

**Memorandum of Understanding – New Port Covington Local Hiring
(Dated: 04/20/16)**

NEW PORT COVINGTON LOCAL HIRING

APR 20 2016 MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this "Memorandum") is made this ____ day of _____, 2016 by and between the **MAYOR AND CITY COUNCIL OF BALTIMORE**, a body politic and corporate and a political subdivision of the State of Maryland (the "City") acting by and through the Mayor's Office of Employment Development ("MOED"), and **SAGAMORE DEVELOPMENT COMPANY, LLC**, a company formed under the laws of the State of Maryland and registered to do business in the State of Maryland (the "Developer").

RECITALS

- A. The Developer, either directly or through affiliates, is or will be developing approximately 250 acres of land located on the South Baltimore peninsula, south of I-95, into a transformative, inclusive and world-class mixed-use, waterfront project, that will include more than 12 million square feet of new development (the "New Port Covington").
- B. The development of the New Port Covington is estimated to take between 20 and 25 years to complete, depending on economic market conditions, but over that period is projected to result in (a) more than \$5.5 billion in construction expenditures; (b) \$7.6 billion in construction-related economic activity; (c) 42,000 construction and multiplier jobs supported or created; and, (d) \$242 million in combined state and local government revenues.
- C. At full development, the New Port Covington is projected to generate (a) \$4.3 billion in economic activity; (b) 26,500 jobs supported or created; and (c) \$209 million in annual state and local government revenues.
- D. Development of the New Port Covington cannot occur without the creation of the necessary infrastructure, such as streets, roads, sidewalks, water lines, sewerage systems, parks and conduits for communication (collectively, "Project Infrastructure"). The cost of Project Infrastructure is estimated at \$1.1 billion, a portion of which will be funding through the use of tax increment financing ("TIF"), that will be funded by the future incremental tax revenues generated by the New Port Covington.
- E. The Developer is committed to diversity and inclusion and espouses the following goals for New Port Covington:
- a) To contribute significantly to Baltimore's economic development by creating jobs and business opportunities for Baltimoreans;
 - b) To establish and maintain communication feedback loops that ensure transparency and build trust;
 - c) To sponsor job-readiness and entrepreneurial bid-readiness to include more fully diverse groups of workers and community-based contractors;

- d) To facilitate participation among diverse and local vendors and suppliers;
- e) To develop sustainable partnerships with local community members, multilevel governmental agencies, non-profit organizations, service organizations, and other key stakeholders; and
- f) To engage all of the New Port Covington's development partners and future tenants/owners;

NOW THEREFORE, the City and Developer agree as follows:

PURPOSE

The City and Developer have agreed on a process to accomplish the goal of hiring Baltimore City residents to fill the employment opportunities generated by the construction of Project Infrastructure and all other projects developed by the Developer (together, the "Project") at the New Port Covington.

SCOPE OF SERVICES

1) **MOED RESPONSIBILITIES**. MOED will strive to ensure that Baltimore City residents have access to and are prepared for all employment opportunities made available through the Project.

2) To maximize the achievement of this goal, MOED will:

a. Utilize the resources of its One Stop Career Center Network and work collaboratively with a broad range of the Baltimore City workforce, faith-based, community-based organizations and other public, private and non-profit agencies to assist in the training and preparation of Baltimore City residents to become qualified for and have access to employment available through the Project. The goal will be to maximize the opportunities for Baltimore City residents to be hired in the jobs created by the Project. (See Capability Statement attached as Schedule A).

b. Market the Employ Baltimore talent pipeline to all contractors and sub-contractors during the construction phase and for permanent employment opportunities at the Project. This service provides employers with an efficient, single point of contact to access qualified city residents to fill employment needs (See Employ Baltimore attached as Schedule B).

c. Work with the Developer (or its Workforce Intermediary) to ensure that local hiring activities for the Project are coordinated with MOED to leverage the broad range of manpower and workforce development resources available through MOED.

d. Attend and provide presentations at vendor open house events, pre-bid meetings, and outreach events to subcontractors, consultants and on site subcontractor meetings to explain and promote its services ("MOED Business Services") and to collect information on job openings available from these entities.

e. Either directly or through the Workforce Intermediary, assist each Project contract awardee in developing a Workforce Plan. The Workforce Plan shall describe the general scope of work under the awardees' contract, total projected staffing, projected number of new hires, the manpower hours needed, the type of skills and expertise needed for new hires that will be involved in fulfilling the contract and a timeline for commencing the work. (See attached Workforce Plan Template as **Schedule C**).

f. Inform the Developer (or the Workforce Intermediary) and the Project contractors and subcontractors of any incentives available to enhance the hiring process, such as tax incentives aligned with hard-to-serve populations and job training offered by local workforce partners.

g. Promote the full range of workforce resources and employment related services available through MOED to the Developer, the Workforce Intermediary, and the Project's contractors and subcontractors.

h. Convene a Port Covington Local Hiring Advisory Committee which will be convened upon the approval by the Mayor of the development district ordinance, special taxing district ordinance, and the bond authorizing ordinance in connection with the New Port Covington. It will meet no less than quarterly to assess the progress of the local hiring plan. The primary responsibilities of the Committee shall be to review the Developer's quarterly progress reports and to make recommendations for achieving the goals set forth in this MOU.

3) **DEVELOPER RESPONSIBILITIES**. Developer is committed to hiring individuals who reside in Baltimore City. The Developer agrees to strive for a minimum goal that 20% of all on-site employees will be Baltimore City residents. The Developer will comply with Article 5, Subtitle 27 of the Baltimore City Code. "Local Hiring" (the "**Local Hiring Law**") which requires that 51% of all newly hired employees to complete the Project shall be Baltimore City residents. To achieve this goal, the Developer may dedicate a team of experts (the "**Workforce Intermediary**") to work with developers, contractors, subcontractors, and other businesses to aggregate all available job data, and to coordinate and communicate with MOED and workforce training providers.

4) To maximize the achievement of the stated employment goals, the Developer (or its Workforce Intermediary on its behalf) will:

a. Comply with the provisions of the Local Hiring Law and Employ Baltimore Executive Order dated December 18, 2013 (the "**Employ Baltimore Executive Order**").

b. Require all Project contractors and subcontractors to comply with the provisions of the Local Hiring Law and Employ Baltimore Executive Order. Requirements of the Local Hiring Law and Employ Baltimore Executive Order shall be included in all contracts with Project contractors and subcontractors. All contract awardees shall schedule a meeting with MOED within two weeks of contract award. The meeting will provide the awardee the opportunity to learn about the full range of workforce resources and employment related services available to them through MOED's Business Services Division and to acquire assistance in developing its Workforce Plan.

c. Submit a Workforce Plan (see Schedule C) to MOED which reflects the Project's expected workforce needs and will direct all Project contractors and subcontractors to submit a workforce plan to MOED which reflects the respective Project contractor's and subcontractor's expected workforce needs no later than 30 days after contract award or 30 days prior to mobilization, whichever is earlier. The Workforce Plan will describe the general scope of work under the contract awardee's contract, its total projected staffing, projected total number of work hours for the project, project number of new hires, the total number of work hours for the new hires, the type of skills and expertise needed for new hires that will be involved in fulfilling the contract and a timeline for commencing the work.

d. Provide MOED with at least \$80,000 annually for MOED to employ a Port Covington Local Hiring Coordinator position. The Local Hiring Coordinator shall be exclusively dedicated to the Project and will meet regularly with the Developer to meet the goals of this Memorandum.

e. Use commercially reasonable efforts to post all new jobs needed by the contract awardees to fulfill the jobs through MOED and its One Stop Career Centers and Workforce Partner Network for a period of seven (7) days prior to publicly advertising the openings. This will enable MOED to identify and refer qualified City residents to Project contractors and subcontractors as candidates for these job opportunities.

f. When there are material revisions to the scope of work or its approach to the work which results in a change in the number of workers required for the Project, the applicable Project contractor and subcontractor shall promptly submit an updated Workforce Plan to MOED.

g. Utilize commercially reasonable efforts to hire Baltimore City residents for substantially all open, Project positions for which they are qualified and give commercially reasonable priority to such residents.

h. In consultation with MOED, design and produce promotional marketing and informational materials to inform community residents of the Project employment opportunities. These materials will be distributed at Baltimore area community information sessions, Career Centers, faith-based and community based organizations and educational institutions. The Developer will also work with MOED to jointly host job fairs and hiring halls as planned with MOED.

i. Actively promote the benefits of hiring Baltimore City residents with its subcontractors and provide information regarding the Employ Baltimore talent pipeline and other MOED and workforce partner resources and services.

j. Utilize MOED as one of the primary points of contact for open positions on the Project.

k. Require construction contractor and sub-contractors to provide the MOED and the Developer or the Workforce Intermediary with a Manpower Report in the format attached to this MOU as Schedule D on a monthly basis. The reports shall include the name and address of each employee dedicated to the Project, their job classification and whether they are a new or existing

employee. All Manpower Reports will be compiled by the Developer in an overall local hiring statement, including copies of the individual Manpower Reports and be forwarded on a quarterly basis to MOED and a *Port Covington Local Hiring Advisory Committee* for review.

1. Participate in the *Port Covington Local Hiring Advisory Committee* meetings convened by MOED.

5) The Developer is committed to engaging and employing working age youth. In furtherance of this commitment, the Developer shall fund at least 100 Youth Works jobs or other comparable positions for young people annually, beginning in the summer of 2016, at the assumed rate of \$1,500 per job (or such higher amount as may result from inflation or changes in the minimum wage).

6) The Developer is committed to ensuring reliable and affordable transportation to the Project, such as bus service, so that Baltimore City residents are able to the Project's jobs. If during the first five (5) years of construction, reliable transportation options are not available, the Developer will subsidize or otherwise provide transportation, such as jobsite shuttles, to ensure Baltimore City residents have transportation to and from the Project.

7) The term of this Memorandum shall be five years from the date shown in the first paragraph hereof and shall automatically renew for an additional five-year term on each fifth anniversary of such date unless earlier terminated by the written agreement of both the City and the Developer.

GOVERNANCE

This Memorandum is made in the State of Maryland and shall be governed by the laws of the State of Maryland.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum on the date first above written.

ATTEST:

Joanna C. Reyes
Custodian of the City Seal

**MAYOR AND CITY COUNCIL OF
BALTIMORE**

By: Stephanie Rawlings-Blake
Stephanie Rawlings-Blake, Mayor

WITNESS:

[Signature]

**SAGAMORE DEVELOPMENT COMPANY,
LLC**

By: [Signature] (Seal)
Marc Weller, President

Approved as to form and legal sufficiency:

Joanna Lever
Chief Solicitor
by [Signature]

Approved by the Board of Estimates

Bernice H Taylor
Clerk Date

APR 20 2016

SCHEDULE A

CAPABILITY STATEMENT

Mayor's Office of Employment Development
417 E. Fayette Street, Suite 468
Baltimore, MD 21202

www.oedworks.com

The Mayor's Office of Employment Development (MOED) coordinates and directs workforce development initiatives responsive to the needs of Baltimore City employers and job seekers in order to enhance and promote the local economy.

MOED's vision is that every Baltimore resident maximize his/her potential and all employers have the human resources to grow and prosper — creating a workforce system that works.

Business Services Contact Information:

Rosalind Howard, Manager
3001 E. Madison Street
Baltimore, MD 21205
443-984-3014
410-361-9648 (fax)
business@oedworks.com

Employ Baltimore is the business services marketing strategy for MOED.

We are a professional business service that provides customized workforce solutions to Baltimore area businesses.

Business & Training Services

- No cost job posting, outreach and recruitment
- Pre-screening and assessment of applicants
- Tax credit information
- Human resources support
- Job fairs and on-site recruitment
- Business network forums
- Digital learning labs
- Customized training for new employees

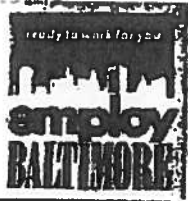
Connecting the Workforce

MOED has One-Stop Career Centers and Community Job Hubs in Baltimore City where job seekers with a wide range of occupational skills, educational backgrounds and work experiences access employment and training opportunities. MOED's Business Services staff will work with your company to coordinate recruitment and match qualified jobseekers based upon your skill requirements. All applicants are pre-screened by MOED's professional staff at no cost to your company!

MOED Business Services 443.984.3014 business@oedworks.com www.oedworks.com

- Community hiring project management
- Academic remediation resources
- Grants for incumbent worker skill upgrade training
- Management of the Employ Baltimore Executive Order
- Links to local and state economic development initiatives and resources
- Professional outplacement services
- Construction
- Hospitality and Tourism
- Port and Port-Related Services
- Sustainable Energy and Environmentally-Driven Services

SCHEDULE B



Designed to promote local hiring,
Employ Baltimore

is a collaborative campaign led by the Baltimore Workforce Investment Board and the Mayor's Office of Employment Development. Coordinating with a diverse workforce partner network comprised of regional training vendors and educational institutions, gives employers an efficient, quick and reliable method for finding qualified city residents to fill their job needs.

Job-ready local workforce

To ensure that employers are connected with qualified applicants, all referred job seekers meet the newly updated, employer-vetted 21st Century job Readiness Standards and possess the skills and abilities that proves Baltimore City does indeed have a pool of viable, prepared and productive local residents ready to work for companies representing all industries. In addition, all referrals must have a minimum of:

- a high school diploma or CED
- work experience
- a personal pre-screening interview with MOED professional staff or with a formal workforce partner organization

Job seekers are identified from an expanding talent database, which categorizes applicants by skills, industry-recognized credentials and academic/occupational certifications to customize successful matches to employer needs.

Easy Employer Access

Employers can easily submit their job openings online by completing a Job Posting Application found on the Business Services section of MOED's website, www.oedworks.com and emailing it to business@oedworks.com. They can also complete their job order by:

- calling 443-984-3014
- faxing 410-361-9648
- mailing to:
MOED Business Services
3001 E. Madison Street
Baltimore MD 21205

All employers submitting a job posting will be contacted by an MOED Business Services Representative within one business day to begin matching pre-screened candidates with the job openings.

No-Cost Business Services

Employers contacting MOED have access to MOED's no-cost business services including:

- ◆ Outreach & recruitment
- ◆ Referrals
- ◆ Tax credit information
- ◆ Training
- ◆ Pre-screening and assessment
- ◆ Labor market intelligence
- ◆ Bonding
- ◆ Outplacement services

SCHEDULE C

WORKFORCE PLAN

Contractor:	
Total Bid Amount	Start Date: _____ End Date: _____
Total # of Employees on Payroll:	Woman or Minority Owned Business:
<input type="checkbox"/> 0-50 <input type="checkbox"/> 51-100 <input type="checkbox"/> 101-150 <input type="checkbox"/> 151-200+	<input type="checkbox"/> Yes <input type="checkbox"/> No
Contractor Contact Information (person Responsible for working with MOED to achieve local hiring goals)	
Contact Name	_____
Work Address	_____
City, State, & Zip	_____
Telephone #	Office _____ Cell _____
Email Address	_____

WORKFORCE PLAN	Projected Number of Workers Required to complete this project	Total Number of Current Employees on payroll	Projected Number of New Hires for this entire project

1. Is recruitment required for new hires by the Contractor? No Yes How soon? _____ days
2. If no, will former workers be brought back? No Yes How Many? _____
3. Is recruitment required for any of your subcontractors? No Yes
If so, have them complete plan.
4. Does the contractor have openings on other projects? No Yes
5. If recruitment is required, complete chart below and attach job descriptions for each.

Position Title	# Jobs	Skills Required	Wage Rate	Experience Level (1=skilled, 2=entry, 3=no experience)

By signing below, I attest that the information above is accurate to the best of my knowledge and ensure that my company will put forth our best practical effort to hire local residents for all job openings available as a result of this project. This will assist to achieve the project hiring participation goals.

Company

Signature of Authorized Company Representative

Date

SCHEDULE D

MANPOWER REPORT

Name of Contractor/Sub-Contractor: _____
The Manpower Report below represents employment and hiring activity for the period of:

MANPOWER REPORT

Total number of workers on payroll since the project's inception	
Total number of hours worked since the project's inception	
Total number of workers on payroll for this period	
Total number of hours worked during this period	
Number of Baltimore City residents on payroll for this period	
Number of hours working during this period by Baltimore City residents	
New positions filled during this period	
New positions filled by Baltimore City residents	

By signing below, I attest that the information above is accurate to the best of my knowledge and ensure that my company has made a good faith effort to hire local residents for all job openings available as a result of this project. This information can be utilized for reports and to determine if my company is meeting goals as previously negotiated.

Name (print): _____

Signature: _____

Title: _____

Date: _____