



CARPENTERS LOCAL UNION 405

SERVING SANTA CLARA & SAN BENITO COUNTIES

City of San José, Department of Planning, Building and Code Enforcement
Attn: Shannon Hill, Environmental Project Manager
200 East Santa Clara Street, 3rd Floor Tower
San José, CA 95113-1905
E-mail: shannon.hill@sanjoseca.gov

Dear Ms. Hill:

Please accept these comments on behalf of the members of **Carpenters Local 405**, representing thousands of construction workers in San José and Santa Clara County. Due to our union's deep and enduring connection to the City of San José, Local 405 and its members take great interest in the City's analysis of both the construction and operational phases of the Project.

We request that we be put on the list of interested parties who receive notices regarding the issuance of environmental review documents or project-related public hearings.

The Project presents tremendous economic opportunities if properly implemented, but also presents the potential for significant avoidable environmental impacts. Local 405 intends to participate in the CEQA process to ensure that the City complies with CEQA's mandate to minimize the Project's avoidable environmental impacts while maximizing its benefits for the community and skilled trades workers. In particular, we request that the City analyze all impacts required by CEQA, including, but not limited to the following:

- Environmental impacts of construction
- Impacts resulting from construction related employment

1. Construction Impacts

Workers, including members of Local 405, and nearby residents will be exposed to these impacts for the entire construction phase of the project. The EIR should analyze measures to minimize construction impacts, including the impacts of construction worker commutes. In particular, the EIR should analyze the impacts of whether or not the Project applicant and implements local employment preferences for construction workers (especially the use of local hiring halls) that will greatly reduce vehicle emissions from worker commutes to and from the Project site.

2. Economic Impacts of the Project's Construction Employment.

Since the Project will undoubtedly have significant, unmitigated environmental impacts, a statement of overriding considerations will be required (14 Cal.Code Regs. §15093(b)). The agency must make "a fully informed and publicly disclosed" decision that "specifically identified expected benefits from the project outweigh the policy of reducing or avoiding significant environmental impacts of the project." (14 Cal.Code Regs. §15043(b)) Key among the findings that the lead agency must make is that:

“Specific economic, legal, social, technological, or other considerations, including the provision of **employment opportunities for highly trained workers**, make infeasible the mitigation measures or alternatives identified in the environmental impact report... [and that those] benefits of the project outweigh the significant effects on the environment.”

- Pub. Res. Code §21081(a)(3), (b)), emphasis added

The EIR must analyze the likelihood that the Project will provide “employment opportunities for highly trained workers.” Many projects in San José and surrounding communities have been constructed with lower-wage, out-of-area workers, while failing to offer meaningful training opportunities for the region’s future construction workforce. Further, a significant portion of the City’s construction workforce commutes to San Francisco and other Bay Area communities.

The EIR and/or any Statement of Overriding Considerations must analyze the employment impacts, and compare the economic impacts of the Project with and without a local hiring preference, commitment to utilization of local apprentices, or other mechanism to increase the likelihood of local employment and training for skilled craft workers. Also, the EIR and/or any Statement of Overriding Considerations must set forth the assumptions being used for the underlying hourly-wage assumptions. In particular, does the analysis assume that workers will be paid prevailing wages, and if so, on what facts is that assumption based?

Finally, if the applicant does not impose local-hiring preferences on its contractors, what will be the impact on the jobs-housing balance for the area? In particular, will there be impacts on overcrowding and blight conditions and on public services from an increase of low-wage workers in lower-cost residential neighborhoods in San José, Santa Clara County, and throughout the region?

The City of San José Should Bar Issuance of Project Approvals Unless the Development adheres to Standards Implementing Viable Apprenticeship Programs, Health Care, and Local Hire

The Project will undoubtedly have significant and unavoidable economic impacts. In that case, a Statement of Overriding Consideration will be required. To address the potential impacts outlined above, the Carpenters propose that all projects be subject to prequalification standards that include apprenticeship and local hire. The City should require development proponents, their construction managers and general contractors meet the following requirements before the City proceeds with the entitlement process (including but not limited to a potential development agreement):

Apprenticeship:

For every apprenticeable craft on the project, each general contractor and each subcontractor will participate in a Joint Apprenticeship Program Approved by the State of California, Division of Apprenticeship Standards **OR** in an apprenticeship program approved by the State of California Division of Apprenticeship Standards that has a graduation rate of 50% or higher and has graduated at least thirty (30) apprentices each consecutive year for the five (5)

years immediately preceding submission of the pre-qualification documents. Construction contractors without construction craft employees shall show a contractual obligation that its subcontractors so comply.

Local Hire Policy:

Contractors must provide documentation that contractors will hire a minimum of twenty-five percent (25%) of staff for any job classification with more than four (4) employees employed whose primary residence, which is not a post office box, has been within the Counties of Santa Clara or San Mateo within 180 days of the expected date of issuance of the Notice to Proceed for the project.

While there has been a remarkable economic expansion in San José since 2010, rising inequality and displacement adds to the City's affordability crisis and threatens to undermine the region's strong economy. The San José General Plan calls for a greenhouse gas reduction program and sustainable development, as well as improvement to the City's jobs/housing balance to encourage office and residential growth to occur in tandem as well as efforts to minimize vehicle trips. Policies that require the utilization of apprentices and a local construction workforce, in tandem with programs currently operational by Local 405 outlined below, will help right that imbalance and ensure that this project helps the City meet the goals of the San José General Plan.

Local 405 has implemented many programs that will enable the City to meet the General Plan goals. These programs include a robust Joint Apprenticeship Training Committee, vigorous utilization of apprentices in San José, healthcare coverage for all members and their families, and innovation within the construction industry.

Joint Apprenticeship Training Committees (JATC's), such as the Carpenters Training Committee for Northern California (CTCNC), are a proven method of career training built around a strong partnership between employers, training programs and the government. This tripartite system is financially beneficial not only for the apprentice, but is a major benefit for the employer and the overall economy of San José. The CTCNC monitors current market conditions and adjusts the workflow of apprentices to meet the needs of the community, heading off any shortage of skilled workers. History has demonstrated that strong utilization of apprentices throughout the private sector helped California builders produce millions of units of housing.

CTCNC recruitment strategies include robust diversity and inclusionary outreach programs, such as pre-apprenticeship, with proven results in representative workplaces and strong local economies. It is imperative that our underserved populations have supportive and effective pathways to viable construction careers, while ensuring that employers are able to find and develop the best and brightest talent needed to thrive in a competitive economy.

Apprentices participating in the CTCNC receive the benefits of Union membership, including health insurance. Employer-paid health insurance plans for our members and their families provides preventative services to stay healthy and prevent serious illness. Timely care reduces the fiscal burden for our members and their families, and significantly reduces the utilization of safety-net programs administered by San José and Santa Clara County.

Embracing new technologies and delivery systems will have a significant impact on the construction industry, particularly the residential sector. Increasing housing delivery methods reduces project durations and provides San José residents housing sooner. Local 405 is at the forefront of ensuring that new construction technologies deliver those benefits while also creating work opportunities for those already in the trades as well as those looking to begin a construction career. These technologies could help the City meet its jobs/housing linkage goals within the San José General Plan.

Local 405 urges the City of San José to adopt the Mandatory local hire and apprenticeship requirements proposed. Mandatory local hire and apprenticeship requirement would help the City use the 0 Seely Avenue project to meet the goals of the San José General Plan. A local hire policy is a critical part of sustainable building and development, while also minimizing vehicle trips and reducing greenhouse gas emissions. Apprenticeship utilization will ensure an adequate skilled workforce to meet the housing goals of the General Plan.

Carpenters Local 405 looks forward to working with the City and its staff as you consider the project and prepare the Draft Environmental Impact Report. Please contact me if you have any questions or concerns or need any additional information.

Sincerely,

A handwritten signature in black ink that reads "Samuel Munoz". The signature is written in a cursive style with a large, looping initial "S".

Samuel Munoz
Senior Field Representative