From: David Bini < >
Sent: Wednesday, January 23, 2019 2:59:54 PM
To: Esparza, Maya
Subject: Memorandum regarding City Council Priority #2

Dear Councilmember Esparza,

I am writing to you today regarding a recent memorandum on Local Hire Construction Industry Study, to the Community & Economic Development Committee dated January 15th and posted on January 18th(see attachment). There are a small number of topics within the memo that I will be discussing with its author, however there is one issue I would like to bring to your immediate attention. On page 6 is a table with descriptions of various policies. The descriptions for Targeted and First Source hiring are partially interchanged and partially conflated. First Source hiring is related to hiring residents of a specific geographic area. An example of such a policy can be found

here: <u>http://www.forworkingfamilies.org/sites/pwf/files/documents/First%20Source%20Local%</u>20Hiring%20Overview.pdf</u>. A Targeted Hire program is best described as a requirement that contractors use good faith efforts toward employing persons in new entry-level positions on applicable projects from bona-fide pre-apprenticeship programs that recruit from populations with specific barriers such as homeless or recently-housed, individuals in re-entry, U.S. veterans, unemployed, low income, et.al.

This discrepancy alone could lead to errors in policy decisions, however the description of the City's Project Labor Agreement can also be misleading. I would like to point out that the phrase "requiring union recognition" refers to a provision in the PLA that requires all contractors to follow the same set of rules regarding wage, hour, and working conditions. in no way discriminates against firms who are not signatory to union agreements, nor does it bar them from bidding and working on PLA projects. In no case does the Project Labor Agreement require a contractor to sign a Master Labor Agreement with any union.

Although I am disappointed to learn Local Hire policies may be delayed, I do agree that the City of San Jose has existing policies that require focus and implementation. The new Project Labor Agreement for instance, is likely to have some effect on hiring practices. I would like to see further study done, especially interviewing actual workers (an oversight from the current research by the City), and a return of this topic in 6-12 months.

I appreciate the opportunity to clarify these matters with you. I am available at your convenience if any further clarification or discussion is desired.

Sincerely,

David Bini Executive Director Santa Clara & San Benito Counties Building & Construction Trades Council