

Constructing Buildings & Building Careers

How Local Governments in Los Angeles are
Creating Real Career Pathways for Local Residents

SUMMARY



Primary Author

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The Partnership for Working Families

Acknowledgements

This report relies on the dedicated work of local government staff, labor unions and community organizations. As a result of this innovative work, tens of thousands of local residents have been put to work on public construction projects earning family sustaining wages with benefits and now have access to a real career in the construction industry. Thank you to Kathleen Mulligan-Hansel, Julian Gross, Ben Beach, John Goldstein, Flor Barajas-Tena, Jackie Cornejo, and Rachael Running for commenting on earlier drafts of this report. Further thanks to Anabel Barragan for her great work at the Los Angeles Unified School District's We Build Program and for taking the time to share her extensive experience and knowledge.



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Foreword



Mark Ayers
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Richard Slawson
Executive Secretary
Building and Construction
Trades Council of Los Angeles &
Orange Counties (BCTC)

For over a century, Building Trades union membership has afforded hard-working individuals a rewarding lifetime career and a middle class life. Those of us lucky enough to become union construction workers share a deep craft pride and appreciate our good fortune. We know these opportunities were not always easily accessed or even pursued by workers from low income or minority communities, and that our organizations are stronger when every race and community is represented.

But it's a new day in the Building Trades! Now is the time for us to work with community groups and government partners to rebuild America, increasing the number of union construction jobs and expanding genuine, sustainable career opportunities for urban communities of every color.

As this report demonstrates, nowhere have our leaders done more with new initiative than in Los Angeles and Orange Counties, even with the Craft Unions' decades-long history of inclusiveness, to create pathways for new workers to enter unionized apprenticeship programs and pursue lifetime careers in the unionized construction industry. The successful partnerships we've developed have ensured that over \$35 billion of public construction generated good jobs and created new, sustainable career opportunities for area residents.

We are proud of this success — and of the Building Trades leaders all across the country who have joined with community groups and local government to embrace a similar agenda.

Completing a union apprenticeship isn't easy, but we know there are candidates in every community who could overcome the barriers that have prevented them from applying for and succeeding in our union apprenticeship programs. We want to partner with community groups to help identify and recruit aspiring Building Trades workers, provide them with the skills they need to succeed, and place them in union apprenticeship programs and job sites.

A Community Workforce Agreement (CWA) provides the best framework for making this happen. CWAs combine the job quality standards commonly seen in Project Labor Agreements (PLAs) with targeted hiring programs. Because CWAs are based on collective bargaining, they ensure workers enjoy good wages and benefits and a safe working environment. CWAs create new career opportunities by requiring contractors to participate in registered apprenticeship programs and targeting some of the jobs to workers from underrepresented communities.

While LA's successes are impressive, we know we can do better. As we negotiate and implement more CWAs, we are getting smarter about making these career pathways work. That's why we are encouraging Building Trades leaders and others to read this report and apply these strategies in their own way and in their own cities.

But we need everyone's help to make it happen. We can't create new, sustainable career opportunities for every community if we don't all work together to create more union jobs. We have grow the pie to secure shared prosperity for all. We in the Building Trades are committed to working with community leaders and government officials to expand upon the pioneering work described in this report. Now is the time!

Foreword

Many of us who care about increasing access to economic opportunity for communities of color have long known that construction careers could be a boon to workers in our families and neighborhoods. Getting into a construction apprenticeship program means a real career path — wages and benefits that can support and lift up a family, and a hiring and placement system that helps piece together disparate projects into a full-time, stable career.

Unfortunately, we've also seen the obstacles to communities of color accessing those jobs and programs. A history of racial exclusion is one part of the problem, but even when those attitudes fall away, workers in our low-income communities and communities of color need support to raise education levels, get help with transportation and childcare, and even to understand the process of preparing for and getting into an apprenticeship.

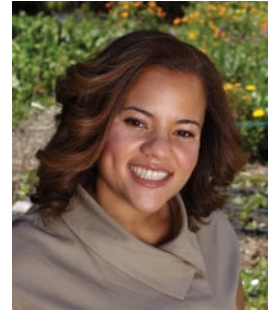
We have long known the importance of overcoming these barriers. The urgency is greater now than ever before, as are the opportunities — with rising racial and economic inequality happening at the same time that local, state and federal governments begin to invest in building a clean, green, sustainable energy economy.

This report provides crucial data that shows that communities and building trades unions working in partnership with local government can lead the way to a brighter and more equitable future. The programs profiled here were established by local leaders who understood that public money should provide opportunity for everyone. They worked together with community organizations and building trades unions to develop outreach, training and hiring programs that make that promise real.

The looming threat of climate change endangers everyone's future. We have no choice but to take dramatic steps to reduce our carbon footprint. And as we do that, we have an opportunity to build a different economic future for everyone — by creating policies and programs like those profiled here that make sure low-income communities and communities of color are part of the clean green economy.

Many of the new green jobs we expect to see as part of this investment will be in the construction industry. Workers in those jobs will upgrade the hvac systems in our schools, weatherize publicly-owned buildings and individual homes, install solar panels and reengineer electrical systems. These workers will be part of a broader construction workforce with the skills and knowhow to move throughout the industry.

We know that construction careers programs will make those jobs available to all workers and will lift up the communities that have been left out of the American dream. Now is the time for real investment in a clean energy economy and real investment in extending the American dream to everyone.



Phaedra Ellis-Lamkins,
CEO
Green for All



Rev. Eric Lee
President & CEO
*Southern Christian Leadership
Conference of Greater Los Angeles*



Students on a LAUSD construction site for a We Build Program Career Fair

Executive Summary

Strategies to get low-income job seekers, women and workers of color into construction careers have long been a focal point for workforce development experts and community-based organizations. More recently, renewed attention to these strategies has come from several directions. In response to the worst recession since the 1930s, Congress passed the American Recovery and Reinvestment Act of 2009, which authorized billions of dollars in spending for infrastructure construction and improvement. The elected representatives of poor urban neighborhoods, as well as union and community leaders tied to those areas, have expressed great desire that this spending should generate career opportunities for workers of color. The imperative of developing a comprehensive response to looming climate change has created new excitement about the potential for new career opportunities for poor people and workers of color in green construction and retrofit jobs. Lastly, local governments and their allies in community and union organizations have pioneered new approaches to creating real construction career paths for low-income job seekers and workers of color. Excitement over the construction careers model has brought new questions and new levels of scrutiny about how these programs actually work.

This report documents the process by which three local government units in Los Angeles — the City of Los Angeles, the Los Angeles Unified School District, and the Los Angeles Community College District — have created new pathways to construction careers on infrastructure improvement and construction projects that they fund. These entities have used community workforce agreements to create thousands of new career opportunities for residents of low-income neighborhoods and disadvantaged job-seekers. Together, the community workforce agreements they have established cover over \$26 billion in construction. The oldest of these agreements date back to 2001, and in total they have created over 30,000 job opportunities for residents of low-income neighborhoods.

The case studies in this report show that effective implementation of community workforce agreements creates career opportunities for low-income workers. Community workforce agreements consist of negotiated, legally binding agreements signed by the project owner/end-user — in this case a local government unit — the building and construction trades council (representing building trades unions) and the general contractor. The provisions, which are binding across sub-contractors, include strong job quality protections that ensure workplace safety; provide for conflict and dispute resolution; establish the wage, benefits and training access for workers on the job; and outline the hiring practices that will be used to create comprehensive access to a qualified workforce. As part of those hiring practices, all parties agree on a set of hiring targets that establish new pathways into construction careers for targeted workers.

Strategies for getting new workers into construction careers use a variety of tools. Typically, these agreements either identify a targeted employment category, defined as workers that reside in neighborhoods adjacent to new projects, or target areas with high unemployment rates. Contractors are required to demonstrate efforts to hire targeted workers for some percentage of total work hours, ranging from 30 – 40%. Those work hours can be filled by journey-level workers who have already found their way into a construction trade, but some hours should also be filled by apprentices. Requirements may further emphasize hiring at-risk workers (those who otherwise may fall out of the workforce) or ask contractors to show they are bringing first-year apprentices, who are more likely to be new workers in the construction field, onto the job site.

These requirements are only as effective as the implementation and monitoring efforts that accompany them. The three detailed case studies in this report explore how agreements were implemented, how the implementation process gave rise to new career opportunities for local and at-risk hires, and the utilization of apprentices. The case studies draw on outcomes documented through certified payroll records, independent consultants' analyses and interviews with program staff.

Programs covered in this report include:

- **The Los Angeles Unified School District (LAUSD) Project Stabilization Agreement**, negotiated in 2003 for a \$20 billion project including construction of new schools as well as repairs, additions, and modernization to existing schools. The agreement requires 50% of construction positions be filled by local residents that reside within the Los Angeles Unified School District. Up to 30% of a LAUSD contractor's workforce may be apprentices, unless the state establishes a lower maximum percentage. Of these apprentices, 40% must be first year apprentices.
- **The Los Angeles Community College (LACCD) Project Labor Agreement**, negotiated in 2001, for a \$6 billion project to rebuild and renovate eight community college campuses. The agreement requires 30% of all construction positions be filled by local residents that reside within the zip-code of a particular campus or the district as a whole. Additionally 20% of all local hires must qualify as at-risk workers.
- Six agreements negotiated to cover infrastructure investments made by the **Los Angeles Department of Public Works (LA DPW)**, beginning in 2006. The total value of these construction projects exceeds \$500 million, and includes the construction of new police stations, a jail, a detention center, a fire station, a sewer system and a traffic surveillance system. The agreements require that 30% of the work be done by residents of adjacent neighborhoods. One agreement sets an even higher standard of 40%, and all agreements also identify and establish hiring goals for at-risk workers.

Findings

1. Community workforce agreements that combine targeted hire goals with a project labor agreement put a significant number of low-income local residents to work.

Local governments set ambitious targets for hiring workers from low-income neighborhoods onto publicly-funded construction projects, and for the most part they succeeded. Local workers made up more than 30% of the workforce on LAUSD and LACCD projects. Just below the established goal, local workers made up 26% of the workforce on LA DPW projects. However, the percentage of hours worked by local workers exceeds the established goal.

2. Community workforce agreements created a significant number of new construction career opportunities.

By encouraging the trades and contractors to maximize use of apprentices, these agreements created thousands of new construction careers. 31% of the workforce on LAUSD projects were apprentices and 18% of the workforce on LA DPW projects were apprentices. A significant percentage of these apprentice slots were filled by first year apprentices, indicating that these workers were embarking on a new career path and in some cases working on their first job.





3. These agreements have a proven track record of retaining local workers. The percentage of local workers was about the same as the percentage of hours worked by local workers on LAUSD and LA DPW projects. Local workers account for about the same percentage of local employees and hours worked on LAUSD and LA DPW projects. LAUSD local hires account for 38% of the total workforce and they have also completed 41% of the hours worked on LAUSD projects. Likewise local workers made up 26% of the workforce and have completed 32% of the hours worked on LA DPW projects. This data indicates local workers were not only being hired, but that they were also being retained.

4. These agreements lifted up wages for new workers, creating middle-class career paths.

The average hourly wage for local workers on LAUSD projects was \$29.58. These jobs pay family sustaining wages, provide benefits, and access to a career.

5. Community workforce agreements have the potential to alleviate poverty. The LA DPW agreements identified targeted zip-codes from which union hiring halls were supposed to refer workers from first. By prioritizing zip-codes that experience high levels of unemployment and poverty, these agreements delivered quality jobs to the neighborhoods that needed them the most. On LA DPW projects workers from targeted zip-codes completed 49% of the hours worked by local residents.

6. Getting to these outcomes tended to involve outreach, recruitment and orientation conducted by a strong pre-apprenticeship program. LAUSD's We Build and PV Jobs pre-apprenticeship programs have helped contractors recruit and hire local and at-risk workers. Both of these programs recruit local residents, people of color, women and low income people and help prepare them for union apprenticeship positions. Graduates of these programs are highly competitive candidates for union apprenticeship positions, having completed safety, basic skill training and the minimum education requirements. The We Build program has placed 496 local workers with construction trades on LAUSD projects and PV Jobs have placed 601 workers on LACCD projects.

7. A clear and transparent system for monitoring local hire outcomes is key to successful implementation of community workforce agreements that include targeted hire outcomes in a project labor agreement. LAUSD and LA DPW both created a concrete system for monitoring and reporting local hire outcomes. Each project generates regular reports on local hire outcomes based on certified payroll records. These projects also have proven track records of moving local residents into construction jobs and utilizing apprentices. All stakeholders have a stronger commitment and sense of responsibility to achieve the requirements of the agreement when a system for monitoring implementation is established.

These programs showed strong progress toward establishing and refining systems that helped move low-income people into middle-class construction careers. But more work is needed to help evolve the pathway for workers at risk of falling out of the workforce altogether.

8. Programs made limited but important progress in drawing at-risk workers into construction careers. Data on at-risk hires was only available for the LACCD projects.

At-risk hires make up 9% of the local workforce on LACCD projects, and 2.9% of the total workforce. Though this number is low, it nonetheless represents a significant effort to serve workers with real barriers to success – lack of education credentials, a record of incarceration or other involvement with the criminal justice system, recent receipt of public assistance and the like. Focusing efforts on addressing those barriers, and getting at-risk workers connected to the high-quality training and career pathway offered by a good construction job may yield more limited numbers but real progress in moving people from poverty into the middle class.

Across the country, local governments are developing innovative strategies for using their construction and infrastructure investment budgets to leverage more gains for poor people. Among those strategies are community workforce agreements, which ensure that some of the middle-class job opportunities created by taxpayer investment are funneled back to poor communities that are less likely to have reaped past gains. Progressive social justice leaders, union leaders, elected officials and workforce development experts have all sought evidence that these strategies can in fact serve to create more equitable economies and lift up poor communities. The experiences elaborated in this report help make the case that, in fact, they do.

Community Workforce Agreement Summary Table

Project Information	LOS ANGELES UNIFIED SCHOOL DISTRICT	LOS ANGELES COMMUNITY COLLEGE DISTRICT	CITY OF LOS ANGELES PUBLIC WORKS
Type of construction	New school construction, repairs, additions and modernization	Rebuild and renovation of continuing education facilities	Police stations, jails, fire station, public sewer system, traffic surveillance system
Project status	80% complete	70% complete	100 – 66% complete
Dollar value	\$20 billion	\$6 billion	\$506,549,921
Duration of agreement	2003 – 2013	2001 – project completion	2006 – present
Targeted & At-risk Hire Goals			
Local Hire	50% of positions for project work for a particular contractor filled with district residents	30% of all skilled trade position on each campus shall be workers residing within the zip-code of the particular campus OR within the district	Each agreement sets a goal that either 30% or 40% of all labor and crafts shall be from workers residing within the project area OR within the zip-code boundaries of the city
At-risk/Disadvantaged Hires	No requirement	20% of local residents shall include at-risk persons	Each agreement sets a goal that either 10 % or 15% of all labor and crafts shall be from workers classified as at-risk (household income below 50% of the median; homeless; welfare recipient; history of involvement with the justice system; unemployed; single parent)
Apprentices	Apprentices may comprise up to 30% of each crafts workforce	Apprentices may comprise up to 30% of each crafts workforce	No requirement
First year apprentices (% of all apprentices)	40% to the extent available	50% to the extent available	No requirement
Local and At-Risk Hire Outcomes			
Total number of jobs created	73,799	15,965	9,267
Local hires	27,866	Local to campus 833 5%	Local to district 2,423 26%
At-risk/Disadvantaged hires	No data available	Local to campus 102 12%	Local to district 469 9%
Total hours worked	32,221,430	No data available	No data available
Total hours worked by local hires	13,357,857	No data available	927,819 32%
Total wages earned	\$1,012,607,958	No data available	\$87.3 million
Total wages earned by local hires	\$395,188,448	No data available	\$27.5 million 32%
Apprentice Utilization			
Total number of apprentices	23,229	No data available	1,537 18% of workforce
Total number of first year apprentices	7,116	No data available	477 31% of all apprentices
Total number local apprentices	No data available	No data available	552 36% of all apprentices
Total wages earned by apprentices	No data available	No data available	\$4,620,170 14%
Pre-apprenticeship programs	We Build	PV Jobs	PV Jobs, City of Los Angeles One-Stop Workforce, Helmets to Hardhats, Center for Military Recruitment, Assessment & Veterans Employment, Southeast LA-Crenshaw Work Source



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THE  **PARTNERSHIP**
for Working Families

About The Partnership for Working Families

The Partnership for Working Families develops and promotes innovative strategies to build community power and reshape regional economies to transform the lives of workers and communities. We work to ensure that low and middle income workers and communities share in the benefits of economic growth and development in our new economy, emphasizing the creation of high quality jobs, affordable housing, environmental health, and career pipelines for shared prosperity.

www.communitybenefits.org