



34TH AMERICA'S CUP

WORKFORCE DEVELOPMENT AND LOCAL SMALL BUSINESS INCLUSION PLAN

Table of Contents

INTRODUCTION TO THE AMERICA’S CUP	2
34TH AMERICA’S CUP OVERVIEW	2
BENEFITS OF HOSTING THE 34TH AMERICA’S CUP IN SAN FRANCISCO.....	5
34TH AMERICA’S CUP OBJECTIVES	5
WORKFORCE DEVELOPMENT AND LOCAL SMALL BUSINESS INCLUSION PLAN: EXECUTIVE SUMMARY	7
Event Authority Commitments – <i>Event Management and Staging Activities</i>	7
Local Resident Hiring	8
Local Small Business Inclusion.....	8
Event Authority Commitments – <i>Construction Work</i>.....	8
Local Resident Hiring	8
Local Small Business Inclusion.....	9
Plan Implementation	9
DEFINITIONS	11
WORKFORCE DEVELOPMENT AND LOCAL SMALL BUSINESS INCLUSION PLAN:	13
SECTION 1. EVENT MANAGEMENT AND OPERATION ACTIVITIES	13
Event Management and Operations Hiring.....	13
Event Authority Direct Hiring of San Francisco Residents	13
Indirect Hiring of San Francisco Residents with Contracted and Service Vendors	13
Resident Outreach	15
Contractual Obligations.....	15
Monitoring.....	15
Exemptions	15
Internships and Job Opportunities for Youth.....	15
Event Management and Local Small Business Opportunities.....	16
Contractual Obligations.....	17
Monitoring.....	18
SECTION 2. CONSTRUCTION-RELATED ACTIVITIES	19
Construction-Related Hiring of San Francisco Residents	19
Partnership with OEWD	20
Contractual Obligations.....	20
Monitoring.....	20
Construction-Related Local Small Business Opportunities.....	21
Partnership with Human Rights Commission	22
Contractual Obligations.....	22
Monitoring.....	22
Public Input.....	22
CLOSE.....	22

INTRODUCTION TO THE AMERICA'S CUP

The 34th America's Cup (AC34) is transforming the sport of sailing. It heralds a new era in sailing featuring the best sailors in the fastest boats in the world, as well as racing in San Francisco Bay. It is the first time the America's Cup has been held so close to shore. Spectators will have unrivaled access to the event in the natural beauty of the San Francisco Bay amphitheater. Up close views of the action will be available from on-board cameras, which will be streamed live on the Internet and on television channels all over the world. The AC34 (or the Event) will take the sport of sailing to a new and heightened level, while promoting sustainability and responsibility, leaving a lasting and positive legacy.

The 34th America's Cup will provide for a variety of community benefits for residents of San Francisco, as well as visitors to the entire Bay Area. This Workforce Development and Local Small Business Inclusion Plan sets forth the strategies that the Event Authority and the City intend to employ to promote economic development and create job and small business participation opportunities for San Franciscans. The development of the Plan has taken place over the last couple of months. It remains a document in progress that will continue to be refined as event planning and funding become more solidified, and as other event stakeholders begin participating in this momentous process. The Plan addresses the small business and local workforce inclusionary steps that the Event Authority and City will undertake going forward.

34TH AMERICA'S CUP OVERVIEW

On December 14, 2010, the San Francisco Board of Supervisors approved the 34th America's Cup Host City and Venue Agreement (Host Agreement or HVA) with the America's Cup Event Authority, LLC (Event Authority or ACEA), and the America's Cup Organizing Committee (Committee) as the City's formal bid to host the AC34. The Host Agreement was executed between the City and County of San Francisco (City), the Event Authority, and the Committee. On December 31, 2010, the Golden Gate Yacht Club selected San Francisco as the host city for AC34.

The HVA defines the roles and obligations of the parties to the Host Agreement with respect to the AC34 races and related matters in San Francisco. The Recitals at the beginning of the Host Agreement include several statements that describe the importance of local job creation and economic impact for San Francisco to the success of the event. Recitals pertaining to workforce and small business engagement are contained here as a reference:

K. San Francisco is proud of its diverse and productive workforce and believes that employers benefit from the innovative, skilled, and talented human capital that calls San Francisco home. To support local hiring in the City of San Francisco, the Event Authority will participate in the San Francisco Workforce Development System and comply with mandatory local hiring program regulations pursuant to Chapter 6.22 and Chapter 83 of the San Francisco Administrative Code or successor laws or policies.

L. Small businesses are a critical component of the San Francisco economy. Fostering entrepreneurship and supporting small business growth contributes to the City's tax base and creates local jobs. The

Event Authority, the City and the Committee intend that, if San Francisco is selected as host city for AC34, the Event will be organized in a manner that supports San Francisco's small businesses and incorporates local restaurants, retailers, building suppliers, and local manufacturers.

M. The City is committed to ensuring that San Francisco's young people have the widest opportunities to learn, gain valuable experience, and enjoy their City. The Event Authority, the City, and the Committee intend that, if San Francisco is selected as host city for AC34, the Event will incorporate and support sailing-related programs and activities for the City's children, youth, and families. Preceding and during the Event, the Event Authority will conduct extensive outreach to children, youth and families, conduct youth sailing courses, and provide event passes to San Francisco's children, youth and families at no cost. The Event Authority will commit to hiring young people to work at these events or to provide them with an internship. The Event Authority will create friendly, open spaces in which children and youth will engage in various Event-related activities. The Event Authority will create exciting learning spaces in which children, youth, and families will have access to experiential and project-based learning related to the Event.

The Host Agreement also defines a number of Implementation Plans to provide targeted strategies and actions to address specific functions or elements of the AC34 events. They are the following: 1) People Plan, 2) Workforce Development and Local Small Business Inclusion Plan, 3) Sustainability Plan, 4) Public Safety Plan, 5) Water and Air Traffic Plan, 6) Ambush Marketing Action Plan, 7) Zero Waste Plan, 8) Youth Involvement Plan, and 9) Advertising Plan. The responsibility for developing these Implementation Plans rests with different organizations, that have core expertise in the given function. As a result of consultation with agency partners, the City and Event Authority identified the need to prepare a Parks Event Operations Plan to address how publicly owned parklands will be protected and enjoyed while supporting public viewing of the race events. In addition, to ensure each race team understands and employs sound practices in operating and managing their respective team bases, a Team Base Operations Manual is being developed by the Port, which will compile the technical, environmental, and regulatory requirements to ensure clean and safe operations.

A description of all of the AC34 Implementation Plans can be found on the website of the San Francisco Office of Economic and Workforce Development at:
<http://www.oewd.org/media/docs/AC34/AC34%20Implementation%20Plans.pdf>.

All of the Implementation Plans are in development; some have been released to the public in draft form and others will be released in draft form in the coming months. The issues and content of each Plan are informed by subject matter experts, including regulatory and public agencies, and public comments received to date.

The AC34 consists of three main stages: the America's Cup World Series, the Louis Vuitton Cup, and the America's Cup Finals. The America's Cup World Series is a regular circuit of races, bringing sailing races to top venues around the world, beginning in 2011 until the summer of 2013. San Francisco is scheduled to host two America's Cup World Series events in the summer of 2012. The events will take place August 11-19 and

August 27-September 2, 2012. The Louis Vuitton Cup will be held in the summer of 2013 in San Francisco, and will see challengers from around the world race for the opportunity to compete in the subsequent America's Cup Finals. The Louis Vuitton Cup begins on July 4, 2013 and will conclude on September 1, 2013. The America's Cup Finals will be held in San Francisco Bay September 7-22, 2013. (Note: activities in San Francisco are pending California Environmental Quality Act (CEQA) review.)

Several of the venues proposed for AC34 events consist of areas and facilities managed by the Port of San Francisco (Port), including certain piers (Pier 19, Pier 19½, Pier 23, Piers 27-29½, Pier 26, Pier 28, Piers 30-32, and Pier 80); water basins/water areas (Piers 19-23, Piers 23-27 [Northeast Wharf Open Water Basin], Piers 29-31, Pier 9, Piers 14-22½ [Rincon Point Open Water Basin], Piers 26-28, Piers 28-30, and Piers 32-36 [Brannan Street Wharf Open Water Basin]); and Seawall Lot 330.

Various other venues are proposed for spectator- and/or sponsor-related activities, some of which are under the jurisdiction of other city, state or federal agencies, including Crissy Field, Marina Green, Fort Mason, Aquatic Park, Alcatraz Island, Fort Baker Pier at Cavallo Point (near Sausalito), San Francisco Civic Center, Union Square, and Justin Herman Plaza.

Piers 27 and 29 are proposed by the AC34 project sponsors (the City and Event Authority) as the site of one of the primary AC34 venues in 2013 – the America's Cup Village. Pier 27 also is the site proposed by the Port for the development of a new Cruise Terminal project. The Cruise Terminal project would be coordinated with the AC34 project to allow an initial phase of the Cruise Terminal building to be used as part of the America's Cup Village for the 2013 America's Cup events. The proposed improvements to complete the Cruise Terminal would be built out by the Port after the AC34 races are concluded. The proposed new Cruise Terminal would be designed to meet modern ship and operational requirements of the cruise industry, and to meet the City's required Leadership in Energy and Environmental Design (LEED®)-equivalent standards for a maritime facility.

Marina Green is under the jurisdiction of the San Francisco Recreation and Park Department (SFRPD). Fort Mason, Crissy Field, Cavallo Point, and Alcatraz Island are all located within the Golden Gate National Recreation Area (GGNRA), and Aquatic Park is located in the San Francisco Maritime National Historical Park (SAFR); all are under the jurisdiction of the National Park Service (NPS), except for portions of Crissy Field, which are under the jurisdiction of the Presidio Trust.

AC34 sailing races and associated activities are proposed to occur on San Francisco Bay. This race area would be confined within an area of the Bay roughly bounded by the San Francisco waterfront to the south; the San Francisco/Oakland Bay Bridge, Treasure Island, and Yerba Buena Island to the east; portions of southern Marin County (including Angel Island) to the north; and just beyond the Golden Gate Bridge to the west. It should be noted the actual race course(s) for the sailing races would occur within only one portion of this race area, with the primary race area concentrated along San Francisco's northern shoreline; the final race area would be determined based on government agency coordination and optimum race conditions in 2012 and 2013. The actual spectator boat area locations within the race area vicinity would also be influenced by those circumstances.

BENEFITS OF HOSTING THE 34TH AMERICA'S CUP IN SAN FRANCISCO

The America's Cup provides an unparalleled opportunity to showcase the City of San Francisco and boost the City's economy by creating a significant number of jobs and generating a substantial direct economic impact to the City and region.¹ Independent studies show that the America's Cup delivers the third largest economic impact in sport to host countries, behind the Olympic Games and soccer's World Cup.

The San Francisco Bay forms a natural arena for exquisite, viewable racing. Viewing platforms range from the public shoreline, including Marina Green, Crissy Field, Alcatraz, and Fisherman's Wharf, to north-facing slopes of hillsides and skyscrapers in the north and northwest parts of San Francisco. This combined with the City's existing hotel, restaurant, and cultural infrastructure makes San Francisco the world-class city it is and an ideal host for AC34.

The City has extensive recent experience in hosting major international sporting events, including the 2008 Beijing Olympic Torch Relay, Major League Baseball All Star Game and World Series, PGA Tour President's Cup, and the AMGEN Tour of California. In 2003, San Francisco hosted the highly successful Moet Cup – a "friendly" regatta between the then America's Cup defender, Team Alinghi, and BMW ORACLE Racing.

In addition to experience, the Bay Area is a center for innovation and has the resources necessary to support the vision to incorporate new technologies and media into the America's Cup.

34TH AMERICA'S CUP OBJECTIVES

The objectives of AC34, as outlined in the Draft Environmental Impact Report, are to:

- Establish San Francisco and San Francisco Bay as a world-class venue for the sport of sailing and generate interest in the sport by hosting America's Cup World Series events in 2012, followed by successful America's Cup events in 2013.
- Provide public viewing opportunities of the America's Cup and the America's Cup World Series live racing events at close range to increase the general public's access to the event and expand the appeal of the sport of sailing to the general public.
- Create a center of activity for the America's Cup and the America's Cup World Series by improving the existing resources of The Embarcadero and the San Francisco waterfront to establish a cohesive sense of place and identity for the AC34 participants (i.e., teams, event guests and staff, media personnel), visitors, and spectators of the events that enhance the land-side viewing opportunities and provide adequate facilities for spectator vessels.
- Provide infrastructure upgrades and other installations to improve existing facilities in consolidated areas for team-base activities, spectator viewing, and entertainment venues – including the public piers along San Francisco's waterfront – for use during the America's Cup in 2013 and the America's Cup World Series in 2012, consistent with Port of San Francisco building code

¹ *The America's Cup: Economic Impacts of a Match on San Francisco Bay* prepared by Bay Area Council Economic Institute (BACEI) and Beacon Economics, 2010 (available at: http://beaconecon.com/Misc/Beacon_ACReport.pdf)

requirements and the Secretary of the Interior's Standards for the Treatment of Historic Properties (Secretary's Standards).

- Facilitate access to and from desired destinations based on smart transportation strategies presented in the America's Cup People Plan for the racing teams, event personnel, event sponsors, members of the media, and spectators, while satisfying the access needs of residents, workers, and visitors not associated with the races.
- Emphasize natural resource stewardship by incorporating sustainability principles in the planning and management of all race events and operations, including zero waste strategies identified in the Zero Waste Plan.
- Implement navigational and operational safety guidelines for race team, support, and spectator boat activities associated with the America's Cup and the America's Cup World Series that meet United States Coast Guard regulations, the America's Cup Protocol, and the safe limits of event boats and equipment; minimize conflicts with existing commercial maritime activities; and establish sustainable environmental practices and standards to help protect the ecological health of San Francisco Bay.
- Encourage investment in infrastructure upgrades on Port property required to stage the America's Cup and the America's Cup World Series, for which the City would provide commensurate future long-term development rights on Port of San Francisco properties as contemplated under the Host Agreement.

**WORKFORCE DEVELOPMENT AND
LOCAL SMALL BUSINESS INCLUSION PLAN
EXECUTIVE SUMMARY**

This Plan has been jointly prepared by the City and the Event Authority (ACEA), in consultation with others, including the Office of Economic and Workforce Development (OEWD), the Human Rights Commission (HRC), Office of Small Business (OSB), and other relevant City agencies. The purpose of the Plan is to delineate the intent and the strategies that the Event Authority and City will employ to ensure employment and economic development opportunities are an integral part of the development of AC34.

The main development activities leading up to the America's Cup World Series, the Louis Vuitton Cup, and the America's Cup Finals are divided into two segments:

1) The event management and staging activities that consist of all of the administrative and organizational work required to host such events along with a myriad of event vending, concessionaire, and service opportunities. This portion of the work will generate the majority of the hiring and small local business opportunities. These will be intermittent opportunities leading up to specific events; two in 2012 and the two larger ones in 2013.

2) The pre-event infrastructure construction elements involve the possible demolition of the existing Pier 27 Shed and the rear portion of Pier 29 by the Authority, the repair of the deck and substructure at Piers 30 and 32, work on floating docks and structures, and dredging. The construction work will take place in 2012. The Pier 27/29 project has a duration of 1-2 months and at peak will require a total workforce of approximately 15 workers. The larger project, Pier 30/32, has a duration of 9 months and will generate approximately 250 skilled trade positions of varying durations over its course.

This Plan sets forth the employment, contracting, and small local business inclusionary goals for AC34, including promoting the employment of San Francisco residents and disadvantaged residents, and generating business contracting opportunities for small local firms. It also outlines the steps that the Event Authority and City will implement to achieve the AC34's inclusionary goals in both segments of the upcoming event related work. The Plan mirrors many of the goals and provisions of the City's First Source Hiring and Local Hiring Policy for Construction and reflects the Event Authority's commitment to the intent of these policies. The Event Authority, its construction contractors, vendors, and service contractors will use good faith efforts to achieve all of the goals and implement all of the steps set forth in the Plan.

This Workforce Development and Local Small Business Inclusion Plan will continue to evolve and become more refined as the implementation of AC34 progresses. Nonetheless, the Event Authority and City are satisfied that the primary economic inclusionary elements are included in this initial version. There are clear expectations to guide the Event Authority in conveying the economic benefits to San Francisco's workers and small businesses that will be generated by AC34. There are also clear methods that the City will utilize to monitor and report on the Event Authority's progress in the delivery of these benefits.

Event Authority Commitments

For AC34—***Event Management and Staging Activities*** consisting of Event Management Purchases, Event Authority Vendor Agreements, Event Authority Service Contractors (except commodities).

Local Resident Hiring

- The Event Authority, in consultation with OEWD, has set a goal wherein 50% of all new entry-level hires will be San Francisco residents referred by the OEWD workforce system for all Event Authority contracts of \$150,000 and more.
- To achieve this goal, the Event Authority will continue to work closely with OEWD to develop an effective job identification and referral system that will include generating job projections, posting available positions on the OEWD job portal, providing OEWD with job postings in advance of wider publication, interviewing candidates referred by OEWD, and integrating all of these steps into Event Authority vendor and service agreements.
- OEWD will conduct city-wide recruitment to ensure extension of AC34 opportunities to residents from all neighborhoods. OEWD will also interface with Event Authority vendors and service contractors to identify specific jobs and timing of employer personnel needs to promote referral of local residents and job matching.
- OEWD will monitor Event Authority progress in local resident hiring.

Local Small Business Inclusion

- The Event Authority, in consultation with HRC and the Office of Small Business (OSB), has set a local small business participation goal of 30% for all contracts of \$150,000 and more.
- To achieve this goal, the Event Authority will continue to work with HRC and OSB to outreach to small local businesses directly and through merchant and business organizations. The Event Authority will also continue to participate in business forums and events sponsored by HRC, OSB and other local business groups. The Event Authority has established an online business portal, America's Cup Business Connect, which serves as a central place for announcing business and contracting opportunities. Businesses interested in receiving Event Authority RFPs and other information are being encouraged to register at this portal.
- The Event Authority, in consultation with HRC and OSB, is developing a procurement plan. Event Authority procurement will include 30 day advance posting of RFPs on the AC Business Connect website and the City's contracting website, 15-day advance pre-bid meetings, and direct outreach to and solicitation of bids from certified LBEs and local small businesses through City partners.
- HRC and OSB will assist the Event Authority in making connections to local small businesses. HRC will also monitor the Event Authority's progress in local business contracting.

For AC34-related **Construction Work**, consisting of infrastructure work to piers, floating docks and structures, and dredging. All of the AC34 construction work will be performed by union contractors.

Local Resident Hiring

- The Event Authority has set a goal of 20% of all construction hours going to San Francisco residents, with 10% of the hours going to economically disadvantaged residents; 50% of all apprentice hours going to SF apprentices, with 25% of

these to economically disadvantaged apprentices on these projects, on a trade-by-trade basis.

- To achieve this goal, the Event Authority will bind its contractors contractually to make good faith efforts, consisting of a series of steps the contractors will undertake to work with OEWD to identify positions for SF residents, work with union locals to dispatch SF residents to AC34 projects, and track and report SF resident hires and work hours.
- OEWD will also be actively engaged in tracking AC34 construction hiring opportunities, identifying SF resident candidates, and facilitating the hiring of SF residents. OEWD will monitor AC34 contractor local hire achievements.

Local Small Business Inclusion

- The Event Authority, in consultation with HRC, has established a local subcontracting goal of 25% for LBE participation.
- To achieve this goal, the Event Authority has included a series of steps in its bid documents requiring general contractors to make good faith effort to engage certified LBEs as subcontractors. In addition, the Event Authority has engaged a consultant to assist general contractors in making connections with LBE subcontractors.
- For AC34 projects that will begin construction in spring 2012 or thereafter, the Event Authority will also be requiring its prime contractors to advertise LBE subcontracting opportunities at least 30 days prior to bid submission and hold pre-bid meetings at least 15 days in advance to bid submission to directly engage LBEs.
- HRC will assist Event Authority general contractors with outreach to LBEs. HRC will also monitor Event Authority progress in LBE participation.

The Event Authority will also be engaging **installation** firms to assist with erecting temporary structures. For all direct Event Authority service agreements with installers of \$350,000 and more, the Event Authority will require the installers to make good faith efforts to meet the following **Local Residing Hiring** goals:

- 20% of all permanent non-managerial, non-supervisory jobs to be filled by San Francisco residents, with 10% of these jobs to be filled by economically disadvantaged San Francisco residents; and 50% of all new hires to be San Francisco residents.
- To achieve these goals, the Event Authority will contractually bind the installers to make good faith efforts to implement a series of steps to work with OEWD to identify positions for SF residents, work with union locals to dispatch SF residents to AC34 projects, and track and report SF resident hires and work hours.
- OEWD will monitor AC34 installer progress in achieving local resident hiring.

Plan Implementation

This Workforce Development and Local Small Business Inclusion Plan outlines the Event Authority's approach and strategies presented thus far to connect local workforce and local businesses to opportunities with AC34 in San Francisco. As mentioned

previously, this Plan will evolve over time in consultation with delivery organizations and consideration of stakeholder feedback. The Plan is being submitted as an attachment to the Development Disposition Agreement (DDA) by and between the Event Authority and the San Francisco Port. After certification of the Environmental Impact Report pursuant to the California Environmental Quality Act and adoption of the DDA by the Commission and the Board of Supervisors, the Plan will be implemented by the Event Authority in coordination with its City partners, OEWD, HRC, OSB, and other City agencies.

Over the last year, the Event Authority and the City have laid the groundwork for ensuring that AC34's significant and positive impact to the San Francisco economy will be shared by all San Franciscans. The Event Authority is eager to build upon this effort and begin realizing the economic promise of the 34th America's Cup in San Francisco.

DEFINITIONS

Administrative Code: the Administrative Code of the City and County of San Francisco as of the Effective Date. All references to City codes or ordinances in this Program shall mean such codes or ordinances as they exist, of the Effective Date.

City: the City and County of San Francisco.

CityBuild: the employment program known as CityBuild established by the City and administered by OEWD.

Construction Contractor: a construction contractor hired by or on behalf of the Event Authority who performs Construction Work on the Venue Lease property.

Construction Work: construction of Event Authority Infrastructure required or permitted to be carried out by the Event Authority under the HVA on the Venue Lease property.

Economically Disadvantaged Person or Individual: a San Francisco Resident who is any of the following: (i) homeless or formerly homeless; (ii) has an annual income that is not greater than 50% of AMI, (iii) “Economically disadvantaged individuals” as defined in Administrative Code Chapter 83; or (iv) persons who have been unable to secure employment in his or her trade for more than 20 working days during the preceding six months.

For purposes of the foregoing, a “**homeless person**” means an individual who: (A) lacks a fixed, regular, and adequate nighttime residence but spends days and nights in San Francisco; (B) has a primary nighttime residence that is (a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations, including welfare hotels, congregate shelters and transition housing, (b) an institution that provides a temporary residence for individuals who are institutionalized, or (c) a public or private place not designed for, or ordinarily used for, sleeping accommodation for human beings; or (C) meets such other definition of “homeless person” as may be adopted or approved by HUD.

Examples of “economically disadvantaged individuals,” for purposes of this subsection, may include, but not be limited to, the following individuals: individuals exiting the criminal justice system; individuals participating in or completing substance abuse treatment; individuals who receive financial aid for the purpose of obtaining an education or other vocational training program; survivors of domestic violence seeking employment; people with disabilities seeking employment; single parents seeking employment; and veterans seeking employment.

Entry Level Position: a position that requires any of the following: (1) no education above a high school diploma or certified equivalency; (2) less than two years of training or specific preparation.

Event Authority: America’s Cup Event Authority, LLC.

Event-related management: the management of events for the 34th America's Cup (including the America's Cup World Series Pre-regattas, the America's Cup Challenger Series, the America's Cup Defender Series (if held), and the Match), which will take place over a limited two-year time period, commencing on or about January 1, 2012 and concluding on or about September 30, 2013.

First Source Hiring Agreement: a first source hiring agreement entered into in accordance with Administrative Code Chapter 83.

First Source Hiring Ordinance: Administrative Code Chapter 83.

FSHA: the City's First Source Hiring Administration.

Good Faith Efforts: efforts in compliance with the requirements of the applicable First Source Hiring Agreement.

LBE Ordinance: Administrative Code Chapter 14B.3.

OLSE: Office of Labor Standards Enforcement.

Parties: the City and the Event Authority.

Qualified: an economically disadvantaged individual who meets the minimum bona fide occupational qualifications provided by the Event Authority to the San Francisco Workforce Development System in the Event Authority's job availability notices.

San Francisco Resident: an individual who has domiciled, as defined by Section 3.49(b) of the California Election Code, within the City at least seven (7) days before commencing work on a project.

San Francisco Workforce Development System: the system established by the City's Office of Economic and Workforce Development (OEWD) for maintaining (1) a pool of Qualified individuals, and (2) the mechanism by which such individuals are certified and referred to prospective employers covered by the First Source Hiring requirements under Chapter 83 of the San Francisco Administrative Code.

Small Business Enterprise or **SBE:** have the meaning set forth in Administrative Code Chapter 14B.

WORKFORCE DEVELOPMENT AND LOCAL SMALL BUSINESS INCLUSION PLAN

SECTION I. EVENT MANAGEMENT AND OPERATION ACTIVITIES

Event management and operations activities represent one of two major segments of work that the Event Authority will undertake in development of AC34. The Event Authority anticipates that the majority of the hiring and small local business inclusionary opportunities will stem from these activities, which will consist of a mixture of administrative and organizational work required to host such events along with a myriad of event vending, concessionaire, and service opportunities.

Event-related direct and indirect hiring for the Event Authority will occur progressively, according to the emergent needs of the business as it builds towards the AC34 events in 2013. Temporary or contingent hiring will occur as needed during intervals leading up to scheduled events. Likewise, there will be intermittent service contracting and vending agreements leading up to scheduled events. The largest events, the Louis Vuitton Cup and the America's Cup Finals, will take place during the summer of 2013.

Event Management and Operations Hiring

Event Authority Direct Hiring of San Francisco Residents

The Event Authority expects to hire up to seventy-five (75) individuals in a variety of positions to provide the administrative, planning, outreach, procurement, marketing, and logistical support required to implement AC34. For the Event Authority's in-house Operations Staff, the Event Authority is agreeing to make good faith effort to fill 50% of its new entry-level hires with San Francisco residents referred by the OEWD workforce system. To achieve this, the Event Authority has and will continue to work closely with OEWD to develop an effective job identification and referral system that will include:

- Posting available positions on the OEWD job portal (www.hiresf.org)
- Releasing job descriptions to OEWD staff 10 days in advance of posting elsewhere, and interviewing candidates referred by OEWD
- Providing a single point of contact to work with OEWD in facilitating employment for referrals

Indirect Hiring of San Francisco Residents with Contracted and Service Vendors

The Event Authority anticipates that it will solicit bids for certain Event-related goods and services leading up to and in advance of a given event. Categories of services the Event Authority may need to procure include:

- Catering Services
- Staging Services
- Branding/Advertising Services
- Hospitality Services
- Food and Beverage: Catering, Concessionaires, and Kitchen Appliances
- Transportation: Golf Carts, Buses, Limos, Bicycles, and Truck Rental

- Temporary Structures: Tents, Bleachers, Staging, Audiovisual, LED and TV screens
- Furniture: Office, Lounge, and Restaurant
- Power: Generators, Cable, and Lighting
- Portable Restrooms
- Janitorial/Cleaning Services: Waste, Recycle, and Compost Bins
- Uniform Cleaning and Laundry
- Florists
- Printers
- Security: Wristbands, Barriers, Fencing, and Lanyards
- IT: Laptops, Phones, Cables, Routers/Servers, Printers, and Office Equipment

For Event Authority purchasing (except commodities), Vendor Agreements, and Service Contracts of \$150,000 or more, the Event Authority has set the goal that 50% of all new entry-level hires be San Francisco residents referred by the OEWD workforce system. As with Event Authority Direct Hiring, the Event Authority and its vendors will work with OEWD to:

- Prepare job projections of anticipated new hires, highlighting entry-level positions, and review these with OEWD/First Source Hiring Administrator (FSHA)
- Provide job descriptions and announcements at least ten (10) days in advance of the hiring phase for any given position before posting the position elsewhere
- Partner with FSHA to post jobs for entry-level positions in an effective manner to include:
 - Posting all job notifications for open positions with ACEA on AC Connect, which can be found online at www.americascup.com/connect
 - Creating a database as part of the America's Cup Website called AC Connect, where San Francisco residents can apply for any available positions, including Entry Level positions
- Provide a single point of contact to work with OEWD in facilitating employment for referrals
- Interview candidates referred through FSHA system that are an appropriate fit for any given position
- Work with the City according to the City's strategy of referring entry-level candidates who have participated in existing job training and/or referral programs appropriate for ACEA's entry-level positions
- Work cooperatively with OEWD staff to identify effective procedures to recruit, pre-screen, and interview qualified applicants for entry-level positions
- Give full good faith consideration to all individuals referred through the resident hiring program and workforce development system
- Assist OEWD in tracking the employment of OEWD referred workers.

Resident Outreach

OEWD will assist the Event Authority in meeting the local resident hiring goals by conducting city-wide recruitment to ensure extension of opportunities to residents from all neighborhoods, and interface with vendors and service contractors to identify specific jobs and timing of employer personnel needs so that it can assist with job matching and referral of local residents. For applicants seeking employment, there will be multiple pathways for finding information about available opportunities. The OEWD job portal, www.hiresf.org, will be a central location for finding entry-level position with the America's Cup and affiliated parties. Applicants can post their resumes starting immediately. In addition to posting jobs through OEWD, the Event Authority will also send email blasts out to the local workforce development community with hiring updates and upcoming opportunities. Anyone wishing to receive that information will be able to email workforce@americascup.com. Finally, local community-based organizations will be engaged in each neighborhood to act as "gateways" for learning more information about employment opportunities as they become available, as well as required qualifications and any associated workforce training or preparation programs.

At this time, the Event Authority is unable to accurately project the number of new hires or the number of entry-level positions that any given vendor would require for staffing its team. However, the Event Authority will work with its procurement team and OEWD to create and refine projections over the course of 2012.

Contractual Obligations

To ensure compliance with its resident hiring goals, the Event Authority will include language describing these commitments in all of its bid documents. Further, it will require major contractors, suppliers, and vendors with contracts in excess of \$150,000 to enter into Resident Hiring Agreements requiring good faith efforts to meet the goals and that include all of the steps mentioned above. This will set the expectation for these firms to actively participate and extend as many hiring opportunities as possible to San Francisco residents.

Monitoring

OEWD will monitor the Event Authority's Direct Hiring and the Indirect Hiring of its Vendors, Suppliers, and Service Contractors for Local Resident and OEWD Referred Disadvantaged Resident Hiring.

Exemptions

Workforce hiring goals will not apply to any sponsors who may be supplying goods and services to ACEA under a sponsorship agreement, nor to the individual race teams that will participate in the Event. However, the Event Authority will work with OEWD, its sponsors and teams to actively promote the use of the Workforce Development system and associated community-based organizations, and the training and staffing resources that exist for the purpose of hiring San Francisco residents.

Internships and Job Opportunities for Youth

The Event Authority plans to engage student interns to assist with the day-to-day operation of ACEA. In addition to office operations, the Event Authority will be hiring youth for event-related jobs in the areas of retail sales, event production, information technology support, graphic design, concessions, hospitality, waste management,

finance, video production, broadcast production, media operations, entertainment management, park stewardship, construction, and other event-related work. These opportunities may be offered starting in 2012 and continuing through 2013. Positions will be full-time and part-time, paid and unpaid, depending on the role. These positions will be offered through the America's Cup website (www.americascup.com/connect) and may involve partnerships with community-based organizations and the City. Various partner organizations may provide job training and skill development workshops for youth in preparation for their positions with the America's Cup. Internships and opportunities to work for school credit will also be made available, and preference will be given to youth living in San Francisco.

More information on youth intern and job opportunities can be found in the AC Youth Involvement Plan posted at www.oewd.org. For information on youth activities with the America's Cup, please email youth@americascup.com.

Event Management and Local Small Business Opportunities

As described previously, the Event Authority will be procuring a multiplicity of goods and services leading up to each of the AC34 events (see p. 13 and 14). The Event Authority has categorized these procurement targets into four categories:

- 1) Construction-related professional services (ex. architecture and engineering),
- 2) Other professional services (ex. consultants, attorneys),
- 3) General services (ex. janitorial, security), and
- 4) Commodities.

We believe these opportunities present the Event Authority with the greatest potential for doing business with San Francisco's local small businesses. The Event Authority has set a **goal of 30% for small local business (SLBE) inclusion** for contracts of \$150,000 and more for these categories. The Event Authority intends to achieve its 30% local small business goal by both engaging small local business prime providers as well as having prime providers utilize SLBE for a portion of their work. The Event Authority has been working with the Office of Small Business and the Human Rights Commission to develop strategies for connecting with San Francisco's diverse community of small businesses, keeping them informed of AC34 opportunities, and most effectively engaging them in Event Authority procurements. The Event Authority is creating a small local business procurement plan that will include the following elements, and be accompanied by specific outreach efforts:

- An online business portal – **America's Cup Business Connect** – that serves as a central place for announcing business and contracting opportunities (as well as employment opportunities) with the Event Authority. Businesses interested in receiving and responding to RFPs with the Event Authority will be able to visit and register at www.americascup.com/connect. Over 533 companies have already registered since mid-October 2011.
- Generating projections for procurement opportunities, identifying potential opportunities for small local firms; defining which contracts lend themselves to achieving a 30% small local business goal via subcontracting opportunities and in which others could be direct contracts with small local firms; estimate the potential dollar volume of contracting opportunities according to the type of business, and make available profiles of these to interested SLBEs.

- Posting RFPs and contracting opportunities 30 days in advance in most cases, but at a minimum of 15 days before the bid opening date on the AC Business Connect Portal and the City's Office of Contract Administration and OEWD websites (beginning 2012). Contact information for Event Authority staff responsible for those procurements will be posted and companies interested in submitting proposals will be able to connect with them.
- Highlighting SLBE goals in all bid advertisements and requiring submitters to list SLBE participants in their bids and complete specified good faith steps to achieve SLBE goals. Also, the Event Authority is working closely with organizations dedicated to local business such as SF Made and the City's Office of Small Business and plans to give a special designation to local companies (SF Made, certified LBE's, local/small businesses, green businesses, etc.) on the AC Business Connect to facilitate matching these firms with larger Event Authority vendors and service contractors.
- Convening Pre-Bid or Pre-Solicitation Meetings no less than 15 days prior to opening of bids/proposals, whenever feasible. This will allow small local firms to ask questions about the process, specifications and requirements, and have ample time to prepare competitive bids.
- Completing direct outreach and solicitation of bids from local small businesses through City partners such as HRC and OSB, to include use of HRC's database of certified LBEs. Assist larger vendors/service providers with referrals to potential SLBE for subcontracting opportunities.
- Participating in small business fairs and procurement fairs to inform the small local business communities of upcoming bid opportunities.
- Hosting an AC34 vendor fair to provide maximum opportunity for interested local small businesses to find out about AC34 business opportunities and learn how to do business with AC34.
- Establishing strategic partnerships with local business associations, merchant groups, and small business advocacy groups for ideas and assistance in connecting local firms. The Event Authority will ask business partner organizations to publish AC34-related announcements in their respective newsletters and/or distribute such information directly to the membership. The Event Authority plans to have a key contact person at each group and use that relationship to share information about opportunities with the Event Authority, distribute AC34 information to membership, publish AC34-related announcements in their respective newsletters or other membership communications, and conduct ongoing presentations to business groups to keep them updated on AC34 activities and opportunities.

Contractual Obligations

To ensure compliance with its SLBE goals, the Event Authority will highlight SLBE/LBE goals in its bid advertisements and require vendors and service contractors to make good faith efforts to complete the steps mentioned above, and list any SLBE/LBE subcontractors or suppliers in their bids. Upon award, proposed utilization of SLBE/LBEs will be incorporated into vendor and service agreements and contracts.

Monitoring

The San Francisco Human Rights Commission will work with the Event Authority to establish reporting, monitoring, and other procedures to monitor Event Authority progress in attaining small local business participation goals.

In an effort to market these opportunities to the local business community, the Event Authority will continue to speak and present to local and diverse business associations, chambers, and community groups; and participate in small business outreach events and forums to highlight potential Event Authority SLBE opportunities. A draft procurement plan is being developed and after permits and approvals have been received, the Event Authority will publish its procurement plan on OEWD's website, www.oewd.org, no later than March 1, 2012. Understanding that lines of credit, insurance, and bonding are problems common to local businesses, OEWD and HRC staff will be available to explain the Event Authority's insurance and bonding requirements, answer questions for them, and be prepared to suggest avenues of assistance.

The City's Office of Small Business and HRC will inform small businesses of the support the City intends to provide to prepare to take on a contracting opportunity with the Event Authority. These support services may include assistance with obtaining City permits or licenses, access to operational and technical support resources, extension of SPARTA insurance, and access to financing options (small business and micro loans). The Event Authority will continue its ongoing work with San Francisco's diverse chamber organizations to inform and educate affiliated businesses on ways to take advantage of business opportunities directly or indirectly related to the America's Cup events. The Event Authority and OEWD are jointly committed to working with the Office of Small Business on small business strategy to involve and connect opportunities to local small businesses.

SECTION 2. CONSTRUCTION-RELATED ACTIVITIES

The Event Authority Infrastructure Work and Deferred Authority Infrastructure Work (as defined in the DDA) involves construction work to be performed by the Event Authority and its construction contractors on Port-owned property. This Event Authority Infrastructure Work involves two construction projects in preparation for AC34 in 2013. The first – Piers 27 and 29 – entails demolition and associated end-wall construction required for interface with the City’s construction of the Cruise Terminal. This project is expected to last for one to two months and will require a workforce of only about 15 workers. The second – Piers 30 and 32 – entails improvements to the piers required for the AC34 Regattas. This project has a duration of nine months and is likely to generate up to 250 skilled trades positions of varying durations over its course. In order to meet the event schedule, all of the design for these projects and much of the bid preparation and solicitation process was completed prior to the development of the AC34 Workforce Development and Local Small Business Inclusion Plan

In moving forward, the Event Authority must finalize selection of its contractors and undertake the actual work. This plan sets forth the Event Authority’s plan, worked out in conjunction with its City partners, OEWD and HRC, for resident hiring and small local business inclusion for the AC34-related construction work.

Construction-Related Hiring of San Francisco Residents

For this project, the Event Authority is embracing the goal of 20% of all construction hours going to San Francisco residents, with 10% of the hours going to economically disadvantaged San Francisco residents; 50% of all apprentice hours going to SF apprentices, with 25% of these to disadvantaged apprentices on these projects on a trade-by-trade basis. To achieve this, the Event Authority will include in contracts for more than \$350,000 the requirement that contractors and subcontractors will implement the following good faith efforts steps:

1. Review with OEWD the workforce projections that include trade-by-trade projections for SF resident utilization prepared by the prime contractors selected by the Event Authority for the two piers projects. (Contractors have not yet been selected, but will be shortly.) For other construction-related work that will be undertaken by AC34, the workforce projections will be requested within 15 days after bid opening but at least 30 days prior to the Notice to Proceed.
2. Create a Local Resident Labor Plan in coordination with OEWD at least two weeks before construction begins.
 - a. The Event Authority anticipates that in most trades, meeting the 20/10% overall hour goals and the 50/25% apprentice hour goals will be achievable.
 - b. A portion of the work, however, will be performed by marine pile drivers, a trade currently listed by OEWD as exempt. To address this issue, or any other trades that are similarly underrepresented in San Francisco, the Event Authority will work with OEWD and the Contractor to contribute to the SF resident pipeline. Some ways this may take shape are: a) asking the contractor to sponsor a CityBuild Academy graduate in the marine pile drivers union or another union in which SF residents are currently underrepresented, or b) asking

contractor to hire SF resident(s) on other projects, or c) sponsoring a participant in CityBuild Academy

3. Prior to commencing work, contact in writing signatory unions or the local hiring halls, from which the contractors plan to request workers, to request all possible assistance from the union affiliates in fulfilling the local hiring goals.
4. Cooperate with OEWD Employment Liaisons and Compliance staff in providing timely information regarding processes toward fulfilling hiring goals.
5. Make good faith efforts to continue employment of San Francisco residents who possess the skills necessary for such work.
6. Submit electronic certified payroll reports to OEWD every week.

Partnership with OEWD

The Event Authority has already set the expectations with the contractors, who have submitted proposals for these two initial projects, that it is committed to achieving the resident hiring goals and that the contractors must work closely with OEWD to extend as many hiring opportunities to local residents as feasible. Toward this end, Event Authority has and will continue to meet regularly with OEWD staff to establish an effective job identification, referral, and placement system for the construction opportunities generated throughout the two-year Event Authority Project period. OEWD has assigned staff to work with Event Authority project managers and contractors to facilitate the identification, referral, and hiring of SF residents, disadvantaged residents, apprentices, and disadvantaged apprentices on the Event Authority's projects.

The Event Authority has already assumed a leadership position and interfaced with OEWD in implementing a local resident hiring process similar to those on City projects. Several of the Good Faith Steps have already been put in place in the bid documents: contractor trade-by-trade projections, identification of crew members, preparation of a Local Hiring Plan that includes specifics for participating in the SF resident pipeline (all prior to the start of construction), submission of electronic certified payroll reports, and cooperation with OEWD staff are all requirements on the piers projects.

Contractual Obligations

To ensure compliance with the resident hiring goals, the Event Authority inserted language into its bid documents apprising bidders that resident hiring goals would be included on these two projects. Once the contractors are selected, appropriate language will be inserted into their contract with the Event Authority spelling out their obligations to complete the above mentioned "Good Faith Effort Steps". The Event Authority will also include financial penalties in each construction contract of \$350,000 or more in the event that the contractor fails to comply with Good Faith Effort Steps spelled out in the contract.

Monitoring

OEWD will monitor AC34 contractor achievement of local hiring goals.

Construction-Related Local Small Business Opportunities

For construction-related local small business participation, the Event Authority and the San Francisco Human Rights Commission (HRC) have established a local subcontracting goal of 25% for LBE contractors.

- The Event Authority inserted this goal into its bid documents for both projects at Piers 27 and 29 and Piers 30 and 32. The contractors pursuing this work understand the expectation that they are to make good faith efforts to direct a minimum of 25% of their contract dollars to LBEs (as defined by 14B and certified by HRC).
- The Event Authority has provided LBE outreach assistance to the contractors pursuing these two projects. It has also included a checklist of steps each contractor was expected to take in order to achieve the 25% LBE goal.

For the project on Piers 30 and 32, the construction work will not take place until spring 2012. Therefore, there is additional time to assist the selected general contractor in meeting and hopefully exceeding the 25% LBE subcontracting goal. Toward this end, the Event Authority has agreed to work closely with the HRC and take the following steps:

- Work with its selected general contractor to identify specific remaining bid items that will be advertised to local LBEs.
- Advertise the contractor's solicitation of LBE bids for these bid items and the pre-bid meeting for a minimum of 30 days in one or more of the daily or weekly newspapers, trades association publications, minority of trade-oriented publications, trade journals listed below, or other media targeted for certified SBE/LBEs interested in participating in the project.

Small Business Assistance Center

City Hall, Room 110
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
415-554-6134

Asian, Inc,
1167 Mission Street, 4th Floor,
San Francisco, CA 94103

Daily Pacific Builder
Advertisement Department
160 Spear Street, 7th Floor
San Francisco, CA 94105

Small Business Exchange, Inc.
703 Market Street, Suite 1000
San Francisco, CA 94103
Phone: 415-778-6250
Toll Free: 800-800-8534
Fax: 415-778-6255
Email: sbe@sbeinc.com

- Post the contracting opportunities on the City’s OCA website and the contractor’s website not less than 30 calendar days before the bid opening.
- Host a pre-bid meeting not less than 15 days prior to bid opening that will allow LBE to receive information and ask questions about the bidding opportunities.
- Follow up initial solicitation of interest by certified LBEs to determine with certainty whether enterprises were interested in performing specific items of the project.
- Provide interested certified LBEs with information about the plans, specifications, and requirements for the selected subcontracting scope items.
- Work in conjunction with its General Contractor to advise LBEs in obtaining bonds, lines of credit, or insurance required for the project.

For any future AC34 construction-related work, the same LBE goals will be applied and the prime contractors will be required to employ the same good faith efforts to achieve the LBE participation goal.

Partnership with Human Rights Commission

The Event Authority and its project management team are working cooperatively with the San Francisco HRC to keep them informed of contracting activities. The HRC has advised the Event Authority on process and has agreed to assist the Event Authority and its General Contractor for Piers 30 and 32 in reaching out to potential LBE subcontractors and engaging them in the subcontracting processes.

Contractual Obligations

To ensure LBE utilization on AC34 projects, the Event Authority will insert language into its construction contracts of \$350,000 and more that the contractor must work in good faith with its LBE subcontractors to utilize them at the levels and financial amounts listed in bid or other pricing documents.

Monitoring

The Event Authority and its prime contractors will track overall LBE utilization for prime contractor, subcontractor, and supplier participation for all Event Authority projects. HRC will work with the Event Authority to monitor contractor achievement with LBE utilization.

Public Input

Community input is very important to the Event Authority and will act to strengthen this effort through participation from stakeholders with experience and familiarity in local small business and resident workforce planning. Comments on the Workforce Development and Local Small Business Inclusion Plan can be submitted via email to the City’s Office of Economic and Workforce Development at americascup@sfgov.org or to the America’s Cup Event Authority at workforce@americascup.com until January 6, 2012.

CLOSE

Over the last year, the Event Authority and the City have laid the groundwork for ensuring that AC34’s significant and positive impact to the San Francisco economy will

be shared by all San Franciscans. The Event Authority is eager to build upon this effort and begin realizing the economic promise of the 34th America's Cup in San Francisco.