



Office of Community Investment & Infrastructure (OCII)
Semi-Annual Status Report on
Small Business Enterprise &
Workforce Programs
(January – June 2017)

Presentation Overview

- SBE Program Overview
- SBE Performance
- Workforce Performance

OCII Small Business Enterprise (SBE) Program

SBE Program Objectives and Benefits:

- SBE Policy: overall SBE participation goals of 50%
- Good faith efforts to ensure SBEs have an opportunity to compete for and participate in Agency-assisted contracts
- First Consideration to Project Area SBEs followed by San Francisco based SBEs

OCII Small Business Enterprise (SBE) Program

SBE Definition:

- Ownership and control
- License
- Size determined by 3-year average annual gross receipts:

Industry	OCII SBE Size Standard
Construction Contractors	\$20,000,000
Specialty Construction Contractors	\$14,000,000
Suppliers (goods/materials/ equipment and general services)	\$10,000,000
Professional Services	\$2,500,000
Trucking	\$3,500,000

- Conforms to City and County of San Francisco Micro and Small Local Business Enterprise (LBE) Program

OCII SBE Performance

Six Months Activity
(January-June 2017)

Summary of Contracts Awarded

Project Type	# of Projects	Total	SBE Credit \$	SBE Credit %	SBE Participation \$	SBE %
Infrastructure (construction and design/professional services)	3	\$5,190,298	\$3,218,313	62.0%	\$3,218,313	62.0%
Market Rate/Inclusionary Housing (construction)	6	\$90,243,682	\$43,483,610	48.2%	\$38,844,723	43.0%
TOTAL	9	\$95,433,980	\$46,701,923	48.9%	\$42,063,036	44.1%

OCII SBE Performance

Six Months Activity
(January-June 2017)

Summary by Work Type (All Contracts)

<i>Summary</i>	Total Dollars (in Millions)	SBE Dollars (in Millions)	SBE % of Total
Professional Services	\$6.0	\$4.2	69.5%
Construction and Supplies	\$89.4	\$42.5	47.5%
Total	\$95.4	\$46.7	48.9%

OCII SBE Performance

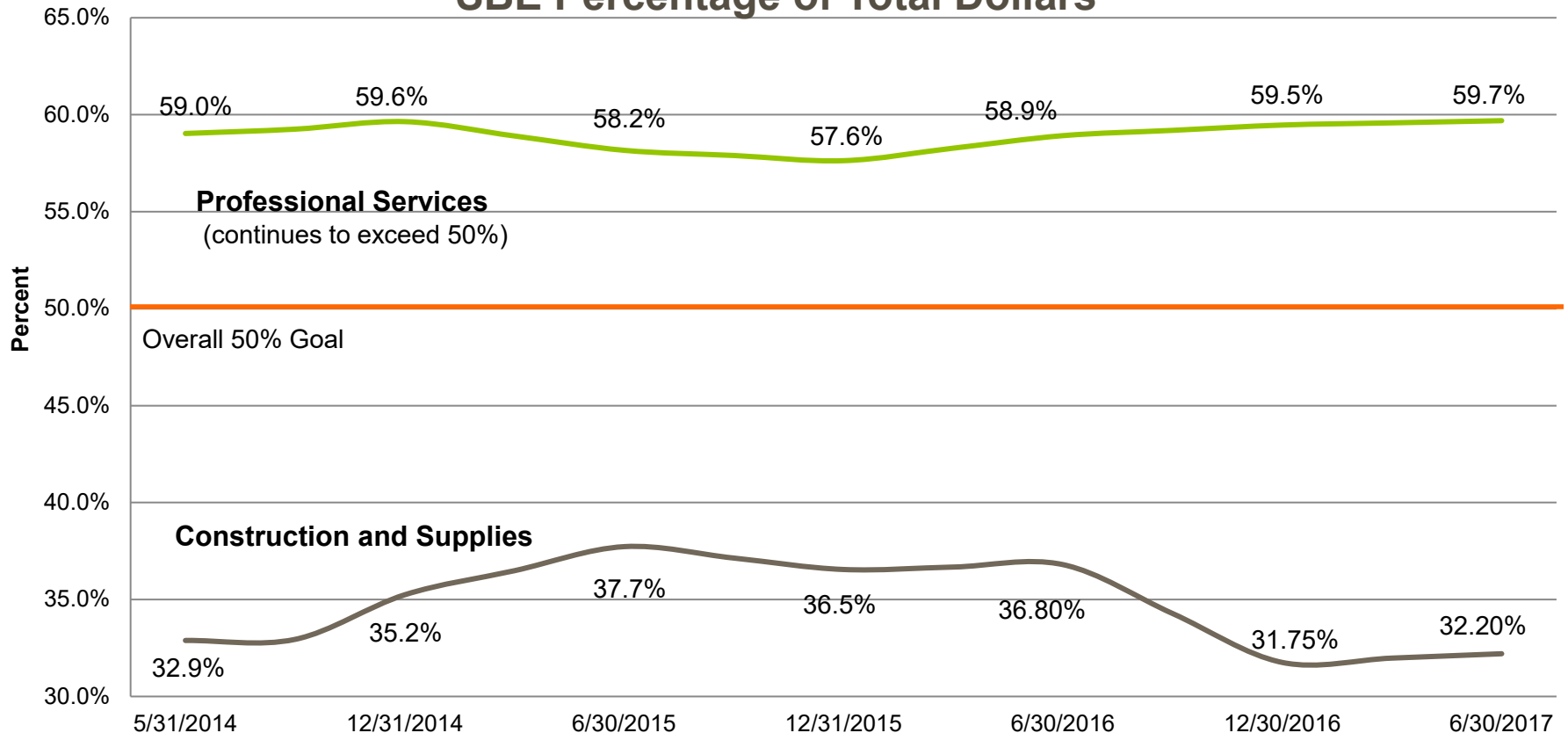
Overall Summary (All Projects as of June 30, 2017)

<i>Summary</i>	SBE Dollars Credited Towards Goal (in Millions)	Total Dollars (in Millions)	% of Total	Change from Prior Report
Professional Services	\$144.1	\$241.9	59.6%	+0.3%
Construction and Supplies	\$847.3	\$2,613.3	32.4%	+0.5%
Total	\$991.4	\$2,855.2	34.7%	+0.5%

OCII SBE Performance

Overall Summary (As of June 30, 2017)

SBE Percentage of Total Dollars



OCII SBE Performance

Six Months Activity (January - June 2017)

SBE Profile for Professional Services Contracts during January - June 2017

	SBE\$	SBE % All Awards	Distribution (% of Total)	No. of Contracts	Distribution % No. of Firms
Asian/Pacific American	756,086	12.5%	18.0%	5	25.0%
Black/African American	-	0.0%	0.0%	-	0.0%
Latino	647,500	10.7%	15.5%	3	15.0%
Other	-	0.0%	0.0%	-	0.0%
Subcontinent Asian	1,872	0.0%	0.0%	1	5.0%
Non-Minority Female	107,549	1.8%	2.6%	2	10.0%
Non-Minority Male	2,677,015	44.4%	63.9%	9	45.0%
TOTAL	4,190,022	69.5%	100.0%	20	100.0%

SBE Availability*	% of Total
80	16.9%
24	5.1%
24	5.1%
29	6.1%
7	1.5%
87	18.4%
223	47.0%
474	100.0%

**SBE Availability figure is derived from bid data and the City and County of San Francisco LBE database for professional services firm, including architectural, engineering and other services*

OCII SBE Performance

Six Months Activity (January – June 2017)

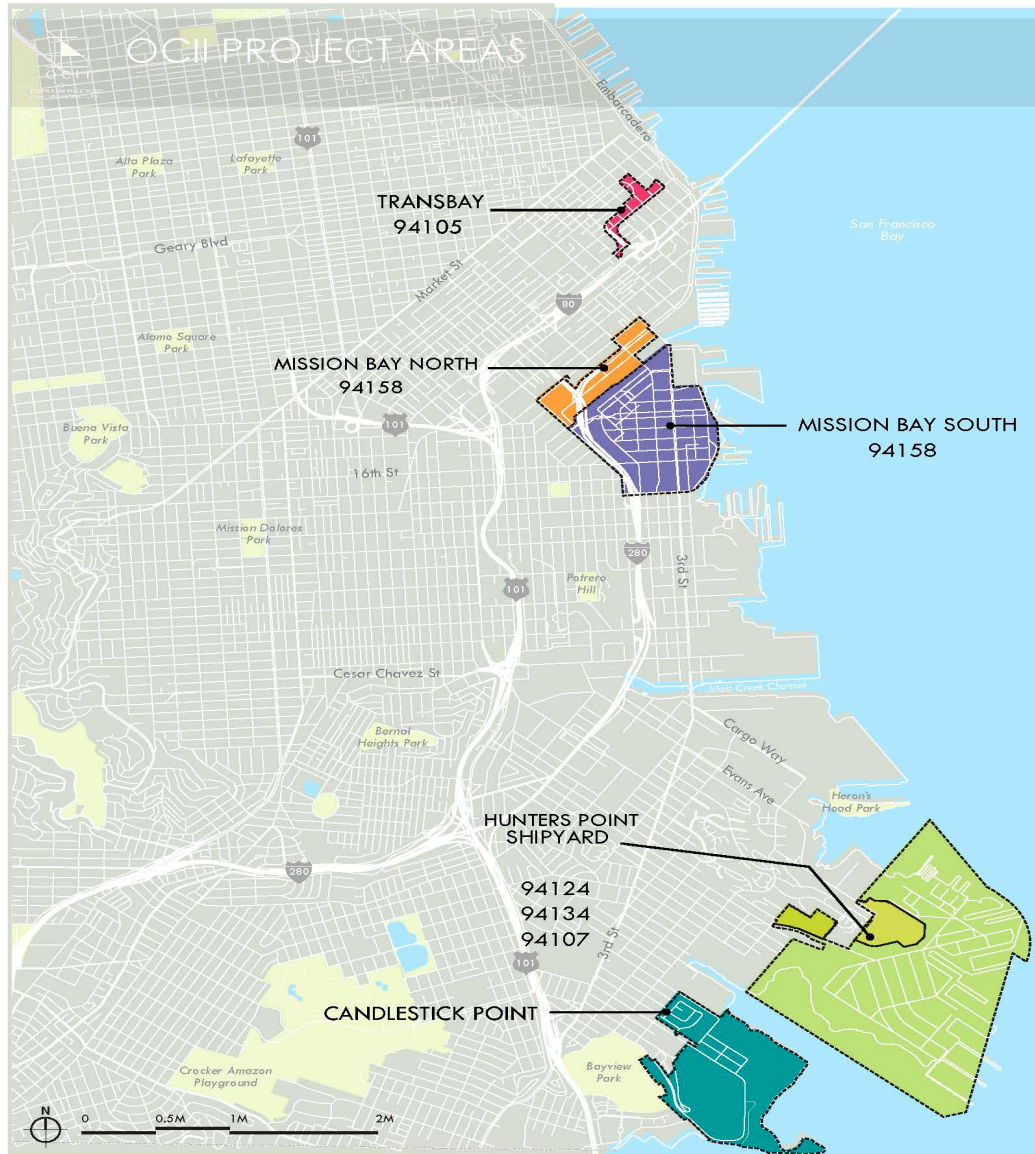
SBE Profile for Construction Contracts during January - June 2017

	SBE\$	SBE % All Awards	Distribution (% of Total)	No. of Contracts	Distribution % No. of Firms
Asian/Pacific American	3,647,179	4.1%	8.6%	6	8.1%
Black/African American	9,845,137	11.0%	23.2%	13	17.6%
Latino	4,586,278	5.1%	10.8%	14	18.9%
Other	55,750	0.1%	0.1%	1	1.4%
Subcontinent Asian	-	0.0%	0.0%	-	0.0%
Non-Minority Female	256,981	0.3%	0.6%	3	4.1%
Non-Minority Male	24,120,577	27.1%	56.7%	37	50.0%
TOTAL	42,511,901	47.7%	100.0%	74	100.0%

SBE Availability*	% of Total
78	15.0%
51	9.8%
67	12.9%
16	3.1%
23	4.4%
37	7.1%
247	47.6%
519	100.0%

**SBE Availability figure is derived from bid data and the City and County of San Francisco LBE database for construction*

ZIP CODE MAP OF OCII PROJECT AREAS



Distribution of Construction Contracts by zip code

Six Months Activity (January - June 2017)

ZIP	Availability (# of LBE Firms)	Utilization (# of LBEs on OCII Projects in the past 6 months)	% of LBEs on OCII Projects
94124	180	24	13%
94107	28	5	18%
94103	28	4	14%
94112	25	2	8%
94134	20	2	10%
94114	2	1	50%
94116	22	1	5%
94123	4	1	25%
TOTAL	309	40	13%

NOTE: District 10 construction firms (located in 94124, 94134 and 94107) were awarded 77.5% of LBE contracts.

OCII SBE Performance

Six Months Activity

(January – June 2017)

Joint Ventures and Associations

- SBE Policy amended in 2015 to clarify Joint Venture and Association requirements and incentivize small business development
- 8 Joint Ventures and Associations awarded contracts
 - 1 Black/African American-owned business
 - 3 Latino-owned businesses
 - 2 Asian-American Woman-owned businesses
- Positive impact on OCII assisted projects

Awards and Commitments Versus Actual Payments on Completed Projects

Project	Awards and Commitments			Actual Payments	
	Total \$	SBE \$	SBE %	SBE \$	SBE %
1450 Franklin	26,577,278	13,095,440	49.30%	15,295,338	46.0%
Mission Bay Block 7W	66,486,705	33,623,475	50.57%	30,483,787	49.0%

- Collection of payment information on completed contracts

Outreach

- Direct Notifications to SBEs/LBEs/MBEs/WBEs
- Advertisements in general and SBE-focused media
- Postings on OCII and the City's Office of Contract Administration (OCA) websites
- 16 pre-bid or pre-proposal meetings; numerous developer and contractor meetings
- CMD Certification referrals
- On-going meetings and dialogue:
 - National Association of Minority Contractors
 - Women Construction Owners and Executives
 - Minority Business Development Agency Business Centers
 - Shipyard Capital Assistance Program
 - Hunters Point Shipyard Citizens Advisory Committee
 - Turner School of Construction Management
 - Clark Construction Business Management and Strategic Partnership Program
 - EBMUD Small Business Expo
 - Asian American Architects and Engineers (AAAE)

Workforce Program

Office of Community Investment and Infrastructure (OCII)

- Good faith effort to employ San Francisco residents to perform 50% of total work hours
 - Contract-by-contract basis
- First Consideration given to residents of Project Areas
- The three current major Project Areas are Hunters Point Shipyard-Candlestick Point, Mission Bay, and Transbay
- OEWD administers workforce program: referral of SF residents and day-to-day compliance

OCII Workforce Performance

Status of Local Resident Work Hours for All Active Projects (as of June 30, 2017)

Local	Total	Local %	Change from Prior Report
1,204,581	4,968,799	24.2%	-1.1%

<i>All Active Projects</i>	Bayview Hunters Point	Hunters Point Shipyard	Mission Bay	Transbay	Other	TOTAL
Local Hours	90,734	547,791	284,431	218,042	63,583	1,204,581
TOTAL Hours	361,699	1,560,877	1,465,151	1,096,172	484,900	4,968,799
Local %	25.1%	35.1%	19.4%	19.9%	13.1%	24.2%

Figures represent total hours worked on all active projects in each respective area.

Workforce Challenges

- Meeting workforce demands remains challenging
- High level of construction activities resulting in tremendous demand for local construction labor
- Pool of local resident construction workers has not increased in proportion to increased level of construction activities
- Strong economy providing options other than construction sector employment
- City-funded projects facing similar challenges

Workforce Challenges

Mitigating measures:

- Continue to closely monitoring contractor performance and assisting contractors with referrals
- Monthly compliance meetings
- CityBuild working closely with Urban Strategies and other organizations for outreach and recruitment
- CityBuild conducting additional outreach and classes, specialized training and “bridge” programs to address barriers to employment
 - Specific Job Seeker Services, including Re-Entry Program Navigator, Veterans, Young Adults and People with Disabilities
- CityBuild working with industry and community partners to expand the program to build pipeline
- **Chase Center Training** inaugural cohort yielded 33 graduates

Summary & Next Steps

- SBE participation will continue to fluctuate
- Continuing efforts to increase SBE participation in Construction
 - SBE capacity building via Joint Ventures and Associations
 - Both Prime and Sub levels
 - Encouraging supplier participation
 - SBE networking
- Educate and promote LBE certification, and on-going working relations with Contract Monitoring Division (CMD)-
 - OCII will participate in a joint workshop with CMD to provide information on our SBE and Workforce Programs for the Steering Committee of the Emerging Leaders Peer Network
- Continuing efforts to increase local construction workforce participation