

WORKFORCE AND ECONOMIC DEVELOPMENT PLAN

I. General Purpose

- a. **Purpose.** PA expects the Project to generate new local jobs and economic opportunities for the benefit of the Local Community. This will require the training, referral and hiring of Local Residents, minorities and women and the participation of Local businesses in the Project.
- b. **Wages & Benefits.** During the Term, PA shall pay all PA Project Employees a Living Wage. PA shall make reasonable efforts to encourage Service Providers to pay a Living Wage to their employees working in the Project Area. PA will provide the same health insurance benefits to PA Project Employees as it provides to other PA Employees in similar positions. This provision shall not give rise to an individual cause of action that does not already exist under the law.
- c. **Earned Income Tax Credit.** PA shall inform its eligible Employees and shall encourage all Service Providers to inform their employees working in the Project Area of the availability of the federal Earned Income Tax Credit, including by providing written information and related forms to employees.
- d. **Project Workforce.** PA and the Coalition Reps. are committed to robust representation of MWBE construction trade persons as they seek to fully participate in the redevelopment of JFK International Airport. Reflective of PA's commitment to this objective, PA will use good faith efforts towards a goal to have the construction workforce composed of 50% MWBE over the life of the Project. In particular, PA and the Coalition Reps. recognize that the hiring of qualified Local Residents is of the utmost priority in connection with the Project and agree to work together toward that goal. To this end PA, through its Construction Manager, will negotiate a Project Labor Agreement (PLA) with an unprecedented target of 40% MWBE workforce, more fully described below, for an initial term of 5 years.

In successive extensions of the PLA, PA will aspire to increase the stated workforce goal in cooperation with the Building and Construction Trades Council of Greater New York. The Coalition Reps. will, however, consistent with its own commitment to increase employment opportunities for local residents, will use good faith efforts to support the workforce objective. PA agrees that it will undertake the efforts described below to expand opportunities for Local Residents to obtain apprenticeship positions and join Unions as described below:

II. Community Information, Opportunity and Resource Center ("Center")

The Community Information, Opportunities and Resources Center (the "Center") will serve as a one stop shop designed as a portal that allow community residents and businesses to access information, opportunity and resources related to the JFK RDP. The Center would be located near the Project Site. The Center would commence full operation with the acquisition of the first permit relating to the Project, and continue operation for a 20-year period from commencement of full operation of the Center. The Center would provide information and resources to enable local residents and businesses to receive prompt notification of business opportunities and available jobs at PA to learn about construction schedules, safety and mitigation, and to receive information about community-oriented service programs (i.e., technical assistance, clinics, mentoring, volunteerism). The Center would provide bilingual services and would be staffed, in part, by persons devoted exclusively to serving as liaison with the community with respect to the obligations incurred by PA in connection with the Project. The estimated annual minimum value of maintaining the Center would be \$1,500,000.00 with annual increases of 5%. PA would collaborate with appropriate organizations to develop and maintain the Center which would provide, among other things, the following services:

- a. Provide access to PA job listings with detailed descriptions of job qualifications, including a regularly updated information hotline to provide callers with information relating to PA employment opportunities and will provide continuing counsel and assistance to local residents seeking employment at PA.

- b. Coordinate PA resources with (i) appropriate job training centers, (ii) City, State and Federal agencies and (iii) other educational institutions and organizations to provide bilingual referral information regarding services for small businesses, leasing space from PA and facilitating access to integrated support services.
- c. Identify and provide referrals to training programs and classes in areas such as the skilled trades, administrative support, technology, management, and administration, and where feasible, coordinate with State and City education programs and institutions in the administration of such programs.
- d. Coordinate and host job fairs, job training, and increase job readiness in the community.
- e. Assist local residents in the identification of business, education, training, and career opportunities that provide opportunities for hands-on learning, and competency based instruction constructed using industry standards. Such programs would include one group session per month where up to 40 persons per session will receive the following:
 - i. Referrals for skills training, internships and work-based learning opportunities at PA and through community-based organizations supported by PA.
 - ii. A catalog of PA community outreach programs, and
 - iii. Access to work-based learning programs for high school students, high school dropouts, individuals transitioning from welfare-to-work, individuals with special needs, and veterans.
- f. The Center would provide information about construction schedules, safety and mitigation efforts for the Project. PA would also provide a community alert system to notify subscribers about construction issues and a 24-hour hotline to provide callers with information about

construction activity and employment opportunities related to the Project

- g. At this "one-stop" Center community members may receive information on PA's community programs and Project commitments. PA would set up a 24-hour hotline on construction activities, along with an alert system to notify subscribers about such activities.
- h. Also in connection with the Center:
 - i. PA shall maintain the Center in a manner that is visible and accessible to local residents.
 - ii. PA shall supply the center with reasonably necessary resource, including access to administrative and technical support to execute the responsibilities of the Center.
 - iii. The Center shall maintain and report, on an annual basis, the following data:
 - (a) Utilizing the services of the center
 - (b) Referral to and placement in PA related jobs
 - (c) Referrals to government, community based, PA or coalition Reps. Education and job training programs, and
 - (d) Participation in Job Fairs
- i. PA shall encourage Service Providers and airport concessioners to list all job openings in the Project Area through the Center, and will maintain at the Center an electronic and hard copy listing of all such available positions that would be available to job seekers. PA shall provide a copy of the listing to the subject zip codes. The listing shall be maintained in a manner necessary to collect information from Service Providers and provide information to job seekers.
- j. PA shall encourage Service Providers and local retailers to seek applicants for job openings in the Project Area from Local Residents.

PA shall maintain an electronic and hard copy listing at the Center with resumes and other information provided by Local Residents who are seeking employment. PA shall notify local Service Providers of the listing and make it available to them. The listing shall be maintained in a manner necessary to collect information from job seekers and provide information to Service Providers.

- k. At the request of the Coalition Reps., PA shall provide advice and guidance with respect to academic and career assessment predicated on posted competencies required for both PA and external career opportunities.
- l. PA shall include in its standard request for proposal (RFP) template the following:
 - i. A statement indicating that PA is committed to the hiring of qualified Local residents when possible and
 - ii. A question seeking information about the venter's record and practices in that regard.
- m. PA's Cooperation with NYC: PA shall use good faith efforts to partner with New York City Department of Small Business Services ("NYCDSBS"), to implement a program to develop the capacity of Minority, Women, and Local ("MWL") construction firms such that they would be able to manage larger contracts including construction trade work on the proposed Project. The pilot program was initiated in January 2019. The program will require approximately one year of classroom training conducted by the NYCDSBS supplemented by up to one year of mentoring by senior executives and construction project managers from PA. Firms sponsored by PA will also receive actual project bid opportunities during their one-year of training. While this is a pilot program, if it is successful PA will match funding of government and private sector partners up to \$250,000 per year for five years so that PA's participation in the program can be continued and, if feasible, expanded.

- n. A portion of the Benefits Fund may be used for a Small Business Incubator which will enable emerging and existing small not-for-profit organizations with access to office and meeting spaces.
- o. **Technical Support from PA:** At the request of the Coalition Reps., PA shall post opportunities identified by the Coalition Reps. at the Center for:
 - i. PA's managers to provide pro bono technical advice and business consulting services to local businesses and entrepreneurs, consistent with other internships for PA's employees;
 - ii. PA Real Estate managers to provide advice and consulting services to Coalition Reps., local contractors and businesses on issues related to on land use, development, and property issues consistent with PA standards for operation; and
 - iii. Any other PA program that would offer technical assistance to businesses located within the project area and the subject zip codes.
- p. **PA Agreements.** To the extent that a PA Collective Bargaining Agreement may differ with respect to various Employees, the applicable Collective Bargaining Agreement shall govern. Nothing herein obligates PA to breach or modify any existing contracts, including Collective Bargaining Agreements or to include any provision or commitment in any future Collective Bargaining Agreement.

The entity that will outlive all of us and as such it will provide community and ensure compliance over the life of the project. The Center will continue to serve the community's economic interests as is related to JFK and the PA.

III. Training and Capacity Building

a. **PLA Pre-Apprenticeship.** Subject to and consistent with agreements with the Building and Construction Trades Council of Greater New York, PA shall make good faith efforts to cause its construction manager (CM) to negotiate in the PLA (i) a local membership registry with the Unions that are a party to the PLA to establish priority status to recruit and train Local Residents in pre-apprenticeship and apprenticeship programs; (ii) a goal for Unions to fill at least thirty-five (35) per year Union pre- apprentice positions for work to be performed on any worksite in the City during the redevelopment of JFK with Local Residents; and (iii) a goal for unions to accept referrals from the Community Information, Opportunity and Resource Center (Center). The CM shall encourage Unions to give Local Residents priority in consideration for recruiting and hiring to the extent permissible by laws including laws related to unlawful discrimination. The same requirements shall apply over the life of the redevelopment of the project. PA shall work with the Consortium for Worker Education and existing pre-apprenticeship programs such as the Aspen Institute's Workforce Strategies Initiatives and other Pre-Apprenticeship programs approved by the New York State Department of Labor and recognized by participating unions to facilitate training and employment opportunities for Local Residents. Local Residents will be referred through the Career and Business Center to appropriate Pre-Apprenticeship training programs.

b. **MWBE and Small Business Utilization and Retention Program**

i. PA shall coordinate with the Mayor's Office of MWBE Services, Department of Small Business Services, New York Empire State Development Corporation (NYESDC), and other relevant strategic partners, business advocacy and assistance organizations to initiate programs to increase participation in the planning, construction, operation and maintenance of JFK International Airport by Project Impact Area small businesses and minority-owned business enterprises and women-owned business enterprises (MWBE). A goal of these programs will be the utilization of MWBE as Airport Contractors in these areas,

by PA in planning, design, financing, construction and all other projects of the JFK RDP. This program shall include:

- (a) Targeted outreach within the Project Impact Area to Project Impact Area small businesses, Project Impact Area disadvantaged businesses, and relevant business organizations;
 - (b) Inclusion of Project Impact Area small businesses, Project Impact Area disadvantaged businesses, and relevant business organizations in pre-bid conferences;
 - (c) “Meet the General Contractor” meetings for Project Impact Area small businesses and disadvantaged businesses;
 - (d) Unbundling of construction projects into bid sizes that will allow small businesses level competition, without restricting the project timelines;
 - (e) Assistance with access to bonding, insurance, procurement and other types of capacity-related assistance where necessary.
- ii. PA, in compliance with New York City policy, will ensure that there is no discrimination against Project Impact Area small businesses and disadvantaged businesses in selection of businesses to operate, locate a franchise, or provide services On-Site.
- iii. Small business assistance/finance organizations, shall assist to identify and/or develop working capital revolving loan program to assist Project Impact Area small businesses and disadvantaged businesses seeking to: (i) perform work related to the JFK RDP; and/or (ii) operate franchises or provide services in JFK facilities.

iv. In providing the assistance and services identified in this Section III, PA shall work collaboratively with the following organizations and programs:

- (a) Small Business Administration (8A Services)
- (b) Mayor's Office of MWBE services,
- (c) Department of Small Business Services,
- (d) Community Board #12, #13 and #14,
- (e) Queens overall Economic Development Corp.,
- (f) NYESDC
- (g) Banking community, and
- (h) Trade Organizations

v. **Job Readiness and Training Program**

- (a) **Job Training Program.** Beginning in fiscal year 2018-19, PA shall provide \$3 million per year for five years, not to exceed \$15 million over five years, to fund job training for Airport Jobs and Aviation-Related Jobs, and for Pre-apprenticeship Programs and Capacity Building Programs. Any funds unspent in a particular year shall be rolled over to the subsequent year. At the conclusion of the five-year period, any unused funds shall revert to the job training funds.
- (b) **Federal Aviation Administration (FAA) Modification.** If at any time the FAA expands the job categories for which it will permit PA to expend job training funds, PA shall expend those funds for all newly available job categories. At all times, if the FAA prohibits particular job training expenditures required under this agreement, then PA shall provide the full funding amount described in this section for job training expenditures that are required by this section and are not prohibited.

- (c) **Non-Construction Training.** At the request of the Coalition Reps., PA shall provide advice and guidance to the Coalition Reps. regarding job readiness training and targeted technical skills training for airport and aviation related jobs. The intension here is to broaden the employment opportunities available to Local Residents within the Project Area. PA, through the Center, may identify, design, and/or disseminate the syllabus for any of these training programs.

PA shall work with the Community Information, Opportunity and Resource Center to enhance existing training and capacity building program and to create local, indigenous capacity building program through the Center. PA shall make best efforts to ensure that the Center, in coordination with the PA Mentor – Protégé Program, has a lead role in assisting with access to procurement opportunities, financing, bonding, and prime/subcontractor introductions, and that Career Business Center assists with identifying sources of financing for a low interest working capital revolving loan program to assist Project Impact Area small businesses and disadvantaged businesses seeking to compete for contract and franchise opportunities at JFK International Airport.

IV. Construction Work/ Non-Construction Work

- a. **Construction Work:** The Parties acknowledge that: (i) the construction shall be managed by a CM; (ii) that the CM shall negotiate contracts with all relevant construction trade labor representatives and subcontractors and that these contractual arrangements shall be governed by the PLA. PA shall use good faith efforts to cause the CM to include the following target goals in the PLA or in the CM's contracts or subcontracts, as the case may be:
 - i. Commencing as of the date of the issuance of the first permit relating to the Project., the goal shall be that at least thirty-five percent (35%) of the total dollar value of the Project subcontracts governed by the PLA will be awarded to MWBE,

provided, however, that the Parties acknowledge and agree that the use of Specialty Construction Services and related construction materials shall be excluded from the provisions of this paragraph. Such percentage shall be calculated in the aggregate at the end of the first five years. PA shall provide bi-annual reports to the Coalition Reps. with respect to the status of the target. beginning on the date that is twelve (12) months after the Effective Date; and

- ii. Commencing as of the date of the issuance of the first permit for the Project Area, the goal shall be that at least forty percent (40%) of the Project Area Construction Workforce (i.e., individuals employed by construction contractors and subcontractors) employed on site pursuant to the contracts will be qualified MWBE; provided, however, that the Parties acknowledge and agree that the use of certain Specialty Construction Services and related construction materials shall be excluded from the provisions of this paragraph. With respect to employment of qualified Local Residents, and to the extent that such preferences would not give rise to the potential for legitimate claims of unlawful discrimination, in recognition that the hiring of qualified Local Residents is of the utmost priority, PA shall use good faith efforts to cause its CM to include provisions in the PLA that provide that qualified Local Residents will be given priority in interviewing and hiring for employment opportunities with such contractors and subcontractors.
- iii. PA to Comply with ESDC's Non-Discrimination and Affirmative Action Policy: PA would adhere to or exceed the requirements of ESDC's non-discrimination and affirmative action policies during the construction of the Project, unless to do so would conflict with applicable law or PA's obligations under collective bargaining agreements. PA has agreed that its affirmative action policy would also apply to the Project. PA's policy encourages local business participation generally. The PA sets goals of 12% of the total contract price for PA certified

Minority Business Enterprise participation and 5% of the total contract price for PA certified Woman Business Enterprise work force participation in construction activities.

b. Non-Construction Work

- i. PA shall, with respect to contracts for goods and services awarded by PA to Service Providers in the Project Area, include goals for hiring MWBE, as set forth herein. PA will establish a target goal of at least thirty-five percent (35%) of the total dollar value of non-construction contracts (excluding X and Y contracts), throughout the life of the Project for MWBE, provided, that, for purposes of this target, "Local" shall include the five (5) boroughs of New York City
- ii. PA shall use good faith efforts to hire Local Residents with priority to zip codes 44444, 55555, 66666 and 77777 for at least thirty percent (30%) of PA employees in the above-mentioned zip codes after construction. For these purposes, the calculation of the number of PA employees shall exclude all FAA's employees and staff.
- iii. The Coalition Reps. shall advise PA with respect to available methods for PA to notify the Local' Community of projected PA job positions in all PA's facilities in advance of particular hire dates ("Job Availability Information"). PA shall, to the extent reasonably possible, implement the methods suggested by the Coalition Reps. with respect to such notification.
- iv. PA shall issue a report regarding the then current status of the MWBE targets within six (6) months after the issuance of a Certificate of Occupancy for the first New Building in the project area, and every twelve (12) months thereafter for a period of ten (10) years. Calculation of the target percentages aforementioned shall be cumulative and made in the aggregate for all contracts.

- v. PA shall issue a report regarding the then current status of the MWBE targets set forth within a reasonable time after the issuance of the first Certificate of Occupancy. Calculation of the target percentages set forth in this provision shall be cumulative and made in the aggregate for all contracts.
- vi. Through the Center, PA shall make available to the Local Community information about job openings on all PA facilities on/or off airport grounds. PA shall include in its hiring guidelines and on its employment forms a statement that PA is committed to hiring qualified Local Residents.
- vii. The Coalition Reps. may request that PA coordinate with appropriate non-profit, federal, State and private organizations and institutions that assist individuals from Special Population groups in identifying appropriate workforce readiness programs, GED preparation, and workforce training programs. PA shall consider candidates who successfully complete such programs for employment by PA, provided, however, that in no event shall PA be obligated to hire an individual who does not satisfy the applicable job requirements. All decisions to hire or terminate an Employee shall be in PA's sole discretion.

V. Targeted Hiring

- a. **Targeted Hiring Requirements.** PA shall use good faith efforts to achieve certain hiring goals in the Project Impact Area with respect to Local Residents, as more particularly set forth below, during the construction period(s), and shall use commercially reasonable efforts to achieve certain hiring on airport grounds and PA facilities wherever located, with respect to non-construction obligations set forth in this CBA.
- b. **Targeted Hiring and Workforce Development Program for Airport Jobs.** Targeted Hiring and Workforce Development Program shall provide early access to targeted applicants for available Airport Jobs, and employers will receive prompt, cost-free referrals of

qualified and trained applicants. Except where the City's Worker Retention Policy requires retention of particular workers, PA shall require participation in the First Source Hiring Program with regard to all Airport Jobs by any:

- i. New Airport Contractor, Airport Lessee, and/or Airport Licensee resulting from the approved JFK RDP Master Plan;
- ii. Airport Contractor that enters into or receives a new, amended, or renewed Airport Contract, or receives a voluntary extension of an existing Airport Contract;
- iii. Airport Lessee that enters into or receives a new, amended, or renewed lease of any property owned by JFK, or receives a voluntary extension of an existing lease; and
- iv. Airport Licensee that agrees, receives, or is subject to a new, amended, extended, or revised licensing or permitting agreement or set of requirements.

As of 2018, PA shall ensure that the Targeted Hiring and Workforce Development Program is a material term of all Airport Contracts, lease agreements, and licensing or permitting agreements or sets of requirements that are new, extended, amended, renewed, or revised. Under these Airport Contracts, agreements, or requirements, employer participation in the Targeted Hiring and Workforce Development Program shall commence on the effective date of the Airport Contract, agreement, or requirement in question, or in 2018, whichever is later. PA shall actively monitor compliance with the Targeted Hiring and Workforce Development Program by all covered employers; shall enforce the liquidated damages provision of Exhibit C with regard to any instances of noncompliance; and shall take any other enforcement action under Airport Contracts, lease agreements, and licensing and permitting requirements necessary to prevent noncompliance.

VI. Post Construction Economic Development Opportunities

a. Airport Concession

- i. The PA shall use good faith efforts in pursuit of the goal of recruiting no- less than 30% MWBE for concession opportunities in all PA and Airport facilities wherever located. Priority shall be given to any businesses located in the priority zip codes listed above.

b. Service Contract