

FIRST SOURCE HIRING PROGRAM POLICY

I. Background and Purpose

LAWA awards many contracts to private companies to provide services to the public and to City government. City service contracts are subject to the City's Living Wage Ordinance and provide covered workers with substantially greater wages and benefits than otherwise required by law. In addition, having the opportunity to work on a City contract affords workers valuable experience that can be used to garner future employment.

There are many unemployed and under-employed local workers who are interested in performing work on LAWA contracts. Young people constitute a significant portion of the unemployed and under-employed. This contributes to devastating social burdens, including a sustained, large population of unskilled workers.

LAWA has an interest in promoting an employment environment that benefits local residents and workers. Through the First Source Hiring Program (FSHP), LAWA provides an economic development benefit for communities impacted by airport operations and provides LAX and employers with a pool of qualified applicants through a non-exclusive referral system.

The purpose of the FSHP is to provide early access to targeted applicants for available Airport jobs located physically within Los Angeles County, and employers with prompt, cost-free referrals of qualified and trained applicants. Except where the City's Worker Retention Policy requires retention of particular workers, LAWA shall require participation in the FSHP with regard to all Airport Jobs by any:

- Airport Contractor that enters into or receives a new, amended, or renewed Airport Contract, or receives a voluntary extension of an existing Airport Contract;
- Airport Lessee that enters into or receives a new, amended, or renewed lease of any property owned by LAWA, or receives a voluntary extension of an existing lease; and
- Airport Licensee that agrees, receives, or is subject to a new, amended, extended, or revised licensing or permitting agreement or set of requirements.

Since July 1, 2005, LAWA has ensured that the First Source Hiring Program is a material term of all Airport Contracts, lease agreements, and licensing or permitting agreements or sets of requirements that are new, extended, amended, renewed, or revised. Under these Airport Contracts, agreements, or requirements, employer participation in the FSHP shall commence on the effective date of the Airport Contract, agreement, or requirement in question. LAWA shall actively monitor compliance with the FSHP by all covered employers; shall enforce the liquidated damages consistent with contract language and guidance from city attorney with regard to any instances of noncompliance; and shall take any other enforcement action under Airport

Contracts, lease agreements, and licensing and permitting requirements necessary to prevent noncompliance.

DEFINITIONS

As used in this Policy, the following terms shall have the following meanings. All definitions include both the singular and plural form. Definitions in this part apply to all sections of this Policy.

“Airport” shall mean Los Angeles International Airport.

Airport Contract: shall mean a contract awarded by LAWA and pertaining to LAX and subcontracts of any level under such a contract

Airport Contractor: shall mean (1) any entity awarded an Airport Contract, and subcontractors of any level working under an Airport Contract; (2) any contractors that have entered into a contract with an Airport Lessee to perform work on property owned by LAWA and pertaining to LAX and any subcontractors working in furtherance of such a contract; and (3) any contractors that have entered into a contract with an Airport Licensee to perform work pertaining to LAX, and any subcontractors working under such a contract.

"Airport Employer" shall mean a party that, through a contract, lease, licensing arrangement, or other arrangement, agrees to comply with this First Source Hiring Program with regard to Airport Jobs.

Airport Job: shall mean a job for which the employer is LAWA, an Airport Contractor, an Airport Lessee, or an Airport Licensee, and either (1) the job is located and performed On-Site or within Los Angeles County, or (2) the job is directly related to a contract, lease, licensing arrangement, or permitting arrangement under which the employer is an Airport Contractor, an Airport Lessee, or an Airport Licensee.

Airport Lessee: shall mean any entity that leases or subleases any property owned by LAWA and pertaining to LAX.

Airport Licensee: shall mean any entity issued a license or permit by LAWA for operations that pertain to.

BJSR: shall mean the Business, Jobs and Social Responsibility Division, LAWA

BOAC: shall mean the Board of Airport Commissioners of the City of Los Angeles

City: shall mean City of Los Angeles

EWDD: shall mean the Economic and Workforce Development Department

FSHP: shall mean the First Source Hiring Program

LAWA: shall mean Los Angeles World Airports

LAX: shall mean Los Angeles International Airport

Low Income Individual: shall mean an individual whose household income is no greater than 80% of the median income, adjusted for household size, for the Primary Metropolitan Statistical Area

On-Site: shall mean physically located on property owned or leased by LAWA and pertaining to LAX

Project Impact Area shall mean the area identified in the Master plan EIR/EIS Figure F4.4.3-3 as minority and /or low income Census Tracts within the Impact Study Area Boundary

Qualified Job Training Organization: shall mean any job training service provider with experience serving individuals eligible for job training under this Agreement and that is eligible to receive workforce development funds from the state of California

Referral System: shall mean the system established to provide applicant referrals for the First Source Hiring Program

WIB shall mean the Workforce Investment Board of the City of Los Angeles

I. General Responsibilities of Airport Employers

A. Coverage.

This Part applies to all Airport Employers, except those that are exempt as noted in Section II.

B. Designation of Contact Person.

Within thirty days of having entered into a contract with LAWA, each Airport Employer shall designate a contact person for all matters related to implementation of this Policy. Each Airport Employer shall forward the name, address and phone number of the designated individual to the BJSR Division, per the directions included in **[x subsequent document]**. If the contact person changes, the Airport Employer shall immediately notify the Agency.

C. Include First Source Hiring in Contracts.

Any new, amended, or renewed Airport Contract, or voluntary extension of an existing Airport Contract; any new, amended, or renewed lease of any property owned by LAWA, or receives a voluntary extension of an existing lease; any new, amended, extended, or revised licensing or permitting agreement or set of requirements, shall include compliance with the entirety of this Policy as a material term of such license, agreement, lease, or contract.

D. Cooperation with Monitoring and Enforcement Efforts.

Each Airport Employer shall make available to LAWA all requested records and information relevant to monitoring and enforcement of this policy. LAWA shall not use such records or information for any purpose other than monitoring or enforcement of this Policy, and shall not release trade secrets or information regarding employees designated by name Airport Employers may redact names and social security numbers from requested records in order to protect the privacy of individual employees. Each Airport Employer shall allow LAWA access to job sites and employees as it deems necessary to monitor compliance with this Policy. Each Airport Employer agrees to the provisions regarding monitoring and enforcement of this Policy.

II. Exemption and Exclusions

Excluded from these requirements is any work performed that is not related to the new, amended, or renewed Airport Contract, or voluntary extension of an existing Airport Contract; any new, amended, or renewed lease of any property owned by LAWA, or receives a voluntary extension of an existing lease; any new, amended, extended, or revised licensing or permitting agreement or set of requirements. Also excluded from this contract is any work performed outside Los Angeles County.

III. First Source Hiring Procedure.

Airport employer shall notify the Business, Jobs and Social Responsibility Division (BJSR) of a specific employment opportunity at least ten days before releasing the employment opportunity announcement to the public.

The notice to the BJSR shall include:

- (1) The number of employment opportunities;
- (2) The job title and description of each employment opportunity; and
- (3) The basic qualifications necessary for each employment opportunity.

Airport Employers shall also post the specific employment opportunity on the FSHP jobs portal, which allows job seekers to apply for airport jobs online and supports the advertisement of airport- related hiring events.

A. Referral System.

The Referral System, designed and implemented by LAWA, will work with employers, community-based job training organizations, and other community-based organizations to receive notices of job openings, to provide referrals under the First Source Hiring Program, and to assist in monitoring compliance with the First Source Hiring Program.

LAWA Expenditure and Provision of Office Space. LAWA shall annually provide funds sufficient for all costs associated with two full-time employees, and shall provide office space On-Site and any necessary equipment for operation of the Referral System.

1. EWDD/WIB Operation of Referral System
LAWA shall negotiate a memorandum of understanding under which EWDD and the WIBs shall operate the Referral System. This memorandum of understanding shall require that in operation of the Referral System, EWDD and/or WIB practice cultural and language sensitivity to the relevant communities, and perform outreach and build relationships to develop a network of community-based organizations that can access a large and diverse pool of job applicants.
2. Referral System Participants.
LAWA shall make best efforts to negotiate a memorandum of understanding with EWDD, under which LAWA shall utilize EWDD and WIB services to facilitate the First Source Hiring process. LAWA, EWDD and the WIB shall have the following Referral System roles, in addition to responsibilities described elsewhere described in this Agreement:
3. LAWA - Launch of Employer Outreach
LAWA, through its Business, Jobs and Social Responsibility Division, shall conduct outreach to Airport Contractors, Airport Lessees, and Airport Licensees (“Airport Employers”) to establish awareness of the First Source Hiring Program, and to secure voluntary participation and/or required commitments for overall Airport Employer participation, and familiarize Airport Employers with EWDD and WIB services provided through the Referral System.
- 4.. EWDD/WIB - Development of Job Opportunities and Applicant Pool
EWDD and the WIB will develop and implement specific systems required to effectively match qualified priority job applicants with available Airport Jobs. EWDD will conduct Airport Employer job development functions, coordinate the development of a qualified applicant pool for Airport Job opportunities and refer job candidates to Airport Employers. EWDD shall also develop and access any systems necessary to complete Program performance tracking and reporting.

IV. FAA Prohibition.

- A. FAA Prohibition of Application to Certain Jobs.

If an FAA Determination, as defined in and pursuant to the procedures set out in the Cooperation Agreement, or any other regulatory authority prohibits application of the First Source Hiring Program to certain Airport Jobs, or threatens to withhold federal funding if LAWA applies the First Source Hiring Program to certain Airport Jobs, then LAWA shall nonetheless implement the First Source Hiring Program with regard to all other Airport Jobs.

- B. Complete FAA Prohibition. If an FAA Determination, as defined in and pursuant to the procedures set out in the Cooperation Agreement, or any other regulatory authority completely prohibits LAWA from taking actions required by this Section V, or threatens to withhold federal funding if LAWA takes actions required by this Section V, then LAWA shall contribute \$200,000 annually to the job training funds described in Section XV until 2015.

V. **Craft Labor**

LAWA shall work collaboratively with the Labor Representative to implement the Los Angeles International Airport Project Labor Agreement in a manner that, to the greatest extent possible, enhances employment opportunities for underemployed individuals residing in the Project Impact Area and the City, especially minorities and women.

VI. **Monitoring and Enforcement**

A. **Monitoring Activities.**

LAWA shall monitor compliance with this Policy by Covered Entities. Monitoring activities may include requests to produce documentation, site visits, interviews, review of required reports, and any other monitoring activities the Agency reasonably finds necessary to assess compliance with this Policy. Covered Entities shall cooperate fully and promptly with any inquiries the Agency deems necessary in order to monitor compliance with this policy. The Agency may review a Covered Entity's compliance with this Policy either on its own initiative or after receiving a complaint or inquiry from a member of the public or City or Agency staff.

B. **Enforcement**

If LAWA determines that a Contractor has violated this policy, LAWA may take any or all of the following actions:

- (a) Document the determination in the Awarding Authority's Contractor Evaluation required under Los Angeles Administrative Code Section 10.39*et seq.*;
- (b) Require that the Contractor document the determination in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted under Los Angeles Administrative Code Section 10.40*et seq.*;
- (c) Terminate the Contract;

(d) Recommend to the Awarding Authority to withhold payments due to the Contractor. The Awarding Authority may pursue any rights and remedies available at law or in equity.

VI. Policy Updates

LAWA will evaluate these guidelines throughout the next fiscal year, and reserves the right to make adjustments as necessary, to promote LAWA's mission and essential goal to ensure that every LAWA contract is an opportunity to maximize business and workforce inclusion, and that LAWA has strong contract enforcement to hold contractors responsible for their commitments.