

SYN. NO. _____

AGN. NO. _____

MOTION BY SUPERVISOR ZEV YAROSLAVSKY

February 13, 2007

On December 13, 2006, the Chief Administrative Officer (CAO) submitted an informational report to our Board recommending a proposed ordinance to establish a contracting preference program for nonprofit businesses that provide transitional employment and related supportive services for the most difficult to employ population in the County. The purpose of the ordinance is to promote and facilitate transitional job opportunities for homeless individuals and others who have been out of work for an extended period of time. The CAO's report was developed in response to a Motion that I authored and the Board approved on June 7, 2006.

The CAO convened a Work Group comprised of representatives from the following departments and agencies to develop the transitional employment program and implementing ordinance: Auditor-Controller, County Counsel, Internal Services, Office of Small Business and the Office of Affirmative Action Compliance. This Work Group reviewed a number of transitional job opportunity programs, including the City of Los Angeles' program, and based upon best practices reviewed, recommends that the County's Transitional Employment Preference Program contain the following key elements:

- It will only apply to non-profit entities that have had tax exempt status for at least

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three years and have operated a transitional employment program with related supportive services for at least one year;

- The non-profit entity shall reasonably provide any documentation and profile information requested by a County department that will verify its non-profit status and describe the program services provided to participants including case management, training and other services that support participant ability to successfully be employed in transitional employment and move on to permanent employment;
- The CAO in consultation with the Work Group members shall issue written instructions to departments on the implementation and ongoing administration of the program;

Individual departments shall be responsible for certifying that a contractor is a transitional employer; and

- Preference for transitional employment contractors shall be as follows:
 - When award is to be made to the lowest responsible bidder meeting specifications, a transitional employment contractor shall receive a five percent preference over the lowest bidder; and
 - When award is made to the highest scored proposer, a transitional employment contractor shall receive a five percent preference for the cost/price component of the evaluation.

As reported in the 2005 Greater Los Angeles Homeless Count, at least a quarter of the homeless population reported that they became homeless due to job loss and 89% of the homeless individuals counted reported they were not employed.

As I stated in my June 7, 2006 Motion, people who have not been employed for an

extended period of time face considerable barriers when trying to re-enter the workforce. Transitional employment provides these very hard to employ individuals with opportunities to develop job and social skills necessary to succeed in the workplace. Because the nonprofit entities providing transitional employment incur higher overhead costs than other businesses due to the need for increased supervision, counseling and training, they are at a competitive disadvantage in obtaining County contracts. The preference program ordinance recommended by the CAO and his Work Group recognizes these special overhead requirements by providing a percentage of price differential preference for transitional employment nonprofit entities that contract with the County.

I, THEREFORE, MOVE that the Board:

1. Approve for introduction an Ordinance amending Title 2 – Administration of the Los Angeles County Code relating to the Transitional Job Opportunities Preference Program to establish a purchasing and contracting preference for nonprofit organizations that provide transitional jobs to the long-term unemployed in the execution of their work under a purchase order or contract with the County of Los Angeles; and
2. Instruct County Counsel and the Chief Administrative Officer upon adoption of the Ordinance, and in consultation with the Internal Services Department and the Office of Affirmative Action Compliance, to issue interpretations of the Ordinance and written instructions on the implementation and ongoing administration of the Ordinance.