

AMENDMENT BY SUPERVISOR HILDA L. SOLIS

January 9, 2024

MOTION BY SUPERVISORS HOLLY J. MITCHELL

AND LINDSEY P. HORVATH

Advancing High Road Jobs by Harnessing the County’s Procurement Power as a Market Participant

The County of Los Angeles (County) is the largest market participant in the Los Angeles Metro Area economy, contracting over \$6 billion of goods and services annually. Given the immense amount of public money transferred to the private sector through government contracting, it is crucial that the County uses an equity-driven approach to procurement. State and local governments that use a traditional procurement approach – typically by prioritizing cost savings over all other considerations – are potentially undermining their goals around equitable procurement and community benefits, therefore missing out on the opportunity to advance meaningful progressive change. Without an approach to procurement that reflects public values, government contracting can result in unchecked private control over public goods and services, often exacerbating racial inequities and paving the way for the creation of privatization schemes.

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In recent years, the Board of Supervisors (Board) has taken strides to reform the County's procurement process. In April 2021 and August 2022, the Board passed motions that launched and implemented our Equity in County Contracting work to reflect our government values around equity and increased economic opportunity for small businesses.

However, it is critical that the County pursue additional changes to the contracting process to ensure contractors who benefit from large government contracts are compelled to provide certain community benefits. Local officials, labor unions, and community groups have argued for decades that connecting infrastructure projects with good jobs for local workers is not only desperately wanted by communities but is work that has a major positive impact on regional economies.

In 2016, the County established a Local and Targeted Worker Hire Policy for County construction projects. The policy requires that 30% of workers hired reside in the local communities directly surrounding the project and that 10% of hires are from targeted populations with barriers to employment. Earlier this year, the County adopted a Community Workforce Agreement that requires both local labor hiring and small business utilization for the County's largest public infrastructure projects. Historic federal investments such as the Inflation Reduction Act and the \$1.2 trillion Bipartisan Infrastructure Law, also known as the Infrastructure Investment and Jobs Act, represent historic opportunities to rebuild our nation's infrastructure, fight the climate crisis, and create good jobs for workers in every part of the country. These jobs should not be limited to infrastructure and construction opportunities. The Board should strive to make an even larger positive equity-driven impact in connecting our largest contracts to

community benefits by considering contracts outside of construction. There are significant career opportunities in social services, behavioral health, information technology, cybersecurity, and logistics.

The County, under the principal leadership of the Department of Economic Opportunity, has started several High-Road Training Partnership (HRTP) programs, to prepare and train those with traditional barriers to employment for quality, family sustaining wage jobs. The programs have been catalyzed by an \$18 million investment of American Rescue Plan Act funding. Although traditional apprenticeship pathway opportunities exist in sectors such as construction and infrastructure, there are opportunities for HRTPs and non-traditional apprenticeship and job training programs in early care and education, technology, the green economy, healthcare, aerospace, and the creative economy that support diverse and qualified talent pipelines into these high-growth and emerging industries. HRTP programs bring together industry, education and training providers, labor, and community to build employer-informed, skill-based training models that meet evolving market needs and promote job quality, equity, and sustainability. They also prioritize worker preferences and the needs of workers from communities that have historically been overlooked for these career-defining opportunities.

As the largest employer in the County, with over 114,000 workers, the County has prioritized job opportunities for those who have traditionally had barriers to employment through the creation of its own hiring, training, onboarding, mentoring, and apprenticeship program, known as Preparing Los Angeles for County Employment (PLACE). This program provides an expedited pathway into entry level County positions

across several departments. Since the PLACE program was adopted in June of 2018, over 300 individuals have been hired into full-time County service, all having at least one barrier to employment such as participation in CalWORKS, General Relief, and CalFresh, as well as Transition Age Youth, people currently or previously experiencing homelessness or housing insecurity, and system - impacted individuals. Finally, the County recently launched “Delete the Divide,” providing over 250 youth with paid internships in our Internal Services Department. The interns gain transferrable skills in information technology, cybersecurity, communications, and administration. Other examples of County-led pipeline programs include but are not limited to the Countywide Youth Bridges Program and Community Development Internships.

With the robust programs the County has designed and developed to train individuals from our local communities for quality jobs with family-sustaining wages, it is important that we create opportunities for full-time employment not just within the County but in the private sector. The County’s commitment to Equity in County Contracting not only provides opportunities to diversify the businesses we work with, but also to expand the pool of individuals being hired onto awarded contracts. With the over \$6 billion annual spend, as a purchaser, the County can impact the employment opportunities available for our local workers across a variety of high-growth sectors.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Director of the Internal Services Department (ISD), in collaboration with the Director of the Department of Economic Opportunity (DEO) to, within 90 days, perform an analysis of Los Angeles County’s (County) top 10% largest contracts, and all contracts competitively procured at over \$5 million annually, which shall be inclusive of

a survey of all departments to garner accurate information if necessary. As part of this analysis, to the extent information is available, report back in writing on the:

a. Type of goods and services procured by National Institute for Government

Procurement code;

b. Contract size;

c. Length of contract;

d. Number of employees that are employed by the entity contracting with the County;

and e. Classification of employees that are employed by the entity contracting with the County.

2. Direct the Director of DEO in collaboration with the Chief Executive Officer (CEO) to report back in writing, in coordination with the Directors of the below named departments (and others as deemed relevant), in 90 days with progress to date and in 180 days with a final consolidated accounting of:

a. All High-Road Training Partnership (H RTP) programs as well as other relevant pre/apprenticeship and job training programs Countywide, including any programs being administered by other departments including, but not limited to: ISD, the Department of Arts and Culture, the Department of Parks and Recreation, the Justice Care and Opportunities Department, the CEO Homeless Initiative, the Department of Human Resources (DHR), the Department of Health Services, the Department of Mental Health and the Los Angeles Homeless Services Authority that includes:

i. number of individuals trained and placed into high road jobs over the past year, both in and outside of the County; and

ii. anticipated number of individuals that will be trained over the forthcoming 2024 calendar year.

3. Direct the Director of ISD and the Director of DEO in collaboration with County Counsel, the CEO, and the Auditor-Controller to report back in writing in 180 days with a recommendation for a County solicitation pilot program (Pilot Program) that requires a defined subset of County contractors to consider hiring qualified employees with barriers to employment, including formerly homeless, formerly incarcerated and those living below the Federal Poverty Level, from the County's H RTP and other relevant pre/apprenticeship and job training programs, including County pipeline programs like Preparing Los Angeles for County Employment (PLACE) and the Delete the Divide Internship. This report back should include solicitation and contracting strategies, such as the potential for hiring set-asides and preferences during the solicitation process for firms that agree to hire targeted employees with barriers to employment from County-approved workforce training programs, as well as recommendations on types of contracts to focus on in a pilot program. This report back should also include recommendations on the operationalization of the program including challenges, enforcement, as well as alignment with the currently existing County public workforce system and America's Job Centers of California infrastructure.

4. Direct the Director of DEO, to the extent authorized by law, to develop a consolidated list of all individuals enrolled in or having completed the named H RTPs or relevant pre/apprenticeship and job training programs in anticipation of serving as the central pipeline for any jobs set aside on County contracts for

those completing County-approved customized training, and work with ISD to develop a system by which to deploy individuals on the list in anticipation of the above referenced Pilot Program.

5. Instruct the Director of DEO, in collaboration with the CEO, and the Director of DHR to report back in 180 days with a plan, timeline, budget, and evaluation of ongoing funding sources for the PLACE program as a permanent County pipeline initiative with identified County targeted positions to reach, at a minimum, 150 annual placements as part of the County's strategy to create pathways into County Careers for targeted populations.