

RESOLUTION NO. 2018-0348

Adopted by the Sacramento City Council

August 21, 2018

Adopting Local Hire and Community Workforce Training Program and Local Business Involvement Pilot Program

BACKGROUND

The Sacramento City Council hereby finds and declares as follows:

- A. On April 3, 2012, the City Council adopted Ordinance No. 2012-011, which amended Sections 3.56.020, 3.60.020, and Article VIII of Chapter 3.60 of the Sacramento City Code to authorize City Council to adopt by resolution a program or programs to promote and provide incentives for the participation of local business enterprises (LBEs) in City contracts and agreements.
- B. Since 2016, various councilmembers have requested that staff research local hire programs and other opportunities to increase the participation of local businesses and residents in City contracts and agreements.
- C. On August 21, 2018, City Council adopted Ordinance No. 2018-0042, which amended Article VIII of Chapter 3.60 of the Sacramento City Code to authorize City Council to adopt, by resolution, a program or programs to promote and provide incentives for the hiring of local residents to perform work on City projects.
- D. To promote the participation of local business enterprise and stimulate local economies, jurisdictions across the state have adopted local hire and other programs to increase employment and contracting opportunities for local residents and local businesses.
- E. An increase in local employment and local purchasing within Sacramento, could lead to additional increases in sales tax, local jobs, and private sector expenditures and growth.
- F. The Local Hire and Community Workforce Training Program will encourage contractors to hire local residents as employees in the following priority order: (1) residents of the City of Sacramento; (2) residents of the Sacramento County (outside the City); (3) residents of the Amador, El Dorado, Nevada, Placer, San Joaquin, Sierra, Sutter, Yolo, and Yuba counties. Promoting the hiring of residents of the seven-county region, with a priority provided to City of Sacramento residents, will have direct economic benefits to the city, including employment and indirect sales taxes.

- G. The Local Hire and Community Workforce Training Program will apply to the City's public projects with construction budgets of \$1,000,000 or more.
- H. The Local Business Involvement Pilot Program will encourage City contractors performing construction, design, and other services on the Convention Center and Community Center Theater projects to spend 50% of their contract budget with local businesses located in Sacramento, El Dorado, Placer, San Joaquin, Sutter, Yolo, and Yuba counties. 15% of the 50% should be spent with small local businesses.
- I. To comply with competitive bidding process requirements for public construction projects, these programs include goals, not bidding requirements or preferences.
- J. The Local Hire and Community Workforce Training Program and Local Business Involvement Pilot Program will not apply to certain state or federally funded projects that include a disadvantaged business enterprise, minority business enterprise, or women business enterprise participation goals.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. A Local Hire and Community Workforce Training Program that includes the following goals is hereby adopted:

- (a) 50% of the total workforce hours for a covered project shall be worked by residents of the local area in the following priority: (1) residents of the City of Sacramento; (2) residents of Sacramento County, outside the City of Sacramento; (3) residents of the counties of Amador, El Dorado, Nevada, Placer, San Joaquin, Sierra, Sutter, Yolo, and Yuba;
- (b) 20% of the total apprentice hours project labor hours for a covered project shall be worked by "priority apprentices" who reside in an economically disadvantaged zip code and meet one of the following criteria: (1) veteran; (2) prior offender; (3) public assistance recipient; (4) foster youth; (5) homeless; (6) woman.

Section 2. A Local Business Involvement Pilot Program that includes the following goals is hereby adopted:

- (a) 50% of the total contract budget of contractors performing construction, design, and other professional services shall be spent with local businesses located in Sacramento, El Dorado, Placer, San Joaquin, Sutter, Yolo, and Yuba counties;

(b) 15% of the 50% shall be spent with small regional businesses.

Section 3. The Local Hire and Community Workforce Training Program will apply to contracts in which the estimated cost of the construction project is \$1,000,000 or more, and are not funded in whole or in part with federal or state funds that include a disadvantaged business enterprise, minority business enterprise, or women business enterprise participation goals.

Section 4. The Local Business Involvement Pilot Program will apply to the Sacramento Convention Center and the Community Center Theater renovation projects.

Section 5. The City Manager or the City Manager's designee is hereby authorized to adopt Local Business Involvement Program and Local Hire and Community Workforce Training Program policies, administrative procedures, standards to qualify as a local hire and a local business under the pilot Program, and to take such necessary additional actions to implement the Programs.

Adopted by the City of Sacramento City Council on August 21, 2018, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Harris, Jennings, Schenirer and Mayor Steinberg

Noes: Members Harris and Warren

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2018.09.07 10:48:03
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Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.