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CITY OF BOSTON AND COUNTY OF SUFFOLK  
DEPARTMENTAL COMMUNICATION

June 21, 19 77

	(NAME)	(RATING)	(DEPARTMENT-DIVISION)
TO	The Boston Plan Policy Committee		
FROM	Marilyn S. Lloyd & Reed Greene		

SUBJECT: Affirmative Action Components for the Boston Plan FILE REF. No.

Attached is a discussion paper which notes Boston's relevant Affirmative Action practices, suggests some alternatives and new ideas, and raises questions on policy which need to be decided by the City. Those policy issues are noted in the margins by the word "ITEM."

We have very briefly tried to give a clear and direct description for the federal government review of these proposals only in terms of the development and construction of the physical components of the Boston Plan. We would suggest that in each of the four subject areas, an Affirmative Action section germane to each particular program be included. For example, the Columbia Point proposal would include a tenant selection plan; in the Hyde Park proposal Affirmative Action guidelines in job training should be outlined; in the Blue Hill Avenue proposal processes for personnel hiring in any of the social services could be discussed; and in the Port proposal a private-public plan for AA in the manufacturing and export industries might be developed. Most of the plans already exist in some form within different City departments.

This paper was prepared in consultation with Dick Willis and John Davis from the Office of Human Rights and Stu Marwell from the Office of Development and Construction.



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## AFFIRMATIVE ACTION PLAN FOR CONSTRUCTION

Affirmative Action provisions of the Boston Plan will insure that minorities share in the economic benefits of the planned projects as they are being constructed. Through a combination of its current Affirmative Action provisions and new measures, the City of Boston will take positive steps to foster the development of minority construction interests in the areas of contracting, purchasing and employment.

A strong monitoring and enforcement component will play a crucial role in the successful implementation of this Affirmative Action Plan.

ITEM 1.

To this end, compliance monitors should be hired with overhead money from grant projects. These monitors should be working within each department responsible for carrying out the development and construction work. These monitors will report to the department head who will be ultimately responsible for compliance of work carried on under his/her department. The network of monitors will be tied to a central office or division of human rights where support, training and updating in laws and requirements will be ongoing.

Chief among the monitors' duties will be inspection of both the contractors' office files and construction projects to determine compliance with laws and policies on minority contracting, purchasing, and hiring. The monitor will also assume responsibility for oral and written compliance reports to the department head, division of human rights, office of development and construction and project director of the Boston Plan.

Such a position will require ~~an~~ individuals with an optimal combination of three skills: oral and written communication, knowledge of the construction process and familiarity with the project sites.

### CONTRACTING

Goals and Objectives. Projects prepared under the Boston Plan shall utilize minority general contracting and subcontracting firms to the



greatest extent possible. Existing city policy provides very specific guidelines for this utilization. In areas of high minority concentration, such as Blue Hill Avenue and Columbia Point, a general contractor must "execute with qualified minority contractor... not less than fifty percent (50%) of the subcontracts which are made under this contract, to comprise no less than thirty percent (30%) of the total subcontract price." (Executive Order 1124-6, effective 8/1/75). Contractors who work in areas with a low concentration of minority groups members must "contact qualified minority contractors" and grant them "at least equal consideration with non-minority contractors in any negotiations for subcontractor." (Executive Order 1124-6)

ITEM 2:

We see little reason to limit the hiring of minority subcontractors to impact areas, and we suggest expanding the plan citywide. To be able to do so, however, we should consider the availability of minority contractors and subcontractors. To date, minority contractors in the building trades for the Boston SMSA are 11.2% of the total number of contractors in this area. That is not to say we could not or should not help increase those numbers, but we may not be able to do so overnight. We should determine a reasonable citywide goal and apply it across the board.

That goal can be on a rising scale over the years, so that we set a 12% goal for this year and reach 30% over five or ten years.

ITEM 3:

Choosing subcontractors on the basis of race conflicts with State bidding law which requires subcontractors to publicly file their sub-bids for construction of public buildings. (There is no such requirement for public works and parks). We must decide whether we want to challenge the State sub-bid requirements. Our alternative is to exempt the minority subcontract percentages from building construction.



Methods for achieving these objectives shall include a minority set-aside provision in applicable contracts. Further, the city has the potential to foster private investment in minority construction enterprises, particularly in the vital area of payment and performance bonding. Through the Small Business Administration, the Federal Government guarantees ninety percent (90%) of privately - funded security bonds. This program helps minority contractors make the good performance record necessary for subsequent uninsured bonding.

ITEM 4: This program is currently not very effective because the local banks will still not bond minority subcontractors even with SBA insurance. Part of our work with the private sector must be <sup>to</sup> encourage minority business bonding or we cannot possibly fulfill any percentages for hiring minority firms.

As an alternative to private sources, however, the project director may earmark a <sup>portion</sup> ~~position~~ of the Urban Development Action Grant or Title IX EDA funds for bonding minority firms.

Information Sources include several non-profit concerns which take an active interest in minority businesses. In its Minority Business Directory the New England Minority Purchasing Council provides a regional listing of minority contracts. The Lewis H. Lattimer Foundation gives a similar listing for the Greater Boston area, the Buyers' Guide to Affirmative Purchasing.

In addition, three agencies provide lists of minority contractors: the contractors' Association of Boston (membership list); the Boston Office of Human Rights (Minority Contractor, Agency, and Referral Listing); and the Boston Office of Federal Relations (Directory of Minority Contractors and Suppliers).

Dissemination of contract information and bidding dates takes place through several public and private bodies. The U.S. Department of Commerce through the Office of Minority Business Enterprise may provide funding for



Community Development Corporations to promulgate such contract information among minority businesses. The Contractors' Association of Boston actively seeks and disseminates contract information among its members. Minority news media (see attached list) will doubtless give construction opportunities for minorities some play. A small portion of the grant money should be set aside for advertising in the minority media. For up to one year, Minority contractors should also be provided with free copies of the City Record, the official city weekly for soliciting construction bids.

### PURCHASING

Goals and Objectives. The Boston Plan allows increased affirmative action efforts in a second area, that of purchasing from minority-owned building supply concerns. It is reasonable to require general contractors and subcontractors to expend a percentage of nonlabor funds for the purchase of supplies and equipment from minority suppliers. This requirement should apply regardless of the minority concentration in a project area.

Methods. We would suggest that this percentage be tied to minority subcontractor hiring in a section that might read:

"No contract shall be approved unless \_\_\_\_\_% of the amount of the bid price will be expended for contracts with and/or supplies from minority business enterprises.

Information Sources. In addition to publications of the New England Minority Purchasing Council and the Lattimer Foundation, sources from the U.S. Department of Commerce should be included in Contract Specifications. The Small Business Administration's Minority Vendors' Program makes procurement lists available to both private industry and agencies of federal, state, and local government.

Dissemination of purchasing information can be accomplished through the same channels as contracting information.

### HIRING

Goals and Objectives. Since unemployment has hit hardest at minorities, one goal under the Boston Plan shall be the increased hiring of unskilled

ITEM 5:

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labor, tradesmen and supervisory personnel from the local minority community. In areas with high concentrations of minority group persons, the City of Boston's Amended Affirmative Action (Executive Order 1124-6) Plan requires a minimum thirty percent (30%) ratio of minority employee person hours to total employee person hours in each job category. Federal law requires a twelve and three-tenths percent (12.3%) ratio of minority employee time to total employee time in each job category (U.S. Department of Labor, Bid Conditions, Affirmative Action Requirements, Part I A July 28, 1976).

Methods. In addition to contracting and purchasing, each contract let under the project grants will of course, continue to include a minority hiring provision. The City plan should be updated from 10% minority hiring in non-impact areas to (12.3%) in accordance with federal law.

Information Sources. Within the City of Boston several agencies offer minority groups recruitment and referral services for construction and construction related projects (see attached list). Further, construction unions have a growing number of minority members. These Agencies could help contractors tap the pool of minority labor.

Dissemination. Recruitment and referral agencies may be a two-way conduit, providing minority workers with information about the four proposed projects. Project information could be advertised in both the minority media and the conventional press.

In summary, the four proposed revitalization projects under the Boston Plan hold the potential for significant economic benefit to the City's minority population. As in time past, however, there is danger of slippage between potential and actual results. Under the Boston Plan, <sup>if</sup> ~~when~~ decisive steps are taken in the areas of contracting, purchasing and hiring, the minority community should benefit from not only the physical development, but the economic and job opportunities as well.

ITEM 6:



MINORITY NEWS MEDIA:

Bay State Banner  
25 Ruggles Street  
Roxbury, Mass. 02119  
Tel: 442-4900

EL MUNDO  
26 Bishop Richard Drive  
Combridge, Mass.  
Tel: 876-4293

The SANPAN  
85A Tyler Street  
Boston, Mass.  
Tel: 426-8673



CITY OF BOSTON MINORITY RECRUITMENT  
AND REFERRAL AGENCIES FOR CONSTRUCTION AND CONSTRUCTION RELATED PROJECTS.

1. Third World Jobs Clearing House, Inc.  
15 Worcester Street  
Boston, Mass. 02116  
Tel: 266-8570  
Director, Charles Turner
2. Recruitment And Training Program, (RTP)  
1214A-1216A Blue Hill Ave  
Dorchester, Mass 02121  
Tel: 296-0200  
Director: Jim Clark
3. Community Training Dynamics, Inc.  
134 Almont Street  
Mattapan, Mass. 02126  
Tel: 298-5110
4. Emergency Tenants Council  
78 W. Newton Street  
Boston, Mass. 02118  
Tel: 262-1342  
Contact Person: Victor Feliciano
5. Roxbury Neighborhood Employment Center  
345 Blue Hill Ave.  
Roxbury, Mass.  
Tel: 445-9350
6. Opportunities Industrial Center  
186 Dudley Street  
Roxbury, Mass.  
Tel: 442-2424  
Director: Clarence Donlen
7. United Community Construction Workers Inc.  
438A Blue Hill Ave.  
Dorchester, Mass. 02121  
Tel: 442-1338  
Director: Leo Fletcher



8. South End Neighborhood Action Program  
554 Columbus Ave.  
Boston, Mass 02118  
Tel: 267-7400  
Contact Person: Mr. Beatty (Manpower Department), Ext. 66&67
  9. Jobs Clearing House  
115 Chauncy Street  
Boston, Mass. 02111  
Tel: 542-6364  
Contact Person: Laura Hall, Assistant Director
  10. NAACP Positive Action Program  
792 Tremont Street  
Boston, Mass.  
Tel: 261-1790  
Director: Vernon K. Sports
  11. Chinese American Civic Association, Inc.  
24 Oxford Street & 85A Tyler Street  
Boston, Mass  
Tel: 482-7579                      426-8673  
      (24 Oxford St.)    (85A Tyler St.)  
Executive Director: May Ling Tong
  12. Contractor's Association of Boston  
227 Roxbury Street  
Roxbury, Mass. 02119  
Tel: 442-4680  
Executive Director: Theodore Landsmark
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