworkers Local 3	2340	197	1415	*	*	*
Glaziers Local 718	559	74	268	*	*	*
IBEW Local 6	2549	267	2174	985	411	411
Int'l Union of Elevator Constructors Local 8	1155	307	848	1982	874	462
Ironworkers Local 377	2485	366	1576	*	*	*
Laborers Local 67	1314	0	1252	0, not apprentice craft	n/a	n/a
Laborers Local 261	3025	37	1918	*	*	*
Painters & Drywall Finishers Local 913	693	147	314	*	*	*
Piledrivers Local 34	1140	97	807	*	*	*
Roofers Union Local 40	400	200	200	*	*	*
Sprinkler Fitters Local 483	737	187	550	300 every 6 mo.	approx. 165	approx. 25-30

\* Union did not receive this question

**Survey Responses from Trades**  
Language Requirements / Assistance

	Is English proficiency required to become a member?	Is any language assistance or VESL offered as part of apprenticeship?
Boilermakers Local 549	No	No
Bricklayers, Tilelayers & Craftworkers Local 3	Yes, apprentices are required to take ESL	Yes, LEA offers ESL classes. Reimbursement for classes is also offered.
Glaziers Local 718	No	No
IBEW Local 6	No	No
Int'l Union of Elevator Constructors Local 8	Yes, aptitude test includes an English comprehension section	No
Ironworkers Local 377	No	Yes, translators and tutors are available as needed
Laborers Local 67	No	No
Laborers Local 261	No	No, classes were offered in the past
Painters & Drywall Finishers Local 913	No	No
Piledrivers Local 34	No	No
Roofers Union Local 40	No	No
Sprinkler Fitters Local 483		

Blank space indicates no response provided

### Survey Responses from Trades

#### Racial Composition

	Racial Composition of Union Members					Racial Composition of Members who are SF Residents				
	African Amer.	Asian Pac. Isl.	Latino	White	Other, D/S**	African Amer.	Asian Pac. Isl.	Latino	White	Other, D/S**
Boilermakers Local 549	20%	10%	20%	40%	10%					
Bricklayers, Tilers & Craftworkers Local 3										
Glaziers Local 718										
IBEW Local 6										
Int'l Union of Elevator Constructors Local 8	33	68	144	901	9	2	5	15	36	1
Ironworkers Local 377	72	145	879		68					
Laborers Local 67	31	6	1211	66	0	16	2	16	1	0
Laborers Local 261	8	6	38							
Painters & Drywall Finishers Local 913	70	14	226	189		54	7	56	43	
Piledrivers Local 34	25	7	52	362	393	1	0	2	14	10
Roofers Union Local 40	10	6	280	100	4					
Sprinkler Fitters Local 483										

Blank space indicates no response provided

\*\* Other or Declined to State

### Survey Responses from Trades

#### Gender Composition

	Male	Female
Boilermakers Local 549	95%	5%
Bricklayers, Tilers & Craftworkers Local 3	2275	18
Glaziers Local 718		
IBEW Local 6	2437	108
Int'l Union of Elevator Constructors Local 8	1133	22
Ironworkers Local 377	2438	23
Laborers Local 67	1250	64
Laborers Local 261	1757	73
Painters & Drywall Finishers Local 913	521	17
Piledrivers Local 34	823	19
Roofers Union Local 40		
Sprinkler Fitters Local 483		Less than 10

Blank space indicates no response provided

**Survey Responses from Trades**  
**County Residence**

	Alameda	Contra Costa	Marin	Napa	San Francisco	Santa Clara	San Mateo	Solano	Other
Boilermakers Local 549	100	100	100	100	100	100	100		250
Bricklayers, Tilelayers & Craftworkers Local 3	343	194	21	10	109	371	156	94	
Glaziers Local 718									
IBEW Local 6	205	299	168	12	649	24	584	85	524
Int'l Union of Elevator Constructors Local 8	156	194	29	7	59	79	145	85	401
Ironworkers Local 377	322	164	15	14	290	350	178	57	n/a
Laborers Local 67	644	206	0	2	35	17	4	16	391
Laborers Local 261									
Painters & Drywall Finishers Local 913									
Piledrivers Local 34	146	214	12	16	27	16	26	96	587
Roofers Union Local 40		104			108		172		68
Sprinkler Fitters Local 483					43, 6%				

*Blank space indicates no response provided*

*All responses provided in terms of number of workers except in the case of Sprinkler Fitters Local 483*

**Survey Responses from Trades**  
**Residence by SF Zip Codes**

	94102 Hayes Valley, Tenderloin, North of Market	94103 SOMA	94104 Financial District	94105 Embarcadero & SOMA	94107 Potrero Hill	94108 Chinatown	94109 Nob Hill, Russian Hill	94110 Mission, Bernal Heights	94111 Embarcadero, Barbary Coast	94112 Ingelside-Excelsior	94114 Castro, Noe Valley	94115 Pac Heights, Western Addition, Japantown
Boilermakers Local 549												
Bricklayers, Tilelayers & Craftworkers Local 3	0	2	0	1	2	5	2	6	0	20	1	1
Glaziers Local 718	4	4	0	0	2	1	1	18	0	14	0	1
IBEW Local 6	5	6	2	0	14	3	11	38	0	122	21	5
Int'l Union of Elevator Constructors Local 8	0	3	0	1	2	1	0	7	1	4	5	0
Ironworkers Local 377	7	5	0	0	5	4	2	22	0	43	5	4
Laborers Local 67	1	0	0	0	0	0	0	3	0	0	0	3
Laborers Local 261	16	20	0	0	9	1	7	167	0	103	2	15
Painters & Drywall Finishers Local 913	4	6	0	0	6	2	3	17	0	34	3	6
Piledrivers Local 34	1	0	0	0	1	0	1	2	2	0	1	1
Roofers Union Local 40												
Sprinkler Fitters Local 483												

*Blank space indicates no response provided*

**Survey Responses from Trades**  
**Residence by SF Zip Codes (continued)**

	94116 Outer Sunset	94117 Haight Ashbury, Cole Valley	94118 Inner Richmond	94121 Outer Richmond	94122 Inner Sunset	94123 Marina, Cow Hollow	94124 Bayview	94127 St. Francis, West Portal	94129 Presidio	94131 Twin Peaks, Glen Park	94132 Lake Merced	94133 North Beach, Fisherman's Wharf	94334 Visitacion Valley
Boilermakers Local 549													
Bricklayers, Tilers & Craftworkers Local 3	12	2	4	7	5	1	6	0	0	1	3	2	5
Glaziers Local 718	7	2	3	8	6	1	9	4	0	2	1	0	3
IBEW Local 6	63	24	21	42	60	11	31	32	3	25	18	6	35
Int'l Union of Elevator Constructors Local 8	3	1	2	3	5	2	1	2	0	3	4	1	6
Ironworkers Local 377	18	4	5	7	13	2	51	5	1	4	15	8	44
Laborers Local 67	0	7	0	0	1	0	16	0	0	0	1	0	2
Laborers Local 261	7	3	3	3	3	0	98	3	0	4	6	3	59
Painters & Drywall Finishers Local 913	8	5	5	8	11	2	30	4	0	5	4	2	20
Piledrivers Local 34	1	2	2	3	0	0	1	3	0	2	1	1	1
Roofers Union Local 40													
Sprinkler Fitters Local 483													

*Blank space indicates no response provided*

## VII. Model Local Hiring Policies

Other cities around the country have similarly felt frustrated as billions of dollars of public works investment fail to achieve original goals for elevating economically disadvantaged neighborhoods. This has fueled an interest and innovation in stronger local hiring policies nationwide.

San Francisco must recognize that mandatory, as opposed to “good faith,” local hiring is not only legal but effective in targeting job opportunities for its residents.

This section of the report outlines three models of local hiring policy that have successfully addressed concerns about the legality of mandated local hiring, received support from local organized labor, and navigated dynamics created by the regional nature of the construction workforce.

However, it must be unequivocally stated at the outset of this section that San Francisco must recognize that mandatory, as opposed to “good faith,” local hiring is not only legal but effective in targeting job opportunities for its residents.

### a. Fannie M. Lewis Cleveland Resident Employment Law

In 2003, the City of Cleveland, Ohio enacted legislation authored by long-time City Council member Fannie M. Lewis to require a certain percentage of job hours on city-funded construction projects for Cleveland residents. As noted in a research paper on the Cleveland AFL-CIO<sup>11</sup>, “for years Cleveland’s African-American and other minority residents have been pressuring city government to insure that people living in Cleveland will have access to jobs on Cleveland’s publicly funded construction projects...the Cleveland City Council passed the Fannie M. Lewis Cleveland Resident Employment Law to encourage construction contractors to hire locally.”

The Lewis Law mandates that “all Construction Contracts shall contain a provision that requires that Residents of the City perform twenty percent (20%) of the total Construction Worker Hours (‘Resident Construction Worker Hours’) and shall contain a provision detailing the penalties for failure to do so.” In addition, the law requires contractors to “use significant effort” to “ensure that no less than four percent (4%) of the Resident Construction Worker Hours are performed by persons who qualify as Low Income Persons.”

<sup>11</sup> Stephanie Luce and Mark Nelson, *The Cleveland AFL-CIO, draft report, April 30, 2005, available at: <http://powerbuilding.wayne.edu/power/downloads/Cleveland.pdf>.*

The Lewis Law contains a statutory nuance intended to address a 1984 Supreme Court case that held resident hiring to be on questionable constitutional footing if it gave unfair advantage to residents of one state over those of another. Specifically, the case of United Building and Construction Trades Council of Camden County v. Mayor and Council of the City of Camden held that while a Camden, New Jersey law requiring 40 percent of employees on city construction contracts to be Camden residents did not run afoul of the Dormant Commerce Clause, the city ordinance did not escape scrutiny under the Privileges & Immunities Clause of Article IV of the United States Constitution.<sup>12</sup> The Privileges & Immunities Clause prohibits discrimination by one state against the residents of another, particularly with respect to commercial activities such as employment and pursuing a livelihood.

In Camden, the Court found that a law which necessarily impacted Pennsylvania residents traveling one mile over the Benjamin Franklin bridge from Philadelphia into Camden for construction work was based on inadequate findings of necessity to allow a state to pass a law which directly impacted another state.

Cleveland's solution under the Lewis Law was to define the term "Construction Worker Hours" such that the law "excludes the number of hours of work performed by non-Ohio residents." This approach to mandating resident hiring without running up against the concerns laid out in the Camden case was endorsed by the U.S. Court of Appeals for the 6th Circuit in the November 2007 case of City of Cleveland v. State of Ohio. "(B)y excluding from the definition of 'construction worker hours' all work performed 'by non-Ohio residents,' Cleveland, Ohio Codified Ordinances § 188.01(c), the City has limited the impact of the Lewis Law to Ohio residents alone."

Therefore, the Court held that "although the legality of local hiring preferences that discriminate against interstate employers has been undermined by the Supreme Court's decision in United Building and Construction Trades Council v. City of Camden, discussed earlier, the Lewis Law does not fall within that prohibition, and it is not clear that Congress would condemn it."

Cleveland's Lewis Law is a legally tested and approved approach to mandating local hiring, one that can be integrated with collective bargaining or project labor agreements that govern contractors' use of out-of-state workers and guard against a potential loophole in the use of the Cleveland approach.

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<sup>12</sup> This case may explain San Francisco's reluctance to enforce its own Chapter 6 local hiring law and to eventually remove its language from City contracts.

## **b. Los Angeles Construction Careers Policy**

In 2008 the Los Angeles Community Redevelopment Agency, with support from the Los Angeles/Orange County Building Trades Council, Los Angeles Alliance for a New Economy, Community Benefits Law Center, and other community groups enacted a Construction Careers and Project Stabilization Policy that mandates targeted hiring on Redevelopment construction projects. The policy is both dynamic in the scope of its hiring targets as well as unique in that it represents an agreement supported equally by the community and labor unions.

The Los Angeles Construction Careers Policy contains provisions intended, in the words of the policy, “(i) to mitigate the harms caused by geographically-concentrated poverty, (ii) fight unemployment and underemployment in vulnerable populations and neighborhoods, including under-represented populations, populations with employment barriers and youth, (iii) to advance the skills of the local labor pool, including youth, to enable workers to earn wages that will assist them in moving out of poverty, (iv) to provide links to career paths for vulnerable populations and Local Residents, and (v) to facilitate rapid completion of construction projects.”

First and foremost in these provisions is the requirement that “a minimum of 30% of all hours of Project Work shall be performed by Community Area Residents and Local Residents, with priority given to Community Area Residents.”

“Community Area Residents” are defined as Los Angeles residents within a three mile radius of a project area and “Local Residents” means Los Angeles residents that live in a zip code with at least one census tract in which unemployment exceeds 150 percent of the Los Angeles County unemployment rate.

In addition, the policy requires that “a minimum of 10% of all hours of Project Work shall be performed by Disadvantaged Workers with less than 4000 hours of formal, indentured experience in the Unions at the time they commence Project Work.” Disadvantaged Workers are defined as an individual who either “(a) has a household income of less than 50% of the AMI or (b) faces at least one of the following barriers to employment: being homeless; being a custodial single parent; receiving public assistance; lacking a GED or high school diploma; having a criminal record or other involvement with the criminal justice system; or suffering from chronic unemployment.”

Other components of the policy include a scale that increases from 30 percent in the first year of the policy’s implementation to 40 percent in the third year the number of apprentice hours on covered projects that must be worked by Community Area and Local Residents. Key provisions were embedded into a Project Labor Agreement that was simultaneously signed by the Redevelopment Agency and the Building and Construction Trades Council that cover \$10 billion worth of projects over a ten year period.

The Los Angeles Construction Careers Policy was adopted by the Redevelopment Agency as a policy resolution, not as legislation per se, although a ordinance that tracks the language of the Redevelopment policy and would apply to City public works projects is currently before the Jobs and Business Development Committee of the City Council.

There are two facets of the Los Angeles Construction Careers Policy common to local hiring policies that are worth noting: 1) the 30 percent hiring requirement applies to overall project hours, rather than to jobs hours performed by each construction trade individually, ignoring the unique strengths and challenges facing different trade unions with respect to local hiring, and 2) Los Angeles relied on language modeling the Cleveland out-of-state worker exemption despite the fact that its extensive findings about the need for targeted and narrowly tailored community development and poverty eradication would likely satisfy the Supreme Court Justices that ruled against the Camden local hiring ordinance in 1984.



### c. Richmond Local Employment Program

Based on the success of its Local Employment Program since it was first implemented in July 2006, the City of Richmond, California has continued to strengthen and set higher local hiring goals.

The initial program requirement for public works construction, “a minimum twenty percent (20%) of the total work hours for the contract or project shall be performed by Richmond residents” was increased to a minimum of 25 percent in April 2010. According to the RichmondWORKS job-training program, local hiring in Richmond has averaged 30 percent since the City implemented its Local Employment Program.<sup>13</sup>

The City of Richmond is noteworthy because it has addressed one of the issues often raised in local hiring discussions -- that local hiring ordinances restrict the free flow of labor within the San Francisco Bay Area region.

Some contractors, particularly larger ones, have asserted that they do not want separate construction crews for each Bay Area city that they do business in, claiming that this will obligate the hiring or firing of workers depending on the location of each public work contract. However, these companies can abide by local hiring mandates by maintaining a reduced crew of core workers for public works projects. This would accommodate the desire of cities to empower communities through their infrastructure investments while contractors would continue to profit from taxpayer dollars.

Notwithstanding that debate, Richmond took a direct approach to addressing the fluid and regional nature of a certain portion of the construction workforce. Its Local Employment Program contains a “Non-City Project Hiring” clause that states that “an employer who can adequately document the New Hire of a Richmond resident on any non-City project within one of the nine Bay Area counties (Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa, and Sonoma), during the time a subject contract or project is in effect, shall be entitled to credit the hours of that Richmond hire towards meeting the New Hire goals of this ordinance.” In other words, a contractor can bank its employment of Richmond residents elsewhere in the region toward credit for local hiring compliance on Richmond public works.

The Richmond ordinance is unique in that it also contains targets for “Retail Employment” and “Office, Administrative, and Other Employment.” The program requires that “New Hires” in these non-construction sectors must be made up of at least 30 percent Richmond residents, with “New Hires” defined as “any employee of a Contractor or Subcontractor who is not listed on the Contractor or Subcontractor’s last quarterly tax statement for the period prior to the commencement of work.”

Richmond’s approach clearly has an eye toward accommodating the regional nature of a certain segment of its workforce, and this thinking can generate policies that foster opportunities throughout economically disadvantaged communities in the Bay Area. Though a targeted and interlocking local and regional hiring system in the nine-county San Francisco Bay Area may be ambitious, it might also provide contractors with incentives to retain community hires from project-to-project based on the ability to bank local hiring credits within the region.

<sup>13</sup> Katherine Tam, *Cities to Contractors: Hire More Local People*, *Contra Costa Times*, April 13, 2010 (citing Sal Vaca, employment and training director of RichmondWORKS).

## VIII. Findings and Recommendations

A myriad of factors affect who works on San Francisco public projects. Yet the principle underlying local hiring laws remains the same – the maximization of opportunities for San Francisco residents, especially for those from economically and otherwise disadvantaged communities.

Below are key quantitative findings of this report, followed by six recommendations and 27 sub-recommendations that policy makers should consider to improve local hiring on public infrastructure projects in San Francisco.

Though project-specific goals are also warranted, especially for large-scale, multi-year projects, these recommendations are intended to ensure a common framework across the City. Such a system has the potential to reduce the cost of business for stakeholders struggling to navigate conflicting systems and responding to community backlash, allowing resources that might otherwise be wasted dedicated to improving outcomes over time.

Since one of the fundamental purposes of this report is to reiterate and elevate the important link between community development and local hiring policy, these recommendations should be collectively considered as our proposed Community Jobs Policy for San Francisco, a policy to be implemented through comprehensive legislation that substitutes “good faith” language in Administrative Code Chapters 6 and 83 with mandates and outlines a system in which contractors, unions, government, and the community collectively make these local hiring mandates achievable. This legislation, or series of legislative action, should be a priority for all San Francisco policy makers.

### QUANTITATIVE FINDINGS

- 1) San Francisco is failing to achieve its statutory goal of delivering 50 percent of job hours on public infrastructure projects to residents of the City and County of San Francisco. Good faith efforts have yielded roughly 24 percent of employment opportunities on public construction projects to San Franciscans.
- 2) Apprenticeship hours by San Franciscans – the path by which residents enter the building trades and develop a construction career – comprise between six to seven percent of the work performed on San Francisco public projects, or about one-third of total apprenticeship hours.
- 3) The building and construction workforce remains almost exclusively male; women comprise fewer than four percent of the building and construction trades in San Francisco.
- 4) As measured by work performed on San Francisco public projects, and irrespective of residency, Latinos are the largest racial group among the construction workforce, comprising 46 percent of hours worked. Latinos are followed by Whites 31 percent, African Americans 13 percent, Asian Pacific Islanders 4 percent, and Native Americans less than one percent.
- 5) Racial diversity in the construction workforce varies by union and is most prevalent within the lowest-paid trades. For example, based on work performed on public projects, electricians, elevator constructors, and plumbers are majority white, while laborers, plasterers, and roofers have greater percentages of racial minorities.

## RECOMMENDATIONS

- 1) Amend local hiring provisions for public infrastructure projects in Chapters 6 and 83 of the Administrative Code to replace the “good faith efforts” approach with mandatory compliance, monitoring, and enforcement, as well as to conform to the current state of the law.

The existing statutory goal of delivering 50 percent of job hours on public infrastructure projects is achievable if “good faith” language is replaced with measures to mandate, monitor, and enforce compliance. Compliance must be measured on a trade by trade basis, not based on overall project hours, to avoid continued reliance on a handful of trades to deliver San Francisco residents to the job site.

Though more than 50 percent of the building and construction trades membership reside outside of San Francisco, the number of out-of-work San Francisco trades members, the ability of unions to adopt name-call procedures on public works projects, and the appetite for unemployed San Franciscans to pursue construction work suggest that this goal is achievable over time.

It is also recommended that the City:

- a) Authorize the Office of Economic and Workforce Development to promulgate regulations in order to implement these recommendations and to levy penalties for non-compliance.
  - b) Contract community-based organizations to conduct real-time monitoring and reporting on local hiring.
  - c) Require trade unions to present detailed plans outlining procedures to comply with local hiring policies on public works projects.
  - d) Deposit union training fees that are derived from public projects into escrow accounts that are released as local hiring goals are achieved.
  - e) Delineate local hiring goals by project, contractor, subcontractor, and trade.
  - f) Create “green” provisions to reduce excessive out-of-town commutes to work sites.
  - g) Standardize the use of San Francisco Identification Cards as proof of residency.<sup>14</sup>
- 2) Require existing and future public works project labor agreements and, to the extent possible, collective bargaining agreements to conform to current and future City local hiring policy.

Each trade union has its own collective bargaining agreements and dispatch rules. With respect to public infrastructure projects, City policy should be clarified to supersede these agreements and rules, which should be modified as necessary to ensure compliance with local hiring. The City’s existing project labor agreements must be amended to reflect changes to its local hiring policy.

It is also recommended that the City:

- a) Embed compliance with local hiring policy on public works projects in all project labor agreements and collective bargaining agreements.
- b) Determine the most effective vehicle to incorporate local hiring policy into union dispatch rules when applied to public works projects.
- c) Develop programs to help inactive San Francisco trades people regain good standing so they can work on public construction projects.

<sup>14</sup> The San Francisco City ID Card is a photo identification card available to all San Francisco residents, regardless of immigration status. The card streamlines access to City services and agencies, as well as provides a connection to local businesses. To obtain a City ID Card, proof of identity and proof of residency in San Francisco is required. Because proof of residency is required, utilizing the San Francisco City ID card can help to streamline and identify local residents for hire.

- 3) Tailor apprenticeship initiatives and outreach efforts to increase access and retention for women, residents of project-impacted neighborhoods, and disadvantaged communities.

Apprenticeships on public infrastructure projects should prioritize San Francisco residents, particularly from low-income neighborhoods, and include retention efforts to ensure apprentices reach journey level status.

It is also recommended that the City:

- a) Designate that 100 percent of all apprentices on San Francisco public construction projects must be San Francisco residents.
  - b) Require trades to guarantee an annual number of apprentice slots per trade for San Francisco residents.
  - c) Monitor the retention and absorption rate of apprenticeships on an annual and rolling average basis.
  - d) Require contractors and unions to develop specific goals and timetables to increase women apprentices on public construction projects through outreach and recruitment.
  - e) Provide sustained employment for San Francisco apprentices on large multi-year projects by allowing them to work the term of the project and from employer to employer.
- 4) Grow training opportunities that promote inclusion in the building and construction unions, for example Vocational English as a Second Language (VESL) programs connected to construction work.

Promising practices such as pre-apprenticeship, VESL, continuing education for trades workers, and partnerships between trades and secondary and post-secondary education institutions should be expanded.

It is also recommended that the City:

- a) Expand ability of incumbent workers to test into unions at trade equivalent levels.
- b) Provide educational stipends for trades members to receive refresher courses, increase work competencies, and avoid over specialization of skills.
- c) Support new trades classification for training so that individuals can attend school and work at the same time.
- d) Identify dedicated revenue streams, such as a portion of bonds that fund public works, to support the City's workforce development training programs.
- e) Integrate VESL curriculum into apprenticeship and training programs, including additional offerings that accommodate the schedules of incumbent workers, target limited-English proficient workers of Asian Pacific Islander descent, and are connected to entry into the trades

- 5) Modify local business enterprise programs to include incentives to achieve local hiring goals and consider bidding preference for firms who hire local residents.

Local and community hiring policies are one part of a comprehensive approach to economic and workforce development, one that includes support for community contractors and strategies to build their capacity to work on public works projects and hire local residents.

It is also recommended that the City:

- a) Modify local business enterprise programs to include incentives that encourage the employment of San Francisco residents.
  - b) Explore pre-certification, bid discounts, and other incentives to reward local contractors who maintain a minimum of 50 percent core employees that are San Francisco residents.
  - c) Require funding for job readiness training and community benefits as part of the bid specifications of every contract for public works.
  - d) Integrate workforce goals for San Francisco residents into construction-related policies that address local business enterprises and the emerging field of environmental and energy sustainability.
- 6) Improve and standardize demographic and residency data collection and analysis for unions and public infrastructure projects in San Francisco.

The lack of accessible data with respect to the construction workforce on San Francisco public projects, as well as the building and construction trades, is incompatible with serious, focused job creation efforts.

It is also recommended that the City:

- a) Mandate all City construction contractors and sub-contractors to report race, gender, and ethnicity data through the Elations workforce reporting system as coordinated by the Office of Economic and Workforce Development, including this requirement as part of the bid specification process.
- b) Require all trades to annually report the race, gender, ethnicity, residency, and other demographic data of their apprentice and journey level members to the City.
- c) Make local hiring data such as the race, gender, ethnicity, and residency of workers on public works projects available online to the public in real-time.

**SPECIFIC RECOMMENDATIONS FOR CENTRAL SUBWAY PROJECT**

Described by the San Francisco Municipal Transportation Agency (SFMTA) as “one of the most significant capital investments for the nation’s seventh largest transit system,” the Central Subway Project will cost approximately \$1.6 billion in local, state, and federal funds over the duration of the project construction.

The Central Subway Project will connect South of Market Area, the Moscone Center, Union Square and Chinatown, with the existing T-line that runs links Mission Bay, Bayview-Hunters Point and Visitacion Valley. The public opening for the subway is planned for 2018.

Large development projects typically run the risk of disrupting the lives of residents in the impacted area. For the Central Subway Project, two low-income communities that will be impacted include the Chinese American community in Chinatown and the Filipino-American community in South of Market Area. These populations are often characterized as being under-employed and working in low wage occupations.

Based on the findings of this report, it is unlikely that the local Chinese American and Filipino American community will access significant employment opportunities during the construction of the Central Subway Project absent substantial policy changes. Asian Pacific Islanders have comprised roughly 4 percent of the construction workforce on recent San Francisco public works projects, despite the fact that they represent approximately three-tenths of the City’s population.

**RECOMMENDATIONS:**

With SFMTA’s implementation of the following recommendations, the Central Subway Project can serve as a model project for local hiring:

- 1) Adopt the six primary recommendations in this report Citywide. Though project specific efforts are important, City-wide policy that is consistently understood and enforced will yield the greatest impact.
- 2) Allocate project funds to support and pilot three different types of Vocational English as a Second Language programs – those that are community based, integrated into CityBuild Academy, and incorporated into the apprenticeship and training system of the trades.
- 3) Focus Vocational as a Second Language training resources and opportunities to the five trades unions that have the highest number of projected work hours on the project. These are laborers, operating engineers, carpenters, electricians, and pile drivers. Work hours for these trades on the Central Subway Project are expected to comprise more than 75 percent of the total work hours.
- 4) Provide funding and engage community-based organizations to pilot pre-apprenticeship programs that are specifically targeted to reach specific populations, and to provide community-based monitoring on local hiring efforts.

## APPENDIX A - PROPOSED AMENDMENTS TO ADMIN CODE CHAPTER 6 AND CHAPTER 83

The following proposed amendments to Administrative Code Chapters 6 and 83 replace reliance on contractors’ “good faith efforts” with local hiring mandates, empower the Office of Economic and Workforce Development to enforce compliance, and adopt the recommendations outlined in this report as a Community Jobs Policy intended to outline a system in which contractors, unions, government, and the community collectively make these local hiring mandates achievable:

### SEC. 6.22. PUBLIC WORK CONSTRUCTION CONTRACT TERMS AND WORKING CONDITIONS.

All construction contracts awarded by the City and County of San Francisco shall contain the following minimum terms and conditions:

...

#### (G) Local Hiring.

**(1) CONTRACT REQUIREMENTS.** All construction contracts and project labor agreements<sup>15</sup> for public works or improvements to be performed within the boundaries of the City and County of San Francisco shall contain the following provisions:

Contractor ~~agrees to make a good faith effort~~ shall be required, with the assistance of community organizations designated by the City or local labor union hiring halls, to hire qualified individuals who are residents of the City and County of San Francisco to comprise not less than 50% of each contractor’s total construction work force, measured in labor work hours, excluding the number of hours of work performed by non-California residents,<sup>16</sup> and contractor promises to give special preference to ~~minorities, women and~~<sup>17</sup> economically disadvantaged individuals.

Contractor shall keep, and provide to the City, an accurate record showing the name, race, gender, ethnicity, place zip code of residence, hours employed and per diem pay of each person employed by the contractor, including full-time, part-time, permanent and temporary employees.

Contractor shall keep, and provide to the City, an accurate record describing in detail contractor’s ~~good faith~~ efforts to secure employment of residents of the City and County of San Francisco.

A failure to abide by these contract provisions ~~may~~ will result in the imposition of sanctions and penalties, including those provided for in San Francisco Administrative Code Section 6.80.

**(2) DEFINITIONS.** “Qualified Individual” shall mean an individual who (A) is eligible for a certified apprenticeship program in an applicable trade; (B) has completed a certified apprenticeship program in an applicable trade; or (C) has completed comparable time in an applicable trade.

“Resident of the City and County of San Francisco” shall mean an individual who is domiciled, as defined by Section 200(b) of the California Election Code, within the boundaries of the City and County during the entire time of the performance of the contract and who can verify his or her domicile, upon request of the contractor or City, ~~by producing documentation such as a rent/lease agreement, telephone and utility bills or payment receipts, a valid California driver’s license or identification card, and/or any other similar, reliable evidence that verifies that the individual is domiciled within the City and County of San Francisco~~ a San Francisco City ID Card.<sup>18</sup>

<sup>15</sup> The City should require existing and future Project Labor Agreements to contain the provisions laid out in this section.

<sup>16</sup> This language from Cleveland’s Lewis Law would put San Francisco’s ordinance on the most legally firm footing in the event that it is challenged under the Privileges & Immunities Clause. Concerns about contractors working around this rule by using an entire crew of out-of-state workers can be addressed through agreements that govern the use of out-of-state workers. An alternative would be for the City to rely on sufficient findings that illustrate the City’s intent to utilize this policy as an anti-poverty device.

<sup>17</sup> Proposition 209 prohibits targeted opportunities for minorities and women, though the California Court of Appeals held in the case of *Avila v. Berkeley Unified School District* (2009) that the racial demographics of a neighborhood may be considered in a policy decision such as assigning students to a particular school.

<sup>18</sup> The use of the San Francisco City ID Card is a streamlined approach to verifying residency.

“Economically disadvantaged” shall mean an individual who has been unable to secure employment in his or her trade for more than 20 working days in the past six months, or whose annual maximum income falls within the income limits established by the Mayor’s Office of Community Development Investment for the Community Development Block Grant (CDBG) programs.<sup>19</sup>

**(3) ENFORCEMENT.** The ~~Human Rights Commission~~ Office of Economic and Workforce Development<sup>20</sup> shall be the City agency charged with the monitoring and enforcement of the provisions of this subsection.

**(4) COMMUNITY JOBS POLICY.**<sup>21</sup> All construction contracts and project labor agreements for public works or improvements to be performed within the boundaries of the City and County of San Francisco shall also contain San Francisco’s Community Jobs Policy, Administrative Code Chapter \_\_\_\_\_.

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<sup>19</sup> An interesting policy question arises when considering whether the City should amend this definition to match that found in the First Source Hiring Program in Admin. Code Section 83.4(i) or whether this more expansive definition should be retained. In addition, the Mayor’s Office of Community Development is now called the Mayor’s Office of Community Investment.

<sup>20</sup> Since implementing the First Source Hiring Program, the City has centralized the Office of Economic and Workforce Development as the City’s local hiring compliance department while the Human Rights Commission has retained oversight of the Local Business Enterprise Program.

<sup>21</sup> The adoption of local hiring mandates in Chapter 6 without a more robust policy that addresses the nuances outlined in this report is not practical. This report outlines a series of proposed recommendations that address the the underlying causes of the City’s failed approach to local hiring, recommendations collectively proposed for adoption as a Community Jobs Policy for San Francisco. Rather than appending the content of this policy to the existing Chapter 6, San Francisco’s Community Jobs Policy should be inserted as a new chapter of the Administrative Code.



**SEC. 83.9. FIRST SOURCE HIRING REQUIREMENTS FOR CONTRACTS AND PROPERTY CONTRACTS, AND OTHER WORK PERFORMED IN THE CITY BY CITY CONTRACTORS.**

(a) This Chapter applies to all contracts and property contracts, except where the FSHA determines that application of the requirements of this Chapter is not feasible or conflicts with applicable Federal or State law. In addition, this Chapter applies to any and all work performed in the City by a City contractor.

(b) As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement (“agreement”) with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, ~~or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so,~~<sup>22</sup> as set forth in the agreement. The agreement shall take into consideration the employer’s participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs may be certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, ~~or to establish good faith efforts~~<sup>23</sup> will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer’s proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer’s existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

<sup>22</sup> Hiring and retention goals shall be informed by the approach outlined in Chapter 6, in that compliance shall be mandatory.

<sup>23</sup> Chapter 83.10 provides liquidated damages for non-compliance, placing the burden on contractors to justify their failure to comply rather than demonstrate their “good faith efforts,” if the phrase “good faith efforts” is removed from this section.

~~(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall a<sup>24</sup> Appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.~~

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

(c) The employer shall make the final determination of whether an economically disadvantaged individual referred by the System is "qualified" for the position. Any qualified economically disadvantaged individual who is hired by the employer shall have the same rights and obligations as all other employees in similar positions. The employer shall not discriminate against any employees on the basis of participation in the First Source Hiring Program. Any such discrimination shall be considered a breach of the employer's "good faith" obligations under the agreement, and shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(d) Compliance by an employer with a City department's approved plan shall be deemed to be compliance with the requirements of this Chapter.

(e) In any situation where the FSHA concludes based upon application by the employer that compliance with this Chapter would cause economic hardship the FSHA may grant an exception to any or all of the requirements of this Chapter.

\* \* \*

#### **SEC. 83.15. COLLECTIVE BARGAINING AGREEMENTS.**

~~Notwithstanding anything to the contrary in this Chapter, if a first source hiring agreement conflicts with an existing collective bargaining agreement to which an employer is a party, the collective bargaining agreement shall prevail. However, the employer will be obligated to provide workforce needs information to the San Francisco Workforce Development System and the employer will be obligated to make good faith efforts to comply with the requirements of its first source hiring agreement that do not conflict with the collective bargaining agreement.<sup>25</sup>~~

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<sup>24</sup> Once again, elimination of this section obviates the need to assign a definition to the arbitrary and failed term "good faith efforts" and obligates contractors to justify non-compliance

<sup>25</sup> This section is inconsistent with a mandatory approach to local hiring.

## APPENDIX B – RECENT SF PUBLIC PROJECTS: DATES AND DESCRIPTIONS

### Project Dates and Descriptions

Project	Dates	Description
Laguna Honda Hospital	2005 - 2013	\$585 million, 3 building renovation awarded the silver certification from the U.S. Green Building Council's Leadership in Energy and Environmental Design
3rd Street Light Rail	2002 – 2007	\$274.5 million project for reestablishment of rail service along "Tree Street" / Bayshore corridor, including construction of platforms, substations, canopies, track ways, etc.
SFO	2008 - 2011	\$383 million renovation of Terminal 2 – to include a control tower, operations offices, use of green materials and seismic retrofit.
3 <sup>rd</sup> Street – Metro East	Completed Fall 2008	Construction of an operating and maintenance facility to store, maintain and dispatch light rail vehicles.
Geary Blvd. Senior Center and Senior Housing	September 2008 – present	Construction of building with affordable senior housing rental units, institute on aging care management and admin offices, primary care clinic and therapy spaces.
City College – Mission Campus	September 2005 – February 2008	Renovation of old building as well as construction of new building.
149 Mason	October 2008 – End of 2009	Project partnership with Glide Community Housing and SF Dept. of Health Services to house people who have chronically homeless.
Civic Center Residence	August 2008 – August 2010	Rehabilitation of 8-story, single residence occupancy hotel – aims to improve safety and livability; approx. 85 units to house formerly homeless seniors and people from Shelter Plus Care Program.
City College – Wellness Center	Completed January 2008	LEED certified athletic facility for CCSF campus, houses team athletics, dance program, phys ed and martial arts.
University Mound Reservoir Retrofit	April 2010 – October 2010	Construction on the Reservoir's North Basin floor to increase its ability to withstand pressure and impact in event of an earthquake.
SF General Rebuild	2009 – 2015	Replace existing acute care facility to a facility that meets state requirements for seismic safety
Zygmunt Arendt House	2008 - 2010	Community housing partnership consisting of 47 new studio units to house homeless seniors, in the North of the Panhandle neighborhood
Transbay Temporary Terminal	August 2009 – August 2010	Temporary terminal will be utilized while current terminal will close for planned demolition and rebuilding. Temporary terminal will be in place until 2017.
I-Hotel	2003 – 2005	Construction of low-cost residential project for senior housing, as well as community center and historical display.

<b>Project Dates and Descriptions (continued)</b>		
<b>Project</b>	<b>Dates</b>	<b>Description</b>
SOMA Pavement Renovation	March 2010 – December 2011	Street improvements, streetscapes, traffic calming elements, raised crosswalks, and community sustained park.
Balboa Street Pavement Renovation	Summer 2010 – Winter 2010	Improvement on commercial corridor of Outer-Richmond district, including sidewalk bulb-outs, revised traffic and parking layouts, and light upgrades.
Parkside Branch Library	February 2010 – February 2011	Renovation of facilities for library patrons as well as library staff, reconfigured book sections, improved electrical and ventilation systems.
Sunset Reservoir Solar	February 2010 – December 2010	Installation of a five megawatt solar photovoltaic system on the roof of the City's largest reservoir – project will triple the municipal solar generation in SF and reduce carbon emissions
Leland Ave Streetscape	August 2009 – Summer 2010	Visitation Valley project for pedestrian safety, traffic calming, lighting, storm water management, etc.
Visitation Valley Library	2009 – 2011	Construction of brand new stand alone library, ADA accessible, flexible design for community use
Ortega Branch Library	2008 - 2011	Renovation for "green" operation – reduced energy consumption, create water conservation, sustainable plantings
Anza Branch Library	2009 - 2011	Expansion of building, seismic strengthening, new furniture and technology, improved heating and ventilation
Stockton Street Tunnel	2007 - 2008	Construction for tunnel lighting and pedestrian improvements
Merced Branch Library Renovation	2009 – 2011	Addition to front of building, seismic strengthening, LEED silver certification, fully accessible and technologically updated
MTA 1 South Van Ness	Unknown	Construction, retrofitting and renovation on MTA's office building, located at 1 South Van Ness Ave.
Assorted MTA Projects	January 2010 – December 2010	The Geneva Historic Car Enclosure will create an enclosure to preserve historic streetcars from inclement weather, moisture and long-term sunlight exposure; the MUNI Traction Power Feeder Project will upgrade existing power circuits for MUNI buses; and lastly there are various pedestrian-centered projects to make San Francisco pathways and streets more walkable.
Central Subway Utility	2010 – 2011	Relocation of all affected utilities (power wires, cables, water piping) for Moscone Station and Tunnel Portal

**APPENDIX C – SAMPLE UNION SURVEY QUESTIONNAIRE**

**CAA Construction Trades Membership Survey**

Name of Union: \_\_\_\_\_

Name/title of individual completing the survey: \_\_\_\_\_

**1. What is the total number of members of your local? \_\_\_\_\_**

Apprentices? \_\_\_\_\_

Active Journeymen? \_\_\_\_\_

**2. How many of your members reside in the following counties?**

Alameda \_\_\_\_\_

Contra Costa \_\_\_\_\_

Marin \_\_\_\_\_

Napa \_\_\_\_\_

San Francisco \_\_\_\_\_

Santa Clara \_\_\_\_\_

San Mateo \_\_\_\_\_

Solano \_\_\_\_\_

Other \_\_\_\_\_

**3. Of the members of your local who are San Francisco residents, how many live in the following zip codes?**

94102 (Hayes Valley, Tenderloin, North of Market) \_\_\_\_\_

94103 (SOMA) \_\_\_\_\_

94104 (Financial District) \_\_\_\_\_

94105 (Embarcadero and SOMA) \_\_\_\_\_

94107 (Potrero Hill) \_\_\_\_\_

94108 (Chinatown) \_\_\_\_\_

94109 (Nob Hill, Russian Hill) \_\_\_\_\_

94110 (Mission, Bernal Heights) \_\_\_\_\_

94111 (Embarcadero, Barbary Coast) \_\_\_\_\_

94112 (Ingelside-Excelsior) \_\_\_\_\_

94114 (Castro, Noe Valley) \_\_\_\_\_

94115 (Pacific Heights, Western Addition, Japantown)

94116 (Outer Sunset) \_\_\_\_\_

94117 (Haight Ashbury & Cole Valley) \_\_\_\_\_

94118 (Inner Richmond) \_\_\_\_\_

94121 (Outer Richmond) \_\_\_\_\_

94122 (Inner Sunset) \_\_\_\_\_

94123 (Marina, Cow Hollow) \_\_\_\_\_

94124 (Bayview) \_\_\_\_\_

94127 (St. Francis Wood, West Portal) \_\_\_\_\_

94129 (Presidio) \_\_\_\_\_

94131 (Twin Peaks, Glen Park) \_\_\_\_\_

94132 (Lake Merced) \_\_\_\_\_

94133 (North Beach, Fisherman's Wharf) \_\_\_\_\_

94134 (Visitacion Valley) \_\_\_\_\_

**4. What is the racial/ethnic composition of the members of your local, by number of members?**

African American \_\_\_\_\_

Asian/Pacific Islander \_\_\_\_\_

Latino/Hispanic \_\_\_\_\_

White \_\_\_\_\_

Other \_\_\_\_\_

**5. What is the racial/ethnic composition of the members of your local who are San Francisco residents, by number of members?**

African American \_\_\_\_\_

Asian/Pacific Islander \_\_\_\_\_

Latino/Hispanic \_\_\_\_\_

White \_\_\_\_\_

Other \_\_\_\_\_

**6. What is the gender composition of the members of your local, by number of members?**

Male \_\_\_\_\_

Female \_\_\_\_\_

**7. How many applications did you receive during your latest open application cycle for the apprenticeship program?**

How many passed the written examination? \_\_\_\_\_

How many passed (or received passing scores) for the oral interview? \_\_\_\_\_

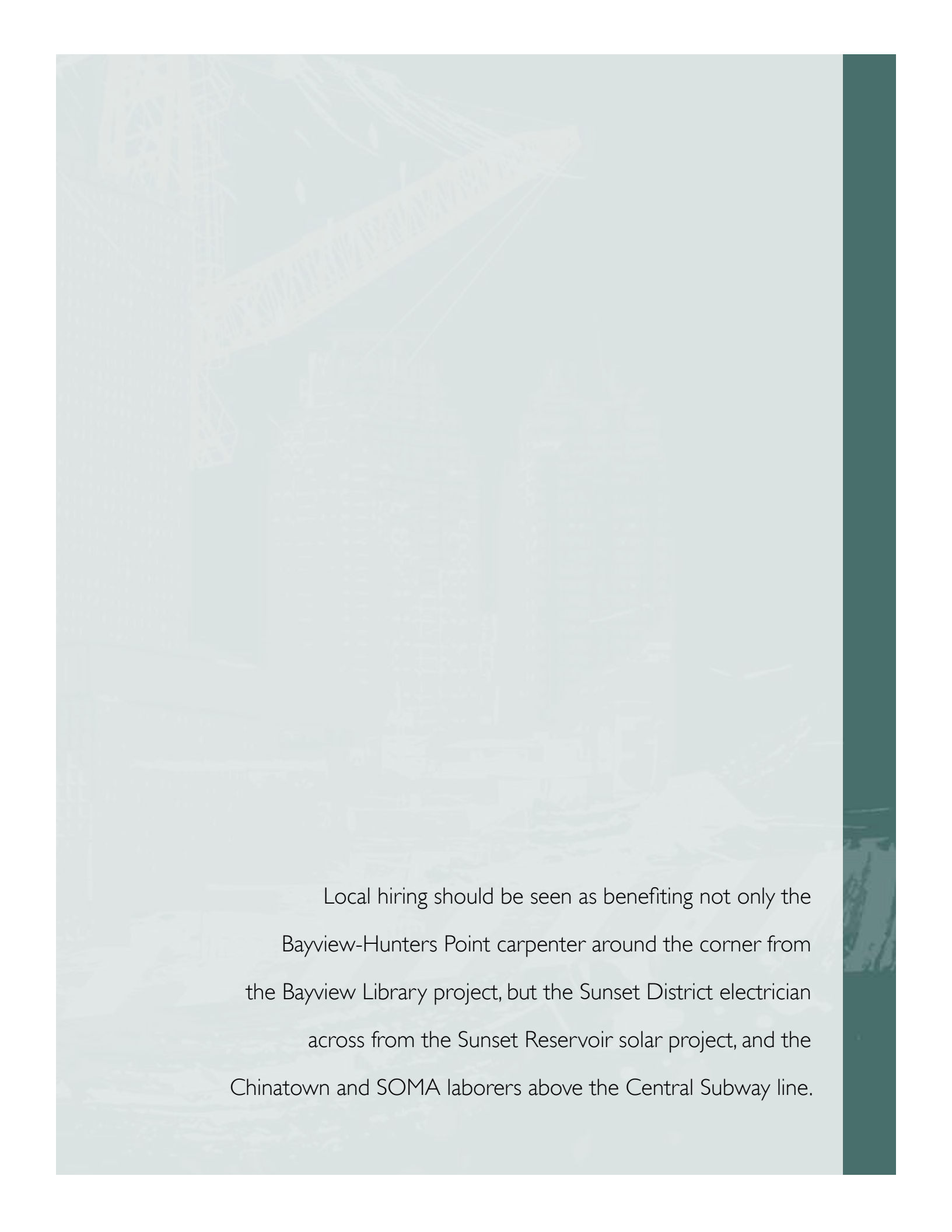
**8. Do you have English proficiency requirements to become a member of your local? If so, please describe:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**9. Do you offer any language assistance or Vocational ESL classes as part of your apprenticeship? If so, please describe. If not, would that be something you would be interested in?**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Thank you for your participation in this survey. Please return to CAA in the enclosed self-addressed stamped envelope by Wednesday, November 25, 2009.



Local hiring should be seen as benefiting not only the Bayview-Hunters Point carpenter around the corner from the Bayview Library project, but the Sunset District electrician across from the Sunset Reservoir solar project, and the Chinatown and SOMA laborers above the Central Subway line.



## **THE FAILURE OF GOOD FAITH**

LOCAL HIRING POLICY ANALYSIS AND RECOMMENDATIONS FOR SAN FRANCISCO

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