

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

TO: Office of the City/Agency Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: June 24, 2008

2008 JUN 12 PM 6:06

RE: **An Agency Resolution Authorizing A \$100,000 Grant To The Alliance For West Oakland Development To Provide Job Training For West Oakland Redevelopment Projects, And Allocating West Oakland Redevelopment Funds For The Grant**

SUMMARY

This report requests the City Council's approval of a resolution authorizing the City/Agency Administrator to negotiate and execute a grant for \$100,000 with the Alliance For West Oakland Development ("Alliance") for the Alliance's Construction Job Training Program.

FISCAL IMPACT

Funds for the implementation of this grant will be allocated from the West Oakland Redevelopment Operations Fund and Project (Fund 9590, Project S233510, Org.88679) for projects and programs in the West Oakland Project Area. The total amount of the allocation is \$100,000. Implementation of this grant will not have any negative impact on the General Fund.

BACKGROUND

The Alliance For West Oakland Development is a 501(c)3 non-profit community development corporation dedicated to the improvement of West Oakland through economic development activities such as real estate development, business development and job training. The Alliance was established in June, 1999 and serves as a catalyst for sustainable economic development through programs such as first time home buyers seminars, financial literacy aid, assistance in small business growth, the elimination of vacant and blighted property and job training. The Alliance has received several grants that total \$865,000 for its real estate development activities from 2003 through 2008. In addition, the Alliance has received \$10,000 in grant funds, from Union Pacific for the Construction Job Training Program.

The Alliance's executive director, Bruce Cox, has operated the Alliance's Construction Job Training Program, ("Program") for local West Oakland youth since April, 2006. The Program concentrates on training low income West Oakland youth with few marketable skills for

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construction jobs. It offers customized, focused training through hands-on instruction in vocational skills. There are five sessions annually that train 10 residents per session. Each session lasts eight weeks and meets twice a week for two and one-half hours per session at the Alliance's building located at 1357 Fifth Street. Clients learn technical skills in basic construction, safety, carpentry, painting, dry walling, metal studding, material identification and the use of manual and power tools. Mr. Cox, who is a State licensed general contractor, also works with the clients to teach them useful vocational survival skills specific to the construction industry. These skills include: how to receive constructive criticism, non-defensive communication, appearance, work ethics, attitude and cultivating job referrals.

Mr. Cox recruits clients by distributing flyers to local high schools, the West Oakland Branch Library, the West Oakland Senior Center, local recreation centers, local churches and newspapers. He also walks through West Oakland to pass out flyers. Recent articles about the Program in the local media have also generated over forty phone inquiries for the Program. Mr. Cox is the owner of MBC Construction, a general contracting business, which has been based in Oakland for the past twenty-eight years. Mr. Cox is a graduate of the Carpentry Program at Laney College, the former president of the National Association of Minority Contractors, and initiated the construction training program at the Men of Valor Academy. In addition, Mr. Cox has an extensive instructional background, from his tenure at Opportunities Unlimited, where he instructed the re-entry population. Mr. Paul Finley, an Alliance boardmember, acts as an assistant to Mr. Cox for the Construction Academy. West Oakland resident Mr. Wendall Harris also assists Mr. Cox, by providing expertise gained from his extensive background in construction.

KEY ISSUES AND IMPACTS

West Oakland Project Area Committee

The West Oakland Project Area Committee ("WOPAC") is a publicly elected organization of volunteer community representatives who live, work, own property or represent a community organization active in the West Oakland Redevelopment Project Area ("Project Area"). The WOPAC serves as an advisory body to the Oakland Redevelopment Agency on policy matters which affect the residents and businesses of the Project Area. The WOPAC voted to recommend \$100,000 for the Alliance's job training program on April 11, 2007 in response to a request by the Alliance for funding.

Construction Labor Agreements

The Alliance has developed construction labor agreements with two development projects in the West Oakland Project Area located at 1919 Market Street and 1614 Campbell Street. These agreements hire the Alliance's Construction Training Program to solicit, interview, test, select, and train, workers for the projects' construction phase. These agreements will be finalized before the grant agreement is signed. A sample draft construction agreement is included with this report as Attachment A. These construction agreements provide the rationale for using

redevelopment funds as the program's graduates will assist in the productive development of vacant and blighted sites in the Project Area.

Scope of Services

The job training grant will be for an amount not to exceed \$100,000 for the activities as described above and will fund activities for one year. The Alliance plans to enroll 50 participants, fully train 25 participants and place 20 trained participants. Participants will be trained in six week training sessions with 10 participants per session. Placement of participants will occur after the participants finish the class cycle. The Alliance will offer follow-up training at least once a quarter with each participant.

PROGRAM DESCRIPTION

The West Oakland Redevelopment Project Area covers 1,565 acres in West Oakland and is approximately bounded on the north by the Oakland/Emeryville city limits and 40th Street, on the east by I-980 and Mandela and Union Streets, on the south by 18th Street and Middle Harbor Road, and on the west by Pine and Wood Streets.

This project is consistent with the Redevelopment Plan and the Five Year Implementation Plan for the West Oakland Project Area. The Five Year Implementation Plan includes the following goals and objectives:

- Support recreation, education, and healthcare programs for all members of the Project Area community, especially youth, seniors and disabled persons
- Restore blighted properties in the Project Area
- Increase employment opportunities for Project Area residents

SUSTAINABLE OPPORTUNITIES

Economic: This project will improve the economic well-being of program participants by training them for jobs in the construction industry.

Environmental: The Alliance's job training program uses and teaches sustainable construction techniques whenever possible, such as green building technology.

Social Equity: The project trains local disadvantaged youth from West Oakland for jobs in the construction industry as well as more general work-readiness skills.

DISABILITY AND SENIOR ACCESS

There is no direct impact on disability or senior access resulting from this grant. It is expected that the projects worked on by the Alliance's graduates will conform to the City's ADA requirements.

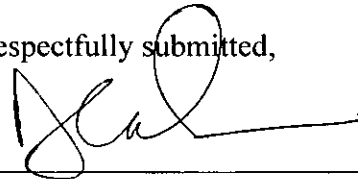
RECOMMENDATIONS AND RATIONALE

Staff recommends that the Agency authorize a \$100,000 job training grant for the Alliance's Construction Readiness Program. The Alliance provides a much needed service for West Oakland youth by providing job training services and the program graduates will contribute to blight abatement efforts in the Project Area by working on development projects in the Project Area. This project is a high priority for the WOPAC.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the attached resolution be approved authorizing a \$100,000 job training grant for the Alliance's Construction Readiness Program and allocating West Oakland Redevelopment funds for the project.

Respectfully submitted,

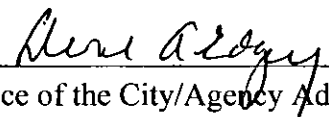


Dan Lindheim
Director
Community and Economic Development Agency

Reviewed by:
Gregory Hunter, Deputy Director of Economic Development
and Redevelopment
Patrick Lane, West Oakland Manager, Redevelopment
Division

Prepared by:
Wendy Simon, Urban Economic Analyst IV
Redevelopment Division

APPROVED AND FORWARDED TO
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:



Office of the City/Agency Administrator

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CED Committee
June 24, 2008

CONSTRUCTION LABOR PARTNER AGREEMENT

THIS AGREEMENT is made and entered into as of the date of the signature of the last party signing below

BETWEEN the Owner: 1919 Market Street Investors, LLC
 1614 Campbell Street Investors, LLC

Hereinafter referred to as "Owner;"

and the Construction Labor Partner:

Bruce Cox, dba MBC Construction
P.O. Box 19312
Oakland, CA 94619
Tel. (510) 482-4571

Hereinafter referred to as "Construction Labor Partner."

Owner and Construction Labor Partner agree as set forth below:

- 1. Definitions.** For proposed of this Agreement, the following terms shall have the following meanings:
 - 1.1 A Candidate** shall refer to a person who is a resident of West Oakland and who applies to the Program for assistance in securing Project Employment doing construction work on the Project.
 - 1.2 The Construction Labor Partner** shall refer to the person and/or entity so designated in this Agreement.
 - 1.3 A Shortage of Candidates** shall refer to a situation in which the Construction Labor Partner is unable to identify sufficient Candidates to fill all actual or projected construction employment positions on the Project.
 - 1.4 A Candidate shall be Disqualified** if that Candidate: (a) has previously been terminated for unsatisfactory performance from at least two jobs for construction industry persons or entities within the last two years; (b) has been terminated from Project Employment, or has failed to secure employment for Project Employment following a Referral, due to positive results on one or more drug test; or (c) has

Attachment A

Alliance For West Oakland Development Job Training Program

unreasonably failed to comply with rules and regulations governing Candidates that have been established by the Construction Labor Partner.

- 1.5 The Effective Date shall be upon signing of construction of 1919 Market Street, Oakland, California and 1614 Campbell Street, Oakland, California.
 - 1.6 A Hiring Notice shall refer to a notification from any Contractor or Subcontractor that such Contractor or Sub-contractor intends to hire employees to perform construction work on the project.
 - 1.7 **An Oakland Candidate** shall refer to a person who is a resident of the City of Oakland, other than West Oakland, and who applies to the Program for assistance in securing Project Employment doing construction work on the Project.
 - 1.8 **A Training Session** shall mean a training class at a site in West Oakland to be offered to Candidates who are not Disqualified and who register for such course in accordance with procedures to be established by the Construction Labor Partner. A Training Session shall include not less than eight hours of total training time and shall include instruction on safety, material identification, tool identification, tool usage, and work ethics.
- 2. Scope of Services.** Construction Labor Partner shall operate a Program for the purpose of soliciting, interviewing, testing, selecting, training, and preparing for work on the Project, residents of West Oakland, as well as the City of Oakland if there is a Shortage of Candidates. Such Program shall include informational Services, Training Services, Recruiting Services, and Reporting Services, all as further defined herein.
- 3. Training Services.** Construction Labor Partner shall regularly conduct Training Sessions for the purpose of training Candidates to develop and improve their skills and abilities that may be helpful for enabling the Candidates to be employed on the Project. Construction Labor Partner shall, specifically, conduct not less than one Training Session per month at a location within West Oakland.
- 4. Reporting Services.** Construction Labor Partner shall at all times maintain complete records concerning all Candidates, including but not limited to, each Candidate's name, residence address, California driver's license number, phone number, job skills, training, history of Referrals, and history of Project Employment; additionally, Construction Labor Partner shall prepare and submit to Owner, for each calendar month period, a listing of:
- 4.1 All Training Sessions and other training provided to Candidates during the period;
 - 4.2 All Candidates who secured a lost Project Employment during the period;
 - 4.3 Every Hiring Notice received by Construction Labor Partner during the period, and whether a Referral was provided.

Attachment A
Alliance For West Oakland Development Job Training Program

Owner hereby agrees that Construction Labor Partner may disclose to other Project Sponsors who join the Program, in writing as provided above, information concerning Owner's participation in the Program, and project Employment.

- 5. Time, Place, and Manner of Services.** Construction Labor Partner shall choose the time, place, and manner of performance of its services under this Agreement. Construction Labor Partner shall generally operate the Program at the business location controlled by Construction Labor Partner, and shall not conduct the Program from Owner's premises unless otherwise agreed in advance and in writing.
- 6. Expenses.** Construction Labor Partner shall be solely responsible for any expenses incurred in the course of compliance with this Agreement, unless otherwise agreed by Owner in advance and in writing.
- 7. Extension of Services to Oakland Candidates in the Event of a Shortage of Candidates.** If at any time Construction Labor Partner believes that a Shortage of Candidates exists, Construction Labor Partner may so notify Owner in writing, setting forth the reasons. In connection with such notification, Construction Labor Partner may request permission to extend Construction Labor Partner's services under this Agreement to a specified number of Oakland Candidates. Upon Owner's written concurrence as to the number of Oakland Candidates, or in the event that Owner does not respond to such notice for thirty days, Construction Labor Partner may extend the services to be provided to Candidates under this Agreement to Oakland Candidates, but not exceeding the number of Oakland Candidates approved by Owner. Owner's concurrence and approval as to extending services to Oakland Candidates under this paragraph shall not be unreasonably withheld, delayed or conditioned.
- 8. Term of the Agreement.** This Agreement shall be in effect from the Commencement Date until the date of Substantial Completion of the Project, unless sooner terminated by either party in accordance with the provisions of this paragraph.

 - 8.1. Construction Labor Partner may terminate the Agreement at any time by giving Owner not less than thirty (30) days advance written notice of the intent to terminate.
 - 8.2. Owner may terminate the Agreement at any time by giving (30) days advance written notice of the intent to terminate.
 - 8.3. Owner may terminate the Agreement immediately upon written notice in the event that Construction Labor Partner (a) knowingly provides Owner with any false information; (b) fails to maintain any of the information Construction Labor Partner is required to maintain under this Agreement; (c) fails to timely respond to a Hiring Notice, or (d) fails to perform any other material duties of Construction Labor Partner under this Agreement.

Attachment A
Alliance For West Oakland Development Job Training Program

9. Status of Construction Labor Partner. Construction Labor Partner understands and acknowledges that it shall perform services as an independent contractor and shall not be an employee of Owner or any of Owner's managers, officers, employees or affiliates. Construction Labor Partner shall be solely responsible for tracking and paying all federal and state income taxes, self-employment taxes, and other required taxes, license fees or governmental contributions. Construction Labor Partner shall be presented with a Form 1099 documenting the amounts paid under this Agreement.

10. Indemnification. Construction Labor Partner shall indemnify, defend and save harmless Owner and Owner's employees, agents and authorized representatives, from and against any and all suits, actions, legal or administrative proceedings, claims, debts, demands, damages, judgments, awards, losses, liabilities, interest, attorney's fees, costs and expenses of whatsoever kind of nature, for, but not limited to: (i) bodily injury or death to persons, including any employees or agents of Owner, and/or (ii) damage to or destruction of property of anyone including loss of use thereof, which in any manner arises out of or in any way is connected to the operation of the Program by Construction Labor Partner pursuant to this Agreement or otherwise, unless the same be caused by the negligence or willful misconduct of the party indemnified or held harmless.

11. Information Concerning Construction Labor Partner. Construction Labor Partner's Taxpayer ID Number and/or Social Security Number is: _____.

12. Remedies.

13. No Third Party Beneficiaries. This Agreement is solely intended to be for the benefit of Construction Labor Partner and Owner. There are no third party beneficiaries of any kind, and no party other than Construction Labor Partner and Owner shall have any enforceable rights hereunder.

14. No Agency. Construction Labor Partner shall advise all Candidates, Contractors, and Subcontractors in writing, using a form similar to that attached hereto as Exhibit X, that Construction Labor Partner is operating the Program independently of Owner's operations and that Construction Labor is not Owner's agent or other authorized representative for any purpose.

15. Further Assurances. The Parties to this Agreement agree to execute such additional documents, certifications, or other documents not mentioned herein as may be reasonable necessary to carry out the purposes and intent of this Agreement.

16. Attorney's Fees. The Parties to this Agreement shall bear their own attorney's fees, costs, and other expenses, incurred in the course of negotiation of this Agreement. If any legal action is commenced to interpret, enforce, or recover damages for the breach of any term of this Agreement, or if this Agreement is interposed as any form of defense to any legal action, or in connection with any other form of legal action arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees incurred in connection with that action, in addition to reasonable litigation costs, which shall include, but not be limited to, the costs of suit.

Attachment A
Alliance For West Oakland Development Job Training Program

17. Venue and Choice of Law. This Agreement shall be interpreted in accordance with the laws of the State of California. The sole and exclusive venue for any dispute arising out of this Agreement shall be courts of competent jurisdiction within the City of Oakland and the County of Alameda.

18. Execution. This Agreement may be executed in counterparts, each of which when delivered via fax or pdf shall be deemed to be fully conformed original.

MBC CONSTRUCTION

BRUCE COX, dba

By: _____

(Signature)

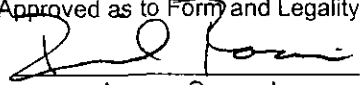
It's: Manager

Dated: _____

(Signature)

Dated:

OFFICE OF THE CITY CLERK
2008 JUN 12 PM 6:06

Approved as to Form and Legality

Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

**AN AGENCY RESOLUTION AUTHORIZING A \$100,000 GRANT
TO THE ALLIANCE FOR WEST OAKLAND DEVELOPMENT TO
PROVIDE JOB TRAINING FOR WEST OAKLAND
REDEVELOPMENT PROJECTS, AND ALLOCATING
WEST OAKLAND REDEVELOPMENT FUNDS FOR THE GRANT**

WHEREAS, the Alliance for West Oakland Development (“Alliance”) is a non-profit community development corporation dedicated to the improvement of West Oakland; and

WHEREAS, the Alliance has operated its Construction Job Training Program (the “Program”) since April, 2006; and

WHEREAS, the Program trains West Oakland and Oakland youth for construction jobs; and

WHEREAS, the Alliance has agreements with developers of projects in the West Oakland Redevelopment Project Area to hire graduates of the Program; and

WHEREAS, the Alliance has requested a \$100,000 job training grant in order to enroll 50 participants, fully train 25 participants and place 20 trained participants for construction jobs for redevelopment projects in the West Oakland Project Area; and

WHEREAS, the West Oakland Project Area Committee (“WOPAC”) has voted on April 11, 2007 to recommend allocation of \$100,000 of West Oakland redevelopment funds for the job training grant; and

WHEREAS, these funds are available in the West Oakland Redevelopment Operations Fund and Project (Fund 9590, Project S233510, Redevelopment Projects Org. 88679); and

WHEREAS, the grant is consistent with and advances the purposes of the West Oakland Redevelopment Plan and the Five Year Implementation Plan in that the Program will assist in providing trained construction workers for redevelopment projects in the West Oakland Redevelopment Project Area; now, therefore, be it

RESOLVED: That the Agency hereby authorizes a \$100,000 grant to the Alliance for West Oakland Development to fund the Construction Job Training Program to train and place participants in construction jobs for redevelopment projects in the West Oakland Project Area; and be it

FURTHER RESOLVED: That the Agency hereby allocates \$100,000 from Fiscal Year 2007-08 West Oakland Redevelopment Operations Fund (9590), West Oakland Base Reuse Organization (88679), West Oakland Repayment Project (S233510) for this grant; and be it

FURTHER RESOLVED: That the Agency authorizes the Agency Administrator or her designee to negotiate and execute the grant contract for this grant, and to take other actions with respect to this grant and the Program consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG, AND
CHAIRPERSON DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California