

# Priority Hire

Building Labor Equity in Seattle  
Public Works

# Agenda

- Overview
- Outreach, Training, and Collaboration
- Emerging Issues
- Reporting Back

# Priority Hire Ordinance: Three Cornerstones

1. ***Invests in and directs outreach, recruitment and training of prioritized individuals for construction*** - women, people of color, and those from disadvantaged neighborhoods.
2. ***Directs a Community Workforce Agreement (CWA) for City public works above \$5 million.***
  - Master agreement between the City and construction trade unions to set worksite conditions, protocols, dispute resolution steps, and dispatch of workers.
3. ***Directs the union halls to prioritize and dispatch workers from priority ZIP codes.***

# Why a CWA?

- Recognizes upcoming labor shortages in the local market while construction is rapidly increasing and workforce is aging. Labor shortage leads to increase in worker demand and an increase in job costs.
- All contractors have access to union workforce.
- Puts wages back into communities that need it most.
- Reduces the risk of project delays resulting from disputes or labor shortages.
- Eliminates risk of strikes on CWA projects.
- Provides consistency and longevity in implementing priority hiring.

# Does it work?

*“The Seawall project is the most diverse jobsite I’ve been on. We need to have workers reflect our community. Everyone needs the same opportunity I’ve had. My goal is that the Seawall job is just the new normal.”*

*- Marge Newgent, Business Agent Operating Engineers Local 302*

# Priority Hire Projects

	Estimated Cost in Millions
* Seawall Replacement Project	\$488
Maple Leaf/Myrtle Buried Reservoir Seismic Retrofit	\$6
Denny Network	\$44
Blue Ridge Conduit Replacement, Phase 1	\$5
Denny Substation	\$73
Fire Station 22	\$8.5
Fire Station 32	\$11.5



**\$636M total**

*Through 2015:*  
**\$250M**

\* (\$449.4 Washington to Pine, to be completed mid-2017 & \$38.4 Pine to Virginia, schedule TBD)



# Priority Hire Ordinance Project Requirements

Ordinance	Priority Hire Projects (679,419 hours)	
	Goal	Performance
<b>2016</b>		
Priority Hire Zip Codes	20%	20.9%
<b>2025</b>	Aspirational	
Priority Hire Zip Codes	40%	N/A

# Performance to Date

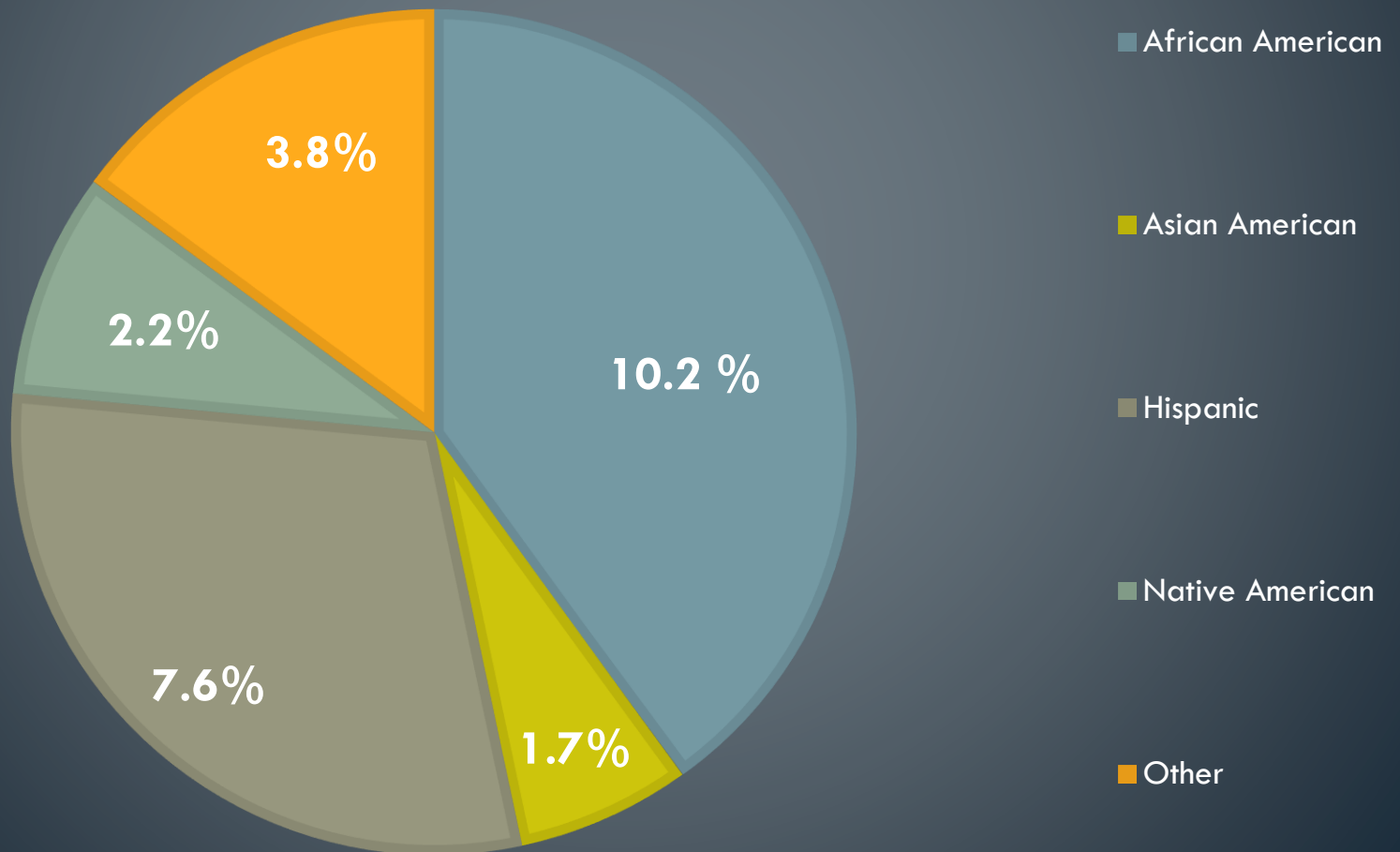
11/18/13-12/31/15

	CWA Projects (679,419 hours)	Past Performance
Priority Hire ZIP	20.9 %	12%
Tier 1 – Seattle	10.8%	3%
Tier 2 – King County	10.1%	9%
Women	12.6%	4.5%
People of Color	25.5%	25.4%
Apprentice Utilization	15.1%	13.4%
Seattle workers	12.6%	5%



# People of Color Performance

People of Color Performance  
Timeframe: 11/18/13-12/31/15



# What if there were no Priority Hire program?

11/18/13-12/31/15

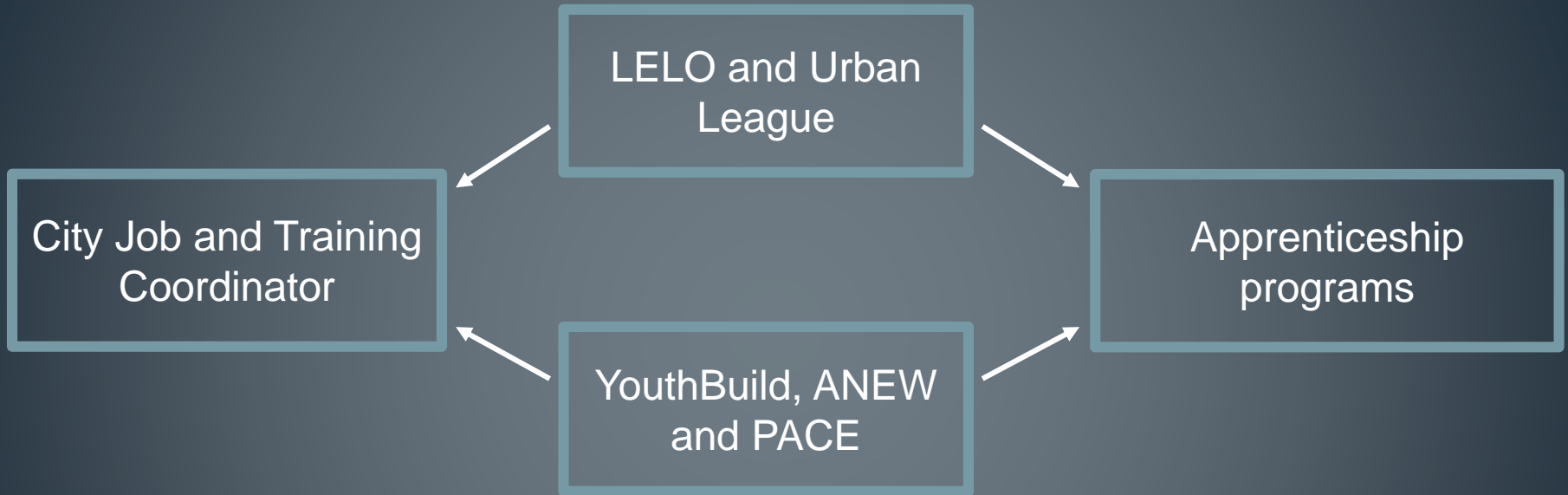
Priority Hire Impact			
	Priority Hire Projects Actual Hours (679,419 hours)	Without Priority Hire: Extrapolated estimate of what performance may have been without Priority Hire (679,419 hours)	Difference: Extrapolated estimate of the <u>shift in hours</u> as a result of Priority Hire
Priority Hire ZIP Codes	142,162	81,530	60,632
Tier 1 – Seattle	73,481	20,382	53,099
Tier 2 – King County	68,681	61,148	7,533
Women	85,568	30,574	54,994
People of Color	173,860	172,572	1,288
Apprentice Utilization	102,439	91,042	11,397
Seattle workers	85,602	33,971	51,631

<sup>1</sup>Only CWA-covered projects have preferred entry requirements, which requires 1 in 5 apprentices to be pre-apprenticeship graduates.

# Outreach, Recruitment, Training

Outreach	Budget
LELO (Legacy of Equality, Leadership and Organizing) <ul style="list-style-type: none"> <li>• Renton Area Youth Dev. Org. (RAYDO)</li> <li>• Casa Latina</li> <li>• Got Green</li> <li>• Rainer Beach Action Coalition (RBAC)</li> </ul>	\$200,000/yr.
Urban League	\$100,000/yr.
Training	
PACE (Pre-Apprenticeship Construction Education)	\$120,000 per yr. for 2 yrs.
ANEW (Apprenticeship and Non-Traditional Employment for Women)	120,000 per yr. for 2 yrs.
YouthBuild (a program of YouthCare)	\$108,000/yr.
LELO – Relicensing services	\$70,000/yr.

# Collaboration



# Collaboration: City Role

- Convening a regional collaboration of pre-apprenticeship training programs, construction and union partners.
- Meeting with colleagues at King County, Sound Transit, Port of Seattle, and Washington State on expanding this work and growing the regional workforce supply needs.
- Chairing and staffing the Priority Hire Advisory Council.

# Priority Hire Advisory Committee

**2015:** Committee established. Advised on outreach, referral process, director's rule, regional collaboration, and other issues.

## **2016 Plans:**

- Outreach and training partner guidance.
- Dispatch inventory and mapping.
- Process improvement recommendations.
- Expanding priority hire, and regional planning.
- Improving pre-apprenticeship entry outcomes.





# Emerging Issues: Supporting the Priority Hire pipeline

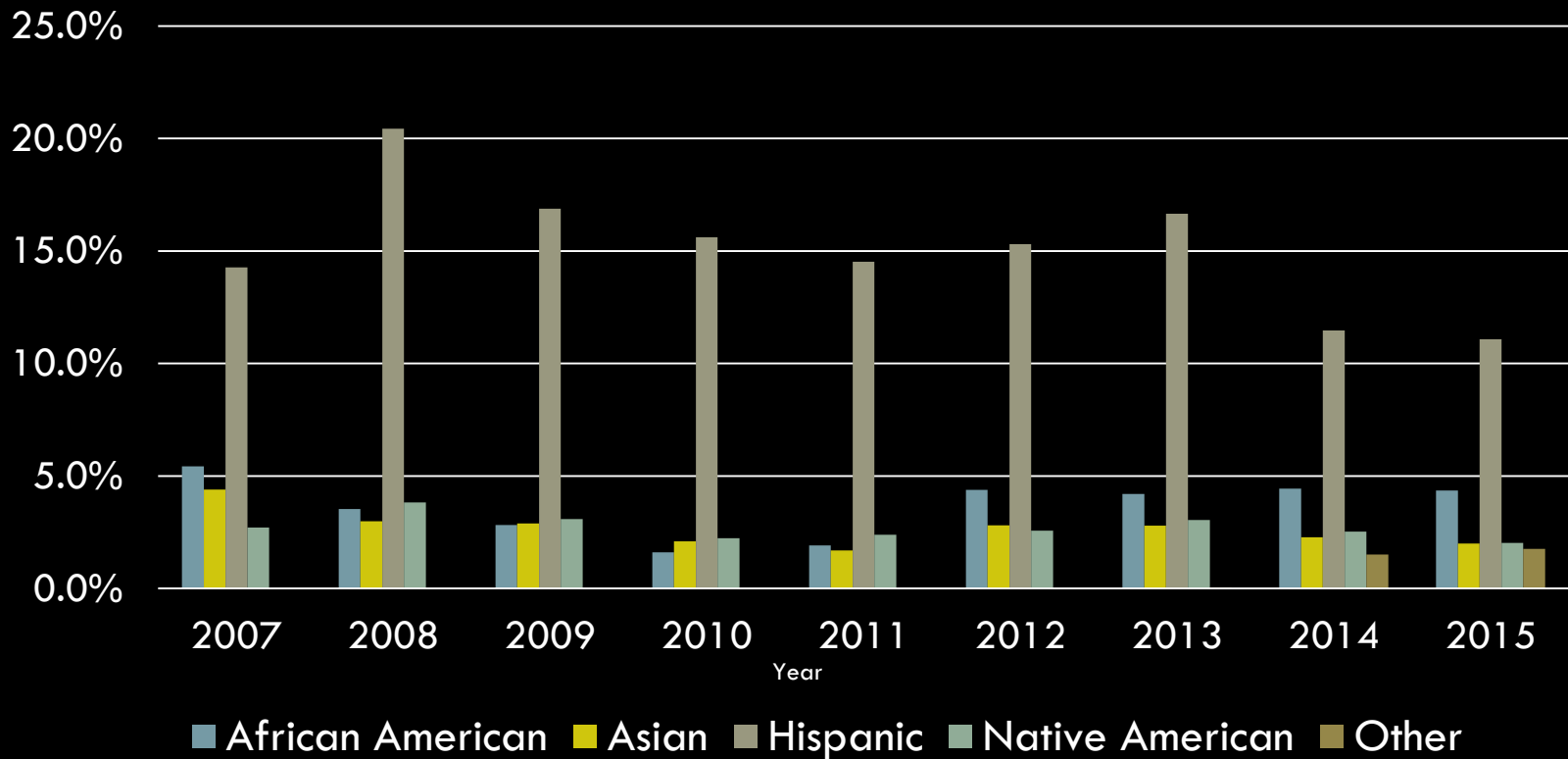
- Drop in workers of color.
- Construction culture.
- Licensing.
- Regional collaboration.

# Workers of color: Understanding the drop

- Drop is in journey-level workers (25.2% past to 21.4% on all projects currently).
- Increase in apprentices of color (31.6% to 36.3%).

11/18/13 – 12/31/15	Priority Hire Projects (679,419 hours)	Non-PH Projects (858,157 hours)	Total all City Projects (1,537,576 hours)	Past Performance
Journey				
People of Color	21.3%	21.5%	21.4%	25.2%
Apprentice				
People of Color	50.0%	24.2%	36.3%	31.6%

## JOURNEY UTILIZATION TRENDS FOR PEOPLE OF COLOR



Sources: City of Seattle, Construction Workforce Diversity Reports, 2007-2015; U.S. Census Bureau, ACS Demographic and Housing Estimates, 2007-2012; U.S. Census Bureau, Comparative Demographic Estimates, 2013-2014.

# Journey Workers of color: Ongoing research

- Data shows drop is in Latino/Latina workers.
- Ongoing research - Is this drop industry wide? Are there changes in the regional population? Is there anecdotal information based on experiences from community experts?
- More data will be available as more projects have reported significant work hours, to help determine any lasting trends.

# Construction Culture

- How do we prepare the construction workplace and/or new workers?
- Are mentorships needed?
- Enforcing contractual obligations.

# Licensing as a barrier for workers

- Drivers licenses are required to enter an apprenticeship, but many candidates have suspended licenses or never got a license.
- LELO: Contract for relicensing services.
- Community organizations are discussing policy and procedure changes to improve the relicensing process.



# Successes

- Performance is strong, and the pipeline is building.
- Enforcement efforts are providing workers a venue to come forward with issues as needed.
- Six contracts with community providers – 3 training programs, 1 service provider, and 2 outreach organizations, including involvement by small, community-based groups.
- Priority Hire is changing business as usual.

# Next Steps: Reporting back

- Council CRUEDA presentation in September.
- Formal year-end report from City/FAS to council and Mayor in January 2017.
- Formal year-end report from Advisory Group to council and Mayor in January 2017.

