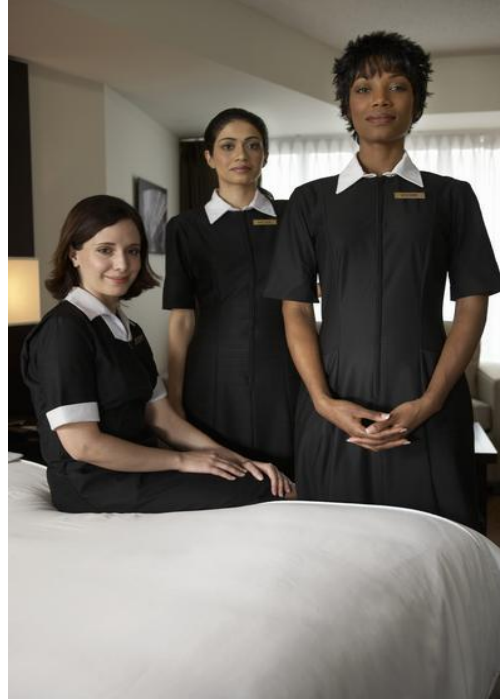


# Working Group on African American Inclusion and Diversity in Travel and Hospitality Industry: Report and Recommendations

April 30, 2014



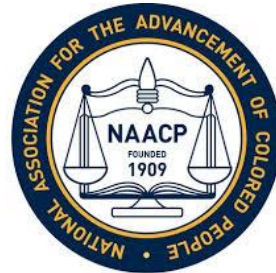
# Contents

- Contributors.....3
- Introduction .....4
- Executive Summary .....6
- Tourism Diversity and Inclusion Report .....9
- Hospitality Workforce Development and Employment Report .....14
- Business Development and Technical.....18
- Assistance Report .....18
- Construction Contracting and Procurement Report .....22
- Job Readiness, Training and.....24
- Education Opportunities Report .....24

## Contributors

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The members of the working groups gratefully acknowledge the support, commitment and diligence of dozens of community, private, and government organizations, including the following, without which our important mission could not have been achieved:



For media and other inquiries, please contact Laurie Armstrong at: [larmstrong@sanfrancisco.travel.com](mailto:larmstrong@sanfrancisco.travel.com).

# Introduction

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## Background and History

In the fall of 2013, in response to community concerns about diversity in tourism in San Francisco, an unprecedented group of leaders representing industry, civil rights, business, government, and education began working together to ensure the accurate and prominent portrayal, both domestically and internationally, of the African American community as an integral member of City's richly diverse family. Following outreach, conversation and collaboration, these leaders expanded their mission to also examine the multiple ways in which diversity, equity, and economic inclusion could be advanced throughout the hospitality and travel industries in San Francisco, including in contracting, small business, workforce development, and employment.

## Working Group Objectives

While the initial focus began with a concern about equity and inclusion specifically for African Americans in San Francisco, the overriding objectives of this collaboration were to (1) identify tools and (2) implement tangible solutions that result in the full and fair inclusion of *all* underrepresented communities in *all* aspects of the City's robust travel and hospitality industries. Particular attention was paid to the City's most disadvantaged and underrepresented communities, workers, census tracts, businesses and neighborhoods.

On January 15, 2014, a working group comprised of more than 60 leaders representing San Francisco community and faith-based organizations, African American civil rights and business organizations, Departments of the City & County of San Francisco, labor, higher education, and the travel and hospitality industry convened to establish a forum and process for their collective work. The working members aimed to identify proactive steps that members of the working group could jointly pursue to enhance and support African American participation in San Francisco's travel and hospitality industry, including the establishment of effective industry partnerships aimed at enabling the full inclusion of African Americans in San Francisco's tourism industry. The working groups were focused, in part, on advancing the inclusion and vitality of African American businesses and the African American community as a whole in the hospitality and tourist economies.

Toward this end, the working group agreed to subdivide into five (5) sub-committees charged with identifying recommendations that can be pursued to fulfill the purpose of the Working Group, culminating in a final report of their work to the full working group by April 30, 2014.

These subcommittees included the following:

- Tourism Diversity and Inclusion
- Hospitality Workforce Development and Employment
- Business Development and Technical Assistance
- Construction Contracting and Procurement
- Job Readiness, Training, and Education Opportunities

This Report is a compilation of the diligent work of the subcommittees and will be used by the full working group to pursue priority actions in partnership with the community as a whole. The working group will appoint an Executive Steering Committee to continue the leadership, progress, and monitoring of the recommendations and implementation actions reflected herein.

## **A Shared Commitment to Equity and Inclusion**

We realize that there may be differing views, even across our subcommittees, regarding our specific suggestions, but we hope that all who read this report will share our commitment and determination to advance the inclusion of African Americans in the hospitality industries, as workers, contractors, business owners and tourists. That shared commitment should be the foundation of a common plan to celebrate San Francisco's rich diversity and history, and open up the hospitality and travel industry to all. Our recommendations, therefore, aim to speak to what all stakeholders across our City might pledge to do to foster greater diversity.

## Executive Summary

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The five working group subcommittees each convened a series of separate meetings to identify and review issues related to their respective subject matter and develop recommended actions that can be pursued to facilitate the full inclusion of African Americans in San Francisco's travel and hospitality industry. Below is a brief executive summary of the recommendations developed. The full reports of each subcommittee, including topics examined, full recommendations, and implementation activities, are included in the remainder of this report.

### Tourism Diversity and Inclusion

- **Marketing and Promotions.** Strengthening the African American community through culturally competent, neighborhood-specific marketing activities, including industry networking events, regular domestic and international promotional materials, community-based organizational partnerships, and board engagement by San Francisco Travel.
- Business and Neighborhood Improvement Collaboration. Working with travel industry, community, and business leaders, promoting tourism in historically African American neighborhoods through each of the following:
  - Implementation of San Francisco Travel's "Connecting Neighborhoods to Tourism" toolkit to connect diverse and underserved neighborhoods to hospitality;
  - Jointly pursue funding through allocations out of the Transient Occupancy Tax for programs designed to build capacity for the communities in underserved census tract clusters to successfully participate in the travel and hospitality industry;
  - Regular dialogue and engagement with the board of directors of San Francisco Travel to pursue the development and implementation of programs aimed at greater inclusion of the African American community in the travel and tourism industry, through the Diversity and Inclusion Advisory Council; and
  - Commencement of a stakeholder process to evaluate Fillmore/Western Addition as a Community Benefit District.

### Hospitality Workforce Development and Employment

- **Data and Reporting.** Working with various hotels, City government, local unions, local commerce chambers, and the Moscone Center, assembling and disseminating Hospitality Inclusion Reports providing demographic data on the availability and utilization of African Americans, and other underserved San Franciscans, as hospitality trainees, applicants, and workers.
- **Access and Opportunity.** Working with various hotels, City government, local unions, local commerce chambers, and the Moscone Center, targeting specific underserved census tract clusters through the establishment of each of the following:
  - At least annual dedicated hiring fair, hosted by partner Hotels;

- At least annual community based organization Hospitality Outreach Fair, hosted by partner Hotels;
- At least annual pre-apprenticeship and internship program in collaboration with union leadership and Hotels;
- Hotel Council communications plan and diversity council committed to targeted outreach, engagement, and inclusion; and
- City official and internet-based clearing house dedicated to increasing visibility of hospitality tradespersons unemployed and seeking work, and transparency of opportunities in the industries.

## **Business Development and Technical Assistance**

- **Targeted Small Business Development.** The establishment of the Hospitality Equity & Entrepreneurship Incubator, a small business incubator chartered to seed not less than 20 for-profit businesses in the hospitality industry with majority ownership and employees from highly underserved census tract clusters.

## **Construction Contracting and Procurement**

- **Data and Reporting.** Working with various hotels, City government, the travel association, local unions, local commerce chambers, and the Moscone Center, assembling and disseminating Hospitality Inclusion Reports providing demographic data on the availability and utilization of African Americans, and other underserved San Franciscans, as hospitality contractors, vendors and businesses.
- **Access and Opportunity.** Working with various hotels, City government, the travel association, local unions, local commerce chambers, and the Moscone Center, establishment of at least quarterly bid-breakfasts, networking and outreach opportunities, and dedicated personnel to improving transparency and opportunities for individuals and firms tied to underserved census tract clusters.

## **Job Readiness, Training and Advanced Education**

- **Curriculum and Scholarship.** Working with the college, university, and non-profit community, leveraging philanthropy and private sector partners to establish a coordinated scholarship, internship, and curricular platform, targeting underserved minorities, particularly African Americans, for careers in hospitality.
- **Youth Promotion and Recruitment Program:** In collaboration with the non-profit community and City officials, improve information sharing of all high school, after school and other hospitality training/recruiting programs being offered in underserved census tract clusters of the City.

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## Executive Steering Committee

In order to advance the equity and inclusion objectives reflected in this Report, the working group recommends the formation of an Executive Steering Committee, whose members should include a cross-section of industry, union, and community leaders. To this end, the working group will appoint an Executive Steering Committee to continue the leadership, progress, and monitoring of the recommendations and implementation actions reflected herein. The Executive Steering Committee shall consist of thirteen (13) diverse members (including across gender), with one (1) individual from each:

- Community-based non-profit organization
- Travel association
- Civil Rights/Activist community
- Government contracts
- Union leader
- Restaurant industry
- Hotel industry
- Moscone Center
- Faith Based Community
- Small Business Community
- Education/ Academic Community
- SF African American Chamber of Commerce
- Minority community chamber of commerce

Upon the formation of the executive steering committee, to occur not later than forty-five (45) days from the release of this report, in partnership with community stakeholders, the Executive Steering Committee shall establish a recommended timeline for the successful implementation of each workgroup recommendation. The Committee shall provide quarterly summary reports on progress to the public. The recommended timeline of implementation actions shall adhere to the following key targets:

- **By August 2014:** implementation of all short-term actions that can be taken to effectively advance equity and inclusion in hospitality and travel;
- **By December 2014:** implementation of all medium-term actions that can be taken to effectively advance equity and inclusion in hospitality and travel, including those items requiring additional government expenditures;
- **By May 2015:** annual assessment and report-back of longer-term items that can be taken to effectively advance equity and inclusion in hospitality and travel.
- **By December 2015:** implementation of all longer-term actions that can be taken to effectively advance equity and inclusion in hospitality and travel.



# Tourism Diversity and Inclusion Report

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**Co-Chairs:** Archbishop Franzo King and Joe D'Alessandro

## Purpose and Goals

The primary purpose of the Tourism Subcommittee was to (1) identify short-term actions that can be taken to promote the inclusion of San Francisco's African American community in San Francisco Travel's promotional materials and (2) explore medium-to-long-term actions to pursue that can help highlight San Francisco's broad ethnic, cultural and social diversity in future promotional campaigns and endeavors.

The goal of the subcommittee work was to identify immediate and long-term concrete actions that the staff of San Francisco Travel and others, including the working group subcommittees, can implement toward achieving the purpose of the subcommittee.

## Membership and Participants

The membership of the subcommittee included Reverend Amos Brown, Roy Bennett, Lance Burton, Denise Bradley-Tyson, Archbishop Franzo King, Belle Taylor-McGhee, Michelle Lewis, Al Williams, Adrian Williams, Joe D'Alessandro, and Jon Ballesteros

Periodic participants included Jac Taliaferro, Barry Dow, Valerie Voorhies, Gerald Johnson, Reverend Arnold Townsend, Karen Bell, Carol Perry, Howard Pickett, Lila McDonald, Lisa Hazenbalg, James Bryant, Tyra Fennell, John Templeton, Caesar Churchwell, Carla Thomas, Theo Miller, Reverend Wanika Stephens

## Meetings

The subcommittee convened 4 meetings on the following dates:

- 1 February 12, 2014
- 2 March 5, 2014
- 3 April 2, 2014
- 4 April 11, 2014

## Topics Examined

In accordance with the subcommittee's purpose and goals, the subcommittee examined the following topics:

- 1 **Promotional Efforts:** Regular review of San Francisco Travel's promotional efforts for the period between meetings to identify focused efforts aimed at either (1) attracting African American travelers to San Francisco, (2) portraying the broad ethnic, cultural and social diversity of San Francisco, (3) promoting African American owned business (4) identify marquee events for

primary promotional focus and provide introductions to event producers to solicit support and sponsorship. This included providing an overview of web postings, press releases, featured website articles, and eNews publications. The subcommittee members were generally pleased with the coverage and requested that attention be paid to ensuring the pictures associated with San Francisco Travel webpages are in alignment and appropriately depict the subject matter of the content. Subcommittee members were invited provide SF Travel staff with information on upcoming events for possible inclusion in the Association's promotional efforts.

- 2 **Development of African American Freedom Trail:** San Francisco Travel outlined the Association's support for the development of the African American Freedom Trail as a means of attracting African American and "history and culture" travelers to San Francisco. While many subcommittee members see the value in the product, some members wanted a greater understanding of the process used to develop the product's content. Freedom Trail developer John Templeton provided an overview of the Trail and addressed questions.
- 3 **Membership Development:** San Francisco Travel outlined the Association's efforts to diversify San Francisco Travel membership base. As a 501(c)(3), San Francisco Travel's promotional efforts are legally required to be directed toward benefiting the Association's members. So, attracting African American owned business into the Association's membership will allow for the promotion of those businesses in San Francisco Travel materials and outreach efforts. The subcommittee suggested exploring creative membership opportunities including the potential of allowing a group of for-profit business to form a consortium that could join as a single entity.
- 4 **Incorporating African American Communities into Connecting Neighborhoods to Tourism Program:** San Francisco Travel provided the subcommittee with an overview of the Association's program aimed at increasing visitor-related economic growth in neighborhoods throughout the City. The backbone of the program is a tool kit San Francisco Travel has developed for distribution to neighborhood leadership organizations (i.e. neighborhood business association and community benefit districts) and will help implement. Members felt this program would be of value to the Fillmore and Bayview districts. Subcommittee Members committed to help connect San Francisco Travel's Director of Stakeholder Engagement, Ms. Carol Perry, to the leadership of business associations within the two neighborhoods to begin implantation of the program in both areas.
- 5 **Increasing awareness of San Francisco Travel's Neighborhood Partner Program in African American Community:** The subcommittee was provided with an outlined of San Francisco Travel's Neighborhood Partner Program that provides complimentary partnerships to companies with unique, specialized businesses in San Francisco with potential appeal to tourists. The program was created to focus on the breadth and depth of the City's diverse neighborhood. Subcommittee members saw value in the program and committed to providing names of potential applicants to SF Travel.

- 6 **African American Cultural Institution Partnership Development:** The subcommittee reviewed the potential for the San Francisco African American Historical and Cultural Society (SFAAHCS) and San Francisco Travel to collaborate on promoting the content SFAAHCS has developed, help bring attention to the work of the organization and explore joint efforts to use the content to attract visitors. The subcommittee agreed that there is a great deal of potential for mutually beneficial partnership opportunities between San Francisco Travel and SFAAHCS.
  
- 7 **Establishment of Diversity Advisory Council:** In order to ensure the active promotion of diverse communities and increase sensitivity to inclusion in the Association’s campaigns, projects and programs, the subcommittee endorsed a proposal to establish a Diversity Advisory Council (DAC). The DAC would be established within the structure of San Francisco Travel with the purpose of advising San Francisco Travel staff and Board on opportunities to promote the inclusion of San Francisco’s communities of ethnic, social and cultural diversity in San Francisco Travel’s promotional materials and explore steps that can be taken to strengthen efforts to highlight San Francisco’s broad ethnic, cultural and social diversity in future promotional campaigns and endeavors.

## Recommendations and Implementation

The subcommittee recommends the following actions be taken to enhance and support African American participation in San Francisco’s travel and hospitality industry.

- 1 Establishment of a Diversity and Inclusion Advisory Council within San Francisco Travel: The Tourism Subcommittee recommends that San Francisco Travel establish a Diversity Advisory Council within the structure of San Francisco Travel governance.

Implementation: San Francisco Travel staff will recommend to the San Francisco Travel Board of Directors the establishment of a Diversity Advisory Council as outlined in the attached “Diversity and Inclusion Advisory Council Charter” that was ratified by the subcommittee.

- 2 Enhanced Short-to-Medium-Term Promotion Efforts: The subcommittee recommended the following steps aimed at expanding inclusion of the African American community and promoting cultural sensitivity in San Francisco travel’s promotional activities:
  - a. Inclusion of designated cultural and historic institutions of significance to San Francisco’s ethnic, social and cultural diversity communities in San Francisco Travel collateral material – with special attention to historic Black Churches.
  - b. Promotion and participation in marquee African American events
  - c. Promotion of African American Freedom Trail
  - d. Strengthen recruitment efforts aimed at African American meetings and conventions

- e. Increase sensitivity to ensuring depictions of San Francisco's diverse communities within SF Travel's promotional materials

Implementation: San Francisco Travel staff will implement these recommended steps and continue the development of similar recommendations through the Diversity Advisory Council.

- 3 African American Cultural Institution Partnership Development: The subcommittee identified the potential for a mutually beneficial partnership opportunity between the San Francisco African American Historical & Cultural Society (SFAAHCS) and San Francisco Travel to share content and jointly pursue promotional activities. The subcommittee also recommends exploring opportunities with additional African American content development organizations.

Implementation: San Francisco Travel and SFAAHCS will conduct follow-up discussions to pursue the development of such a partnership with a goal of solidifying an agreement by June 2014. San Francisco Travel staff will work with the Diversity Advisory Council to identify additional organization to pursue similar relationship opportunities.

- 4 Connect Neighborhoods of Diversity to Tourism: Pursue steps aimed at increasing visitor-related economic growth in neighborhoods traditionally known for their ethnic and cultural diversity.

Implementation: (1) Target Supervisorial Districts 5, 10 and 11 for inclusion in implementation of San Francisco Travel's "Connecting Neighborhoods to Tourism" tool kit program. (2) Identify the appropriate neighborhood leadership organizations to partner with in the implementation of the program.

- 5 Pursue Develop of African American Freedom Trail: The African American Freedom Trail was viewed by the subcommittee as a product with a great deal of potential to help attract African American visitors to San Francisco. With this in mind, the subcommittee recommends that San Francisco Travel work with the African American Freedom Trail developers to complete the development and gain official City recognition and designation of the Trail.

Implementation: (1) Work with the developers to finalize the Trail (2) support legislative and regulatory efforts to gain official City designation of the Trail.

- 6 Identification of Projects or Programs for Transient Occupancy Tax Support: The City of San Francisco collects 14% in hotel tax for each night stay in a lodging establishment. Subcommittee members identified this as a potential funding source for projects or programs directly benefiting the attraction of African American travelers to San Francisco that can be developed and pursued by community leaders.

Implementation: (1) San Francisco Travel will lend knowledge related to the projects/programs that have successfully pursued TOT funding to community leaders as they develop proposals and (2) support these initiatives as they work their way through the City's budget process.

# Hospitality Workforce Development and Employment Report

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**Co-Chairs:** Rev. Amos Brown, Fred Jordan, and Cesar Churchwell

## Purpose and Goals

The primary purpose of the Hospitality Workforce Development and Employment subcommittee was to do our collective part to address the perceived or actual exclusion of African Americans from workforce opportunities in tourism and its supporting industries.

The goal of the subcommittee work was to identify tangible implementation actions that highlight and expand training, recruiting, job opportunities for, and retention of African Americans in the hospitality industries.

## Membership and Participants

The membership of the subcommittee and working group advisors included, among others, Theodore Miller, Kevin Carroll, Rev. Arnold Townsend, Mike Casey, Rhonda Simmons, Thomas Myers, Mark Sharwood, Hanson Lee, James Bryant, Jackie Flynn, David Jones, Al Williams, Alphonso Pines, Dick Shaff, John Noguchi, Myles Stevens, Gerald Johnson and Brook Mebrahtu.

## Meetings

The subcommittee convened 5 meetings on the following dates:

- 1 January 29, 2014
- 2 February 26, 2014
- 3 March 20, 2014
- 4 April 10, 2014
- 5 April 25, 2014 (via phone)

Applicable agendas, meeting minutes/recaps and any other background materials are available from the co-chairs.

## Topics Examined

In accordance with the subcommittee's purpose and goals, the subcommittee examined the following topics:

- 1 Workforce Demand issues: including diversity engagement opportunities with the Hotel Council, San Francisco Hotels, and private sector firms generally.
- 2 Workforce Supply issues: including union partnerships, pre-apprenticeship programs, capacity building and barriers to entry, succession planning and seniority, and referral systems.

- 3 Workforce Training and Development issues: including community outreach, pipeline development, barriers to entry, wrap-around services, budgetary constraints, cultural preferences, and educational/union partnerships.
- 4 Accountability Issues: Community Capacity Building & Support: including pressures on community based organizations, affordability issues, outreach issues, faith-based community, ethnic and racial diversity broadly, and long-term coalition building.
- 5 City Government Leadership: including existing initiatives and leadership programs, legal and statutory constraints and opportunities, macroeconomic trends, and private sector support.
- 6 Workforce Challenges and Opportunities at Moscone Center: including internship and scholarship programs, mentorship, SMG, union requirements, third-party contractors, local hire ordinances, and historical developments.
- 7 Distribution and Expansion of Food Service Opportunities: including technical assistance, expansion, and financing of restaurant business in the Fillmore and Bayview, and expansion of African American food service operators in Moscone Center.

## Recommendations and Implementation

The subcommittee recommends the following actions be taken:

- 1 Hotel Coalition publication of ***Diversity Works***- annual inventory of progress made on inclusion and equity in hospitality hiring, with focus on what is working in San Francisco.
- 2 Working with various hotels, the travel association, City government, local unions, local commerce chambers, and Moscone Center, African American Chamber of Commerce shall assemble, evaluate and disseminate Hospitality Inclusion Reports in collaboration with NAACP national model providing specific demographic data on African Americans in hospitality training and hiring (national model also available for SFAACC evaluation of contracting practices). As certain Hotel Coalition members have legal and business constraints on the collection and dissemination of demographic and other confidential data, this shall be the responsibility of Chamber of Commerce leadership.
- 3 City (OEWD) quarterly publication of demographic and labor market data with respect to hospitality industry, including employment and training. Annual presentation of data to Hotel Council and Golden Gate Restaurant Association to gather market information and curricular input from employers.
- 4 **Hotel Council Communication Plan with African American Community**, and Hotel Council **Diversity Subcommittee**- Communications plan and community engagement strategy which shall include at a minimum: (a) targeted outreach efforts to African Americans, including faith-based community, (b) a Diversity Subcommittee of Hotel GMs or HR directors, and (c) at least annual opportunities for African American leadership to network with and present to Hotel Council Board of Directors. Additionally, reciprocal membership shall be provided to the SF African American Chamber of Commerce organization, providing periodic networking opportunities with allied and hotel members.
- 5 **Hotel Council Coalition Liaison**- within Hotel community, individual dedicated to improving employment opportunities for individuals and firms from underserved census tract clusters,

particularly African Americans, with capacity and commitment to meet with leadership. Hotel Council commitment for reciprocal membership with SFAACC also aids in networking and information sharing opportunities for workforce and business development. (also sits on executive steering committee)

- 6 **Manager, Community Outreach and Equity Engagement-** in partnership with Mayor's Office individual dedicated to providing technical assistance, RFQ and contracting information on a regular and consistent basis to the faith based and CBO community most directly serving underserved census tract clusters. (also sits on executive steering committee)
- 7 **Local 2 Entry Apprenticeship Program for African Americans-** launch of dedicated apprenticeship and pipeline program for hiring, promoting and retaining African Americans. Shall consist of a minimum of: (a) dedicated outreach to "underserved census tract clusters" for employment at AT&T Ballpark, (b) mentorship support through rank and file African American Local 2 leadership, (c) directed hospitality training opportunities at Moscone Center, and priority placement for future employment opportunities. Presentations of applications and opportunities to be made in collaboration with African American leadership. [*also in advanced conversations with SEIU-USWW re: the same*]
- 8 **Local 2/SEIU African American Leadership Advisory Committee-** formation of rank and file leadership of African Americans, union members who will serve as mentors and consistent points of contact for African American leadership. (one representative from SEIU and/or Local 2 to sit on executive steering committee)
- 9 **Annual Industry Employment Fair for CBO Leaders-** Hotel Coalition sponsored (and hosted) tour, engagement, and outreach evening, providing priority and preferred registration to CBOs serving and employing individuals from for "underserved census tract clusters". Learning opportunity re: hotel industry openings and programs. OEWD will collaborate with the Hotel Council on outreach and recruitment of workforce system service providers and other community based organizations to learn about hotel industry openings and programs.
- 10 **Annual Hotel Summer Internship Program-** in partnership with Mayor's jobs program, Hotel Coalition launch of collaborative paid internship program for select individuals from targeted underserved census tract clusters. Will also encompass broader vocational-technical hospitality partnership with at least three public schools from targeted underserved census tract clusters.
- 11 **Annual Hotel Industry Job Fair-** annual job fair hosted by Hotel, including pre-registration of CBOs serving targeted underserved census tract clusters, with commitment for hiring. OEWD and its Hospitality Initiative service providers will collaborate with the Hotel Council on outreach and referral of candidates to the annual Job Fair.
- 12 **Moscone Overflow Hiring Priority-** priority hiring on all major overflow temporary hiring to individuals from underserved census tract clusters, particularly African Americans, which includes through possible JUMA ventures partnership. Also, equity and inclusion policy recommended for third-party vendors. (one representative from Moscone to sit on executive steering committee)
- 13 **City Workforce Clearing House-** in partnership with technology firms and the Mayor's Office, launch of multi-trade workforce database and clearing house of hospitality tradespersons unemployed and seeking work from underserved census tract clusters.



- 14 **CBO Infrastructure and Administrative Support Hub**- in partnership with city officials, establishment of a non-profit hub for support for all back-office needs, ensuring seamless service delivery and community outreach for hospitality.
- 15 **Workforce Development Advisory Council**- in partnership with the executive steering committee, the formation of a smaller group of industry and workforce professionals designed to provide council and coordinated strategy on workforce development trends, and the implementation of the recommendations herein.

# Business Development and Technical Assistance Report

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**Chair:** Matthew Ajiake

## Purpose and Goals

The primary purpose of the Business Development Technical Assistance Working Group (BDTAWG) is to facilitate the development and implementation of effective strategies and opportunities to increase the number of small businesses catering to the hospitality industry with majority ownership of each of the businesses residing in and hiring from targeted “underserved census tract clusters.”

The targeted growth-oriented small businesses in the hospitality industry will include, but not limited to, one or more of the following seven key sectors:

- 1 Accommodations (hotels, etc.)
- 2 Food and Beverage Services (restaurants, convenience stores, Bevmo-type stores, etc.)
- 3 Food Stores (ethnic food stores, grocery outlets, etc.)
- 4 Ground Transportation and Tours Services (taxis, buses, etc.),
- 5 Arts, Entertainment, and Recreation (specialty vendors (street and institutional), night/dance clubs, fitness and holistic centers, etc.)
- 6 Retail Sales (merchandise, gift stores, etc.)
- 7 Hospitality-related Marketing and Promotions to individuals, families, and religious/church groups (travel or booking agencies, etc.)

## Membership and Participants

The membership of the subcommittee included: Theodore Miller, Yolanda Lewis, Paul Cobb, Fred Jordan, Myles Stevens, Dr. Ceasar Churchwell, Xorchil Jackson, Hyacinth Ahuruonye, Linda Richardson, Gregory Johnson, James McGhee, Matt Thomas, Carla Thomas, Michelle Santos.

## Meetings

- 1 3-19-14 the subcommittee met to discuss the need for a business development solution to the lack of participation of underserved groups in the business ownerships of small businesses catering to the hospitality industry. Present at the meeting were: Matthew Ajiake, Fred Jordan, Dr. Ceasar Churchwell, Myles Stevens, Xorchil. At this meeting, the subcommittee tasked Dr. Ajiake to pursue all possible avenues to ensure that any settlement agreement to end the boycott includes a business development line item funding in the city’s annual budget to incubate small businesses in targeted “underserved census tract clusters” for the remaining life of the Hotel Tax Assessment.

- 2 4-9-14 Consultation phone calls were made to participating members in lieu of a meeting soliciting input on suggested best practice strategies for seeking to address the lack of participation of underserved groups in the hospitality trade, including the development of not less than twenty (20) small businesses in targeted “underserved census tract clusters”
- 3 4-10-14 Met with Theo Miller to discuss the intents and purposes of the HEI and mapped out a workable solution
- 4 4-11-14 Briefed the SFAACC leadership of the progress by phone
- 5 4-23-14 Met with Theo Miller and Myles Stevens to review the proposed strategies and work on the language of the recommendations and implementation actions

Applicable agendas, meeting minutes/recaps and any other background materials are available from the co-chairs.

## Topics Examined

In accordance with the subcommittee’s purpose and goals, the subcommittee examined the following topics:

- 1 Strategies for identifying and engaging community champions in support for the development and funding of AA and other disadvantaged communities' businesses supporting the SF tourism industry
- 2 Strategies for requesting inclusion of a line-item budget allocation for developing AA and other disadvantaged communities' sustainable businesses to support the tourism industry

## Recommendations and Implementation

The subcommittee recommends the following actions be taken to enhance and support African American participation in San Francisco’s travel and hospitality industry.

- 1 Creation of a public-private funding source administered by a third party NGO to be called the Hospitality Entrepreneurship Incubator (HEI)—a small business incubator chartered to seed not less than twenty (20) for-profit businesses specifically for the hospitality industry
- 2 The City, through an dedicated City agency, will include an annual line item allocation of 1.5% of estimated hotel tax for the duration of the assessment period to the HEI, acknowledging that FY 2015 is the seventh year of the original Hotel Tax Assessment
- 3 The HEI by year 3 would identify other public and private funding sources to augment its venture funding capacity in excess of 75% of the allocation from the city and by year 5 begin funding more startups or augmenting the needs of existing businesses in its portfolio or investing in more capital-intensive startups for the hospitality industry
- 4 A board of directors and an executive director for the HEI will be appointed initially (year 1-year 3) by the Board of Supervisors in consultation with the Chambers of Commerce specifically serving underserved census tract clusters. This board will be expanded to include representation from the private sector by year 4, as private funding is included in the HEI funding stream

- 5 The HEI board shall be fixed at eleven (11): from year 1 - year 3, the board will consist of seven (7) and as private funding is added, four (4) members will be included from that sector (see Appendix 1 for the Board Composition)
- 6 The HEI will be subject to oversight by the Small Business Citizens Advisory Council charged with monitoring equity in small business opportunities
- 7 Each incubated business will have up to three years to develop into a self-sustaining viable business with funding and technical assistance from the HEI. While it is acknowledged that some businesses will graduate from the program sooner and others may require more time, setting the three year graduation threshold allows for quick turnaround of business ventures into sustainable entities and creates the opportunities to develop more businesses
- 8 The HEI will provide technical assistance to incubated companies in a formal and informal program that includes but not limited to the following capacity building areas:
  - a. Business Plan Development
  - b. Market Research and Analysis
  - c. Strategic Visioning and Planning
  - d. Marketing Plan Development
  - e. Funding Development
  - f. Legal Assistance
  - g. Other Related Services

**APPENDIX 1 COMPOSITION OF THE HEI BOARD**

<b>No.</b>	<b>Members of the HEI Board to be appointed jointly by the Board of Supervisors and the Chambers of Commerce serving in “underserved census tract cluster”</b>
<b>1</b>	SF Travel
<b>2</b>	Hotel Council
<b>3</b>	SFAACC
<b>4</b>	SFAACC
<b>5</b>	SFNAACP
<b>6</b>	Other Chamber of Commerce in “underserved census tract cluster”
<b>7</b>	Other Chamber of Commerce in “underserved census tract cluster”
<b>8</b>	From Private Sector Funders
<b>9</b>	From Private Sector Funders
<b>10</b>	From Private Sector Funders
<b>11</b>	From Private Sector Funders

# Construction Contracting and Procurement Report

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**Chairs:** Myles Stevens

## Purpose and Goals

The primary purpose of the Constructing Contracting and Procurement subcommittee was to advance the inclusion of underrepresented qualified San Franciscans, particularly African Americans, in the construction contracting and procurement opportunities in the hospitality and tourism industries.

The goal of the subcommittee work was to identify tools and implement at least three (3) tangible solutions that result in the full and fair inclusion of all communities in the contracting and procurement opportunities particularly associated with the Moscone expansion.

## Membership and Participants

The membership of the subcommittee included, among others, Theodore Miller, James Bryant, Matthew Ajiake, Montel Jennings, Barry Dow.

## Meetings

The subcommittee convened meetings on the following dates:

- 1 March 12, 2014
- 2 April 8, 2014
- 3 April 23, 2014

Applicable agendas, meeting minutes/recaps and any other background materials are available from the Chair.

## Topics Examined

In accordance with the subcommittee's purpose and goals, the subcommittee examined the following topics:

- 1 Employment in the construction industry
- 2 Moscone expansion and contracting processes
- 3 City Departments capital projects- contracting opportunities, barriers, bonding and de-bundling issues
- 4 The importance of diversity in construction contracting
- 5 The City as Project Owner
- 6 City oversight and data collection
- 7 Hotels and contracting opportunities
- 8 Diversity, women-owned businesses and underserved census tract clusters

- 9 National models (NAACP) for contracting and employment assessment
- 10 Major Tourism Related Projects, including the Port, Cruise Terminal and Warriors arena

## **Recommendations and Implementation**

### **The subcommittee recommends the following actions be taken:**

- 1 **Quarterly Bid Breakfasts**- jointly sponsored by the Chamber(s), City agencies, and private sector partners, a quarterly bid breakfast held at rotating locations in targeted underserved census tract clusters, with initial focus on hospitality industry-related contracts. High-level presentations, outreach and networking opportunities for hospitality related bids targeting underserved census tract clusters and contractors who utilize said workers.
- 2 **Hospitality Inclusion Reports**- quarterly publication of contracts awarded, with reference to underrepresented LBEs, minority ownership, and longer-term reference to firms hiring locally from targeted underserved census tract clusters. SFAACC (and other small business/contracting organizations) shall have an opportunity for an annual presentation or overview on underserved, including African American, active contractors.
- 3 **SFAACC Minority Report**- electronic monthly publication of businesses interested in contracting opportunities with focus on African American ownership and firms providing significant employment to individuals from underserved census tract clusters. This report will include business/principal profiles, contact information, and recent jobs.
- 4 **Contract Monitoring Division (CMD) Liaison and Outreach**- individual with contract compliance experience engaged to improve transparency, bid panel inclusion and diversity, and contracting selection for LBEs and firms employing underserved census tract clusters. Available for regular communication with chamber of commerce community, including the SFAACC. Quarterly reports to multi-racial business community. Also provides possible outreach bridge for Hotel Council and Hotel coalition members who seek to increase inclusion and diversity in their private contracting processes.
- 5 **Targeted Tourist-Related Contracting Opportunities Outreach**- bi-annual workshop and engagement by Public Works and other City agencies re: (a) Micro-LBE set aside program, (b) and other directly negotiated contracts to attract LBE firms, with specific feedback on opportunities for inclusion in Moscone expansion, and (c) other major tourist-related contracting opportunities, including with SF Port along the waterfront.

# Job Readiness, Training and Education Opportunities Report

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**Co-Chairs:** James Bryant and David Jones

## Purpose and Goals

The primary purpose of the Job Readiness, Training and Advanced Education Options Subcommittee was to address the need to connect educational programs with hospitality industry focus at all levels from after school programs to university degrees with the underserved youth and underemployed adults, and ultimately with the hotels and other hospitality industry businesses in San Francisco.

The goals of the subcommittee work when the under served areas of the City are made aware of the opportunities in the hospitality industry. This happens through a better communication between educational programs and the industry.

## Membership

The membership of the subcommittee included:

James Bryant  
David Jones  
Jackie Flin  
Chase Torez

Others who did not attend a meeting, but were copied on notes for contribution:

Rev. Arnold Townsend  
Marc Majors  
Elicia Phillips  
Nealie Yarbroug  
Michelle Lewis  
Rhonda Simmons  
LaVonda K. Atkinson

## Meetings

The subcommittee convened formally on 2 occasions on the following dates.

- 1 Feb. 18
- 2 Mar. 26

## Topics Examined

In accordance with the subcommittee's purpose and goals, the subcommittee examined the following topics:



- 1 Promotion and recruitment for educational programs for hotel and restaurant employment and careers in underserved communities.
  - a. Creating awareness of jobs and careers in the field
  - b. Involvement of current employees in the industry and students studying in the field
- 2 Connecting the under served community skill training organizations to opportunities
  - a. Establishment of a curriculum for various levels of entry into the field for high school students and under employed adults.
  - b. Need for internships and job shadowing opportunities for participants in training programs to get hands-on experience
- 3 Creating an education pathway from vocational skills to university education
  - a. Scholarships
  - b. Tuition reimbursement programs

## Recommendations and Implementation

The subcommittee recommends the following actions be taken to enhance and support African American participation in San Francisco's travel and hospitality industry.

### Promotion and Recruitment

- 1 Need to establish a database of all high school, after school and other vocational programs (public or private) being offered in the underserved areas of SF. This would include SF Unified School District (SFUSD) programs with California Restaurant Association (CRA) – Prostart and California Hotel and Lodging Association (CH&LA). It is felt that DCYF should be the resource for this action.
- 2 Also need to know which hotels are currently working with the various programs regarding internships and other training opportunities. Again, OEWD is considered the resource to accomplish this (only if budget expands the scope of OEWD). [from OEDW: The current OEWD Hospitality Initiative's Job Readiness Training (JRT) program is recommended for any jobseeker who can benefit from learning more about success in the hospitality workplace.
- 3 Fisherman's Wharf BID and others could also contribute to the database regarding opportunities the businesses in the tourism area are working with.
- 4 University students at USF and SF State who are members of the National Society of Minorities in Hospitality (NSMH) can be utilized in an outreach to local high schools to promote the hospitality industry.
- 5 Note: OEWD funds a Hospitality Bridge program for young adults age 18-24. OEWD recommends contacting the Department of Children, Youth and Families and/or San Francisco Unified School District for information on high school programs, after school programs, hotel internships, other summer internship programs, and/or scholarships and tuition reimbursement programs. SFUSD has an Academy on Hospitality and Tourism at Galileo, Ida B. Wells, George Washington, and John O'Connell High Schools.

## Connecting skill train to opportunities

- 1 Curriculum of all programs being offered needs to have the input/co-creation from the industry. Both Hotel Council and Golden Gate Restaurant Association (GGRA) can be of assistance with this.
- 2 Comparison of programs and curriculums should be undertaken to determine redundancies and avoid duplication. Again, DCYF in partnership with the SFUSD is the suggest consolidating resource. However, university faculty at USF, SF State, etc. should be enlisted to assist with this project.
- 3 Hotel internships and job opportunities with partners through MOUs can be determined from the list suggested above that OEWD oversees. [From OEWD: because OEWD does not oversee internships for young people, DCYF, the United Way, and/or other City partners are the likely source for this collaboration]

## Educational pathway

- 1 Need is for more scholarships based on financial need that specifically address underserved populations. Too many scholarships are given after the student is in college and then based on merit. Need scholarships for those entering college, not just in college. It is recommended the hotel company foundations of the major hotel companies represented in San Francisco be approached as noted in item #4 below. Ideal would be for a full college scholarship funded by a hotel company foundation that would have a stipulation of the student working for the company for 5 years or so after graduation to essentially repay the tuition obligation.
- 2 Hotel and Restaurant Foundation (HARF) could be an administrator; however, to focus it on the African-American student, it would need an African-American community organization to determine the awards. Those organizations could use something such as limiting applications to zip codes, as a potential option to address the need.
- 3 Need a database of hotel and restaurant companies who offer tuition reimbursement for pursuing vocational, undergraduate and graduate programs. The Hotel Council through the member's human resource departments could be the consolidator and the OEWD could add it to their database.
- 4 More managers of color needed in the hotel industry. The university bachelor and master's degree programs are an avenue to accomplish this objective.

We believe that Public/Private funding with funds from the general fund of the City of San Francisco collected by the hotel tax along with matching funds from the foundations of the major hotel groups represented in the City (e.g. Marriott, Starwood, Hilton, Hyatt and IHG) is the resource to make this happen. The foundations provide funds for many educational related programs including scholarships now, but they are not as focused on the underserved population of San Francisco in connection with hospitality and tourism.