

CONSTRUCTION WORKFORCE HIRE POLICY of the Successor Agency to the Redevelopment Agency (“Agency”)

A. Procedures For Construction Workforce Hires

1. Compliance with the Policy

The Project Sponsor agrees and will require each Contractor and all subcontractors to use its good faith efforts to employ 50% of its construction workforce hires by trade and by hours from qualified San Francisco Residents with first consideration given to Project Area Residents. Project Sponsors and Contractors will be deemed in compliance with this Construction Workforce Hire Policy (“Policy”) by meeting or exceeding the goal or by taking the following steps in good faith towards compliance.

2. Execute Employment and Contracting Agreement

The Project Sponsor shall execute an Agreement which details the requirements of the Policy, as well as the Successor Agency’s Equal Opportunity Program, if applicable. The Project Sponsor shall incorporate by reference or attach the Agreement to its contract with the general contractor. The general contractor shall do the same in its contracts with its subcontractors. Thus, each Contractor will be obligated to comply with the terms of the Agreement. The Project Sponsor and/or Contractors shall retain the executed Agreements and make them available to the Compliance Officer upon request.

3. Submission of Labor Force Projections and Other Data

The general contractor shall submit, to the extent available, labor force projections to the Compliance Officer within two (2) weeks of award.

4. Submit Subcontractor Information Form

The general contractor shall submit to the Compliance Officer the Subcontractor Information Forms, twenty-four (24) hours prior to the preconstruction meeting. The Subcontractor Information Forms are available from the Compliance Officer upon request.

5. Preconstruction Meeting

The general contractor shall hold a preconstruction meeting which shall be attended by the Compliance Officer, CityBuild, all prime contractor(s) and all subcontractor(s). The preconstruction meeting shall be scheduled between two (2) days and thirty (30) days prior to the start of construction at a time and place convenient to all attendees. The purpose of the meeting is to discuss: the hiring goals, workforce composition, worker referral process, certified payroll reporting, procedure for termination and replacement of workers covered by this Policy and to explore any anticipated problems in complying with the Policy. All questions regarding how this Policy applies to the Project Sponsor, general contractor, subcontractors and consultants should be answered at this meeting. Failure to hold or attend at least one (1) preconstruction meeting will be a breach of the Policy that may result in the Agency ordering a suspension of work until the breach has been cured. Suspension under this provision is not subject to arbitration.

6. **Submit Construction Worker Request Form**

For the Term of the Agreement, each time the Project Sponsor or Contractor seeks to hire workers for the construction or rehabilitation of improvements, they must first submit, by fax, email or hand delivery, an executed construction worker request form to CityBuild. Preferably this request will be submitted at least two (2) business days before the workers are needed. However, requests with less than two (2) business days notice will be accepted. The construction worker request form will indicate generally: the number of workers needed, duration needed, required skills or trade and date/time to report. The construction worker request form is available from the Compliance Officer upon request.

7. **Response from CityBuild**

CityBuild shall respond, in writing, via fax, email or hand delivery to each request for construction workers. The response shall state that CityBuild was able to satisfy the request in full, in part or was unable to satisfy the request. CityBuild shall look to their own referral lists, as well as confer with CBOs in an attempt to find qualified Project Area Residents and San Francisco Residents. If CityBuild is able to satisfy the request in full or in part, it shall direct the qualified Project Area Resident(s) or San Francisco Resident(s) to report to the Contractor on the date and time indicated in the request. If CityBuild is unable to satisfy the request, then CityBuild shall send a fax or email stating that no qualified Project Area Residents or San Francisco Residents are currently available.

8. **Action by Contractor When Referrals Available**

The Project Sponsor or Contractor whose request has been satisfied in full or in part shall make the final determination of whether the Project Area Residents or San Francisco Residents are qualified for the positions and the ultimate hiring decision. The Agency strongly encourages the Contractor to hire the qualified Project Area Residents or San Francisco Residents referred by CityBuild. However, if the Contractor finds the Project Area Residents or San Francisco Residents are not qualified, then the Contractor shall send the Project Area Residents or San Francisco Residents back to CityBuild. Before the close of business on the same day, the Contractor shall fax or email a statement addressed to CityBuild stating in detail the reason(s) the Project Area Residents or San Francisco Residents were not qualified or the reason(s) for not hiring the Project Area Residents or San Francisco Residents. CityBuild shall, within one (1) business day of receipt of the fax or email, send new qualified Project Area Residents or San Francisco Residents that meet the legitimate qualifications set by the Contractor or alternatively, send a fax or email stating that no qualified Project Area Residents or San Francisco Residents are currently available.

9. **Action by Contractor When Referrals Unavailable**

If a Contractor receives a response from CityBuild stating that no qualified Project Area Residents or San Francisco Residents are currently available, then the Contractor may hire the number of construction workers requested from CityBuild, using its own recruiting methods, giving first consideration to Project Area Residents and then San Francisco Residents. Any additional new construction workforce hires (including the replacement of any terminated workers) must comply with this Policy, unless the Contractor has already met or exceeded the

goal. The Contractor must keep a copy of the response it receives from CityBuild as proof of compliance and submit a copy of each response received to the Compliance Officer upon request.

10. **Action by Contractor When No Response From CityBuild**

If a Contractor has not received a response to its construction worker request from CityBuild within two (2) business days, then the Contractor should immediately advise the Compliance Officer by phone, fax or email. The Compliance Officer or his/her designee shall cause a response to be sent to the Contractor within two (2) business days of being notified. If the Contractor does not receive a response from CityBuild within four (4) business days (the original two (2) business days plus the additional two (2) business days), then the Contractor may hire the number of construction workers requested from CityBuild, using its own recruiting methods, giving first consideration to Project Area Residents and then San Francisco Residents. Any construction workforce hires (including the replacement of any terminated workers) must comply with this Policy, unless the Contractor has already met or exceeded the goal. The Contractor must keep a copy of the response it receives from CityBuild as proof of compliance and submit a copy of each response received to the Compliance Officer upon request. This Policy is intended to provide qualified Project Area and San Francisco Residents with employment opportunities without causing undue delay in hiring needed construction workers.

11. **Action by Contractor When No Response From Union**

The Contractor should immediately advise the Compliance Officer by phone, fax or email when the Contractor has sent a qualified Project Area Resident or San Francisco Resident to a union hall for referral in accordance with a collective bargaining agreement and the union did not refer the qualified Project Area or San Francisco Resident back for employment or when the union referral process impedes the Contractor's ability to meet its obligations under this Policy. Nothing in this Policy shall be interpreted to interfere with or prohibit existing labor agreements or collective bargaining agreements.

12. **Hiring Apprentices**

A Contractor may meet part of the Construction Workforce Goal by hiring apprentices. However, hiring an apprentice does not satisfy or waive the trainee hiring obligation, if any, for design professionals. Unless otherwise permitted by law, apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training or the California Department of Industrial Relations, Division of Apprenticeship Standards. Credit towards compliance will only be given for paid apprentices actually working on the project. No credit is available for apprentices while receiving class room training. Under no circumstances shall the ratio of apprentices to journeymen in a particular trade or craft exceed 1:5.

13. **Termination and Replacement of Referrals**

If at any time it becomes necessary to terminate for cause a construction worker who was hired under this Policy, the Contractor shall notify CityBuild in writing via fax or email and submit a report of termination pursuant to Section (B)(4). If the Contractor intends to fill the

vacant position, then the Contractor shall follow the process set forth in this Policy beginning at Section (A)(6).

B. Reporting Requirements For Construction Workforce

1. Submission of Certified Payroll Reports

Each Contractor subject to this Policy shall submit to the Agency a certified payroll report for the preceding work week on each of its employees. The Project Sponsor is ultimately responsible for the submission of these reports by the Contractors. The certified payroll report is due to the Agency by noon each Wednesday. To facilitate compliance, the Agency uses the online Elation System (<http://www.elationsys.com>) for submission of certified payroll reports. This system is available at no cost to the Contractor and Elation is compatible with all major computer payroll systems. Training and educational materials for Elation are available at no cost online and through the Compliance Officer. Contractors are required to report certified payroll using the Elation System at www.elationsys.com. However, a waiver may be granted to any Contractors who do not have a computer, online access or who use a computer payroll system that is incompatible with Elation.

2. Contents of Certified Payroll Reports

If certified payroll records are submitted via the Elation System, the required data points are already listed. If certified payroll records are submitted in paper form, the records shall be organized in an easily understandable format and contain **all** the following information: the name, address, telephone number, residency (redevelopment project area, San Francisco or other), last four (4) digits of the worker's Social Security number¹, gender, ethnicity (see codes in Section (B)(8)), construction trade (see codes in Section (B)(8)), classification (e.g., mechanic, apprentice, trainee, helper or laborer), union affiliation (if any), dates of changes in status, daily and weekly number of hours worked, hourly wage rates (including rates of contributions for costs anticipated for fringe benefits or cash equivalents thereof), deductions made and actual wages paid. To the degree that existing certified payroll records satisfy these requirements, the Contractor shall not be required to maintain separate records.

3. Additional Information

In order to prevent unlawful discrimination in the selection, hiring and termination of employees on the basis of race, ethnicity, gender or any other basis prohibited by law and to identify and correct such unlawful practices, the Agency will monitor and collect information on the ethnicity and gender of each construction worker and apprentice. If an identifiable pattern of apparent discrimination is revealed by this additional information, it will be treated as a breach of this Policy and may be addressed as set forth in the arbitration provisions included in Agency contracts.

4. Report on Terminations

¹ Note: The Project Sponsor is required to provide complete Social Security numbers upon the request of the Agency.

In the event a Project Area Resident or San Francisco Resident hired pursuant to this Policy is terminated for cause, the responsible Contractor shall within two (2) days fax or email a termination report to CityBuild with a copy to the Compliance Officer stating in detail: (1) the name of the worker(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); (4) whether the Contractor replaced the construction worker(s); and (5) whether the replacement worker(s) were Project Area Resident(s) or San Francisco Resident(s).

5. Inspection of Records

The Project Sponsor and each Contractor shall make the records required under this Policy available for inspection or copying by authorized representatives of the Agency and its designated Compliance Officer, and shall permit such representatives to interview construction workers and apprentices during working hours on the job.

6. Failure to Submit Reports

If a Contractor fails or refuses to provide the reports as required it will be treated as a breach of this Policy and may be addressed under arbitration provisions included in Agency contracts.

7. Submission of Good Faith Effort Documentation

If the Project Sponsor’s or Contractor’s good faith efforts are at issue, the Contractor shall provide the Agency or its designated Compliance Officer with the documentation of its efforts to comply with this Policy and the Agreement. The Project Sponsor or Contractor must maintain for the duration of the Term, a current file of the names, addresses and telephone numbers of each Project Area Resident or San Francisco Resident applicant referral (whether a self referral or a referral from a union, CBO or CityBuild referral) and what action was taken with respect to each such individual.

8. Coding Certified Payrolls

Each Contractor shall include, on the weekly payroll submissions, the designated trade of each construction worker and apprentice’s craft, skill level, protected class status and domicile in accordance with the following tables:

| | Work Classification | | Work Classification |
|--|--|--|---------------------------------------|
| | Electrician | | Carpet, Linoleum and Vinyl Tile Layer |
| | Iron Worker | | Elevator Constructor |
| | Sheet Metal Worker | | Cement Mason |
| | Asbestos Worker/ Heat & Frost Insulator | | Laborer or Allied Worker |
| | Plumber, Pipe or Steamfitter | | Glazier & Glassmaker |
| | Refrigeration | | Painter, Paperhanger, Taper |
| | Boilermaker | | Sign Installer |
| | Sprinkler Fitter | | Scrapper |

| | | | |
|--|---------------------------------------|--|--|
| | Brick, Caulk, Marble, Point, Terrazzo | | |
| | Hod Carrier | | |
| | Terrazzo Finisher | | Low Voltage Electrician |
| | Plasterer | | Towboat Operator-Marine Engineer |
| | Lather | | Towboat Deckhand-Inland Boat worker |
| | Carpenter or Drywall Hanger | | Owner/Operator - Truck |
| | Mill Worker or Cabinetmaker | | Owner/Operator - Heavy Equipment |
| | Millwright | | Upholsterer |
| | Roofer | | Teamster, Construction |
| | Pile Driver | | Janitor |
| | Surveyor/Operating Engineer | | Environmental Control System Installer |
| | Tile (Ceramic)/Marble Finisher | | Window Cleaner |
| | Tile (Ceramic)Setter | | Security Guard |

| ETHNICITY CODE | DESCRIPTION |
|----------------|--|
| B | African American |
| L | Latino |
| I | American Indian |
| C | Caucasian/White |
| A | Asian |
| PI | Pacific Islander |
| F | Female (all females regardless of ethnicity) |

| PROJECT AREA CODE | DESCRIPTION |
|-------------------|--|
| | |
| BVHP | Bayview Hunters Point |
| HPSY | Hunters Point Shipyard |
| | |
| | |
| MBN | Mission Bay (North) |
| MBS | Mission Bay (South) |
| | |
| RPSB | Rincon Point/South Beach |
| SF | San Francisco (not in any redevelopment project areas) |
| SOM | South of Market |
| TB | Transbay |
| | |
| WA | Western Addition Area A-2 |
| YBC | Yerba Buena Center |

