

Supplemental Memo

Honorable Mayor & City Council

Members of the Public

TO:

FROM: Nikki Fortunato Bas, Council

President & District 2 Councilmember

Kevin Jenkins, District 6

Councilmember

Proposed Amendment to Affordable

SUBJECT: Housing Funding Programs-Advance

Funding Authorizations

DATE: September 5, 2024

The City of Oakland has the opportunity through our Measure U Affordable Housing Funding for new construction to address the multiple intersecting crises of homelessness, insufficient affordable housing, and low economic opportunity by linking affordable housing, good quality union careers, and business opportunities for small/local contractors.

To that end, Resolution No 90118 adopted on February 20, 2024 authorizing the first tranche of \$22 million in Measure U Housing Bond Funds included the City Council's intention to consider an expanded policy on labor standards for Measure U Bond funding for affordable housing projects; directed the City Administrator or their designee to convene a series of stakeholder meetings; intended for the future policy to apply to subsequent New Construction Notices of Funding Availability; and encouraged affordable housing developers to meet with construction trade unions and other stakeholders on labor standards for their projects. Two study sessions were conducted at the June 11 and July 23, 2024 Community and Economic Development Committees.

Over the past six months, we have met with, listened to, and considered the perspectives of the affordable housing, minority contracting, workforce training and local hiring, and construction labor unions constituencies. We have learned from Alameda County's Measure A1 Housing Bond Funding, which required Private Project Labor Agreements as part of the implementation policies in 2017.

Private Project Labor Agreements promote labor peace on city funded projects, secure the availability of skilled labor, and ensure enforcement of local hire and small local contractor provisions. These private labor agreements hold everyone accountable—including the construction trades, through their hiring halls and apprenticeship programs—and terms are negotiated to fit the circumstances. There are cost-containment measures that were built into the Measure A1 PLA policies, to ensure flexibility based on conditions where there were too few bidders.

Following negotiations among the stakeholders and agreements that they come to, we intend to propose in the coming month a similar type of policy to the County's Measure A1 policy requiring a project labor agreement for affordable housing projects receiving Measure U funding. Therefore, we respectfully submit the following amendment to the resolution on "Affordable Housing Funding Programs-Advance Funding Authorizations" before the September 10 Community and Economic Development Committee, as the second to last "Further Resolved" clause:

FURTHER RESOLVED: That a resolution requiring a project labor agreement for affordable housing projects receiving Measure U funding is currently pending City Council's review and approval. In the event such legislation is passed, applicants for qualified projects that meet certain thresholds or criteria set forth in the legislation must demonstrate that they have executed a project labor agreement with the Building and Construction Trades Council of Alameda County prior to closing the City funding, which contains all the terms identified in the legislation; and

Thank you for your consideration.

Respectfully submitted,

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