

# Vendor Workforce Participation

**ECONOMIC DEVELOPMENT & WORKFORCE COMMITTEE**

APRIL 6, 2026

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## Vendor Workforce Participation

### Council Priority Alignment

- ▶ Workforce & Business Development

### Purpose

- ▶ Introduce opportunity to align city procurement spending to increase workforce development opportunities and participation.

### Key Takeaways

- ▶ Opportunities exist to strengthen workforce participation through city procurement
- ▶ Benefits of aligning contracts with workforce goals increases workforce participation, closes the skills gap locally, and supports economic mobility
- ▶ Supports the Office of Youth Opportunities in expanding access to career pathways and connecting young people to employment through vendor partnerships.

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# Procurement Driven Workforce Participation

## What is it?

- ▶ An approach where an organization uses its purchasing power to drive vendor support for workforce goals, such as hiring, training, or employment as part of their contracts or partnerships.
- ▶ **Examples of workforce participation goals:**
  - Local hiring – prioritizing candidates from the communities where work is performed
  - Diverse hiring – increasing representation of underrepresented groups
  - Apprenticeships & internships – creating structured entry pathways for new talent
  - Upskilling & reskilling – training workers in new or in-demand skills
  - Living wage commitments – ensuring workers are paid fair, sustainable wages
  - Retention targets – improving employee stability and reducing turnover
  - Second-chance hiring – employing individuals with prior justice system involvement
  - Youth employment – providing early work experience opportunities
  - Workforce accessibility – making jobs inclusive for people with disabilities



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# Policy Referral Summary



## Policy Question

- ▶ What opportunities exist to establish a vendor workforce participation program?

## Committee Charge

- ▶ Examine how City contracting and procurement policies can be leveraged to support workforce development, including job training, apprenticeship, and employment pathways connected to City-funded projects.
- ▶ Review best practices from other jurisdictions that link public procurement with workforce development outcomes.
- ▶ Consider metrics, compliance mechanisms, and incentives to ensure measurable workforce participation outcomes tied to City contracts.
- ▶ Make any applicable policy recommendations to Council for consideration.

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## Procurement Driven Workforce Participation

### Why does it matter?

- ▶ **Skills Gap:** Employers continue to experience a skills gap in critical positions, specifically in construction and infrastructure occupations.
- ▶ **Why the Gap Still Exists?**
  - Increased infrastructure demand
  - Aging workforce:
    - 21% of construction workers in Charlotte metro are age 50+ (capital analytics)
    - Carolinas expected to lose ~25k experienced tradespeople by 2028 (ABC Carolinas)
  - Workforce skills not matching job market needs
  - Opportunity gap: many capable individuals lack clear pathways to education, training, and networks that connect them to high-growth careers.



## Procurement Driven Workforce Participation

### What's the opportunity?

- ▶ The City of Charlotte spends millions each year on municipal services and capital projects, while consistently prioritizing small business growth and workforce development.
- ▶ To increase sustainable talent pipelines to support growth, development, and maintenance of city funded infrastructure projects.
- ▶ Leveraging procurement to boost workforce participation can:
  - Build sustainable talent pipelines
  - Increase talent inclusion
  - Support economic mobility
  - Expand work-based learning experiences
  - Leverage strategic partnerships
  - Connect more talent to employment opportunities



Organizations Leveraging Procurement to Drive Workforce Participation				
Organization/ Municipality	Program/ Initiative	Year Established	Procurement Leverage	Workforce Goals
City of San Francisco, CA	Local Hiring Ordinance & PLA	2011	City contracts require % local hires with apprenticeship emphasis	Projects > \$600k <ul style="list-style-type: none"> <li>30% of workforce sourced locally</li> </ul>
City of Portland, OR	Workforce Training & Hiring	1997	Contractors must employ apprentices/underrepresented groups	Contracts > \$200k (prime) or > \$100k (sub) <ul style="list-style-type: none"> <li>18% minority apprentices</li> <li>9% female apprentices and journey-level work.</li> </ul>
City of Boston, MA	Boston Residents Jobs Policy	1983	Contractors must employ apprentices/underrepresented groups	Contracts over 50k Sq. Ft. <ul style="list-style-type: none"> <li>51% of work hours be Boston residents</li> <li>40% to people of color</li> <li>12% to women</li> </ul>
City of Denver, CO	Denver Construction Careers Program (DCCP)	2023	Contractors must employ apprentices/underrepresented groups	Projects = \$10M+ <ul style="list-style-type: none"> <li>15% of work hours be apprentices</li> <li>1<sup>st</sup> year hiring = 25% of apprentice hours must be first-year apprentices</li> <li>Portion of apprenticeship hours given to priority talent</li> </ul>
Charlotte Mecklenburg Schools	Workforce Development Program	2019	Contractors are encouraged to employ underrepresented groups	Priority Talent <ul style="list-style-type: none"> <li>% of workforce is youth, underemployed, unemployed, displaced, or underserved</li> </ul>

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## Procurement Driven Workforce Participation

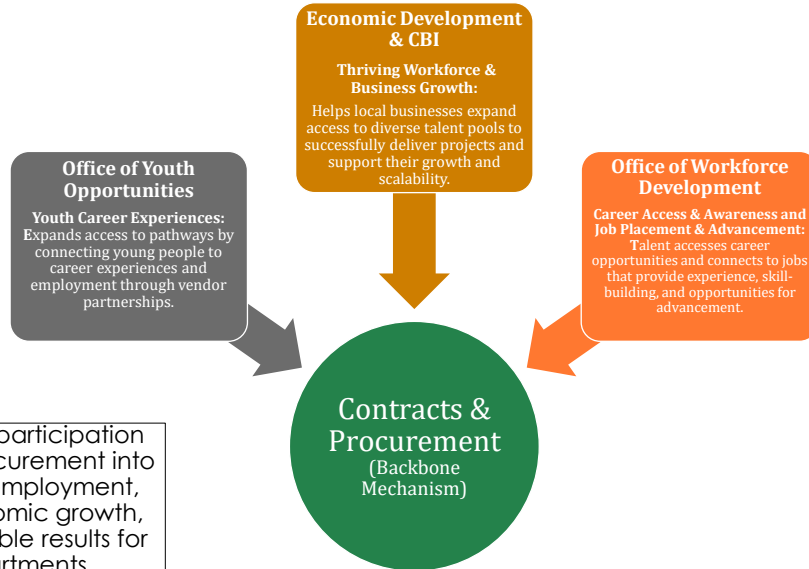
### Next Steps

- ▶ Identify procurement opportunities for workforce goals
- ▶ Develop workforce evaluation criteria
- ▶ Pilot the approach on selected projects
- ▶ Engage employers and workforce partners
- ▶ Establish reporting and accountability mechanisms
- ▶ Develop an employer recognition program to spotlight and reward vendors that actively participate in and support workforce goals.



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## Connection to City Strategic Priorities



## Procurement Supported Workforce Participation

### Questions for Discussion:

- ▶ Does this concept show potential for improving skill development and workforce participation?
- ▶ What specific workforce outcomes can be targeted (e.g., job placements, apprenticeships, wage growth, target talent)?