Training Proposal for:

City and County of San Francisco

Agreement Number: ET17-0923

Panel Meeting of: February 23, 2017

ETP Regional Office: San Francisco Bay Area    Analyst: D. Woodside

PROJECT PROFILE

<table>
<thead>
<tr>
<th>Contract Attributes:</th>
<th>Industry Sector(s):</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Barriers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New-Hire</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SET</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Priority Industry: ☑ Yes  ☐ No

<table>
<thead>
<tr>
<th>Counties Served:</th>
<th>Repeat Contractor:</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Francisco</td>
<td>☑ Yes  ☐ No</td>
</tr>
</tbody>
</table>

Union(s): ☑ Yes  ☐ No  United Brotherhood of Carpenters and Joiners of America Local 22, Plasterers’ and Cement Masons’ Local 300

Turnover Rate: N/A

Managers/Supervisors: (% of total trainees) N/A

FUNDING DETAIL

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Support Costs</th>
<th>Total ETP Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>$483,600</td>
<td>$30,876</td>
<td>$514,476</td>
</tr>
<tr>
<td></td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

In-Kind Contribution: 50% of Total ETP Funding Required N/A
**TRAINING PLAN TABLE**

<table>
<thead>
<tr>
<th>Job No.</th>
<th>Job Description</th>
<th>Type of Training</th>
<th>Estimated No. of Trainees</th>
<th>Range of Hours</th>
<th>Average Cost per Trainee</th>
<th>Post-Retention Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New Hire</td>
<td>Commercial Skills</td>
<td>93</td>
<td>8-260</td>
<td>0</td>
<td>$5,532</td>
</tr>
<tr>
<td></td>
<td>Multiple Barriers Priority Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*$14.69</td>
</tr>
<tr>
<td></td>
<td>SET</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Minimum Wage by County** The New Hire minimum wage for San Francisco County is $14.69.

**Health Benefits:** ☑ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?**: ☑ Yes ☐ No ☐ Maybe Participating employers may use health benefits to meet the Post-Retention Wage.

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.*

**Wage Range by Occupation**

<table>
<thead>
<tr>
<th>Occupation Titles</th>
<th>Wage Range</th>
<th>Estimated # of Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Apprentice: Carpenter</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Laborer</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Iron Worker</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Painter</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Drywall Installer</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Roofer</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Tile Setter</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Tile Finisher</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Taper</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Glazer</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

**INTRODUCTION**

The City and County of San Francisco (City of SF) is a joint powers entity governed by the City Mayor and County Board of Supervisors. The City of SF’s Office of Economic and Workforce Development (OEWD) operates Workforce Innovation and Opportunity Act (WIOA) programs in San Francisco. OEWD also supports Workforce Investment San Francisco, a Workforce Investment Board (WIB). This will be the fourth Agreement between ETP and City of SF.

This proposal will fund classroom/laboratory training at CityBuild Academy ([http://oewd.org/city-build](http://oewd.org/city-build)) a program created by OEWD in partnership with construction trade unions, the City College of San Francisco, the San Francisco Construction Trades Council, and community
based organizations. It is a pre-apprenticeship program designed to assist unions and private construction contractors (participating employers) in meeting their workforce needs. The program also assists private sector employers to meet city-mandated hiring requirements for large public and private construction projects.

CityBuild Academy is not limited to one apprenticeship program and is not administered by a Joint Apprenticeship Training Committee (JATC). Rather, the academy acts as a “pre-apprentice farm team” for numerous programs administered by a variety of JATCs throughout the Bay Area. As such, this proposal will not be funded under the Apprenticeship Pilot.

Training is conducted at the Evans Campus of the City College of San Francisco utilizing instructors who are themselves members of trades unions. Community-based organizations are contracted to provide comprehensive care management to participants, while the OEWD coordinates the program and facilitates job placement.

It is anticipated that trainees will complete retention after they have been accepted into an apprenticeship program for construction work in or near in San Francisco.

**Employer Demand**

The City of San Francisco “First Source” ordinance (Chapter 83, City Administrative Code, eff. 1998) establishes that entities that contract with public projects valued at more than $350,000 or require large-scale residential permits must make a good faith effort to hire from SF’s Workforce Development System. CityBuild Academy has been designated as the First Source referral entity that will assist employers in meeting this obligation.

According to City of SF, new construction is booming and demand is increasing for graduates of CityBuild Academy. City of SF estimates construction projects worth $11 billion in progress or starting in 2017. Large construction projects in San Francisco include the following:

- California Pacific Medical Center - $2 billion
- San Francisco International Airport Terminal 1 - $1.34 billion
- Presidio Parkway $1.05 billion
- SF Muni Third St. Light Rail / Central Subway - $1.05 billion
- Park Tower - $690 million
- 181 Fremont - $640 million
- California Pacific Medical Center St. Luke’s Campus - $540 million
- The Exchange on Sixteenth - $450 million
- Salesforce Tower - $1.1 billion
- Moscone Center Expansion - $400 million
- Transbay Transit Center - $1.1 billion

Because of continued high demand for its program graduates, the City of SF is requesting funds for this new proposal. All training under its Active Agreement (ET16-0112) has been completed.

**Special Employment Training**

The Special Employment Training (SET) funding category is used when an employer does not face out-of-state competition, or when the trainees do not have a history of Unemployment Insurance (UI) payments. The trainees in this proposal will come from a hard-to-serve population that may have no previous reported payroll, and no history of UI. These trainees may have other “multiple barriers” to employment (e.g., limited reading/math skills, physical
disability). Multiple barrier trainees are eligible for a wage modification from the SET statewide wage to the county-by-county wage, as shown in the Training Plan Table.

**PROJECT DETAILS**

**Training Plan**

The City of SF will provide up to 260 hours of Commercial Skills training in classroom and laboratory instruction per trainee. Construction trade unions, apprenticeship committees, and building contractors (employers) helped develop the CityBuild Academy curriculum to provide trainees with a broad education in the trades. Training content is based on skills that these groups recommend to ensure success in extended apprenticeship programs. Training will cover the use of hand tools, power tools, job site safety, concrete, rebar, metal studs, layout, drywall, electrical systems, and interior finishes. Program graduates will be ready to compete for apprenticeships as a carpenter, laborer, iron worker, painter, drywall installer, roofer, tile setter, tile finisher, taper, and glazer.

**Impact/Outcome**

Successful graduates of CityBuild Academy may become registered apprentices. Trainees also earn up to 15 college credits for their CityBuild Academy training. Trainees may become eligible for other construction-related certifications, including Forklift Safety, Skid Steer, CPR, First Aid, Scissor Lift, Confined Space, Excavation Shoring Safety, Flagging/Traffic Control, and Scaffold Safety.

**New Hire Recruitment Plan**

Trainees will be recruited through the following community agencies:

- A. Philip Randolph Institute
- Anders and Anders Foundation
- Charity Cultural Services Center
- Mission Hiring Hall
- Young Community Developers

Trainees must meet the following criteria: San Francisco residency; high school diploma or GED; valid CA driver’s license, U.S. citizenship or proof of eligibility to work in the U.S., ability to pass drug tests; and ability to communicate effectively in English.

**Marketing and Support Costs**

The City of SF requests 8% in support costs to assist its staff in recruiting eligible trainees and qualifying participating employers for this program. Participating employers will be recruited from among companies that have been awarded construction contracts in San Francisco. While many participating employers have already been recruited, additional assessment activities with employers must occur to meet the specific job requests from employers sufficient to employ all successful trainees. Employers are contacted by CityBuild staff with the cooperation of City departments and building trade unions participating in this project. Employer needs for specific trainees are determined by individual job orders they place with CityBuild Academy. Using this system, all training is “to order” for specific employers. Staff recommends 8% support costs.
Funding from Other Sources

CityBuild Academy receives funds from the WIOA program and funds from the City and County of San Francisco. These funds may be used to pay for training costs that exceed the ETP reimbursement.

Tuition Reimbursement

Students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by City of SF under an active ETP Agreement:

<table>
<thead>
<tr>
<th>Agreement No.</th>
<th>Approved Amount</th>
<th>Term</th>
<th>No. Trainees (Estimated)</th>
<th>No. Completed Training</th>
<th>No. Retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>ET16-0112</td>
<td>$514,476</td>
<td>08/03/15-08/02/17</td>
<td>93</td>
<td>100</td>
<td>32</td>
</tr>
</tbody>
</table>

Based on ETP Systems, 30,596 reimbursable hours were tracked as of 2/1/17 for potential earnings of $650,988 (over 100% of approved amount). The Contractor projects final earnings of 100%.

PRIOR PROJECTS

The following table summarizes performance by City of SF under ETP Agreements that were completed within the last five years:

<table>
<thead>
<tr>
<th>Agreement No.</th>
<th>Location (City)</th>
<th>Term</th>
<th>Approved Amount</th>
<th>Payment Earned $</th>
<th>Payment Earned %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ET13-0355</td>
<td>San Francisco</td>
<td>06/10/2013–06/09/2015</td>
<td>$387,240</td>
<td>$387,240</td>
<td>(100%)</td>
</tr>
<tr>
<td>ET11-0104</td>
<td>San Francisco</td>
<td>06/30/2011–06/29/2013</td>
<td>$387,240</td>
<td>$387,240</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

DEVELOPMENT SERVICES

City of SF retained Steve Duscha in Sacramento to assist with development of this proposal for a flat fee of $10,000.

ADMINISTRATIVE SERVICES

City of SF also retained Steve Duscha to perform administrative services for a fee not to exceed 12.5% of payment earned.
TRAINING VENDORS

The San Francisco City College in San Francisco has been retained to provide training for an amount to be determined.
Exhibit B: Menu Curriculum

Class/Lab Hours
8-260 (Job 1)

Trainees may receive any of the following:

COMMERCIAL SKILLS

- Ceiling Joists
- Communications
- Concrete
- Construction Math
- Doors
- Drywall
- Electrical
- Energy Efficiency
- Finish Work: Tile, Paint, Finish Carpentry
- Formwork
- Framing
- Green Building Processes and Systems
- Hand Tools
- Hazardous Materials
- Interior Finishes Rotations
- Layout
- Metal Studs
- Photovoltaic
- Power Tools
- Promoting Teamwork
- Rafters
- Rebar
- Rigging
- Roofing Materials
- Safety on a Job Site
- Scaffolding
- Windows

Note: Reimbursement for new hire training is capped at 260 total training hours per trainee.