



Long Beach Local Hire Coalition

April 12, 2019

RE: Recommendations to Improve Local and Disadvantaged Hiring in Citywide Project Labor Agreement

Honorable Mayor and Councilmembers:

The Long Beach Local Hire Coalition is comprised of community-based organizations and local residents who came together in 2014 to provide recommendations on Local and Disadvantaged hiring in the Citywide Project Labor Agreement (PLA), adopted in 2015. With over a billion dollars of construction scheduled in the City of Long Beach through 2022, our focus is to ensure that Local and Disadvantaged hiring occurs in a meaningful manner to support Long Beach residents.

We appreciate the City's efforts to transition the management of the PLA from the Financial Management Department to the Economic Development Department, Pacific Gateway Workforce Innovation Network (PGWIN). Further integrating PLA compliance monitoring with PGWIN support services is a major step in the right direction to increase the hiring of Local and Disadvantaged Long Beach residents.

As you recall, the PLA's Local hire target is 40 percent of total work hours; the Disadvantaged hire target is 10 percent of work hours performed by workers whose household income is below 70 percent of the federal Lower Living Standard Income Level. The Staff Report dated April 16, 2019, claims that the City is exceeding both targets, in large part because the PLA defines "Local" as all of Los Angeles and Orange Counties. Moreover, the Staff Report looks at cumulative work hours across all projects, as opposed to a project-by-project review, which is the standard reporting practice for other PLAs in our region, including the City of Los Angeles and Los Angeles County Metro.

Our coalition's data analysis looks at work hours performed by Long Beach residents—whom we define as "Local"—and compliance on a project-by-project basis (see attached table). **Out of 20 complete and active PLA projects, only two projects have met the Long Beach Local hire promise, and only five projects have met the Disadvantaged hire promise. That translates to a 10 percent success rate for Long Beach Local hiring, and a 25 percent success rate for Disadvantaged hiring.** As a city, we can and must do better for our residents most in need of good jobs. In fact, we have proof we can do better because the AST at West PD Substation Project (Project 6 on the table) met *both* the Long Beach Local target *and* the Disadvantaged target, *and* this was a relatively small project of less than \$1 million.

With these findings, it is evident that the PLA is missing some key structural components to ensure the success of Local and Disadvantaged hire. One such missing component is the requirement of an Independent Jobs Coordinator for all PLA projects, to build the pipeline. Independent Jobs Coordinators have proven to be a

critical tool for success on PLA projects, as they act as the conduit and advocate for Local and Disadvantaged workers to the building trades and employers. Jobs Coordinators provide the community with construction industry knowledge and company relationships, while also specializing in working with at-risk residents regarding construction employment preparation. LA Metro has a model definition of Jobs Coordinator: "Jobs Coordinator means an independent third-party individual, entity or employee with whom the Prime Contractor or City enters into a contract or employs to facilitate implementation of the Targeted Hiring Requirements of this Agreement."

Based on proven PLA best practices, we recommend four improvements to the PLA to strengthen Local and Disadvantaged hire:

- 1. Require an Independent Jobs Coordinator for all PLA projects;**
- 2. Define "Disadvantaged" worker using LA Metro's comprehensive definition, which targets the most economically and socially disadvantaged populations;**
- 3. Report "Disadvantaged" work hours by city or tier, so that we know if Long Beach residents are benefiting; and**
- 4. Use LA Metro's process for holding contractors liable for Local and Disadvantaged hiring goals.**

The Long Beach Local Hire Coalition appreciates the City's commitment, as stated in the Staff Report, to "support an increased programmatic focus on connecting residents with quality employment opportunities within publicly-funded construction projects." The best way to achieve this goal is to utilize proven best practices that will create the inclusive local economy that our city's residents need and deserve.

Sincerely,

Long Beach Local Hire Coalition:

Long Beach Community Action Partnership
Long Beach Forward
Long Beach Residents Empowered
United Cambodian Community
PVJOBS
Legal Aid Foundation of Los Angeles
East Yard Communities for Environmental Justice

Enclosures:

1. Table: Work Hours on Long Beach PLA Projects, as of February 2019
2. Graph: Local and Disadvantaged Hire Success Rates: Long Beach vs. Los Angeles vs. LA County Metro

Work Hours on Long Beach PLA Projects, as of February 2019

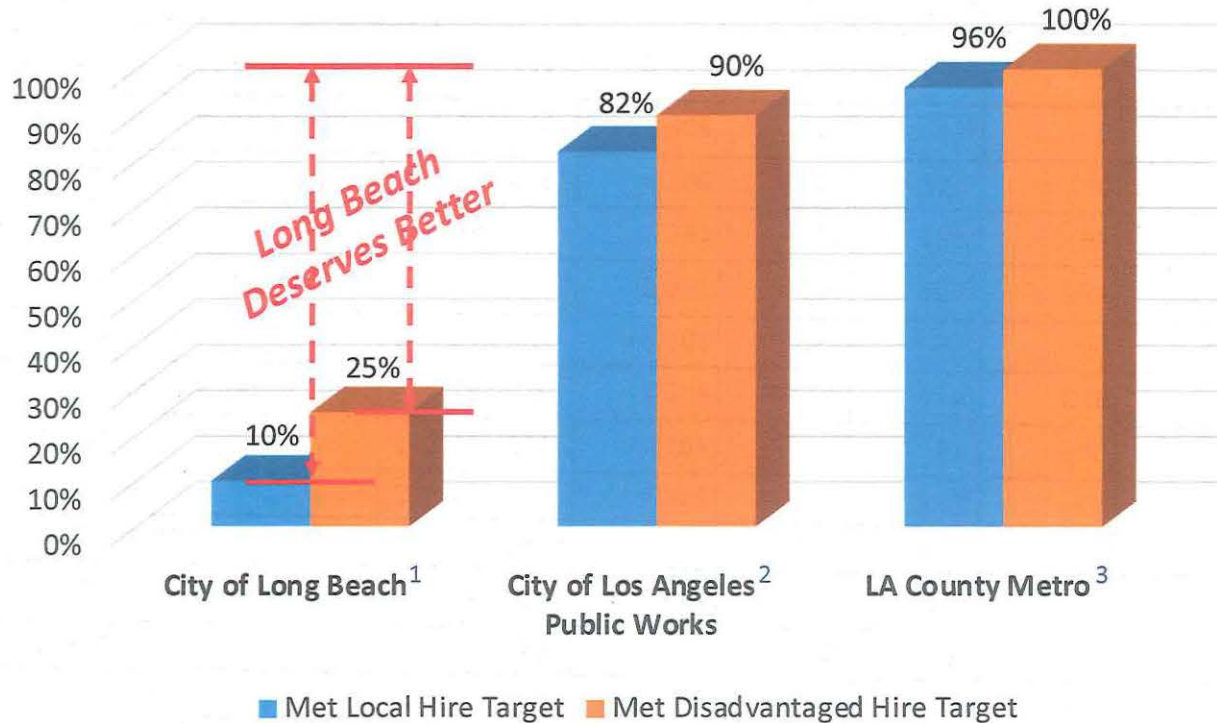
#	Project Name	Award	Total Project Hours	Hours LB Workers	% Hours LB Workers	Hours Disadv Workers	% Hours Disadv Workers **	Is project meeting local Long Beach promise?	Is project meeting disadvantaged promise?
1	Courthouse Demolition	\$ 7,184,400	47,159	8,207	17%	16,814	36%	No	Yes
2	Fire Station Workforce Privacy	\$ 2,760,575	10,013	1,777	18%	155	2%	No	No
3	Seaside Pedestrian Bridge	\$ 9,284,233	46,508	7,350	16%	3,125	7%	No	No
4	Drake/Chavez Soccer Field	\$ 2,865,083	16,866	1,311	8%	8	0.05%	No	No
5	Low Flow Diversion Systems	\$ 2,363,493	6,920	808	12%	341	5%	No	No
6	AST at West PD Substation	\$ 779,142	2,400	1,003	42%	390	16%	Yes	Yes
7	El Dorado Nature Center	\$ 759,938	2,843	200	7%	176	6%	No	No
8	Deforest Wetlands Restoration	\$ 5,716,980	31,932	9,923	31%	2,421	8%	No	No
9	55th Way Landfill Cover	\$ 1,183,413	4,358	1,490	34%	94	2%	No	No
10	Colorado Lagoon 2B	\$ 3,187,369	14,197	2,272	16%	660	5%	No	No
11	CNG Fueling Station Temple Willow Yard	\$ 3,284,010	7,106	2,930	41%	249	4%	Yes	No
12	Improvements to Airport Garage - Lot A	\$ 4,916,224	19,564	951	5%	700	4%	No	No
13	Willow Springs Wetlands Restoration	\$ 1,577,715	5,907	1,556	26%	831	14%	No	Yes
14	Seaside Park Artificial Turf	\$ 850,435	1,961	486	25%	93	5%	No	No
15	Admiral Kidd Park Artificial Turf	\$ 1,559,949	4,708	1,106	23%	160	3%	No	No
16	Phase II Airport Terminal Improvements *	\$65,259,490	1,834	14	1%	0	0%	No	No
17	Rainbow Harbor Evacuation System Repair and Upgrade	\$ 1,014,500	2,149	780	36%	352	16%	No	Yes
18	Leeway Sailing Pier Gondola Deck	\$ 2,519,831	10,424	2,146	21%	1,996	19%	No	Yes
19	Houghton Park Community Center *	\$ 5,247,723	6,513	680	10%	24	0.37%	No	No
20	Re-Roof at Stearns Park Community Center *	\$ 684,066	594	159	27%	0	0%	No	No

* Active Project

** All LA County and Orange County; data not reported by zip code

Local and Disadvantaged Hire Success Rates: Long Beach vs. Los Angeles vs. LA County Metro

Percentage of PLA Projects that Have Met
Local and Disadvantaged Hire Targets, as of Nov 2018



¹ Long Beach PLA: 2 out of 20 projects have met the local hire target of 40%; 5 out of 20 projects have met the disadvantaged hire target of 10%. Source: Long Beach PLA Monthly Reports, <http://www.longbeach.gov/finance/business-info/compliance/project-labor-agreement/>

² Los Angeles Dept of Public Works PLA: 72 out of 88 projects have met the local hire target of 30%; 79 out of 88 projects have met the disadvantaged hire target of 10%. Source: Los Angeles Department of Public Works PLA Report, https://bca.lacity.org/pla_report

³ Metro PLA: 25 out of 26 projects have met the local/"economically disadvantaged" hire target of 40%; all 26 projects have met the disadvantaged hire target of 10%. Source: Metro Project Labor Agreement & Construction Careers Policy website, <https://www.metro.net/about/placcp/>