



Office of Community Investment & Infrastructure (OCII)
Semi-Annual Status Report on
Small Business Enterprise &
Workforce Programs
(January – June 2019)

Presentation Overview

- 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

Good Faith Efforts

GOOD FAITH EFFORT	DESCRIPTION
1. Contract Size	Unbundling or dividing contracts in order to encourage and facilitate SBE participation, including scopes that a contractor normally self-performs.
2. Advertise	Advertise for a minimum of 30 days, allowing SBEs sufficient time to respond to requests for bids or proposals.
3. SBE Lists	Outreach to SBE lists, including LBEs.
4. Public Solicitation, Outreach and Assistance	Issue solicitations, follow up with SBEs and SBE related associations, provide technical assistance to SBEs, and provide SBEs with plans.
5. Meetings	Convene pre-bid/pre-solicitation meetings to answer questions. Also, to encourage larger firms to meet and greet in hopes of establishing contracting relationships with SBEs in attendance.
6. Insurance and Bonding	Offer assistance with bonding, including eliminating the need for performance and payments bonds through an owner controlled insurance program (OCIP) on the part of a developer, or contractor controlled insurance program (CCIP) or subguard.
7. Focused Meetings	When deficiencies are noted, convene meetings for SBEs focusing on opportunities for particular industries.
8. Monitoring	Contractors will track information related to SBE and non-SBE proposals/bids that were received and provide reasons for any rejections as applicable. Compliance staff also reviews the bids to ensure SBEs are awarded contracts if competitive bids were submitted.

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 2019)

Summary of Contracts Awarded

Project Type	# of Projects	Total (Millions)	SBE Credit \$ (Millions)	SBE Credit %
Infrastructure (construction and professional services)	4	\$32.76	\$31.62	96.5%
Standalone Affordable Housing - OCII funded (construction)	1	\$82.78	\$21.48	26.0%
Market Rate/Inclusionary Housing (professional design)	2	\$14.05	\$7.48	53.2%
Miscellaneous (construction)	1	\$0.21	\$0.21	100.0%
TOTAL	8	\$129.80	\$60.79	46.8%

Summary by Work

Summary	Total Dollars (Millions)	SBE Dollars (Millions)	SBE % of Total
Professional Services	\$15.44	\$8.52	55.2%
Construction and Supplies	\$114.35	\$52.27	45.7%
Total	\$129.80	\$60.79	46.8%

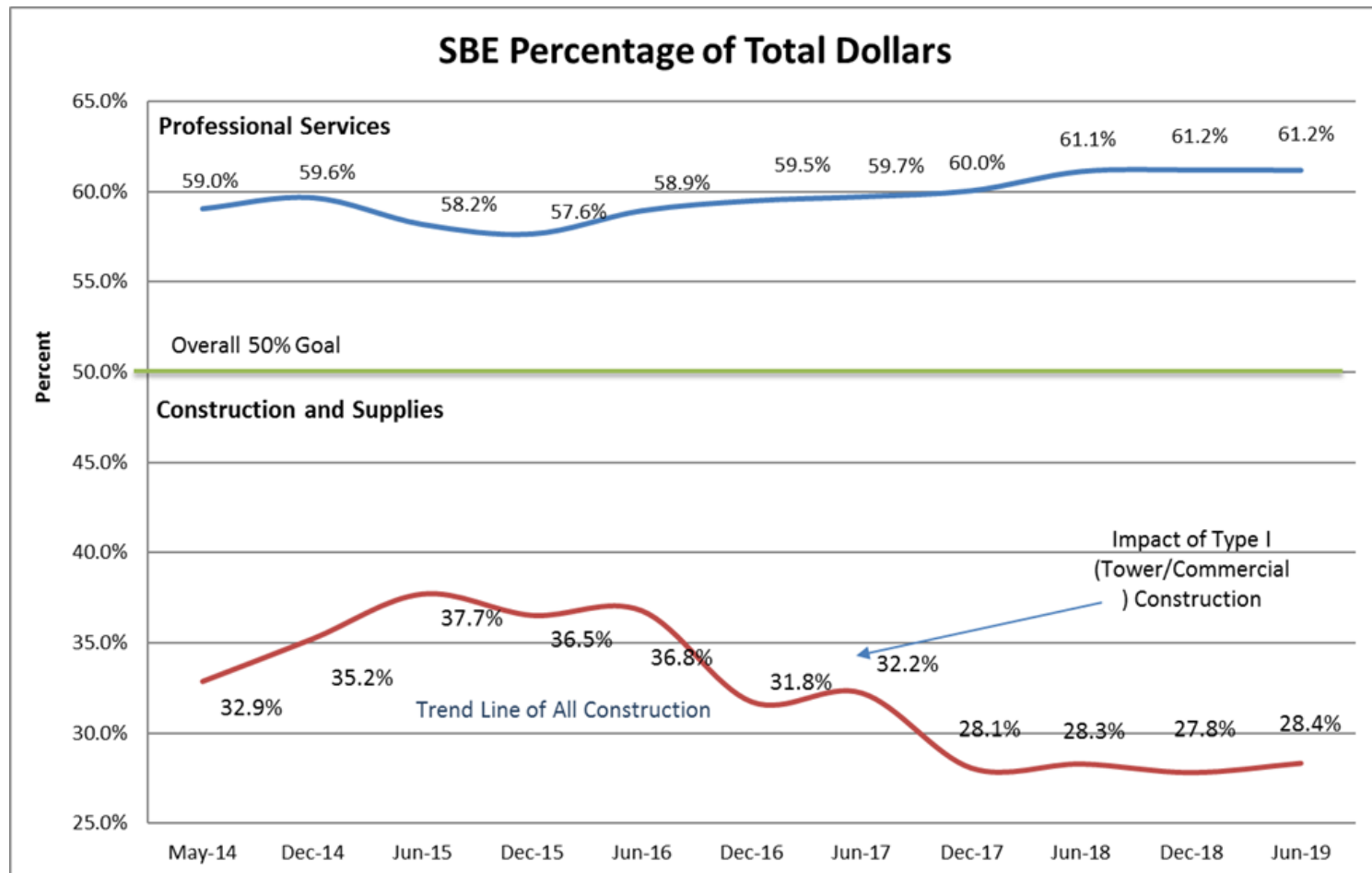
OCII SBE Performance

Accumulated Total and Percentages
(All Projects as of June 30, 2019)

<i>Summary</i>	SBE Dollars Credited Towards Goal (in Millions)	Total Dollars (in Millions)	% of Total	Change from Prior Report
Professional Services	\$168.4	\$275.2	61.2%	0.0%
Construction and Supplies	\$1,176.1	\$4,175.1	28.2%	0.5%
Total	\$1,344.5	\$4,450.3	30.2%	0.5%

OCII SBE Performance

Overall Summary (As of June 30, 2019)



Awards and Commitments by Minority and Gender Status

Six Months Activity
(January-June 2019)

<i>January-June 2019 Summary</i>	MBE \$ (Millions)	WMBE \$ (Millions)	WBE \$ (Millions)	Total M/WBE \$ (Millions)	MBE %	WMBE %	WBE%	TOTAL M/WBE %
Professional Services	\$3.3	\$0.2	\$3.9	\$7.5	21.7%	1.6%	25.4%	48.6%
Construction and Supplies	\$15.0	\$15.2	\$0.5	\$30.6	13.1%	13.3%	0.4%	26.8%
Total	\$18.3	\$15.4	\$4.4	\$38.2	14.1%	11.9%	3.4%	29.4%

Outreach

- Direct Notifications to SBEs/LBEs/MBEs/WBEs
- Advertisements in general and SBE-focused media
- Postings on OCII and the City's City Partner Procurement websites
- Pre-bid or pre-proposal meetings; 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
 - Hunters Point Shipyard Citizens Advisory Committee
 - Asian American Architects and Engineers
 - Clark Construction Business Management and Strategic Partnership Program
 - 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

Workforce Program

Program Compliance Measures

COMPLIANCE MEASURES	DESCRIPTION
1. Workforce Kick-Off Meeting	Kick-Off meeting is held with every Developer and General Contractor prior to start of construction.
2. Workforce Projection Forms	All General Contractors and Subcontractors submit workforce projection forms prior to start of construction for OEWD planning purposes.
3. Preconstruction Meetings	All Subcontractors, accompanied by the General Contractor, meet with CityBuild to discuss workforce requirements and their Workforce Projections within 30 days prior to commencement of construction.
4. Local Worker Request Forms and Referral Process	All General Contractors and Subcontractors submit local construction worker request forms ("Form 3") when they plan to increase its workforce on the job site. CityBuild has at least 72 hours to provide local worker referrals. CityBuild utilizes its internal employment network, COBs, and Mission Street Career Link Center drop-ins, among others.
5. Certified Payroll Reports	All General Contractors and Subcontractors submit certified payroll reports ("CPRs") for the preceding workweek to the online reporting system. Delinquent reports are gathered.
6. Job Site Visits	CityBuild conducts job site visits and site meetings to assess status of project construction, confirm contractors onsite, and verify local workforce participation, including speaking with local referrals.
7. Workforce Compliance Reports	CityBuild generates monthly workforce compliance reports to Developers, General Contractors, and OCII. Compliance matters are handled via email, telephone/teleconference, in-person meetings, and/or group meetings, as appropriate.
8. Monitoring and Progress Meetings	CityBuild and OCII holds ongoing monthly progress meetings, and meetings with Developers, General Contractors and deficient Subcontractors, as necessary. Remedial measures are discussed and enforced with deficient contractors, including requiring them to hire additional local workers and sponsoring apprentices into the Trades.

OCII Workforce Performance

Status of Local Resident Work Hours

Six Months Activity (January-June 2019)

<i>Construction Workforce January-June 2019</i>	Hunters Point Shipyard	Mission Bay	Transbay	Other*	TOTAL
Local Hours	7,583	231,130	106,389	9,823	354,925
TOTAL Hours	39,548	1,655,168	832,006	62,812	2,589,534
Local %	19.2%	14.0%	12.8%	15.6%	13.7%

* 706 Mission

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

OCII Workforce Performance

Status of Local Resident Work Hours

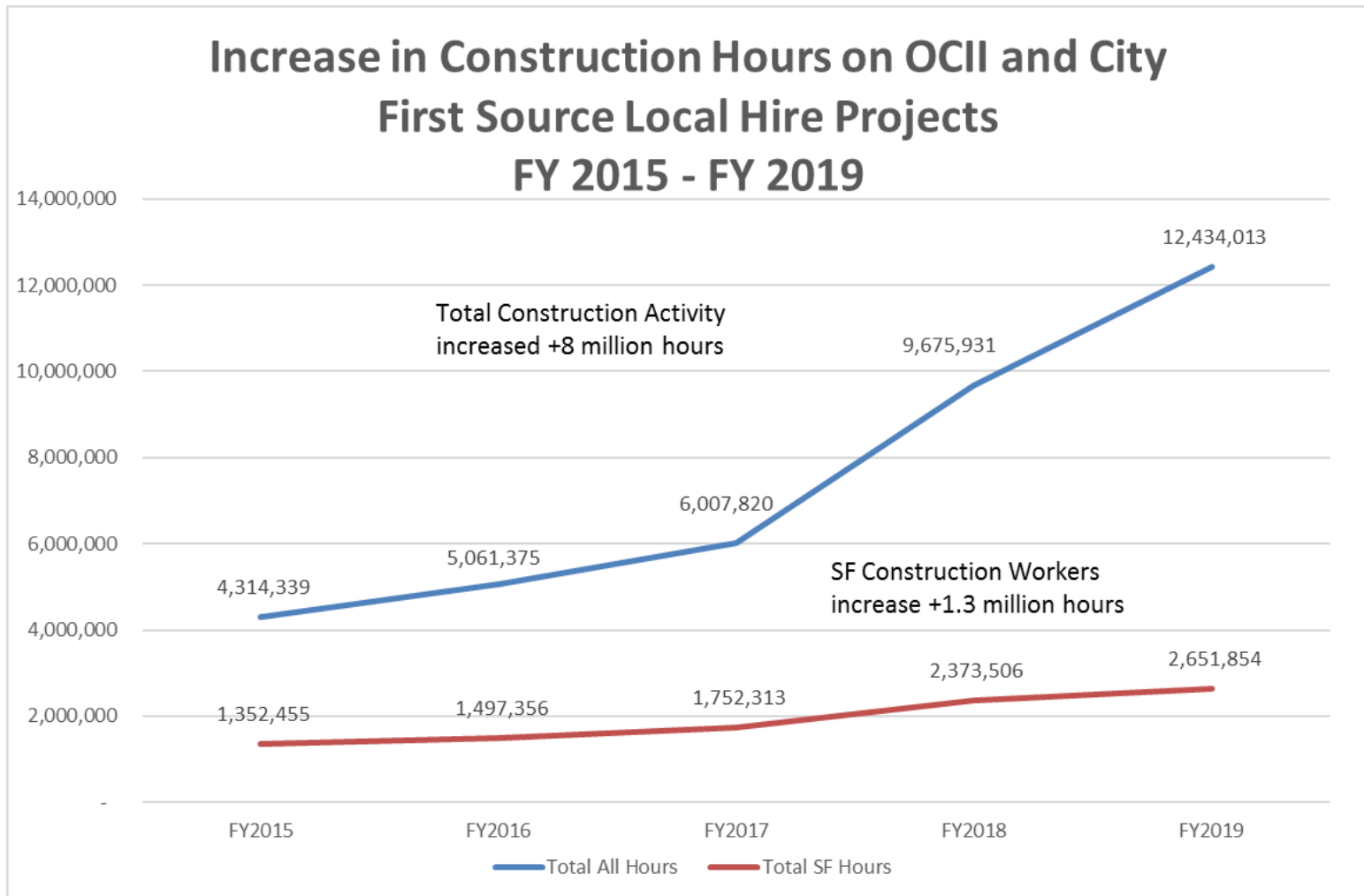
Accumulated Total

(All Active Projects as of June 30, 2019)

<i>All Active Projects</i>	Bayview Hunters Point	Hunters Point Shipyard	Mission Bay	Transbay	Other	TOTAL
Local Hours	32,091	284,176	1,094,097	545,204	55,939	2,011,508
TOTAL Hours	155,534	1,017,463	6,690,495	3,972,460	325,131	12,161,083
Local %	20.6%	27.9%	16.4%	13.7%	17.2%	16.5%

Workforce Challenges

- Unprecedented construction activities and demand for local labor



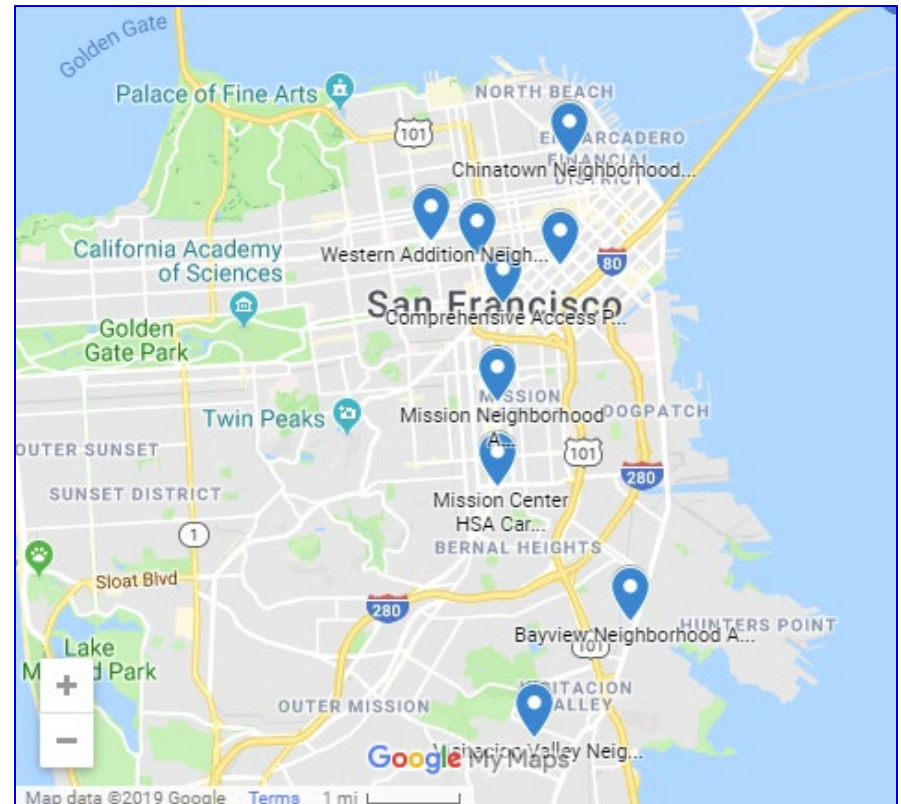
Workforce Challenges

Mitigating measures

- Continue to closely monitor contractor performance and assisting General Contractors and Contractors with referrals
- Monthly compliance meetings
- CityBuild continues to expand their academy to address demand, efforts include:
 - Working closely with SFUSD, private industry, and Community Based Organizations for outreach and recruitment
 - 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- reference
 - CityBuild Academy Cycle 30 and CAPSA (51 Graduates)
 - Gleneagle Golf Course laborer pre-apprenticeship program.
 - Chase Center Academy Trade specific specialized trainings
 - 3rd Cycle: 5 weeks/200 hours (30 participants)
 - 113 local resident sponsorships into trade unions and construction careers
 - 574 local resident placements placed by CityBuild on project

Workforce Development Beyond Construction

- First Source Hiring for end-use positions on OCII projects
 - Chase Center
 - Office and Retail
- Construction Administration & Professional Service Academy (CAPSA)
- Sector Training Programs
- Neighborhood Access Points



FY 17/18 Sector Programs

<u>Sector Programs</u>	<u>Enrollment</u>	<u>Placement</u>	<u>% of Enrollees Placed</u>
CityBuild	183	146	80%
TechSF	253	148	58%
Hospitality	494	349	71%
HealthCare	356	226	63%

FY 17/18 Total Community Members Served

Enrollment
4943

64%

Placement
3139

Placement
out of
Total Enrollment





Workforce Challenges

Unprecedented construction activities and demand for labor

