

Approved as to Form and Legality

  
Oakland City Attorney's Office

## OAKLAND CITY COUNCIL

Resolution No. 86446 C.M.S.

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**RESOLUTION DIRECTING REVISIONS TO LOCAL EMPLOYMENT AND APPRENTICE UTILIZATION REQUIREMENTS CONTAINED WITHIN THE CITY'S LOCAL AND SMALL BUSINESS ENTERPRISE PROGRAM REQUIRING CONTRACTORS TO HIRE OAKLAND RESIDENTS TO IMPLEMENT PROGRAM REVISIONS**

**WHEREAS**, the City believes that it is its responsibility to facilitate a community where residents are able to live, work, and play; and

**WHEREAS**, the City believes that residents should derive maximum benefits from expenditures made by the City especially when their tax dollars fund those expenditures; and

**WHEREAS**, the City wishes to facilitate the participation of disenfranchised residents in the economic opportunities the City assists with generating, and is committed to maximizing access of Oakland residents to living wage jobs; and

**WHEREAS**, the City Council formally established the Local Employment (LEP) program in 1993 by Resolution No. 69687 C.M.S., passed February 2, 1993, which required businesses under contract with the City of Oakland to hire Oakland residents because residents were not sufficiently represented in the workforce used to build and rebuild the City; and

**WHEREAS**, in February of 1997, the Local Employment Program (LEP) was revised to establish new hiring goals (50% resident hiring goal and 50% of new hires), first new hire requirements (must be Oakland residents), and established the option for contractors to satisfy local employment non-compliance hiring deficits through either monetary penalties or by employing Oakland residents on non-City funded projects equal to the non-compliance shortfalls; and

**WHEREAS**, the City Council formally established the 15% Apprenticeship program in 1999 by Resolution No. 74762 C.M.S., passed January 26, 1999, which required licensed

contractors under public works contract with the City of Oakland to hire Oakland residents to secure employment opportunities for residents in the construction industry as building and construction trade apprentices and the program achieved an average of 54% for the period FY 99-02; and

**WHEREAS**, in 2001, the City Council by Ordinance no. 12389 combined into one program the City's small/local business program, prevailing wage program, local employment program, and apprenticeship requirements, and authorized the City to amend or modify such combined program through administrative action;

**WHEREAS**, in 2002 the City made additional revisions to the Local Employment Program (LEP) and 15% Apprenticeship Program continuing the same resident hiring goals but establishing a program linkage to 'new hires'; and

**WHEREAS**, prior to the local employment programs contractors could perform work with their established labor pools (core employees) and there were very few opportunities for Oakland residents to work on City or City-funded projects; and

**WHEREAS**, local employment programs were applied only to the new hires for the project(s) with the percentage of work performed by 'core employees' used as the basis to determine what the local hiring goals would be for a project; and

**WHEREAS**, in June of 2005 the City again revised such programs to: 1) cap core employee utilization at 50% of a projects total work hours, which effectively established a minimum of 50% of the project's work hours to serve as the basis for establishing the local hire goal(s), and 2) allow contractors to split their local hire goal(s) between City funded projects, and non-City funded projects; and, in spite of these program limitations, the City was able to secure an average of 34% of the total hours worked on City monitored projects being performed by Oakland residents; and

**WHEREAS**, in 2011, the City Council adopted Ordinance no. 13101, requiring additional revisions to the City's small/local business programs; and

**WHEREAS**, in February of 2012, the City through administrative action released the City's current Local and Small Local Business Enterprise Program, which contains the city's small/local business requirements, the Local Employment Program, and the 15% Oakland Apprenticeship Utilization Policy, and

**WHEREAS**, the program revisions recommended at this time are designed to focus on employment of disadvantaged Oakland residents, providing special consideration of vulnerable population sectors such as ex-offenders, and formerly incarcerated individuals, youth and females living below the poverty level, Oakland graduates of pre-apprenticeship programs, and residents of targeted zip codes within Oakland; and

**WHEREAS**, the changes in policy further support the concepts of workforce development and job training; now, therefore, be it

**RESOLVED:** The Local Employment Program and 15% Oakland Apprenticeship Utilization Policy contained in the City's Local and Small Local Business Enterprise Program shall be revised as follows:

1. To require that project labor agreements on projects to which the Local Employment Program applies (i) facilitate contractor compliance with Local Employment Program requirements, and (ii) do not interfere with City enforcement of such requirements;
2. To clarify that contractors wishing to utilize a "core workforce" are not exempted from requirements of the Local Employment Program;
3. To require initial prioritization of employment of disadvantaged workers, including vulnerable population sectors such as ex-offenders and formerly incarcerated individuals, youth and females living below the poverty level, and Oakland graduates of pre-apprenticeship programs, residing in targeted Oakland zip codes;
4. To require secondary prioritization of employment of workers residing within targeted Oakland zip codes;
5. To require application of the Local Employment Program in professional services contracts;
6. To require that union halls check within the 9 Bay Area counties for Oakland resident workers before hiring non-Oakland residents; and
7. To require "real time" reporting of hiring of Oakland residents and apprentices on projects monitored for compliance by the Local Employment Program.

**FURTHER RESOLVED:** That the City Administrator shall revise the Local Employment Program and apprenticeship utilization requirements within the current Local and Small Local Business Enterprise Program in accordance with the above; and be it

**FURTHER RESOLVED:** That all provisions of the current Local and Small Local Business Enterprise Program that are not amended herein, shall remain in full force and effect unless otherwise amended

OCT 18 2016

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL-WASHINGTON, ~~GALLO~~, GUILLEN, KALB,  
KAPLAN, REID AND PRESIDENT GIBSON MCELHANEY-7

NOES- *2*  
ABSENT- *2*  
ABSTENTION- *0*  
EXCUSED- GALLO-1

ATTEST: *L. Simmons for*  
LATONDA SIMMONS  
City Clerk And Clerk Of The Council  
Of The City Of Oakland