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EXHIBIT _____

**Construction Jobs Policy
Oakland Army Base Project
Horizontal Construction**

I. Purpose. This Construction Jobs Policy ("Policy") sets forth certain requirements regarding hiring and employment in Horizontal Construction portions of the Oakland Army Base Project. Contractors participating in Horizontal Construction agree to comply with terms of this Policy as a condition of operation.

II. Definitions. As used in this Policy, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form. Capitalized terms that are not defined below are defined as in the Community Jobs Agreement.

"Apprentice" shall mean an individual who is enrolled in a Registered Apprenticeship Program.

"Apprentice Work Hours" shall mean Project Work Hours performed by Apprentices.

"Contractor" shall mean any entity employing individuals to perform Project Construction Work, including contractors and subcontractors of any tier, and any entity with a construction management contract for performance of Project Construction Work.

"Designated Preapprenticeship Program" shall mean a preapprenticeship program designated by the City for purposes contemplated in this Policy.

"Disadvantaged Worker" shall mean a Resident meeting eligibility criteria for California Enterprise Zone Hiring Credits, as set forth in Cal. Rev. & Tax Code Sec. 23622.7 (4)(A).

"Horizontal Construction" shall mean Project Construction Work performed pursuant to Section V of the LDDA or otherwise occurring on the Project Site pursuant to a prime contract entered by the City or by any entity serving as a construction manager or other agent of the City.

"Horizontal PLA" shall mean a project labor agreement governing Horizontal Construction, and executed by the Alameda County Building Trades Council and the City.

“Jobs Center” shall mean a referral center to be designated by the City as such for purposes of Implementation of this Policy.

“LDDA” shall mean the Lease Disposition and Development Agreement or similar agreement entered into by the City and Developer respecting the development of the Project.

“New Apprentice” shall mean [definition to come]

“Policy” shall mean this Construction Jobs Policy.

“Prime Contractor” shall mean a Contractor awarded a contract by a Developer, the City, or a construction manager retained by a Developer or the City, for performance of Project Construction Work.

“Project Construction Work” shall mean construction work performed on the Project Site.

“Project Work Hours” shall mean hours of Project Construction Work performed on the Project Site.

“Project Site” shall mean parcels [define] as described in Exhibit A of the ENA and as defined in the Project PLA.

“Registered Apprenticeship Program” shall mean a labor-management apprenticeship program that is currently registered with the State of California’s Division of Apprenticeship Standards.

“Resident” shall mean an individual domiciled in the City for at least seven days prior to the commencement of Project Construction Work, with “domiciled” as defined by Section 349(b) of the California Election Code.

“Unions” shall mean construction trades unions affiliated with the Alameda County Building Trades Council that have executed the Project PLA.

III. EMPLOYMENT REQUIREMENTS.

A. Percentage Requirements.

1. Residents. Each Contractor shall ensure that, for each construction trade in which it performs for Project Construction Work, at least 50% of Project Work Hours are performed by Residents.

2. Disadvantaged Workers. Each Contractor shall ensure that, for each

construction trade in which it performs for Project Construction Work, at least 25% of hours worked by Registered Apprentices are performed by Disadvantaged Workers.

3. **Credit for Hours Worked on Other Projects.** Construction work to be credited toward the requirements set forth above may be Project Work or work on other construction projects performed by the Contractor.

4. **Bonus for Retention of New Apprentices.** For every 1,000 hours beyond an initial 1000 hours that any one New Apprentice works for a Contractor, such contractor shall be entitled to 500 "bonus" hours that may be applied toward satisfaction of the percentage requirements set forth in Section III.A.1 and III.A.2.

B. Apprentices.

1. **New Apprentice Sponsorship Requirements for Prime Contractors.** In each calendar year, for each 20,000 Project Work Hours performed by a Prime Contractor and its subcontractors of any tier, the Prime Contractor and/or its subcontractors shall sponsor at least one New Apprentice and employ that apprentice for at least 1000 hours of construction work, on the Project Site and/or on other projects.

2. **Twenty Percent Utilization Requirement.** For all Project Work Hours in aggregate, performed by any Contractor, Apprentice Work Hours shall constitute at least 20% of Project Work Hours.

C. **Funding Restrictions.** For any portions of the Project Construction Work on which, based on use of federal or state funds, a federal or state agency prohibits application of the requirements described above, the City will work collaboratively with the funding agency to adapt the above requirements to the restrictions imposed by the funding agency, advancing the goals of this Policy to the greatest extent permitted by the funding agency. In such cases, the Developers and the City shall meet and confer with regard to the adapted requirements agreed to by the City and the funding agency, and, with the Developer's consent, such requirements shall be applied to portions of the Project Construction Work in question, and shall automatically become terms of this Construction Jobs Policy, to which all Contractors agree. Developer's consent to application of such adapted terms shall not be withheld if such adapted terms are reasonable and generally advance the goals of this Policy. Such adapted terms shall be deemed to have Developer consent if no contrary position is delivered by Developer to the City within ten days of being furnished to the Developer.

D. **Contact Person.** At least two weeks prior to performance of Project Construction Work, each Contractor shall provide to the City contact information for a contact person for purposes of implementation of this Policy.

E. Employment Needs Projections.

1. **Prime Contractor.** Within one month of being awarded a prime contract, any prime contractor shall project employment needs for performance of the contract, and provide such projection to the Jobs Center and the City. Such projection shall indicate number of workers and apprentices needed by trade, at different stages of performance of the contract.

2. **Subcontractors.** Each Contractor shall, at least one month before commencing performance of Project Work, project employment needs for performance of the contract, and provide such projection to the Jobs Center and the City. Such projection shall indicate number of workers and apprentices needed by trade, at different stages of performance of the contract.

3. **Compliance Plan.** Prior to commencement of construction, Prime Contractors may request participation from the City in negotiation of a proactive compliance plan with regard to requirements of this Policy. The City shall negotiate in good faith in an attempt to reach agreement on such a plan. Negotiated compliance plans may streamline and clarify responsibilities under this Policy, but may not conflict with this Policy. If such a plan is agreed to by Prime Contractors and the City, then compliance with the plan shall be compliance with the Policy.

F. Jobs Center Determination of Disadvantaged Status. For purposes of this Policy, the Jobs Center shall make determinations of workers' qualifications and Disadvantaged Worker status. The Jobs Center shall make such determinations promptly upon request from a Contractor, a Union, an apprenticeship program, or the City. The Jobs Center shall consult with and work collaboratively with Unions and employers in developing standards for determining qualifications.

G. Worker Qualifications. [Section subject to negotiation]

H. Hiring and Referral Processes.

1. **Contractor Procedures.** Contractors needing Residents, Disadvantaged Workers, or New Apprentices in order to comply with this Policy shall undertake the following steps in the following order, until compliance is attained:

- i. **Step One:** Assign to perform Project Work any current employees who are Residents, identified Disadvantaged Workers, or New Apprentices;
- ii. **Step Two:** If the Contractor utilizes a union hiring hall to retain workers, utilize name call, rehire, or similar procedures in the relevant collective bargaining agreement to request particular

individuals who have been identified as Residents, Disadvantaged Workers, or New Apprentices;

- iii. **Step Three:** If the Contractor utilizes a union hiring hall to retain workers, request that the hiring hall refer Residents, and/or New Apprentices;
- iv. **Step Four:** If the above steps have not enabled satisfaction of requirements of this Policy related to hiring of Residents, Disadvantaged Workers, and New Apprentices, request referral of needed categories of workers from the Jobs Center;
- v. **Step Five:** Fairly consider workers referred by the Jobs Center within three business days of notification.

IV. MONITORING AND ENFORCEMENT.

A. **Reporting Requirements.** Contractors shall submit monthly certified payroll records to the City, with an indication as to which work hours were worked by Residents, Disadvantaged Workers, and New Apprentices. Each Contractor shall also provide other records or information requested by the City regarding fulfillment of responsibilities under this Policy. All such records and information shall be considered public documents. Prior to such documents being released to the public, the City will redact identifying information from such documents to protect privacy of individuals.

B. Liquidated Damages for Percentage Requirements.

1. Each Contractor agrees that, if it does not satisfy the requirements of Section III.A.1 or III.A.2, above, it shall pay to the City liquidated damages in the amount of \$20.00 per hour short of such requirements. A Contractor shall not owe such liquidated damages if it made Good Faith Efforts to satisfy the requirement in question but could not do so. In addition, a Contractor shall not owe liquidated damages if it negotiates a Negotiated Compliance Plan with the City, and complies with that plan. Any liquidated damages collected by the City shall be used solely to support training, referral, monitoring, or technical assistance to advance the purposes of this Policy.

2. **Good Faith Efforts Standard.** To demonstrate Good Faith Efforts with regard to the percentage requirements and liquidated damages as described above, a Contractor needs to show:

- a. that it complied with the hiring and referral processes set forth in Section G.1, above, and other terms of this Policy;
- b. that it interviewed all workers in the category in question who were referred by the Jobs Center and who satisfied qualifications stated in the request for referral; and contemporaneously documented in writing any reasons for not hiring (or declining to interview) any such worker; and
- c. that it attempted to identify and recruit workers in the category in question from other sources during the applicable period.

C. Liquidated Damages for Apprentice Sponsorship Requirement. Each Prime Contractor agrees that if it does not satisfy the requirement of Section III.B.1, above, it shall pay to the City liquidated damages in the amount of \$10,000.00 for each required sponsorship that did not occur.

D. Additional Enforcement Mechanisms. Assessment of liquidated damages as described herein does not derogate other contractual remedies the City may have for failure to comply with this Policy. Contractors who repeatedly violate this Policy may be debarred from future City contracts.

V. MISCELLANEOUS.

A. Subcontracts. Each Contractor shall include compliance with this Policy as a material term of any subcontract under which Project Construction Work will be performed, with such subcontractor having all rights and responsibilities of a Contractor. If a Contractor enters into a subcontract in violation of this subsection A., then such Contractor shall be liable for any breach of this policy at any sub-tier level(s). If a Contractor complies with this subsection A, such Contractor shall not be liable for any breach of this policy at any sub-tier level.

B. Assurance Regarding Preexisting Contracts. Each entity that agrees to comply with this Policy warrants and represents that as of the date that a contract incorporating this Policy became effective, it has executed no contract pertaining to the Project or the Project Site that would have violated this Policy had it been executed after that date, or would interfere with fulfillment of or conflict with terms of this Policy. If, despite this assurance, an entity that has agreed to comply with this Policy has entered into a contract in violation of this Section V.B, then upon request from the City it shall either amend that contract to include the provisions required by this Policy, or terminate that contract.

C. Third Party Beneficiaries. Each entity that agrees to comply with this Policy agrees that, with regard to the terms of this Policy, the City is an intended third-

party beneficiary of any contract that incorporates this Policy, and that the City shall have the right to enforce terms of this Policy directly against entities that have agreed to comply with this Policy.

D. Out-of-State Workers. The requirements of Sections III.A.1 or III.A.2 shall not apply to Project Work Hours performed by residents of states other than the State of California. Notwithstanding the above, if, for any calendar year, the percentage of Project Work Hours worked by residents of states other than the State of California exceeds thirty percent, then for all subsequent years of work on the Project, the first sentence of this Section V.D. shall not apply, and the requirements of Sections III.A.1 or III.A.2 shall be applicable to all Project Work Hours.

E. Material Term. This Policy is a material term of any contract into which it is incorporated.

E. Severability. If any of the provisions of this Policy are held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, that holding shall in no way affect, impair, or invalidate any of the other provisions of this Policy.

F. Applicable Law and Compliance with Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the United States and shall be enforced only to the extent that it is consistent with those laws. Parties who have agreed to comply with this Policy agree: (i) that their understanding is that all terms of this Policy are consistent with federal, state, and local law; and (ii) that this Policy shall be reasonably interpreted so as to comply with any conflicting law.

G. Successors and Assigns. This Policy shall be binding upon and inure to the benefit of successors and assigns of any party to a contract incorporating this Policy. References in this Agreement to any entity shall be deemed to apply to any successor of that entity.

H. Warranties and Representation. Each party to a contract incorporating this Policy agrees not to either affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Policy in any judicial action or arbitration proceeding; has had the opportunity to be consult counsel regarding terms of this Policy, and has agreed to such terms voluntarily as a condition of entering into a contract that incorporates this Policy. This Policy shall not be strictly construed against any entity, and any rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Policy.

EXHIBIT

Construction Jobs Policy Oakland Army Base Project Vertical Construction

I. Purpose. This Construction Jobs Policy ("Policy") sets forth certain requirements regarding hiring and employment in Vertical Construction portions of the Oakland Army Base project. Contractors participating in Vertical Construction agree to comply with terms of this Policy as a condition of operation.

II. Definitions. As used in this Policy, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form. Capitalized terms that are not defined below are defined as in the Community Jobs Agreement.

"Apprentice" shall mean an individual who is enrolled in a Registered Apprenticeship Program.

"Apprentice Work Hours shall mean Project Work Hours performed by Apprentices.

"Contractor" shall mean any entity employing individuals to perform Project Construction Work, including contractors and subcontractors of any tier, and any entity with a construction management contract for performance of Project Construction Work.

"Designated Preapprenticeship Program" shall mean a preapprenticeship program designated by the City for purposes contemplated in this Policy.

"Jobs Center" shall mean a referral center to be designated by the City as such for purposes of implementation of this Policy.

"LDDA" shall mean the Lease Disposition and Development Agreement or similar agreement entered into by the City and Developer respecting the development of the Project.

"New Apprentice" shall mean [definition to come]

"Policy" shall mean this Construction Jobs Policy.

"Prime Contractor" shall mean a Contractor awarded a contract by a Developer, the City, or a construction manager retained by a Developer, for performance of Project Construction Work.

"Project Construction Work" shall mean construction work performed in Vertical Construction on the Project Site.

"Project Work Hours" shall mean hours of Project Construction Work performed on the Project Site.

"Project Site" shall mean parcels [*define*] as described in Exhibit A of the ENA.

"Registered Apprenticeship Program" shall mean a labor-management apprenticeship program that is currently registered with the State of California's Division of Apprenticeship Standards.

"Resident" shall mean an individual domiciled in the City for at least seven days prior to the commencement of Project Construction Work, with "domiciled" as defined by Section 349(b) of the California Election Code.

"Unions" shall mean construction trades unions affiliated with the Alameda County Building Trades Council that have executed a Vertical PLA.

"Vertical Construction" shall mean Project Construction Work performed pursuant to Section V of the LDDA, or future improvements on the Project Site worth over \$300,000.

"Vertical PLA" shall mean any project labor agreement governing Vertical Construction, and executed by the Alameda County Building Trades Council and a Developer.

III. EMPLOYMENT REQUIREMENTS.

A. Percentage Requirements.

1. Residents. Each Contractor shall ensure that, for each construction trade in which it performs for Project Construction Work, at least 50% of Project Work Hours are performed by Residents.

2. Credit for Hours Worked on Other Projects. Construction work to be credited toward the requirements set forth above may be Project Work or work on other

construction projects performed by the Contractor.

3. Bonus for Retention of New Apprentices. For every 1,000 hours beyond an initial 1000 hours that any one **New Apprentice** works for a Contractor, such contractor shall be entitled to 500 "bonus" hours that may be applied toward satisfaction of the percentage requirements set forth in Section III.A.1 and III.A.2.

4. Exemption for Core Workers. [subject to negotiation]

B. Apprentices.

1. New Apprentice Sponsorship Requirements for Prime Contractors. In each calendar year, for each 20,000 Project Work Hours performed by a Prime Contractor and its subcontractors of any tier, the Prime Contractor and/or its subcontractors shall sponsor at least one **New Apprentice** and employ that apprentice for at least 1000 hours of construction work, on the Project Site and/or on other projects.

2. Twenty Percent Utilization Requirement. For all Project Work Hours in aggregate, performed by any Contractor, Apprentice Work Hours shall constitute at least 20% of Project Work Hours.

C. Funding Restrictions. For any portions of the Project Construction Work on which, based on use of federal or state funds, a federal or state agency prohibits application of the requirements described above, the City will work collaboratively with the funding agency to adapt the above requirements to the restrictions imposed by the funding agency, advancing the goals of this Policy to the greatest extent permitted by the funding agency. In such cases, the Developers and the City shall meet and confer with regard to the adapted requirements agreed to by the City and the funding agency, and, with the Developer's consent, such requirements shall be applied to portions of the Project Construction Work in question, and shall automatically become terms of this Construction Jobs Policy, to which all Contractors agree. Developer's consent to application of such adapted terms shall not be withheld if such adapted terms are reasonable and generally advance the goals of this Policy. Such adapted terms shall be deemed to have Developer consent if no contrary position is delivered by Developer to the City within ten days of being furnished to the Developer.

D. Contact Person. At least two weeks prior to performance of Project Construction Work, each Contractor shall provide to the City contact information for a contact person for purposes of implementation of this Policy.

E. Employment Needs Projections.

1. Prime Contractor. Within one month of being awarded a prime

contract, any prime contractor shall project employment needs for performance of the contract, and provide such projection to the Jobs Center and the City. Such projection shall indicate number of workers and apprentices needed by trade, at different stages of performance of the contract.

2. Subcontractors. Each Contractor shall, at least one month before commencing performance of Project Work, project employment needs for performance of the contract, and provide such projection to the Jobs Center and the City. Such projection shall indicate number of workers and apprentices needed by trade, at different stages of performance of the contract.

3. Compliance Plan. Prior to commencement of construction, Prime Contractors may request participation from the City in negotiation of a proactive compliance plan with regard to requirements of this Policy. The City shall negotiate in good faith in an attempt to reach agreement on such a plan. Negotiated compliance plans may streamline and clarify responsibilities under this Policy, but may not conflict with this Policy. If such a plan is agreed to by Prime Contractors and the City, then compliance with the plan shall be compliance with the Policy.

F. Worker Qualifications. [subject to negotiation]

G. Hiring and Referral Processes.

1. Contractor Procedures. Contractors needing Residents or New Apprentices in order to comply with this Policy shall undertake the following steps in the following order, until compliance is attained:

- a. **Step One:** Assign to perform Project Work any current employees who are Residents or New Apprentices;
- b. **Step Two:** Utilize name call, rehire, or similar procedures in the relevant collective bargaining agreement to request particular individuals who have been identified, in cooperation with the Unions, as Residents or New Apprentices;
- c. **Step Three:** Request that the union hiring hall refer Residents and/or New Apprentices;
- d. **Step Four:** If the above steps have not enabled satisfaction of requirements of this Policy related to hiring of Residents, Disadvantaged Workers, and New Apprentices, request referral of needed categories of workers from the Jobs Center.

- e. **Step Five:** Fairly consider workers referred by the Jobs Center within three business days of notification.

IV. MISCELLANEOUS.

A. Subcontracts. Each Contractor shall include compliance with this Policy as a material term of any subcontract under which Project Construction Work will be performed, with such subcontractor having all rights and responsibilities of a Contractor. If a Contractor enters into a subcontract in violation of this subsection A., then such Contractor shall be liable for any breach of this policy at any sub-tier level(s). If a Contractor complies with this subsection A, such Contractor shall not be liable for any breach of this policy at any sub-tier level.

B. Assurance Regarding Preexisting Contracts. Each entity that agrees to comply with this Policy warrants and represents that as of the date that a contract incorporating this Policy became effective, it has executed no contract pertaining to the Project or the Project Site that would have violated this Policy had it been executed after that date, or would interfere with fulfillment of or conflict with terms of this Policy. If, despite this assurance, an entity that has agreed to comply with this Policy has entered into a contract in violation of this **Section V.B**, then upon request from the City it shall either amend that contract to include the provisions required by this Policy, or terminate that contract.

C. Third Party Beneficiaries. Each entity that agrees to comply with this Policy agrees that, with regard to the terms of this Policy, the City is an intended third-party beneficiary of any contract that incorporates this Policy, and that the City shall have the right to enforce terms of this Policy directly against entities that have agreed to comply with this Policy.

D. Reporting Requirements. Contractors shall submit monthly certified payroll records to the City, with an indication as to which work hours were worked by Residents and New Apprentices. Each Contractor shall also provide other records or information requested by the City regarding fulfillment of responsibilities under this Policy. All such records and information shall be considered public documents. Prior to such documents being released to the public, the City will redact identifying information from such documents to protect privacy of individuals.

E. Out-of-State Workers. The requirements of Sections III.A.1 or III.A.2 shall not apply to Project Work Hours performed by residents of states other than the State of California. Notwithstanding the above, if, for any calendar year, the percentage of Project Work Hours worked by residents of states other than the State of California exceeds thirty percent, then for all subsequent years of work on the Project, the first

sentence of this Section V.D. shall not apply, and the requirements of Sections III.A.1 or III.A.2 shall be applicable to all Project **Work Hours**.

F. Material Term. This Policy is a material term of any contract into which it is incorporated.

I. Severability. If any of the provisions of this Policy are held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, that holding shall in no way affect, impair, or invalidate any of the other provisions of this Policy.

J. Applicable Law and Compliance with Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the United States and shall be enforced only to the extent that it is consistent with those laws. Parties who have agreed to comply with this Policy agree: (i) that their understanding is that all terms of this Policy are consistent with federal, state, and local law; and (ii) that this Policy shall be reasonably interpreted so as to comply with any conflicting law.

K. Successors and Assigns. This Policy shall be binding upon and inure to the benefit of successors and assigns of any party to a contract incorporating this Policy. References in this Agreement to any entity shall be deemed to apply to any successor of that entity.

L. Warranties and Representation. Each party to a contract incorporating this Policy agrees not to either affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Policy in any judicial action or arbitration proceeding; has had the opportunity to be consult counsel regarding terms of this Policy, and has agreed to such terms voluntarily as a condition of entering into a contract that incorporates this Policy. This Policy shall not be strictly construed against any entity, and any rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Policy.

EXHIBIT

Operations Jobs Policy Oakland Army Base Project Prologis Portion

I. **Purpose.** This Operations Jobs Policy ("Policy") sets forth certain requirements regarding hiring and employment in operation of portions of the Project developed by Prologis, pursuant to the LDDA. Employers in Prologis portions of the Oakland Army Base project agree to comply with terms of this Policy as a condition of entry into any Agreement to which this Policy is attached. This Policy does not cover construction hiring or employment.

II. **Definitions.** As used in this Policy, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form. Capitalized terms that are not defined below are defined as in the Community Jobs Agreement.

"Employer" shall mean any entity employing at least two individuals to perform On-Site Jobs.

"Disadvantaged Worker" shall mean a Resident meeting eligibility criteria for California Enterprise Zone Hiring Credits, as set forth in Cal. Rev. & Tax Code Sec. 23622.7 (4)(A).

"Jobs Center" shall mean a referral center to be designated by the City as such for purposes of implementation of this Policy.

"Large Employer" shall mean any entity leasing space within the Project Site and employing at least _____ individuals to perform On-Site Jobs, or performing services pursuant to one or more service contracts within the Project Site and employment at least _____ individuals to perform On-Site Jobs.

"LDDA" shall mean the Lease Disposition and Development Agreement or similar agreement entered into by city and Developer respecting the development of the Oakland Army Base project.

"On-Site Job" shall mean. [definition to come]

"Policy" shall mean this Operations Jobs Policy.

"Project Site" shall mean parcels _____ as described in Exhibit A of the LDDA. [limit to Prologis portions]

"Resident" shall mean an individual domiciled in the City for at least seven days prior to having been retained by an Employer under this policy, with "domiciled" as defined by Section 349(b) of the California Election Code.

III. Local Hiring.

A. Hiring Process.

1. **Long-Range Planning.** As soon as the information is available, each Large Employer shall provide to the City and the Jobs Center Information regarding the approximate number and type of jobs that will need to be filled and the basic qualifications necessary.

2. Initial Hiring Process.

a. **Notification of Job Opportunities.** At least four weeks prior to an Employer commencing operations in the Project, each Large Employer shall notify the Jobs Center of available job openings and provide a clear and complete description of job responsibilities and qualifications, including expectations, salary, minimum qualifications, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g. language skills, drivers' license, required background check, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.

b. **Hiring.** The Large Employer shall use normal hiring practices, including interviews, to consider all Residents and Disadvantaged Workers referred by the Jobs Center and meeting the qualifications described in the referral request during the four week period after Initial notification to the Jobs Center, or until all open positions are filled, whichever is sooner. The Large Employer shall make best efforts to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center. If at the conclusion of the four-week period the Large Employer has been unable to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center, the Large Employer may use other recruitment methods, although the Employer shall continue to make best efforts to hire Residents and Disadvantaged Workers later referred by the Jobs Center.

c. **Pre-opening Transfer.** Provisions of Section III.A.1 are not applicable to a Large Employer that is closing a facility located outside Oakland and Is

transferring the majority of its staff from the previous facility to a new facility within Oakland. Upon commencing operation in the new facility, such a Large Employer is covered by subsection 3, below. Provisions of this Section iii.A.2 are applicable to Large Employers who hire for positions in facilities located outside Oakland with the intention of transferring such hires to a new facility at the Project Site upon commencement of operations for the new facility. All such hires shall be made under the provisions of this subsection.

3. Ongoing hiring process.

a. **Notification of job opportunities.** After a Large Employer has commenced operations in the Project, it shall continue to use the Jobs Center as a resource to fill positions that become available. When a Large Employer has positions available, the Employer shall notify the Jobs Center of available job openings and provide a clear and complete description of job responsibilities and qualifications, including expectations, salary, minimum qualifications, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g. language skills, drivers' license, required background check, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.

b. **Hiring.** The Large Employer shall then use standard hiring practices, including interviews, to consider all Residents and Disadvantaged Workers referred by the Jobs Center and meeting the qualifications described in the referral request during a five-day period after initial notification, or until all open positions are filled, whichever is sooner. The Large Employer shall make good faith efforts to fill all available positions with Residents and Disadvantaged Workers referred through the Jobs Center. If at the conclusion of the five day period the Large Employer has been unable to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center, the Large Employer may use other recruitment methods, although the Large Employer shall continue to make good faith efforts to hire Residents and Disadvantaged Workers later referred through the Jobs Center.

4. Nondiscrimination. Employers shall not discriminate against Residents or Disadvantaged Workers on the basis of their Resident status, status as a Disadvantaged Worker, or on any prohibited basis in any terms and conditions of employment, including retention, promotions, job duties, shift assignments, and training opportunities.

5. Priorities. Each Large Employer shall apply the following priorities in hiring Residents:

- i. First Priority: Residents of zip codes _____; [insert zip codes that comprise West Oakland and city council District 3]
- ii. Second Priority: Residents of the Oakland Enterprise Zone;

iii. Third Priority: other Residents of the City of Oakland.

6. Worker Qualifications. [subject to negotiation]

B. Monitoring and Enforcement.

1. **Safe Harbor Provision.** Any Large Employer for whom at least fifty percent of workers hired for On-Site Jobs during a particular year were Residents, and for whom at least twenty-five percent of workers hired for On-Site Jobs during a particular year were Disadvantaged Workers, shall be deemed to be in compliance with Sections III.A.2, and III.A.3 of this Policy, for all hiring during that year.

2. **Credit for Hiring at Other Locations. [subject to negotiation]**

3. **Retention Incentive.** For every 2,000 hours that any one Resident or Disadvantaged Worker hired pursuant to this Policy works for a Large Employer, that Large Employer shall be entitled to a "bonus" hiring credit towards achievement of the Safe Harbor threshold set forth in Section III.B.1, above.

4. **Liquidated Damages.** Each Large Employer agrees that, if it has not complied with the hiring process requirements of Sections III.A.2 and III.A.3, above, during a particular year, it shall pay to the City liquidated damages in the amount of \$5,000.00 per job short of the Safe Harbor threshold set forth in Section III.B.1, above. A Large Employer shall not owe liquidated damages if it negotiates a Negotiated Compliance Plan with the City, and complies with that plan. Any liquidated damages collected by the City shall be used solely to support training, referral, monitoring, or technical assistance to advance the purposes of this Policy.

5. **Compliance Records.** Each Employer shall make available to the City on an annual basis or upon request records sufficient to determine compliance with this Policy. An Employer may redact names and social security numbers from requested records in order to protect the privacy of individual employees.

6. **Additional Enforcement Mechanisms.** Assessment of liquidated damages as described herein does not derogate other contractual remedies the City may have for failure to comply with this Policy. Employers who repeatedly violate this Policy may be debarred from future City contracts.

IV. Temporary Employment Agencies.

A. Temporary Employment Agencies. [subject to negotiation]

VI. Living Wages

A. Compliance with Ordinance. Each Employer shall provide compensation required of covered employers under, and shall otherwise comply with, the Oakland Living Wage Ordinance. (Oakland Municipal Code Section 2.2S.010 et seq.)

VII. Miscellaneous.

A. Contact Person. Within 30 days of having entered into any contract related to operation on the Project Site, each Employer will designate a contact person for all matters related to implementation of this Policy. The Employer shall forward the name, address and phone number of the designated individual to the City.

B. Jobs Center Determination of Disadvantaged Status. For purposes of this Policy, the Jobs Center shall make determinations of any workers' status as a Disadvantaged Worker. The Jobs Center shall make such determinations promptly upon request from a Contractor, a Union, an apprenticeship program, or the City.

C. Subcontracts. Each Employer shall include compliance with this Policy as a material term of any subcontract or other agreement under which any On-Site Jobs may be performed. If an Employer enters into a contract in violation of this Section VLB., then upon request from the Oversight Committee or the City it shall either amend that contract to include all requirements of this Policy, or terminate that contract.

D. Assurance Regarding Preexisting Contracts. Each entity that agrees to comply with this Policy warrants and represents that as of the date that a contract incorporating this Policy became effective, it has executed no contract pertaining to the Project or the Project Site that would have violated this Policy had it been executed after that date, or would interfere with fulfillment of or conflict with terms of this Policy. If, despite this assurance, an entity that has agreed to comply with this Policy has entered into a contract in violation of this Section VI.C, then upon request from either the Oversight Committee or the City it shall either amend that contract to include the provisions required by this Policy, or terminate that contract.

E. Funding Restrictions. For any portions of the Project on which, based on use of federal or state funds, a federal or state agency prohibits application of the requirements described above, the City will work collaboratively with the funding agency to adapt the above requirements to the restrictions imposed by the funding agency, advancing the goals of this Policy to the greatest extent permitted by the funding agency. In such cases, the adapted requirements agreed to by the City and the funding agency shall be applied to portions of the Project in question, and shall automatically become terms of this Policy, to which all Employers agree.

F. Third Party Beneficiaries. Each entity that agrees to comply with this Policy agrees that, with regard to the terms of this Policy, the City is an intended third-party beneficiary of any contract that incorporates this Policy, and that the City has the right to enforce terms of this Policy directly against entities that have agreed to comply with this Policy.

G. Retaliation Prohibited. An Employer shall not discharge, reduce the compensation of, or otherwise discriminate against any person for making a complaint, participating in any proceedings, using any civil remedies to enforce his or her rights, or otherwise asserting his or her rights under this Policy.

H. Waiver. Any waiver by any worker hired for the performance of an On-Site Job of any of the provisions of this Policy shall be deemed contrary to public policy and shall be void and unenforceable, except that workers hired for the performance of On-Site Jobs shall not be barred from entering into a written valid collective bargaining agreement waiving a provision of this Policy if such waiver is set forth in clear and unambiguous terms. Any request to an individual by an Employer to waive his or her rights under this Policy shall constitute a violation of this Policy.

I. Material Term. This Policy is a material term of any contract into which it is incorporated.

M. Severability. If any of the provisions of this Policy are held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, that holding shall in no way affect, impair, or invalidate any of the other provisions of this Policy.

N. Applicable Law and Compliance with Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the United States and shall be enforced only to the extent that it is consistent with those laws. Parties who have agreed to comply with this Policy agree: (i) that their understanding is that all terms of this Policy are consistent with federal, state, and local law; and (ii) that this Policy shall be reasonably interpreted so as to comply with any conflicting law.

O. Successors and Assigns. This Policy shall be binding upon and inure to the benefit of successors and assigns of any party to a contract incorporating this Policy. References in this Agreement to any entity shall be deemed to apply to any successor of that entity.

P. Warranties and Representation. Each party to a contract incorporating this Policy agrees not to either affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Policy in any judicial action or arbitration proceeding; has had the opportunity to be consult counsel regarding terms of this Policy, and has agreed to such

terms voluntarily as a condition of entering into a contract that incorporates this Policy. This Policy shall not be strictly construed against any entity, and any rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Policy.

EXHIBIT

Operations Jobs Policy

Oakland Army Base Project

CCIG Portion

I. Purpose. This Operations Jobs Policy ("Policy") sets forth certain requirements regarding hiring and employment in operation of portions of the Project developed by CCIG [check corp name], pursuant to the LDDA. Employers in CCIG portions of the Oakland Army Base project agree to comply with terms of this Policy as a condition of entry into any Agreement to which this Policy is attached. This Policy does not cover construction hiring or employment.

II. Definitions. As used in this Policy, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form. Capitalized terms that are not defined below are defined as in the Community Jobs Agreement.

"Employer" shall mean any entity employing at least two individuals to perform On-Site Jobs.

"Disadvantaged Worker" shall mean a Resident meeting eligibility criteria for California Enterprise Zone Hiring Credits, as set forth in Cal. Rev. & Tax Code Sec. 23622.7 (4)(A).

"Jobs Center" shall mean a referral center to be designated by the City as such for purposes of implementation of this Policy.

"Large Employer" shall mean any entity leasing space within the Project Site and employing at least _____ individuals to perform On-Site Jobs, or performing services pursuant to one or more service contracts within the Project Site and employment at least _____ individuals to perform On-Site Jobs.

"LDDA" shall mean the Lease Disposition and Development Agreement or similar agreement entered into by city and Developer respecting the development of the Oakland Army Base project.

“On-Site Job” shall mean [definition to come]

“Policy” shall mean this Operations Jobs Policy.

“Project Site” shall mean parcels _____ as described in Exhibit A of the LDDA. [limit to CCIG portions]

“Resident” shall mean an individual domiciled in the City for at least seven days prior to having been retained by an Employer under this policy, with “domiciled” as defined by Section 349(b) of the California Election Code.

III. Local Hiring.

A. Hiring Process.

1. Long-Range Planning. As soon as the information is available, each Large Employer shall provide to the City and the Jobs Center information regarding the approximate number and type of jobs that will need to be filled and the basic qualifications necessary.

2. Initial Hiring Process.

a. Notification of Job Opportunities. At least four weeks prior to an Employer commencing operations in the Project, each Large Employer shall notify the Jobs Center of available job openings and provide a clear and complete description of job responsibilities and qualifications, including expectations, salary, minimum qualifications, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g. language skills, drivers’ license, required background check, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.

b. Hiring. The Large Employer shall use normal hiring practices, including interviews, to consider all Residents and Disadvantaged Workers referred by the Jobs Center and meeting the qualifications described in the referral request during the four week period after initial notification to the Jobs Center, or until all open positions are filled, whichever is sooner. The Large Employer shall make best efforts to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center. If at the conclusion of the four-week period the Large Employer has been unable to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center, the Large Employer may use other recruitment methods, although the Employer shall continue to make best efforts to hire Residents and Disadvantaged Workers later referred by the Jobs Center.

c. **Pre-opening Transfer.** Provisions of Section iii.A.1 are not applicable to a Large Employer that is closing a facility located outside Oakland and is transferring the majority of its staff from the previous facility to a new facility within Oakland. Upon commencing operation in the new facility, such a Large Employer is covered by subsection 3, below. Provisions of this Section iii.A.2 are applicable to Large Employers who hire for positions in facilities located outside Oakland with the intention of transferring such hires to a new facility at the Project Site upon commencement of operations for the new facility. All such hires shall be made under the provisions of this subsection.

3. Ongoing hiring process.

a. **Notification of job opportunities.** After a Large Employer has commenced operations in the Project, it shall continue to use the Jobs Center as a resource to fill positions that become available. When a Large Employer has positions available, the Employer shall notify the Jobs Center of available job openings and provide a clear and complete description of job responsibilities and qualifications, including expectations, salary, minimum qualifications, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g. language skills, drivers' license, required background check, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.

b. **Hiring.** The Large Employer shall then use standard hiring practices, including interviews, to consider all Residents and Disadvantaged Workers referred by the Jobs Center and meeting the qualifications described in the referral request during a five-day period after initial notification, or until all open positions are filled, whichever is sooner. The Large Employer shall make good faith efforts to fill all available positions with Residents and Disadvantaged Workers referred through the Jobs Center. If at the conclusion of the five day period the Large Employer has been unable to fill all available positions with Residents and Disadvantaged Workers referred by the Jobs Center, the Large Employer may use other recruitment methods, although the Large Employer shall continue to make good faith efforts to hire Residents and Disadvantaged Workers later referred through the Jobs Center.

4. Nondiscrimination. Employers shall not discriminate against Residents or Disadvantaged Workers on the basis of their Resident status, status as a Disadvantaged Worker, or on any prohibited basis in any terms and conditions of employment, including retention, promotions, job duties, shift assignments, and training opportunities.

5. Priorities. Each Large Employer shall apply the following priorities in hiring Residents:

- i. **First Priority:** Residents of zip codes _____; [insert zip codes that comprise West Oakland and city council District 3]

- ii. Second Priority: Residents of the Oakland Enterprise Zone;
- iii. Third Priority: other Residents of the City of Oakland.

6. Worker Qualifications. [subject to negotiation]

B. Monitoring and Enforcement.

1. Safe Harbor Provision. Any Large Employer for whom at least fifty percent of workers hired for On-Site Jobs during a particular year were Residents, and for whom at least twenty-five percent of workers hired for On-Site Jobs during a particular year were Disadvantaged Workers, shall be deemed to be in compliance with Sections III.A.2, and III.A.3 of this Policy, for all hiring during that year.

2. Credit for Hiring at Other Locations. [subject to negotiation]

3. Retention Incentive. For every 2,000 hours that any one Resident or Disadvantaged Worker hired pursuant to this Policy works for a Large Employer, that Large Employer shall be entitled to a "bonus" hiring credit towards achievement of the Safe Harbor threshold set forth in Section III.B.1, above.

4. Liquidated Damages. Each Large Employer agrees that, If it has not complied with the hiring process requirements of Sections III.A.2 and III.A.3, above, during a particular year, It shall pay to the City liquidated damages in the amount of \$5,000.00 per job short of the Safe Harbor threshold set forth in Section III.B.1, above. A Large Employer shall not owe liquidated damages if It negotiates a Negotiated Compliance Plan with the City, and complies with that plan. Any liquidated damages collected by the City shall be used solely to support training, referral, monitoring, or technical assistance to advance the purposes of this Policy.

5. Compliance Records. Each Employer shall make available to the City on an annual basis or upon request records sufficient to determine compliance with this Policy. An Employer may redact names and social security numbers from requested records in order to protect the privacy of individual employees.

6. Additional Enforcement Mechanisms. Assessment of liquidated damages as described herein does not derogate other contractual remedies the City may have for failure to comply with this Policy. Employers who repeatedly violate this Policy may be debarred from future City contracts.

IV. Temporary Employment Agencies.

A. [subject to negotiation]

Viii. Living Wages

A. Compliance with Ordinance. Each Employer shall provide compensation required of covered employers under, and shall otherwise comply with, the Oakland Living Wage Ordinance. (Oakland Municipal Code Section 2.28.010 et seq.)

ix. Miscellaneous.

A. Contact Person. Within 30 days of having entered into any contract related to operation on the Project Site, each Employer will designate a contact person for all matters related to implementation of this Policy. The Employer shall forward the name, address and phone number of the designated individual to the City.

B. Jobs Center Determination of Disadvantaged Status. For purposes of this Policy, the Jobs Center shall make determinations of any workers' status as a Disadvantaged Worker. The Jobs Center shall make such determinations promptly upon request from a Contractor, a Union, an apprenticeship program, or the City.

C. Subcontracts. Each Employer shall include compliance with this Policy as a material term of any subcontract or other agreement under which any On-Site Jobs may be performed. If an Employer enters into a contract in violation of this Section VLB., then upon request from the Oversight Committee or the City it shall either amend that contract to include all requirements of this Policy, or terminate that contract.

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H. Waiver. Any waiver by any worker hired for the performance of an On-Site Job of any of the provisions of this Policy shall be deemed contrary to public policy and shall be void and unenforceable, except that workers hired for the performance of On-Site Jobs shall not be barred from entering into a written valid collective bargaining agreement waiving a provision of this Policy if such waiver is set forth in clear and unambiguous terms. Any request to an individual by an Employer to waive his or her rights under this Policy shall constitute a violation of this Policy.

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Q. Severability. If any of the provisions of this Policy are held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, that holding shall in no way affect, impair, or invalidate any of the other provisions of this Policy.

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