

**City of Oakland  
Agenda Report**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2004 MAY 26 AM 10: 06

TO: Office of the City Manager  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: June 8, 2004

**RE: A REPORT AND RESOLUTION AUTHORIZING THE CITY MANAGER 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, 2004 THROUGH JUNE 30, 2005, IN AN AMOUNT NOT TO EXCEED \$194,000.**

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**SUMMARY**

This report requests the City Council's approval of a resolution authorizing the City Manager 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, 2004 through June 30, 2005.

**FISCAL IMPACT**

Funding of \$200,000 is identified in the City of Oakland's budget for continued operation of the Oakland Day Labor Program for Fiscal Year 2004-05. Of these funds, \$194,000 is directed to program operation by Volunteers of America Bay Area, Inc., and \$6,000 is directed to meet the City's contract compliance fee. Funds are available through the General Fund (1010) for Day Labor Program (Project #A139610).

**BACKGROUND**

Prior to the July 12, 1999 implementation of the Day Labor Program, approximately 200 Oakland casual laborers had been congregating daily in several City of Oakland locations. For several years, area vendors complained about the disruption to their businesses and requested that the City of Oakland develop a strategy for addressing the problems resultant 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.

**ISSUES AND IMPACT**

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

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solution to both concerns was the establishment of the Day Labor Program operated by Volunteers of America of the Bay Area.

## 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.

The program has expanded some of the longer term career development aspects of their services. A partnership with the Jobs Consortium is providing opportunities for VOA clients to become OSHA certified in lead and asbestos abatement, through Laborers Union Local 67. The new partnership has already certified dozens of VOA's day laborers in this skill, providing placements of longer duration and significantly better wages than other opportunities available to laborers. VOA staff have also expanded efforts to help clients with the job application process for more permanent employment. An informal job bank of permanent work opportunities is being maintained by staff and distributed to clients. On days when laborers do not get placed, VOA staff work with them to complete job applications with companies. The staff help clients to overcome barriers to even applying for such permanent work, and by doing so generate applications that would otherwise never have been made. Helping clients attain more traditional job readiness skills is not historically part of the day labor model, but VOA's recent efforts provide additional avenues towards self-sufficiency for their clients.

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 build employer confidence and generate 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 provides certification of certain higher level skills, such as roofing and carpentry, which allows employers to be sure the clients they hire are qualified to do the work required. These outreach methods have built confidence among participating employers, to the extent that roughly 60% of placements tallied in recent months have been through repeat employer customers.

Additionally, the City of Oakland has announced its intent to enforce laws already on the books against general street corner employment pickups by employers. The increased enforcement began with a public notification phase, alerting employers that they will be subject to fines for soliciting labor outside of the City's designated hiring hall. During the publicity phase, VOA staff report that inquiry calls from employers increased about 10%.

- Client Support Services:

VOA staff provide services which go beyond the primary focus on job placements. Clients who do not get placed on a given day are already on site, with time available, providing an opportunity for additional service delivery. Such activity begins with work skill development. Clients are given access to instructional videos and reference materials to help develop their skills in particular areas of the construction industry. Additional hands-on classes are given in the use of certain tools and equipment.

Access to a broader array of services is also offered. 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 actually provide transportation to medical facilities, consulates, and other service delivery venues. Recently, staff have also begun to provide access to computer literacy training. It is estimated that well over half of the daily client base actively avails itself of the broader services offered.

Many community institutions are involved as partners in the service delivery efforts. Among them are the Unity Council, a Fruitvale area non-profit with a strong reputation for services among the non-English speaking community. Other partners include St. Vincent de Paul, which provides food resources. New partnerships with Asian Neighborhood Design and the Jobs Consortium have also expanded the potential scope of service delivery.

## B. PROGRAM RESULTS

- Traffic and Placement Activity:

VOA provides the following traffic information from Daily Intake and Hiring Logs for the current year to date:

Month	Avg. Daily Clients	Total Monthly Clients	Total Monthly First-Time Clients
July '03	39	1,055	142
Aug. '03	42	1,098	183
Sept. '03	45	1,169	152
Oct. '03	49	1,315	153
Nov. '03	59	1,486	167
Dec. '03	67	1,739	201
Jan. '04	69	1,857	205
Feb. '04	81	1,952	222
Mar. '04	73	1,975	250
Apr. '04	80	2,080	291
<b>AVERAGES</b>	<b>60</b>	<b>1,573</b>	<b>197</b>

This data shows a consistent upward trend in client traffic. The program relocated to a larger site at the end of April, 2003. For several months afterwards client traffic declined, as workers made the adjustment to the new location. However, the data above indicated that the relocation effect was quickly overcome. In the most recent months, VOA's client traffic and proportion of first time visitors has reached the highest levels the program has ever experienced.

Most months show an increase in daily client participation between 50 and 100% of the number of first-time clients from the previous month. In other words, once a day laborer begins to participate through the VOA hiring hall, he or she is likely to continue to do so. The program relies largely on word of mouth among the day laborer community for client traffic. The fact that newcomers tend to remain involved as regular clients indicates that the experience they find in the hall is a positive one.

Services and a strong community environment play a role in keeping clients as active participants. Clearly, though, the likelihood of securing gainful employment is of primary importance. 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, as reported to VOA by participating employers:

Month	Total Placements	Avg. Daily Placements	Extended Jobs	Temporary Jobs
July '03	143	5.3	65	78
Aug. '03	231	8.9	78	153
Sept. '03	225	8.7	62	163
Oct. '03	265	9.8	90	175
Nov. '03	242	9.7	86	156
Dec. '03	275	10.6	98	177
Jan. '04	295	10.9	111	184
Feb. '04	323	13.5	151	172
Mar. '04	389	14.4	177	212
Apr. '04	432	16.6	209	223
<b>TOTAL</b>	<b>2,820</b>	<b>10.8</b>	<b>1,127</b>	<b>1,693</b>

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

The number of job placements generated by the program each month shows an upward trend over the period captured. The average number of jobs found for clients increased to nearly 17 per day in the most recent month, three times the rate seen in July. The program experienced a decline in employer job orders immediately following the relocation; however, that decline has since been overcome. VOA continues to emphasize recruitment of employers to work through the hall, in support of the City of Oakland's stated goal of decreasing street corner hiring. To the extent that client traffic continues to increase, it appears as though the day laborers themselves feel their chances of finding jobs are better by working through the hall. Employer participation will continue to be the key to keeping day laborers engaged, since they will go where the jobs are.

The VOA effort continues to make progress in finding more permanent work opportunities for its clients. In the staff report on the program last year, exactly one-third of all placements were of the extended variety, of more than three days duration. That proportion has now increased to 40% in the numbers shown above. 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. In rough terms, each extended job is worth five to ten times as much work to a client than is a temporary placement. Staff are working with VOA to better capture these "worker-day" outcomes in the new contract year.

In most instances, the extended positions carry with them more substantial skill development for the workers than temporary work more typical for day laborers. The Day Labor Hiring Hall has developed partnerships with the Jobs Consortium and Laborers Local 67 to promote the more permanent opportunities. It is worth noting that these types of placements are the ones most likely to help the laborers achieve self-sufficiency. As such, these efforts hold great potential to advance the City's public safety and sustainability goals more so than shorter-term job opportunities. Placement success generally, and permanent placement and skill building success in particular, are the ultimate keys to reducing levels of street corner congregation. Staff believe that the aggregate placement numbers, and the extended jobs in particular, are indicative of a strongly successful program during 2003-04 to date.

Goals proposed for the new contract year, as contained in the attached Scope of Service, are based on the average level of success which the VOA effort has attained during the 2003-04 year to date. This represents a substantial increase over expectations in previous contracts, and indicates satisfaction that VOA continues to increase the levels of clients seen in and employers hiring through the Oakland Day Labor Hiring Hall program. Staff are proposing a new monthly client visit objective of 1,500. Additionally, staff are proposing a total monthly placement goal of 280 jobs for clients, with at least 110 to be of the extended variety.

- 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 appears to have made substantial inroads in both of these areas, not only for their participants, but for the larger day laborer community.

VOA staff relates 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 on-the-job injuries requiring medical treatment among their clients during this period. Much of this record is attributable to VOA's informal certification program, whereby employers have an assurance 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 their 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 basically non-existent. That is most likely a function of the program's commitment to working with employers and cultivating repeat employer participation.

- Community Involvement:

One of the primary goals of the hiring hall was to address community concerns about the perceived risks of large street corner gatherings every day. Accordingly, a major focus of effort for the VOA staff has been to build relationships with neighborhood residents, businesses, organizations and government agencies.

Two local businesses which had previously expressed concerns about the congregating laborers, the Walgreen Drug Store and the Goodwill Store, are now active participants in efforts to build participation in the VOA program. Both stores distribute flyers to customers advising them of the hiring hall program and encourage non-participating day laborers to explore the VOA opportunities.

The program has also forged connections with a number of local institutions. Non-profit organizations which participate in the broader array of service resources offered include the Unity Council, City Team, and La Clinica de la Raza. Local churches involved include St. Elizabeth's and St. Vincent de Paul. Additionally, there are program connections with local educational institutions including Patten College and Laney College. New partnerships with the Jobs Consortium and Asian Neighborhood Design, mentioned in greater detail above, have substantially expanded the program's capacity for long-term skill development. Efforts are also under way to publicize the program through the City of Oakland's Building Services Department and at the permit counter, since many potential employers utilize those services daily. Lastly, the VOA program has built a good working relationship with the Oakland Police Department. When OPD is called to address an issue among the day laborers congregating on the street, they distribute information suggesting that the workers try out the VOA program. In an environment of historical mistrust, it appears that significant strides have been made to get parties to recognize the VOA hiring hall as a practical solution to some of the community concerns.

The VOA program has shown willingness to adjust aspects of program design to accommodate concerns expressed by clients and the larger community. Concerns had been raised about the previous daily client sign-in procedures, which some felt was at odds with the desire for anonymity often seen among undocumented immigrants. VOA abolished the sign-in procedure accordingly. In response to suggestions, VOA also implemented a lottery-based placement system, putting all clients on the same footing when seeking job opportunities for which their skills qualified them. VOA also adjusted the program's hours of operation to better accommodate the needs of the clients and their families.

- 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. Anecdotal accounts suggest that there has been some decrease in the volume of outside gathering, but large numbers of day laborers still seek work each day on Oakland street corners. Staff estimate the average daily count outside is a decrease from pre-program levels, but not as substantial as the City would like. It appears as though the total day laborer population seeking work in Oakland is not static. Rather, some portion of the group which has opted to participate through the VOA program has been replaced by others seeking street corner placements. The City's re-commitment to enforcing laws against employers picking up street side labor outside of the program may have an effect on this congregation, by providing an additional incentive for employers to work through the Oakland Day Labor Program.

The patterns of client traffic through the hiring hall suggest the ultimate avenue for reducing the street corner volume. As the perception spreads that working through VOA's hall 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**

The Volunteers of America, Inc. indicates the facility is accessible to senior and disabled persons.

### **RECOMMENDATIONS AND RATIONALE**

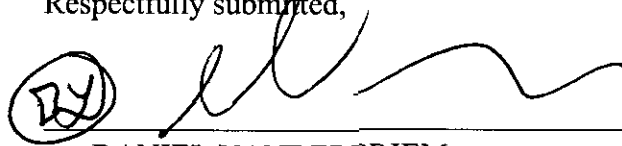
Staff recommends the City Council approve the resolution authorizing the City Manager to negotiate and execute a contract for professional services with Volunteers of America Bay Area, Inc., to operate the Oakland Day Labor Program from July 1, 2004 through June 30, 2005, in an amount not to exceed \$194,000.



**ACTION REQUESTED OF THE COUNCIL**

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


Respectfully submitted,

A handwritten signature in black ink, appearing to read "D. Vanderprieem". To the left of the signature is a circled "BY" in black ink.

DANIEL VANDERPRIEM  
Director of Redevelopment, Economic  
Development and Housing

Prepared by: Al Auletta  
Manager, Workforce Development Unit  
CEDA


APPROVED AND FORWARDED TO THE  
COMMUNITY AND ECONOMIC DEVELOPMENT  
COMMITTEE

A handwritten signature in black ink, appearing to read "Mark A. Edgerly".  
Office of the City Manager

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2004 MAY 26 AM 10:06

APPROVED AS TO FORM AND LEGALITY



Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

INTRODUCED BY THE CITY MANAGER

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**A RESOLUTION AUTHORIZING THE CITY MANAGER 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, 2004 THROUGH JUNE 30, 2005, IN AN AMOUNT NOT TO EXCEED \$194,000**

**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, 2004; and

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

**WHEREAS**, the City has identified \$200,000 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 Year 2004-05, less the City's contract compliance fee of \$6,000, leaving an estimated \$194,000 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 Manager 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, 2004 through June 30, 2005, in an amount not to exceed \$194,000; and be it

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DEVELOPMENT CMTE**

**JUN 8 2004**

**FURTHER RESOLVED:** That the City Manager and his or 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, 2004

**PASSED BY THE FOLLOWING VOTE:**

AYES-        BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND PRESIDENT DE  
                  LA FUENTE  
NOES-  
ABSENT-  
ABSTAIN-

Attest: \_\_\_\_\_  
                  CEDA FLOYD  
                  City Clerk and Clerk of the Council  
                  of the City of Oakland, California

**Schedule A**  
**SCOPE OF SERVICE**

**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.
- To recruit employers to participate through the auspices of the Hiring Hall program, rather than picking up laborers at common street corner gathering points, per the City of Oakland’s policy objectives.

**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. Establish 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 has developed relationships with the Unity Council, the City Teen Shelter, which provides emergency housing for the Day Laborers who are homeless, the Tax Clinic, which provide tax services to the laborers, and the Department of Social Services, to assist workers when applying for social services. Staff will work with St. Vincent De Paul to develop a food program for the workers. Laney College and the Santa Clara Office of Education will provide skills training classes for the workers, to assist laborers in obtaining stable employment. Kuvara Law Firm will provide legal services to the workers who are having difficulty obtaining legal documentation, and the University of California Medical Center will provide health screening to any laborer.
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 1,500 clients visits per month from July 1, 2004 to June 30, 2005.

**II. IMPLEMENTATION SCHEDULE**

**1 Dates of Commencement and Completion**

The Program shall operate from July 1, 2004 through June 30, 2005.

**2. Days and Hours of Operations**

The Program shall operate Monday through Friday, 7:00 a.m. to 12:00 p.m. and Saturday 7 a.m. to 12 p.m. Closed Sunday and Holidays.

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JUN 8 2004