



## EXPANSION OPTIONS FOR LOCAL PREFERENCE PROCUREMENT POLICY FOR REQUEST FOR PROPOSALS FOR DISPOSITION OF CITY-OWNED SURPLUS LAND

### Community & Economic Development

Economic Development, Placemaking and Branding/Marketing Committee  
May 20, 2021

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## BACKGROUND CONT.

- **November 19, 2020:** the City Manager's Office presented to the Committee the Local Preference and Disadvantaged Business Enterprise Procurement Policies and potential new policy implementation
- **January 21, 2021:** the Finance Department presented to the Committee an organizational plan for local preference procurement and Disadvantaged Business Enterprise (DBE) policies incorporating stakeholders' topic and information on request for proposals of City-Owned surplus land
- **February 18, 2021:** Chair Fierro presented to the Committee a clarification of policy objectives, stakeholder engagement process options and a revised expedited timeline for local preference policy revisions for Request for Proposals (RFP's) on Surplus Land
  - The Committee requested the Finance Department to bring an informal task update to the Committee on March 18, 2021



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## BACKGROUND CONT.

- **March 18, 2021:** the Finance Department presented the Committee with updates on the Procurement Local Preference 10 tasks and objectives
  - The Purchasing Division formulated data requirements to meet 4 goals to review Vendor Data, Contract Award Date, Vendor Opinions on Local Preference Programs and Stakeholder Involvement
- **April 15, 2021:** the Committee reviewed, discussed and provided input on the potential expansion of local preference procurement policy and directed staff to incorporate stakeholder and public feedback and return to the Committee with expansion options to include in the local preference procurement policy for future Request for Proposals for the disposition of City-owned surplus land.



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## OPTIONS FOR CONSIDERATION

### Option 1

**Local Hire Mandate:** 30% (minimum) of the construction jobs created by the project must be filled by members of the local community (generally defined as those residing within the 951 or 909 telephone area codes or a 20-mile radius map).

**Apprentice Program/Job Training Program:** The selected developer must provide funding for an apprenticeship program, which will create a pipeline of qualified candidates from the local community (primarily youth, veterans, and displaced workers) for future job opportunities.

**Prevailing Wage Mandate:** The selected developer must pay prevailing wages (as determined by the State’s Department of Industrial Relations) and benefits for every construction worker engaged in the project.



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## OPTIONS FOR CONSIDERATION CONT.

### Option 2

**Local Hire Goal:** The goal/good faith effort of the selected developer would target 30% of the jobs created by the project to be filled by members of the local community (generally defined as those residing within the 951 or 909 telephone area codes or a 20-mile radius map).

**Apprentice/Job Training Program:** The City shall, in the proposal evaluation process, award additional scoring points (maximum of 10) to prospective developers that commit to an apprentice/job training program, which will create a pipeline of qualified candidates from the local community (primarily youth, veterans, and displaced workers) for future job opportunities.

**Prevailing Wage:** The City shall, in the proposal evaluation process, award additional scoring points (maximum of 10) to prospective developers that commit to pay prevailing wages and benefits for every construction worker engaged in the project.



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## OTHER CONSIDERATIONS

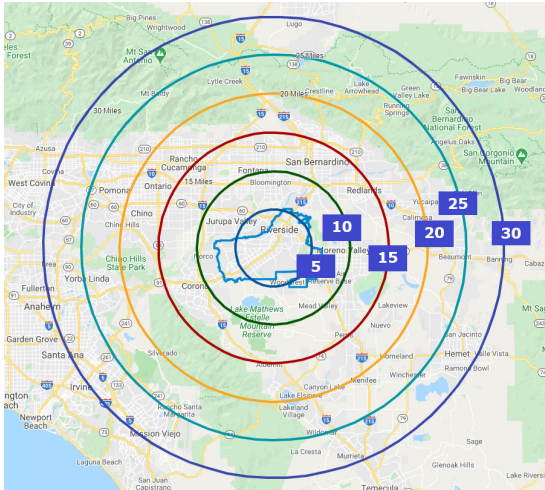
	Developer Feedback	Union Feedback
<b>Local Hire Mandate:</b>	Agreeable to a local hiring goal or good faith effort	Supportive
<b>Apprentice Program Mandate:</b>	Apprenticeship programs are not typically a skill set of developers	Supportive
<b>Prevailing Wage Mandate:</b>	Not supportive based on costs associated	Supportive



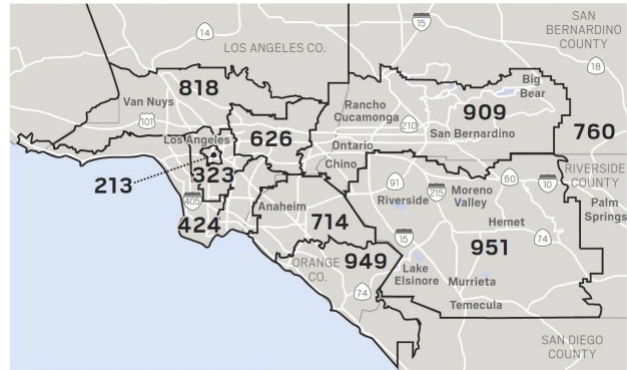
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# LOCAL WORKFORCE DEFINED

20 Mile Radius



951 and 909 Area Codes



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# OTHER CITY EXAMPLES

<p><b>Long Beach:</b></p>	<p>Construction projects over \$500,000 have a local hire goal of at least 40% of work hours. Quarterly reports are presented to Long Beach's Economic Development Committee to demonstrate that contractors are in compliance with the goal or are demonstrating a good faith effort.</p>
<p><b>Pasadena:</b></p>	<p>Any development project receiving financial assistance from the City (including a sale of property for less than fair market value) is required to participate. Local hiring goals are set on a case-by-case basis and factor in the project as well as the amount of financial assistance provided. Meeting the local hiring goal is based on a "best efforts" standard.</p>
<p><b>Stockton:</b></p>	<p>All public works projects require good faith efforts to hire 50% local labor. Contractors must show "good faith efforts" for local hiring. However, contractors are not held to the 50% local hire participation so long as they can demonstrate that they put forth good faith efforts to find the local labor.</p>



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## RECOMMENDATION

That the Economic Development, Placemaking and Branding/Marketing Committee:

1. Review and consider expansion options to include in the local preference procurement policy for future Request for Proposals for the disposition of City-owned surplus land and provide direction to staff for City Council consideration.



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