



# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Alexa Jeffress  
Director, Economic &  
Workforce Development

**SUBJECT:** Oakland Day Laborer Program  
Contract

**DATE:** March 2, 2020

City Administrator Approval

Date:

3/11/2020

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Authorizing (1) The City Administrator or His Or Her Designee to Enter Into A Professional Services Agreement With Causa Justa::Just Cause And Its Partners (Street Level Health And Centro Legal De La Raza) To Administer The Oakland Day Laborer Program For Fiscal Year 2019-2020 In An Amount Not To Exceed \$195,000 With A One-Year Option To Renew In An Amount Not To Exceed \$220,000; And (2) Waiving The Formal Request For Proposals / Qualifications Process For The Professional Services Agreement.**

## **EXECUTIVE SUMMARY**

Adoption of the proposed resolution will authorize the City Administrator to enter into a professional services agreement for fiscal year (FY) 2019-20, with a one year option to extend to FY 2020-2021, with Causa Justa::Just Cause and its partners, Street Level Health and Centro Legal de la Raza, to manage the day-to-day operations of the Day Laborer Program. Causa Justa:: Just Cause and its partners are to provide employment and employment-related services, maintaining a database of employers and laborers served, preparing quarterly reports and annual reports for staff and City Council, and developing additional funding sources that will augment and supplement City funding. The Oakland Day Laborer Program is specifically designed to:

- Improve public safety through outreach to day laborers congregating in the Fruitvale Avenue and Foothill Boulevard area (District 5);
- Provide employment and employment-related services;
- Provide access to legal support for immigration laws, labor rights and self-employment regulation;
- Build self-awareness in the community at-large regarding the benefits of a structured day laborer program;
- Empower day laborers participating in the program to move closer to self-sufficiency.

The City of Oakland Department of Economic and Workforce Development administers the Day Laborer Program contract and requests immediate action to avoid further delay in developing a

professional services agreement with Causa Justa::Just Cause and its partners, Street Level Health and Centro de la Raza, which will impede them from providing the needed services to the businesses and day laborers in the Fruitvale Avenue and Foothill Boulevard community. The delay in the development of the contract following budget approval was the result of staff's prior commitment to develop fifteen (15) contracts and research the appropriate contract structure for the City's workforce development system, as well as delayed approval from the Oakland Workforce Development Board, which did not meet until fall of 2019.

This professional services agreement is to be effective July 1, 2019, through June 30, 2020 (FY 2019-2020), and will include a one-year option to extend from July 1, 2020, through June 30, 2021 (FY 2020-21).

### **BACKGROUND / LEGISLATIVE HISTORY**

A day laborer program was previously funded through Resolution No. 82256 C.M.S. (July 1, 2009 – June 30, 2010), which provided funding to Volunteers of American Bay Area, Inc., to provide employment and employment-related services. No subsequent funding was provided, and the program was discontinued.

In 2010, businesses near the Fruitvale Avenue and Foothill Boulevard area expressed concerns about the impact of the congregation of large numbers of day laborers on public safety and on their businesses. Resolution No. 83943 C.M.S. amended the City of Oakland's Fiscal Year 2011-13 Biennial Budget, which was adopted pursuant to Resolution No. 83444 C.M.S. on June 30, 2011 and amended by Resolution No. 83693 C.M.S. on January 31, 2012 providing \$170,000.00 for a one-year contract to provide employment and employment-related services to day laborers in order to reduce the numbers of day laborers physically locating near these businesses and to improve employment and income prospects for day laborers.

The City of Oakland Department of Economic and Workforce Development under the direction of the Oakland Workforce Development Board (formerly the Oakland Workforce Investment Board) has administered the funds for the Program's services on behalf of the City since 2012. The funds have historically been awarded to a local community-based organization through a Request For Proposals (RFP) process.

Causa Justa::Just Cause and its partners (Street Level Health and Centro Legal de la Raza) have been the awardees of the contract for the last seven (7) years.

### **ANALYSIS AND POLICY ALTERNATIVES**

Day labor work, by nature, places workers in potentially challenging and vulnerable circumstances with regards to negotiating work hours, payments, and workplace safety. The persistent congregation at and around Fruitvale Avenue and Foothill Boulevard of day laborers seeking work has also resulted in public safety concerns from local area businesses. Through Resolution No. 87759 C.M.S., the City Council approved the City of Oakland's Fiscal Year 2019 -21 Biennial Budget, and appropriated \$415,000 (\$195,000 in FY 2019-2020 and

\$220,000 in FY 2020-21) to provide employment and employment-related services and to improve employment and income prospects for day laborers.

Resolution No. 87759 C.M.S. has extended the Day Laborer Program for an additional two (2) years allowing the work and progress to continue to address the needs of the businesses and the day laborers in the Fruitvale Avenue and Foothill Boulevard community.

As the FY 2018-19 contract under Resolution No 87248 C.M.S. expired as of June 30, 2019, staff is seeking to enter into a professional services agreement for Fiscal Year 2019-2020, with a one-year option to extend for FY 2020-21.

Causa Justa::Just Cause and its partners have made a significant impact in the business community and for the day laborers over the past eight (8) years; however, much more work is needed to ensure equitable work conditions and pay for Oakland day laborers. See **Attachment A** for Causa Justa::Just Cause's Cumulative Performance Report, which provides a detailed description and analysis of the challenges, activities, and project goals and progress of the Day Laborer Program for the July 1, 2018 through June 30, 2019 grant period.

Pursuant to Oakland Municipal Code (OMC) Section 2.04.050, which requires advertising and competitive bidding for contracts that exceed \$50,000.00; section 2.04.050.1.5 provides an exception to the advertising and competitive bidding requirements upon a finding and determination by the City Council that it is in the best interests of the City to do so. For the past three RFP funding cycles, Causa Justa has either been the only applicant and/or has received the highest-ranking score for their application. Therefore, to ensure continuity and maintain the momentum of the program, staff recommends that it is in the best interests of the City to enter into a professional services agreement for FY 2019-2020, with an option to extend to FY 2020-21 with Causa Justa::Just Cause and its partners to provide services of the Oakland Day Laborer Program from July 1, 2019 through June 30, 2020, based on satisfactory performance. The recommendation is for the following reasons:

- Past performance, as documented in quarterly reports
- Limited to no competition as several community organizations have aligned under one organization, Causa Justa::Just Cause
- Deep knowledge of the Program, the businesses and the day laborer community
- Established delivery system and community of practice
- Extensive relationships, partnerships and resources
- Responsiveness of Program team and partners
- Experience and expertise of the Program team and partners

### **FISCAL IMPACT**

The impact of the amended FY 2019-2020 contract is a total of \$195,000 of the City's General Purpose Fund (1010), Workforce Development Organization (85311), Day Laborers Program Project (1000167).

Per the contract agreement, Causa Justa::Just Cause and its partners have leveraged resources for this program through private grants from The California Endowment and The San Francisco Foundation, as well as funds from their reserves to increase their capacity to provide

services to Oakland day laborers and businesses in the Fruitvale Avenue and Foothill Boulevard Community (District 5).

**Table 1**

	Leveraged Resources Share of Cost	City Council Day Laborer Allocation	Total Program Cost
Personnel	\$85,834	\$101,132	\$186,966
Fringe Benefit Calculated @ 22%	\$18,884	\$22,249	\$41,133
Operating	\$45,639	\$23,021	\$68,660
Training	\$0	\$0	\$0
Support Services	\$0	\$0	\$0
Other ( Please Specify)			
	Contract Services	\$0	\$26,563
	SLHP - Administration Fee 5%	\$6,650	\$9,750
	Fiscal Sponsor Fee 6%	\$0	\$12,285
<b>Total</b>	<b>\$157,007</b>	<b>\$195,000</b>	<b>\$352,007</b>

The optional contract extension for FY 2020-2021 would be up to a total of \$220,000. The contractor will provide a budget similar to the budget provided in **Table 1**, above, on extension of the contract.

**PUBLIC OUTREACH / INTEREST**

Neighborhood stakeholders have expressed that both the number and constant presence of day laborers congregating near Fruitvale Avenue and Foothill Boulevard have created a perception that public safety has been jeopardized and that local businesses have been negatively impacted by this perception. The City has conducted outreach for the RFP through its Contract Compliance procurement processes to identify agencies which provide a range of relevant services to this population and Causa Justa: Just Cause and its partners Street Level Health and Centro de la Raza have been identified as the most capable of addressing the needs of both the businesses and the day laborers in the community.

## **COORDINATION**

The Day Laborer Program contract was supported by the Office of Contracts and Compliance. This report and resolution have also been reviewed by the Office of the City Attorney and by the Budget Bureau.

## **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

**Causa Justa:** Just Cause and its partners submit quarterly reports detailing programming activities, challenges and solutions quarterly to the Oakland Workforce Development Board. They are required to provide a cumulative report along with the 4<sup>th</sup> quarter report. **Attachment A** is the 4<sup>th</sup> quarter and cumulative report that provides insight to the work that the partnership provides to Oakland day laborers and businesses in District 5.

Due to the increase in Salvadorian day laborers, the need in the community, and the continued success of the program; it is their request of the Oakland Workforce Development Board that the City Council increase the Oakland Day Laborer funding in the next biennial annual budget.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** Short-term opportunities include fair pay and work hours, workplace safety, and consistent employment opportunities for day laborers; thereby providing access to employers who are integrated into the City's Day Laborer program.

**Environmental:** There are no environmental impacts related to this Program.

**Race & Equity:** The City's Day Laborer Program benefits, in particular, the Spanish-speaking and immigrant populations in the Fruitvale Avenue and Foothill Boulevard community (District 5) by increasing awareness of workers' rights and providing access to a range of social services provided by the contractor and its partners to improve working conditions for day laborers as well as access to legal services for those needing information and assistance with immigration.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Authorizing (1) The City Administrator or His Or Her Designee to Enter Into a Professional Services Agreement With Causa Justa::Just Cause And Its Partners (Street Level Health And Centro Legal De La Raza) To Administer The Oakland Day Laborer Program For Fiscal Year 2019-2020 In The Amount Of \$195,000 With A One-Year Option To Renew In An Amount Not To Exceed \$220,000; and (2) Waiving The Formal Request For Proposals / Qualifications Process For The Professional Services Agreement.

For questions regarding this report, please contact Tamara Walker, Program Analyst II, at 510-238-3630.

Respectfully submitted,



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ALEXA JEFFRESS  
Director, Economic & Workforce Development

Reviewed by:  
Lazandra Dial, Interim Director  
Oakland Workforce Development Board

Prepared by:  
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Oakland Workforce Development Board

Attachment (1):

A: Oakland Day Laborer Cumulative Performance Report