



First Source Hiring Fact Sheet

What is the First Source Hiring Program?

The First Source Hiring Program was initially enacted into law (Chapter 83 of the City's Administrative Code) in San Francisco in August 1998. The ordinance has recently been modified in April 2006.

The intent of First Source is to connect economically disadvantaged individuals with entry-level jobs that are generated by the City's investment in contracts or public works; or by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection.

What Projects qualify under First Source?

- Any activity that requires discretionary action by the City's Planning Commission related to a commercial activity over 25,000 square feet including, but not limited to conditional use, project authorization under San Francisco Planning Code Section 309 and office development under Planning Code Section 320, et sec.
- Any building permits applications for a residential project over 10 units.
- City issued public construction contracts in excess of \$350,000.
- City contracts for goods and services in excess of \$50,000.
- Leases of City property.
- Grants and loans issued by City departments in excess of \$50,000.

How does First Source work?

- For businesses or non-profits who receive a non-construction or professional services contract from a City Department over \$50,000, those successful bidders are required to project the number of entry-level job openings they expect during the contract period and forward that information to First Source.
- For City issued construction contracts in excess of \$350,000, or for private developments that fall within the scope of the Chapter 83 requirements, CityBuild is the operational arm of First Source in working with construction contractors to hire local residents for apprentice positions.
- Entry-level jobs are defined as those non-managerial position that require either no education above a high school diploma (or equivalency) OR no more than 2 years of specific training or work experience.
- Successful bidders are required to post their entry-level openings with First Source and offer the City the first opportunity to refer qualified candidates to those positions.
- While the ordinance does not require an employer to hire a specific candidate, it does require that employers make a good faith effort to hire referrals from the City's workforce development system.

What are the penalties for non-compliance with the First Source Ordinance?

- Liquidated damages of up to \$5,000 can be assessed for each entry-level job improperly withheld from the First Source Hiring process.
- Continued failure could result in liquidated damages of up to \$10,000 for each entry-level job improperly withheld from the First Source Hiring process.

How to Contact First Source?

Should you have questions or require additional assistance, please contact Business Services at (415) 701-4848