

OFFICE OF THE CITY CLERK
2007 JUL 10 11:06:43

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: July 10, 2007

RE: **A Report And Resolution Authorizing The City Administrator To Negotiate And Execute A Contract For Professional Services With Volunteers Of America Bay Area, Inc. To Operate The Oakland Day Labor Program From July 1, 2007 Through June 30, 2009, In An Amount Not To Exceed \$194,000 Per Year And \$388,000 For The Two Year Contract Term**

SUMMARY

This report requests the City Council's approval of a resolution authorizing the City Administrator to negotiate and execute a contract with Volunteers of America (VOA) Bay Area, Inc., to continue its operation of the Oakland Day Labor Program from July 1, 2007 through June 30, 2009. The total contract amount will not exceed \$388,000 for the two year term, and each annual allocation will not exceed \$194,000.

FISCAL IMPACT

A total of \$400,000 is allocated in the City of Oakland's FY 2007-2009 Policy Budget from the General Purpose Fund (1010), Workforce Development Organization (88549), Day Laborers Project (A139610) for professional services from Volunteers of America Bay Area, Inc., to operate the Day Labor Program. Of these funds, \$194,000 is directed each year to program operations by Volunteers of America Bay Area, Inc., and \$6,000 is directed each year to meet the City's contract compliance fee.

BACKGROUND

Prior to the July 12, 1999 implementation of the Day Labor Program, several hundred Oakland casual laborers had been congregating daily in several City of Oakland locations. Area vendors complained about the disruption to their businesses and requested that the City of Oakland develop a strategy for addressing the problems resulting from the laborers' congregation. The Community and Economic Development Agency (CEDA) designed a job development and social service model that was intended to address the needs of the casual labor population as well as the concerns of the Fruitvale business community.

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July 10, 2007

KEY ISSUES AND IMPACTS

The Day Labor Program is considered a viable mechanism for controlling the large numbers of men and women who congregate on street corners in the Fruitvale District in the hopes of being hired by local contractors. Local residents complained that the gathering of day laborers presented a nuisance and a public safety issue. Another concern is based on the well-being of the day laborers themselves, who are prone to being exploited by unscrupulous contractors, with little or no legal recourse. The solution to both concerns was the establishment of the Day Labor Program operated by Volunteers of America Bay Area, Inc.

A. SCOPE OF ACTIVITY

The VOA Day Labor Program offers services in two major areas: Job placement and related activities, and client support services.

- Job placement:

This is the primary focus of activity at the Oakland Day Labor Program. Job placements help foster both the goals of the City of Oakland and immediate community to reduce sidewalk congregation, and the goals of the day laborers themselves to get work and increase their marketable skills. Without significant job placement success, neither set of goals will be accomplished.

VOA does outreach to both job seekers and employers. The outreach to job seekers relies primarily on word of mouth. As more day laborers realize that their chances of landing good placements are better when participating in the hiring hall program, more pursue work at that venue, rather than on street corners. The day laborer community is reaching a more widespread understanding that the quality of job placements, job safety, and assurance of getting paid are better with jobs generated through the hiring hall. Finally, the inclusion of programs that build specific work skills provides another incentive for job seekers to participate.

During the current contract the program has placed particular emphasis on developing skills and opportunities for longer-term employment of clients. One program assisted clients in the work needed to earn OSHA certification in environmental remediation skills. Another example of this emphasis is VOA's partnership with the Center for Employment Training, Allen Temple, the Unity Council and Merritt College to provide a variety of training at the Center and other venues to further develop marketable skills for clients to pursue more career-oriented employment. Finally, during the current contract period the program has developed innovative partnerships with some of its regular employer customers, through which the firms train workers in some of the skills for which they frequently hire clients. Skills developed through this approach include forklift operation, painting and maintenance of ships, packaging services, and automotive mechanic training.

VOA staff have also expanded efforts to help clients with the process of applying for permanent jobs, by identifying opportunities and helping clients with the job application process. By doing so VOA helps generate client applications that would otherwise never be made. Through these approaches the program has helped hundreds of clients find career-oriented opportunities, with pathways to economic self-sufficiency which extend well beyond the traditional day labor model.

The other key to generating placement success involves working with the employers of casual labor. Such employers are learning that they get better quality employees through the VOA hall, screened for the particular skills needed on a job, which creates a greater incentive for them to hire through the program. VOA staff are pursuing several tracks to increase employer confidence and generate additional repeat business. Staff reach out to employers known to hire day laborers, but who do not currently participate in the hiring hall program. These employers are made aware of the job matching and certification benefits of participation, as well as the City's commitment to supporting the hiring hall model. Employers who have hired through the VOA hall at least once are solicited for input about their experience with the program, and for specific feedback about the client or clients with whom they worked. VOA staff also provide certifications for certain higher level skills, such as roofing and carpentry, which reassures employers that the clients they hire are qualified to do the work required. And finally, the training partnerships mentioned above guarantee certain regular employers that the specialized workforce they require will be readily available. These outreach methods have built confidence among participating employers, to the extent that the majority of placements made are with repeat employer customers.

- Client Support Services:

VOA staff provide services which go beyond the primary focus on job placements. Clients are given resources for housing, food, legal and medical services, as well as references to available social services as appropriate. VOA staff takes on something akin to a case management role, where day laborer clients are assisted with immigration and legal issues. In many cases, the VOA staff will provide transportation to medical facilities, consulates, and other service delivery venues. The program now devotes its Saturdays exclusively to skill building and service delivery programs. These include a popular English language development course, in response to requests of the clients. Through a partnership with the Alameda County Homelessness Project, a fully equipped medical van stops at the Center each week, offering general exams, immunizations, basic dental screening, testing for HIV and Hepatitis, and referrals to resources for further medical care. VOA staff say that nearly all of the Center's clients and their families actively avail themselves of the broader services offered.

Many community institutions are involved as partners in the service delivery efforts. Among them is the Unity Council, a Fruitvale area non-profit with a strong reputation for providing services to the non-English speaking community. Other partners adding similar expertise include Mujeres Con Esperanza, the Central American Refugee Center,

Echo, the Spanish Speaking Citizens Foundation and Centro Legal. Groups assisting with services in the education and training realm include Asian Neighborhood Design, City Team Ministries, the Alameda County Food Bank, and Women’s Initiative for Self Employment. Other services to clients of the Hiring Hall are provided by Bananas, St. Vincent de Paul, St. Elizabeth’s Church, the East Bay Sanctuary Convent, the Bethel Evangelical Covenant Church, Merritt and Laney Colleges, and the Santa Clara County Office of Education. Finally, medical support services are made available by partners such as the Alameda County Public Health Department, San Antonio Clinic, La Clinica de la Raza, and Highland Hospital.

B. PROGRAM RESULTS

- Traffic and Placement Activity:

The following table summarizes client traffic data at the Hiring Hall in previous program years, followed by data from the current year through May 31, 2007:

| Period | Total Client Visits | Total First-Time Clients | Average Daily Client Traffic |
|-----------------------------|----------------------------|---------------------------------|-------------------------------------|
| 2002-03 | 12,624 | 1,387 | 47 |
| 2003-04 | 19,713 | 2,477 | 60 |
| 2004-05 | 28,939 | 1,813 | 101 |
| 2005-06 | 50,357 | 2,069 | 199 |
| 2006-07 as of May 31 | 51,005 | 2,068 | 220 |

This data continues to show remarkably strong and growing client traffic numbers. The current year’s traffic rate is on a pace to reach 110% of the 2005-06 numbers, and to more than quadruple the 2002-03 client visit numbers. An average of 220 day laborers now use the Center every work day, an increase enabled through significant capacity increases in the Volunteers of America program facility and staff.

Services and a strong community environment play a role in keeping clients as active participants. Of primary importance, though, is how the clients perceive the likelihood of securing gainful employment on any given day. If a day laborer feels the chances of getting a job are better outside on the street than inside the hiring hall, the street is where the laborer will seek the work. The following data shows the job placement activity within the VOA hiring hall in previous program years, followed by data from the current year through May 31, 2007:

| Program Period | Total Placements | Extended Jobs | Temporary Jobs | Avg. Daily Placements |
|-----------------------------|-------------------------|----------------------|-----------------------|------------------------------|
| 2002-03 | 3,961 | 1,316 | 2,645 | 14.5 |
| 2003-04 | 3,668 | 1,531 | 2,137 | 11.4 |
| 2004-05 | 3,966 | 1,806 | 2,160 | 13.8 |
| 2005-06 | 3,958 | 1,428 | 2,530 | 15.6 |
| 2006-07 as of May 31 | 5,299 | 2,193 | 3,106 | 22.8 |

Extended jobs are defined as full-time work lasting more than three days, until the completion of the assignment. Temporary jobs are defined as those lasting three days or fewer.

In the current fiscal year data available through May, the VOA program is showing its strongest job placement numbers ever, surpassing the FY 05-06 results by nearly 50%. The final numbers will be the highest ever with both temporary placements (lasting three or fewer work days) and extended placements. Extended jobs are the most highly valued by clients, since they can offer up to several weeks of guaranteed work, in many cases in fields which subsequently afford entry into permanent positions. The traditional model for day labor programs has not placed emphasis on the development of such ladders to self-sufficiency. Not captured in the data, but clearly relevant to the workers, is the aggregate number of “worker-days” created by the combination of extended and temporary jobs. Staff estimate that by year’s end the Hiring Hall will have accounted for over 26,000 days of employment for its clients during the 2006-07 period.

- Job Safety and Pay Issues:

Concerns about day laborers being asked to perform duties with a high safety risk have always been characteristic of the street corner labor market. This historically has led to high rates of on-the-job injuries, almost always without employer-provided medical resources. Additionally, there has also always been a risk that unscrupulous employers will reap the rewards of an employee’s daily work, and then make off without paying. The VOA program has made substantial inroads in both of these areas, not only for its participants, but for the larger day laborer community.

VOA staff describe a strong record on safety and pay issues for their clients. No day laborers have reported pay problems from placements garnered within the hiring hall over the past year. Additionally, VOA staff says there have been no significant on-the-job injuries requiring medical treatment on jobs generated through the Hall during this period. Much of this record is attributed to VOA’s informal certification program, whereby employers are assured that selected workers are qualified for higher-risk activities, such as roofing. Coupled with instruction on tool use and general worksite safety practices, the clients participating in the VOA program are better equipped to avoid injuries than the general day laborer population.

The program staff also seeks to assist laborers from outside the program who report unscrupulous employers skipping out on promised pay. VOA reports that, during the first year of operation, they received an average of three no-pay complaints per day from laborers who accepted street corner placements. VOA staff's practice has been to work with both its direct clients and non-participants in the program to report wage fraud. This has helped reduce the incidence of such occurrences among the entire day laborer community. Such "pay skips" among VOA program clients are now mostly non-existent. This is in large part a function of the program's commitment to working with employers and cultivating repeat employer participation.

- Ongoing Street Corner Assembly:

There is no statistically sound data available about the level of street corner congregating by day laborers outside the auspices of the VOA program. Such data would be valuable for assessing the effect of the hiring hall on the goal of decreasing such gatherings in the immediate neighborhood. However, staff of the program suggest that nearly all of their clients, and particularly those individuals who tried working through the Hall for the first time during the current program year, were laborers who had previously congregated on street corners seeking work, contravening the City's intent. It is believed that the latest surge in Hiring Hall client traffic, discussed above, has had a substantial positive effect in further reducing the unsanctioned casual labor pickups.

The pattern of increased client traffic in the VOA Day Labor program suggests the ultimate avenue for reducing the street corner volume: As the perception continues to spread that working through VOA's center leads to better placement success, and to permanent improvements in marketable skills, greater numbers of day laborers will avail themselves of that opportunity. Word of mouth is probably more critical in this regard than anything staff, the local community, or the City can do directly.

SUSTAINABLE OPPORTUNITIES

Economic: This project improves the economic well-being of hundreds of day laborers and their families by facilitating employment opportunities. It also supports the companies that hire the day laborers, thus promoting economic development.

Environmental: The project has no direct environmental impact.

Social Equity: The project provides support and advocacy to protect day laborers from a few unscrupulous employers who may take advantage of immigrant workers.

DISABILITY AND SENIOR ACCESS

Volunteers of America Bay Area, Inc. indicates the program facility is accessible to senior citizens and disabled persons.

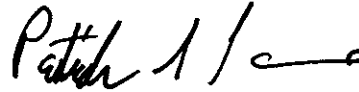
RECOMMENDATIONS AND RATIONALE

Staff recommends the City Council approve the resolution authorizing the City Administrator to negotiate and execute a contract for professional services with Volunteers of America Bay Area, Inc., to operate the Oakland Day Labor Program from July 1, 2007 through June 30, 2009, in an amount not to exceed \$194,000 for each fiscal year and not to exceed \$388,000 for the two year contract term.

ACTION REQUESTED OF THE COUNCIL

That the City Council approve the resolution authorizing the City Administrator to negotiate and execute a contract with Volunteers of America Bay Area, Inc.

Respectfully submitted,



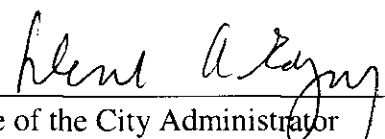
Gregory Hunter, Interim Director of
Redevelopment, Economic Development,
Housing and Community Development
Community & Economic Development Agency

Prepared by:

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Manager, Workforce Development Unit, CEDA

James A. Bondi
Program Analyst II, Workforce Development Unit
CEDA

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE



Office of the City Administrator

Item: _____
CED Committee
July 10, 2007

SCHEDULE A

SCOPE OF SERVICE

July 1, 2007 – June 30, 2009

A. Program Description

Contractor shall continue and expand a Day Labor Hiring Hall Program specifically designed to provide employment matching and just working conditions for the Day Laborers community of the City of Oakland.

B. Goal (s)

To provide job matching for day laborers and social services that will enhance the lives of the workers and their families.

C. Objectives

- To identify and provide short term (“temporary”) employment opportunities for 170 or more of the Day Laborers per month who participate in the Hiring Hall program.
- To identify and provide long-term (“extended”) employment opportunities for 110 or more of the Day Laborers per month who participate in the Hiring Hall program.
- In accordance with the City of Oakland’s policy objective of curtailing street corner congregation for the purposes of casual employment, the program will recruit employers to participate through the auspices of the Hiring Hall program instead of picking up workers at unsanctioned street corner gathering points.

D. Services to Be Provided

1. Manage the day-to-day operations of the Volunteers of America Bay Area Day Labor Program. This will include job development, referral, placement, and intake of both employers and workers, and the coordination of all related intakes to build a successful program.
2. Maintain current data of employers and laborers served, for the purpose of reporting the numbers of job placements and referrals. Provide monthly program performance data to city staff, for use in program monitoring and in reporting to City Council. Reports will include the number of new and ongoing employers participating through the Hiring Hall program, the number of Day Laborers placed into short and long-term work, the number of “worker days” represented by monthly placement numbers, the types of jobs Day Laborers are placed into, the demographics of Hiring Hall participants, and summaries of marketing and outreach efforts with employers and Day Laborers.
3. Establish an Outreach Strategy that focuses on the ethnicity, gender, and work culture of the Oakland casual labor population, with special emphasis on the Fruitvale District.
4. Maintain a lottery selection hiring process, to match casual laborers and employers, where employment opportunities and compensation are equitable.
5. Maintain an effective working relationship with casual laborers, local police department, local churches, community organizations, labor unions, government agencies, local resident groups, and local businesses, in order to promote civic harmony and community participation in an effective Day Labor Program. Staff

will participate in local community meetings as it pertains to day laborers and will meet with the day laborers to determine their specific needs and concerns.

6. Promote a collaborative effort between all stakeholders, Oakland residents, businesses, community organizations, local authorities, and others to work together to resolve Day Labor issues. The Day Labor Center will continue and expand its relationships with community organizations, businesses and governmental entities to provide referrals for services, including housing, financial assistance, access to continuing education and training, and health services, among others.
7. Develop and execute a Marketing and Outreach campaign, including promotional literature and the use of media resources, to ensure that employers and casual laborers will use the Day Laborer program. Specifically, the program will seek to persuade the majority of employers of Day Laborers to regularly participate through the Hiring Hall.
8. Provide resources and referrals for other services needed by the Day Laborer community, including job skill development, food and housing referral, medical services, legal services, immigration resources, transportation, and other social services as needed.
9. Develop and implement a plan to utilize volunteer staffing assistance from local sources, such as churches, community-based organizations, and universities.
10. Advocate for workers and civil rights of Oakland Day Laborers.

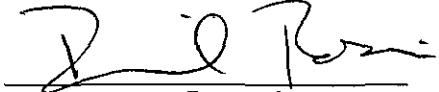
11. Maintain a high standard of customer service, characterized by positive efforts, energy, and professionalism while serving the diverse clientele of casual laborers, employers and all other stakeholders.
12. Provide an environment of social interaction, cooperation, and solidarity among Day Laborers and serve through the program that will manifest itself in other positive community activities.
13. Assist Day Laborers with clothing and refreshments.

E. Clients to Be Served

The Contractor shall average at least 1,600 clients visits per month from July 1, 2007 to June 30, 2009.

F. Implementation Schedule

The Program must operate from July 1, 2007 through June 30, 2009. The days and hours of operation shall be Monday through Friday, 7:00 a.m. to 12:00 p.m., and Saturday 7 a.m. to 12 p.m. The program will not operate on Sundays and Holidays.


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

INTRODUCED BY THE CITY ADMINISTRATOR

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A CONTRACT FOR PROFESSIONAL SERVICES WITH VOLUNTEERS OF AMERICA BAY AREA, INC. TO OPERATE THE OAKLAND DAY LABOR PROGRAM, FROM JULY 1, 2007 THROUGH JUNE 30, 2009, IN AN AMOUNT NOT TO EXCEED \$194,000 PER YEAR AND NOT TO EXCEED \$388,000 FOR THE TOTAL CONTRACT TERM

WHEREAS, the Oakland Day Labor Program administered by the Volunteers of America Bay Area, Inc., provides employment and social services to the Oakland casual laborer population and their families; and

WHEREAS, the City entered into a series of professional services contracts and amendments with the Volunteers of America Bay Area, Inc., to operate the Oakland Day Labor Program, from July 19, 1999 through June 30, 2007; and

WHEREAS, the City wishes to continue operation of this program, in accordance with stated public safety goals; and

WHEREAS, the City has identified \$400,000 of the General Fund allocation (Fund: 1010) for the Day Labor Program (Project: A139610), for the continued operation of the Oakland Day Labor Program in its budget for Fiscal Years 2007-09, less the City's contract compliance fee of \$12,000, leaving an estimated \$194,000 per year available for this contract; and

WHEREAS, the City finds that this contract is of a professional nature; and

WHEREAS, the City finds that this contract will not result in a loss of employment or salary by any person having a permanent status in the competitive service; now therefore be it

RESOLVED: That the City Administrator is hereby authorized to negotiate and execute a contract for professional services with Volunteers of America Bay Area, Inc., to operate the

Oakland Day Labor Program, from July 1, 2007 through June 30, 2009, in an amount not to exceed \$194,000 per year for a total contract value of \$388,000; and be it

FURTHER RESOLVED: That a total of \$400,000 will be allocated in FY 2007-09 from General Purpose Fund (1010), Workforce Development Organization (88549), Day Laborers Project (A139610) for professional services from Volunteers of America Bay Area, Inc. to operate the Day Labor Program; and be it

FURTHER RESOLVED: That the City Administrator and her designee are hereby authorized to take whatever action is necessary with respect to the Oakland Day Labor Program and the contract with Volunteers of America Bay Area, Inc., consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

2007

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTAIN-

Attest: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California