
**MERC
Commission
FOTA
Work Session**

December 2, 2014
10:30 am

Oregon Convention Center
777 NE Martin Luther King Jr. Blvd.
Room C125/126



600 NE Grand Ave.
 Portland, OR 97232
 503-797-1780

www.oregonmetro.gov

 **Metro** | *Exposition Recreation Commission*

Agenda

Meeting: Metro Exposition Recreation Commission FOTA Work Session
 Date: Tuesday, December 2, 2014
 Time: 10:30 – Noon
 Place: Oregon Convention Center, Rooms C125/126

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- | | | | |
|--------------|-----------|---|----------------------------|
| 10:30 | 1. | REVIEW: FOTA PROJECT BACKGROUND | Robinson
Soden |
| 10:35 | 2. | REVIEW: RESEARCH AND PROJECT COMPONENTS | Cogan Owens Cogan |
| 11:00 | 3. | DISCUSSION: ENHANCEMENT RECOMMENDATIONS | All |
| 11:25 | 4. | DISCUSSION: PROCUREMENT POLICY RECOMMENDATIONS | All |
| 11:55 | 5. | NEXT STEPS | Metro and COC Teams |

ADJOURN



First Opportunity Target Area Program Study

November 2014



METRO

Acknowledgements

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Executive Summary

We are pleased to present the Metropolitan Exposition Recreation Commission (MERC) with recommendations to enhance the First Opportunity Target Area (FOTA) program. The following recommendations and considerations are based on work with staff, MERC Commissioners and Metro Councilors, stakeholders, research and analysis of the FOTA program and its legislative history, demographic and economic data, and best practices for hiring and contracting with underserved communities.

Policy Recommendations

- **Restore FOTA’s focus on hiring while ensuring FOTA principles are used to strengthen Metro’s contracting and procurement policies and procedures.** Providing a “first opportunity” in hiring through FOTA will help ensure the workforces of the MERC venues reflect community diversity and benefit eligible populations. Enhancing Metro’s contracting program will create additional opportunities for meeting FOTA goals.
- **Update FOTA boundaries to better reach economically distressed neighborhoods in the immediate vicinity of the Convention Center.** Economically distressed neighborhoods in the immediate vicinity of the convention center should continue to be the priority beneficiaries of the FOTA hiring program. Consistent with program history, a community-based stakeholder advisory committee should build on this report, reviewing demographic and economic data and recommending updates to the FOTA boundary to better capture intended beneficiaries.
- **Extend FOTA benefits as a secondary priority to residents outside FOTA boundaries who meet the program’s socio-economic criteria.** Extend FOTA benefits to intended beneficiaries and eligible populations who have moved out of the FOTA.
- **Continue FOTA hiring program at MERC venues. Consider applying program guidelines and principles to other Metro facilities and programs over time.** Maintain the focus of FOTA on hiring among the three MERC venues in the short term. Longer term, consider applying FOTA hiring policies first to Metro facilities and programs within FOTA and secondly to those outside the boundary.

Administrative Recommendations

- **Update FOTA income requirements.** Engage the stakeholder advisory committee mentioned above to review and update the requirements to reflect current socio-economic realities.
- **Create well-specified and legally acceptable social and racial equity goals and objectives, defined through direct consultation with affected communities.** Use quantitative targets to supplement broad diversity objectives with goals for specific populations.
- **Implement workable administrative procedures and institutionalize processes for achieving goals.** Implement administrative procedures that are workable, transparent and productive. Establish clear expectations and cooperation from program staff. Institutionalize processes for achieving stated goals.
- **Work with community-based and community-serving intermediary organizations to engage and connect with intended beneficiaries for hiring and contracting.** Leverage existing local capacity to engage with, recruit, and prepare intended beneficiaries for employment opportunities. Build upon formal and informal social, business and workforce networks to extend limited staff capacity to reach eligible communities.
- **Develop strong internal and external accountability mechanisms.** Develop strong accountability mechanisms—internally through dedicated staff resources, data collection and continuous improvement and externally through ongoing reporting, engagement and transparency. Promote transparency about results through regular, real-time reports to the community and partner organizations.
- **Implement career advancement programs.** Initiate and strengthen programs to welcome, support and provide career ladder opportunities for FOTA hires, consistent with agency-wide diversity strategies.

Introduction

The Metropolitan Exposition Recreation Commission (MERC) is undertaking a review and update of the First Opportunity Target Area (FOTA) program. Created in 1989 by the Oregon Legislature, FOTA was designed to provide “first opportunity for available jobs to economically disadvantaged residents living in economically distressed neighborhoods in the immediate vicinity of the Convention Center site.” Today, FOTA applies to residents and businesses in the affected North and Northeast Portland neighborhoods as well as policies governing employment and procurement at the Oregon Convention Center (OCC), Portland Expo Center and Portland’s Centers for the Arts.

Over the past 25 years, low income residents and residents of color for whom the program was intended to benefit have moved to other areas of the city and region. A team of consultants managed by Cogan Owens Cogan (COC) has been retained to recommend changes to the program that will help Metro and MERC achieve the program’s goals. Our research and analysis consisted of the following:

- Review FOTA’s legislative history and possible ways to amend the current policy
- Consider the results and impact of current FOTA-related policies
- Analyze current and historic demographic and economic data
- Examine existing public policies for best practices related to the areas of hiring and contracting with underserved communities
- Interview stakeholders to ascertain key issues to be considered

This report summarizes our research and analysis and recommends enhancements to the FOTA policy and program.

FOTA Legislative History

The FOTA program was created in 1989 as part of the legislative bill that allocated Oregon lottery funds to various activities around the state (HB 3075, 1989 Oregon Session Laws ch. 909). The FOTA-related provision was embedded in continued funding for expansion of the Oregon Convention Center (OCC) that originated in the previous session.

The legislative structure was considerably different at that time than it is today. In some aspects, the Joint Committee on Trade and Economic Development (TED) that controlled lottery and other dollars was more powerful than our current Ways and Means Committee. The TED functioned similar to the Appropriations Committee in Congress. After a measure such as the lottery bill cleared TED, legislators on Ways and Means would attempt to provide actual funding within the constraints of the overall state budget.

The national legal context for the legislative action was influenced by a significant US Supreme Court decision. On January 23, 1989, the Court in *RICHMOND v. J. A. CROSON CO.*, 488 U.S. 469 (*Croson*) invalidated most local government minority set-aside programs. Prior to *Croson*, Oregon had programs that required a specific level of minority participation in all public contracts, as did most state and many local governments. The *Croson* decision found that these racially based “quotas” were unconstitutional and created widespread uncertainty about how to proceed with minority participation initiatives. Many local governments simply abandoned the programs all together. As a result, general contractors ceased using the minority contractors that had been required by the set-aside programs.

In May 1989, Metro representatives testified before the TED on minority and women participation in the OCC project. The strong inference in the record is that House Co-Chair Margaret Carter (D-Portland) and Senator Jim Hill (D-Salem) had been hearing from the North/Northeast Portland community that promises of minority

contractor participation in construction of the OCC made in the previous 1987 legislative session related to funding for the project had not been kept. The record shows many eligible companies had not been successful in the bidding process for various reasons. Rena Cusma, then Metro Executive Officer, and Tom Walsh, Metro Chair, testified about the efforts Metro had made to conduct outreach into the minority contracting community. They produced numerous letters to construction contractors and unions urging them to increase their efforts to attract more minority contractors and employees. Notwithstanding these efforts, Senator Hill pressed them for actual participation numbers. Metro conceded two facts:

- There had been very little actual participation in the initial construction phase of OCC. Out of the approximately \$20 million spent to date only \$190,000 went to minority or women-owned companies.
- While conceding there was a possibility of greater participation in the interior construction phase of the OCC, Walsh also stated that most of that work had already been contracted for and therefore, minority participation was going to be very low.

After an extended discussion, Senator Hill moved to remove all further state funding for the OCC. After the motion failed by one vote, further consideration was put off until a later time. Senator Hill later went on the record indicating that he understood it was too late to remedy the lack of minority participation in the construction phases of the project. However, TED members and Metro staff agreed to work towards a program that would provide employment opportunities in the new facility for the surrounding community.

Section 2 of the engrossed (final) bill creating FOTA is the result of this effort. The bill was further amended in the Ways and Means Committee but not with regard to this section. The bill passed the Legislature with little opposition.

In summary, the FOTA program was a legislative appropriations condition of continued state funding for construction of the OCC. Therefore, no legislative action is required when or if MERC and Metro change their own governing rules to accommodate proposed revisions to the program.

Demographic and Economic Data

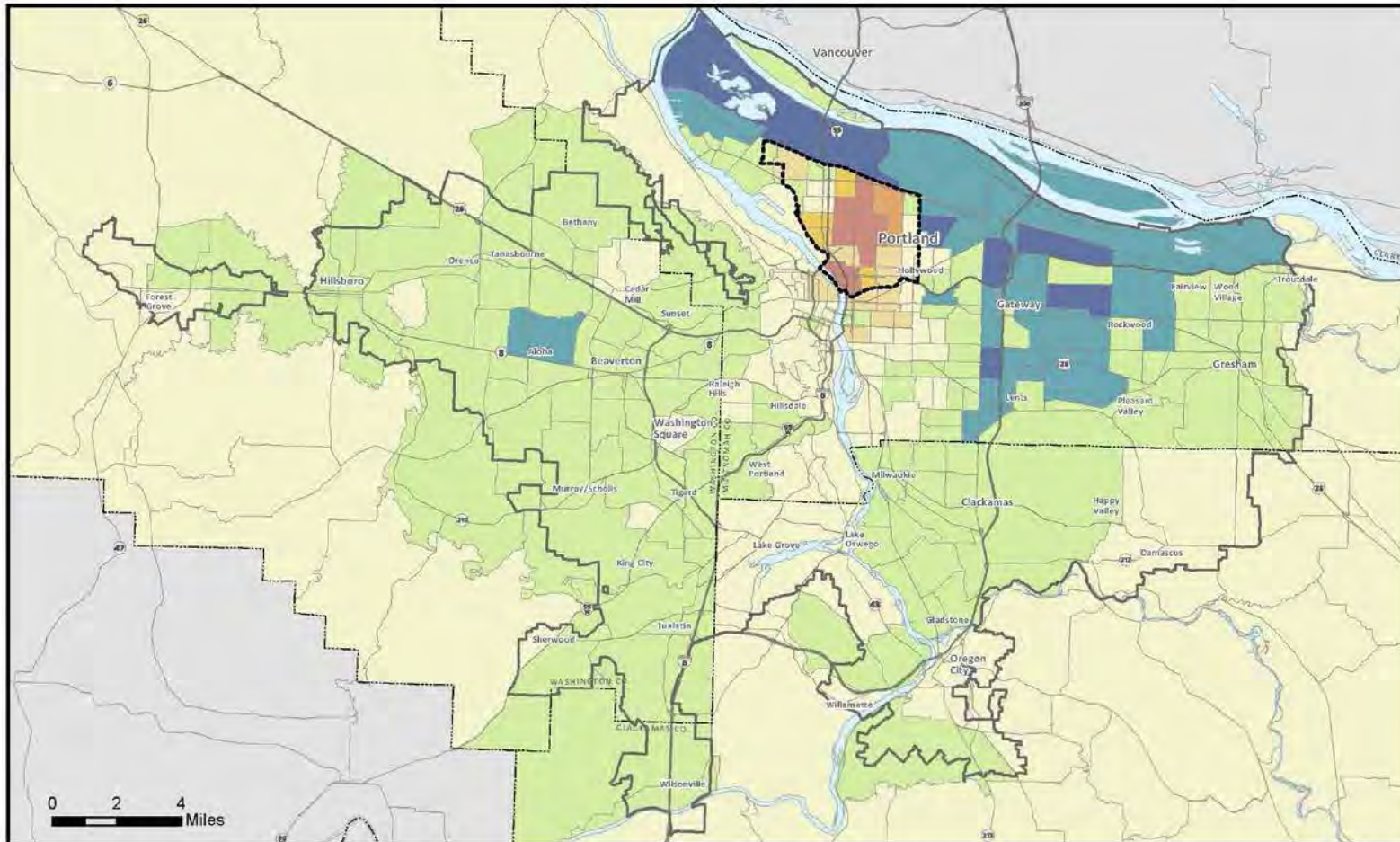
In consultation with the consultant team, the Metro Data Resource Center prepared the following maps to illustrate current demographic and economic information in the FOTA and region, as well as changes since the FOTA program was created:

- Change in African American Population Share, 1990 – 2010
- Change in Non-White Population Share, 1990 – 2010
- Change in Poverty Status, 1989 – 2008-2012
- African American Population, 2010
- Non-White Population, 2010
- Low Income Population, 2008 – 2012

The consultant team and Metro staff offer the following observations:

Change in African American Population Share, 1990-2010.

- In 1990, several areas within the FOTA were more than 50% African American. In 2010, their African American population ranged between 23% and 31%.
- Conversely, in 1990, no area east of 82nd Avenue was more than 5% African American. By 2010, more than 10 areas had African American populations of at least 10%, and one (Argay/Wilkes) as 17%.
- Just west of 82nd Ave, the African American population increased significantly in Cully and Lents.
- The highest share of African American population outside the FOTA in 2010 was in Cully.
- The African American population in the Aloha area in Washington County also grew significantly.



Change in African-American Population Share, 1990-2010

Includes Black or African-American alone or in combination with some other race (2010)

April, 2014

Negative numbers reflect a net decrease in the Black or African-American population as share of total tract population between 1990 and 2010; positive numbers reflect an increase in the Black or African-American population as share of total tract population. Data were obtained from the 1990 and 2010 Census Summary File 1 at the census block scale. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

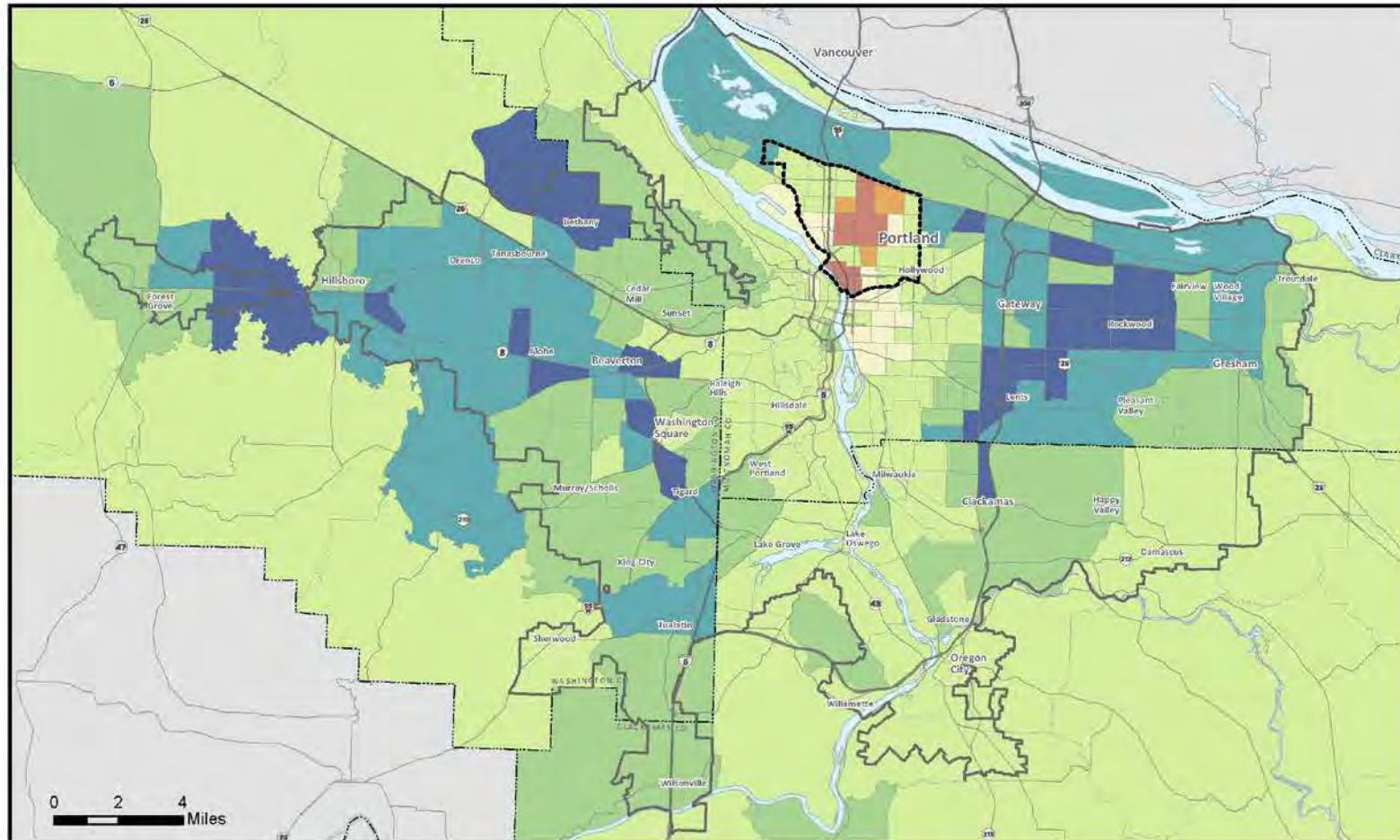
African-American population change in % of total population 1990-2010

	-43% to -20%		-1% to 1%
	-20% to -10%		1% to 5%
	-10% to -5%		5% to 10%
	-5% to -1%		10% to 12%

- Urban growth boundary
- County boundary
- Major road
- FOTA



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Change in Non-White Population Share, 1990-2010

Includes all but Non-Hispanic White population

April, 2014

Negative numbers reflect a net decrease in the non-White population as share of total tract population between 1990 and 2010; positive numbers reflect an increase in the non-White population as share of total tract population. Data were obtained from the 1990 and 2010 Census Summary File 1 at the census block scale. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

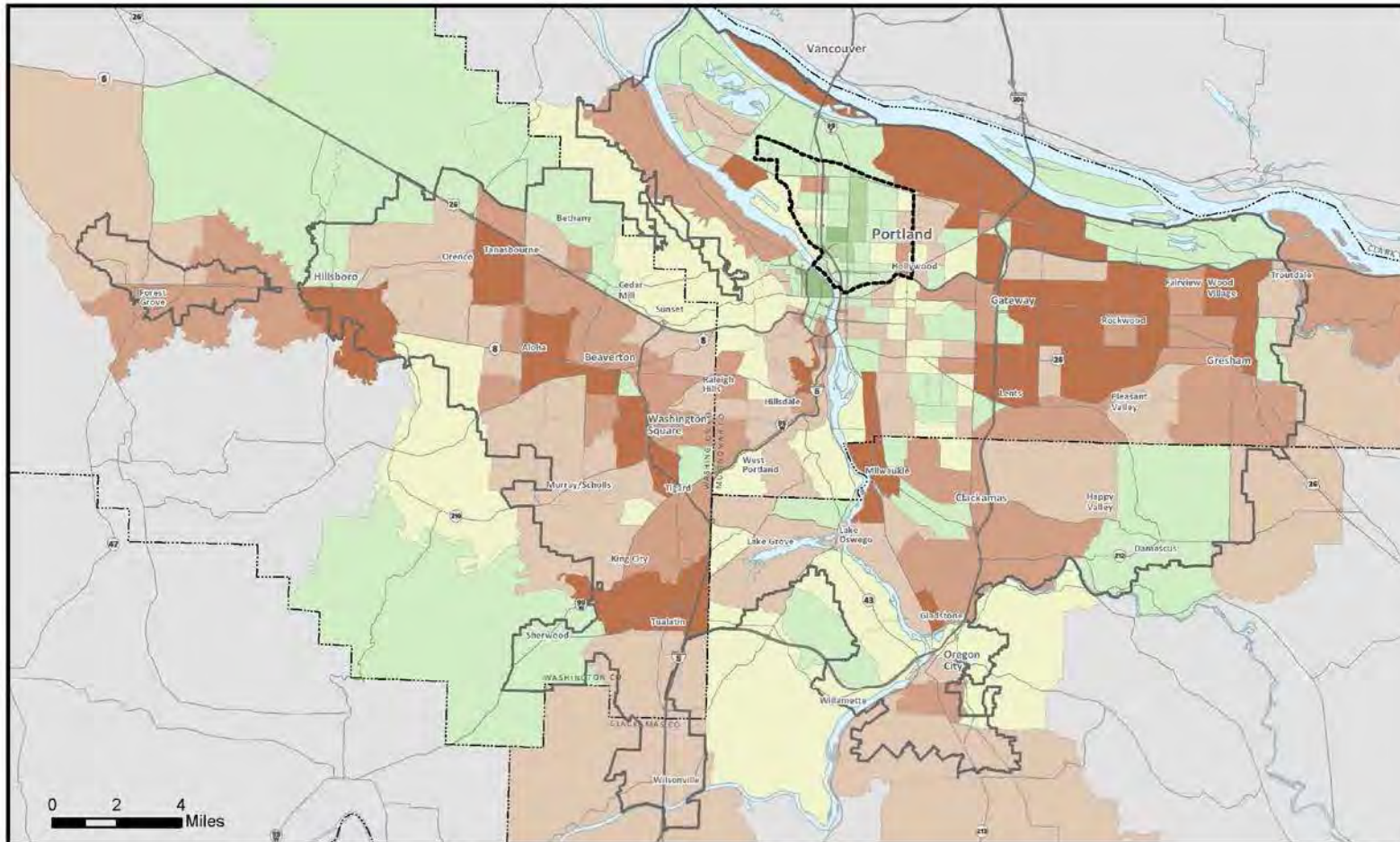
Non-White population change in % of total population 1990-2010



- Urban growth boundary
- County boundary
- Major road
- FOTA



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Change in Poverty Status, 1989 to 2008-2012

Population with income at or below poverty line
April, 2014

Negative numbers reflect a net decrease in the share of total population at or below the Federal poverty line; positive numbers reflect an increase in the share of total population at or below the Federal poverty line. Data were downloaded from 1990 Census Summary File 3 and the 2008-2012 American Community Survey, Table DP03. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

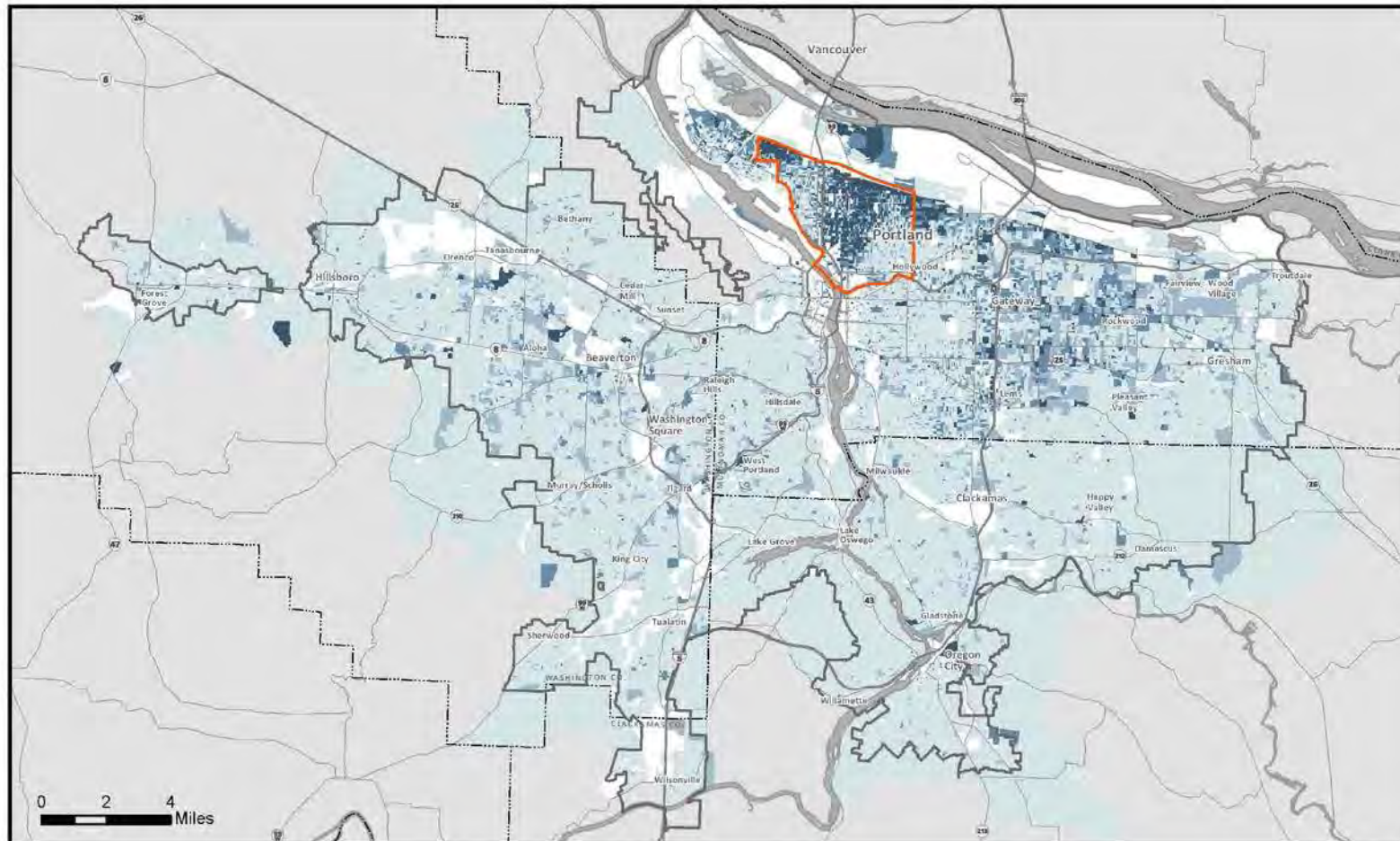
Poverty Rate change in %, 1990 to 2008-2012



- Urban growth boundary
- County boundary
- Major road
- FOTA



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African-American Population, 2010

Includes Black or African-American alone or in combination with some other race

April, 2014

Data were obtained from 2010 Census Summary File 1 at the census block scale.

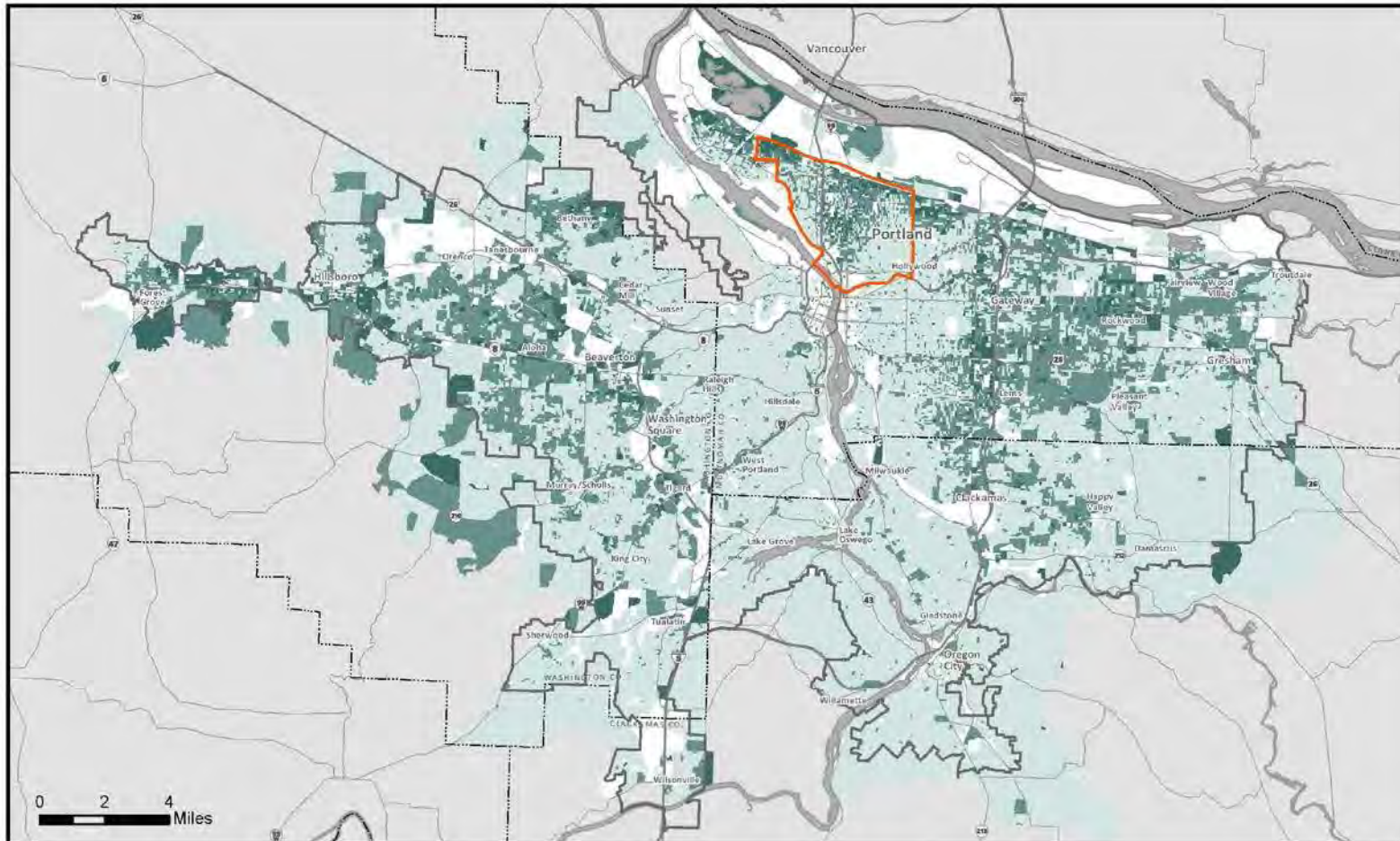
African-American population, 2010

- 0% to 5%
- 5% to 10%
- 10% to 20%
- > 20%
- Unpopulated area

- Urban growth boundary
- County boundary
- Major road
- FOTA











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Non-White Population, 2010
Includes all but non-Hispanic White population
April, 2014

Non-White population, 2010

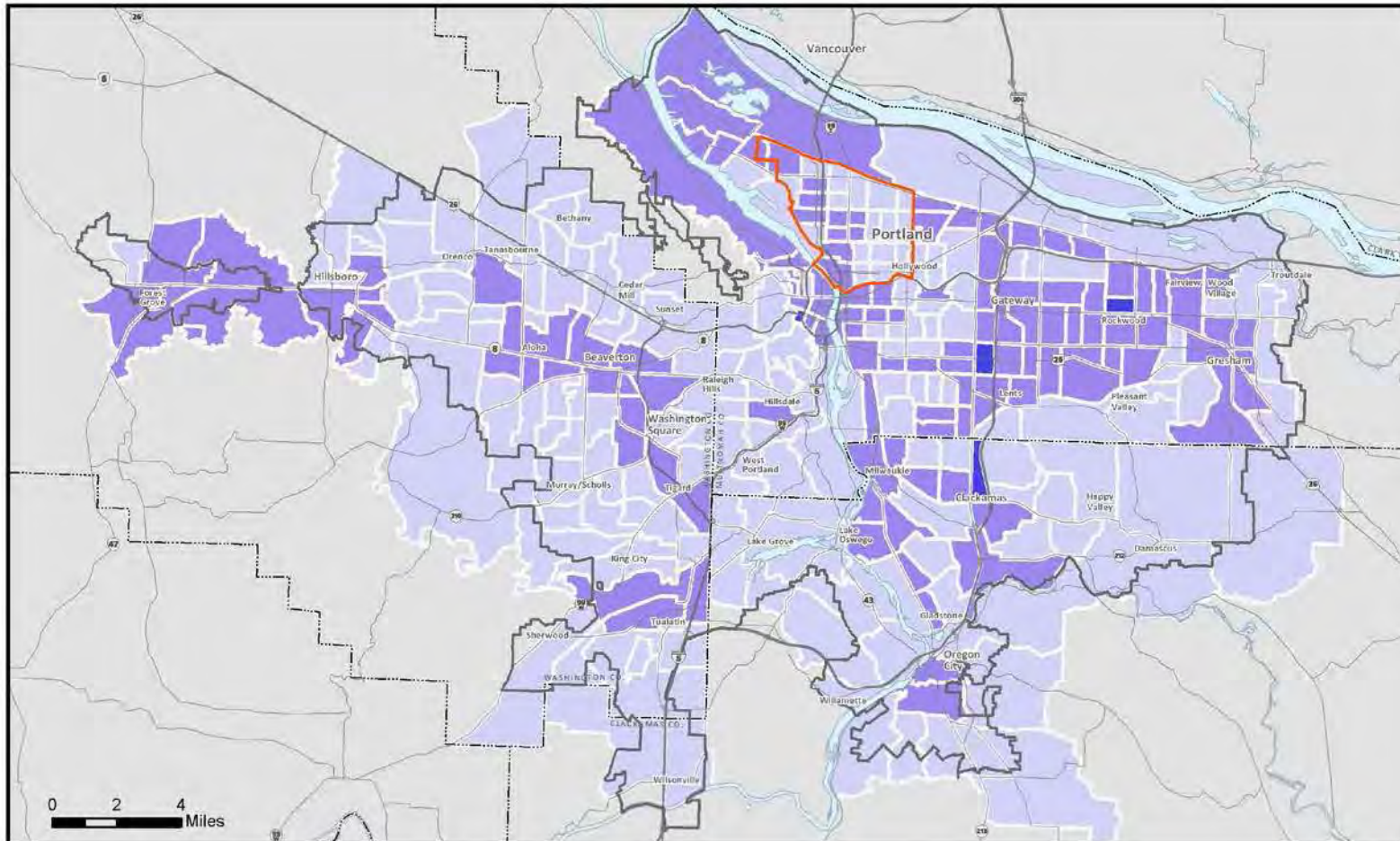
-  More than twice regional rate (>54.4%)
-  Above regional rate (27.2% - 54.4%)
-  Below regional rate (<27.2%)
-  Unpopulated area

-  Urban growth boundary
-  County boundary
-  Major road
-  FOTA

Data were obtained from 2010 Census Summary File 1 at the census block scale.



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Low-income Population, 2008-2012

Population with income at or below 185% of poverty line

April, 2014

Data were obtained from the 2008-2012 American Community Survey, Table S1701.

Low-income population 2008-2012

- More than twice regional rate (≥61.5% low-income)
- Above regional rate (30.7% - 61.5% low-income)
- Below regional rate (<30.7% low-income)

- Urban growth boundary
- County boundary
- Major road
- FOTA



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Change in Non-White Population Share, 1990-2010.

- Within the FOTA, trends for non-white populations overall are similar to those for the African American population.
- Growth in the Cully, East Portland, and West Gresham neighborhoods also appears similar.
- Additional areas showing significant growth in the population of color are found throughout Washington County, particularly in Bethany and Aloha.

Change in Poverty Status, 1989 to 2008-2012.

- Poverty rates fell in many near-eastside areas, including inside the FOTA.
- Poverty rates also fell in most areas of the westside Central City.
- Poverty rates increased in Cully and most areas east of 82nd Avenue.
- Poverty rates increased in nearly all of Washington County south of U.S. 26.

African American Population, 2010

- In spite of declines over the past 20 years, the largest contiguous area with significant concentrations of African Americans is still within the FOTA.
- There are very few African Americans in the southeast corner (Alameda, Beaumont-Wilshire, Grant Park, Hollywood, Irvington) and west side (Overlook and Arbor Lodge) of the FOTA, in contrast to the larger populations in the northwest corner (Portsmouth) and the central spine east of I-5 and north of Fremont.
- Outside the FOTA, there are significant African American populations in St. Johns and Cully as well as many areas between 82nd Ave and West Gresham, particularly the northeast Portland neighborhoods of Parkrose, Argay, and Wilkes (between I-205 and NE 162nd north of I-84), and along the Burnside/Stark corridor between Gateway and Rockwood.

Non-White Population, 2010.

- Trends within the FOTA for non-white populations are similar to those for African Americans, partially due to the fact that the population of non-African American people of color is relatively small.
- Growth in the Cully, East Portland, and West Gresham neighborhoods also appears similar.
- Additional areas showing significant growth in the non-white population are found throughout Washington County, particularly in Bethany and Aloha.

Low Income Population, 2008-2012.

- Most areas within the FOTA have below the regional share of low income people.
- There are contiguous areas with significant low income populations east of 82nd Ave; the Central City (close-in eastside and westside); the McLoughlin and I-205 corridors in Clackamas County; and along the Tualatin Valley Highway corridor from downtown Beaverton to Aloha; and from downtown Hillsboro to Forest Grove.

Observations of the comparison of FOTA and regional (tri-county) population characteristics in Table 1 include:

- Between 1990 and 2000 the white and African American populations within the FOTA declined slightly while Asian and Latino populations grew.
- Between 2000 and 2010 the white population grew significantly within the FOTA (+11,000); the African American population declined (-7,600); and the Asian and Latino populations grew slightly.
- The African American share of FOTA population decreased from 29% in 1990 to 17% in 2010.
- The share of all non-white people in the FOTA was 31.6% in 2010, compared with 25.5% in the rest of the tri-county region.
- The African American population declined by 36% within the FOTA between 1990 and 2010.
- The share of the tri-county region's African American residents residing within the FOTA fell from 66% in 1990 to 23% in 2010.

- The number of African American residents living in the tri-county region outside the FOTA increased by about 42,000 (more than 300%) between 1990 and 2010.
- The number of Asian and Pacific Islander residents living in the tri-county region outside the FOTA increased by about 88,000 (more than 200%) between 1990 and 2010.
- The number of Latino residents living in the tri-county region outside of the FOTA increased by about 148,000 (more than 400%) between 1990 and 2010.

Table 1¹

Comparison of FOTA and Regional Population Characteristics

	FOTA ¹			Three Counties ²			Remainder ³		
	1990	2000	2010	1990	2000	2010	1990	2000	2010
Total Population	87,361	90,094	94,105	1,174,291	1,444,219	1,641,036	1,086,930	1,354,125	1,546,931
White, non-Latino	54,769	53,255	64,407	1,041,904	1,153,291	1,217,404	987,135	1,100,036	1,152,997
share of all persons	62.7%	59.1%	68.4%	88.7%	79.9%	74.2%	90.8%	81.2%	74.5%
Black ⁴	25,150	23,802	16,212	38,325	55,559	71,607	13,175	31,757	55,395
share of all persons	28.8%	26.4%	17.2%	3.3%	3.8%	4.4%	1.2%	2.3%	3.6%
Asian ^{5,6}	3,090	3,969	4,354	45,577	91,130	134,377	42,487	87,161	130,023
share of all persons	3.5%	4.4%	4.6%	3.9%	6.3%	8.2%	3.9%	6.4%	8.4%
Pacific Islander ^{5,6}		1,024	856		8,643	13,719		7,619	12,863
share of all persons		1.1%	0.9%		0.6%	0.8%		0.6%	0.8%
Other ⁴	1,513	5,113	3,986	17,077	76,277	101,560	15,564	71,164	97,574
share of all persons	1.7%	5.7%	4.2%	1.5%	5.3%	6.2%	1.4%	5.3%	6.3%
Latino ⁶	3,523	7,212	7,879	39,920	116,086	192,546	36,397	108,874	184,667
share of all persons	4.0%	8.0%	8.4%	3.4%	8.0%	11.7%	3.3%	8.0%	11.9%
Persons under age 18	23,902	21,574	17,977	292,909	355,388	375,752	269,007	333,814	357,775
share of all persons	27.4%	23.9%	19.1%	24.9%	24.6%	22.9%	24.7%	24.7%	23.1%
Persons age 18 to 64	51,734	59,811	67,877	738,434	938,445	1,083,521	686,700	878,634	1,015,644
share of all persons	59.2%	66.4%	72.1%	62.9%	65.0%	66.0%	63.2%	64.9%	65.7%
Persons age 65 and over	11,725	8,709	8,251	142,948	150,386	181,763	131,223	141,677	173,512
share of all persons	13.4%	9.7%	8.8%	12.2%	10.4%	11.1%	12.1%	10.5%	11.2%

1. First Opportunity Target Area established in 1989, boundary description at <http://www.oregonmetro.gov/index.cfm/go/by.web/webId=6094>. Approximation based on census blocks.
2. Clackamas, Multnomah, and Washington counties.
3. Three county area excluding the FOTA.
4. All persons self-identified as the specific race, including Latinos. In 2000 and 2010, includes persons who also self-identified as another race, e.g. "race alone or in combination with other races." The total of all race and ethnic categories exceeds the total population.
5. In 1990, Asians and Pacific Islanders were combined in the census block data from which the FOTA was compiled.
6. All persons self-identified as Latinos, including any race.

Compiled by PSU Population Research Center, April 2014
www.pdx.edu/prc

In summary, even though the FOTA has become less diverse and more affluent while areas east of the FOTA have become more diverse and economically disadvantaged, FOTA still remains one of the most diverse and more economically disadvantaged areas in the region. It also continues to include contiguous census tracts with the highest concentration of the African American community. In other words, while changes to the FOTA boundary should be considered to accommodate the eligible populations who have migrated elsewhere in the region, the focus of the program should remain on North/Northeast Portland.

Best Practices

The consultant team examined these recent examples of opportunity targeting initiatives:

- CEWO, Clean Energy Works Oregon's "High Road Standards"
- NMCC, Nashville Music City Center's Diversity Business Enterprise
- LA Live Community Benefits Agreement, South Los Angeles Community Jobs Coalition

¹ Although this comparison lists people by race (White, Black, etc.), we use the term African American throughout this report.

These cases were selected from a nation-wide scan of opportunity targeting initiatives based on their potential relevance to FOTA (e.g., convention- and hospitality-related employment and contracting); and the diversity of local contexts and approaches to opportunity targeting they represent.

From this research, the consultant team identified four elements of effective opportunity targeting policies and programs:

- Well-specified, legally-robust social and racial equity goals and objectives, defined through direct negotiation with the impacted communities.
- Workable administrative procedures that generate clear expectations and buy-in from staff about goals and objectives and successfully institutionalize processes for meeting those goals.
- Effective use of intermediaries to engage and connect with targeted populations for hiring and contracting.
- Strong accountability mechanisms, both internal to the programs/agencies through dedicated staff resources, data collection, continuous improvement, as well as externally through ongoing engagement and transparency regarding outcomes with relevant stakeholders and the broader public.

Table 2 summarizes the lessons from these three examples, organized by the four best practice elements. Following the table, we discuss the lessons in detail, using examples from the three cases studied. Appendix A includes a summary of each and contact information for individuals involved with those initiatives.

Table 2. Comparison of Case Studies

Best Practice Element	Case Study Lessons
1. Well-specified equity goals and objectives.	<ul style="list-style-type: none"> • Establish quantitative targets. Good faith efforts are not enough. • Supplement broad diversity targeting language with expected results for specific target populations.
2. Workable administrative procedures that institutionalize processes for achieving equity goals.	<ul style="list-style-type: none"> • Establish leadership, especially elected officials and governing boards, to set expectations for results. • Identify staff responsible for implementing equity goals and procedures.
3. Effective use of intermediaries.	<ul style="list-style-type: none"> • Leverage and support existing intermediaries rather than creating new ones. • Develop and nurture partnerships with high-quality intermediaries who cultivate trusted relationships with employers.
4. Strong accountability mechanisms.	<ul style="list-style-type: none"> • Promote transparency about results through regular, real-time public reporting. • Establish an external stakeholder advisory group to facilitate feedback, dialogue, and continuous improvement.

Well-specified, legally-robust social and racial equity goals and objectives defined through direct negotiation with the impacted communities.

Have a quantitative target; good faith efforts are not enough.

Each of the three cases examined had some form of quantitative goal or target for diversity in hiring and contracting, and individuals involved with those cases felt strongly that having such a goal was important for driving results. Broad, process-based language such as “good faith effort” makes it difficult for agency staff and officials, elected officials – and importantly, community members – to know whether results are being

achieved. For program officials, having a target provides a strong basis for accountability, in part because it exposes them to criticism if they fail to meet those goals, as Clean Energy Works Oregon (CEWO) has experienced with its diversity contracting goals. A quantitative target also can serve as a tool for holding contractors accountable. In the case of Nashville’s Music City Center (NMCC), agency officials established numerical diversity contracting targets for prime construction contractors and operations vendors, which allowed them to ensure that overall numerical targets were achieved.

Supplement broad diversity targeting language with results broken out by specific target populations.

The broad category of “MWESB” (Minority, Women and Emerging Small Business), designed to address legal challenges to minority contracting programs, can unfortunately obscure more than it reveals. Consequently, desired outcomes need to be designed and reported in a more fine-grained, disaggregated way to get below the top-level goal. For example, while the CEWO program has achieved its workforce diversity goal (30% of hours worked by “underrepresented” and “economically disadvantaged” populations), the overall figures mask the fact that African Americans remain highly underrepresented, and persons of color and women tend to be clustered in the lowest-paid, entry-level positions. This requires program officials to develop tracking and reporting systems that are granular enough to address multiple dimensions of contractor and workforce diversity.

Workable administrative procedures that generate clear expectations and buy-in from program staff about goals and objectives, and successfully institutionalize processes for meeting those goals.

Established leadership, especially elected officials and governing boards, should set expectations for results.

One of the most important ways to ensure that goals are given priority is for individuals in leadership positions to take ownership and make them a priority. Elected officials can be especially powerful advocates. In Nashville, Mayor Karl Dean made improving diversity in public works contracting an important part of his campaign for office. This empowered staff to implement that mandate in the form of a robust Disadvantaged Business Enterprise (DBE) program for construction of the Music City Center. It also established clear expectations for results. As the Music City Center has moved into the operations phase, members of its governing board continue to make diversity outcomes an important priority, requiring quarterly reports from agency officials. In Los Angeles, City Council members representing the Figueroa Corridor Community have become high-profile advocates to ensure that the City’s community benefits policies are enforced and outcomes are monitored.

Identify staff responsible for implementing equity goals and procedures.

While it is critical that all members of the organization are aware of and committed to the targeting goals and procedures, it is essential to identify the staff member or members responsible for monitoring and reporting results and ensuring that policies are fully implemented and institutionalized. At CEWO, an Equity Strategies Manager is responsible for regular reporting of progress toward “high road” goals. In Nashville, reporting on diversity and equity goals is one of the responsibilities of the Purchasing Manager. While a dedicated staff person responsible for equity goals and procedures is preferred, it is most important that it be a key part of someone’s position.

Effective use of intermediaries to engage and connect with targeted populations for hiring and contracting.

Leverage and support existing intermediaries rather than creating your own.

Rather than “reinventing the wheel” by funding their own intermediaries, MERC and Metro should look to existing community capacity or consider where they can collaborate with other public agencies pursuing similar opportunity targeting goals. In each of the cases we examined, opportunity targeting efforts leverage existing local capacity to engage with, recruit from, and prepare individuals from targeted communities for employment opportunities; or relate to businesses and prospective contractors from within underrepresented

populations. Agencies were able to build upon the networks that those intermediaries possess within the targeted communities and extend their limited staff capacity to reach those populations. However, as the case of CEWO suggests, partnering with intermediaries to connect with minority business enterprises may not be sufficient to overcome structural hurdles that systematically disadvantage minority- and women-owned businesses.

MERC and Metro also need to help support and sustain those intermediaries, either by providing funding directly or helping them obtain funding from other sources. CEWO and NMCC partner with local workforce investment boards to help direct public funding toward organizations that serve the targeted populations.

Develop and nurture partnerships with high-quality intermediaries who cultivate trusted relationships with employers.

Part of connecting targeted populations to jobs is ensuring that those intermediaries work effectively with employers who make hiring decisions. In many cases this is a long-term process of relationship and capacity building. The South Los Angeles Community Jobs Coalition has developed a strong working relationship with AEG, the LA Live development operator. They communicate regularly about hiring needs and ways to improve the retention and advancement of workers once they are hired. The quality of the intermediary is vitally important, increasing the chances of success as employers come to view them as a trusted resource rather than an obligation to be fulfilled.

Strong accountability mechanisms, both internal to the programs/agencies through dedicated staff resources, data collection, continuous improvement, as well as externally ongoing engagement and transparency regarding outcomes with relevant stakeholders and the broader public.

Promote transparency about results through regular, real-time public reporting.

One of the most essential tools for accountability is transparency. CEWO and NMCC staff regularly produce reports available to the public that document whether their initiatives are meeting diversity goals. To obtain this information, the agencies develop systems that continually track contracting and hiring outcomes. For example, CEWO requires contractors to document the demographic characteristics of their workforces. Ideally, such indicators should be made available on an agency's website for easy access.

Establish an external stakeholder advisory group to facilitate feedback, dialogue, and continuous improvement.

In each of the three cases examined, an external stakeholder advisory group helped promote feedback and dialogue. In the pilot phase of CEWO, a Stakeholder Evaluation and Implementation Committee with broad community representation made recommendations for the statewide program that followed. Since that time, CEWO's High Road Committee has served this function. NMCC had a Diversity Business Enterprise & Procurement Committee that included representatives from minority contracting and community organizations. The committee met monthly throughout the construction phase to review results and make improvements. The South Los Angeles Community Jobs Coalition's regular meetings provide employer and community workforce providers with opportunities to exchange information and make improvements. In each case, these groups help promote accountability on the part of the agency while promoting dialogue and trust-building with the community.

Current FOTA Procedures and Practices

To provide a baseline against which policy recommendations and changes can be assessed, the consultant team examined the procedures and practices through which the FOTA program is currently being implemented by MERC and the three venues – Oregon Convention Center, Portland's Centers for the Arts and the Portland

Expo Center. Our observations are based on the results of a group interview with Metro human resources and MERC venue staff, as well as five in-depth interviews conducted with two Metro-level staff and three venue-level staff. Our findings are organized around the four “best practice” elements previously identified:

- Well-specified equity goals and objectives
- Workable administrative procedures that institutionalize processes for achieving equity goals
- Effective use of intermediaries to engage and connect with target populations
- Strong internal and external accountability mechanisms

Well-specified equity goals and objectives.

Consensus about goals and objectives exists only in the broadest terms, with no degree of specificity.

When asked for their own interpretation of the goals and objectives of the FOTA policy, individuals speak broadly about targeting benefits of MERC-related economic activity toward the North/Northeast Portland community, and in particular toward those impacted by OCC construction in the 1980s. Beyond this, there appears to be little consensus, especially in terms of operational goals and specific metrics. Staff sees this uncertainty manifested in a lack of community understanding. On the contracting side, several individuals refer to the share of contracts and funding going to FOTA-based businesses as the most important tangible goal, although without clear targets or benchmarks. Others focus more on demonstrating engagement with FOTA businesses in the contracting process.

The fact that FOTA contracting figures pertain only to the lead contractor’s or vendor’s location, and do not account for potential purchases by non-FOTA contractors from FOTA-eligible businesses, raises a question about how well overall FOTA contracting totals actually reflect the underlying goals. In terms of hiring, there is broad consensus that the number or share of FOTA-eligible hires is the most important operational objective. However, in practice, contracting outcomes tend to receive greater attention than those pertaining to hiring.

The relationship between FOTA and other diversity and equity goals with Metro is ambiguous; leadership in regard to FOTA goals has been lacking.

A common theme among interviewees is that FOTA’s importance relative to other diversity and equity goals, such as MWESB contracting, has become more ambiguous and unclear recently. This is especially true as Metro has taken steps to deepen its commitment toward diversity and equity, for example through its recent Diversity Action Plan. Some suggest that the integration of MERC and Metro administrative functions has played into this dynamic, with FOTA being a lower priority at Metro than it had been previously at MERC. While recent efforts have raised the profile of the issue of diversity in hiring and contracting, there is general consensus that FOTA has suffered from a lack of high-level leadership and operational ownership.

Workable administrative procedures.

Contracting

Achieving FOTA goals requires staff to go “above and beyond” standard procurement procedures.

The process for obtaining bids has become standardized in recent years with the adoption of the Oregon Procurement Information Network (ORPIN), a Web-based system that links governmental agencies and vendors throughout the state. After requests for bids are posted on ORPIN for a specified period of time, proposals are vetted and awarded. There seems to be broad understanding among our interviewees that project managers are expected to “reach out” to at least one FOTA-eligible vendor in the process of soliciting bids, although there is some ambiguity about what this actually means. Unlike requirements for MWESB participation, the ORPIN system does not indicate whether or not a vendor is located within the FOTA boundaries, making it difficult to discern prospective vendors’ FOTA status. As a result, outreach efforts generally are limited to the “usual suspects” known by project managers. Several note that zip codes, which

are available through ORPIN, are not reliable for determining FOTA status, as the boundary does not align with zip codes.

The lack of reliable lists of FOTA businesses was cited multiple times as a challenge. Although ORPIN gives project managers access to a much broader and diverse pool of prospective contractors, some feel that the ORPIN interface actually gives them less flexibility in soliciting bids than earlier processes. Low limits for direct MWESB contracting (\$5,000) on the part of Metro, which are in the process of being increased, are mentioned as a barrier. Additionally, some regulations related to contracting and procurement that may conflict with the FOTA policy, such as quality of service requirements and mandates to get “the best product for the best price.” For project managers, the pressure to “get things done” makes doing the minimum more attractive than going the extra mile to achieve FOTA goals. One person interviewed expressed frustration that there is not a wider understanding of how challenging it is for project staff to pursue FOTA goals – even for those who are committed.

Difficulties engaging FOTA businesses may be, in part, reflective of broader challenges for Metro in engaging diverse businesses.

Several people suggest that the inability to successfully engage with FOTA businesses is symptomatic of the broader difficulty that Metro faces in connecting with small and minority-owned businesses in particular. Relatively high insurance requirements, long lag times in processing and payment of invoices and a general lack of trust in Metro are all potential barriers for prospective MWESB vendors. These factors also affect FOTA.

Staff undertake creative efforts to expand the pool of prospective FOTA vendors.

In response to the concerns that FOTA-eligible vendors are lacking or simply not known, some staff and contractors are undertaking creative efforts to expand the pool of vendors in general, with the potential to bring in more FOTA businesses. For example, Aramark, the food and beverage contractor for MERC venues, is planning to advertise publicly for local businesses interested in serving as subcontractors at MERC venues on a one-year, trial basis. As part of this “vendor prequalification” process, Aramark intends to give preference to FOTA businesses.

Hiring

FOTA procedure for internal hiring is fairly routinized and generally followed.

The FOTA process for hiring is relatively straightforward. When job opportunities in the three MERC venues are posted, a period, usually two weeks, occurs during which internal candidates and FOTA-eligible candidates (i.e., living within the FOTA boundary and meeting the income thresholds) may apply. Metro human resources (HR) staff review the applicants and refer those meeting the posted minimum qualifications to hiring managers for their review. If no suitable candidates are found, job postings are opened to external candidates. Aramark’s procedures for hiring food service workers are slightly different; there is no internal/FOTA period, and the company’s application process does not ask about household income level.

There is no requirement that hiring managers interview at least one FOTA-eligible candidate, and unlike veterans, FOTA candidates do not get preference in the hiring process. However, managers do have to document within the online HR system who they are interviewing and whether candidates were deemed qualified or not. Because the requirement for an internal/FOTA period adds several weeks onto the hiring process relative to an external posting, hiring managers have asked for waivers and exceptions to this procedure, especially for more specialized positions. For example, OCC uses a concurrent internal/external hiring process for certain trades positions. Metro staff indicate that they have attempted in recent years to ensure that the “FOTA period” is maintained whenever possible, although there is no available data on the share of job listings that have been granted waivers and how that has changed over time.

Success in hiring FOTA-eligible candidates appears limited to entry-level positions, in part reflecting the low income thresholds for FOTA eligibility.

Staff interviewed indicate that they appear to have the most success in hiring FOTA-eligible candidates for relatively lower-paid, entry-level positions such as janitorial/housekeeping. Most point to the low level of the income thresholds as a major barrier to hiring FOTA candidates for more highly-paid positions. Others suggest that the FOTA designation itself is obscure and that prospective candidates may not understand what it means or apply during that period. Other interviewees point to the use of online hiring procedures, which impose barriers to jobseekers without a computer or computer skills.

Retention and advancement – not just hiring – are recognized as important issues for FOTA candidates, but receive comparatively little attention and resources.

Several individuals note that hiring FOTA-eligible candidates is only part of the challenge, and that promoting, retention and advancement does not receive sufficient attention. Currently there is no specific career development support or resources provided to help FOTA hires. However, interviewees note that steps being taken as part of the agency's Diversity Action Plan to support women, persons of color, and other diverse employees, such as increased mentoring and exposure to internal career pathways, could also be applicable to FOTA-related hires.

Metro circulates FOTA-eligible job opportunities to the "FOTA community," but its resources are limited.

Metro HR staff distribute job announcements to a network of organizations and newspapers serving communities of color throughout Portland, including those within the FOTA. Furthermore, Metro has held job fairs in places like the Expo Center in an effort to engage the community. But their resources for doing this engagement work are limited, and unless hiring managers make specific efforts to reach out to community actors and networks around particular hiring opportunities, their effectiveness is not entirely clear.

Use of Intermediaries.

Contracting

Outreach to intermediaries serving FOTA-area businesses regularly takes place, but less commonly among project-level staff.

Staff report working with, and attending meetings of, groups like Oregon Association of Minority Entrepreneurs (OAME) and Metropolitan Contractors Improvement Partnership (MCIP) in efforts to engage with FOTA-area businesses, and diverse business owners generally. Historically, this engagement tended to occur mostly on the part of higher-level Metro staff rather than venue-level project managers, who are more directly involved in day-to-day procurement activities but whose time and capacity to build such relationships may be more limited. More recently, project managers have become more involved in outreach efforts. In general, individuals interviewed feel like these forms of outreach are valuable, if not always as effective as they would like.

Hiring

HR staff conduct outreach but there are no strong partnerships for FOTA-related hiring.

As noted above, Metro's HR staff make significant efforts to reach out to diverse communities, but presently there are no examples of strong, FOTA-specific partnerships for hiring. Some point to informal partnerships with minority professional groups like "Say Hey," or community organizations like Central City Concern, but nothing specific intended to help identify, recruit and prepare candidates from within the FOTA.

Strong internal and external accountability.

FOTA contracting outcomes are currently produced on an annual basis.

Metro procurement staff produce yearly reports on the share of contracts and contract amounts to FOTA businesses. These figures are reported to the MERC Commission, but are not widely distributed otherwise (e.g., on the Metro website). One interviewee notes that more frequent reporting, for example on a quarterly basis, would allow for more timely feedback and continuous improvement. One barrier to this is the Metro's enterprise software program that makes generating FOTA outcome data difficult and labor-intensive to compile. The recent switch to the "Neogov" platform for online job posting and matching should improve the ability to provide additional analysis relative to previous years, when applications were primarily pencil on paper.

In general, there is very little regular stakeholder engagement for continuous improvement of FOTA processes and procedures.

There do not appear to be regular mechanisms to engage with FOTA stakeholders about ways to improve the contracting and hiring processes. To some extent, this occurs between procurement staff and organizations serving diverse businesses, but it is not necessarily FOTA specific. For example, Metro recently organized a focus group of minority business enterprises to help understand the barriers to working with them, but there was no specific effort to focus on FOTA. Internally, there appears to be limited feedback to project staff and hiring managers about FOTA outcomes and processes. For example, there does not appear to be regular analysis about how many FOTA-eligible vendors view and respond to bid opportunities, and how they fare.

In summary, interviewees appreciate MERC and Metro's continued focus on improving the FOTA program. In the spirit of continuous improvement, we note that with respect to FOTA program objectives, MERC and Metro hiring and contracting programs and practices are deficient when compared to best practices identified through our research:

- Programs and projects lack quantitative targets and metrics for tracking success with specific populations.
- There appear to be few internal or external accountability mechanisms to ensure stated goals and objectives are achieved.
- FOTA is challenging to administer, particularly in regard to contracting and procurement.
- MERC and Metro lack programs to support new FOTA hires and provide them with career advancement opportunities.
- Currently, MERC, Metro and the FOTA program do not have strong relationships or partnerships with intermediary organizations for recruitment.
- Resources to conduct community outreach are limited.
- The current practice of annual reporting is not sufficient to promote transparency, dialogue and continuous improvement.

Stakeholder Interviews

Consultant team members interviewed two groups of stakeholders to gain understanding of FOTA and ascertain opinions about opportunities to improve the program.

- 1) Founders – eight former legislators, MERC Commission members, Economic Opportunities Advisory Committee members and staff who were involved in establishing and implementing the FOTA program at its inception.
- 2) Partners – 21 current and potential future partners including individuals and organizations that work within the FOTA geographical area and African American communities, communities of color broadly; and low income communities.

A compilation of interview results is included in Appendix B. A summary follows.

Founders

What was the original intent behind creating the FOTA program?

Founders are consistent in their recollections of the creation and intent of the FOTA program. In 1987, negotiations led by the Northeast Economic Development Alliance led to general agreement that the North/Northeast community would benefit from the imminent construction of the OCC. In 1989, due to un-kept promises related to minority hiring, several state legislators threatened to halt funding for the second phase of OCC construction. The FOTA program was created to address these failures and OCC funding was restored.

The intent of the program was to create jobs and contracting opportunities for African Americans and other minority contractors in neighborhoods adjacent to the OCC. Its purpose was to compensate the African American community for past discriminatory practices and displacement. Due to the *Croson* decision, noted in a previous section of this report, hiring programs based on race were determined to be illegal. Therefore, a geographic designation and socio-economic factors were used instead. FOTA was acknowledged to be one of the better “affirmative action”/diversity programs and was upheld through legal challenges. It eventually included contracting and procurement as well as employment, but jobs were most important because the OCC offered entry level jobs and career ladders in concessions, janitorial, and maintenance.

While the FOTA geography was created based on the demographics of the African American community in North/Northeast Portland, there is some uncertainty about the origin of its boundaries. One interviewee recalls the boundaries utilized a pre-existing federal designation, possibly from HUD. Others say it was based on zip codes and originated with the FOTA program.

The founders never anticipated FOTA would be the only opportunity – simply the “first” opportunity for hiring from the neighborhood. They hoped that it might result in 10 to 20% utilization. Notably, the program enjoyed the complete support of leaders in the state, City of Portland, Metro, Multnomah County and the MERC Commission.

Interviewees recall the program enjoyed some initial success, comprising up to 50% of eligible hires from the FOTA. Most of the hires were for entry level positions and a few stayed on to become managers. Aaramark, the food service vendor, also hired many people from the FOTA. It was more difficult to find contractors within FOTA to provide supplies. Initially, MERC reported to the Trade and Economic Development Committee of the state legislature. Eventually, the committee “faded away” due to what interviewees perceive as the program no longer being seen as a priority. According to one interviewee, the program did not implement systems to support the professional development of minority hires.

What do you know about FOTA today?

Most interviewees do not know much about the current FOTA program. According to one, the program had become confusing and ill-defined with no standards, monitoring or reporting requirements. Another believes it is a program without teeth, not a priority and that few people involved in contracting know about it. Still another feels the FOTA program does not recognize the real barriers of even applying for contracts, due to insurance regulations, capital and capacity. This person emphasizes that the culture within Metro and the City of Portland limit the ability to level the playing field.

For many reasons, including changing demographics of the neighborhood, we are assessing how the program can be improved. Do you have any ideas?

- Target employment opportunities to communities in need. This may or may not involve geographical boundaries. Several interviewees recommend separating jobs from contracting opportunities.
 - Find where the concentrations of low income people and housing exist.
 - Take into consideration governmental assistance programs and length of time unemployed.
 - Include people who have been displaced from the target area in the last 20 years, regardless of the cause of their displacement.
 - Initiate workforce training programs to match job opportunities.
 - Understand the capacity and capabilities of contractors.
 - Review Metro’s hiring practices for the past 1-3 years to identify true hiring and contracting opportunities for target populations.
 - Initiate support programs and provide career ladder opportunities.
- Recognize that communication is critical to the program’s success.
 - The African American community must be “front and center,” but not at the exclusion of others. The goal should be to create prosperity for all communities of color in the region.
 - Establish direct lines of communication to the African American community.
 - Develop formal and informal networks, including workforce organizations and informal community job postings. Continuously explore new ways to reach out to the community and assess effectiveness.
 - Establish relationships with trusted intermediaries: schools, faith-based organizations, businesses, service agencies, government, nonprofits, chambers of commerce.
 - Utilize media, including community newspapers.
- Make the program a priority and administer it accordingly.
 - Give management and the community a clear message of a commitment to change.
 - Assign one or more staff with clear authority to administer the program.
 - Provide protocols and training for MERC managers and hold them accountable.
- Monitor and track the program.
 - Require “legitimate reasons” if minority contractors or individuals are not hired.
 - Develop measures, evaluate regularly and institute consequences.
- The Headquarters Hotel is an opportunity to implement changes and demonstrate commitment to minority hiring and contracting opportunities.

Partners

Describe your organization and its services, specifically activities related to workforce development, hiring and contracting of traditionally underserved communities. Have you had specific experience with Metro?

The individuals and organizations we interviewed represent a broad range of services, including, but not limited to affordable housing, community organizing, contracting, economic development, education, human services, workforce training, and youth and family programs. About half help individuals find jobs and/or businesses obtain contracts, five of which have worked with Metro.

Are you familiar with or have you heard of the FOTA program? How do you feel the program is working?

Ten of the 21 interviewees say they are at least somewhat familiar with the FOTA program, while the rest have no experience with FOTA or understanding of its purpose or how it works. In general, those familiar with the program say it is not working, citing insufficient communication between administrators and the community and a lack of both hiring from and contracts with communities of color. Specific concerns are that income thresholds are too low and the current geographical boundaries may defeat the stated purpose to increase minority participation in hiring and contracting.

What would you change about the FOTA program to help Metro achieve its purpose of offering first opportunity for jobs and contracts to those impacted by construction of the Convention Center?

- Focus on providing jobs
- Use federal income guidelines
- Expand the boundaries to reach more of the target population, including those who have moved out of the FOTA area
- Develop a communications strategy to market the program and increase visibility
- Conduct outreach through formal and informal networks; build new community partnerships
- Involve community based organizations and fund them to enhance the engagement efforts
- Enlist a nonprofit organization to coordinate community engagement
- Establish goals and objectives and mandate desired achievable outcomes
- Institutionalize and assimilate the program into management structure
- Use tangible metrics to measure diverse small business contractor participation
- Be transparent and accountable; make utilization data accessible and report progress annually
- Establish a community advocacy group to ensure the program is using resources to meet goals
- Track recruitment and participation of minority-owned, women-owned and emerging small businesses separately
- Ensure FOTA has a role in Convention Center Hotel construction and subsequent staffing; also to expand business development opportunities nearby
- Provide RFP/quote materials in one or more languages in addition to English; provide multi-lingual trainings for potential subcontractors
- Expand focus beyond entry level jobs; create mechanisms to promote career advancement
- Do not maintain a “glass ceiling;” recognize that some people have the skills, even if they may not have the experience

What, if anything, should the FOTA program do to recognize the demographic and economic changes within the original FOTA boundary and surrounding the Convention Center? What concerns should be addressed?

- Commit to meeting program goals and guidelines and original intent
- Reverse the history of failed promises to the African American community in regard to education, jobs and development opportunities
- Expand the boundaries
 - Reflect gentrification/displacement of traditional low income and communities of color
 - Include Cully and Lents neighborhoods
 - Expand eastward to include growing minority low income populations whose first language is other than English...Spanish, Russian, Sudanese, etc.
 - Expand eastward to city limits and beyond to Gresham and Troutdale
 - Promote the program by involving churches, schools, health and social service organizations
 - Do not ignore or decrease opportunities for the African American community still living within the current boundary
 - Consider eligible populations in Washington, Clackamas and Clark counties
 - Target specific pockets of high concentration of poverty, low income, high unemployment throughout the metropolitan area
 - Focus on N/NE Portland and greater community equally
- Face the current realities – go where the community is
- Treat knowledge of a second language as a tangible skill
- Respect professional licenses from other countries

- Ask if the FOTA business model still works? Does getting locked into that modality foreclose developing new models of community cooperation? How can we be more intentional about sparking revitalization and economic renewal in the area?

In what ways might you/your organization be interested in working with Metro and its FOTA program in the future?

- Interested, but need to be confident there is a commitment to make the program work as intended
- We are looking for people who may qualify for jobs in our organization and can reach out to our service population
- Would like to help Metro with outreach to our clients
- Would like to partner and help find suitable recipients
- Happy to provide outreach services to people within service area
- If boundary is changed, how will that decision be made and who will participate?
- Will be involved through other alliances
- Will continue to bring together community members
- Absolutely yes; in any way possible
- Send job descriptions and hard copy job applications so we can conduct specific target recruitments
- We are capable of recruiting, enrolling and assisting individuals with improving basic academic, employment preparation/application and workforce life/survival skills
- As long as a functional program is in place and the relationship does not detract from our mission
- Interested in exploring all options for collaboration
- Specifically interested in construction contracts, outreach, marketing, mentoring, partnering, conducting workshops, trainings, etc.
- Can help identify companies and firms that can provide services and goods to MERC/Metro
- Ready to help with effective community outreach
- Consider us a community resource available to assist
- Could help with data gathering and analysis and host community conversations
- Willing to help Metro replicate the Cully workforce and hiring program
- We can distribute information to our congregations
- Provide updates on progress to all stakeholders so they can remain engaged

In summary, stakeholders believe that FOTA should be a priority for MERC and Metro, demonstrating this commitment through dedicated resources, training and accountability. Quantifiable metrics should be used to set goals and targets and to measure and communicate progress. Interviewees recommend that the while the focus of the FOTA program should be on providing jobs for people who live or lived in North/Northeast Portland, an associated objective should be to benefit all communities of color and low income communities in the region. MERC should review and modify the FOTA boundary to account for changing demographics. FOTA benefits should go beyond the hiring event to include programs that support and provide FOTA hires with career advancement opportunities. Many advise that political commitment and communication through formal and informal networks and partnerships are critical to success.

FOTA Enhancement Recommendations

The following policy enhancement recommendations for the FOTA program are based on the consultant team's outreach and research as well as conversations with staff, MERC Commissioners and Metro Councilors.

Policy Recommendations

Restore FOTA's focus on hiring while ensuring FOTA principles to strengthen Metro's contracting and procurement policies and procedures.

The 1989 enacting FOTA legislation established that the program should provide "first opportunity" for available jobs to economically disadvantaged residents living in economically distressed neighborhoods in the immediate vicinity of the Convention Center site." After beginning as a hiring program, FOTA was later expanded to include contracting. Hiring and contracting are distinct processes with different legal constructs and constraints. Several stakeholders noted that, in general, public bodies have a considerable amount of discretion when making hiring decisions. We recommend separating FOTA and internal hiring processes to achieve original "first opportunity" program objectives. This feature seems lost in more recent hiring protocols.

The manner in which public contracts are awarded is more regulated. Contracting and procurement processes are governed by the State of Oregon's Public Contracting Code and Metro Code. Contracts are awarded through open, competitive bidding in full compliance with all applicable regulations.

We recommend MERC and Metro undertake a comprehensive update of contracting policies and procedures that considers FOTA principles and the recommendations in this memo derived from best practices. By FOTA principles, we suggest that MERC and Metro be mindful of the "first opportunity" feature of the original program. At the onset, FOTA worked within a designated geographic area defined by certain socio-economic characteristics. Central to the original purpose was to offer residents of North/Northeast Portland the first notice and opportunity to fill new positions. In the intervening years, the displacement of that qualifying demographic outside the geographic boundaries has not lessened the need to target the population for first opportunities in hiring and contracting.

Metro has initiated several efforts to improve MWESB participation in contracting, including an annual MWESB open house and participation in community-based events, training for minority-owned firms, working with the Metropolitan Contractor Improvement Partnership (MCIP) on outreach process improvement review, engaging Metro project managers in outreach to MWESB firms to improve access by MWESBs to contract work, and initiating an advisory group to formulate policy recommendations to strengthen the MWESB program. In addition, Metro is tracking MWESB contracts by enterprise type. Furthermore, Metro updated and improved internal systems that track MWESB utilization by contractors and subcontractors. A total of \$3,537,961 contracts were awarded to underserved businesses in the 2013-14 fiscal year: \$1,246,039 to emerging small businesses (35%), \$1,315,600 to woman-owned businesses (37%) and \$976,322 to minority-owned businesses (28%).

These efforts are promising and led to particular success at the Oregon Zoo. In 2008, voters approved a \$125 million bond to support new construction, renovation and innovation at the Zoo. During the construction documents phase, staff worked with the general contractor to review the project scope by trade breakdown, conduct a preliminary search of the Oregon MWESB database to document the availability of firms, and document all work that could not be reasonably performed by MWESB contractors. A third party committee reviewed the revised list of work eligible to be performed by MWESB firms. By removing highly specialized and technical contract work from the list, the construction project manager was able to focus outreach to MWESB firms for the eligible work. On the most recently completed project, Condors of the Columbia, the MWESB utilization rate achieved 25.8%.

Building on recent procurement successes, we recommend the MWESB process be further refined to provide some meaningful preference for FOTA qualified individuals and companies in much the same way that veterans' preferences are incorporated into hiring and contracting. We suggest MERC and Metro consider moving toward federally certified Disadvantaged Business Enterprise (DBE) contractors to more directly reach FOTA eligible populations and intended beneficiaries in traditionally disadvantaged communities.

Update FOTA boundaries to better reach economically distressed neighborhoods in the immediate vicinity of the Convention Center.

Extend FOTA benefits as a secondary priority to residents outside FOTA boundaries who meet the program's socio-economic criteria.

Economically disadvantaged residents in economically distressed neighborhoods in the immediate vicinity of the OCC are the intended beneficiaries of the FOTA hiring program. To honor the commitment made to this population, they should continue to be the priority beneficiaries of the FOTA program. Since 1989, even though the FOTA has become less diverse and more affluent while areas to the east have become more diverse and economically disadvantaged, FOTA still remains one of the most diverse and more economically disadvantaged areas in the region. It also continues to include contiguous census tracts with the highest concentration of the African American community. We recommend Metro convene an advisory committee of stakeholders from across the region to review current data and recommend updates to the FOTA boundary to better capture economically distressed neighborhoods in the vicinity of the OCC. Since the original boundary was established by a stakeholder committee, any modifications to that boundary should be informed through a similar, transparent and collaborative process.

Based on the demographic and economic data noted earlier, the committee could use the following modifications as a starting point: 1) expand the northwest boundary west between N Lombard St and N Columbia Blvd to the point where the two streets intersect; 2) expand the northeast boundary east between NE Lombard St and NE Prescott St to NE Sandy Blvd; and 3) retract the southeast corner boundary to approximately NE 15th Ave from I-84 to NE Prescott St. While using zip codes would simplify and enhance FOTA implementation, zip code boundaries do not align with FOTA priority areas and eligible populations. However, modifications that meet the program intent and simplify implementation should be considered.

We also recommend extending FOTA hiring benefits to eligible populations who have moved out of the FOTA as well as other economically disadvantaged residents throughout the region who meet the program's socio-economic criteria. These populations would be given second tier consideration.

Continue FOTA hiring program at MERC venues. Consider applying program guidelines and principles to other Metro facilities and programs over time.

As noted, FOTA initially applied to hiring at the OCC and was later expanded to include the Portland Expo Center and Portland's Centers for the Arts. MERC Commissioners agreed that maintaining the focus of FOTA on these three venues in the short term will allow administrators to initiate new FOTA protocols without having to simultaneously expand the protocols to other Metro facilities and programs. In the longer term, we recommend MERC and Metro consider applying FOTA hiring policies first to Metro facilities and programs within FOTA and secondly to those outside the boundary. As some study participants have pointed out, the fact that the policy does not apply to Metro headquarters, located within FOTA boundaries, just a few blocks from OCC, may appear inconsistent. Another reason for considering expanding the FOTA program would be for Metro to establish greater consistency in hiring policies across the organization.

Administrative Recommendations

Update FOTA income requirements.

FOTA hiring income requirements have not changed since the program was created in 1989. All parties agree that income requirements should be modernized. We recommend the advisory committee also review and update the requirements to reflect current socio-economic realities. The committee may want to consider criteria used by federal assistance programs.

Create well-specified and legally acceptable social and racial equity goals and objectives, defined through direct consultation with affected communities.

Best practices show that broad, process-based language such as “good faith effort” makes it difficult for agency staff and officials, elected officials and community members to know whether results are being achieved. Having a target provides a strong basis for accountability. The broad minority, women owned and emerging small business (MWESB) category, designed to address legal challenges to minority contracting programs, can obscure more than it reveals. Overall workforce diversity figures can mask that African Americans remain highly underrepresented. Consequently, desired outcomes need to be designed and reported in a more fine-grained, disaggregated way to get below the top-level goal. We recommend implementing quantitative targets and supplementing broad diversity objectives with results broken out by distinct goals for specific populations. We suggest MERC and Metro move to give special consideration to DBE contracting over time.

Implement workable administrative procedures and institutionalize processes for achieving goals.

According to best practices research, one of the most important ways to ensure that targeting goals are given priority is for individuals in leadership positions to take ownership those goals and make them a public priority. Elected officials are especially powerful advocates in this regard. We recommend implementing administrative procedures that are workable and establish clear expectations and buy-in from program staff, and successfully institutionalize processes for achieving stated goals. While it is critical that all members of the organization are aware of, and committed to, the targeting goals and procedures, establishing clear responsibilities and expectations for monitoring and reporting results can help ensure that policies are fully implemented and ultimately institutionalized. Dedicating resources to train staff on the policies and procedures will ease the transition and enhance efficiency.

Work with community-based and community-serving intermediary organizations to engage and connect with eligible populations for hiring and contracting.

Stakeholders agree with best practices research that indicates successful opportunity targeting efforts leverage existing local capacity to engage with, recruit, and prepare intended beneficiaries for employment opportunities. In doing so, agencies are able to build upon the formal and informal networks that those intermediaries possess within the targeted communities, and extend the limited staff capacity to reach those populations. Rather than “recreating the wheel” by funding their own intermediaries, MERC should look to existing community capacity or consider where it can co-invest with other public agencies pursuing similar opportunity targeting goals. We recommend developing partnerships with intermediary organizations to engage and connect with priority populations for hiring and contracting. These relationships should go beyond workforce organizations to include partners such as schools and faith-based institutions. It is particularly important to establish and nurture communities in displacement areas. Evaluate, maintain and grow these relationships over time. Methods for communication should include informal networks, such as libraries, salons and barbershops and social media.

Part of connecting desired populations to jobs is ensuring that those intermediaries work effectively with employers making hiring decisions. In many cases this is a long-term process of relationship- and capacity-

building. The quality of the intermediary is vitally important, and the chances of achieving successful employment outcomes increases if employers come to view them as a trusted resource rather than simply an obligation to be fulfilled. Agencies need to help support and sustain those intermediaries, either by providing funding directly or helping them access funding from other sources. Leverage and support partners that have trusted relationships with the community. As a priority, we recommend establishing a formal relationship with a workforce intermediary grounded in the historic FOTA area. This intermediary organization should work closely with MERC venue and Metro human resources staff to identify specific job openings and pre-employment training opportunities, and then work backward with other providers in the region to help recruit and prepare people for those jobs. We also recommend using both formal and informal networks to communicate FOTA opportunities. Maintain and grow these networks annually.

Develop strong internal and external accountability mechanisms.

Best practices research shows that the most essential tool for accountability is transparency about results. Develop strong internal accountability mechanisms through dedicated staff resources such as one point of contact, data collection and continuous improvement. These mechanisms could include regularly producing public reports that document whether initiatives are meeting diversity goals, developing systems to track contracting and hiring outcomes in real time, or adding specific reporting modules for contractors to document the demographic characteristics of their workforce. Ideally, these indicators should be made available on an agency's public website so that community stakeholders can access them directly.

External accountability mechanisms through ongoing communications, engagement and transparency regarding outcomes with relevant stakeholders and the broader community also are important. Establish a working group to facilitate feedback, dialogue, and continuous improvement. These groups help promote accountability on the part of agency officials, as well as dialogue and trust-building with the community. This may or may not be an extension of the boundary/income advisory committee mentioned above.

Implement career advancement programs.

The FOTA program typically attracts candidates for entry level positions. Once hired, individuals may not receive the support they may need to excel at their current position or advance within the organization. Stakeholders agree that programs to welcome and support new FOTA hires are needed. We also recommend enhancing efforts to provide career ladder opportunities for FOTA hires, consistent with Metro-wide diversity strategies. Monitor and adjust programs as needed on a quarterly or annual basis.

Appendix A. Best Practices Case Studies

Clean Energy Works Oregon, High Road Standards

In 2009, the Clean Energy Works Portland program was created by the City of Portland with federal stimulus monies to expand the market for residential energy efficiency. As part of this pilot, an innovative Community Workforce Agreement was signed between the City of Portland, other public sector stakeholders, construction trade unions, and diverse community organizations. The agreement specified a series of “high road” standards, including livable wage and benefit standards as well as specific targets for workforce and contractor diversity. In 2011, the Clean Energy Works Oregon (CEWO) was established as a statewide 501(c)3 organization, and the High Road Standards were adopted. The standards state that “historically underrepresented and economically disadvantaged people will perform not less than 30% of total trades and technical project hours”, and that “businesses owned by historically underrepresented or underutilized people will make up not less than 20% of all dollars in CEWO projects.” Although both definitions are relatively expansive, in practice CEWO staff track closely the representation of people of color and women in hiring and contracting.

Several CEWO organizational procedures help to support these goals. First, potential contractors to CEWO are assessed in part based on their track record of workforce diversity, and intended efforts to engage diverse subcontractors. Second, contractors working on CEWO projects are required to utilize an approved set of training providers on a “first source” basis for making new hires until a specified share of the firm’s workers are from one of those providers, which draw heavily from underrepresented populations. Third, contractors are required to submit detailed reports to CEWO through an online data platform following each project regarding worker demographics and subcontractor MBE/WBE/ESB status, allowing CEWO staff to analyze progress toward diversity goals on an ongoing basis. Fourth, they have utilized intermediaries, including Worksystems Inc. and a variety of community-based training providers on the workforce side, and Metropolitan Contractor Improvement Program on the contractor side, in an effort to connect with, and build capacity in, diverse populations as potential workers and contractors. Finally, they established a specific Equity Strategies Manager staff position to be responsible for compiling data on progress toward opportunity targeting goals, and working with CEWO staff, contractors and stakeholders to ensure that established procedures are followed and/or revised where necessary.

To date, CEWO’s success on its diversity goals has been mixed. As of February 2014, they have exceeded their 30% workforce diversity goal by a wide margin (46% people of color, 10% women), although African-Americans remain underrepresented, especially in skilled trades (2.7% of total hours worked). On the contractor side, they have achieved only 11% women- and minority-owned business participation. There are concerns that CEWO’s operating model, which allows contractors to bring in their own customers and can involve a protracted wait for contractors to get paid on projects, systematically biases in favor of large, more-established contractors who tend not to be women-/minority-owned. This is an issue that has been raised through CEWO’s High Road Committee, which includes contractors and community stakeholders, and reviews a monthly “dashboard” of indicators. Whether additional steps will be taken to ensure achievement of the 20% goal remains to be seen. As a community stakeholder described it, although he was disappointed with CEWO’s failure on its contracting goals, he is glad that they have a specific numerical goal that he can point to as a way of holding CEWO staff accountable.

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Nashville Music City Center, Diversity Business Enterprise Program

In 2009, the Metropolitan Government of Nashville and Davidson County, Tennessee, began work on the construction of the Nashville Music City Center (NMCC), a new \$623 million convention center facility that added 350,000 square feet of exhibit space and a new hotel on the south edge of city's downtown, opening in September 2013. From the outset, Nashville Mayor Karl Dean made contractor diversity for the NMCC project a high priority, spurred in part by reports that showed significant disparities in diversity contracting on earlier large-scale civic construction projects. In creating a new Convention Center Authority (CCA) to oversee construction and operation of the NMCC, Mayor Dean helped push CCA to establish a target of 20% diverse business contracting, and create a Diversity Business Enterprise (DBE) initiative to achieve that target.

Three mechanisms were established to achieve the targeting goals. First, and most important, the CCA established a policy requiring that all prime contracts would be required to meet the 20% diversity target. Any bid that came in under the 20% target would be deemed "non-responsive." According to their DBE manager, contractors were not initially enthused about the 20% requirement, but they worked with interested contractors to help them meet the requirement. Out of 33 contract bids, only one was unsuccessful in meeting the 20% goal. Second, they created a Diversity Business Enterprise & Procurement Committee that met on a monthly basis from late 2009 until early 2013, and irregularly since then, to report back to project stakeholders on progress toward DBE goals. Finally, they established a Workforce Development Partnership with community-based organizations, training providers and city funding agencies to help connect community members to jobs, primarily on the construction side. Omni Hotel, which operates the hotel at NMCC, agreed to work with local workforce providers, and hire 20% of their workforce from within Davidson County.

NMCC achieved almost 30% DBE participation in the construction phase of the project (11% MBE; 8% WBE; 11% small business). As NMCC has shifted from construction into operations, NMCC staff are committed to continuing the 20% diversity contracting target for operations, including food service. However, rather than a uniform 20% target for each contract, the target is variable based upon staff assessment of the capacity for DBE participation within that particular market segment. For areas where potential DBE contractors and sub-contractors are limited, lower targets may be established and negotiated with vendors, who are then contractually bound by those targets. Where more qualified DBE contractors exist, they may contract directly with DBEs. In the first nine months of operation, MCC has exceeded 30% DBE participation, although MBE participation has been lower thus far than during the construction phase. Each quarter the Director of Purchasing reports DBE outcomes to CCA board meetings, helping to ensure accountability and transparency.

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Los Angeles LA Live Community Benefits Agreement, Figueroa Corridor Community Jobs Coalition

In 2001, the Community Redevelopment Agency of Los Angeles (CRA/LA), with support from the Los Angeles Alliance for a New Economy (LAANE), brokered a Community Benefits Agreement (CBA) between the developer of the Los Angeles Sports and Entertainment District (otherwise known as "L.A. Live"), and a coalition of community groups within the Figueroa Corridor, a low-income neighborhood adjacent to the development site, led by the nonprofit organization Strategic Action for a Just Economy (SAJE). The CBA included a number of components, including park and open space, affordable housing, and employment opportunities. The CBA obligated Anschutz Entertainment Group (AEG), the developer of L.A. Live, to hire 30% of its workers from within the surrounding neighborhood, as defined by a set of zip codes. Within this, there was a "tier structure" whereby priority was given to residents closest to the development.

A community intermediary operated by SAJE, the Figueroa Corridor (now called South LA) Community Jobs Coalition, was created to work with AEG to help prepare and connect area residents to jobs within the LA Live development. SAJE's approach to connecting residents to jobs has evolved over time. Although the CBA was signed in 2001, the first major hiring for "permanent" positions did not occur until 2007, at which point the \$100,000 from AEG for implementation of the local hire component had been spent. And while AEG followed the letter of the agreement by giving SAJE and its Figueroa Corridor partners notice of its mass hiring efforts, the lack of a strong working relationship between AEG and SAJE meant that community members were not well-prepared for the interview process, and relatively few were hired.

Since then, SAJE has adopted a more proactive role in working with AEG, and as an organizer for the network of more than 20 community-based organizations and workforce providers that comprise the South LA Community Jobs Coalition. As part of this process, SAJE's role has become that of an intermediary and broker between AEG and Coalition partners. It holds regular Coalition network meetings, also attended by AEG human resources staff, to discuss upcoming LA Live hiring events, problems and concerns with past hiring processes, and retention issues with past hires. When hiring events do occur, SAJE organizes a process where Coalition partners conduct pre-screening and readiness training of prospective candidates, who then participate in a series of mock interviews that closely emulate AEG's interview process. The top candidates from Coalition partners are subsequently referred on to AEG's official hiring events. Those not selected are given feedback for future improvement, and Coalition referrals given hiring decisions at the event. Although regular reporting of local hire outcomes ended in 2012 when AEG's obligations under the CBA expired, SAJE and AEG estimate that about half of all new hires come through the Coalition.

One notable aspect of SAJE's role is that unlike other Coalition partners, it does not work directly with job candidates, which staff feel allows them to serve as more of an "honest broker" between the employer and community partners. Over time, AEG has come to recognize the Coalition's efforts as a value-added service, helping them streamline their hiring processes while meeting the needs of the communities in the Figueroa Corridor. As they look to develop partnerships with other employers, SAJE and the Coalition have developed a model Memorandum of Understanding that incorporates many of the effective practices that they have developed over time with AEG.

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Appendix B. Stakeholder Interviews

Founders

What was the original intent behind creating FOTA?

- The intent, to create jobs and contracting opportunities for African Americans in zip codes adjacent to the Oregon Convention Center (OCC), was a good one. Initially, we hired as many as 50% from that cohort. Most of them were for entry level positions while a few people stayed on to become managers. Aaramark, the food service vendor, also hired many from the area to be servers and hold other jobs. It was more difficult for OCC management to find contractors to provide the supplies needed than for people to employ. By 2011, the program had become “confusing” and ill defined, with no standards, monitoring or reporting requirements. There also was tension between MERC and Metro on the administrative level which added to the difficulties in carrying out FOTA.
- One of the better “affirmative action”/diversity programs because the way it was drafted not based on race.
- The plan was beautiful in its simplicity—took a line around a map, by zip code; put together this extremely simple program that said, “If you live in one of these zip codes and are under this annual income, then you get first opportunity for these jobs.” In essence, they made it like an internal hire—employer first sees if anyone internally is qualified, and if find no one is, then it is opened up.
- FOTA program was robust. Staff used to complain because had to go through in-house, then FOTA, then open and wanted to just do all simultaneous so hiring wouldn’t take so long. When allowed them to do this, it lowered FOTA hiring, so went back to step by step.
- FOTA was highly publicized with some initial success. After a short period of time it was no longer a priority. High promises and expectations, some hires in a big splash and then off the radar.
- Original MERC Committee tasked with determining how to achieve FOTA goals eventually faded away.
- MERC maintained some system of tracking the program’s success, but did not report regularly to the Commission. Staff took the program very seriously, especially by providing training opportunities and promotions. MERC managers were an important part of the mission.
- Designed to help people who live in the community move up the ladder. Everyone realized the program’s potential. Just by opening the first opportunity, people could move further up the rungs. However, the rungs were closed or not there, meaning there was no opportunity advancement.
- Created as a commitment to the African American community affected by the construction of OCC with the intent of creating benefits in the way of jobs and businesses. This commitment “had the character of a contract.” MERC would offer job opportunities with career ladders as well as contracting opportunities for entrepreneurs.
- The FOTA zone was created based on the demographics of N/NE Portland by people from the NE Economic Development Alliance. FOTA was created to be about more than just jobs, but jobs were very important because the OCC offered entry level jobs in concessions, janitorial, maintenance, etc. and could provide career ladders.
- Intended for minority contracting and workforce, but morphed into workforce and procurement.
- MERC was not achieving goals related to hiring and diversity. Legislation to create FOTA was intended to include and compensate the African American community for past discriminatory practices and displacement with respect to minority business contracting and workforce/career employment.
- OCC project did not use people from the community, based on 1987 Census data legislation. Funds for OCC were available, in part, because of the demographics of North/Northeast Portland. There was federal, state and local involvement because of the community. To provide economic opportunity for N/NE Portland. The FOTA boundaries may have been created based on Community Development Block grant boundaries.

- While they needed to use a geographic designation due to the recent *Croson* decision, they were most concerned with minority's jobs and hiring. They had to do what was legal – in particular for African Americans that had never had such opportunities.
- Brought some funds to ensure contract compliance with minority contractors – for the African American community.
- Purpose of FOTA was to advertise that the community put state investment into play. Without N/NE African American low income demographics, funds for OCC would not have been granted.
- Part of the deal was that state law funding convention center would include something about giving first opportunity to residents of the distressed area.
- In 1987, negotiations led by the NE Economic Development Alliance (Sheila Holden) led to an agreement that the N/NE community would benefit from OCC development since money for OCC was dependent upon the Martin Luther King Jr. Blvd TIF district and the demographics of that community. In 1989, Margaret Carter and Jim Hill threatened to cut off OCC funds because promises in regards to minority contracting were not being met. This led to the creation of FOTA.
- Jim Hill and others halted funding for the OCC because they weren't using minority contractors. Sometimes they used the names of minority contractors, but didn't give them the work.
- There was a low-income African American community where convention center is; and there was an African American community where memorial coliseum is—both displaced.
- Neighborhood remembered what had happened when coliseum was built and was still angry when convention center happening.
- The program was all window dressing with no accountability and no true effort to address institutional barriers. And no other professional development support systems were put in place to help people be successful once hired.
- FOTA formation didn't take into account the real barriers: insurance requirements, building capacity and capital. The myth is that the ability to apply means the ability to garner construction level jobs.
- It is the only class-based hiring program that he has ever seen. Because of the concentration of minority residents in the area and because they are the ones who are low-income, had the effect of majority minority.
- At some point hired consultant to study program and make recommendations because falling behind on Hispanics and poverty going out to different neighborhoods. Consultants recommended still focusing on right zip codes and there was no need to change it. Also recommended the eligibility on income be aligned.
- MERC had one of the highest utilizations of minority contractors in the region, but could do more.
- Founders never anticipated this would be the only opportunity, simply "first" opportunity for hiring from the neighborhood (FOTA) area. Founders hope with luck, this might result in 10, 15, 20% utilization from the program.

What do you know about the program today?

- Still in limbo in regards to managing and tracking the goals and results. Do not know if Aaramark, the largest contractor to OCC, is still following it.
- The area has gentrified due to the Convention Center, Alberta Street revitalization and other projects. Many people who lived in the area then have moved and those living there now may no longer meet the program's economic requirements.
- Former Metro Councilor Rod Park tried to change the boundaries to capture other portions of Multnomah County within a certain income bracket, but that was considered by others to be breaking faith with the original commitment and ultimately didn't go anywhere.
- Don't know much about the program today. It is a program without teeth – few workforce people know about it. Announcements are posted, but there are not enough successes.

How can the program be improved?

- Organize a system to administer, monitor and track the program, with measurable goals.
- Assign one or more staff persons to administer the program, with clear authority and reporting responsibilities.
- Provide protocols and training for MERC managers on how to administer the program. Hold them accountable.
- Conduct an internal assessment to identify opportunities provided over the last 1-3 years of contracts and job announcements.
- In terms of modernization, to make acceptable, one would need to have similar commitment from all levels of government. (city, county, region, state).
- Set your priority and be clear about it. Set up systems of checks and balances with the various leaderships. You need teams in place to be able to do something like FOTA.
- When you re-initiate the program, have the resources ready to do it. Work with people who can do it (recruit, get the word out, train, retrain, etc.). Work with local organizations.
- Make sure you have the support and political will, and authority.
- Set expectations, do evaluations, make sure there are repercussions if things don't get done as intended.
- Contracting – have to restructure subcontracts. Few minorities can take on big contracts. Capacity is an issue. Rose Garden bankrupted some African American firms. Know the universe of needs and compartmentalize to target with true opportunities.
- Haven't grown because of bonding. Even as subcontractor have to have bonding. Difference between public and private contracts.
- For contracting, NAMCO chambers and organizations serving minority and small businesses. Create a list relevant to what you are going to do.
- Identify communities in need and reorient the goals of the program to these people. Not sure it still "makes sense" only to target the zip codes around the OCC, considering the changes in demographics that have occurred. "MERC would set itself up to fail if the original boundaries" are followed.
- Practices and policies are the problem. People who make hiring decisions need to get the message of expectations from leadership. If minority contractors or individuals are not hired, there needs to be reasons beyond the basics. Metro has been a non-entity. The Council should make minority hiring more of a priority.
- Meet and expand original intent. People in charge need to take it seriously.
- Consult with Sam Brooks of OAME. He championed the FOTA program from its beginning and has "always" emphasized employing and contracting with the disadvantaged "regardless of color."
- Do hiring based on class and income-level; if want to do the most good, get under-and un-employed and get them jobs.
- It might make sense to look at different geographic area options as African Americans don't live within the FOTA boundaries as they once did. Perhaps base it on income levels to keep within the intended realm of First Opportunity. Again, "first opportunity" does not mean "only opportunity".
- The program should include people who have been displaced from the target area for any reason in the last 20 years, regardless of whether Metro/MERC or the OCC are at fault.
- The original commitment to the African American should honored, specifically, but not to the exclusion of anyone else. You can trade the income requirements for geography requirements, but maintain the hierarchy of the original commitment. Contact the African American community first and then other underserved communities. Need direct lines of communication to the African American community, from formal workforce organizations to informal community job postings. Continuously explore fresh ways to reach out to the community and assess effectiveness. "Liberate" the program through channels of communication, such as Rep Lew Frederick's "barbershop approach."

- The challenge is to target investment to induce economic growth. Start with the people you are trying to target apart from geography. Continue to provide career ladder opportunities.
- Separate jobs from contracting opportunities. “Geography is not a factor” in the latter.
- For jobs, look at feeder areas such as areas with a high percentage of low income housing and neighborhoods with concentrations of low income households. Where are the pockets of people who need these jobs?
- Doesn’t matter where people live. People come to N/NE Portland for services and to go to church. Professionals and businesses are still here. Boundary would change catchment area. Should be either with location or economic if either/or.
- Is there still a justification for that neighborhood? We all know that poverty is being pushed out to the suburbs.
- More important than what changes, is that Metro needs to be committed to change. African Americans are at the bottom of the job chain. This is mostly due to the biases of those doing the hiring. For example, know a person who was qualified for a hospitality job, but couldn’t get an interview until he used his friend’s Lake Oswego address then was picked immediately.
- African American community has to be front and center, but 25 years later. Try to create prosperity for the region. Diversity and equity for communities of color. African American community is smaller today while others have grown. Have to target African American community, but not limit the program. Be regional facilitators and have a regional strategy.
- Extend the program to other facilities including the Headquarters Hotel. All employees will be required to be unionized, which complicates things. Need to engage in a shared venture with FOTA and unions. There are challenges to extending opportunities to all of Metro as they use many technical experts, such as in planning, the Parks program and at the zoo. Contracting jobs often go to large operations like Aramark. Look to the Port of Portland protégé model as a good example of access, experience and networking. The construction industry has a similar program. Be strategic and examine how contracts are specialized to identify the best opportunities, and then subsidize training in those fields.
- The negotiations that the Metro Alliance for Workplace Equality (MAWE) is having with the Headquarters Hotel include labor partners and building trades. It was initiated by the carpenters. Business community organizations will funnel people into workforce training programs in order to meet goals for a number of ethnic groups and women. It does not include energy-related services.
- For the Headquarters Hotel, integrate MERC policy with hotel operator policy. Identify potential jobs; establish training programs with local colleges; profile the opportunities that will be available and start working with agencies now. Look for areas to collaborate to create new opportunities.
- Similar processes have had good results in the past, including Interstate and Kelly Butte. City Council voted to apply these standards as part of an agreement to support the community’s interest in diversity.
- Businesses that are MWESBs have to be represented and be a union employee. DBEs do not. With OCC, the contractor does not want any group to be exempt, because they believe that is what is needed to meet hiring goals. It’s a Project Labor Agreement with some caveats, not a Community Business Agreement. You either sign PLA or don’t work. Don’t agree because people should have choices.
- In the past, the MERC Commission was comprised of people with their own agendas rather than serving the community.
- Don’t believe in “equity lens.” Because equity will be viewed through predominant white male eye’s, values, acceptability. What about the numbers? They are still abominable.
- What are the City and businesses going to do about the number of unemployed, underemployed and dropped out?

- Create an outreach network of advocacy groups for business, service agencies, government, nonprofits and chambers.
- Need a committee with strategic membership from the community to engage in a public process to set goals and establish parameters.
- Communicate openings through local papers and word of mouth.
- Need trusted intermediaries.
- Issue with Metro is that it's a regional government. MERC only giving first opportunity to the city of Portland—why are people from Clackamas not getting first opportunity? May have to outline multiple geographic regions based on class for FOTA.
- Take into consideration government assistance, time being unemployed; there is nothing that says you can't favor poor people/people on public assistance.
- People focus on contracting but it doesn't address employment. There are some minority contractors that don't have minority workers.

Interviewees

- Jeff Blosser
- Sam Brooks
- Faye Burch
- Margaret Carter
- Gary Conkling
- Representative Lew Frederick
- Mark B. Williams
- Jeana Woolley

External Stakeholders

Please describe your organization and its services, specifically activities related to workforce development, hiring and contracting of traditionally underserved communities?

- Academic Education and research institution, offering many types of degrees, business and professional certifications.
- Among its many programs, EMO strives to connect the religious community with workforce development programs and issues. We host “conversations” with people and organizations that may have access to resources. Currently, EMO is focusing on the Cully neighborhood by sponsoring the Northeast Emergency Food Bank and striving to place 20 qualifying individuals in meaningful jobs.
- Human Solutions provides assistance to people below 30% of the federal minimum family income limit. Boundaries: 82nd avenue east to Multnomah County limits; Columbia River south to Clackamas County line. Helped about 600 people last year with employment training and job placement services. No specific experiences with Metro.
- VOA has a high commitment to actively recruiting people from underserved communities for its own workforce.
- None directly; she contracts with hiring organizations.
- She is a lifelong Portland resident of the N/NE Portland community. She began her legislative career in 1991 and served in there for 17 years. In that period of time she served on numerous committees. Her focus always included economic development and community development issues. For instance she co-sponsored legislation and studies that stressed the importance of strengthening Oregon's international trade capabilities. Especially with Africa and China. She served on the Governor's Community Solutions Team addressing problems of economic development for MLK Blvd. Before her legislative career, she was engaged with the early development of the Black United Front which focused on education as well as economic development programs.

- NAYA is a full service organization, providing youth education, human services, family and adult service, community engagement, community and economic development, workforce training and development and affordable housing, financial literacy and IDAs. They create a pipeline in the Native community for employers for skilled workers; they currently had NAYA Construction that does rehab work on their affordable housing units and other CDCs housing projects.
- APANO primarily is a community organizing and policy organization. He would like to see the data evaluated on workforce diversity and how Metro intends to address the inequities on how public dollars are spent.
- Latino Network was formally established in 1996, but the group that became the nonprofit informally convened and engaged community before that. Programs include:
 - Early Childhood Programs: working with parents to help be more engaged and develop the confidence and skills to become powerful teachers and advocates for their children’s academic success
 - Youth Programs include: Community Healing Initiative for youth who have been adjudicated, working to provide families resources/education for reintegration; Program to prepare and move students to post-secondary education
 - Grassroots Leadership Program
 - Leadership/Executive Level Culturally Specific Leadership Program geared towards developing community; engaging in civic engagement opportunities – deep in driver cards, voter registration; getting folks to testify on important issues to community
 - Workforce Development: working on more engagement with community health workers who have been past members of leadership program; developing health education and promoters to assist community members to improved quality education for children. There is no formal workforce development program
- Accredited alternative high school educational training & employment institution working with low income, at risk youth (ages 16 – 25). Student population comprised of African American, Hispanic, Caucasian and Asian.
- Provide educational and workforce services & activities for (target population) low income adults. Specifically; job coaching, training and job placement activities (counseling, coaching, resume assistance, employer contacts, etc.)
- Educational program designed to educate and academically train and prepare individuals for various workforce occupations, apprenticeships and/or advancement on to more advanced studies.
- Albina Head Start and Early Head Start comprehensively serve children and families providing child growth and development services and education to strengthen and enhance the abilities of children and their families to successfully function in our national/international environment.
- Full service workforce center. Only community based program in Portland. Provides full range of services to low income, high poverty populations. Provides basic job search services for adults. Provides Youth GED (fast track into college) program. Highest success rate in Portland. Funded through Portland Public Schools, Portland Community College and WorkSystems.
- General and Specialty Construction Contractor. Company goals require targeting/hiring of low income, people of color to meet company goal of 80% of workforce.
- The African American Chamber of Commerce of Oregon strives for an enhanced economic base, better capitalized businesses and equitable participation, for all minorities, within the economic mainstream. The Chamber has been the catalyst for successful joint venture partnerships, bridging and building professional relationships for business owners, entrepreneurs and students - of all colors.
- PCRI is a services organization committed to providing affordable housing opportunities for Portlanders. The PCRI focus has been primarily in N/NE Portland. Their tenants are largely African-American although they serve a diverse population. They seek to provide homeownership education as

well as easing the transition from rental to ownership status for targeted clients. They manage over 700 units and have plans to expand in the near future to more properties.

- Began work on behalf of the area refugee communities. Developing a 5 year plan to build and maintain a network of businesses within those communities. Also seeking to develop a hiring plan for refugees as will. Also the CIO has been working with other groups such as the Urban League and OPANO to create a baseline for equity strategies.
- The Portland African-American Leadership Forum (PAALF) is based on a model for developing young community based leadership begun in Minneapolis in 2007. The Portland chapter began in 2009. IT is funded by local foundations as well as funding from state and local governments. It tends to focus on issues of community concern from a grassroots perspective. Among the focus areas are Economic Development, Job Development, Housing and Political Advocacy. The organization is currently undergoing a restructuring of its focus and organization.
- Verde is a tax-exempt nonprofit organization that creates community opportunities to focus on environmental based business and job opportunities. They employ community people who work with their companies that have an impact the communities they live in. The organization does outreach to low-income community members and provides employment for them.

Describe your experience with assisting individuals find jobs and/or businesses obtain contracts? Have you had specific experience with Metro?

- No current/specific duties or experience assisting with jobs or business contracts. Previous experience includes 8 years as Metro Councilor.
- High commitment to hiring.
- Presently serves on the Advisory Board for the Expo Center for Metro/MERC.
- Issues around hiring and contracting arise frequently in this work.
- Specific experience has been through Metro's ZAP (Zoo) paid internship program. Three year internship program designed to introduce youth to occupations in the animal sciences.
- Provide job leads, advocate for new hires. Specific experience includes Metro participating in regularly scheduled Employment Awareness Workshops (Employment Market Place).
- Focus is the educational development and enrichment of children and their families. This encompasses providing known opportunities in all aspects for success (employment, training, housing, etc.). No specific experience with Metro.
- Experience assisting with jobs includes program operations in both Multnomah and Washington Counties. Provides job search services for all adults, including ex-offenders through diverse programs (pre-release, training to work upon release, on the job training, etc.)
- General and specialty construction contractor. Company goals require targeting/hiring of low income, people of color to meet company goal of 80% of workforce. In addition, partnered with other minority contractors to bid on and/or complete various construction related projects.
- While a Metro Councilor, advocated for minority inclusion via FOTA program. A few were successful gaining short term contracts to assist with recruitment/hiring of people of color for entry level positions as ticket sellers, food services, etc. Very difficult to make headway with Human Resources Department and/or hiring managers. Nothing long term/substantial.
- Yes, employment. Specific experience has been through Metro's ZAP (Zoo) paid internship program. Three year internship program designed to introduce youth to occupations in the animal sciences.
- Employment, but not contracting. Metro Human Resources representative attends Employment Market Place regularly to announce current FOTA and General job openings with Metro.
- Personal/professional experience includes counseling, life skills instruction, mentoring, referral for employment opportunities, internships, etc.
- Current focus is employment/job placement only.

- Yes, had a small contract through prime contractor with Metro on construction of Convention Center. Build/Install Ticket Booths in Center. Over the years, have explored/bid on other contracts (directly with Metro) with no success.
- Have worked with METRO through several successful RFP applications. For instance, provide maintenance of METRO's Seed Library and Native Seed Collection. Have won several other grants and contracts through METRO: Working with Nature in Neighborhoods program, watershed grants to provide education for community members and constructing the swales in regional parks.

Are you familiar with or have you heard of the FOTA program? Yes: 5 No: 9 Somewhat: 5

(If yes) Please describe your experience and interactions with the program.

- Very difficult time assessing resources. Had limited access to information. "Program has fallen way short of meeting intended goals. Those hired caught hell."
- Memory goes back to the 1990's when she was executive director of the downtown YWCA and there were some efforts to increase the number of women in the trades; not sure if this was related to FOTA.
- Was a member of the MERC commission for five years in the 1990s. Remembers it from another name, perhaps workforce training, etc. and understood it was working well then.
- Aware that the program existed. However, was unaware of the exact mechanics of the program in the discussions where FOTA was discussed, mostly heard people questioning its effectiveness in utilizing people of color either as job prospects or for contracting opportunities.
- Has not heard about FOTA and would be interested in seeing how this progresses and ways to connect Metro with communities.
- Casual and limited.
- Have read program guidelines from afar and wondered why program exist? What it really does? Interaction with FOTA over the years, very limited or nonexistent. No one ever marketed program to us.
- None. Nothing comes to mind.
- Vaguely aware, no in-depth knowledge. No specific experience interacting with FOTA.
- Knows that the program has existed. He has become increasingly concerned that the geographic boundaries may be defeating the avowed purpose of increasing minority participation in hiring and contracting with MERC/METRO.
- Has heard generally about the FOTA program but not for years. Knows that METRO has been involved with light rail projects and the associated planning there but few specifics.

How do you feel the program is working?

- Program not working at all. Numerous holes in program. Staffing patterns are not reflective of entire community. Staffing patterns should at least reflect % hired of African American, Latino, Asian, and other communities (in total population/metro wide).
- The bar for admittance to the program is "too low." Most needy people make more than the maximum for the FOTA program.
- Don't know how it's working. Never heard of FOTA until now. It must not be working at all.
- Makes referrals but gets no feedback. No opinion regarding how well program is working. Program needs testing and monitoring.
- Don't see it working at all. The program is invisible. Nonexistent by design?
- Don't know. Don't recall ever hearing of the program. This implies that it's not working.
- Doesn't seem to work at all.
- Don't know. Don't have a clue over the years.

- Agrees that there is a need to revitalize the program. There is a significant lack of contact with the communities that should be benefitting from the program.

What would you change about the FOTA program to help Metro achieve its purpose of offering first opportunity for jobs and contracts to those impacted by construction of the convention center?

- Start with enforcement of original intent of program. Then make changes as applicable.
- Communicate and market the program widely, in particular, to the clergy and social ministries that are dealing with the same affected populations. Conduct outreach to applicable sectors that “the program is alive and well.”
- Expand the boundaries and the focus to include all jobs for which target populations would qualify or can be trained for. Use federal income guidelines.
- Strongly encourage MERC/Metro to increase the visibility of the program to the target recipients. Marketing is very important.
- The boundaries should be reviewed and possibly expanded although there are still eligible people living within the current boundary who should not be ignored. Since 1989, when Rose was organized, low income people and people of color have been displaced outward, as far as Gresham and Troutdale. Eligible people should be involved with Metro in meeting FOTA’s goals.
- Given the fact that the program has been in existence for 25 years a lot of work needs to be done. First: the objectives of the program are laudable. In the beginning it was effectively and appropriately focused on the N/NE neighborhoods surrounding the expanding convention center. However 25 years later a lot of the people who were involved in creating the program are beginning to move from the scene. And the community itself has changed. New community leaders need to be made aware of the opportunity the program can provide. These new community partners should contribute in developing the future of the program with the benefit of its history. Second, transparency in the operation of the program is very important. The communities need to be able to see what the program provides, what it doesn’t provide and why. For instance, believe strongly that the FOTA program should play some role in creating job and contracting opportunities in connection with the Convention Center Hotel project. This is both for the construction phase and the subsequent staffing up of the facility once it is built. Third, the FOTA program also could be used to as one of the tools that MERC/Metro uses to identify opportunities for business development near the CC and Hotel area that could spark new business growth to support the events that both will enjoy. These business opportunities should serve not only to bolster economic development in the immediate area but also to attract for N/NE residents to move back to the neighborhood to run thee businesses or serve as customers for them. Recognize that the Rose Garden considers the OCC as a competitor of sorts. But efforts should be made to capitalize on the synergies that exist in that area as a whole.
- There has been an investment in mainstream infrastructure and support. Would like to see a change in investment in communities of color and minority owned businesses. Metro should create a focused policy that there is an intentional recruitment of minority owned business and accountability to make sure it happens.
- Benefit for Metro to see the work that other NPIs, like the Jade District are doing with minority subcontractors. Metro should provide materials for RFPs or quotes in more than one language, and that there should be multi-lingual trainings for potential subcontractors. Also that Metro should have metrics and targets for the range of diverse small business contractors. Would also like to see who receives the percentage of funding, including separating out minority, women, small and emerging business, because not all are equal.
- If it was established in 1989, changes over time in N/NE Portland have led to increases and reductions of the target population. Economics and demographics have changed because of gentrification. Folks who were serving in that area are no longer there, but there are still people in those areas who we serve, so really looking at the communities in detail would be good.

- Metro needs to get information out to the public. Develop and implement an effective communication strategy designed to inform, educate and assist African Americans and others about FOTA. Marketing, marketing, marketing.
- Program needs to improve marketing/advertising. Work more closely with community based organizations. Target/focus specifically on disadvantage populations.
- Board needs to administratively require program to be more visible, promote and commit to diversity in a positive manner.
- Develop/implement an effective outreach program that is transparent and visible to the community and targeted populations. Identify and mandate desired achievable outcomes (goals and objectives) for employment, contracting, etc.
- Needs hiring and retention metrics in place. Require components of all reporting (recruitment, employment, retention, minority contracting, dollar amounts, areas of service, etc.)
- Program needs more strategic marketing & outreach. Metro needs to be committed to organizationally support, institutionalize & assimilate the program into management structure.
- Metro does not penetrate into the community very well. It is not well known. The contacts it has, especially in the communities of color, are very shallow. From an outsider perspective they seem to pay little attention to Equity issues.
- Haven't heard about the program so it shows how ineffective it is in communicating with the diverse communities in the region.
- Who will manage the program is important. There is a huge regional need for more equity participation. Whoever it is will need to engage grassroots groups at a significant level. Annual reporting on progress with tangible metrics. Also it should not only focus on temporary or entry level jobs. There needs to be some internal mechanism to promote career advancement.
- The program needs to refocus primarily on job provision for targeted folks. Having one NGO coordinating the community engagement piece is essential. Will take 2 -3 years to be effective in developing effective community ties. One effective way to get the word out is to use Tri-Met and other public transit advertising since a lot of the target folks use mass transit more than computers.
- Look to community based organizations and fund them to enhance the engagement efforts, like IRCO, the Coalition of Communities of Color and NAYA. Another thing that needs to be done is to eliminate the Emerging Small Business inclusion in the hiring and contracting process. These businesses tend not to be owned by people of color but enable the perception that minority hiring and contracting goals are being met. The program also needs to generate data about utilization that is immediately available to others in the community so that outreach can constantly be improved in a way that is transparent to folks in the community. Some attention also should be paid to the purchasing habits of the government to see if there are opportunities to collaborate with non-profits in government improvements.
- It is necessary to use both "low-tech" and "high-tech" strategies. You cannot presume everyone has access to computers—even libraries have long lines to use them. Have to use other sources: churches, barbershops. It is important to send the job posting with enough time, however, not after someone is already in line to get the job. It is also important to send directly to the various churches, sororities, fraternities, and neighborhood groups, and barber shops. There should be a specific list of existing organizations and networks to which these announcements go.
- Metro has to make sure that there isn't an imposed "glass ceiling" before the person is even hired. This may mean that Metro has to recognize that even if someone doesn't have the exact experience they are looking for, there are other experiences that may make a person suitable for a job. Metro's should ensure its HR department understands the importance of this and recognize that applicants may have the skills, but are just not representing them in the way the HR department is used to seeing it.
- It is important for Metro to remember that marketing jobs is just one component. There should also be a community advocate group to make sure the program is achieving its goals and truly using

available resources to meet goals. The community advocate group would be responsible for putting pressure on Metro to make this happen.

What, if anything, should the FOTA program do to recognize the demographic and economic changes within the original FOTA boundary and surrounding the Convention Center? What concerns should be addressed?

- All concerns should be addressed. Expand boundaries to reflect gentrification/displacement of traditional low income and communities of color. FOTA needs Program Director and/or Program Coordinator, budget, specific measurable goals, objectives, transparency and accountability.
- Expand to include Cully and Lents neighborhoods that are racially diverse areas.
- Use the program to expand the boundaries eastward; include not only original demographic but growing minority low income populations whose first language is other than English...Spanish, Russian, Sudanese, etc.
- Extend the boundaries eastward to the city limits. Involve organizations such as the David Douglas and Reynolds school districts as well as health and social service organizations in promoting the program. "There is a high need in east county."
- The boundaries should be reviewed and possibly expanded although there are still eligible people living within the current boundary who should not be ignored. Since 1989, when Rose was organized, low income people and people of color have been displaced outward, as far as Gresham and Troutdale. Eligible people should be involved with Metro in meeting FOTA's goals.
- It is important to use concrete demographics and use a focus like the one originally used in FOTA. But maybe the real questions are: does the FOTA business model still work? Does getting locked into that modality foreclose developing new models of community cooperation with the regional government? Can we be more intentional about creating "The Big Catch" to spark revitalization and economic renewal in the area? When pressed on defining "The Big Catch", she suggested that an intentional Entertainment District in and around those facilities. And not focused on local entertainment but truly capitalizing on Portland as an International city. For instance she pointed out that Portland is still quite a jazz town. But we don't have club facilities that can accommodate national and international artists. This needs to be intentionally done in a way that can create spin off businesses. And Metro/MERC can and should be a part of that.
- African American community still has strong ties to the neighborhood, and even if the population has decreased, that there should not be a decrease in the amount of opportunity to this community. Metro should invest where it is most needed. If there were to be a shift, he recommends Cully, and East/NE/SE communities.
- Getting more of a read on what the demographics are in the area should be a start. The community we work with is a community that responds well to community tables—inviting folks with the opportunity to provide advice on what's helpful or useful to them would be good. Really looking at pros and cons of minority and women contracting agreements and see how those can be improved would be good. Updating who is on the list of MWEB businesses and releasing another RFP to bring in more participants, couple with more outreach to let folks know it is available; go to Asian/Latino/Hispanic Chambers of Commerce to get word out.
- Boundaries are not that important. Due to gentrification and dislocation of traditional African American and other low income communities, the boundaries need to reflect where the people most adversely affected are now. (East County, Washington County, Clackamas County and Clark County, Washington).
- Identify/include specific pockets of high concentration of poverty in metro geographic areas.
- Hire a program manager/staff. Commit to meet guidelines and goals of program as originally intended. Expand boundaries to capture and reflect displaced/low income individuals and communities of color (African American specifically).

- Because of gentrification/dislocation of a significant percent of traditional African American population within current boundaries (North/North East Portland), FOTA boundaries should expand to include new areas of economic despair, reflective of communities of color (East county, Washington County, Clackamas County, Clark County).
- Identify/include all areas of poverty, low income, and high unemployment. As for historical black/African American Community, create a park that includes a historical informational kiosks.
- Metro/MERC needs to re-establish program and meet original intent with focus on African American eligible participants. Establish new & expand boundaries to deal with gentrification/dislocation of traditional African American community residents.
- The principle concern is that the geographic boundaries need to be adjusted to reflect the change in demographics in the region to give full benefit to targeted firms and individuals.
- When you look at the displacement of people in the period under examination (2000-2010) it is easy to see who the displaced people are and where they went. 10,000 people have been displaced out into “the numbers”, North Portland, Vancouver and Beaverton. These are the people who need to be made aware of opportunities for work and contracting regionally. The numbers are relatively small and easy to ignore. But there is a need to reverse the history of failed promises for these folks with regard to education, jobs and development opportunities.
- It will be important to face the current realities. To be successful there’s a need to go where the community is. As a regional government, METRO is in a position to do more of this. Establish better communication with people where they are without regard to artificial boundaries. Simply offering jobs is not enough. Work with the Community Colleges to develop a bank of skilled people that can be drawn from.
- Treat second language as a tangible skill advantage. Also respect the licensing from other countries. For instance, a trained electrician knows how electricity works whether it is the US or another country.
- The displacement is undeniable. However, a lot of the target folks still live in N/NE Portland. The efforts need to focus on both areas equally. Better use of community colleges and public schools to get the word out would help. For instance the Workforce Center at PCC is but one example. This is especially true for letting people know about entry-level jobs
- Adjust the geographic focus. Many of the original targeted people have moved to other areas in the region. The need is still there but not just within those boundaries.

Are you aware of any successful minority hiring and contracting programs elsewhere that may be a model for Metro to learn from and/or duplicate?

- Yes, Many excellent examples. Primarily in cities where there is an equal or greater percentage of African Americans in the immediate community (Atlanta, Detroit, Philadelphia, L.A., Dallas, etc.)
- The recent Tillicum Bridge project employed a high number of minority and WBE contractors. Not sure if TriMet or another agency was in charge. Meet with the business owners who participated.
- Not aware of any particular programs but does know there are contractors who regularly hire minority subcontractors for painting, carpentry, etc. Be in touch with these contractors, particularly those who build affordable housing.
- Meyer Memorial Trust has an active and successful recruitment program for its own employees. The chief investment officer, human resources and communications personnel are black. (She admits that these people are not likely from the low income FOTA categories). VOA also has an “assertive” program.
- Review the city’s East Portland Action Plan that includes a sole source hiring component. Rose is working with the Parks Bureau to lobby for local hiring for new Gateway and Beech parks. Also, review components of the Community Benefits Agreement of BES regarding two Water Bureau projects on Kelly Butte and Interstate.

- She said she was not personally aware of any models out there. But she thinks highly of Dante James who runs the City of Portland's Office of Equity. He is very knowledgeable about things going on nationally.
- Connect with various chambers, such as the Oregon Native Chamber.
- Bruce Watts at TriMet's construction contracts.
- Not really. The programs with the best track records are the ones that serve particular specific communities and are culturally specific. Multnomah County and City of Portland have a list and periodically do recruitment through RFPs; need to update the list—creating a consistency of when RFPs go out to make sure they have accurate lists would be a good start.
- Summit Academy OIC in Minneapolis, Minnesota.
- Yes. Oakland, California (Mission District Re-development) is one and there are several others across the country (Dallas, New York, etc).
- Nothing specific. Although working in collaboration with Urban League of Portland and looking at Urban League's in other cities with similar programs is a good place to start.
- Somewhat. Look at City of Portland Contractor Support & Sheltered Market Programs. Several major contractors (Hoffman, Anderson, Walsh) may also have models that may work.
- A good place to start is the [Minneapolis Light Rail project](#). Community leaders there looked to Portland and Atlanta to learn from those mistakes. They wanted to take steps in the development to avoid further displacement and promote affordable housing along the route. Apparently with some success.
- Tri-Met has done a pretty decent job locally. Borrowing or mimicking their efforts may be helpful.
- Look to the Verde` Cully Park project. It is a community based project that has created jobs and contracts for people in the community. The project has a 50% MW participation rate for construction. It also is achieving its 20% payroll participation goal for local hiring, hiring women and hiring people of color. Part of the key here is that it is being done through a private non-Profit that has greater legal leeway than governmental organizations.

In what ways might you/your organization be interested in working with Metro and its FOTA program in the future?

- Very interested as applicable. Main concern is that I and community need to see and feel confident that there is a commitment to make the program work as intended.
- We are looking for people who may qualify for jobs in our organization. EMO would be glad to get the word out to its constituent organizations and help do research on poor and underemployed in the areas we serve.
- We have many non-English speaking clients for whom we find jobs; would be glad to help Metro in its outreach.
- Always interested in looking for opportunities to partner and help find suitable recipients.
- Rose CDC would be glad to provide outreach services to people within our area about the availability of the program.
- Happy to chime in as needed in support of greater use of the new revitalized program through her work on the Expo Center Advisory Committee.
- While NAYA probably won't be bidding on Metro contracts, interested if Metro decides to change the boundaries and how they make that decision.
- There is not a lot of capacity at APANO to be involved in ongoing discussions, but will be involved through CCC and other alliances.
- Latino Network has had success and its strength is in providing convening opportunities and bringing folks together. We provide spaces for folks to give voice to their experience.
- Absolutely yes. In any/all ways possible. Serving on committees, volunteering, being a provider, collaborating on projects, employment, training, etc.

- Advance information, so we can conduct specific target recruitments. Need job descriptions, hard copy job applications (many clients don't have computers access), conduct on-line in-house workshops.
- Very interested. Capable of recruiting, enrolling and assisting individuals with improving basic academic, employment preparation/application and workforce life/survival skills (retention).
- Interested in working with Metro as long as the relationship does not detract from our mission. But first, Metro needs to develop a functional program.
- Very interested in exploring all options/possibilities for partnerships/collaborations (OJT's, work experience, internships, etc.)
- Very interested. Specifically in areas of construction contracts, outreach, marketing, mentoring, partnering, conducting workshops, trainings, etc.
- The Chamber could be of assistance in helping identify companies and firms that can provide services and goods to MERC/ METRO.
- Effective Community outreach is essential. PCRI is ready to help with this effort.
- CIO should be considered a community resource available to assist.
- PAALF would be willing to help out. It depends on the current status of METRO/MERC's existing capacity to do the community engagement piece. PAALF could help with data gathering and analysis as well as serve as a host organization for community conversations.
- Willing to work with Metro or anyone else to replicate the Cully workforce and hiring program.

Is there anything else you would like to add?

- Available to support and/or testify on behalf of program if necessary and appropriate.
- Knows that Jobs with Justice Organization has been critical of Metro for hiring people for part time positions and not following employment guidelines. "FOTA can be a valuable tool no matter how much or little it works."
- The purpose of FOTA should be to give people who qualify and are ready and willing to work a head start in earning a living wage. The David Douglas and Reynolds school districts have very low rates of graduates who go to college. It is important to expand work opportunities in the trades for many of these people. In her experience over many years, "we're fighting for every dollar we get." Any program that expands employment opportunities for all people living at or under poverty level standards is welcome.
- There are many people who have barriers to employment other than low income, disabled, veterans, all groups affected by affirmative action programs. If the income level is too low or the target number or geographical areas are not inclusive enough, "FOTA would not mean anything."
- Check in with the Metropolitan Alliance for Workforce Equity. Also Casey Bernard of Emerald Cities. It is more difficult than ever to get government to respond to the growing gentrification and displacement issues.
- Transparency is most important.
- It is important for Metro to raise its profile and get out into the community; folks don't know what Metro does, especially in diverse communities. Metro should increase its visibility in communities of color, especially, so people know what they do and what purpose they serve. Contact Hispanic Metropolitan Chamber, Jonath Colon: he would have thoughts on this.
- Request to please keep OIC in the loop regards progress of FOTA redesign and any/all available opportunities to get young people educated and employed as a means out of poverty and on the road to self sufficiency.
- Work history requirements need revising. Many clients don't meet minimums because of history of sporadic, short term jobs and/or have long gaps between jobs. I would add that FOTA needs a special recruiter, specifically for FOTA jobs. Also; the requirements should not be as rigid. In many cases there seems to be no room for on-the-job-training and quite often, many mid-level workers get a tremendous amount of on-the-job-training. Also; give HR recruiters more discretion on hiring. Much

has to be done to compensate dislocated families. There seems/needs to be a need to do much to correct those affected by dislocation.

- Extremely interested in hearing of outcome when evaluation/program re-design complete.
- Interested in staying informed of progress/ improvement of FOTA program. Would be interested in hosting educational training sessions for purposes of referral of family members seeking employment.
- Nothing specific at this time. Want to be kept in the loop regards outcomes of current program evaluation. I hope it does change and begins to help/honor the people and the underserved communities as originally intended. The fact that all these new people can come here, move in, get jobs, create and take advantage of undeserved opportunities is criminal.
- METRO/MERC should incorporate a “right of return” for displaced people.

Interviewees

- Albina Ministerial Alliance
- Asian Pacific Network of Oregon and API Leadership Institute
- Center for Intercultural Organizing
- Ecumenical Ministries of Oregon
- Ed Washington
- Human Solutions, Inc.
- Latino Network
- Native American Youth and Family Center
- North/Northeast Portland Workforce Network – Metro One Stop
- Portland African American Leadership Forum
- Portland Community College (Margaret Carter Skills Center)
- Portland Community Reinvestment Initiatives
- Portland Opportunities Industrialization Center (Rosemary Anderson High School)
- Ron Herndon – National Head Start Association
- Rose CDC
- Roy Jay
- SE Works
- Senator Avel Gordly
- Sharon Maxwell
- Verde
- Volunteers of America

**Materials following this page are
attachments to the public record.**

First Opportunity Target Area Program



MERC Commission Work Session

December 2, 2014



METRO

Project Overview

Objective – review and recommend updates to the FOTA program

Key components:

- **Legislative history and legal status**
- **Demographic and economic data**
- **Best practices**
- **Current FOTA practices**
- **Stakeholder outreach**
- **Recommendations**



Legislative History

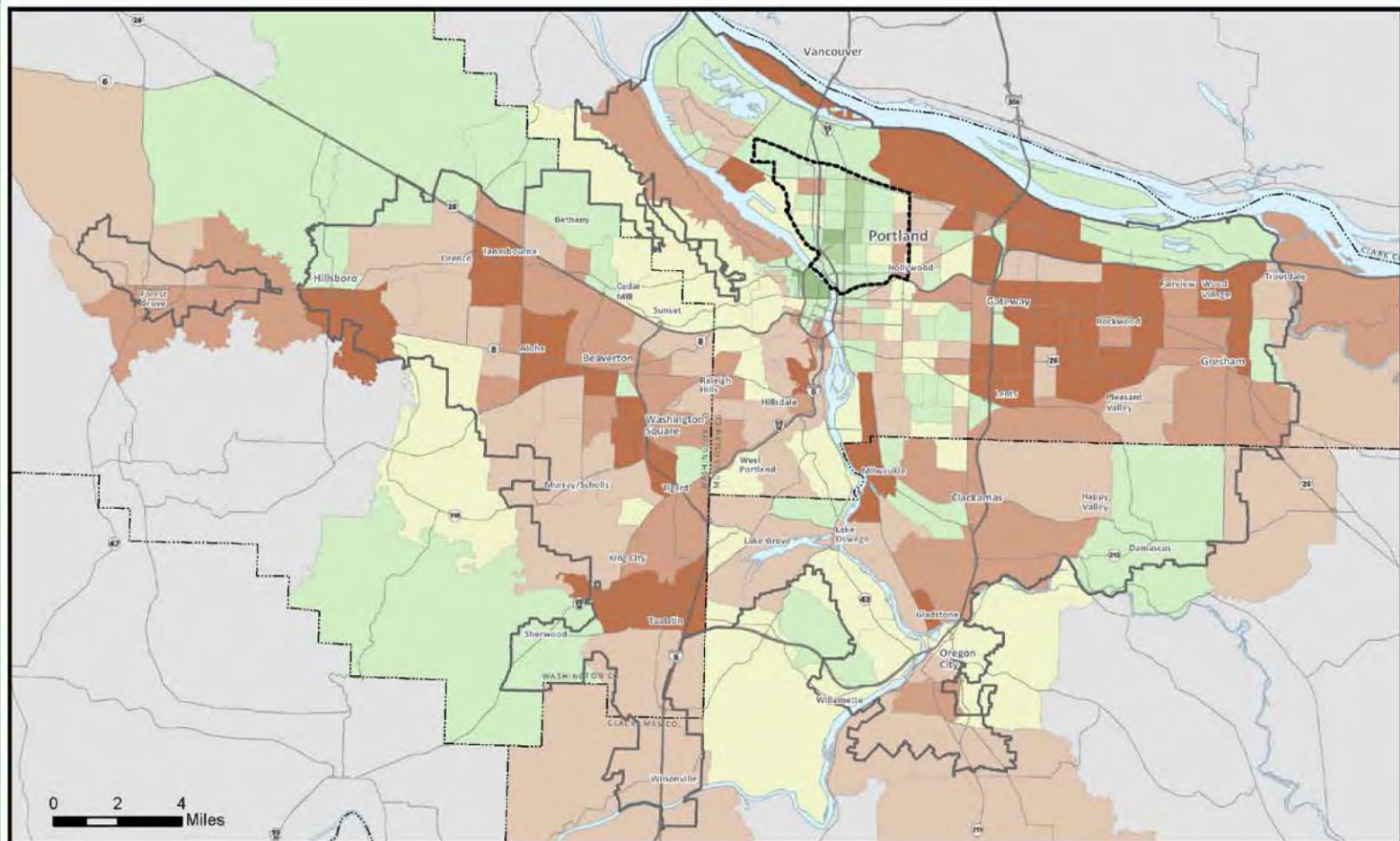
- **Response to low minority participation in OCC construction**
- **Influenced by 1989 US Supreme Court ruling invalidating minority set-aside programs**
- **Included in 1989 Lottery bill allocating funds to complete OCC construction**
- **Not in statute; legislative action not required for changes**

Demographic / Economic Research

Between approximately 1990 and 2010:

- **Poverty rates increased in Cully and east of 82nd Avenue; decreased in most of FOTA**
- **African American population increased in Cully and Lents; decreased within the FOTA**
- **Non-white population trends similar; additional increases in West Gresham and Washington County**

Demographic / Economic Research



Change in Poverty Status, 1989 to 2008-2012

Population with income at or below poverty line

April, 2014

Negative numbers reflect a net decrease in the share of total population at or below the Federal poverty line; positive numbers reflect an increase in the share of total population at or below the Federal poverty line. Data were downloaded from 1990 Census Summary File 3 and the 2008-2012 American Community Survey, Table DP03. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

Poverty Rate change in %, 1990 to 2008-2012



Urban growth boundary

County boundary

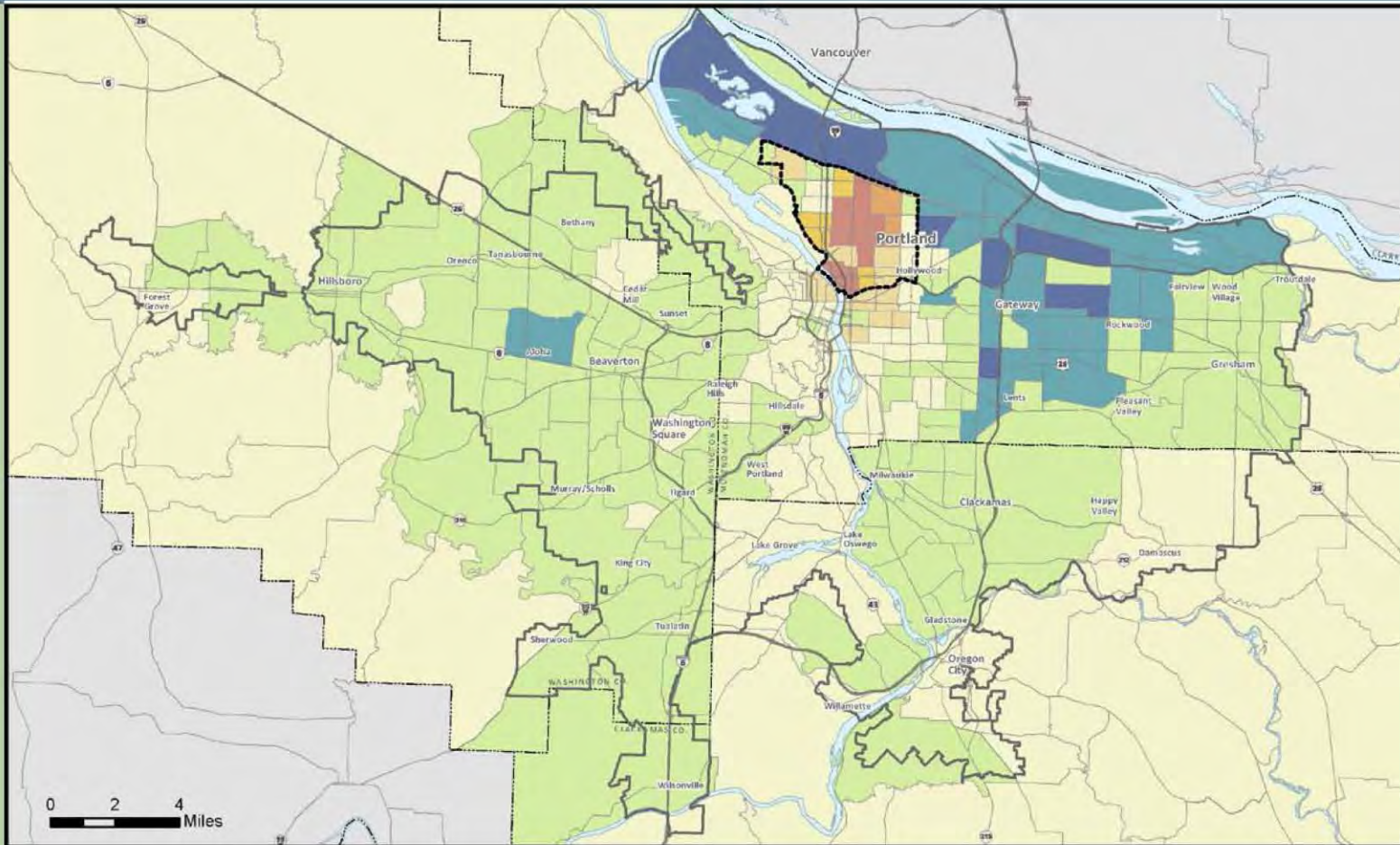
Major road

FOTA



DATA: RESOURCE CENTER
503-767-3210 | 503-767-1808 fax
<http://data.resource.oregonmetro.gov>
drc@oregonmetro.gov

Demographic / Economic Research



Change in African-American Population Share, 1990-2010

Includes Black or African-American alone or in combination with some other race (2010)

April, 2014

Negative numbers reflect a net decrease in the Black or African-American population as share of total tract population between 1990 and 2010; positive numbers reflect an increase in the Black or African-American population as share of total tract population. Data were obtained from the 1990 and 2010 Census Summary File 1 at the census block scale. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

African-American population change in % of total population 1990-2010



Urban growth boundary

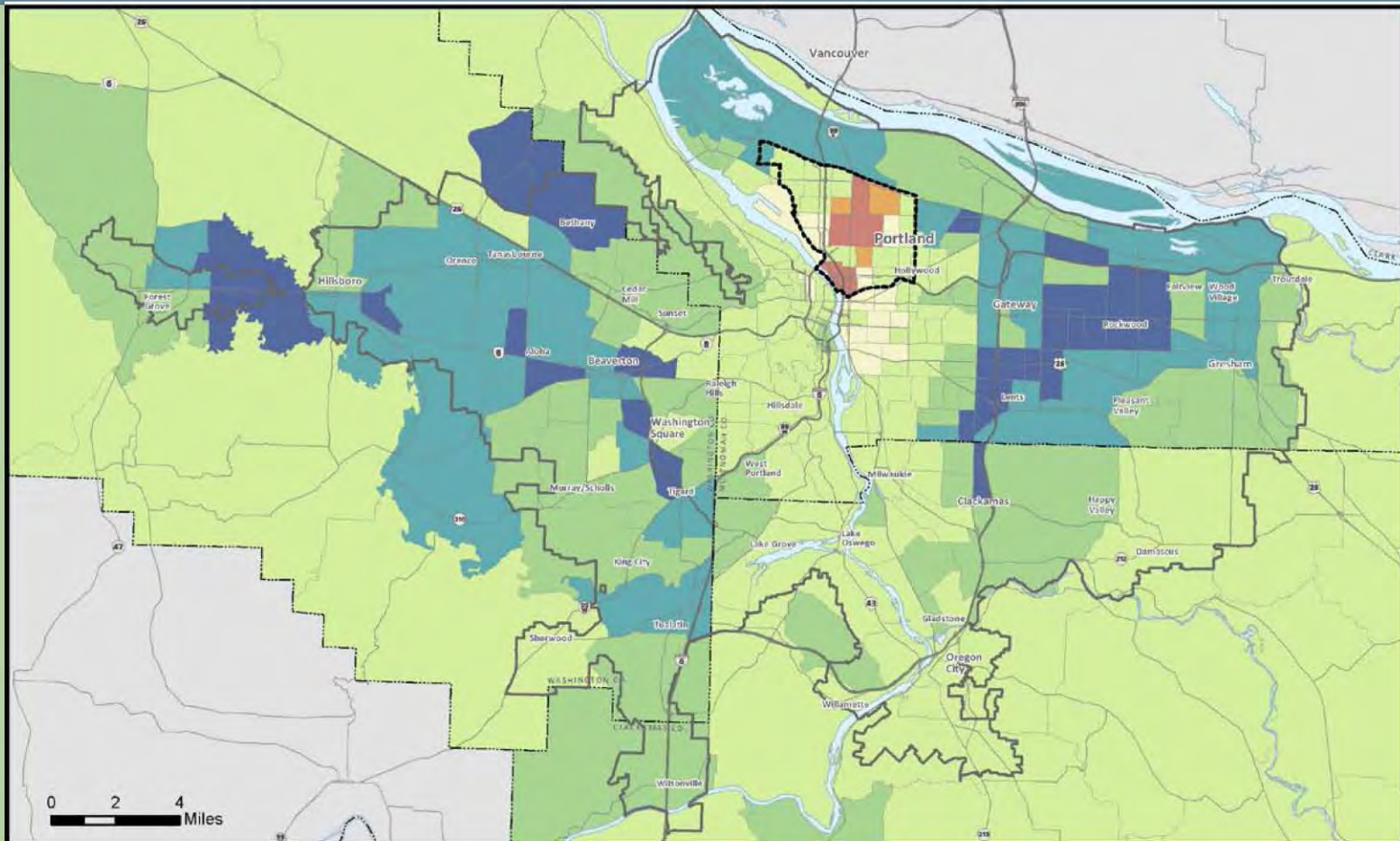
County boundary

Major road

FOTA



Demographic / Economic Research



Change in Non-White Population Share, 1990-2010

Includes all but Non-Hispanic White population

April, 2014

Negative numbers reflect a net decrease in the non-White population as share of total tract population between 1990 and 2010; positive numbers reflect an increase in the non-White population as share of total tract population. Data were obtained from the 1990 and 2010 Census Summary File 1 at the census block scale. Census tract geographies shown represent a hybrid of 1990 and 2010 tract boundaries; where tracts were split or merged over time, data has been aggregated to the larger parent tract.

Non-White population change in % of total population 1990-2010



Urban growth boundary

County boundary

Major road

FOTA

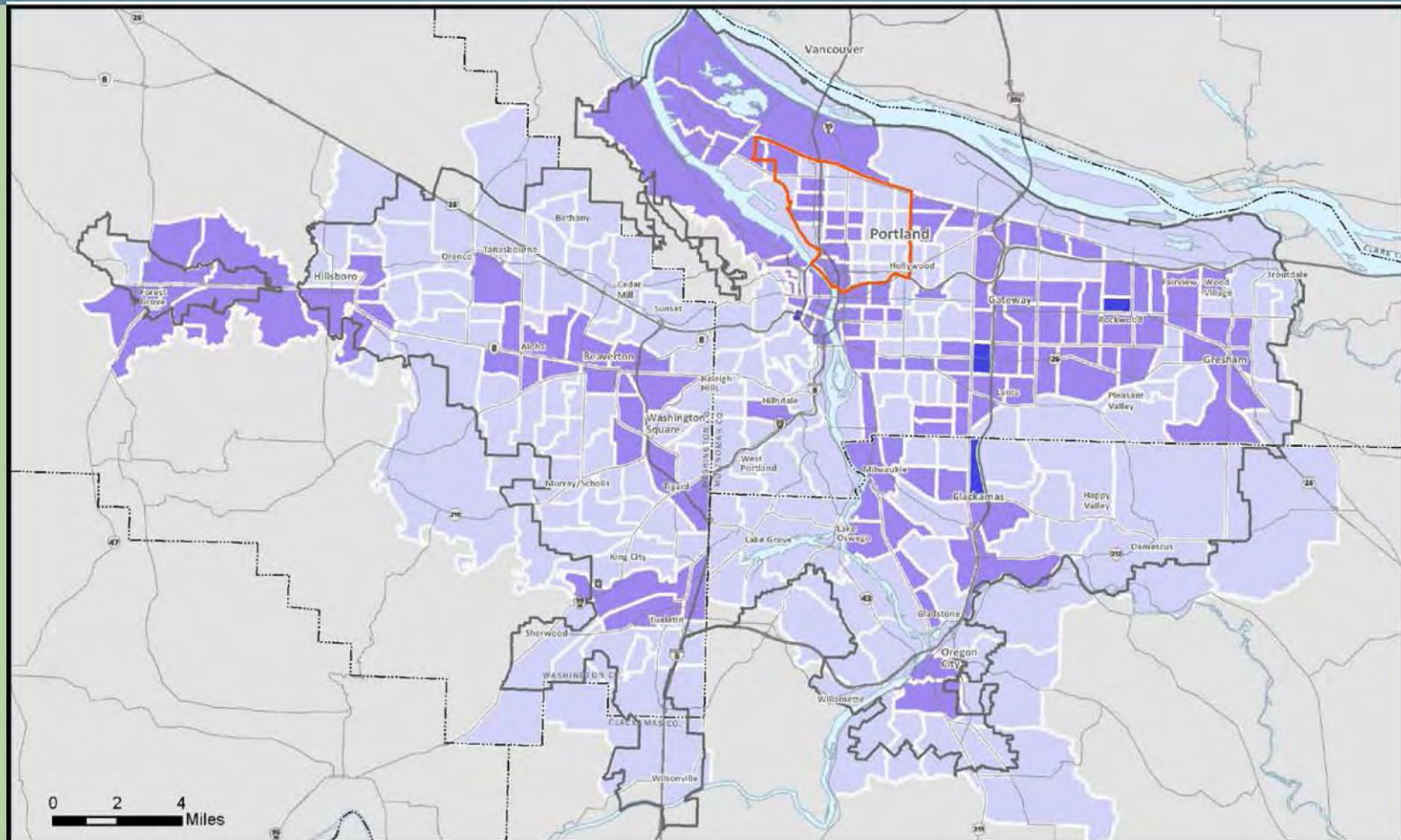


Demographic / Economic Research

2010:

- **Most areas within FOTA have lower than regional share of low income people**
- **Largest contiguous area with significant African American population**
- **Significant African American populations in Cully, St. Johns, NE Portland, West Gresham**
- **Non-white populations also in Washington County, outer-SE Portland**

Demographic / Economic Research



Low-income Population, 2008-2012

Population with income at or below 185% of poverty line

April, 2014

Low-income population 2008-2012

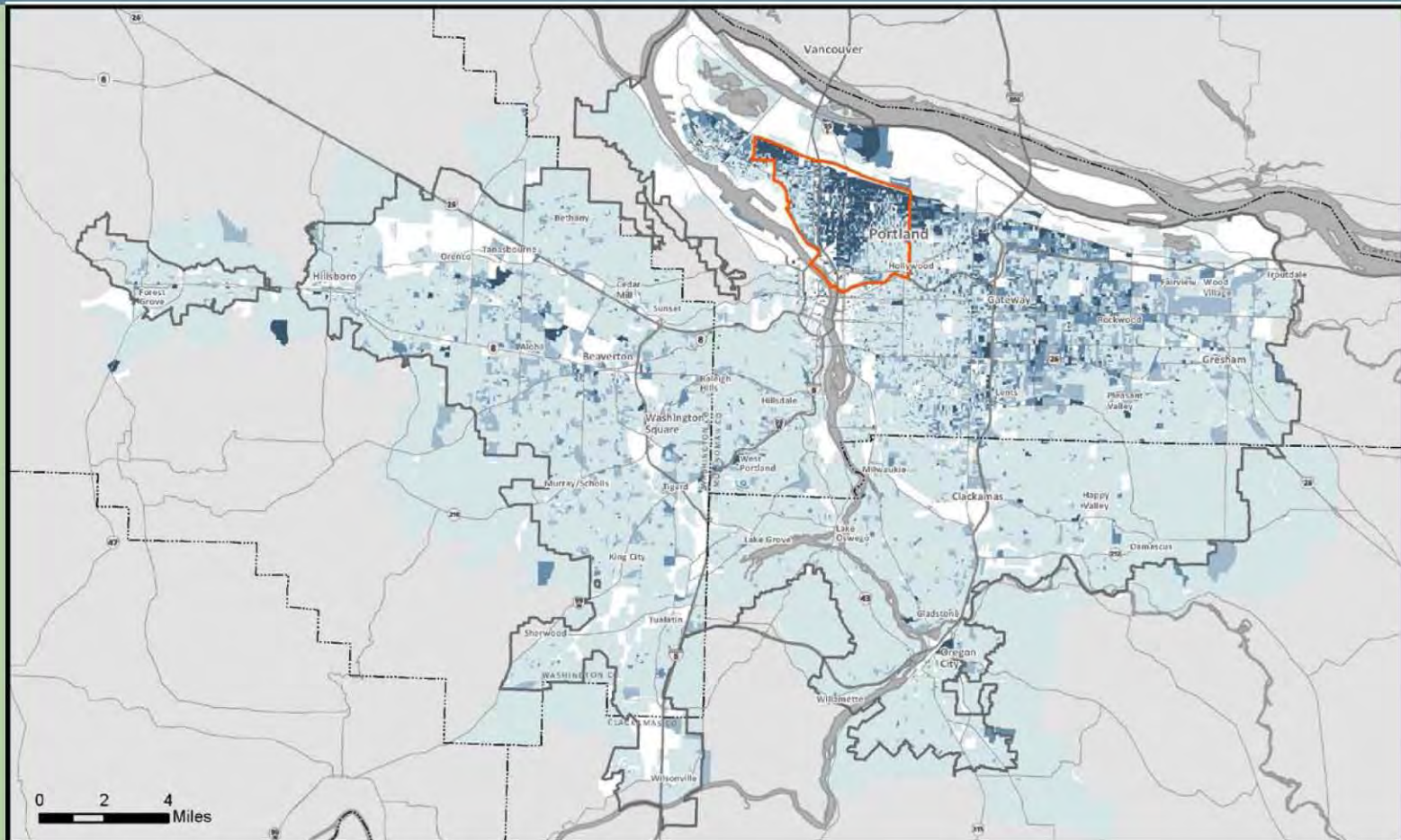
- More than twice regional rate (≥61.5% low-income)
- Above regional rate (30.7% - 61.5% low-income)
- Below regional rate (<30.7% low-income)

- Urban growth boundary
- County boundary
- Major road
- FOTA

Data were obtained from the 2008-2012 American Community Survey, Table S1701.



Demographic / Economic Research



African-American Population, 2010

Includes Black or African-American alone or in combination with some other race

April, 2014

Data were obtained from 2010 Census Summary File 1 at the census block scale.

African-American population, 2010

- 0% to 5%
- 5% to 10%
- 10% to 20%
- > 20%
- Unpopulated area

- Urban growth boundary
- County boundary
- Major road
- FOTA



Best Practices

Best Practice Element	Lessons From Our Case Studies
1. Well-specified equity goals and objectives.	<ul style="list-style-type: none">▪ Have a quantitative target; good faith efforts are not enough.▪ Supplement broad diversity targeting language with results broken out by specific target populations.
2. Workable administrative procedures that institutionalize processes for achieving equity goals.	<ul style="list-style-type: none">▪ Make sure there is leadership from above to set expectations for results, especially elected officials and governing boards.▪ Establish an internal point person responsible for implementing equity goals and procedures.
3. Effective use of intermediaries.	<ul style="list-style-type: none">▪ Leverage and support existing intermediaries rather than creating your own.▪ Develop high-quality intermediaries who cultivate trusted relationships with employers.
4. Strong accountability mechanisms.	<ul style="list-style-type: none">▪ Promote transparency about results through regular, real-time public reporting.▪ Establish an external stakeholder advisory group to facilitate feedback, dialogue, and continuous improvement.

Current FOTA Practices

- **New commitment from leadership**
- **Lack of quantitative targets and metrics**
- **Few internal/external accountability mechanisms**
- **Challenging to administer**
- **Insufficient support for new FOTA hires**
- **Lack strong relationships with intermediaries**
- **Limited resources for community outreach**
- **Infrequent reporting**

Stakeholder Interviews

Interviewees:

- **Founders – helped establish and implement FOTA at its inception**
- **Partners – existing, potential and future stakeholders**

Stakeholder Interviews

Summary: continue FOTA as priority

- **Develop metrics; communicate progress**
- **Maintain a jobs-oriented focus**
- **Update income ranges**
- **Modify FOTA boundary**
- **Invest in a robust career ladder for FOTA hires**
- **Fund engagement through formal and informal networks**

Recommendations

Policy Recommendations

- **Restore focus on hiring; strengthen Metro contracting and procurement**
- **Update FOTA boundaries**
- **Extend FOTA benefits**
- **Continue FOTA hiring program at MERC venues**

Recommendations

Administrative Recommendations

- **Update FOTA income requirements**
- **Create well-specified goals and objectives**
- **Implement workable administrative procedures**
- **Work with intermediary organizations**
- **Develop accountability mechanisms**
- **Implement career advancement programs**

Contracting/Procurement

Different legal constructs and constraints than hiring.

Recommendations

- **Incorporate best practices**
- **Preserve “first opportunity”**
- **Transition to DBE contractors**
- **Build on Metro successes**

**Metropolitan Exposition Recreation Commission
Record of FOTA Work Session**

December 2, 2014
Oregon Convention Center, Rooms C125/126

Present:	Judie Hammerstad, Chris Erickson, Ray Leary, Elisa Dozono and Metro Council Liaison, Sam Chase
Absent:	Cynthia Haruyama, Karis Stoudamire-Phillips, Terry Goldman
	The session was opened by Commissioner Judie Hammerstad at 10:36 a.m.
1.0	Metro Deputy COO Scott Robinson offered opening comments and Steve Faust of Cogan Owens Cogan provided a brief background of the FOTA project to date and an overview of the meeting's components.
2.0	<ul style="list-style-type: none"> • Chip Lazenby of Cogan Owens Cogan presented information on the legislative history of the FOTA. • Faust presented Demographic and Economic Data regarding the FOTA between the years of 1990 and 2010. <ul style="list-style-type: none"> • Councilor Chase inquired if the Cully neighborhood is depicted correctly since he felt the area has been gentrifying quickly in recent years. • Faust replied that it may be necessary to look at data from 2010 to the present to see if trends have changed. • Greg Schrock of Portland State University's College of Urban & Public Affairs presented a report on best practices arrived at following examination of recent examples of opportunity targeting initiatives, comparing them to the FOTA practices of today. <ul style="list-style-type: none"> • Commissioner Leary inquired about Schrock's point of working within existing intermediaries to find more robust ones. He also inquired how to find more non-traditional ones. • Schrock responded that it is necessary to provide the resources to the intermediaries to allow them to be more effective adding that usually there is a contractual relationship with a clear set of expectations to do assessment and training which provides an accountability element. • Lazenby noted that it might also help to go to small businesses, churches and barbershops – places where people congregate – to look for leadership. • Kirstin Greene of Cogan Owens Cogan reported on results of the stakeholder interviews.
3.0 And 4.0	<ul style="list-style-type: none"> • Lazenby presented the recommendations for contracting and procurement policies and procedures. • Robinson noted that Metro's Procurement Enhancement Project will increase efforts to reach Minority and Women-owned businesses and offered recent examples of progress made. • Councilor Chase added that due to the results of a recent audit on Metro's procurement practices, new efforts are being made Metro-wide to set goals to reach more minority-owned and women-owned businesses and stated that the FOTA recommendations will feed into that effort. • Leary inquired how Metro can connect the FOTA principles to the procurement process. • Robinson replied that possibilities include a two-step bidding process and improving language in Metro code and offered three questions for the Commission to consider regarding the recommendations: <ul style="list-style-type: none"> • What are your initial thoughts regarding the policy recommendations? • Do you want to form a FOTA advisory group? • Are there particular points in the policy recommendations that you would like to emphasize to the Metro Council when you meet with them next month? <p>Discussion followed with these major points being made:</p> <ul style="list-style-type: none"> • Updating the FOTA boundaries is important as well as clarity on how that change would be funded. • The process of extending the boundaries could be phase 2 of the FOTA work. Perhaps there would be "multiple FOTAs".

	<ul style="list-style-type: none"> • Updating the income requirements is necessary. • The Commissioners agreed that an Advisory Group is needed and that it should include internal members including some from the Commission as well as external members. A point person from Metro is needed for tracking and administering the program. • FOTA in hiring practices is important however the Commission would like to prioritize the importance of strengthening Metro’s outreach to Minority and Women owned businesses in Procurement. • Metro must follow FOTA rules – it is within the FOTA boundaries. Metro must have its “house in order” first. • It will be important for the Metro Council to assist with policy. Political leadership is extremely important. • Action is needed. It is time to stop talking and start doing.
5.0	Robinson presented next steps which include the Joint Metro Council and MERC Commission meeting scheduled for January 13.

Meeting adjourned at noon.