



Office of Community Investment & Infrastructure (OCII)
Semi-Annual Status Report on
Small Business Enterprise &
Workforce Programs
(January – June 2018)

Presentation Overview

- SBE Program Overview
- SBE Performance
- Workforce Performance

Equal Opportunity Programs (“EOP”)

OCII	SF City & County
Small Business Enterprise (SBE) Policy	Chapter 14B Ordinance: Local Business Enterprise and Non-discrimination in Contracting Ordinance
Nondiscrimination in Contracts and Equal Benefits Policy	Chapter 12B/12C Ordinances: Nondiscrimination in Contracts
Health Care Accountability Policy	Health Care Accountability Ordinance
Minimum Compensation Policy	Minimum Compensation Ordinance
Workforce Requirements (overall 50% with First Consideration for Project Area residents, applicable to OCII-assisted private projects)	Mandatory Local Hiring Ordinance (30% on publicly funded contracts and private projects on public land)
Prevailing Wage Policy (Labor Standards) (required on OCII-assisted private projects)	Prevailing Wage (required of public works contracts, i.e., construction-related work financed with public assistance)

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 2018)

Summary of Contracts Awarded

Project Type	# of Projects	Total (in Millions)	SBE Credit \$ (in Millions)	SBE Credit %	SBE Participation \$ (in Millions)	SBE %
Infrastructure (construction)	3	\$34.3	\$19.2	55.9%	\$19.2	55.9%
Market Rate/Inclusionary Housing (professional design)	1	\$2.3	\$1.9	81.6%	\$0.9	37.5%
Standalone Affordable Housing - OCII funded (professional design)	2	\$7.9	\$7.2	92.0%	\$5.1	64.3%
TOTAL	6	\$44.5	\$28.3	53.6%	\$25.2	56.7%

OCII SBE Performance

Six Months Activity
(January-June 2018)

Summary by Work Type (All Contracts)

<i>Summary</i>	Total Dollars (in Millions)	SBE Dollars (in Millions)	SBE % of Total
Professional Services	\$10.2	\$9.1	89.7%
Construction and Supplies	\$34.3	\$19.2	55.9%
Total	\$44.5	\$28.3	63.6%

OCII SBE Performance

Overall Summary (All Projects as of June 30, 2018)

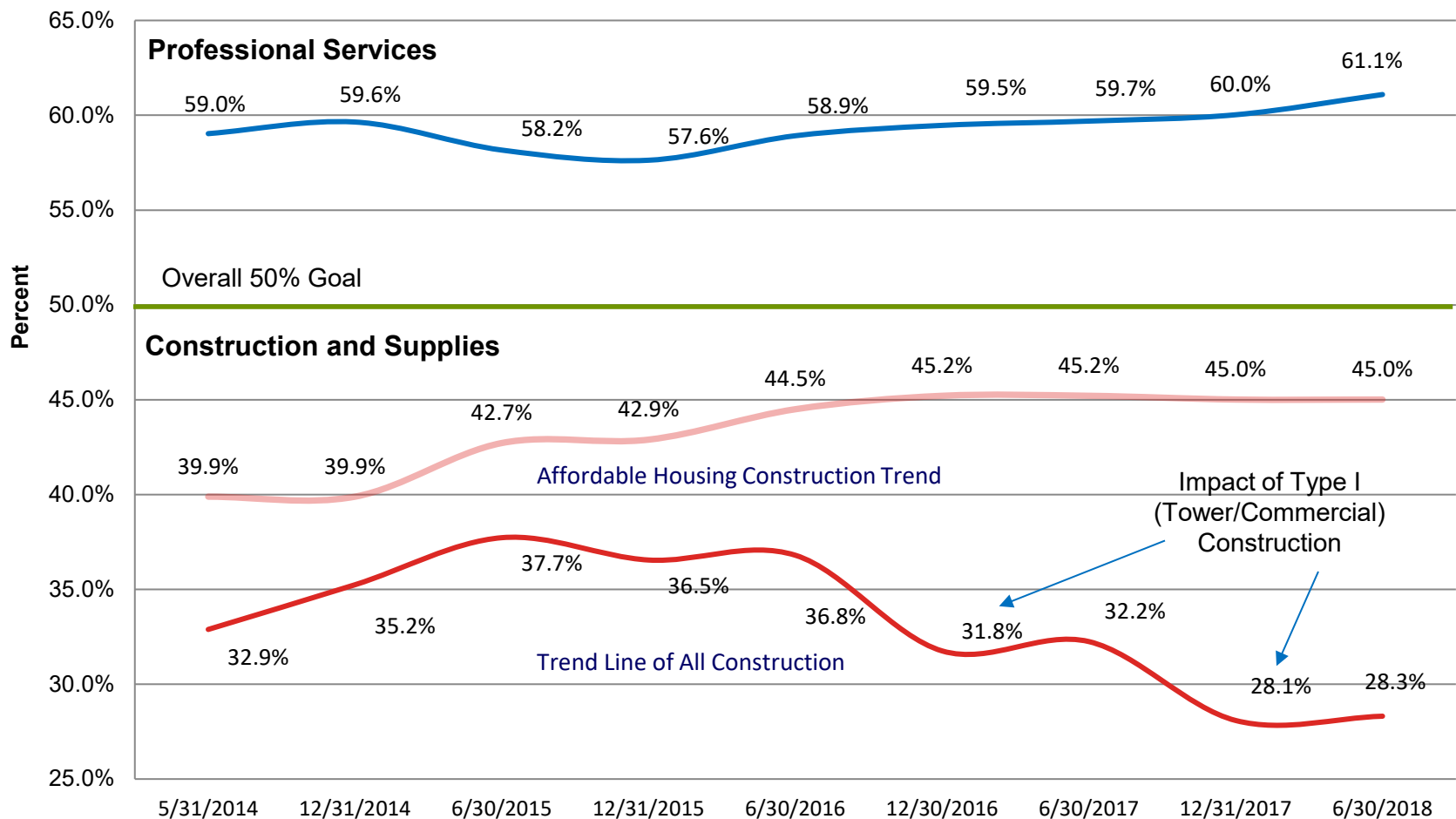
<i>Summary</i>	SBE Dollars Credited Towards Goal (in Millions)	Total Dollars (in Millions)	% of Total	Change from Prior Report
Professional Services	\$156.5	\$256.1	61.1%	1.2%
Construction and Supplies	\$1,114.9	\$3,956.6	28.2%	0.2%
Total	\$1,271.4	\$4,212.6	30.2%	0.4%

OCII SBE Performance

Overall Summary

(As of June 30, 2018)

SBE Percentage of Total Dollars



OCII SBE Performance

Overall Summary

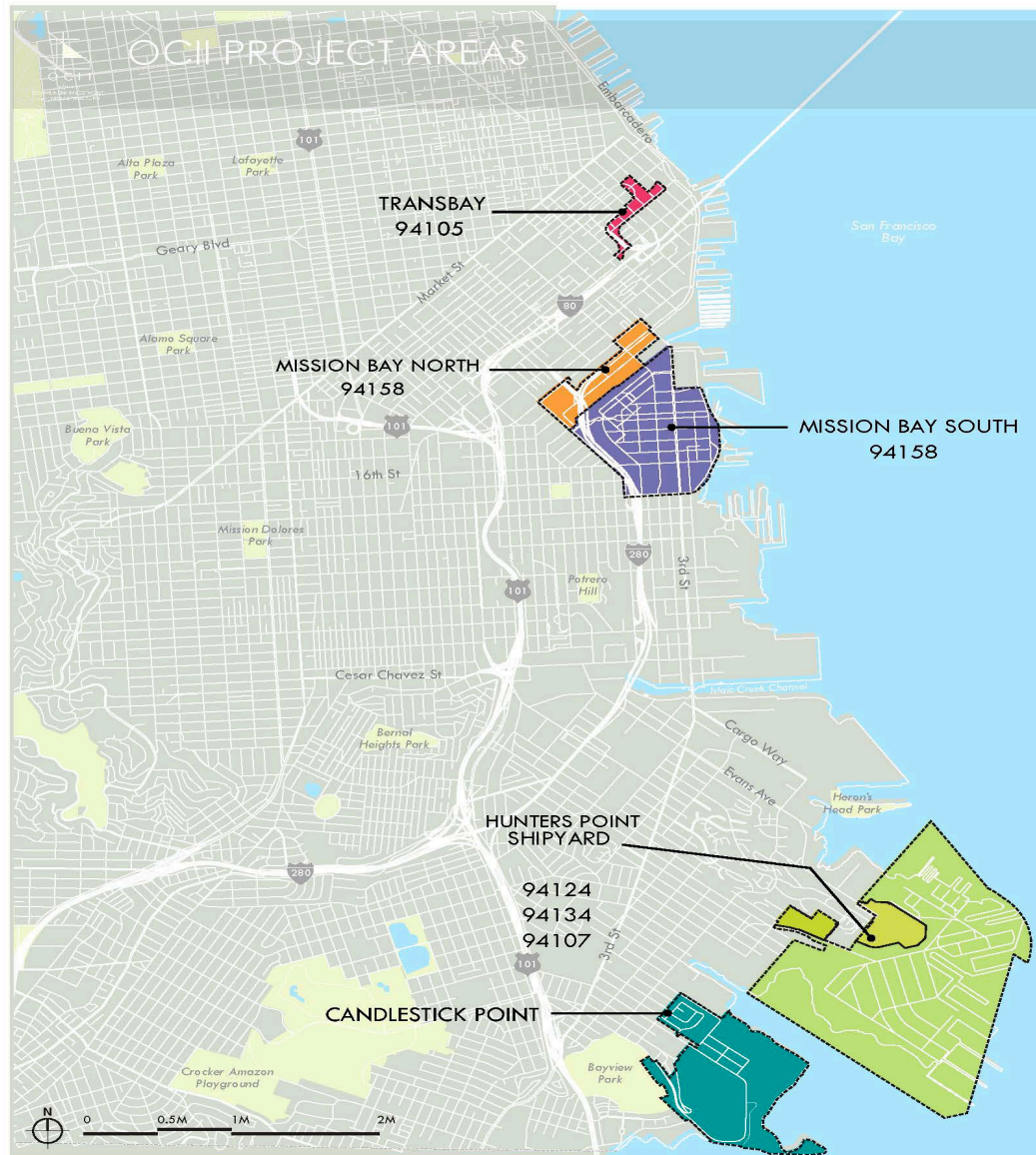
(All Active Projects as of June 30, 2018)

SBE Profile for All Active Contracts as of June 30, 2018 (Professional Services and Construction)

	SBE\$ (in Millions)	Distribution (% of Total)	SBE Availability* (# of Firms)	% of Total
Asian/Pacific American	108.9	11.6%	144	15.7%
Black/African American	151.9	16.1%	72	7.8%
Latino	101.7	10.8%	87	9.5%
Other	10.0	1.1%	55	6.0%
Subcontinent Asian	5.4	0.6%	23	2.5%
Non-Minority Female	55.9	5.9%	162	17.6%
Non-Minority Male	509.0	54.0%	377	41.0%
TOTAL	942.7	100.0%	920	100.0%

**SBE Availability figure is derived from the City and County of San Francisco LBE database for suppliers, professional services firms and construction contractors.*

ZIP CODE MAP OF OCII PROJECT AREAS



Distribution of Contracts by ZIP Code

All Active Projects
(as of June 30, 2018)

Zip Code	Total Contract Dollars Awarded to LBEs (in Millions)	% of Total
94124	\$270.5	47%
94107	\$61.9	11%
94103	\$51.4	9%
94111	\$41.1	7%
94130	\$38.6	7%
94110	\$20.8	4%
94104	\$18.3	3%
94134	\$14.7	3%
Other SF	\$60.9	10%
TOTAL	\$578.1	100%

NOTE: District 10 firms (located in 94124, 94134 and 94107) were awarded 61% of value of LBE 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
- 18 pre-bid or pre-proposal meetings; numerous developer and contractor meetings
- CMD Certification referrals
- On-going meetings and dialogue:
 - San Francisco African American Chamber of Commerce
 - National Association of Minority Contractors
 - Women Construction Owners and Executives
 - Minority Business Development Agency Business Centers
 - Shipyard Construction Assistance Program
 - Hunters Point Shipyard Citizens Advisory Committee
 - Clark Construction Business Management and Strategic Partnership Program
 - E-Contractor Academy (Emerald Cities collaborative)
 - Bayview Business Advisory Committee/Bayview Renaissance

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, 2018)

Local	Total	Local %
1,463,697	7,021,673	20.8%

All Active Projects	Bayview Hunters Point	Hunters Point Shipyard	Mission Bay	Transbay	Other
Local Hours	31,465	514,887	553,913	329,262	34,170
TOTAL Hours	158,573	1,564,818	3,116,665	1,997,075	184,543
Local %	19.8%	32.9%	17.8%	16.5%	18.5%

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

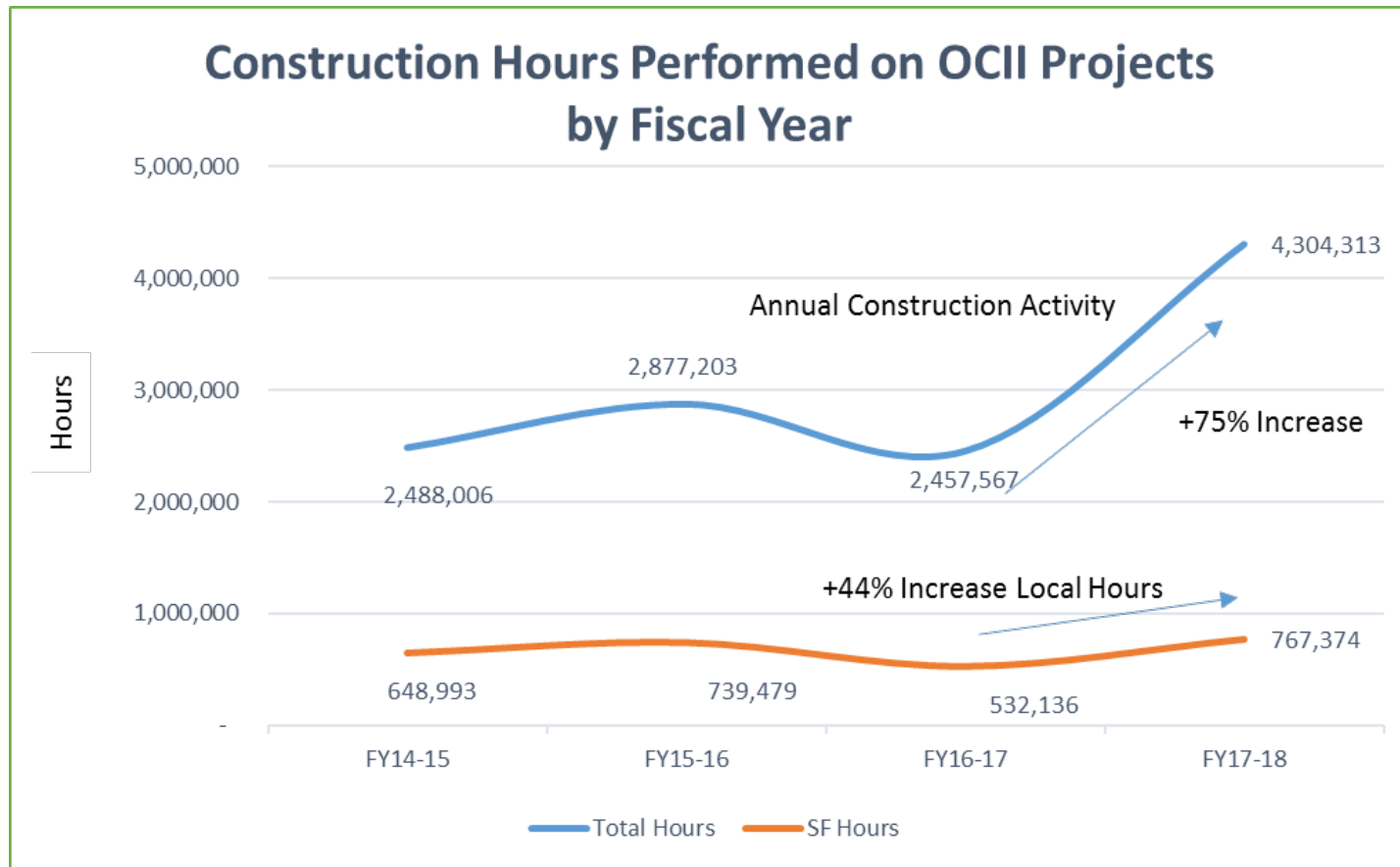
Workforce Challenges

- Meeting workforce demands remains challenging
- High level of construction activities resulting in an unprecedented demand for local construction labor
- Pool of local resident construction workers has increased, but not in proportion to increased level of construction activities

OCII Construction Activity Fiscal Year Comparison	FY2018 (7/1/17- 6/30/18)	FY2017 (7/1/16- 6/30/17)	Annual Increase in Hours	% Annual Increase
Local Hours	767,374	532,136	+ 235,238	+ 44%
Total Hours	4,304,313	2,457,567	+ 1,846,746	+ 75%

- City-funded projects facing similar challenges

Workforce Challenges



Workforce Challenges

Mitigating measures

- Continue to closely monitor contractor performance and assisting General Contractors and Contractors with referrals
- Monthly compliance meetings
- CityBuild working closely with Community Based Organizations for outreach and recruitment
- CityBuild conducting additional outreach and classes, specialized training and “bridge” programs to address barriers to employment
 - Re-Entry Program Navigator, Veterans, Young Adults
CityBuild working with industry and community partners to expand the program to build pipeline
 - CityBuild Academy Cycle 29 (41 Participants)
 - Chase Center Academy Trade specific specialized trainings
 - 3rd Cycle: Steel Workers and Concrete- 5 weeks/200 hours (35 participants)
 - 50 local resident sponsorships into trade unions

Summary & Next Steps

- SBE participation will continue to fluctuate
- Continuing efforts to increase SBE participation in Construction
 - Encouraging supplier participation
 - SBE networking
- Educate and promote LBE certification and on-going working relations with Contract Monitoring Division (CMD)
- Continue to foster small business capacity building
 - Joint Ventures and Associations
 - Bayview Business Advisory Committee/Bayview Renaissance – advocacy and technical assistance
- Continuing efforts to increase local construction workforce participation
 - Encouraging employers to sponsor residents into trade unions