



Open the Doors of Opportunity

LOCAL ACTION CHALLENGE FOR ECONOMIC MOBILITY AND OPPORTUNITY

Use City Hiring and Contracting Policies to Assist Residents in Distressed Neighborhoods

While unemployment remains low nationally, persistent joblessness continues to have a devastating impact on economically distressed neighborhoods in many cities. Residents struggling with long-term unemployment often lack essential job skills, opportunities to connect with employers and access to job openings. At the same time, municipalities are engines of opportunity – often one of the largest employers in a region – and also create additional jobs through contracts with companies that hire large numbers of employees for infrastructure projects and other work. When city residents, and particularly those in low-income communities, fail to benefit from city hiring and contracting policies, city leaders miss an important opportunity to promote economic mobility and opportunity.

What does this look like in action?

Cities can increase employment among residents considered “hard-to-employ” through strategic and equitable hiring and contracting policies. By targeting

hiring for municipal jobs to residents from distressed neighborhoods or other high-need populations, cities can meet local employment goals and diversify their workforces. Local “first source” policies and community benefit agreements require companies that contract with city government to hire a certain percentage of city residents who meet established criteria. Community benefit agreements can also require developers to offer training and apprenticeship programs for unemployed residents.

The City of Cleveland enacted an ordinance requiring construction contracts larger than \$100,000 to include at least 20 percent of work hours be performed by Cleveland residents, and at least four percent of work hours must be performed by low-income residents.

Action Steps

- 1** Promote and advertise employment opportunities within city government through job fairs and other targeted outreach to residents in low-income or distressed neighborhoods.
- 2** Convene city officials, job training providers and other community stakeholders to discuss ways of helping hard-to-employ residents meet the entry requirements for city job openings.

- 3** Secure additional resources to support implementation of these recommendations, tapping city sources when feasible and/or local philanthropy and the private sector.
- 4** Adopt a “first source” hiring policy that requires city contractors to hire disadvantaged city residents who meet certain targeting criteria for a specified percentage of their positions.
- 5** Negotiate community benefit agreements for larger development projects within the city that include measurable hiring goals, training opportunities, and apprenticeships for residents in low-income or distressed neighborhoods.
- 6** Designate a city staff person as a liaison for assisting entrepreneurs as they navigate city services and regulations, with particular emphasis on disadvantaged residents and business start-ups in low-income or distressed neighborhoods.

For more information and resources:

Making Development Work for Local Residents: Local Hire Programs and Implementation Strategies That Serve Low-Income Communities, Partnership for Working Families, <http://www.forworkingfamilies.org/resources/publications/making-development-work-local-residents-local-hire-programs-and>

Equitable Development Toolkit: Local Hiring, PolicyLink, <http://www.policylink.org/sites/default/files/local-hiring.pdf>

For More Information

Please visit
www.nlc.org/econmobilitychallenge

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