



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

*Presentation Overview*

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- SBE Program Overview
- SBE Performance
- Workforce Performance

# Equal Opportunity Programs (“EOP”)

OCII	SF City & County
<b>Small Business Enterprise (SBE) Policy</b>	Chapter 14B Ordinance: Local Business Enterprise and Non-discrimination in Contracting Ordinance
<b>Nondiscrimination in Contracts and Equal Benefits Policy</b>	Chapter 12B/12C Ordinances: Nondiscrimination in Contracts
<b>Health Care Accountability Policy</b>	Health Care Accountability Ordinance
<b>Minimum Compensation Policy</b>	Minimum Compensation Ordinance
<b>Workforce Requirements (overall 50% with First Consideration for Project Area residents, applicable to OCII-assisted private projects)</b>	Mandatory Local Hiring Ordinance (30% on publicly funded contracts and private projects on public land)
<b>Prevailing Wage Policy (Labor Standards) (required on OCII-assisted private projects)</b>	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%
<b>TOTAL</b>	<b>6</b>	<b>\$44.5</b>	<b>\$28.3</b>	<b>53.6%</b>	<b>\$25.2</b>	<b>56.7%</b>

# OCII SBE Performance

Six Months Activity  
(January-June 2018)

Summary by Work Type (All Contracts)

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

# OCII SBE Performance

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

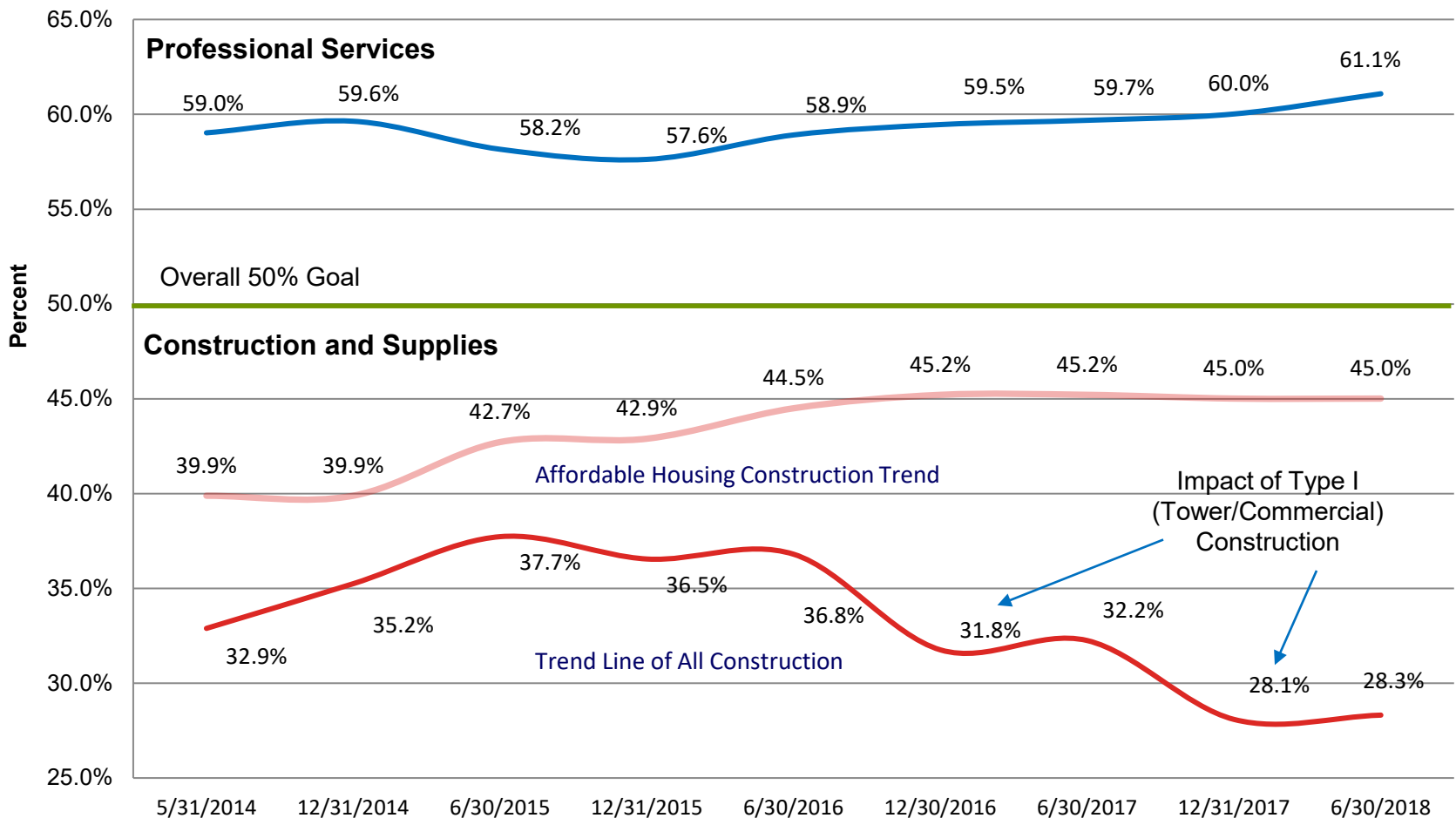
<b><i>Summary</i></b>	<b>SBE Dollars Credited Towards Goal (in Millions)</b>	<b>Total Dollars (in Millions)</b>	<b>% of Total</b>	<b>Change from Prior Report</b>
Professional Services	\$156.5	\$256.1	61.1%	1.2%
Construction and Supplies	\$1,114.9	\$3,956.6	28.2%	0.2%
Total	\$1,271.4	\$4,212.6	30.2%	0.4%

# OCII SBE Performance

## Overall Summary

(As of June 30, 2018)

### SBE Percentage of Total Dollars





# OCII SBE Performance

## Overall Summary

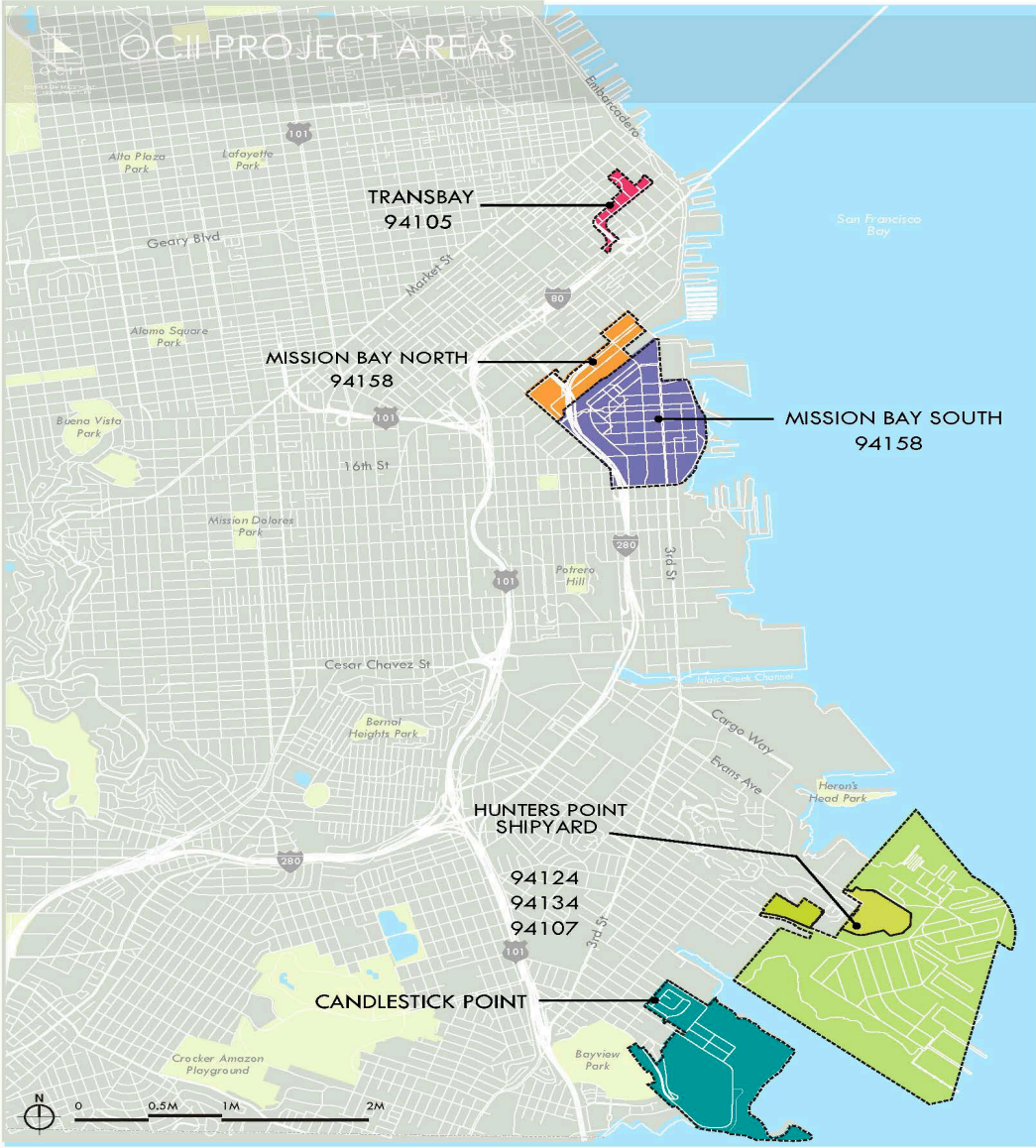
(All Active Projects as of June 30, 2018)

### 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%
<b>TOTAL</b>	<b>942.7</b>	<b>100.0%</b>	<b>920</b>	<b>100.0%</b>

*\*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%
<b>TOTAL</b>	<b>\$578.1</b>	<b>100%</b>

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%

<i>All Active Projects</i>	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.*

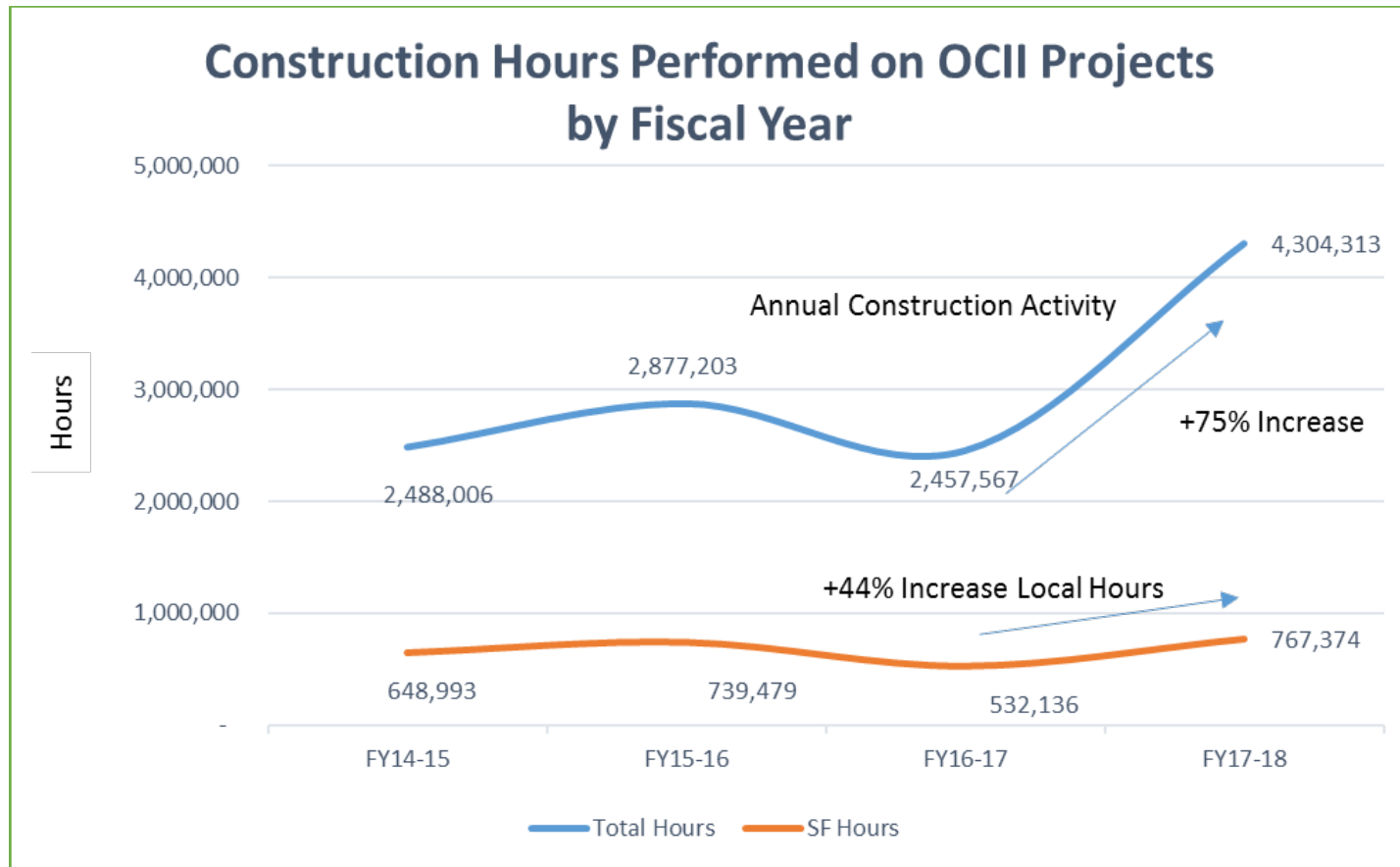
# Workforce Challenges

- 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

<b>OClI Construction Activity Fiscal Year Comparison</b>	<b>FY2018 (7/1/17- 6/30/18)</b>	<b>FY2017 (7/1/16- 6/30/17)</b>	<b>Annual Increase in Hours</b>	<b>% Annual Increase</b>
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
    - 3<sup>rd</sup> 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