

Community Hiring Vendor FAQ

| | | |
|----------|--|----------|
| 1 | Introduction | 3 |
| 1.1 | What is Community Hiring? | 3 |
| 1.2 | How does Community Hiring work? | 3 |
| 1.3 | How can the vendor benefit from Community Hiring? | 3 |
| 1.4 | Is Community Hiring in effect? | 3 |
| 2 | Contracts Subject to Community Hiring..... | 3 |
| 2.1 | What types of contracts are subject to Community Hiring? | 3 |
| 2.2 | What types of City contracts are not subject to Community Hiring? | 4 |
| 2.3 | Does Community Hiring apply to subcontracts? | 4 |
| 2.4 | Will Community Hiring Goal apply to contracts with Minority and Women-Owned Business Enterprise (M/WBE) participation goals? | 5 |
| 2.5 | How will the transition from HireNYC to Community Hiring impact existing contracts? | 5 |
| 2.6 | Will existing contracts be amended to add Community Hiring requirements to the contract? .. | 5 |
| 2.7 | Are Sole Source procurements subject to Community Hiring? | 5 |
| 2.8 | Are MWBE Small Purchases subject to Community Hiring? | 5 |
| 2.9 | Do Community Hiring Goals apply to Master Services Agreements? | 5 |
| 2.10 | If the vendor has a contract with a contract value that was originally under \$3 million but increased to over \$3 million due to an amendment or change order, will Community Hiring now apply? | 6 |
| 2.11 | Does Community Hiring apply to the vendor on the City's Prequalified List (PQL)? | 6 |
| 2.12 | Can the vendor submit a waiver request to remove or reduce the goal during procurement? .. | 6 |
| 2.13 | Will Community Hiring apply to contracts that are subject to federal Section 3 requirements? .. | 6 |
| 2.14 | How does Community Hiring work on contracts subject to Project Labor Agreements? | 6 |
| 2.15 | Can contracts be subject to both Community Hiring Goals and the Apprenticeship Program Directive? | 7 |
| 3 | Community Hiring Goals | 7 |
| 3.1 | What are the Community Hiring Goals? | 7 |
| 3.2 | Who is a Residence-Based Community Hire? | 7 |
| 3.3 | What is an Economically Disadvantaged Region? | 8 |
| 3.4 | Who is an Income-Based Community Hire? | 8 |
| 4 | Vendor Compliance..... | 8 |
| 4.1 | How does the vendor comply with Community Hiring? | 8 |
| 4.2 | What are the Community Hiring requirements? | 8 |
| 4.3 | What does it mean for the vendor to make "best efforts" to meet the Community Hiring Goal? .. | 9 |
| 4.4 | Does the vendor have to hire Community Hires for every vacancy? | 9 |
| 4.5 | Does the vendor need to terminate anyone or reduce the work levels of existing employees to meet the Community Hiring Goal? | 9 |
| 4.6 | What happens if the vendor does not have a vacancy or a hiring need during the term of the contract? | 10 |
| 4.7 | Does the vendor who use union labor need to comply with Community Hiring? | 10 |

| | | |
|----------|---|-----------|
| 4.8 | Can the vendor hire an Income-Based Community Hire from somewhere other than a Referral Source?..... | 10 |
| 4.9 | Can the vendor employ Residence-Based Community Hire from somewhere other than a Referral Source?..... | 10 |
| 4.10 | Do existing employees count towards the Community Hiring Goal?..... | 10 |
| 4.11 | By when does the vendor need to employ a Community Hire? | 11 |
| 4.12 | What are the consequences for the vendor who fails to comply with Community Hiring requirements?..... | 11 |
| 4.13 | Can the vendor's past performance with Community Hiring be considered as part of the evaluation criteria in a solicitation for future contract awards?..... | 11 |
| 4.14 | Are there exemptions for the vendor in highly specialized occupations/trades?..... | 12 |
| 4.15 | What happens if the vendor has multiple contracts subject to Community Hiring?..... | 12 |
| 4.16 | What if the Community Hire referred by a Referral Source does not meet the requirements for a job? | 12 |
| 5 | Referral Source | 12 |
| 5.1 | How can the vendor connect with qualified Community Hires to meet the Community Hiring Goal?..... | 12 |
| 5.2 | What is a Referral Source? | 13 |
| 5.3 | Does the vendor with established hiring processes, such as online applications, have to contact Referral Sources? | 13 |
| 5.4 | How many Community Hires are vendors required to interview? | 13 |
| 6 | Retention and Reporting | 13 |
| 6.1 | What types of documents is the vendor responsible for maintaining? | 13 |
| 6.2 | What are the vendor's Community Hiring reporting requirements? | 14 |
| 7 | Support and Resources | 14 |
| 7.1 | Are there any training or support services available to the vendor?..... | 14 |
| 7.2 | Where can the vendor go with questions? | 14 |

1 Introduction

1.1 What is Community Hiring?

Community Hiring is a procurement-based initiative that authorizes City agencies to set workforce goals in their procurement contracts for vendors to provide employment and apprenticeship opportunities for low-income individuals and those living in low-income communities. The Office of Community Hiring (OCH) is responsible for managing the rollout and implementation of Community Hiring, supporting City agencies and vendors, and reporting on Community Hiring Goals.

1.2 How does Community Hiring work?

When a City agency releases a procurement subject to Community Hiring, the solicitation will clearly indicate that Community Hiring applies. If the contract is subject to Community Hiring, the vendor must agree to make best efforts to achieve the workforce goal outlined in the contract. To support this, the vendor will connect with a “Referral Source” that can help connect the vendor with qualified Community Hires to meet the goal. The vendor with a City contract subject to Community Hiring must review the Community Hiring Rules and the terms of such contracts.

1.3 How can the vendor benefit from Community Hiring?

The vendor awarded a City contract subject to Community Hiring will gain free job recruitment services for access to job-ready and qualified talent who can count towards the Community Hiring Goal while meeting the vendor’s business needs.

1.4 Is Community Hiring in effect?

Community Hiring is implemented by the rules promulgated under Title 74 of the Rules of the City of New York (“Community Hiring Rules”), which went into effect on January 23, 2025.

2 Contracts Subject to Community Hiring

2.1 What types of contracts are subject to Community Hiring?

Mayoral agency procurement contracts for construction, human services, professional services, and standard services are subject to the Community Hiring

Rules. Procurements with a contract value of more than \$3 million will have Community Hiring Goals with some exceptions.

2.2 What types of City contracts are not subject to Community Hiring?

The following contracts are not subject to Community Hiring requirements:

- Contracts \$3 million or less
- Goods contracts
- City Council Discretionary contracts
- Contracts subject to federal or state funding requirements that preclude or substantially conflict with Community Hiring Goals
- Intergovernmental contracts with OGS and GSA
- Government-to-Government contracts
- Mentoring program contracts as defined in Section 1206 or 1309 of the NYC Charter
- Preferred source contracts
- Contracts subject to Section 1-02(f) of the PPB Rules
- Investigative or confidential services contracts
- Contracts performed by city-affiliated not-for-profit corporation
- HPD emergency demolition services contracts
- DOF banking services and electronic payment services contracts
- Emergency procurement contracts* pursuant to Section 315 of the NYC Charter

*While emergency procurement contracts are not subject to Community Hiring, the City has the discretion to set goals where possible.

2.3 Does Community Hiring apply to subcontracts?

Yes, but Community Hiring applies differently across industries.

For construction, if the prime contract is subject to Community Hiring, all subcontracts (of all tiers) performing trade labor will be subject to Community Hiring.

For the non-construction services (professional, human, standard services), if the prime contract is subject to Community Hiring, only subcontracts with a value exceeding \$20,000 are subject to Community Hiring.

2.4 Will Community Hiring Goal apply to contracts with Minority and Women-Owned Business Enterprise (M/WBE) participation goals?

Yes, Community Hiring does not preclude contracts from having M/WBE participation goals. The vendor must continue to comply with the M/WBE requirements.

2.5 How will the transition from HireNYC to Community Hiring impact existing contracts?

HireNYC is a suite of various programs with different requirements that will be phased out and replaced with Community Hiring. Vendors are required to comply with the HireNYC requirements under any existing contracts.

2.6 Will existing contracts be amended to add Community Hiring requirements to the contract?

No, Community Hiring does not apply retroactively to contracts registered before the Community Hiring Rules went into effect.

2.7 Are Sole Source procurements subject to Community Hiring?

Yes. Sole Source Procurements are subject to Community Hiring.

2.8 Are MWBE Small Purchases subject to Community Hiring?

Community Hiring Goals do not apply to contracts with a value at or below \$3 million. Since the MWBE Small Purchase threshold is currently \$1.5 million, MWBE Small Purchases will not have Community Hiring Goals.

2.9 Do Community Hiring Goals apply to Master Services Agreements?

If the anticipated contract award(s) are expected to be over \$3 million, the solicitation will include the Community Hiring requirements. If the Master Services Agreement is subject to Community Hiring, then the vendor is obligated to comply with the Community Hiring requirements once the cumulative value of the Task Orders exceeds \$3 million.

2.10 If the vendor has a contract with a contract value that was originally under \$3 million but increased to over \$3 million due to an amendment or change order, will Community Hiring now apply?

Community Hiring Goals do not apply to contracts with a value of \$3 million or below. If the original contract did not include a Community Hiring Goal, an increase in contract value (through renewal, extension, etc.) alone would not subject the contract to Community Hiring.

2.11 Does Community Hiring apply to the vendor on the City's Prequalified List (PQL)?

Yes, Community Hiring Goals apply to procurements using a PQL unless another exemption applies.

2.12 Can the vendor submit a waiver request to remove or reduce the goal during procurement?

The vendor cannot submit a waiver request to remove or reduce the Community Hiring Goals.

2.13 Will Community Hiring apply to contracts that are subject to federal Section 3 requirements?

Yes, Community Hiring may apply to contracts that are subject to Section 3 as long as the federal requirements do not explicitly preclude or substantially conflict with Community Hiring Goals. Any requirements regarding Community Hiring or Section 3 will be outlined in the solicitation documents.

2.14 How does Community Hiring work on contracts subject to Project Labor Agreements?

For contracts subject to a Project Labor Agreement (PLA), which is defined in the Rules as a pre-hire collective bargaining agreement that the City enters into, the workforce goal outlined in the PLA is the Community Hiring Goal that apply to those contracts. While the 2020 and 2021 City PLAs may use slightly different workforce terminology (e.g., Program Hires) from the recent PLAs, the Community Hiring requirements under the contract are the same regardless of which PLA applies.

2.15 Can contracts be subject to both Community Hiring Goals and the Apprenticeship Program Directive?

The City's Apprenticeship Program Directive requires certain vendors with construction and construction-related maintenance contracts to maintain apprenticeship agreements with programs registered with and approved by the New York State Department of Labor. Contracts subject to the Apprenticeship Program Directive can also have a Community Hiring Goal. The vendor is obligated to comply with both workforce initiatives.

3 Community Hiring Goals

3.1 What are the Community Hiring Goals?

The Community Hiring Goal depends on the service being procured.

For building services, the Community Hiring Goal is for 30% of building services opportunity labor hours to be performed by Residence-Based Community Hires.

For construction, the Community Hiring Goal will depend on whether the construction work is subject to a project labor agreement (PLA).

If not subject to a PLA, the Community Hiring Goal is for 30% of construction trade labor hours to be performed by Residence-Based Community Hires, as outlined in the Community Hiring Rules.

If subject to a PLA, the workforce goals set forth in the PLA will apply. The solicitations for contracts subject to a PLA will outline the applicable workforce goal.

For professional services, human services, and standard services (except building services), the Community Hiring Goal is to hire 1 Income-Based Community Hire for every \$500K in contract value

3.2 Who is a Residence-Based Community Hire?

A Residence-Based Community Hire is an individual who resides in NYCHA housing or in an Economically Disadvantaged Region. The Community Hiring Goal on building services and construction contracts is to employ Residence-Based Community Hires.

3.3 What is an Economically Disadvantaged Region?

An Economically Disadvantaged Region is defined as a ZIP code in which at least 15% of the population lives below the federal poverty threshold. Please visit the OCH website for the full list of Economically Disadvantaged Regions.

3.4 Who is an Income-Based Community Hire?

An Income-Based Community Hire is an individual with an individual or household income that falls below 300% of the federal poverty guidelines. The Community Hiring Goal on professional services, human services, and standard services (except building services) is to employ Income-Based Community Hires.

4 Vendor Compliance

4.1 How does the vendor comply with Community Hiring?

If the vendor is awarded the contract subject to Community Hiring, the vendor must make best efforts toward meeting the Community Hiring Goal and adhere to the Community Hiring requirements, including, but not limited to, publishing Employment Opportunities and reporting on the progress towards meeting Community Hiring Goals.

4.2 What are the Community Hiring requirements?

The vendor entering into a City contract agrees to the responsibilities set forth in the Community Hiring Rules:

- Make best efforts to employ Community Hires to meet the applicable goal
- Require its subcontractors to agree to make best efforts to meet the applicable goal
- Publicly disclose any vacancy to perform services under the contract (except construction work subject to a project labor agreement)
- Notify Referral Sources of the applicable goal and any vacancies to be filled
- Enroll in an electronic system designated by the OCH Director
- Monitor and document compliance with Community Hiring

4.3 What does it mean for the vendor to make “best efforts” to meet the Community Hiring Goal?

Best efforts may vary across vendors and their circumstances. The City will determine whether the vendor made best efforts on a case-by-case basis, considering how the vendor:

- Advertised Employment Opportunities
- Evaluated Community Hires’ qualifications in good faith
- Collaborated with Referral Sources or apprenticeship programs
- Organized project tasks to remove barriers to meeting the Community Hiring Goal
- Tracked and documented efforts to meet the Community Hiring Goal
- Contacted OCH at routine intervals
- Undertook all commercially reasonable actions to achieve workforce goals.

However, making best efforts does not mean the vendor has to:

- Undertake undue financial burden
- Terminate or reduce work levels of existing employees
- Extend job offer to individuals whose labor is not commercially useful
- Forgo filling building service opportunities with Absorption Hires on building services Contracts
- Forgo requesting, employing, or hiring any individuals or assigning individuals to perform construction Work in accordance with terms of an agreement with a Referral Source for the sourcing of labor

4.4 Does the vendor have to hire Community Hires for every vacancy?

The vendor with a Community Hiring Goal is required to connect with a Referral Source for purposes of meeting the goal. However, the vendor has the discretion to identify the positions to be filled by Community Hires. The vendor who fails to meet the Community Hiring Goal will need to demonstrate the efforts made to meet the Community Hiring Goal, including the vacancies identified and the efforts made to review and organize the work under the contract in order to eliminate the obstacles to meeting the Community Hiring Goal.

4.5 Does the vendor need to terminate anyone or reduce the work levels of existing employees to meet the Community Hiring Goal?

No, the vendor is not required to terminate or reduce the work levels of existing employees to meet the Community Hiring Goal.

4.6 What happens if the vendor does not have a vacancy or a hiring need during the term of the contract?

If the vendor does not have a vacancy or hiring need, Community Hiring does not require the vendor to hire or employ a Community Hire whose labor would not be commercially useful. However, the vendor will be responsible for demonstrating the best efforts made to meet the Community Hiring Goal.

4.7 Does the vendor who use union labor need to comply with Community Hiring?

Yes, if the vendor who uses union labor is awarded a contract with a Community Hiring Goal, then such vendor is required to comply with Community Hiring. However, the vendor is not required to violate the terms of a collective bargaining agreement in order to meet the Community Hiring requirements.

4.8 Can the vendor hire an Income-Based Community Hire from somewhere other than a Referral Source?

No. Income-Based Community Hires must be referred by a Referral Source. Referral Sources are responsible for connecting vendors with jobseekers who are certified as Income-Based Community Hires. Community Hiring does not require or encourage the vendor to ask its job candidates about their income.

4.9 Can the vendor employ Residence-Based Community Hire from somewhere other than a Referral Source?

Possibly. For building services and construction contracts, the Community Hiring Goal is based on the percentage of trade labor hours performed by Residence-Based Community Hires. The vendor may employ existing workforce who are certified as Residence-Based Community Hires via the certified payroll reports.

4.10 Do existing employees count towards the Community Hiring Goal?

For professional services, human services, or standard services (except building services) contracts, the Community Hiring Goal is to hire Income-Based Community Hires based on the total value of the transaction. Existing employees do not count towards the fulfillment of Community Hiring Goals.

For construction and building services contracts, the Community Hiring Goals are based on a percentage of trade labor hours so the labor hours of existing employees that are certified Residence-Based Community Hires may count towards the fulfillment of Community Hiring Goals on such contracts.

4.11 By when does the vendor need to employ a Community Hire?

For construction and building services contracts, the Community Hiring Goals are based on trade labor hours performed on the specific project so the Residence-Based Community Hires must work on that project.

For professional services, human services, or standard services (except building services) contracts, the Income-Based Community Hire must be hired during the term of the contract that is subject to Community Hiring.

4.12 What are the consequences for the vendor who fails to comply with Community Hiring requirements?

If the vendor fails to meet its Community Hiring Goal, then the vendor must demonstrate that it made best efforts to meet the requirements. Where the vendor fails to meet its Community Hiring Goal and does not demonstrate that it made best efforts, then the vendor may be found non-compliant and subject to civil penalties. The City will issue a Notice of Non-Compliance with further instructions on how to respond. If the vendor is found non-compliant, the City may withhold the civil penalty amount from the contract.

4.13 Can the vendor's past performance with Community Hiring be considered as part of the evaluation criteria in a solicitation for future contract awards?

No, agencies cannot consider a vendor's past track record with Community Hiring as part of the evaluation criteria on a solicitation. However, the vendor's performance with Community Hiring requirements, like any other contract requirement, may be evaluated by an agency as part of a performance evaluation on a contract with a Community Hiring Goal. Performance evaluations are considered by an agency as part of determining that the vendor is "responsible" for a future contract award.

4.14 Are there exemptions for the vendor in highly specialized occupations/trades?

No, Community Hiring does not exclude the vendor in highly specialized occupations/trades. The vendor should carefully consider its hiring needs and the skills and experiences needed to perform the work. Community Hiring does not require the vendor to hire anyone whose labor is not commercially useful to the vendor's business.

4.15 What happens if the vendor has multiple contracts subject to Community Hiring?

The vendor may have multiple contracts subject to Community Hiring Goals (either with the same agency or multiple agencies). For a construction contract or building services contract subject to Community Hiring, each goal remains solely connected to the respective contract awarded since the goals are based on labor hours performed on such contract. For all other services (professional, human, and standard except building services), the Community Hiring Goal for such contracts awarded will be aggregated to form one goal for each vendor.

4.16 What if the Community Hire referred by a Referral Source does not meet the requirements for a job?

The vendor is required to contact a Referral Source to be connected to Community Hires who are qualified to meet the requirements for the job. If the referred Community Hires do not meet the job qualifications, the vendor is encouraged to connect with other Referral Sources from the Directory. However, the vendor is not required to extend an offer of employment to anyone whose labor would not be commercially useful in view of factors including, but not limited to, the skills expertise, or licenses relevant to the vendor's work.

5 Referral Source

5.1 How can the vendor connect with qualified Community Hires to meet the Community Hiring Goal?

In order to help achieve the Community Hiring Goals, the vendor is required to contact a Referral Source. Referral Sources certify jobseekers as Community Hires and help ensure that the jobseekers meet the vendors' employment needs.

5.2 What is a Referral Source?

A Referral Source is an entity responsible for connecting vendors with qualified Community Hires for purposes of meeting the Community Hiring Goal. Referral Sources include the City's public workforce system (e.g., SBS's Workforce1 and HRA's Business Link), union referral systems, and other entities that provide job placement or workforce development services.

5.3 Does the vendor with established hiring processes, such as online applications, have to contact Referral Sources?

Yes, the vendor awarded a contract subject to Community Hiring is required to contact a Referral Source for purposes of meeting the Community Hiring Goal. Referral Sources, such as the City's Workforce1 system, have experience working with employers in different sectors that use online applications.

The Office of Community Hiring (OCH) will work with the vendor and help find the best way to incorporate Community Hiring into the already established processes.

5.4 How many Community Hires are vendors required to interview?

There is no set quota on how many Community Hires should be interviewed. The vendor's efforts to interview Community Hires will be a factor for determining whether the vendor made best efforts to meet the Community Hiring Goal.

6 Retention and Reporting

6.1 What types of documents is the vendor responsible for maintaining?

The vendor is responsible for maintaining records documenting:

- Publication of Employment Opportunities, if applicable
- Community Hires employed through a Referral Source
- Labor hours performed by Community Hires (this information may be maintained on certified payroll reports)
- Efforts to meet the Community Hiring Goal
- Compliance with or progress towards meeting the Community Hiring Goal

6.2 What are the vendor's Community Hiring reporting requirements?

The vendor must use specific reporting systems to comply with Community Hiring requirements. For construction and building services contracts, the vendor will use a digital labor compliance tool to submit Certified Payroll Reports. For other services, reporting will be centralized through OCH. These systems will help ensure accountability and transparency by allowing the City to monitor the vendor's progress toward meeting Community Hiring Goals.

7 Support and Resources

7.1 Are there any training or support services available to the vendor?

Yes, OCH will offer vendor support, including system navigation training, guidance on workforce development practices, and ongoing support throughout the hiring process. Please check out the OCH website and subscribe to the OCH newsletter for more information and resources on Community Hiring.

7.2 Where can the vendor go with questions?

If there are questions about Community Hiring, please contact OCH at CommunityHiring@talent.nyc.gov. If there are specific questions related to a specific procurement or a contract with a Community Hiring Goal, please contact the designated representative of the contracting agency.