



Detroiters get 30% fewer DPS construction jobs than promised

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Detroit residents are getting 30% fewer construction-related jobs than promised during a campaign two years ago for a \$500-million construction bond, according to a Detroit Public Schools report.

So far, contractors have hired residents for 46% of the skilled trades jobs, though [companies](#) agreed to 65% during the campaign.

Detroit-headquartered [businesses](#) have fared better -- 71% of contractors and 60% of subcontractors are based in Detroit -- surpassing the level set.

The DPS Proposal S bond program was billed as a way to help DPS and the city by creating as many as 11,000 jobs. Voters approved the proposal by a wide margin. Ten of the 18 school construction sites should be completed this summer.

DPS Auditor General Odell Bailey said the numbers are low but expects the second phase to include more Detroit hires.

"There's some lessons learned on both sides," he said at a bond oversight committee meeting this week. "We're monitoring closely."

Committee member Dolores Smith-Jackson said she was concerned. "No," Detroiters "are not getting what was promised ... But it's not too late. They might be able to get a little bit of the crumbs because that's all that's left."

More Detroit hires expected for DPS construction projects

In June 2010, about 1,100 Detroiters swarmed a local union office for a job fair at a time when the city's unemployment rate was estimated at greater than 25%.

Detroit voters had approved the \$500-million Proposal S construction bond for the school district in 2009. And Detroit Public Schools and bond supporters promised Detroiters would get priority consideration to build and renovate schools.

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About 11,000 jobs were supposed to be created -- directly and indirectly related to the construction. The line at the job fair for trades workers, such as carpenter and plumber, snaked around the block.

Two years into the three-year construction program, Detroit residents have been hired for about 30% fewer skilled jobs than promised, according to figures released this week at a meeting of the DPS Bond Advisory and Fiscal Responsibility Committee, an oversight panel of residents and local leaders.

Odell Bailey, the DPS auditor general, said he expects the second phase of projects will include more hires of Detroit residents.

"Those projects that are 25% or less complete are actually doing better," he said at this week's oversight committee meeting. Of the \$500.5-million bond, 57% remains unspent, the construction budget status report shows.

Of the 11,000 anticipated jobs projected, about 3,725 positions were expected to be directly related to the construction, according to Steve Wasko, a spokesman for DPS.

Wasko said this week that the district has been working to improve the numbers. He said in a statement that DPS and program managers have made adjustments and "met with all union reps to obtain input from them on how to improve numbers, and shared lists of available Detroit trade workers from unions with subcontractors."

Toney Stewart, a member of the committee and director of the Michigan Regional Council of Carpenters and Millwrights Local 687, said his union can provide the skilled workers needed for the job sites.

"We got them trained; they can do the job," he said. "Some of these companies don't like Detroit. We're going to change that by providing good, qualified workers."

Detroit-residency goals for the projects were set in a 2010 Project Labor Agreement with 18 unions, including the Greater Detroit Building Trades Council and its member unions.

All contractors involved in the bond program committed to hire Detroit residents for 65% of skilled trades positions, such as carpenter and plumber. So far, Detroiters have been hired for 46% of those jobs.

Detroit residents, however, have landed 50% of non-trade jobs, such as office positions. That exceeds the 48% hiring goal

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for non-trade-related jobs.

Stewart said the original projection of positions that would be created -- 11,000 jobs -- was too high.

"The numbers got out of hand," he said.

Construction companies that do not hire the number of Detroit residents outlined in the project labor agreement could face a penalty -- 3% of their contract amount. Companies that meet the standards get a 1% bonus.

The district also can suspend or expel a contractor where willful noncompliance is documented.

Eighteen construction projects are planned -- seven new buildings and 11 renovations. Ten of the projects are scheduled to be completed by Sept. 6, the first day of school. The bond also will be used to update security and technology district-wide.

All projects are scheduled to be completed by 2012.

The bond program -- the second largest DPS construction program since 1994 -- is managed by Walbridge Joint Venture, a partnership including Detroit-based Walbridge, Brailsford and Dunlavey, based in Washington, D.C., and Fanning/Howey Associates, one of the largest construction and architectural firms in the nation.

Longtime activist Dolores Smith-Jackson and the Rev. Oscar King III, members of the

bond advisory committee, told the program managers this week that they've received multiple calls from Detroit businesses saying they've received payments late and from people complaining about the slow hiring of Detroit residents.

Smith-Jackson said she doubted the bond program's hiring figures were accurate, because of the number of complaints she has received.

"I'm not going to say we're not doing a good job," Smith-Jackson told the rest of the committee and program managers. "Hopefully in the second tier, some of these things can be corrected."

Bailey, the DPS auditor, said some workers have filed paperwork showing that they recently moved to the city. Those are not precisely the workers the labor agreement was intended to help, but it is not a violation to relocate to the city to qualify for priority hiring, he said.

"This is a Detroit-focused program," Bailey

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said.

The next employment update is due next month, Bailey said.

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