

Memorandum



DATE April 3, 2015

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Day Labor Centers

On April 6, 2015, the Budget, Finance and Audit Committee will be briefed on Day Labor Centers. The briefing is attached for your review.

Please let me know if you need additional information.



Theresa O'Donnell
Chief Planning Officer

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

Day Labor Centers

A Briefing To The Budget, Finance & Audit
Committee

April 6, 2015

Planning & Neighborhood Vitality
Department



Purpose of Briefing

- The purpose of this briefing is to provide information on Day Labor Centers within the Metroplex

Background

Definitions

Day laborers are people, usually men, who gather on sidewalks, parking lots, near building supply stores, or wherever they can be visible to potential employers, waiting to get hired for short term jobs

- The job could be cleaning a yard, moving heavy furniture, helping to install a new roof, painting, landscaping, light construction, etc.
- The laborers typically are hired for a day or other temporary basis, often working for different employers each day, and lacking key benefits, such as health or unemployment insurance. They can be skilled or unskilled workers

Background

- The U.S. Dept. of Labor reports that day laborers are predominantly Hispanic men with significant language barriers. However, day laborers also include:
 - Female and other ethnicities/races
 - Unemployed skilled workers
 - Underemployed individuals looking to supplement their income
- Advocates of day labor centers argue that these centers mitigate the harms of employer abuse and wage exploitation by providing a more regulated environment for day laborers to obtain work
- On average, day laborers are typically paid a wage rate at or slightly above the federal minimum wage (\$7.25/hr)

Background

- **Employers of day laborers** are typically contractors, homeowners and business owners
- **Day Labor Hiring Sites** are locations where day laborers gather to await employers to hire them. There are three types of hiring sites:
 - *Organized Sites*
 - *Unstaffed Sites*
 - *Staffed Sites*

(Types of hiring sites discussed on Pages 7-9)

- **A Day Labor Center** refers to a formal or designated location which has been specifically developed for day labor hiring
 - Offers both workers and contractors a safer alternative to informal hiring sites and have emerged as a comprehensive response to day labor issues.
 - Provides a mechanism to monitor the actions of all parties and increases the transparency of the hiring process

Background

Common Nuisance Complaints

- Blocking sidewalks
- Rushing cars
- Public Urination & Littering
- Alcohol/Drug use/Gambling
- Sexual harassment or rude comments to women passers-by

Common Perceptions/Misconceptions

- Decrease in property values
- Increase in crime
- Unsightliness
- Intimidation of pedestrians and nearby business customers

Types of Day Labor Hiring Sites

I. Organizing at Original Corner/Location

- Original locations where laborers congregate
- Self-governed (by laborers) with an organizer sent in to help negotiate resident, property & business owner, and police conflicts

Advantages

- No capital outlay or assigned staffing costs

Disadvantages

- No oversight of the location or process
- May not address neighborhood complaints and conflicts
- Laborers may still be vulnerable to employer abuse(s)

Resources Required

- Organization and conflict resolution process
- Trash cans, portalets and/or access to available restrooms

Types of Day Labor Hiring Sites

II. Unstaffed Designated Site

- Hiring location usually within proximity to original gathering site
- May include an open sheltered structure, portalets, trash cans and drinking water
- Informal means of determining who gets hired when an employer arrives. Workers self-police.

Advantages

- Minimal staffing, operations & maintenance budget
- May reduce neighborhood complaints and conflicts

Disadvantages

- Job distribution/assignments may be random
- Potential for employee abuses without staff oversight

Resources Required

- Shelter, trash cans, portalets and drinking water
- Site maintenance

Types of Day Labor Hiring Sites

III. Staffed Designated Site

- Represents the greatest degree of formal organization and need for capital and staffing resources

Advantages

- Allows orderly and efficient distribution of jobs
- Allows for the provision of other services
- More effective in reducing neighborhood complaints

Disadvantages

- Higher cost of staffing, operations & maintenance

Resources Required

- Capital outlay for property acquisition and construction of a facility
- Budget for ongoing staffing, operations and maintenance

Metroplex Day Labor Centers

Three active day labor centers have been identified in the Metroplex.

1. Denton Day Labor Site
2. Garland Day Labor Center
3. Plano Day Labor Center
4. Fort Worth Day Labor Center (Closed)

Snapshot: Denton

Denton Day Labor Site

| | |
|--------------|---|
| Location: | Intersection of U.S. 377, W. Collins St. and Myrtle St. |
| Center Type: | Unstaffed Designated Site |
| Established: | 1996 |
| Purpose: | To provide a shelter to protect day laborers while seeking employment |

Background

- In 1996, a group of Hispanic leaders formed the Denton Humanitarian Association (DHA) to raise money to build a pavilion for Denton's day laborers.
- The pavilion was constructed on TxDOT right-of way, blocks from the original pick-up site. TxDOT leased the land to the City which in turn leased it to DHA.
- DHA, local Eagle Scouts, day laborers, contractors and other volunteers worked in partnership to construct the center at a cost of \$10,000. No City funding was provided.
- In 1999, the DHA was dissolved and the City assumed maintenance of the facility.
- Because the facility is unstaffed, data on the number of laborers and contractors served is not available.
- The facility consists of a pavilion, drive lane for contractors, drinking water and portalets for laborers.

**Denton Day Labor Site
U.S. 377 @ W. Collins Street
Denton, TX**



Snapshot: Denton

Denton Day Labor Site con't.

2014 Labor Visits: N/A

2014 Labor Placements: N/A

2014 Contractors: N/A

Annual Operating Budget:

Hours: 6:00 am - 2:00 pm

Fee charged: No

Comments: The City of Denton is pleased with current operations and has no interest in a staffed or programmed facility at this time



Snapshot: Garland

Garland Day Labor Center

| | |
|-------------------|---|
| Address: | 2007 Saturn Road |
| Center Type: | Staffed Designated Site |
| Year Established: | 2001 |
| Purpose: | To provide a safe and organized location for laborers and contractors to negotiate employment |

Background

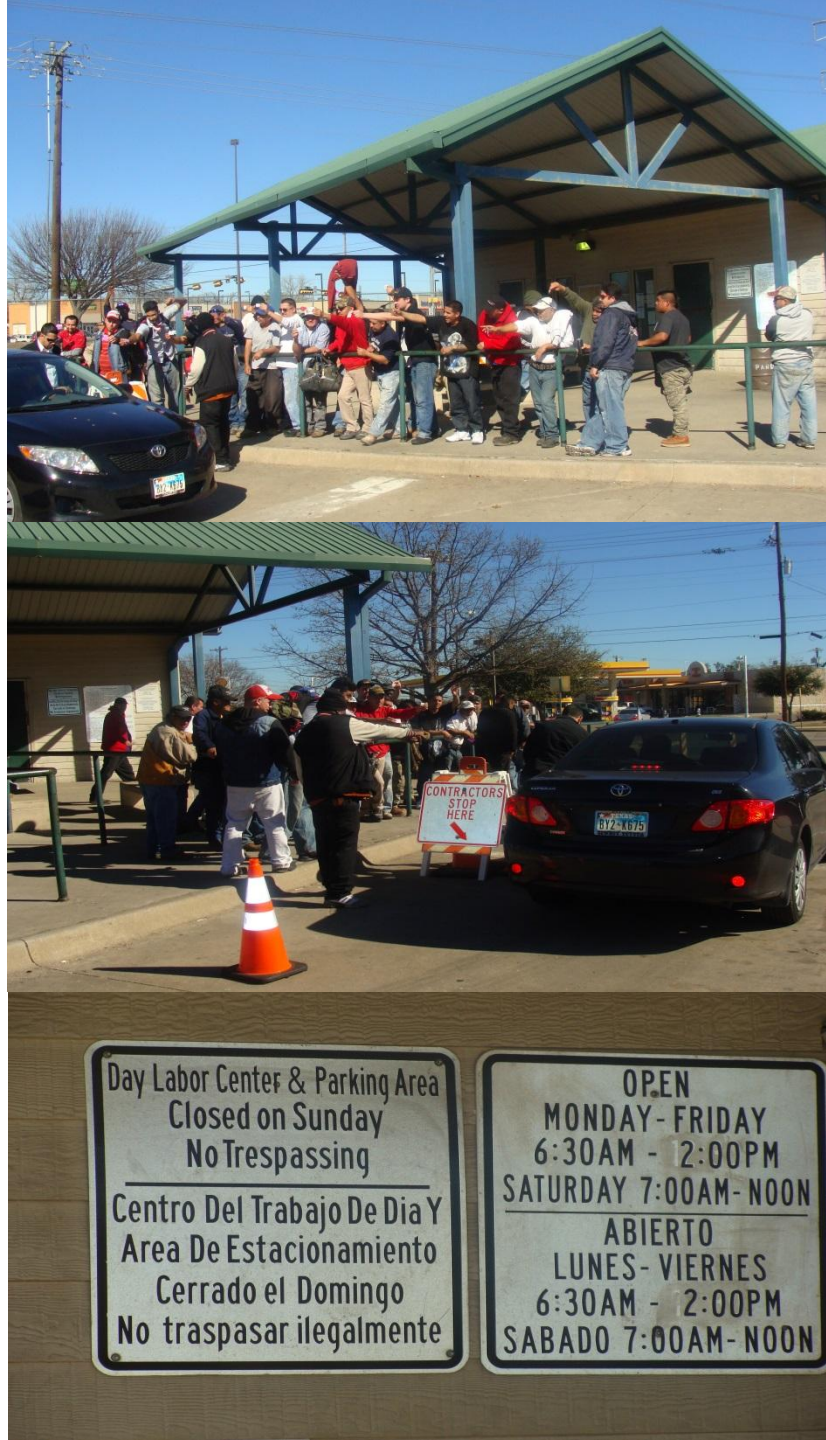
- Garland's day labor center is operated under the City's Parks & Recreation Dept. in partnership with the TX Workforce Commission
- The facility includes office space for staff only. A shelter, drinking water and portalets are provided outside for laborers
- The center allows for outside services to be provided to laborers (eg. ESL classes, HIV testing, etc.)
- Staff is not involved with the distribution of work assignments. Contractors select the laborers they wish to hire
- Laborers from Dallas frequent the Garland center

**Garland Day Labor Center
2007 Saturn Road
Garland, TX**



Garland Day Labor Center con't.

| | |
|-------------------------------|--|
| 2008 Laborer Visits: | 36,729 |
| 2008 Laborer Placements: | 7,668 |
| % Laborers Placed: | 21% |
| 2008 Contractors: | 3,461 |
| 2014 Laborer Visits: | 28,953 |
| 2014 Laborer Placements: | 8,023 |
| % Laborers Placed: | 28% |
| 2014 Contractors: | 5,649 |
| 2014 Operating Budget: | \$71,834 |
| (1 FTE , 1 Temp, Maintenance) | |
| Hours: | (Mon-Fri) 6:30 am - 2:00 pm |
| | (Sat) 7:00 am - 12:00 pm |
| Average Wage Rate: | \$10/hr. |
| Fee charged: | No |
| Comments: | No criminal background or legal residency checks are performed |



Snapshot: Plano

Plano Day Labor Center

| | |
|-------------------|---|
| Address: | 805 Ozark Drive |
| Center Type: | Staffed Designated Site |
| Year Established: | 1994 |
| Purpose: | To provide safe and orderly access to contract employment by contractors and laborers |

Background

- Plano's day labor center was opened in 1994 and is the oldest day labor center in North Texas
- The facility is located across from the Parker Road DART station, allowing for convenient access to public transportation
- The center is owned and operated by the City under the Planning Dept. (Community Services Div.)
- The facility includes office space for staff only. Laborers are permitted to access the center to use restrooms. A drinking fountain and a sheltered pavilion are provided outside for the laborers
- A security camera system is used to monitor outside activities by on-site staff and management at city hall

Snapshot: Plano

Plano Day Labor Center con't.

- The center does not allow for outside services to be provided to laborers, emphasizing its mission to connect to laborers to contractors only
- A special police unit is assigned to the area to address potential nuisances and solicitation, and other issues of public safety
- A lottery system is used to pair laborers with contractors



**Plano Day Labor Center
805 Ozark Drive
Plano, TX**



Plano Day Labor Center con't.

2007 Laborer Visits: 37,379

2007 Laborer Placements: 11,618

% Laborers Placed: 31%

2007 Contractors: 9,520

2014 Laborer Visits: 30,985

2014 Laborer Placements: 13,509

% Laborers Placed: 44%

2014 Contractors: 9,213

2014 Operating Budget: \$205,442

(3 FTEs, Maintenance)

Hours: (Mon, Tues, Thurs, Fri) 6:30 am - 1:30 pm
(Wed) 6:30 am - 12:45 pm
(Sat) 6:30 am - 12:00 pm

Average Wage Rate: \$10-12/hr.

Fee charged: No

Comments: No criminal background or legal residency checks are performed



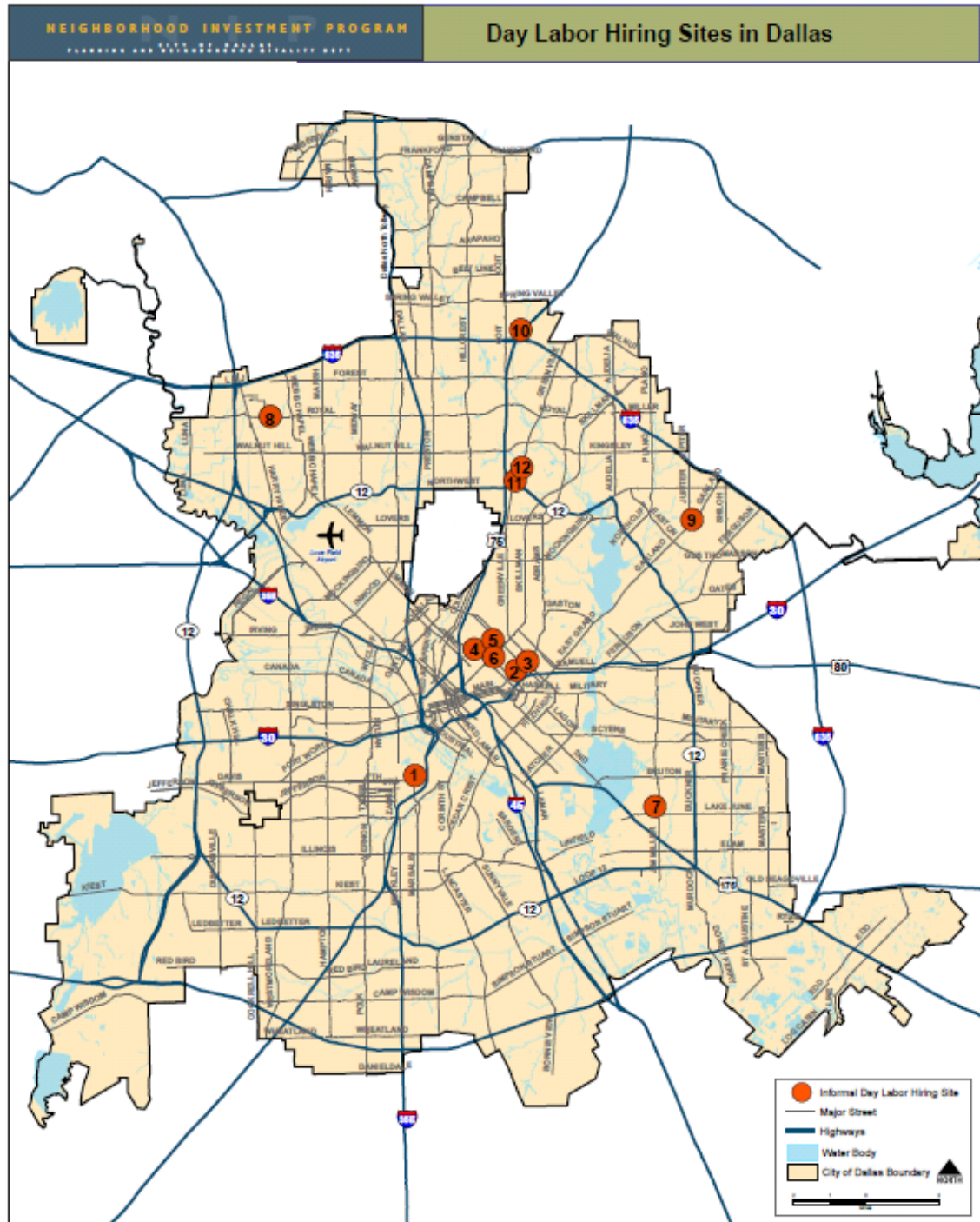
Informal Day Labor “Pick-up” Locations in Dallas

- The following locations have been identified as informal day labor pick-up locations in Dallas (see Map 1)

| | ADDRESS | COUNCIL DISTRICT |
|----|---------------------|------------------|
| 1 | 306 N MARSALIS AVE | 1 |
| 2 | 4800 COLUMBIA AVE | 2 |
| 3 | 106 S FITZHUGH AVE | 2 |
| 4 | 4301 ROSS AVE | 2 |
| 5 | 4500 ROSS AVE | 2 |
| 6 | 1321 N CARROLL AVE | 2 |
| 7 | 7037 LAKE JUNE RD | 5 |
| 8 | 2911 ROYAL LN | 6 |
| 9 | 11445 GARLAND RD | 9 |
| 10 | 13205 MAHAM RD | 11 |
| 11 | 8282 PARK LN | 13 |
| 12 | 6866 SHADY BROOK LN | 13 |

Map 1

Informal Day Labor "Pick-up" Locations in Dallas



Hot Button Issues

Anti-immigration

A public perception exists that many day laborers are undocumented immigrants that lack proper legal rights (documentation) to work in the U.S.

- Anti-immigration advocates often oppose the use of tax payer dollars to fund day labor centers

NIMBY (Not In My Back Yard)

Local opposition to siting facilities should be anticipated

State Law and City Ordinances

1. **Texas Transportation Code Sec. 552.007. Solicitation By Pedestrians**
 - (a) A person may not stand in a roadway to solicit a ride, contribution, employment, or business from an occupant of a vehicle, except that a person may stand in a roadway to solicit a charitable contribution if authorized to do so by the local authority having jurisdiction over the roadway.
2. **Dallas City Code Section 31-35 Solicitation by Coercion; Solicitation Near Designated Locations and Facilities; Solicitation After Sunset; Solicitation-Free Zones**
 - Solicitation ("... to ask, beg, solicit, or plead, whether orally or in a written or printed manner, for the purpose of receiving contributions, alms, charity, or gifts of items of value for oneself or another person ...") Coercion ("... to approach or speak to a person in such a manner as would cause a reasonable person to believe that the person is being threatened ...")
3. **Dallas City Code Section 28-63.3 Solicitation To Occupants of Vehicles on Public Roadways**
 - Solicitation ("... Any conduct of act whereby a person...either orally or in writing, asks for a ride, employment, goods, services, financial aid, monetary gifts, or any article representing monetary value, for any purpose...")

Committee Direction

- Staff is prepared to undertake additional research or continue work on developing an approach to day labor facilities based on Committee direction.

APPENDICES

Appendix 1 Reference Documents

Appendix 2 Garland Day Labor Statistics, 2008-2014

Appendix 3 Plano Day Labor Statistics, 2008-2014

Appendix 1 Reference Documents

References

Melendez, E., Valenzuela, A., Theodore, N., & Visser, A. (2012). "Day Labor Centers and Community Outcomes" Los Angeles: Center for the Study of Urban Poverty.

National Day Labor Survey, (2004). Public Policy Institute of California and Bureau of Labor Statistics.

Steven, G., (2006). "Broad Survey of Day Laborers Finds High Level of Injuries and Pay Violations". *The New York Times*. Published on January 22, 2006. Retrieved on March 3, 2015.

Toma, R., & Esbenshade, J. (2001). *Day Labor Hiring Sites-Constructive Approaches to Community Conflict*. Commission on Human Relations, Los Angeles County.

Trevino, J., (2014). "Plano Day Labor Center has proved to be a much-needed facility for 20 years." *The Dallas Morning News*. Published on January 10, 2014. Retrieved on March 3, 2015. <http://www.dallasnews.com/news/community-news/plano/headlines/20140110-plano-day-labor-center-has-proved-to-be-much-needed-facility-for-nearly-20-years.ece>

Valenzuela, A., Theodore, N., Melendez, E., & Gonzalez, A. L. (2006). "On the Corner: Day Labor in the United States." Los Angeles: Center for the Study of Urban Poverty

Valenzuela, Jr. A. 2003. "Day Labor Work," *Annual Review of Sociology*. Vol. 29: 307-333., August 2003.

Appendix 2

Garland Day Labor Statistics, 2008-2014

| Garland Day Labor Center Statistics, 2008-2014 | | | | |
|--|----------------------|--------------------|-------------------|-------------|
| | Total Laborer Visits | Laborer Placements | % Laborers Placed | Contractors |
| 2008 | 36,729 | 7,668 | 21% | 3,461 |
| 2009 | 41,603 | 7,150 | 17% | 4,436 |
| 2010 | 34,407 | 7,989 | 23% | 5,219 |
| 2011 | 31,186 | 9,320 | 30% | 5,812 |
| 2012 | 26,014 | 9,585 | 37% | 6,139 |
| 2013 | 27,668 | 8,043 | 29% | 5,228 |
| 2014 | 28,953 | 8,023 | 28% | 5,649 |

Appendix 3

Plano Day Labor Statistics, 2007-2014

| Plano Day Labor Center Statistics, 2007-2014 | | | | |
|--|----------------------|--------------------|-------------------|-------------|
| | | | | |
| | Total Laborer Visits | Laborer Placements | % Laborers Placed | Contractors |
| 2007 | 37,379 | 11,618 | 31% | 9,520 |
| 2008 | 57,863 | 17,150 | 30% | 12,808 |
| 2009 | 59,088 | 10,655 | 18% | 7,097 |
| 2010 | 48,766 | 11,725 | 24% | 8,272 |
| 2011 | 40,083 | 12,736 | 32% | 9,201 |
| 2012 | 38,429 | 14,520 | 38% | 10,414 |
| 2013 | 32,874 | 13,919 | 42% | 8,665 |
| 2014 | 30,985 | 13,509 | 44% | 9,213 |