

EXHIBIT P

DISPOSITION AND DEVELOPMENT AGREEMENT

NAVAL STATION TREASURE ISLAND

JOBS AND EQUAL OPPORTUNITY PROGRAM

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INTRODUCTION

Plans for the development of Treasure Island provide for a variety of community benefits for residents of Treasure Island and San Francisco, visitors to the Island and the entire Bay Area region. Many of the benefits to be provided, such as rebuilding the infrastructure, creating affordable housing opportunities, and adding approximately 300 acres of parks and open space have been described in other documents. This Jobs and Equal Opportunity Program (this “*Program*” or “*Jobs EOP*”) sets forth the employment and contracting requirements for the Project, including:

- Creating new construction and permanent employment opportunities in retail, maintenance, administrative, recreational, clerical and para-professional jobs, among others, developing programs to direct those jobs to priority groups, and establishing a framework for a job broker program to facilitate and prepare linking the priority groups to the jobs.
- Creating contracting opportunities for small business professional service firms and construction contractors and related small business contractors and their employees with priority opportunities for local San Francisco contractors and their employees.
- Creating economic development opportunities and related support for Treasure Island Homeless Development Initiative (“*TIHDI*”) residents and member organizations.

BACKGROUND

A. In 1993, Congress and the President selected NSTI for closure and disposition by the Base Realignment and Closure Commission acting under Public Law 101-510, 10 U.S.C. §2687 and its subsequent amendments. The Department of Defense initially designated the City as the Local Reuse Authority (“*LRA*”) responsible for the conversion of NSTI under the federal disposition process.

B. In 1997, the Board of Supervisors by Resolution No. 380-97 approved and authorized the incorporation of the Authority as a nonprofit public benefit corporation to promote the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of NSTI for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco. Subsequently, the Department of Defense designated the Authority as the LRA for NSTI.

C. In 1996, the City concluded discussions with TIHDI regarding a binding agreement (the “*1996 TIHDI Agreement*”) that would, among other things, give TIHDI certain rights to participate in economic development opportunities on Treasure Island, facilitate implementation of a permanent employment program related to activities occurring at Treasure Island and provide TIHDI with certain financial support. Because the California Environmental Quality Act review process had not yet been completed, the 1996 TIHDI Agreement was not executed at that time. Nevertheless, entry into the 1996 TIHDI Agreement was a condition precedent to the approval by the United States Department of Housing and Urban Development of the 1996 Draft Reuse Plan for Naval Station Treasure Island. And in fact, the Authority and TIHDI have conducted their negotiations as if the 1996 TIHDI Agreement was enforceable

today, have implemented substantial portions of the 1996 TIHDI Agreement and continue to act towards each other and exercise rights under the 1996 TIHDI Agreement as if it had been fully executed, including (i) subleasing 250 units of housing on Treasure Island to for use by TIHDI member organizations to provide housing to formerly homeless people, (ii) requiring Treasure Island employers to develop hiring plans to fulfill employment objectives, and (iii) referring employers to the TIHDI Job Broker to meet Project hiring goals, subleasing the existing childcare center to a TIHDI member agency, and contracting with TIHDI member agencies for janitorial and landscaping services. Moreover, the Authority and TIHDI have, concurrently with the DDA, entered into an amended and restated TIHDI Agreement that incorporates the same basic requirements as were originally set forth in the 1996 TIHDI Agreement (the “*TIHDI Agreement*”).

D. The TIHDI Agreement has four components: Economic Development and Support Facilities; Employment; Housing; and Support. This Program includes provisions to implement the Economic Development and Support Facilities and Employment Components of the TIHDI Agreement. The Economic Development and Support Facilities Component serves to create revenue-generating opportunities for TIHDI’s member organizations and work opportunities on Treasure Island for formerly Homeless and Economically Disadvantaged Persons. The Employment Component serves to establish a long-term employment policy for Treasure Island by requiring future private horizontal and vertical developers and construction employers and future long term lessees and employers to comply with First Source Hiring and other existing hiring goals and requirements and make good faith efforts to meet certain goals for employing formerly homeless and Economically Disadvantaged persons.

E. In 2006, the City established the CityBuild Program, an employment program under the OEWD. The purpose of CityBuild is to ensure equal employment opportunities for San Francisco residents of all backgrounds and genders in construction workforce activities provided under City-sponsored construction projects. CityBuild creates a single, responsible and accountable entity to direct construction employment and training efforts across projects and departments and develops trained, committed men and women to become the construction workforce of the future.

F. The Authority intends that the Project will be implemented by Developer or its assigns, Vertical Developers, and Construction Contractors and their subcontractors, as the case may be, and will consist of: (i) horizontal improvements implemented through the DDA, and (ii) vertical improvements implemented pursuant to Vertical DDAs and constructed on land that Developer has improved pursuant to the DDA. The vertical improvements will include market-rate residential, affordable residential (including opportunities for TIHDI, as described in the TIHDI Agreement and the Housing Plan attached to the DDA), commercial, community facilities, and other improvements, all as described more specifically in the DDA and related documents for the Project. The Authority further intends that the opportunities for long term employment will occur in projects undertaken by Permanent Employers. The Authority will contract separately for the redevelopment of the Marina and other ancillary development. The City and the Authority are subject to the San Francisco Local Hiring Policy for Construction (Administrative Code Section 6.22(G), as amended from time to time), for all City or Authority contracts covered under the terms thereof.

G. A Term Sheet for the Project was endorsed by the Treasure Island/Yerba Buena Island Citizens Advisory Board and the Authority in October 2006 and by the San Francisco Board of Supervisors in December 2006. The Term Sheet was revised and subsequently endorsed by the Treasure Island/Yerba Buena Island Citizens Advisory Board, the Authority and Board of Supervisors endorsed an Updated Term Sheet in April and May 2010. The Term Sheet anticipated that Developer would enter into a Project Labor Agreement (“PLA”) for construction work in the Project Area, and that the PLA would be consistent with this Program. The Term Sheet further anticipated that hotel uses and grocery store uses employing over 50 full time employees will be subject to the City’s Card Check Ordinance.

H. After the endorsement of the Term Sheet, Developer began the process of negotiating a PLA with the San Francisco Building and Construction Trades craft unions. The Developer anticipates entering into a PLA that incorporates key elements of the TIHDI Agreement in the PLA’s “composition of workforce” requirements and creates a mechanism to establish realistic and attainable standards for hiring to provide pathways to good union construction jobs and advancement for Economically Disadvantaged Persons. This Program requires that Construction Contractors, subcontractors, and the TIHDI Job Broker work cooperatively with the CityBuild Program on training, apprenticeship and job referral matters.

SUMMARY

This Program has been jointly prepared by the Authority and the Developer, in consultation with others including TIHDI, OEWD, and other relevant City Agencies, and sets forth the workforce and economic development requirements that will apply to the Project that is the subject of the Disposition and Development Agreement between the Authority and Developer and the Development Agreement between the City and County of San Francisco and Developer for the Treasure Island project (as described in the DDA, the “*Project*”). Any capitalized term used in this Program that is not defined in this Program shall have the meaning given to such term in the DDA.

The purpose of this Program is to ensure training, employment and economic development opportunities are part of the development of the Project. This Program creates a mechanism to provide employment and economic development opportunities for economically disadvantaged persons, San Francisco residents and TIHDI member organizations. The Authority and Developer agree that jobs creation and equal opportunity contracting opportunities in all areas of employment are an essential part of the redevelopment of Treasure Island. It is anticipated that, during the full term of the Project, approximately 2,000 new construction jobs annually and approximately 3,000 new permanent non-construction jobs will be created, and that the planning, design and construction work will provide substantial contracting opportunities for local contractors and professional services firms as well as for countless businesses, employers and organizations who continue to work on Treasure Island. The Authority and Developer agree that it is in the best interests of the Project and the City for a portion of the jobs and contracting opportunities to be directed, to the extent possible based on the type of work required, and subject to collective bargaining agreements, to local, small and economically disadvantaged companies and individuals whenever there is a qualified candidate.

This Program identifies goals for achieving this objective and outlines certain measures that will be undertaken in order to help ensure that these goals and objectives are successfully met. This Program applies to all horizontal development work and all vertical development work carried out under the DDA, and to new jobs offered by Permanent Employers with respect to the Covered Commercial Operations, and incorporates provisions specific to the Project relating to CityBuild, TIHDI, and the TIHDI Job Broker. In recognition of the unique circumstances and requirements surrounding the Project, the Parties have agreed that this Program will constitute the exclusive workforce requirements for the Project. All Work will be subject to the provisions and requirements of First Source Hiring Ordinance. In addition, the Parties have agreed to additional Program requirements, including requirements to contract with small businesses and to provide opportunities to TIHDI member organization and residents, in accordance with the TIHDI Agreement and as further described below in this Program. All the Authority Projects (which are defined as projects constructed directly by or on behalf of the Authority or the City and County of San Francisco where the Authority or City enters into contracts with contractors and directly expends Authority or City funds, and do not include the Infrastructure and the Storm Water Management Controls, as those terms are defined in the DDA) will be subject to the San Francisco Local Hiring Ordinance, as it may be amended from time to time.

This Jobs EOP sets forth the exclusive employment and trainee requirements for the Project, including all construction undertaken in the Project under the DDA and the Vertical DDAs. This Jobs EOP requires:

- Developer and all Vertical Developers, Construction Contractors and Permanent Employers to enter into a First Source Hiring Agreement that will require good faith efforts to meet the hiring goals for San Francisco Residents and Economically Disadvantaged Persons.
- Developer and all Vertical Developers and Construction Contractors to make good faith efforts to meet the contracting goals for Small Business Enterprises set forth in this Program.
- Developer and the Authority to provide TIHDI Member Organizations with a Right of First Offer for certain service contracts.
- Developer and the Authority to make certain economic development opportunities available to TIHDI and TIHDI Member Organizations.
- Developer provide certain funding and technical assistance to implement this Program.

The foregoing summary is provided for convenience and for informational purposes only. In case of any conflict, the provisions of the Jobs and Equal Opportunity Program and the DDA shall control.

DEFINITIONS

“**1996 TIHDI Agreement**” shall have the meaning set forth in Background Paragraph C of this Jobs EOP.

“**Administrative Code**” means the Administrative Code of the City and County of San Francisco as of the Effective Date, with such updates or amendments as permitted under the DA. All references to City codes or ordinances in this Jobs EOP shall mean such codes or ordinances as they exist of the Effective Date, with such updates or amendments as permitted under the DA.

“**AAA**” shall have the meaning set forth in Exhibit B of this Jobs EOP.

“**AMI**” or “**Area Median Income**” means the unadjusted median income for the San Francisco area as published from time to time by the United States Department of Housing and Urban Development ("HUD") adjusted solely for household size. If data provided by HUD that is specific to the median income figures for San Francisco are unavailable or are not updated for a period of at least eighteen months, the Area Median Income may be calculated by the Authority using other publicly available and credible data as approved by Developer and the Authority.

“**CEQA**” means the California Environmental Quality Act.

“**City**” means the City and County of San Francisco.

“**CityBuild**” means the employment program known as CityBuild established by the City and administered by OEWD.

“**Construction Work**” means all horizontal development work required or permitted to be made to the Project Site to be carried out by Developer under the DDA, and all Vertical Improvements to be carried out by a Vertical Developer under a Vertical DDA or LDDA, including the initial tenant improvements, through issuance of the first certificate of occupancy.

“**Contracting Party**” shall have the meaning set forth in Section 6.1.1(c) of this Jobs EOP.

“**Covered Commercial Operations**” shall mean those commercial (non-construction) operations within the Project Site that must comply with the First Source Hiring Ordinance.

“**Covered Services**” means the services described in Section 6.3 of this Jobs EOP.

“**DA**” means the development agreement for the Project between the Authority and Developer and entered into concurrently with the DDA.

“**DDA**” means the disposition and development agreement for the Project between the Authority and Developer and to which this Jobs EOP is an attachment.

“***Demand for Arbitration***” shall have the meaning set forth in Exhibit B of this Jobs EOP.

“***Developer***” means Treasure Island Community Development, LLC and its Transferees under the DDA.

“***ECA***” shall have the meaning set forth in Section 1.2 of this Jobs EOP.

“***Economically Disadvantaged Persons or Individuals***” shall mean 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 6 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; and veterans seeking employment.

“***First Source Hiring Agreement***” means a first source hiring agreement entered into in accordance with Section 2 of this Jobs EOP.

“***First Source Hiring Ordinance***” means Administrative Code Chapter 83, as updated or amended to the extent permitted under the DA.

“***FSHA***” means the City’s First Source Hiring Administration.

“***Good Faith Efforts***” means (i) with respect to First Source Hiring, as set forth in Section 2 of this Jobs EOP and the applicable First Source Hiring Agreement, (ii) with respect to the SBE participation goals, as set forth in the program adopted by the Authority in accordance with Section 3.3 of this Jobs EOP, and (iii) with respect to Covered Services and the TIHDI Economic Development Opportunities, as set forth in the Sections 6.3.4 and 7.1.4 of this Jobs EOP.

“***Great Wilds***” shall have the meaning set forth in Section 6.3.1(a) of this Jobs EOP.

“***Index***” shall have the meaning set forth in the DDA.

“**Jobs EOP**” means this Program.

“**Local Hiring Ordinance**” means Administrative Code Section 6.22(G).

“**LBE Ordinance**” means Administrative Code Chapter 14B.3.

“**Non-Construction Work**” means all new jobs offered by Permanent Employers with respect to the Covered Commercial Operations.

“**OLSE**” shall have the meaning set forth in Section 4.1 of this Jobs EOP.

“**Parties**” means the Authority and Developer.

“**Pavilion**” shall have the meaning set forth in Section 7.3.2(a) of this Jobs EOP.

“**Permanent Employer**” shall mean each employer in a Covered Commercial Operation.

“**Permit**” shall have the meaning set forth in Section 7.3.2(a) of this Jobs EOP.

“**Permittee**” shall have the meaning set forth in Section 7.3.2(a) of this Jobs EOP.

“**PLA**” shall have the meaning set forth in Section 8 of this Jobs EOP.

“**Program**” means this Jobs EOP.

“**Project**” shall have the meaning set forth in Summary of this Jobs EOP.

“**Reference Date**” shall have the meaning set forth in the DDA.

“**ROFO Process**” shall have the meaning set forth in Section 6.1.1 of this Jobs EOP.

“**San Francisco Resident**” shall mean 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.

“**Small Business Enterprise**” or “**SBE**” shall have the meaning set forth in Section 3.2.3 of this Jobs EOP.

“**TIHDI**” means the Treasure Island Homeless Development Initiative, Inc. a California nonprofit public benefit corporation.

“**TIHDI Agreement**” means the agreement entered into by and between the Authority and TIHDI concurrently with the DDA.

“**Toolworks**” shall have the meaning set forth in Section 7.3.2(a) of this Jobs EOP.

“*Vertical Developer*” means for a particular Lot or Vertical Improvement (as those terms are defined in the DDA), the Person that is identified as the Vertical Developer in the applicable Vertical DDA related thereto.

“*Work*” means all Construction Work and Non-Construction Work.

“*WVC*” means Wine Valley Catering, a California corporation.

PROGRAM

1. Form of Agreements. Developer and all Vertical Developers, Construction Contractors (and their subcontractors regardless of tier) and Permanent Employers must comply with the applicable provisions of this Program. This Program will be administered through two separate forms of agreement as described in Sections 1.1 and 1.2 of this Jobs EOP, respectively:

1.1 First Source Hiring Agreement. The First Source Hiring requirements of this Jobs EOP will be administered through First Source Hiring Agreements, as described in Section 2 of this Jobs EOP. Developer and all Vertical Developers shall enter into a First Source Hiring Agreement with the FSHA. Developer and Vertical Developers shall also require their respective Construction Contractors and the Permanent Employers, in the applicable contracts with such entities, to enter into separate First Source Hiring Agreements with the FSHA.

1.2 Employment and Contracting Agreement. All provisions of this Program not set forth in the First Source Hiring Agreement shall be administered by the Authority or the Authority’s designee (which may include OLSE and CityBuild). Developer and Vertical Developers shall enter into an Employment Contracting Agreement (an “*ECA*”) with the Authority incorporating the provisions of this Program. Developer and Vertical Developers shall also require their respective Construction Contractors, in the applicable contracts with such entities, to enter into separate ECAs with the Authority. Each ECA shall require compliance with this Jobs EOP by the party and its respective subcontractors (regardless of tier), provided that subcontractors will not be required to enter into their own ECA. Each ECA shall attach and incorporate a copy of this Jobs EOP, and shall specifically reference the applicable City ordinances as set forth in Section 4.3 of this Jobs EOP.

1.3 Start of Work. No Work may begin until the applicable First Source Hiring Agreement and ECA has been duly executed and delivered by the parties to such agreements.

1.4 General Enforcement and Liability. Each Developer and Vertical Developer shall use good faith efforts, working with the Authority or its designee, to enforce this Program with respect to its Construction Contractors, and each Construction Contractor shall use good faith efforts, working with the Authority or its designee, to enforce this Program with respect to its subcontractors (regardless of tier). However, Developer and Vertical Developers shall not be liable for the failure of their respective Construction Contractors and Construction Contractors shall not be liable for the failure of their subcontractors (except as set forth in the arbitration provisions attached to this

Jobs EOP as Exhibit B). Developer and Vertical Developers shall have no obligations with respect to Permanent Employers other than to include the requirements of this Program in their purchase and sale or lease agreements (as applicable) for Covered Commercial Operations. The Authority, OEWD and OLSE staff agree to work cooperatively to create efficiencies and avoid redundancies, and to implement this Program in good faith, and to work with all of the Project's stakeholders, including TIHDI, the TIHDI Job Broker, Developer and Vertical Developers, Construction Contractors (and their subcontractors) and Permanent Employers, in a fair, nondiscriminatory and consistent manner.

1.5 Third Party Beneficiary. Each First Source Hiring Agreement and ECA shall require the contracting party to ensure that each subcontractor agree as a term of participation on this Project that the City and the Authority shall have third party beneficiary rights under all subcontracts for Work. Such third party beneficiary rights shall be limited to the right to enforce the requirements of the Jobs EOP applicable to such subcontractors directly against the subcontractors.

2. First Source Hiring Goals.

2.1 Covered Work. All Work will be subject to the provisions and requirements of the First Source Hiring Ordinance, with the understanding that (i) each Construction Contractor and Permanent Employer shall enter into a First Source Hiring Agreement with the FHSA, and (ii) if there is any conflict between the terms of this Program and the First Source Hiring Ordinance, the terms of this Program prevail.

2.2 Hiring Goals for Construction Work. Each First Source Agreement will require the Construction Contractor and its subcontractors (regardless of tier) to make good faith efforts to achieve the goals set forth below. The goals are based on cumulative work force hours, not individual trade or task, and are as follows:

(a) 25% of all construction workforce hours filled by qualified Economically Disadvantaged Persons.

(b) 50% of all construction workforce hours filled by qualified San Francisco Residents (including those qualifying under subparagraph (a) above).

2.3 Hiring Goals for Non-Construction Work. Developer and Vertical Developers will each cause each Permanent Employer (through its lease or purchase and sale agreements, as applicable, with the Permanent Employer) to enter into a First Source Hiring Agreement. Permanent Employers shall be required to use good faith efforts to achieve the following goals throughout the 10 year period starting when they begin Covered Commercial Operations and ending 10 years thereafter:

(a) 25% of all permanent non-managerial, non-supervisory jobs filled by qualified Economically Disadvantaged Persons.

(b) 50% of all permanent non-managerial, non-supervisory jobs filled by San Francisco Residents (including those qualifying as part of the 25% referred to immediately above).

2.4 Priorities for Placement. Each First Source Hiring Agreement for both Construction Work and Non-Construction Work shall provide that, subject to any collective bargaining agreements in the building trades and applicable law, first consideration for hiring shall go to qualified Economically Disadvantaged Persons and second consideration to qualified San Francisco Residents with preference for residents of Treasure Island.

2.5 Credit; Flexibility.

2.5.1 Parties to any First Source Hiring Agreement for both Construction Work and Non-Construction Work shall receive credit for meeting the goals set forth in their respective First Source Hiring Agreements by contracting with TIHDI member organizations for services such as grounds maintenance and landscaping, janitorial maintenance, deconstruction or other economic development activities as more fully described below. Any party to a First Source Hiring Agreement seeking to obtain credit for such TIHDI contracting under its respective First Source Hiring Agreement shall do so by providing written notice to both the Authority and the FSHA. The Authority, in consultation with the FSHA, shall make a reasonable determination of what (if any) credit shall be applied to the requesting party's obligations under its First Source Hiring Agreement. Any disputes regarding such credits shall be resolved pursuant to the arbitration provisions of this Program.

2.5.2 Some jobs will be better suited to meeting or exceeding the hiring goals than others, hence all workforce hiring goals under a Construction Contract or by a Permanent Employer will be cumulative, not individual, goals for that Construction Contract or Permanent Employer.

2.5.3 Developer and Vertical Developers shall have the right to reasonably spread the workforce goals, in different percentages, among separate Construction Contracts or Permanent Employers so long as the cumulative goals among all of the Construction Contracts or Permanent Employers at any given time meet the requirements of this Program. The parties shall make such modifications to the applicable First Source Hiring Agreements consistent with Developer and Vertical Developers' allocation. This acknowledgement does not alter in any way the requirement that Developer, Vertical Developers, Construction Contractors, and Permanent Employers comply with good faith effort obligations to meet the participation goals for all components of the Construction Work and Non-Construction Work. During all phases of the Project, sustained efforts will be made to meet the goals outlined in this Program.

2.5.4 Each Construction Contractor and Permanent Employer shall work with CityBuild and/or the TIHDI Job Broker (as appropriate) to ensure that

appropriate employment and contracting opportunities are provided to TIHDI Member organizations in accordance with this Jobs EOP.

2.6 Implementation for Construction Work and Non-Construction Work. In order to implement the hiring goals in this Policy, Developer and Vertical Developers, Construction Contractors and Permanent Employers will enter into a First Source Hiring Agreement with the First Source Hiring Administration generally in the forms attached hereto as Exhibit A, with such revisions as may be needed to coordinate and incorporate the provisions of this Jobs EOP. The Parties understand and agree that the final forms for Exhibit A shall be agreed to by the Parties on or before the first Major Phase Approval, and upon such agreement shall be attached to this Jobs EOP. All the First Source Hiring Agreements shall require the employer to use good faith efforts to meet the hiring goals of this Program. Without limiting the other requirements set forth herein, the First Source Hiring Agreements shall include the following steps:

- Preparing one year job forecasts annually in order to prepare workforce for placement. Such forecasts shall include, without limitation, the types of jobs (trade, skill, industry) and the projected timeline or duration of the jobs.
- Preparing detailed written plans describing how the hiring plans will be implemented.
- Listing all available jobs on Treasure Island with the TIHDI Job Broker Program (for permanent jobs) and with CityBuild (for construction jobs) at least two weeks prior to advertising for applicants elsewhere.
- Providing good faith consideration to all qualified candidates who are screened, eligible and referred by City Build or the TIHDI Job Broker. Should an employer not hire referrals by City Build or the TIHDI Job Broker, the employer must provide a written explanation. However, this Policy shall not required any firm or entity to employ a worker not qualified for the position in question or to employ any particular worker, and that all final hiring decisions shall be made at the discretion of the employment firm or entity, acting in good faith consistent with this Policy.
- Establishing mutually acceptable means of communicating with City Build to give to the TIHDI Job Broker about job openings, information about jobs and providing information about job referral outcomes within a reasonable period of time following a request for such information, as well as when a problem arises at the worksite
- Utilizing the labor compliance programs established by CityBuild for weekly or other periodic payroll certification.
- Requiring participation in the dispute resolution mechanism set forth in Exhibit B attached to this Policy for disputes relating to compliance with the First Source Hiring Ordinance or a First Source Hiring Agreement in the event the FSHA so

requires after following the procedures set forth in the First Source Hiring Ordinance.

Pursuant to the Job Broker provisions in the TIHDI Agreement, agencies referring workers to jobs as well as TIHDI Job Broker staff will provide ongoing support to workers and relevant employers. The respective First Source Hiring Agreements will require the employers to make good faith efforts to communicate employment issues where and as appropriate with the workers and with CityBuild. CityBuild will in turn work with the TIHDI Job Broker staff so that effective interventions may be made in certain cases to help maintain sustained employment of referred workers.

2.7 Hiring Plans. The First Source Hiring Agreement shall require the party to that Agreement to submit a hiring plan to FHSA for Approval not less than 60 days before the date that hiring first commences. Such hiring plan shall contain a detailed description of how the employer intends to meet its hiring goals, which description should include community outreach and recruiting efforts, hiring procedures (e.g., phased hiring), a projected schedule for meeting the goals, and alternative courses of action if it appears that the goals will not be met, and such other matters as may reasonably be requested by FHSA. Each Hiring Plan shall also include an acknowledgment that if the hiring goals are not met, then the employer will have the burden of establishing that it made good faith efforts as required by the First Source Hiring Agreement. During the first 30 days after the hiring plan is submitted, the parties will negotiate in good faith solutions to any deficiencies in the hiring plan identified by FHSA. If FHSA fails to approve the hiring plan after such period, it shall state in writing the specific basis for the failure and the suggested cure(s).

3. Participation Goals for Small Business Enterprises.

3.1 Covered Work. The provisions of this section apply to all Construction Work entered into pursuant to the DDA.

3.2 Contracting SBE Participation Goals. It is a stated goal of the Authority and the City to support small, locally-owned and disadvantaged businesses and contractors. Based on that goal, the following participation goal is set for contracting for Construction Work:

3.2.1 For construction contracts, 41% of the total dollar value of the Horizontal Development Work and Vertical Development Work shall be performed by subcontractors that are qualified Small Business Enterprises (SBEs) located in San Francisco or elsewhere, provided that First Consideration shall be given to SBEs located in San Francisco.

3.2.2 For professional services contracts, 38% of the total dollar value of the professional service contracts shall be performed by qualified SBEs located in San Francisco or elsewhere, provided that first consideration shall be given to SBEs located in San Francisco.

The Parties recognize that achieving these goals may be challenging for particular aspects of the Project and that the goals will therefore be cumulative rather than individual by specific task, provided the Construction Contractor has provided a plan acceptable to the Authority for how it intends to satisfy the cumulative goal.

3.2.3 The Authority shall maintain a list of certified SBEs under this Program. For purposes of this Program, a “*Small Business Enterprise*” or “*SBE*” shall mean a firm that meets the definition of a Small-LBE as set forth in Administrative Code Chapter 14B.3 (Local Business Enterprise and Nondiscrimination in Contracting Ordinance; the “*LBE Ordinance*”), provided that (i) certification of status as an SBE shall be made by the Authority, (ii) each Small-LBE certified under the LBE Ordinance shall automatically qualify as an SBE under this Program and be placed on the Authority’s list of certified SBEs, and (iii) businesses that are wholly-owned by a non-profit organization that is a TIHDI member organization shall be deemed an SBE and placed on the Authority’s list of certified SBEs, subject to the approval of the Authority.

3.3 Implementation of the SBE Goals. The Authority shall establish reporting, monitoring and other procedures for satisfaction of the SBE participation goals under this Program that are generally modeled on the requirements of the LBE Ordinance, but shall not include bid discounts for SBEs, the bonding assistance program, or the penalties set forth in the LBE Ordinance as set forth in the Administrative Code Sections 14B.13, 14B.15, 14B.16 and 14B.17. Monitoring of compliance and enforcement of the SBE participation goals shall be performed by the Authority or its designee. For purposes of evidencing ‘good faith efforts’ to achieve SBE participation goals, the applicable employer shall document its efforts to meet the SBE goals and shall take: (i) the actions set forth below; (ii) additional reasonable actions consistent with Administrative Code Chapter 14B that have been included in the SBE procedures adopted by the Authority (not including bid discounts for SBEs or the bonding assistance program); and (iii) any other actions designed to encourage SBE participation that have been agreed upon by the Authority and Developer:

3.3.1 Identifying and selecting contracting and subcontracting opportunities to solicit and to obtain bids, proposals, or qualifications, as applicable, from a broad range of SBEs and as needed to meet SBE goals;

3.3.2 Advertising for SBE contractors and subcontractors in trade association publications and local business media, and by posting the contracting opportunity on the Authority’s website or other centralized City website and in an accessible location, when the contracting opportunity becomes available but in no event less than fifteen (15) calendar days before the date that bids, proposals, qualifications or other submittal documents requested by the applicable Construction Contactor can first be submitted. The advertisement must include information where potential responders may obtain adequate information about the plans, specifications, and requirements for the work.

3.3.3 When the contracting opportunity becomes available but in no event less than fifteen (15) calendar days before the date the responses can first be

submitted, contacting at least the requisite number of SBEs by trade certified to perform the identified work as shown on the list maintained by the Authority in accordance with Section 3.2.3.

3.3.4 Performing follow-up contact on the initial solicitation with interested contractors and subcontractors and negotiating in good faith with SBEs and not unjustifiably rejecting their bids.

3.3.5 Encouraging SBEs to attend any prebid meetings that are held to inform potential bidders of contracting opportunities.

3.3.6 Providing SBEs with adequate information about the plans, specifications, and requirements of the contract.

3.3.7 Using the services of community and contractors' groups to assist in the recruitment of SBEs.

4. Other Contracting Requirements.

4.1 Prevailing Wages. All Construction Contractors (and their subcontractors) shall pay prevailing wages in accordance with Administrative Code section 6.22(E). The City's Office of Labor Standards Enforcement ("**OLSE**") enforces labor laws adopted by San Francisco voters and the San Francisco Board of Supervisors. OLSE ensures that certain contractors comply with prevailing wage regulations, enforces the Minimum Compensation Ordinance and Health Care Accountability Ordinance, and administers the City's Sweatfree Contracting Ordinance (Administrative Code Chapter 12U). OLSE also enforces labor laws of general application, including the San Francisco Minimum Wage Ordinance, Paid Sick Leave Ordinance (Administrative Code Chapter 12W), and Health Care Accountability Ordinance. The Authority designates OLSE as the agency responsible for ensuring that prevailing wages are paid and other payroll requirements are met in connection with the Work.

4.2 Labor Representation ("Card Check") Ordinance. Administrative Code Chapter 23, Article VI shall apply to (i) hotel and restaurant operators that employ more than fifty (50) employees on the Project Site, and (ii) grocery operators that employ more than fifty (50) employees on the Project Site.

4.3 Applicability of City Ordinances. As set forth in Article 27 of the DDA, the following Ordinances of the City and County of San Francisco, as the same are in effect as of the Effective Date of the DDA and as amended or updated to the extent permitted under the Development Agreement, apply to the Project and the Work:

- Non-Discrimination in City Contracts and Benefits Ordinance (Administrative Code Chapter 12B)
- Prevailing Wages (Administrative Code Chapter 6, Section 6.22(E))

- Labor Representation (“Card Check”) Ordinance (SF Administrative Code Chapter 23, Article VI)
- First Source Hiring Program (SF Administrative Code Chapter 83)
- Health Care Accountability Ordinance (Administrative Code Chapter 12Q)
- Prohibited Conflicts of Interest (SF Charter Section 15.103, City's Campaign and Governmental Conduct Code Chapter 2, Article III, and California Government Code Section 1090 et seq.)
- Prohibition of Political Activity with City Funds (Administrative Code Chapter 12.G)
- Notification of Limitations on Contributions (SF Campaign and Governmental Conduct Code Section 1.126)
- Sunshine Ordinance (Administrative Code Chapter 67)
- MacBride Principles - Northern Ireland (Administrative Code Chapter 12F)
- Tropical Hardwood and Virgin Redwood Ban (SF Environment Code Chapter 8)
- Resource-Efficient Facilities and Green Building Requirements (SF Environment Code Chapter 7)
- Preservative Treated Wood Containing Arsenic (SF Environment Code Chapter 13)
- Protection of Private Information (Administrative Code Chapter 12M)
- Food Service Waste Reduction Ordinance (SF Environment Code Chapter 16)

Additional provisions apply with respect to work done on property owned by the City and County of San Francisco, as set forth in the DDA. Each ECA and/or First Source Hiring Agreement shall specifically reference and require compliance with the City ordinances listed above. Monitoring, enforcement and remedies for each of the City ordinances shall be as set forth in the ordinance itself.

5. TIHDI Economic Development Opportunities. The TIHDI Agreement identifies various components, including a housing component, to support TIHDI’s goals for supporting Economically Disadvantaged Individuals. Sections 6 and 7 of this Jobs EOP are designed to support the economic development component of the TIHDI Agreement; in particular, to create revenue-generating opportunities for TIHDI member organizations and to enhance work opportunities at Treasure Island for Economically Disadvantaged Individuals.

6. Service Contracts.

6.1 General Requirements. It is the intent of the Authority, Developer, and TIHDI to provide to TIHDI rights to negotiate for contracts for its member organizations to provide certain services pursuant to the TIHDI Agreement. It is expressly understood and agreed that TIHDI member organizations wishing to provide service contracts will be expected to present market rate proposals, and any such proposal shall be approved or rejected by the Authority, Developer, or other owners/lessees pursuant to the TIHDI Agreement and based on good faith negotiations between the Authority, Developer, or other owners/lessees and the TIHDI member organization.

6.1.1 Right of First Offer Process. For purposes of this Jobs EOP, the right of first offer process (“**ROFO Process**”) consists of the following steps:

(a) The Authority and TIHDI shall work cooperatively and in good faith to identify opportunities to propose service contracts and other economic development opportunities appropriate for TIHDI member organizations.

(b) The Authority or Developer, as applicable, shall notify TIHDI in writing when such service contracts and other economic development opportunities are ready for bidding.

(c) One or more TIHDI member organizations will present a market rate contract proposal to the Authority or the applicable contracting party (which is defined as an entity covered by this Program, the “**Contracting Party**”) to perform the requested service. The proposal must demonstrate that the TIHDI member organization has sufficient experience and organizational capability, either on its own or in joint venture with another, to perform the required services, subject to subsection 6.1.1(f) below.

(d) The Contracting Party shall thereafter negotiate in good faith exclusively with such TIHDI member organization(s) for a reasonable period of time of not less than two (2) months to attempt to finalize the terms of mutually acceptable service contract(s), which shall have a term of at least one (1) year, with renewals subject to negotiations. Each Contracting Party will have the right to ensure that the services are provided at reasonable market rates, are performed to a first-rate market quality standard, are subject to standard termination rights, and are performed upon other terms as shall be mutually agreed.

(e) If, despite such good faith efforts, the Contracting Party and the applicable TIHDI member organization(s) are unable to finalize the terms of a mutually acceptable service contract then the Contracting Party shall thereafter consider in good faith any proposals by other TIHDI member organizations, in addition to considering any bids by third party service providers for the requested service, subject to subsection 6.1.1(f) below.

(f) All service contracts for which the Authority is the Contracting Party, regardless of whether the service contract is with a TIHDI member organization or a third party service provider, will (i) be subject to the City Ordinances

described in Sections 4.1 and 4.3 above, and (ii) will include a requirement that the service provider provide employee training for job advancement. For Authority service contracts issued under Section 6.3.1, the service provider will be required to pay area standard wages as determined by the Authority or the prevailing rate of wages, if any, established by the Board of Supervisors for that category of work. For Authority service contracts issued under Section 6.3.2, the service provider will be required to pay the prevailing rate of wages as determined in accordance with Administrative Code Section 21C.2 or its successor.

6.2 Hiring Credit for Service Contracts. A Contracting Party shall receive credit for satisfaction of its hiring goals through contracting with TIHDI organizations for Covered Services as set forth in Section 6.3 of this Jobs EOP or for Economic Development Opportunities as set forth in Section 7.3 of this Jobs EOP, as well as through direct hires by the Contracting Party. The Contracting Party shall request such a credit in writing with a copy to the Authority and the FSHA. The FSHA, in consultation with the Authority, shall make a reasonable determination regarding such requested credit.

6.3 Covered Services.

6.3.1 Grounds Maintenance and Landscaping. Currently, the Authority contracts for grounds maintenance services with Rubicon Enterprises, a TIHDI member organization. The provisions of this Section 6.3.1 shall apply to any contracts for grounds maintenance services after termination of the existing contract with Rubicon Enterprises.

(a) Subject to any collective bargaining agreements applicable to the performance of grounds maintenance or landscaping services, the Authority shall follow the ROFO Process for grounds maintenance or landscaping contracts for the portions of Treasure Island that are owned or operated by the Authority, and if contracted out by property management for rental housing developments owned or operated by the Authority. Areas within the Project Site that will be owned by the Authority could include the Marina Promenade, the Art Park along the western shoreline and the area referred to as the “*Great Wilds*” in the northern portion of the Project.

(b) Subject to any collective bargaining agreements applicable to the performance of grounds maintenance or landscaping services, Developer and TIHDI shall follow the ROFO Process for grounds maintenance or landscaping contracts that are contracted out for rental housing developments owned or operated by Developer and TIHDI, respectively. To the extent Developer controls the shared public ways (also known as the mews) (and subject to the approval of the City's Department of Public Works if required) Developer will provide TIHDI with a ROFO to present a market-based, competitive bid to perform maintenance on the shared public ways.

(c) The Authority will require that any agreements transferring all or any portion of the Authority's interest in or rights to use any publicly-

owned property will require the transferee to follow the ROFO Process for grounds maintenance or landscaping contracts for any such property. Such properties are expected to include, but are not limited to: Buildings 1, 2 and 3; the Nimitz House Historic District; the common exterior areas of Developer retail uses; neighborhood parks; the gymnasium; and other common exterior public spaces.

6.3.2 Janitorial/Building Maintenance. Currently, the Authority contracts for janitorial and maintenance activities with Toolworks, Inc., a TIHDI member organization. The provisions of this Section 6.3.2 shall apply to any contracts for janitorial or building maintenance services after termination of the Toolworks, Inc. contract.

(a) Subject to any collective bargaining agreements applicable to the performance of janitorial or building maintenance services, the Authority shall follow the ROFO Process for janitorial or building maintenance contracts for the portions of Treasure Island that are owned or operated by the Authority, and if contracted by property management, for rental housing developments owned or operated by the Authority.

(b) Subject to any collective bargaining agreements applicable to the performance of janitorial or building maintenance services, Developer and TIHDI shall follow the ROFO Process for janitorial or building maintenance contracts that are contracted out by property management for rental housing developments owned or operated by Developer and TIHDI, respectively.

(c) The Authority will require that any agreements transferring all or any portion of the Authority's interest in or rights to use a property will require the transferee to follow the ROFO Process for janitorial or building maintenance services for any such property. Such properties are expected to include, but are not limited to, Buildings 1, 2 and 3, the Nimitz House Historic District, the interior common areas of Developer retail uses, the gymnasium and other interior public spaces.

6.3.3 Temporary Property Management Services. The provisions of this Section 6.3.3 shall apply to any contracts for temporary property management services for residential projects, including but not limited to desk clerks, moving and cleaning services upon unit vacancy, and pest remediation in the event regular staffing to otherwise provide the following services is not sufficient and a need for additional resources is required.

(a) Subject to any collective bargaining agreements applicable to the performance of temporary property management services, the Authority shall follow the ROFO Process for temporary property management contracts for the portions of Treasure Island that are owned or operated by the Authority, and if contracted out by property management for rental housing developments owned or operated by the Authority.

(b) Subject to any collective bargaining agreements applicable to the performance of temporary property management services, Developer,

Vertical Developer and TIHDI shall follow the ROFO Process for temporary property management contracts that are contracted out by property management for rental housing developments owned or operated by Developer and TIHDI, respectively.

(c) The Authority will require that any agreements transferring all or any portion of the Authority's interest in or rights to use a residential property will require the transferee to follow the ROFO Process for temporary property management services for any such property.

6.3.4 Good Faith Efforts Required. The implementation of the goals relating to the Covered Services set forth in this Section 6.3 is premised on the good faith negotiations by the Parties. For purposes of contracting for the Covered Services, "good faith" means, at a minimum, that the Contracting Party:

(a) shall have regular, ongoing negotiations with applicable TIHDI member organizations,

(b) shall negotiate contract terms which are reasonable, market-based and customary for the applicable service; and

(c) shall not enter into contracts with non-TIHDI member organizations on terms which are less favorable to the Contracting Party than those terms proposed by a TIHDI member organization, provided all other aspects of the proposal are comparable and market-based.

6.3.5 Storage Space. The Authority or Developer will provide an appropriate and reasonable amount of storage space on Treasure Island to TIHDI member organizations performing services as described above in this Section 6.3, on terms to be jointly negotiated between the parties, for tools, supplies and work space needed to implement the contracts for Covered Services.

7. TIHDI Economic Development Opportunities.

7.1 General Requirements.

7.1.1 Pursuant to the TIHDI Agreement, the Authority will provide TIHDI member organizations with the exclusive right to propose at least three (3) economic development opportunities on properties owned or operated by the Authority, which may include opportunities for small businesses or operations that facilitate extensive job training, employment and comparable opportunities. Developer and the Authority will exercise good faith in negotiating sites or spaces for these development opportunities.

7.1.2 It is the goal of the Authority and TIHDI that each of these opportunities will provide job training and/or regular employment for Economically Disadvantaged Persons. Based on the nature of these opportunities, the timing of the feasibility of their implementation will likely be predicated upon residential occupancy thresholds and development timelines.

7.1.3 The Authority and Developer will each have the right to ensure that these services, contracts, or leases for the Economic Development Opportunities are provided at reasonable market rates, are performed to a first-rate market quality standard, are subject to standard termination rights, and are performed upon other terms as shall be mutually agreed.

7.1.4 The Authority and Developer shall each negotiate in good faith exclusively with the applicable TIHDI member organization(s) for a reasonable period of time of up to six (6) months to attempt to finalize the terms of a mutually acceptable agreement. If, despite such good faith efforts, the Authority and the applicable TIHDI member organization(s) are unable to finalize the terms of a mutually acceptable agreement, then the Authority shall thereafter consider in good faith any proposals by other TIHDI member organizations, in addition to considering any bids by third party service providers for the applicable economic development activity.

7.1.5 Any subcontractor performing services or work under an Economic Development Opportunities contract will be required to utilize the TIHDI Job Broker Program on an ongoing basis and will be subject to the participation goals as described herein.

7.2 Economic Development Opportunities Provided by the Authority.

7.2.1 TIHDI participation in economic development opportunities provided by the Authority could include the following: (1) a multi-purpose conference center, wedding or meeting space, (2) a coffee shop or cafe, (3) catering services (4) operation of the On-Island bicycle lending library, (5) operation of a Crissy Field-like “warming hut,” and (6) event recycling and residential recycling education, or other appropriate economic development opportunities that may arise in the future.

7.2.2 The Authority will be solely responsible for informing TIHDI of these opportunities and making these opportunities available to TIHDI member organizations in a timely fashion following presentation by TIHDI of a market-based proposal. Specific procedures for proposing programs for economic development opportunities are set forth in the TIHDI Agreement. The TIHDI economic development opportunities must be financially feasible enterprises that provide job training and employment for TIHDI partner organizations.

7.3 Economic Development Opportunities Provided by Developer.

7.3.1 The ECA between the Authority and Developer shall require that Developer provide TIHDI with a right of first offer to present a market-based, competitive bid to operate an approximate 1,000 square foot cafe in Building 2, a 3 to 5 acre space within the Urban Farm to be located on Treasure Island (as reasonably determined by the Authority), and a 800-1000 square foot retail space in Building 2 to sell, process or manufacture produce grown at the Urban Farm by TIHDI.

7.3.2 Continuation of Existing Economic Development Opportunities (Event Services; Pavilion).

(a) The Authority, TIHDI, Toolworks, a California non-profit corporation (“*Toolworks*”), and Wine Valley Catering, a California corporation (“*WVC*”) have entered into an Event Venues Management Agreement and Use Permit dated as of October 1, 2007 (the “*Permit*”). Pursuant to the Permit, the Authority granted to TIHDI, Toolworks, and WVC (collectively, the “*Permittee*”) the right to use the Chapel, Casa de la Vista and the Lobby of the Main Administration Building (Building 1), and portions of the parking areas adjacent thereto for the management, operation, catering and marketing of the premises for special events. Those facilities include the “*Pavilion*.” The Authority will negotiate with Permittee in good faith for the continued management of the Pavilion and the other premises covered by the Permit.

(b) The Pavilion is expected to remain in its current location until infrastructure or permanent development on Treasure Island requires that it be moved, and it may be moved to an interim location. The Parties will negotiate in good faith to preserve the economic development opportunities associated with the Pavilion for as long as possible, consistent with the Project.

(c) In the event the composition of the entities that make up the Permittee changes, the Authority will offer TIHDI the opportunity to propose a new Permittee, following the process described in Section 7.1 of this Jobs EOP.

8. Project Labor Agreement. It is expected that a large labor pool will be required to execute the work involved in the redevelopment of Treasure Island. Towards that end, Developer intends to enter into a Project Labor Agreement (“*PLA*”) with the San Francisco Building and Construction Trades Council and its affiliates, as well as other relevant unions and referral agencies, to ensure that a sufficient supply of skilled craft workers are available at the Site throughout the Project, and that the Construction Work shall proceed continuously, without interruption, in a safe and efficient manner, economically, with due consideration for the protection of labor standards, wages and working conditions. In furtherance of these purposes and to secure optimum productivity, harmonious relations between the parties and the orderly performance of the work, the parties agree to establish adequate and fair wage levels and working conditions and to protect the Project against strikes and lockouts and other interference with the process of Construction Work.

9. Funding and Other Forms of Assistance

9.1 Funding. The Developer shall provide funding to Authority upon request for the exclusive purposes of funding the TIHDI Job Broker Program and the job training and workforce development for all Construction Work and all for permanent workforce development (the “Job Broker Program Subsidy”). Starting with the Reference Date, the Authority shall be credited with a non-cash Job Broker Program Subsidy Account balance of Three Million Eight Hundred Thousand Dollars (\$3,800,000). Commencing upon the first Sub-Phase Approval in the Initial Major Phase (as those terms are defined in the DDA) Developer shall pay an annual Job Broker Program Subsidy Payment to the Authority upon request in an amount not to exceed the amounts set forth in the following schedule:

- (a) A maximum of Two Hundred Thousand Dollars (\$200,000) per annum for years one and two;
- (b) A maximum of Three Hundred Thousand Dollars (\$300,000) per annum for years three through five; and
- (c) A maximum of Five Hundred Thousand Dollars (\$500,000) per annum for each year thereafter until the balance in the Job Broker Program Subsidy Account is exhausted.

Each Job Broker Program Subsidy Payment shall reduce the Job Broker Program Subsidy Account balance by an amount equal to the payment made by Developer. At the end of each Fiscal Year, commencing at the end of the Fiscal Year in which the Reference Date occurs, the Job Broker Program Subsidy Account balance remaining after the Annual Job Broker Program Subsidy Payment has been made shall increase by an amount equal to the increase in the Index over the prior twelve month period (except that the first interest credit shall be based on the period from the Reference Date to the end of the Fiscal Year in which the Reference Date occurs). Developer's obligation to pay the Annual Job Broker Program Subsidy shall cease when the Job Broker Program Subsidy Account balance has been exhausted. Developer shall have no obligation to increase the available balance in the Job Broker Program Subsidy Account at any time after the account is first established (except for the interest increases as described above). Any failure by Developer to make a required Job Broker Program Subsidy Payment shall be an Event of Default as set forth in the DDA, and shall not be governed or limited by the default or arbitration provisions of this Jobs EOP.

9.2 TIHDI Job Broker Program. The TIHDI Job Broker program has responsibilities under the TIHDI Agreement to identify and refer qualified construction and permanent job candidates meeting the criteria for Economically Disadvantaged Persons under this Program, as further described in Exhibit C. Funding for the TIHDI Job Broker Program will be funded by the Authority with the funds provided by Developer as described above.

9.3 Job Training/Workforce Development. The First Source Hiring Agreements require utilization of the CityBuild program, which is intended to assure a job-ready, union level workforce. Additionally, job training programs will be identified or developed to prepare qualified Economically Disadvantaged Persons and other qualified San Francisco Residents and Treasure Island residents for the permanent/non-construction jobs anticipated to be generated by the Project. Funding for the job training activities will be a funded by the Authority, using the funds provided by Developer as described above.

9.3.1 A particular goal of the Authority is to promote training opportunities for Economically Disadvantaged Persons in the field of building deconstruction. Subject to any collective bargaining agreements applicable to the performance of deconstruction services, the Authority, Developer and TIHDI agree to use good faith efforts to maximize opportunities for economically disadvantaged persons to obtain training in order to participate in deconstruction and the salvage and recycling of materials on properties within the Project Site.

9.3.2 To the extent that these job training programs facilitate employment by San Francisco Residents and Economically Disadvantaged Individuals for construction and permanent/non-construction jobs outside of Treasure Island, such jobs shall be counted as a credit against the goals set forth in any First Source Hiring Agreement entered pursuant to this Program. The requesting party shall request such a credit in writing to the Authority. The Authority, in consultation with any appropriate party shall make a reasonable determination regarding such requested credit. Any disputes regarding such credits shall be resolved through arbitration, as provided herein.

9.4 Construction Contractor Assistance Program. Developer will participate in a Construction Assistance Program to ensure that local San Francisco construction contractors and other businesses/employers, including qualified SBEs as defined in this Program, are given an opportunity to obtain technical assistance in order to participate in portions of the Horizontal Development Work and portions of the Vertical Development Work and to create and sustain long term businesses and related jobs, all in accordance with this Program. Developer will work with the Authority and CityBuild to develop specific programs to assist and advise local contractors who wish to work on projects during the different phases of construction.

9.4.1 Developer shall establish and maintain a Contractor Liaison Office on-site at Treasure Island and host workshops that cover a range of topics related to construction opportunities at Treasure Island, how to access those opportunities, financial incentives, and other programs as deemed appropriate for each phase of development.

9.4.2 The Contractor Liaison Office will be situated on-site. It will house plans, applications and other useful information for contractors who are or who wish to perform work at Treasure Island. The office will be open during normal business hours, Monday through Friday, and will be staffed by a trained and qualified person who will act as the Contractor Liaison for the project.

9.4.3 The Contractor Liaison will establish a series of workshops for the contractor community that will address the demolition and deconstruction, horizontal development and vertical development phases of the Project. Each workshop will cover a set of basic information including:

- (a) Contractor opportunities and applications for bidding
- (b) Contractor pre-qualification process
- (c) SBE local hiring requirements
- (d) Labor Union apprenticeship program
- (e) Overview of technical assistance program, including plan room overview, onsite office orientation and introductions of key personnel
- (f) Bid package review and, if applicable, bid package dissemination

- (g) Key date reviews
- (h) Safety requirements
- (i) Contractor expectations
- (j) Financial education programs, covering, among other topics, meeting payroll needs, equipment purchasing and leasing programs, and other logistical support occurring from time to time.
- (k) Questions and answer sessions
- (l) Culturally competent management practices for working with a diverse workforce

9.5 SBE Mentorship Program. Before the first Major Phase Approval, the Authority will work with Developer to implement a model mentorship program that will foster emerging Small Business Enterprise firms who are capable of performing high quality construction at competitive prices. Two main goals of this program will be to increase the volume of work that these emerging firms compete for and broadening the base of their activity in the building industry. Developer will encourage all contractors who intend to bid on major projects during the horizontal construction phase to work with the Authority to identify opportunities to partner with local SBE firms and to develop mentorship programs that provide measurable results, such as survival rates for mentors, recognizable improvements to firm's financial strength and bonding capacity, increases to the number of employees employed and success in meeting the objectives of each firm's individual business plans.

10. Reporting, Monitoring, and Enforcement. With the exception of the provisions of Section 2 of this Jobs EOP, which shall be monitored and enforced as set forth in the First Source Hiring Ordinance and the First Source Hiring Agreement, and the City ordinances described in Section 4.3, which shall be monitored and enforced as set forth in each of the applicable City ordinances, the provisions of this Program shall be monitored and enforced by the Executive Director of the Authority.

10.1 Monitoring and Enforcement. The CityBuild Program and the Authority Compliance Officer, or his or her designee, shall both monitor and enforce the standards and requirements, including the good faith efforts, of this Program. CityBuild, the TIHDI Job Broker and the Authority Compliance Officer shall schedule meetings through the term of this Program to promote consistent communication and practice.

10.2 Annual Review. The Authority, working cooperatively and in good faith with Developer, shall review the effectiveness of the Program annually, commencing one (1) year after the Effective Date, and agree to work in good faith to make adjustments to this Program in the event the review determines that the goals are not being satisfied or that adjustments should otherwise be made.

10.3 Records. Developer, Vertical Developers, Construction Contractors and Permanent Employers shall maintain, for a period of two years from the

date of completion of the applicable Work, certified payroll and basic records, time cards, tax forms and superintendent and foreman daily logs for all employees performing Work covered by this Policy. Such records shall also include all of those records required by OLSE and the SBE program. All such records shall be submitted to the Authority or the City's CityBuild Program upon request, and all records shall be accompanied by a statement regarding compliance signed by the covered employer.

11. Dispute Resolution.

11.1 Meet and Confer. In the event of any dispute under this Jobs EOP (excluding Section 2 and Section 4.3 of this Jobs EOP as set forth above), the parties to such dispute shall meet and confer in an attempt to resolve the dispute. The parties shall negotiate in good faith for a period of 10 business days in an attempt to resolve the dispute; provided that the complaining party may proceed immediately to the Arbitration Provisions of Exhibit B hereto, without engaging in such a conference or negotiations, if the facts could reasonably be construed to support the issuance of a temporary restraining order or a preliminary injunction.

11.2 Arbitration. Disputes arising under this Agreement may be submitted to the provisions of Exhibit B hereof (Arbitration) if the meet and confer provision of Section 11.1 above does not result in resolution of the dispute.

Exhibit A

Forms of First Source Hiring Agreement

[with DDA Article 27 provisions attached]



Edwin Lee, Mayor

Office of Economic and
Workforce Development

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into as of _____, 2011, by and between the City and County of San Francisco (the “City”) through its First Source Hiring Administration (“FSHA”) and Treasure Island Community Development, LLC (“Project Sponsor”).

WHEREAS, Project Sponsor, as developer, proposes to acquire portions of that certain real property known as Treasure Island and Yerba Buena Island (the “Site”) to, among other things, seismically stabilize Treasure Island, install backbone infrastructure and roads, create and sell developable pads for the construction of up to 8,000 units of housing and to rehabilitate and construct hotels and retail and office space (collectively the “Project”), as further described in that certain disposition and development agreement between Treasure Island Development Authority (the “Authority”) and Project Sponsor and entered into concurrently with this MOU (the “DDA”); and

WHEREAS, the Authority has adopted a Jobs and Equal Opportunity Program (the “Jobs EOP”), which sets forth the employment and contracting benefits that are proposed for the Project, including: (i) creating new construction and permanent employment opportunities, (ii) setting goals for the hiring of San Francisco residents and formerly homeless and economically disadvantaged individuals; (iii) setting goals for participation by small business enterprises (“SBEs”) under a program that is specific to the Project and that shall be administered by the Authority; and (iv) creating economic development opportunities and related support for the Treasure Island Homeless Development Initiative (“TIHDI”) and member organizations; and

WHEREAS, the Jobs EOP requires compliance with San Francisco Administrative Code Chapter 83, the First Source Hiring Ordinance, and further requires that Project Sponsor enter into a First Source Hiring Agreement to create employment opportunities for San Francisco Residents and qualified Economically Disadvantaged Individuals as defined in Exhibit A (any capitalized term used in this MOU that is not defined shall have the meaning given to such term in the DDA). The Jobs EOP also requires Project Sponsor to enter into a separate Employment and Contracting Agreement to cover various elements of the Jobs EOP that are not specifically included as part of the First Source Hiring Program; and

WHEREAS, Project Sponsor has also entered into a Development Agreement (“DA”) with the City under which Developer agrees, for the benefit of the City, to comply with the Jobs EOP, to enter into a First Source Hiring Agreement in accordance with the First Source Hiring

Ordinance, and to incorporate certain City contracting provisions in contracts relating to the Project as set forth in the Jobs EOP; and

WHEREAS, this MOU is based upon the First Source Hiring Ordinance and is entered into with the City's FSHA in order to establish obligations with respect to both horizontal and vertical construction of the Project, as well as permanent employment opportunities relating to the Commercial Space, as further described in the Jobs EOP; and

WHEREAS, the City and Project Sponsor agree that the City's Office of Economic and Workforce Development ("OEWD"), the TIHDI Job Broker and the FSHA CityBuild program ("CityBuild") will serve the roles set forth below; and

WHEREAS, Project Sponsor has not yet entered into a contract with a construction contractor ("Contractor") to construct the horizontal improvements of the Project;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Memorandum of Understanding agree as follows:

- A. Project Sponsor, upon entering into a contract for the construction of the Project after the date of this MOU, will include in that contract a provision requiring the Contractor to execute a First Source Hiring Agreement in the form attached hereto as Exhibit A and the Form 1 CityBuild Workforce Projection Form attached hereto as Exhibit B (with such changes as may be agreed to by FSHA). It is the Project Sponsor's responsibility to provide a signed copy of the First Source Hiring Agreement to FSHA before work may begin under the construction contract.
- B. Project Sponsor, upon entering into any Vertical DDA that permits the right to construct buildings comprising more than ten (10) residential units or more than 25,000 square feet of commercial uses, will include in the Vertical DDA a provision requiring the Vertical Developer or its general contractor to execute a First Source Hiring Agreement in the form attached hereto as Exhibit A and the Form 1 CityBuild Workforce Projection Form attached hereto as Exhibit B (with such changes as may be agreed to by FSHA). It is the Vertical Developer's responsibility to provide a signed copy of the First Source Hiring Agreement to FSHA before work may begin under the construction contract.
- C. Project Sponsor, as the developer of the Project, will include in every purchase and sale agreement or lease that relates to land on which commercial space of more than 25,000 square feet (the "Premises") may be constructed, a provision requiring compliance with the First Source Hiring Ordinance and requiring that any tenant or operator of Premises to enter into a First Source Hiring Agreement for permanent jobs in the form attached hereto as Exhibit C.
- D. CityBuild shall represent the San Francisco Workforce Development System and will provide referrals of Qualified Economically Disadvantaged Individuals for employment on the construction phases of the Project. The TIHDI Job Broker will coordinate with CityBuild by referring qualified Economically Disadvantaged Individuals and San Francisco Residents to CityBuild. OEWD and FSHA will coordinate and designate

representatives of the San Francisco Workforce Development System to recruit, pre-screen, train and refer Qualified Economically Disadvantaged Individuals for the permanent jobs associated with the Premises.

- E. Project Sponsor shall include provisions for all Contractors to adhere to the State of California's Department of Industrial Relations Apprenticeship Standards as required by State law. Unless otherwise permitted by law, Apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or the California Department of Industrial Relations, Division of Apprenticeship Standards.
- F. Project Sponsor shall require Contractors to enter into First Source Hiring Agreements in accordance with the terms of this MOU, and shall not hire any Contractor that refuses to enter into a First Source Hiring Agreement as set forth in this MOU. FSHA shall advise Project Sponsor, in writing, of any alleged breach on the part of a Contractor or tenant with regard to participation in the First Source Hiring Program before seeking an assessment of liquidated damages against the Contractor or tenant.
- G. For construction projects with projected construction value exceeding One Million Dollars (\$1,000,000), Project Sponsor shall require Contractors to submit a Form 2: Workforce Hiring Plan to the FSHA and CityBuild as to the number of hiring opportunities per trade Contractor and its subcontractors have available for Entry Level or New Hire Positions prior to commencing construction.
- H. The Agreement shall require Contractor to report First Source Hiring performances to FSHA utilizing the submittal of electronic certified payrolls for the purpose of tracking and reporting through the City's Project Reporting System.
- I. If Project Sponsor fulfills its obligations as set forth in this MOU and the Jobs EOP, it shall not be held responsible for the failure of a Contractor, Vertical Developer or tenant to comply with the requirements of this MOU or the Jobs EOP.
- J. This MOU is an approved "First Source Hiring Agreement" under the Jobs EOP. So long as Project Sponsor fulfills its obligations under this MOU, Project Sponsor shall be deemed to have fulfilled its obligations under the Jobs EOP with respect to the First Source Hiring Ordinance. The parties agree that this MOU may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute one and the same instrument.
- K. This MOU shall be binding on and inure to the benefit of all successors and assigns of Project Sponsor having an interest in the Project. Project Sponsor shall assign, and require any and all Transferees under the DDA to assume, its obligations under this DDA. Upon Project Sponsor's Transfer of obligations under the DDA, Project Sponsor shall be relieved of all obligations under this MOU arising from and after the date of Transfer with respect to the portions of the DDA that have been Transferred.

Copy to:

Gibson Dunn & Crutcher LLP

**Treasure Island Community
Development, LLC**

**First Source Hiring Administration
City and County of San Francisco**

By: _____

By: _____

Its: _____

Its: Director, Workforce Division
Office of Economic & Workforce
Development

Date: _____

Date: _____



Edwin Lee, Mayor

Office of Economic and
Workforce Development

**Exhibit A:
First Source Hiring Agreement**

This First Source Hiring Agreement (this “Agreement”), is made as of _____, by _____ and between the City and County of San Francisco (the “City”) through its First Source Hiring Administration, (the “FSHA”), and the undersigned contractor _____ (“Contractor”):

RECITALS

WHEREAS, Contractor has executed or will execute an agreement (the “Contract”) to construct or oversee a portion of that certain project for the redevelopment of certain real property known as Treasure Island and Yerba Buena Island, to among other things, seismically stabilize Treasure Island, install backbone infrastructure and roads, create and sell developable pads for the construction of up to 8000 units of residential housing and to construct and rehabilitate hotels, retail and office space (collectively, the “Project”), and a copy of this Agreement is attached as an exhibit to, and incorporated in, the Contract; and

WHEREAS, as a material part of the consideration given by Contractor under the Contract, Contractor has agreed to execute this Agreement and participate in the San Francisco Workforce Development System established by the City in accordance with that certain Development Agreement (the “DA”) by and between Treasure Island Community Developers, LLP (the “Project Sponsor”) and the City and related agreements; and

WHEREAS, the Treasure Island Development Authority (the “Authority”) has adopted a Jobs and Equal Opportunity Program (the “Jobs EOP”) for the Project that, in addition to requiring compliance with the City’s First Source Hiring Ordinance, also includes provisions for: (i) creating new construction and permanent employment opportunities, (ii) setting goals for the hiring of San Francisco residents and formerly homeless and economically disadvantaged individuals; (iii) setting goals for participation by small business enterprises (“SBEs”) under a program that is specific to the Project and that shall be administered by the Authority; and (iv) creating economic development opportunities and related support for the Treasure Island Homeless Development Initiative (“TIHDI”) and member organizations; and

WHEREAS, this Agreement covers the First Source Hiring provisions of the Jobs EOP, and Contractor shall enter into a separate Employment and Contracting Agreement with the Authority pertaining to the remaining obligations of the Jobs EOP as set forth in the Jobs EOP; and

WHEREAS, the City and Contractor agree that the City of San Francisco Office of Economic and Workforce Development (“OEWD”), and the CityBuild program (“CityBuild”) and the TIHDI Job Broker will serve the roles set forth below.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

1. DEFINITIONS

For purposes of this Agreement, initially capitalized terms shall be defined as follows:

- a. Area Median Income (“AMI”) means the definition of AMI as set forth in the Housing Plan attached to the DDA.
- b. Economically Disadvantaged 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 San Francisco 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 6 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; and veterans seeking employment. If Contractor has a question as to whether an individual is Economically Disadvantaged under the above definition, it shall refer the question to FSHA for determination.
- c. Apprentices: Any worker who is indentured to a construction apprenticeship program that maintains current registration with the State of California’s Division of Apprenticeship Standards.
- d. Core Employee or Core Worker: An apprentice or journey level employee, who possesses any license required by state or federal law for the project work to be performed, of a contractor or subcontractor who appears on that contractor or

subcontractor's certified payroll sixty (60) of the previous one hundred calendar (100) days before date of award of a contract.

- e. Good Faith Efforts: As defined in section 6, hereof.
- f. New Hire: An employee of a contractor who is not listed on the contractor's quarterly tax statements for the tax period as a Core Employee or Core Worker and has been hired before the start of work.
- g. Entry Level Position: A non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary and permanent jobs, and construction jobs related to the development of a commercial activity.
- h. Hiring Opportunity: The opportunity created when Contractor adds workers to its existing Core workforce for the purpose of performing the Work under this Contract. For example, if the carpentry Subcontractor has an existing Core crew of five carpenters and needs seven carpenters to perform the work, then there are two hiring opportunities for carpentry on the Project.
- i. First Opportunity or First Consideration: Consideration by Contractor of System Referrals for filling Entry Level or New Hire Positions before recruitment and hiring of non-System Referral job applicants.
- j. Job Classification: Categorization of employment opportunity or position by craft, occupational title, skills, and experience required, if any.
- k. Job Notification: Written notice, in accordance with Section 3(b) below, from Contractor to FSHA for any available Entry Level or New Hire Position during the term of the Contract.
- l. Publicize: Advertise or post available employment information, including participation in job fairs or other forums.
- m.. Qualified: An Economically Disadvantaged Individual who meets the minimum bona fide occupational qualifications provided by Contractor to the System in the job availability notices required by this Agreement.
- n. System: The San Francisco Workforce Development System established by the 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. Under this Agreement, CityBuild will act as the representative of the San Francisco Workforce Development System.
- o. San Francisco Residents: An individual who has domiciled, as defined by Section 349(b) of the California Election Code, within the City at least seven (7) days before commencing work on a project.

- p. System Referrals: Referrals by CityBuild of Qualified applicants for Entry Level or New Hire Positions with Contractor.
- q. Subcontractor: A person or entity that has a direct contract with Contractor to perform a portion of the work under the Contract.

2. CONTRACTOR'S HIRING GOALS

During the term of this Agreement, Contractor shall make Good Faith Efforts to ensure that at least fifty percent (50%) of the new hire person-hours (on a cumulative basis, not by trade) performed pursuant to the Contract be performed by San Francisco Residents, of which at least half (i.e., twenty-five percent (25%) of the new hire all cumulative person-hours) shall be performed by Economically Disadvantaged Individuals. Contractor shall include this requirement in all Subcontracts under the Contract.

Contractor will follow the State of California's Department of Industrial Relations Apprenticeship Standards, as required by state law. Unless otherwise permitted by law, Apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or the California Department of Industrial Relations, Division of Apprenticeship Standards.

3. PARTICIPATION OF CONTRACTOR IN THE SYSTEM

- a. As soon as reasonably practicable after execution of this Agreement, Contractor shall provide CityBuild the following information about Contractor's employment needs under the Contract:
 - i. On Exhibit B, the CityBuild Workforce Projection Form, Contractor will provide a detailed numerical estimate of journey and apprentice level positions to be employed on the Project for each trade.
 - ii. Contractor will collaborate with CityBuild staff in completing the CityBuild Workforce Projection Form, to identify, by trade, the number of workers at project start and the number of workers at project peak; and the number of positions that will be required to fulfill the First Source local hiring goals.
 - iii. This Agreement will constitute the First Source Hiring Plan as required under the DA and the DDA.
- b. Contractors must promptly deliver to FSHA, or its designee, a Job Notification for any available Entry Level or New Hire Positions as they become available during the term of the Contract. FSHA shall provide copies of the Job Notification to CityBuild and the TIHDI Job Broker.
- c. Good Faith consideration:

- i. Contractor must (A) give good faith consideration to all CityBuild System Referrals, and (B) review the resumes of all such referrals, and (C) conduct interviews for posted Entry Level Positions in accordance with the nondiscrimination provisions of this Agreement.
 - ii. Contractor must provide constructive feedback to CityBuild on all System Referrals in accordance with the following:
 - (A) If Contractor meets the criteria in Section 6(a) below that establishes “good faith efforts” of Contractor. Contractor must only respond orally to follow-up questions asked by the CityBuild account executive regarding each System Referral; and
 - (B) After Contractor has filled at least 5 Entry Level or New Hire Positions under this Agreement, if Contractor is unable to meet the criteria in Section 6(b) below that establishes “good faith efforts” of Contractor, Contractor will be required to provide written comments on all CityBuild Referrals.
 - d. Contractor must provide timely notification to CityBuild as soon as the job is filled, and identify by whom.
4. CONTRACTOR RETAINS DISCRETION REGARDING HIRING DECISIONS

Contractor agrees to offer the System the First Consideration to provide Qualified applicants for employment consideration in Entry Level or New Hire Positions, subject to any enforceable collective bargaining agreements. Contractor shall consider all applications of Qualified System Referrals for employment. Provided Contractor utilizes nondiscriminatory screening criteria, Contractor shall have the sole discretion to interview and hire any System Referrals.

5. COMPLIANCE WITH COLLECTIVE BARGAINING AGREEMENTS

Notwithstanding any other provision hereunder, if Contractor is subject to any collective bargaining agreement(s) requiring compliance with a pre-established applicant referral process, Contractor’s only obligations with regards to any available Entry Level or New Hire Positions subject to such collective bargaining agreement(s) during the term of the Contract shall be the following:

- a. Contractor shall notify the appropriate union(s) of the Contractor’s obligations under this Agreement and request assistance from the union(s) in referring Qualified applicants for the available Entry Level or New Hire Position(s), to the extent such referral can conform to the requirements of the collective bargaining agreement(s).
- b. Contractor shall use “name call” privileges, in accordance with the terms of the applicable collective bargaining agreement(s), to seek Qualified applicants from the System for the available Entry Level or New Hire Position(s).

- c. Contractor shall sponsor Qualified apprenticeship applicants, referred through the System, for applicable union membership.

6. CONTRACTOR'S GOOD FAITH EFFORTS

Contractor will make Good Faith Efforts to hire San Francisco Residents and Economically Disadvantaged Individuals, and shall participate in the System, in accordance with the terms of this Agreement. Contractor's Good Faith Efforts shall be determined in accordance with the following:

- a. Contractor shall be deemed to have made Good Faith Efforts if Contractor accurately completes and submits before the start of demolition and/or construction Exhibit B, the CityBuild Workforce Projection Form 1; and
- b. Contractor makes a Good Faith Effort to ensure that at least fifty percent (50%) of the person hours performed pursuant to the Contract be performed by San Francisco Residents, of which at least half shall be Economically Disadvantaged Individuals, by taking the following actions:
 - Preparing one year job forecasts annually in order to prepare workforce for placement
 - Preparing detailed written plans describing how the hiring plans will be implemented
 - Listing all available jobs on the Project with the CityBuild Program at least two weeks before advertising for applicants elsewhere
 - Providing good faith consideration to all Qualified candidates who are screened, eligible and referred by CityBuild or the TIHDI Job Broker. Should an employer not hire referrals by CityBuild or the TIHDI Job Broker, the employer must provide a written explanation. However, this Policy shall not required any firm or entity to employ a worker not Qualified for the position in question or to employ any particular worker, and that all final hiring decisions shall be made at the discretion of the employment firm or entity, acting in good faith consistent with this Policy.
 - Establishing mutually acceptable means of communicating with CityBuild to give to the TIHDI Job Broker about job openings, information about jobs and providing information about job referral outcomes within a reasonable period of time following a request for such information, as well as when a problem arises at the worksite.
 - Participating in the dispute resolution procedures set forth in the First Source Hiring Ordinance, when required.
- c. Contractor's failure to meet the criteria set forth in Section 6(b) does not impute "bad faith." FSHA may, in its discretion, review Contractor's efforts to comply

with this Agreement. Failure to meet the criteria set forth in Section 6(b) shall, at FSHA's election, trigger a review of Contractor's Good Faith Efforts and the referral process. Such review shall be conducted by FSHA in accordance with Section 12(c) below.

7. ADDITIONAL OBLIGATIONS UNDER THIS AGREEMENT

In addition to the items listed above to satisfy Good Faith Efforts, Contractor has an ongoing, affirmative obligation and shall:

- a. Contact a CityBuild representative to review all hiring projections and goals for the Project. Contractor shall take active steps to advise all of its Subcontractors of the local hiring obligations on the Project, including, but not limited to providing CityBuild access and presentation time at each pre-bid, each pre-construction, and if necessary, any progress meeting held throughout the life of the Project.
- b. Submit to CityBuild a "Workforce Projection" form or other formal written notification specifying Contractor's expected hiring needs during the project's duration. It is the General Contractor's responsibility to collect from its subcontractors and submit the completed Form 1: "Workforce Projection" to specify its expected hiring needs during the project's duration to CityBuild at least 30 days after contract award.
- c. For construction projects with projected construction value exceeding One Million Dollars (\$1,000,000), Project Sponsor shall require Contractors to submit a Form 2: Workforce Hiring Plan to FSHA and CityBuild as to the number of hiring opportunities per trade Contractor and its subcontractors have available for Entry Level or New Hire Positions. It is the General Contractor's responsibility to collect from its subcontractors and submit the completed Form 2: "Workforce Hiring Plan" to CityBuild at least 15 days prior to mobilization.
- d. Notify respective union(s) regarding the local hiring obligations and request their assistance in referring Qualified San Francisco Residents for any available position(s). This step applies to the extent that such referral would not violate the union's collective bargaining agreement(s).
- e. Provide CityBuild with up-to-date list of all trade unions affiliated with any work on the Project in a timely matter in order to facilitate CityBuild's notification to these unions of the Project's workforce requirements.
- f. Submit a "Job Notice" form to CityBuild for each apprentice level position that becomes available. Contractor should simultaneously contact applicable unions about the position as well, and let the unions know that CityBuild has also been contacted under the terms of this Agreement.
- g. Advise each of its Subcontractors of their ongoing obligation to notify CityBuild of all apprentice level and New Hire openings that arise throughout the duration of the Project, including openings that arise from layoffs of original crew.

Contractor shall not exercise discretion in informing CityBuild of any given position; rather, CityBuild is to be universally notified, and a discussion between Contractor and CityBuild can determine whether a CityBuild graduate would be an appropriate placement for any given apprentice level position.

- h. Hire qualified candidate(s) referred through the CityBuild system. In the event of the firing/layoff of any CityBuild referrals, Contractor must notify CityBuild staff within two days of the decision and provide justification for the layoff; Contractor will make good faith efforts to request a meeting with the Project's employment liaison as promptly as possible when issues arise with a CityBuild placement in order to remedy the situation before termination becomes necessary.

8. COMPLIANCE WITH THIS AGREEMENT OF SUBCONTRACTORS

In the event that Contractor subcontracts a portion of the work under the Contract, Contractor shall determine how many, if any, of the Entry Level or New Hire Positions are to be employed by its Subcontractors using Form 1: the CityBuild Workforce Projection Form; provided, however, that Contractor shall retain the primary responsibility for meeting the requirements imposed under this Agreement. Contractor shall ensure that this Agreement is incorporated into and made applicable to such Subcontract, and shall require each Subcontractor to perform the items listed in Section 6 above to the extent applicable.

9. EXCEPTION FOR ESSENTIAL FUNCTIONS

Nothing in this Agreement precludes Contractor from using temporary or reassigned existing employees to perform essential functions of its operation; provided, however, the obligations of this Agreement to make Good Faith Efforts to fill such vacancies permanently with System Referrals remains in effect. For these purposes, "essential functions" means those functions absolutely necessary to remain open for business.

10. CONTRACTOR'S COMPLIANCE WITH EXISTING EMPLOYMENT AGREEMENTS

Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, or existing employment contracts. In the event of a conflict between this Agreement and an existing agreement, the terms of the existing agreement shall supersede this Agreement; provided, Contractor shall inform FSHA in writing of any conflicts between existing agreements and this Agreement on or before the date of this Agreement.

11. HIRING GOALS EXCEEDING OBLIGATIONS OF THIS AGREEMENT

Nothing in this Agreement shall be interpreted to prohibit the adoption of hiring and retention goals, first source hiring and interviewing requirements, notice and job availability requirements, monitoring, record keeping, and enforcement requirements and procedures which exceed the requirements or this Agreement.

12. OBLIGATIONS OF CITYBUILD

Under this Agreement, CityBuild shall.

- a. Upon signing this Agreement, immediately initiate recruitment and pre-screening activities.
- b. Recruit Qualified individuals to create a pool of applicants for jobs who match Contractor's Job Notification and to the extent appropriate train applicants for jobs that will become available through the First Source Program and coordinate with the TIHDI Job Broker in identifying such applicants.
- c. Screen and refer applicants according to qualifications and specific selection criteria submitted by Contractor.
- d. Coordinate funding for City-sponsored pre-employment, employment training, and support services programs.
- e. Follow up with Contractor on outcomes of System Referrals and initiate corrective action as necessary to maintain an effective employment/training delivery system.
- f. Provide Contractor with reporting forms for monitoring the requirements of this Agreement.
- g. Monitor the performance of the Agreement by examination of records of Contractor as submitted in accordance with the requirements of this Agreement.

13. **CONTRACTOR'S REPORTING AND RECORD KEEPING OBLIGATIONS**

- a. **Subcontractor Compliance.** Contractor shall ensure that Subcontractors of all tiers comply with applicable requirements of the Policy. Contractor shall ensure that all Subcontractors agree as a term of participation on this Project that the City shall have third party beneficiary rights under all subcontracts under which Subcontractors are performing project work. Such third party beneficiary rights shall be limited to the right to enforce the requirements of the Jobs EOP, including the First Source Hiring Ordinance, directly against the Subcontractors.
- b. **Reporting.** Contractor shall submit certified payrolls for the purpose of tracking and reporting through the City's Project Reporting system and keep any other relevant workforce records and make available to CityBuild upon request.. CityBuild will monitor compliance with this requirement electronically.
- c. **Recordkeeping.** Contractor and each Subcontractor shall keep, or cause to be kept, for a period of four years from the date of Substantial Completion of work under the Contract, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the Project. Contractor shall maintain accurate records of its Good Faith Efforts and the steps taken under this Agreement to fulfill its obligations hereunder. Such records must include the maintenance of an on-site

First Source Hiring Compliance binder, as well as records of any new hire made by Contractor through a San Francisco CBO whom Contractor believes meets the First Source Hiring criteria.

1. Such records shall include the name, address and social security number of each worker who worked on the covered project, his or her classification, a general description of the work each worker performed each day, the apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-identified race, gender, and ethnicity of each worker, whether or not the worker was a San Francisco Resident or Economically Disadvantaged worker, and the referral source or method through which the contractor or subcontractor hired or retained that worker for work on the Project (e.g., core workforce, name call, union hiring hall, City-designated referral source, or recruitment or hiring method).
 2. Contractor and Subcontractors may, among other methods, verify that a worker is a local resident through the worker's possession of a valid SF City ID Card or other government-issued identification.
 3. All records described in this subsection shall at all reasonable business hours be open to inspection and examination by the duly authorized officers and agents of the City, including representatives of the Authority, OEWD, and CityBuild.
 4. Maintain accurate records demonstrating Contractor's compliance with the First Source Hiring requirements of Chapter 83 of the San Francisco Administrative Code including, but not limited to, the following:
 - (1) Applicants
 - (2) Job offers
 - (3) Hires
 - (4) Rejections of applicants
- d. **Monitoring.** From time to time and in its sole discretion, OEWD, CityBuild may monitor and investigate compliance of Contractor and Subcontractors working on the Project with the requirements of this Agreement. Contractor and all Subcontractors shall allow representatives of OEWD, CityBuild and the Authority, in the performance of their duties, to engage in random inspections of the work site provided such representatives observe all work safety rules and execute appropriate waiver of liability forms in advance of entering any active job site. Contractor and all Subcontractors shall also allow representatives of OEWD, CityBuild to have access to employees of Contractor and Subcontractors and the records required to be maintained under the FSHA.
- e. **Reporting.** Contractor shall submit completed reporting forms based on Contractor's records to CityBuild quarterly, unless more frequent submittals are

reasonably required by FSHA. In this regard, Contractor agrees that if a significant number of positions are to be filled during a given period or other circumstances warrant, CityBuild may require daily, weekly, or monthly reports containing all or some of the above information.

f. Complaints/Cause. If based on complaint, failure to report, or other cause, the FSHA has reason to question Contractor’s Good Faith Efforts, Contractor shall demonstrate to the reasonable satisfaction of the City that it has made Good Faith Efforts as required by this Agreement.

14. ENFORCEMENT REMEDIES

a. The parties agree that monitoring and enforcement of the obligations hereunder shall be governed by the provisions of San Francisco Administrative Code Chapter 83 as in effect on the Effective Date of the Development Agreement and as amended or updated from time to time, to the extent permitted under the Development Agreement.

b. In addition to the remedies afforded the FSHA under Chapter 83 of the San Francisco Administrative Code, if the FSHA determines in its reasonable discretion, that such penalties are insufficient to incentivize the employer to meet its obligations hereunder, the FSHA may submit the determination of violation and penalties to arbitration pursuant to Ex C attached to the Jobs EOP.

c. If Contractor fulfills its obligations as set forth in this Agreement, Contractor shall not be held responsible for the failure of a Subcontractor to comply with the requirements of this Agreement.

15. DURATION OF THIS AGREEMENT

This Agreement shall be in full force and effect throughout the term of the Contract. Upon expiration of the Contract, or its earlier termination, this Agreement shall terminate, provided such termination shall not limit or effect obligations under this Agreement that arose before the date of termination.

16. NOTICE

All notices to be given under this Agreement shall be in writing and sent by: certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail, a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to FSHA:	First Source Hiring Manager OEWD, 50 Van Ness Avenue San Francisco, CA 94102 Attn: Mr. Guillermo Rodriguez
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If to CityBuild:	CityBuild Compliance Officer 50 Van Ness Avenue San Francisco, CA 94102 Attn: _____
If to Contractor:	Attn: _____

- a. Any party may change its address for notice purposes by giving the other parties notice of its new address as provided herein. A “business day” is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to close.
- b. Notwithstanding the foregoing, any Job Notification or any other reports required of Contractor under this Agreement (collectively, “Contractor Reports”) shall be delivered to the address of FSHA pursuant to this Section via first class mail, postage paid, and such Contractor Reports shall be deemed delivered two (2) business days after deposit in the mail in accordance with this Subsection.

17. CITY CONTRACTING PROVISIONS

The City contracting provisions set forth in Exhibit __ are incorporated into this Agreement, and Contractor agrees to comply with such provisions, as applicable, in the performance of its work under this Agreement.

18. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

19. SEVERABILITY

If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

20. COUNTERPARTS

This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

21. SUCCESSORS

This Agreement shall inure to the benefit of and shall be binding upon the parties to this Agreement and their respective heirs, successors and assigns. If there is more than one person comprising Contractor, their obligations shall be joint and several.

22. HEADINGS

Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions

23. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

**FIRST SOURCE HIRING
ADMINISTRATION**

CONTRACTOR:

City and County of San Francisco

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

Exhibit B

Form 1: CityBuild Workforce Projection Form

All Prime Contractors and Subcontractors with contracts in excess of \$100,000 must complete the *CityBuild Workforce Projection* (Form 1) within thirty (30) days of award of contract and for contracts lasting for more than one (1) year, on an annual basis thereafter on the anniversary of the first submittal of this Form 1. It is the Prime Contractor's responsibility to ensure CityBuild receives completed Form 1's from all subcontractors in the specified time and keep a record of these Forms in a compliance binder for evaluation.

Once all Form 1's have been submitted, all contractors are required to attend a preconstruction meeting convened by CityBuild staff to discuss the hiring goals for this project.

- Contractor's "Core" or "Existing" workforce shall consist of any worker who appears on the Contractor's active payroll for at least 60 days of the 100 working days before the award of this Contract.
- For Construction Contracts: Use this form to indicate the TOTAL estimated number of Journey Level Positions and Entry Level/Apprentice Position that will be needed to perform the work.
- For Non-Construction Contracts: Use this form to indicate all entry-level positions that will be needed to perform the work.
- If company is on multiple projects, please submit one Workforce Projection per project.

_____ Contractor Name: _____
 Project Name: _____ Main Contact: _____
 City PM: _____ Contact Name: _____

Labor Trade, Position, or Title	Journey or Apprentice / Entry-Level (J/A)	Number of Core Employees	Estimated Number of Position(s) at Peak of Work	Est. Start Date	Est. End Date	Est. Total Number of Hours to Complete Work	Union?
	J <input type="checkbox"/> A <input type="checkbox"/>						Yes <input type="checkbox"/> No <input type="checkbox"/>
	J <input type="checkbox"/> A <input type="checkbox"/>						Yes <input type="checkbox"/> No <input type="checkbox"/>
	J <input type="checkbox"/> A <input type="checkbox"/>						Yes <input type="checkbox"/> No <input type="checkbox"/>
	J <input type="checkbox"/> A <input type="checkbox"/>						Yes <input type="checkbox"/> No <input type="checkbox"/>
	J <input type="checkbox"/> A <input type="checkbox"/>						Yes <input type="checkbox"/> No <input type="checkbox"/>

**Continue on separate sheet, if necessary. For assistance or questions in completing is form, contact the CityBuild Program of the Department of Economic and Workforce Development, (415) 581-2303.*

_____ Successful Bidder/Company Name _____ Street Address _____
 _____ Name of Signer _____ Title _____ City _____ Zip _____ Email _____
 _____ Signature of Authorized Representative _____ Date _____ Office Telephone _____ Cell Phone _____ Fax _____

PLEASE FAX COMPLETED FORM ATTN: CITYBUILD AT (415)581-2368 OR
EMAIL: KEN.NIM@SFGOV.ORG OR IAN.FERNANDO@SFGOV.ORG
WEBSITE: [HTTP://WWW.OEWD.ORG/CITYBUILD.ASPX](http://www.oewd.org/CITYBUILD.ASPX)
 Main Line: (415) 581-2335

Exhibit ____

[attach City contracting provisions from Article 27 of the DDA]

City and County of San Francisco

First Source Hiring Program



Gavin Newsome, Mayor

**Office of Economic
and Workforce Development**

**Exhibit C
FIRST SOURCE HIRING AGREEMENT
COVERED COMMERCIAL SPACE**

This First Source Hiring Agreement (this “Agreement”) is made as of _____, by and between the City and County of San Francisco, State of California, by and through its First Source Hiring Administration (the “FSHA”), and _____ (“Employer”).

RECITALS

WHEREAS, Employer intends to operate _____ (the “Covered Commercial Operation”) within the City and County of San Francisco at _____ on Treasure Island (the “Premises”);

WHEREAS, Employer expects that approximately _____ employees would work for the Covered Commercial Operation at the Premises;

WHEREAS, Employer expects to hire approximately _____ new employees to work at the Premises;

WHEREAS, Employer has agreed to use good faith efforts to hire San Francisco Residents to fill 50% of the new positions;

WHEREAS, Employer has agreed to use good faith efforts to hire Economically Disadvantaged Individuals to fill 25% of the new positions; and

WHEREAS, Employer and the FSHA desire to memorialize Employer’s commitment to use good faith efforts to hire at least 50 percent of San Francisco Residents, including 25% Economically Disadvantaged Individuals, and to participate in the San Francisco Workforce Development System established by the City and County of San Francisco in accordance with the City’s First Source Hiring Ordinance and the Jobs EOP agreed upon by Developer and the Treasure Island Development Authority (the “Authority”) in connection with the Disposition and

Development Agreement ("DDA") for the Treasure Island project. A copy of the Jobs EOP has been provided to Employer.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

ARTICLE I
DEFINITIONS

For purposes of this Agreement, initially capitalized terms shall be defined as follow:

1.1 Available Entry Level or New Hire Position. An Entry Level or New Hire Position for which Employer's plans to hire a new employee. The term "Available Entry Level or New Hire Position" shall include both regular full-time and part-time jobs.

1.2 Applicant. An individual who has (a) completed and submitted an application via the approved Employer application process; (b) applied for a specific job; and (c) met the minimum qualifications established for the job applied for.

1.3 San Francisco Area. The San Francisco geographic area, which is attached hereto as Exhibit A.

1.4 Candidate. An individual who is interested in a position, but has not satisfied the definition of an "Applicant," as defined herein.

1.5 CBO. Any employment-training provider, including any private, non-profit organization that is representative of targeted communities or significant segments of targeted communities and that provides job training and referral services to members of such communities. The term "CBO" may refer to a single CBO or a group of CBOs, as the context requires.

1.6 CBO Contract. An agreement pursuant to which the Designated CBO(s) shall agree and be required to perform the obligations set forth in Section 3.2, below.

1.7 Designated CBO. A CBO with which OEWD, directly or indirectly contracts to assist Employer in fulfilling the terms and conditions of this Agreement.

1.8 Economically Disadvantaged Individual. An Economically Disadvantaged Individual as defined in San Francisco Administrative Code Chapter 83 and the Jobs EOP.

1.9 Eligible Individual. An individual who is either (a) eligible to participate in a program authorized by the Workforce Investment Act of 1998, 1998 PL 105-220 (HR 1385), as

determined by the San Francisco Workforce Investment Board (WISF) and the San Francisco Office of Economic and Workforce Development; (b) designated as “economically disadvantaged” by the FSHA, meaning an individual who is at risk or relying upon, or returning to, public assistance, or (c) meets the definition of Economically Disadvantaged Individual in the Jobs EOP. For the purposes of this Agreement, the term “Eligible Individual” shall include any individual who resides in San Francisco (and so identifies himself or herself) at the time such individual is hired. For purposes of this agreement, Eligible Individuals will not be considered Applicants or employees of tenant’s.

1.10 Entry Level Position. A non-managerial or non-supervisory position at the Premises that requires neither education above a high school diploma or certified equivalency, nor more than two (2) years of training or specific preparation. The types of Entry Level Positions that are projected to be available at the Premises are as follows:

- a. .
- b.
- c. .
- d. .
- e. .
- f. .

1.11 Initial Hiring Date. The date on which Employer commences unrestricted hiring efforts for the Covered Commercial Operation on a regular basis.

1.12 Job Notification. Written notice, in accordance with Section 4.2(a) below, from Employer to the FSHA and the designated CBO(s) (if applicable) for any Available Entry Level or New Hire Position during the term of the Agreement.

1.13 OEWD. The City and County of San Francisco Office of Economic and Workforce Development.

1.14 Pre-Hiring Period. The fourteen (14) day period immediately before the Initial Hiring Date.

1.15 Premises. The premises described in Exhibit __ attached hereto.

1.16 Qualified Pool. The pool of Applicants who have met the job qualifications and passed the applicable employment screening test, and are thus eligible to be interviewed by

Employer for Available Entry Level Positions at the Premises. Candidates may apply for multiple job categories through a single application.

1.17 Premises Opening Date. The date on which the Covered Commercial Operation first opens for normal business operations.

1.18 San Francisco Resident. An individual who has domiciled, as defined by Section 349(b) of the California Election Code, within the City at least 7 days before commencing work at the Premises.

1.19 System. The San Francisco Workforce Development System established by the City and County of San Francisco, and managed by the OEWD, for maintaining (a) a pool of Eligible Individuals and (b) the mechanism by which such individuals are certified and referred to prospective employers who are subject to the First Source Hiring requirements that would otherwise be covered by Chapter 83 of the San Francisco Administrative Code. For the purposes of this Agreement, the certification and referral component of the System includes the activities of the Designated CBO(s).

1.20 System Referrals. Trainees referred by the System to Employers as Candidates for Available Entry Level or New Hire Positions.

1.21 Trainees. Eligible Individuals who are currently undertaking or have already completed the training programs provided by the Designated CBO(s) in connection with this Agreement.

ARTICLE II

HIRING GOALS

2.1 Hiring Goals. As long as this Agreement remain in full force and effect pursuant to Section 7.1, below, Employer's hiring goals shall be as follows:

a. To hire persons residing in San Francisco so that at least fifty percent (50%) of its Available Entry Level or New Hire Positions shall be filled by San Francisco Residents.

b. To hire Economically Disadvantaged Individuals so that at least twenty-five percent (25%) of its Available Entry Level or New Hire Positions shall be filled by Economically Disadvantaged Individuals.

2.2 Good Faith Efforts. Employer will make good faith efforts to meet the hiring goals set forth in Section 2.1 above. Determinations of Employer's good faith efforts shall be in accordance with the following:

a. Employer shall be deemed to have used good faith efforts to meet the hiring goals set forth in Section 2.1 if Employer satisfies each of its obligations under Articles III and IV below.

b. Employer's failure to meet the hiring goals set forth in Section 2.1 does not impute "bad faith." If the FSHA challenges Employer's good faith efforts, Employer shall use commercially reasonable efforts to provide information to the FSHA in an attempt to demonstrate to the reasonable satisfaction of the City that it has exercised good faith to satisfy its obligations under this Agreement (keeping in mind that Employer's compliance with Articles III and IV below shall be deemed to constitute good faith efforts). Failure to meet the hiring goals set forth in Section 2.1 may also trigger a review of the recruitment and referral processes developed under this agreement for possible modification. Employer's proactive participation in such a review will also be a demonstration of good faith under this Agreement.

ARTICLE III

DESIGNATED CBO(S)

3.1 CBO Selection. OEWD has selected (and Employer has agreed) that the TIHDI Job Broker will act as the primary Designated CBO for the recruiting and training of Eligible Individuals. In addition, OEWD may select (with Employer's approval, which approval will not be unreasonably withheld or delayed) additional CBOs. In designating additional CBOs, OEWD will consider the specific communities served by that CBO, taking into account experience with bilingual and bicultural employment criteria as well as gender and disability issues.

3.2 CBO Contracts. OEWD shall contract, either directly or indirectly, with the Designated CBO(s) to implement a training program that will be aimed at assisting Employer to meet the hiring goals set forth in Section 2.1, above. OEWD shall maintain CBO Contracts (though the term of, and parties to, each such individual contract may vary over time) for the period commencing at least six (6) months before the expected Premises Opening Date, and terminating no earlier than the second (2nd) anniversary of the Premises Opening Date. The CBO Contract will require that the Designated CBO(s) undertake the following activities:

a. *Orientation Sessions*. Participate in an Employer orientation session as described in Section 4.1(d), below;

- b. *Recruiting*. Recruit Eligible Individuals for job training, commencing six (6) months before the expected Premises Opening Date, including placement of ads and other publicity methods as needed;
- c. *Pre-Screening*. Pre-screen Eligible Individuals to ensure that they meet certain standards before accepting them as Trainees. This pre-screening would include: (i) verification that the Eligible Individual resides in San Francisco; (ii) criminal and driving background checks; (iii) drug tests; and (iv) confirmation of the minimum reading and math skills necessary to apply for employment and function as a competent employee of Employer
- d. *Life Skills Courses*. Provide life skills courses to Trainees so that Trainees acquire skills that will enable them to succeed as Employer employees and interact effectively with their supervisors, co-workers and customers;
- e. *Employee Visits*. Work with Employer to arrange for current Employer's employees who reside in the San Francisco to meet with Trainee classes before the opening of the Covered Commercial Operation and discuss their experiences at Employer;
- f. *Premises Visits*. Ensure that the Trainees have the opportunity to visit an operating Employer facility (if any), in the company of CBO representatives (but not necessarily Employer's employees), so that the Trainees may familiarize themselves with the typical environment and operations of a Employer facility;
- g. *Application System Coaching*. Teach Trainees to participate in the job application system used by Employer at the relevant time;
- h. *Interview Coaching*. Coach Trainees in appropriate conduct during interviews;
- i. *Scheduling*. Arrange with Employer for System Referrals to apply for Available Entry Level or New Hire Jobs during the Pre-Hiring Period.
- j. *Further Recruiting and Training*. After the Premises Opening Date through the end of the Term, maintain the recruiting and training program at a less intense level in order to fill upcoming hiring needs, in coordination with a designated Employer representative (e.g., the Human Resources Manager); and
- k. *Monitoring and Reporting*. Monitor and report to OEWD and Employer or its designee, upon the Premises Opening Date and thereafter on a quarterly basis, the following numbers for the applicable time period, in each case showing subtotals for San Francisco :

- i. The number of Eligible Individuals who become Trainees in the Designated CBO(s)' training program, and when they enter that training program;
- ii. The number of Trainees who complete the training program and are qualified to be System Referrals, and when they complete it;
- iii. The number of System Referrals who apply for a job at Employer and when they apply;
- iv. The number of System Referrals who are invited to interview for an Available Entry-Level Position, and when the invitations are issued;
- v. The number of System Referrals who are offered jobs by Employer and when the job offers are given; and
- vi. The number of System Referrals who ultimately accept job offers from Employer, and when they accept.

ARTICLE IV

TENANT'S OBLIGATIONS

4.1 Activities Before Premises Opening Date. Employer shall undertake the following activities during that portion of the Term that is before the Premises Opening Date:

- a. *Forecasting.* As soon as reasonably practical after execution of this Agreement, Employer shall provide to the OEWD notification of the Premises Opening Date, Pre-Hiring Period and Initial Hiring Date.
- b. *Employer's Contact Person.* Employer shall designate a contact person who shall coordinate training and hiring activities with the OEWD.
- c. *Tool Kit.* Before the commencement of the Designated CBO(s)' training activities, Employer shall prepare and supply to the Designated CBO(s) a "tool kit" describing the hiring process and benefits available to employees. The "tool kit" shall also include a clear, accurate description of each type of Available Entry Level or New Hire Position, including expectations, experience and/or educational requirements, and any special requirements (for example, language skills and/or possession of a valid California driver's license).
- d. *Orientation Session.* Before the commencement of the Designated CBO(s)' training activities, Employer shall provide an orientation session for the Designated CBO(s) so that the Designated CBO(s) become familiar with Employer store operations, hiring practices and required job skills. This orientation session will include a tour at one of Employer's

current facilities (if any). The orientation session shall not require Employer to share any proprietary information regarding the operation of its operations.

f. *Employee Visits.* Employer shall use reasonable efforts to identify current retail employees who reside in San Francisco to meet with Trainee classes and discuss their experiences at Employer.

g. *Targeted Hiring.* During the Pre-Hiring Period, Employer shall coordinate with the Designated CBO(s) to arrange for a pre-hiring location in a convenient, transit-accessible location. This pre-hiring location will only be open to Economically Disadvantaged Individuals. Employer will interview, and make hiring decisions regarding, Economically Disadvantaged Residents who apply during the Pre-Hiring Period before interviewing any other Candidates for Available Entry Level or New Hire Positions.

h. *Hiring Feedback.* Immediately following the Pre-Hiring Period, an Employer representative shall provide feedback to the Designated CBO(s) regarding hiring trends and why System Referrals are or are not being hired by Employer; provided, however, that this feedback shall be of a general nature such that individual Candidates and/or Applicants are not identified.

j. *Non-Discrimination.* Employer shall give due consideration to all System Referrals and shall not discriminate against any Applicant for an Available Entry Level or New Hire Position based on that Applicant's participation in the First Source Hiring Program.

4.2 Activities After the Premises Opening Date. Commencing as of the Premises Opening Date:

a. *Hiring Procedures.* Employer shall process all Candidates and Applicants through Employer's standard hiring methods; however, Employer shall adhere to the following protocols: after the Premises Opening Date, Employer shall promptly deliver by mail, messenger or facsimile to OEWD or an OEWD Designee if requested by OEWD, a Job Notification for any Available Entry Level or New Hire Positions, as soon as they become available during the term of the Agreement. The Job Notification shall also be delivered to the Designated CBO(s) if the Available Entry Level or New Hire Position becomes available within the first two years after the Premises Opening Date. For each Available Entry Level or New Hire Position, the following requirements apply:

i. The Job Notification shall provide a clear, accurate job description, including expectations, whether the position is part time (less than 32 hours a week) or full time, minimum wages to be paid, and any special requirements.

ii. During the seventy-two (72) hour period following delivery of the Job Notification, Employer may only interview and/or hire Eligible Individuals for the Available Entry Level or New Hire Position but may publicize the upcoming position. Before interviewing and/or hiring any other applicants for the Available Entry Level or New Hire Position, Employer shall first review any (a) applications received from San Francisco Residents and Economically Disadvantaged Individuals during the 72-hour period following delivery of the Job Notification, and (b) any applications from San Francisco Residents and Economically Disadvantaged Individuals that exist in the Qualified Pool on or before the end of such 72-hour period.

iii. Employer shall not be required to deliver a Job Notification or hire an Eligible Individual for an Available Entry Level or New Hire Position if Employer reasonably determines that there is an urgent need to fill that position immediately in order to perform essential functions of its operation. If Employer determines that there is an urgent need to fill a position immediately in order to perform essential functions of its operations in reliance on this subsection, it shall provide OEWD notice of this fact as soon as possible.

b. *Scope of Qualified Pool.* Notwithstanding Section 4.2(a), above, Employer shall require that all Candidates for Available Entry Level or New Hire Positions at the Covered Commercial Operation apply at the Premises itself, instead of being able to apply at other existing stores. This is expected to increase the percentage of San Francisco Residents and Economically Disadvantaged Residents in the Qualified Pool for the Premises. Employer shall continue this practice so long as Employer is able to hire a sufficient number of qualified employees to undertake normal business operations; provided, however, that if isolated instances occur where Employer is unable to fill a specific position from Applicants in the Qualified Pool, the scope of the Qualified Pool shall remain restricted to Applicants at the Premises but Employer may recruit from Employer's other stores to fill that specific position. If Employer reasonably determines that it is not able to hire a sufficient number of qualified employees on an ongoing basis to undertake normal business operations, this Section 4.2(b) shall no longer be effective.

c. *Job Needs Communications.* A designated Employer representative (e.g. the Human Resources Manager) shall use reasonable efforts to coordinate with the Designated CBO(s) and OEWD in order to furnish information regarding the number of upcoming job openings for the Premises, to the extent that such job openings can be identified.

d. *Standard Retention Efforts.* In order to promote retention among the newly hired System Referrals, Employer shall implement retention efforts consistent with Employer company practices. These retention efforts currently include: an orientation / assimilation process; product knowledge classes; and an initial performance review after the first ninety (90) days of employment. Employer shall have the sole discretion to modify its retention efforts at any time.

e. *Additional Retention Efforts.* In addition to the standard retention efforts described in Section 4.2(d), above, an Employer representative shall communicate with the Designated CBO(s) and OEWD on a regular basis to provide feedback intended to enhance the hiring of, and satisfactory job performance by, the System Referrals. This feedback shall be general in nature and shall not be focused on specific individuals.

4.3 Record-Keeping Obligations. Employer shall create and maintain records of the number of San Francisco Residents and Economically Disadvantaged Residents who work at the Premises throughout the term of this Agreement and for 2 years following the expiration or termination of this Agreement.

4.4 Reporting Obligations. Employer shall cause the information gathered pursuant to Section 4.3, above, plus the information provided by the Designated CBO(s) pursuant to Section 3.2(1), above, to be reported to the OEWD every six (6) months for the term of this Agreement.

ARTICLE V

HIRING CONDITIONS

5.1 Employer Retains Discretion Regarding Hiring Decisions. Employer shall have the sole discretion to make all hiring decisions, including determining whether a System Referral shall be interviewed for an Available Entry Level or New Hire Position, or is qualified for that position. The parties agree and acknowledge that every individual considered by Employer for employment in a particular job category must pass an employment test to be placed into the Qualified Pool for that job category, and that Candidates who fail to pass a drug test, a background check, and/or any other nondiscriminatory pre-employment conditions that

Employer establishes from time to time in its sole discretion, will not be hired by Employer . Any System Referral who is hired by Employer shall have the same rights and obligations as all other employees in similar positions. Employer shall not discriminate against any employees on the basis of participation in the First Source Hiring Program. Employment with Employer is not for a specified term and is at the mutual consent of the employee and Employer, and the employment relationship may be terminated with or without cause, and with or without prior notice, by either the employee or Employer. Nothing in this Agreement is intended to alter the “at-will” nature of an individual’s employment with Employer.

5.2 No Modification of Employer Hiring Practices. Nothing in this Agreement shall require Employer to (a) modify in any manner its hiring practices including, without limitation, any computerized application system, background checks, drug tests, and skills tests; or (β) to violate any court order, consent decree, law or statute.

5.3 Exception for Essential Functions. Nothing in this Agreement shall preclude Employer from using temporary or reassigned existing employees to perform essential functions of its operation; provided, however, Employer obligation to use good faith efforts to meet the hiring goals set forth in Section 2. I shall remain in effect. For these purposes, “essential functions” means those functions necessary to meet business obligations.

ARTICLE VI

THE FSHA’S OBLIGATIONS

Pursuant to this Agreement, the FSHA (or its designee) shall:

- a. Provide for City sponsored pre-employment screening, employment training, and support services programs.
- b. Follow up with Employer and the Designated CBO(s) on the outcomes of System Referrals, and initiate corrective action as necessary to maintain an effective employment training and delivery system;
- c. Provide Employer with reporting forms, consistent with the reporting obligations set forth in Section 4.3, above, for monitoring the requirements of this Agreement; and
- d. Monitor the performance of the Agreement by examination of records of Employer’s hiring activities as submitted in accordance with the requirements of this Agreement.

ARTICLE VII

DURATION AND SCOPE OF THIS AGREEMENT

7.1 Duration. This Agreement shall be in full force and effect until the tenth (10th) anniversary of the Premises Opening Date. Should the Covered Commercial Operation close permanently before such date, this Agreement shall terminate as of the date of such closing and shall be of no further force and effect on the parties hereto. Notwithstanding the foregoing as of the (2nd) anniversary of the Premises Opening Date, the terms and obligations of the following sections of this Agreement shall be void and of no further force or effect: Article III in its entirety, and the following sections from Article IV: Section 4.1, Section 4.2(b) and Section 4.2(e).

7.2 Scope. The provisions of this Agreement shall apply only to employees hired by Employer to be assigned on a primary basis to positions at the Premises. Employer's efforts to recruit and hire employees to be assigned to any positions at locations other than the Premises are not within the scope of this Agreement. Should Employer lease a portion of the space at the Premises, Employer shall be required to include this Agreement in any lease or occupancy contract and require that the tenant/occupant comply with the requirements of this Agreement; provided, the parties may instead decide to have the tenant/occupant enter into a separate first source hiring agreement. If Employer fulfills its obligations under this Agreement, Employer shall not be held responsible for any failure of a tenant/occupant to comply with this Agreement or a separate first source hiring agreement.

7.3 Satisfaction of First Source Hiring Commitments. Employer's fulfillment of its obligations under this Agreement shall constitute fulfillment of the terms of the First Source Hiring Program under the Jobs EOP.

ARTICLE VIII

NOTICE

8.1 General Terms. All notices to be given under this Agreement shall be in writing and sent by: (a) certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail; (b) a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier; or (c) hand delivery, in which case notice shall be deemed delivered on the date received, all as follows:

If to the FSHA:

First Source Hiring Coordinator
OEWD
50 Van Ness Avenue
San Francisco, CA 94110
Attn: Guillermo Rodriguez

If to Employer:

Copy to:

Either party may change its address for notice purposes by giving the other party notice of its new address as provided herein. A “business day” is any day other than a Saturday, Sunday or a day in which banks in San Francisco, California are authorized to remain closed.

8.2 Employer’s Reports. Notwithstanding the foregoing, any reports required by Employer under this Agreement (collectively, “Employer’s Reports”) shall be delivered to the address of the FSHA pursuant to this Section via first class mail, postage paid, and such Employer’s Reports shall be deemed delivered two (2) business days after deposit in the mail in accordance with this Subsection.

ARTICLE IX

GENERAL PROVISIONS

9.1 Entire Agreement. This Agreement contains the entire agreement between the parties to this Agreement and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.

9.2 Severability. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

9.3 Counterparts. This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all, taken together, shall constitute one and the same instrument.

9.4 Successors. This Agreement shall inure to the benefit of and shall be binding upon the parties to this Agreement and their respective heirs, successors and assigns.

9.5 Headings. Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

9.6 Relationship of Parties. It is specifically understood and agreed by the parties that the development of the Premises is a private development. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Employer and the City and County of San Francisco..

9.7 No Obligations to Third Party. This Agreement is not intended and shall not be construed to create any third party beneficiary rights in any person or entity that is not a third party hereto, and no action to enforce the terms of this Agreement may be brought against either party by any person or entity that is not a party hereto.

9.8 Governing Law. This Agreement shall be governed and construed by the laws of the State of California.

9.9 No Implied Waivers. No failure by the City to insist upon the strict performance of any obligation of Employer under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, shall constitute a waiver of such breach or of the City's right to demand strict compliance with such term, covenant or condition. No waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by an authorized representative of the City, and only to the extent expressly provided in such written waiver. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance.

9.10 Violations. The failure by Employer to make Entry Level or New Hire Positions available to the FSHA for referral of economically disadvantaged individuals as required by this Agreement shall cause Employer to be subject to penalties as set forth in the First Source Hiring Ordinance (Section 83.12 of the City's Administrative Code).

9.11 City Contracting Provisions. The City contracting provisions set forth in Exhibit ___ are incorporated into this Agreement, and Employer agrees to comply with such provisions, as applicable, in the performance of its work under this Agreement.

IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

FSHA

First Source Hiring Administration
City and County of San Francisco

By: _____

Name: Rhonda Simmons

Its: DFR, Workforce DIV, OEWD

Date: 9/2/09

Exhibit __

City Contracting Provisions

[attach provisions from Article 27 of the DDA]

Exhibit B

Dispute Resolution

I. ARBITRATION OF DISPUTES

1. *Arbitration*

Any dispute involving the alleged breach or enforcement of this Program (excluding disputes relating to the First Source Hiring Agreement and the applicable City ordinances) shall be submitted to arbitration in accordance with this Exhibit B. The FHSA may also require participation in this arbitration process after following the procedures set forth in the First Source Hiring Ordinance, as set forth in Section 2.6 of the Jobs EOP.

The arbitration shall be submitted to the American Arbitration Association, San Francisco, California office (“AAA”) which will use the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. If there is a conflict between the Commercial Rules of the AAA and the arbitration provisions in this Program, the arbitration provisions of this Program shall govern. The arbitration shall take place in the City and County of San Francisco.

2. *Demand for Arbitration*

The party seeking arbitration shall make a written demand for arbitration (“***Demand for Arbitration***”). The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying the entities believed to be involved in the dispute; (2) a copy of the notice of default, if any, sent from one party to the other; (3) any written response to the notice of default; and (4) a brief statement of the nature of the alleged default.

3. *Parties’ Participation*

All persons or entities affected by the dispute (including, as applicable, the Authority, Developer, Vertical Developers, Construction Contractor (and subcontractor) and Permanent Employer) and shall be made Arbitration Parties. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such affected person or entity as an Arbitration Party; provided that, upon request by any party, the arbiter may dismiss such party if it is not reasonably affected by the dispute.

4. *Authority Request to AAA*

Within seven (7) business days after service or receipt of a Demand for Arbitration, the Authority shall transmit to AAA a copy of the Demand for Arbitration and any written response thereto from an Arbitration Party. Such material shall be made part of the arbitration record.

5. *Selection of Arbitrator*

One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the Arbitration Parties in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) business days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be the arbitrator's agreement to: (i) submit to all Arbitration Parties the disclosure statement required under California Code of Civil Procedure Section 1281.9; and (ii) render a decision within thirty (30) days from the date of the conclusion of the arbitration hearing.

6. *Setting of Arbitration Hearing*

A hearing shall be held within ninety (90) days of the date of the filing of the Demand for Arbitration with AAA, unless otherwise agreed by the Arbitration Parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

7. *Discovery*

In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05 as it may be amended from time to time.

8. *California Law Applies*

California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings in any Employment and Contracting Agreement.

9. *Arbitration Remedies and Sanctions*

The arbitrator may impose only the remedies and sanctions set forth below:

a. Order specific, reasonable actions and procedures to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance with the Program.

b. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Program or ECA, or from granting extensions or modifications to existing contracts related to services covered by the Program or ECA, other than those minor modifications or extensions necessary to enable completion of the work covered by the existing contract.

c. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any Arbitration Party to comply with any of the requirements in this Program or the ECA. Contracts may be continued upon the condition that a program for future compliance is approved by the Authority. If any Arbitration Party is found to be in willful breach of its obligations hereunder,

the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars (\$50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of the Employment and Contracting Program Agreement unless the breaching party has failed to cure after being provided written notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent uncured willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

d. Direct any Arbitration Party to produce and provide to the Authority any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

10. Arbitrator's Decision

The arbitrator will normally make his or her award within twenty (20) days after the date that the hearing is completed but in no event past thirty (30) days from the conclusion of the arbitration hearing; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party and shall also copy all Arbitration Parties by email (if email addresses are provided).

11. Default Award; No Requirement to Seek an Order Compelling Arbitration

The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) the person or entity received actual written notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

12. Arbitrator Lacks Power to Modify

Except as expressly provided above in this Exhibit B, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Employment and Contracting Program Agreement or to negotiate new agreements or provisions between the parties.

13. Jurisdiction/Entry of Judgment

The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The prevailing Arbitration Party(ies) shall be entitled to reimbursement for the arbitrator's fees and related costs of arbitration. If a subcontractor is the losing party and fails to pay the fees within 30 days, then the applicable Construction Contractor (for whom that subcontractor worked) shall pay the fees. Each Arbitration Party shall pay its own attorneys' fees, provided, however, those attorneys' fees may be awarded to the prevailing

party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

14. Exculpation

Except as set forth in Section 13 above, each Arbitration Party shall expressly waive any and all claims against the Authority, TIHDI and the City for costs or damages, direct or indirect, relating to this Jobs EOP or the arbitration process in this Exhibit B, including but not limited to claims relating to the start, continuation and completion of construction.

Exhibit C

TIHDI Job Broker Responsibilities

It is anticipated that TIHDI will refine the Job Broker Program to ensure that appropriately screened, trained and qualified applicants are available to be referred to fill open construction and non-construction short-term and permanent jobs. The TIHDI Job Broker will work with CityBuild and the local construction and non-construction employment-training community, including organized labor's apprenticeship programs, to develop and expand outreach, training and employment retention programs that maximize the opportunity to meet the desired goals outlined in this Policy.

The TIHDI Agreement contemplates that a Memorandum of Understanding (MOU) between TIHDI and OEWD may be developed to clearly outline roles and responsibilities to formalize how this System will be managed. The Authority shall oversee this work, and develop appropriate monitoring systems in collaboration with other involved parties. The responsibility for the overall success of the Job Broker/Placement System, is shared by all parties – TIHDI, the Authority, OEWD, Developer, Vertical Developers, Construction Contractors, and Permanent Employers.

At a minimum, it is envisioned that the TIHDI Job Broker Program for the Project will perform the following duties:

- Coordinate with member agencies of TIHDI and city agencies to direct and coordinate outreach, soft skills training, barrier removal, and employment counselling, and refer qualified applicants to the project.
- Provide a central physical as well as electronic location for permanent job listings at Treasure Island, distribute listing information at least weekly, and coordinate systematically with existing CBOs and job collaboratives.
- Certify the status of applicants as qualified Economically Disadvantaged Persons as well as TIHDI/SF residents.
- In collaboration with CityBuild, ensure that all referrals for construction employment are job ready.
- Develop appropriate, ongoing relationships with relevant building trades and other unions. CityBuild will ultimately develop referral mechanisms and systems with these unions as appropriate employment opportunities are available.
- Be the sole screening and referral agent for applicants to firms and commercial tenants who are prospective permanent employers.
- Provide technical assistance to permanent firms and commercial tenants in utilizing other governmental employment development programs (e.g., enterprise zone, job training subsidies, tax credits, effective strategies for managing a diverse workforce, etc.).

- Maintain qualifying income and other eligibility data on referrals.
- Coordinate and communicate with OEWD and community-based organizations to prepare training activities specific to projected work opportunities in this project; or to work directly with organizations that already provide such training.

The TIHDI Job Broker will have the following specific obligations:

- Organize and implement a Job Broker Program to ensure that screened, eligible, qualified and referred Economically Disadvantaged Persons are timely referred to CityBuild for referral to Developer, Vertical Developers and other employers.
- The TIHDI Job Broker may implement its referral system in conjunction with existing Community Based Organizations provided the TIHDI Job Broker Program provides a central job listing for Treasure Island, certifies the status of applicants as qualified, refers screened, eligible and qualified applicants to TIHDI or other parties to their respective ECAs and others, provides technical assistance to TIHDI or other parties to their respective ECAs and others in utilizing other governmental employment development programs and maintains income data on referrals and tracks hiring by TIHDI or other parties to their respective ECAs through data supplied by CityBuild.
- Develop specific relationships with community-based organizations that have the capacity to train and/or refer qualified applicants for specific jobs.
- Community Based Organizations may participate in the TIHDI Job Broker Program if they have experience in successful job placement programs, maintain good relationships with Developer, Vertical Developers and others, maintain an employability assessment screening program, retain staff with appropriate credentials to support program activity, agree to share information with others, have the financial capacity and technical expertise to participate in the TIHDI Job Broker Program as reasonably determined. This includes providing ongoing job retention support to workers on the Island.
- The TIHDI Job Broker Program is intended to ensure flexibility in TIHDI's and Developer and Vertical Developers' efforts to achieve goals in employment and contracting set out above. the Authority and TIHDI shall have the right to negotiate changes in the design and implementation of the TIHDI Job Broker Program pursuant to and consistent with the terms of the 1996 TIHDI Agreement.
- The TIHDI Job Broker Program, as well as the overall project, should be monitored annually for overall effectiveness, and to make necessary adaptations to the system. This will be done collaboratively by all involved parties, and will be facilitated by the Authority.