

## Construction Careers for Low-Income People

# Creating Targeted Hiring Policies and Programs That Serve Workers, Communities and the Public Interest

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## Who We Are

- National network
- TA to local organizations
- Work with city leaders and staff, community advocates in 25 cities to develop construction careers
- Published 4 landmark reports on construction career programs
- Compile best practices, identify innovative strategies, advance locally-defined agenda



## Three Takeaways

- You **CAN** do it
- You **SHOULD** do it
- There are lots of ways **to do it well**

## You CAN do it

Innovative programs in these cities are getting low-income job-seekers into construction careers.

- LA
- San Diego
- Milwaukee
- Oakland
- New York
- San Francisco

**They are achieving outcomes of 30% or more.**

## Why Cities Innovate With Targeted Hire

- Benefits of public money spread broadly
- Construction careers are avenue to middle class
- Many practical obstacles for low-income people to get into construction trades; these can be overcome at great benefit to workers & communities

## Building Construction Careers

- **Policy** sets requirements, lays out framework
- **Program** includes all the on-the-ground work of developing the pipeline, creating communications among key actors, tracking, monitoring
- Local hire vs. **Targeted hire**
- The construction industry is like no other
  - **Bifurcated job standards**
  - **Apprenticeship**
  - **The list**

## Critical Decisions

Before you start working on details, get clarity on goals and outcomes:

✓ WHO?



✓ WHAT?



✓ HOW?



**Targeted workers = beneficiaries of local/targeted hire policy**

■ **Considerations:**

- Precision of targeting
- Ease of verification/administration

■ **Some strategies:**

- Zip codes (high unemployment, high poverty)
- Zip codes + (residency and un/underemployed)
- Add barriers to employment: criminal records, public assistance
- Agency referral

## WHAT?

### **Life time career, not just a job**

- Not only concerned about work on a particular project; concerned w/longer term foothold in the industry
- Not only concerned about employment, but also quality of employment
- Increasing opportunity for low-income people requires increasing total number of high quality careers
- Scale magnifies impact – same targeting requirements to larger number of projects gets better outcomes

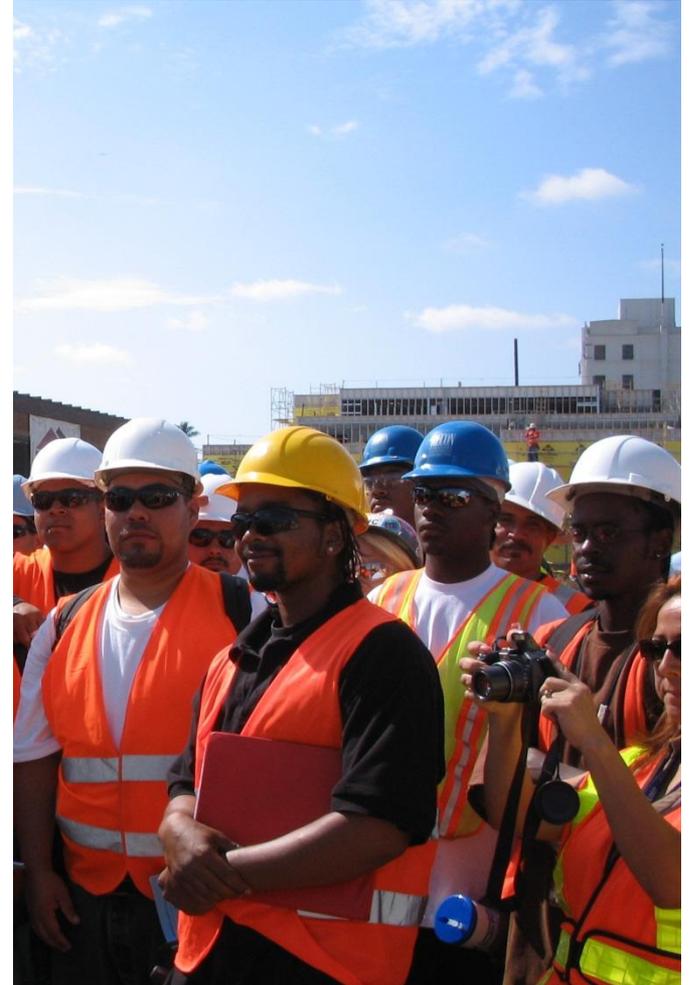
**Apprenticeship is the key.**

**Work w/in the existing structure of the industry;  
Think about implementation**

- How will the hiring process work?
- Who will take on key responsibilities?
- Who will communicate requirements & responsibilities?
- How to track & monitor?
- How to problem solve?

## Elements of a Strong Policy

- Def'n of targeted workers (TW)
- % worker hours on total job TW
- Maximum apprenticeship utilization
- % of hours work by apprentices TW
- Reporting, monitoring (certified payroll, public advisory body)
- relief valves: 5 yrs on list, credit for hiring workers on other jobs, direct entry



## Elements of a Functional Pipeline pt. 1

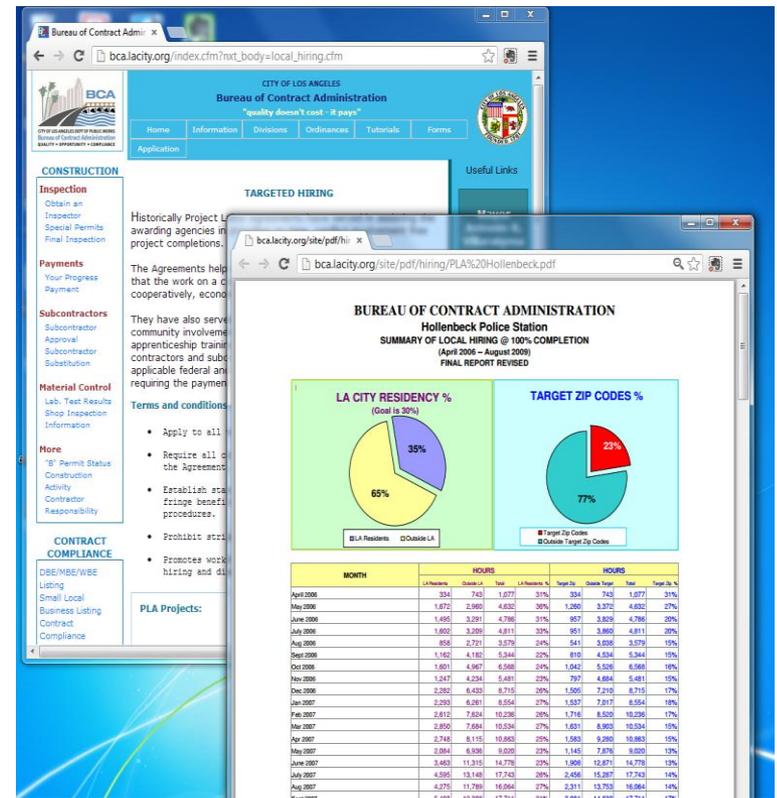
### Getting Workers Hired

- City communicates w/GCs, Subs, Hiring Halls, Apprenticeship Coordinators
- Contractors submit plan w/rfp
- Community Orgs Outreach/recruitment/Orientation
- Pre-apprenticeship/pre-training/test prep
- Hiring halls list/code
- Contractors use request form to document the ask
- Contractors document decisions to hire/not to hire
- Community agencies designated to provide workers if hiring halls can't meet contractor demand

## Elements of Functional Pipeline pt. 2

How do you know if it's working?

- Certified payroll, analyzed/produced by public staff
- Data submitted monthly/quarterly
- Public advisory body receives/reviews data
  - Power to call contractors, hiring halls to explain
  - Power to require remedial action to fix problems
  - Power to recommend punishment



**Critical to have a problem-solving mentality;** fines/punishment don't get anyone a job. Be ready to levy fines, but start from effort to solve the problem.

## What is Good Faith Effort

- **Good faith effort can work if you itemize what it means –**
  - Contractor had a plan
  - Advertised for workers
  - Documented calls to hiring halls asking for TW
  - Endeavored to hire TW referred by hiring halls
  - Document if hiring halls not refer
  - If not hire TW, document why

**This a partial list.**

## Policy Approaches

- **Policy requires Community Workforce Agreement**
- **Policy requires targeted hire only**
- **Everything done through PLA/no overarching policy**

**There are tradeoffs for each approach.**

## Milwaukee Residents Preference Program

- **Policy requires targeted hire on all public infrastructure**
- **Until 2009, 25% completed by un/underemployed residents of CDBG areas**
- **Annually, \$40- \$140 mil**
- **Regularly exceeded hiring target**
- **2009: increased to 40%; expanded target area**

## LA Bureau of Public Works

- **Policy requires targeted hire and a PLA**
- **Annually, \$150 mil**
- **Master PLA negotiated w/City; contractors have to work within it**
- **Targeted workers: residents of zip codes w/200% of county-wide unemployment rate**
- **30% total work hours**
- **20% of all work by apprentices; 50% of apprentices TW**

## Resources & Contact

**[www.forworkingfamilies.org](http://www.forworkingfamilies.org)**

**Policy language, case studies, best practice, outcomes**

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