

Details of Job Commitment by Safeway Sent to the Sacramento City Manager

From: Todd Paradis <todd.paradis@safeway.com>

Sent: Monday, November 16, 2015 11:04 AM

To: John F. Shirey

Cc: Fran Halbakken; Paul Petrovich (Paul@petrovichdevelopment.com)

Subject: RE: First Source Agreement questions - CPV store Safeway Response to City Questions.docx;

Attachments: Pastor Brown.pdf

Good morning John. Sorry for the delay in responding. As you can probably imagine, I needed to make sure HR and senior management had reviewed and approved. Attached, please find Safeway's response to staff's questions in addition to a letter we sent to Pastor Brown last week. Thank you for all of your help on this project.

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Eligibility: What geographic area would qualify for the Curtis Park grocery store "first source program" (e.g. Oak Park, Hollywood Park, certain zip codes)? What is the eligibility criteria for program participants (e.g. income, ethnicity, age, employment status)?

Answer: All people living in the 95817 and 95820 zip codes. Any resident within that area who is qualified for a position will be given first consideration for employment at the new Curtis Park store.

Program: What does your "first source program" commit to provide (e.g. specifics of recruiting, conditions to receive a job interview, a guaranteed job if found qualified, a guaranteed pay level, guaranteed full-time employment, pension, health benefits)?

We will work with Pastor Kevin Brown to promote the program within the geographic boundaries noted above. Employees- full or part-time working 24 hours per week -will receive wages and benefits in accordance with the recently renegotiated collective bargaining agreement.

Likely compensation: Approximately what percent of employees in a 65,000 SF Safeway store are in each of the following wage categories:

- a. State minimum wage- \$9/hr.- \$10/hr.
- b. \$10.01 - \$15/hr.
- c. \$15.01-\$20/hr.
- d. \$20.01-\$25/hr. e. More than \$25/hr.
- f. Salaried positions- detailed by title, salary and benefits.

Answer: The store in question will be 55,000 square feet (not 65,000 sf) and will employ approximately 200 people. Every new store requires a certain number of experienced employees with the balance being new employees. The preliminary goal would be to hire 200 new employees from Oak Park with 125 for this new store and 75 for existing surrounding stores.

Safeway's Collective Bargaining Agreement with the UFCW contains the breakdown of each position and associated wage.

Explanation of compensation: T-shirts worn at a recent community meeting referred to \$21.50/hour Safeway jobs. What is included in that \$21.50 figure (e.g. taxes, union dues, which benefits)?

The new collective bargaining agreement that Safeway has signed with the UFCW provides for wages and benefits that cost \$21.35 for our "journeyman food clerks. A set number of hours is required to be worked before an individual qualifies for this particular pay rate, as outlined within the collective bargaining agreement. This wage rate does not include the additional money Safeway pays to the union trust fund to cover the cost of health & welfare and pension benefits.

Expectations: How many jobs in each salary category above will Safeway guarantee to hire for the new Curtis Park store? How many of each position will Safeway guarantee to hire from Oak Park applicants?

The exact numbers of employees will be determined as we gauge volume and need. Qualified Oak Park residents will be given first consideration for various employment positions based on their qualifications.

Benefits: Please explain the employee benefits program at Safeway and how it applies to employees in different types/levels of jobs, and with varying years of experience working at Safeway. In particular, what is required to: a) qualify for enrollment in health insurance, and b) receive benefits from the pension program?

Health benefits are provided for all full and part-time positions as outlined in the collective bargaining agreement.

Durability: How long will Safeway guarantee to implement the Curtis Park Village "first source program"?

Safeway will give Oak Park Village residents first consideration to staff the new store. After the new store opens, Safeway will consider any qualified Oak Park Village resident for employment openings at the store. It is Safeway's practice, and experience, that local residents of a neighboring store are the individuals most often hired, because of the short distance needed to get to work.

Oversight/Audit: How does Safeway track the implementation of "first source programs"? How will Safeway substantiate to the City and to the Oak Park Neighborhood Association the number of hires in full and part time positions, their pay, job retention, promotions, and benefits? How frequently will Safeway provide this information?

We will provide any requested information on any reasonable time interval requested.

Timing and training: When will the program start? What is the training program?

Hiring will begin approximately 90 days prior to opening the new store and fuel center for business. Safeway successfully operates hundreds of stores and has its own training programs. Additionally, we will be working with Pastor Brown who has a vocational training program that prepares candidates from Oak Park so they have the basic work skills set necessary to become employable.