



**COMMISSION**  
**AGENDA MEMORANDUM**

**Item No.** 7a

**BRIEFING ITEM**

**Date of Meeting** May 9, 2017

**DATE:** April 21, 2017  
**TO:** Dave Soike, Interim Chief Executive Officer  
**FROM:** Dave McFadden, Managing Director, Economic Development  
Marie Kurose, Workforce Development Program Manager  
**SUBJECT:** Workforce Development Briefing

**EXECUTIVE SUMMARY**

Staff will provide an update to Commission on Port initiatives to develop a talented workforce. In addition to expanding Port internship programs, significant progress has been made to advance workforce development within maritime, aviation and construction/trades clusters. Developing a talent pipeline and advocating for targeted workforce development within the Port's key industries is essential. The region faces a severe shortage of skilled labor due to low unemployment rates, baby boomer retirement, and other factors.

With a strong economy there is also an opportunity and need to train disadvantaged workers. The Port can support business growth and promote neighborhood revitalization by helping underemployed and unemployed workers train for middle class job opportunities. The Port's workforce development initiatives can ultimately support a more inclusive economy.

**BACKGROUND**

The Century Agenda highlights the Port's aspirations to create economic opportunity while promoting social responsibility. The plan highlights how workforce development initiatives and investments can support job creation and economic revitalization throughout the region.

The Port's Commission, recognizing the economic and societal impacts of income inequality and the decline of the middle-class, subsequently adopted the **Increasing Workforce Development and Career Opportunities Activities** motion in July 2014. The motion further articulated the Port's major goals for workforce development:

- Identify the current and future workforce demands of Port-related industries.
- Support the development of a supply of qualified candidates in alignment with industry demand.

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- Ensure that all members of the community the Port serves have access to quality jobs in Port-related industries, and increased opportunities for career advancement.
- Work to make all jobs at Port-owned facilities quality jobs.
- Integrate the Port’s efforts and use its influence to increase the capacity and efficiency of the regional workforce development system.

### **Workforce Development Investments**

Recent workforce development investments significantly expand the Port’s role and influence in key Port sectors. Our efforts encompass a portfolio of sector-based workforce development strategies and investments designed to meet the skill and workforce needs of employers by creating opportunities for workers and job-seekers, including those with low skills, enter employment and advance within a target industry sector towards higher-skill, higher-wage jobs. These efforts are focused on increasing workforce training and job opportunities for local communities in maritime, trade, travel and logistics and other port-related industries.

- Research, planning, outreach and engagement, and facilitation to develop a career pathways program and implementation plan.
- Job access services, job-training services, and career advancement services
- Strengthening high school career pathways

### **Aviation Sector Progress**

#### **Airport Sector: SeaTac operations (passenger air, air cargo) and supportive occupations (logistics, maintenance, restaurant/hospitality, and retail)**

On September 22, 2015, the Commission approved increased investments and a phased approach to support training, career advancement, and retention services for Airport workers:

1. Airport Employment Center & Employment Continuity Contract: Port Jobs was awarded the contract to administer and operate the Airport Employment Center through a competitive RFP process. The contract began July 1, 2016, with a total five-year contract value of \$4.05 million.
2. Career Pathways Road Map: Selected Consultant for research, planning, outreach and engagement, and facilitation to develop a career pathways program and implementation plan. This analysis includes direct engagement and input of employers, job seekers and workers, and training and workforce development entities. The consultant, ICF International brings airport industry expertise and an extensive background in labor market analysis and workforce development. It recently completed a national evaluation of airport training and education programs, interviewing over 750 airport stakeholders on their workforce needs. Through this contract, ICFI will produce:

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- Career pathways maps of at least 5 occupational areas identifying jobs pathways, skills and requirements and wages from entry level occupations to those with higher wages, and
- Training and educational pathways to support attainment of the skills and credentials needed to advance into better paying jobs along the career pathway and identification of potential partnership opportunities with workforce development, education and training, community, and economic development entities.

This initial work will serve as a foundation for career pathway development in other key Port sectors (maritime, manufacturing, etc.). Staff intends to use the airport industry career pathways work to gauge timelines and methods for developing career ladders within these other sectors (per the Economic Development Division five-year plan).

### **Construction Sector Update: Building Trades, Maintenance, Heavy & Civil Engineering, Specialty Trades Contractors**

The Port's growing investments in infrastructure projects at the Airport and other capital developments will rely on the availability of a skilled trades workforce. Public and private construction activity has increased and is projected to continue to grow over the next decade. Region wide, the construction industry is forecasted to experience consistent growth. In the short term it is projected that there will be a shortage of over 4100 skilled workers between 2018 and 2023. Long term between 2018 and 2042, the regional public agencies are expected to work over 65 million labor hours to complete their construction projects. Regional labor supply is forecasted to underserve demand by an average of 9%-10% during 2018-2042. These shortages will cause project delays, and increase the overall cost to the Port as well as other public and private developers. Additionally, the demand for trades workers is growing in the manufacturing and maritime sectors who are reporting difficulty finding and retaining trades workers due to increased competition and wages being paid in the construction sector. The Port's workforce development efforts include:

1. Outreach and Recruitment Services: Contracted with three community based organizations to perform recruitment, assessment and referral services needed to increase the number of women and/or people of color interested in and qualified to enter local pre-apprentice and apprentice construction training programs and job opportunities. We have contracted with Urban League of Metropolitan Seattle, Partners in Employment and RAYDO for those services.
2. Regional Construction Trades Partnership: In the past year, staff has been meeting with representatives from Sound Transit, City of Seattle, King County, WSDOT, and City of Tacoma to develop a coordinated workforce development approach. This will strategically align the Port's workforce development investments with port construction projects, as well as partner with other public agencies to create a regional trades pipeline and system to coordinate planning, funding and support functions.

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- Expand pathways to apprenticeships
- Strengthen retention and completion rates
- Align & champion efforts for greater diversity
- Share accountability for common outcomes

The recommendations take into account three main ways that we can work together:

1. Standardize Data Collection and Reporting: Having common methods for collecting data from pre-apprenticeship and apprenticeship programs will help us to identify problems and gaps and develop solutions such as strategies that help address attrition among a certain group.
  - Collaborate on funding for greater efficiency and impact.
  - Align policies to increase impact (Priority Hire)
2. Priority/Targeted Hire: Staff is working with the Projects and Procurement Committee to develop recommendations for implementing a Priority Hire requirement on Port capital projects.
3. Port Internal Apprentice Utilization: As an employer, the Port has an opportunity to participate in supporting the apprenticeship pipeline by creating apprentice opportunities within the Port's internal workforce. This will require a cross division effort to identify opportunities and work with Labor to establish processes.

### **Maritime Sector Status Report: Passenger Water Transportation, Boat & Ship Building, Fishing & Food Processing, Logistics and Maritime Support**

The maritime industry in the Puget Sound region is expecting a high percentage of its work force to retire over the next five to ten years. Recruiting young workers to replace those who will retire has been challenging. Our region is at near full employment and current and future workers have a wide range of job and career options. The maritime industry offers competitive pay and benefits, but many current and future workers have a low level of awareness regarding opportunities in the industry. Current efforts include:

1. Career Pathways Road Map: The Port in partnership the Seattle Region Partnership and other regional funders held two focus groups to identify in-demand jobs and wages and education, training, employment, and support service needs of job seekers and workers.
2. Maritime Jobs Portal: Developed and launched Jobs Portal, housed on Washington Maritime Federation's Web site.
3. Maritime Youth Collaborative: Port staff has established partnerships with a wide range of workforce and job training organizations under the umbrella of the Youth Maritime Collaborative (YMC). The collaborative is working with the Port to expose youth to

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occupations and career pathways in the maritime industry in order to generate interest in possible future career path and to begin building a talent pipeline to Port-related careers; target and award internship opportunities to local youth, including disadvantaged communities, through partnerships with regional youth serving organizations; and provide career and education enhancement activities to high school interns.

**Building a Talent Pipeline: Youth Development Initiatives & Impact Investments**

Building a pipeline of workers to prepare the future workforce requires connecting employers with high schools and other secondary institutions and providing exposure for youth to careers. The Maritime Youth Collaborative and High School Internship programs are aimed at providing youth with career awareness and basic skills needed to enter training and/or careers in port related industries.

Port staff successfully tripled the number of summer internship opportunities across the Port this year – in large part because the Commission challenged our team to more aggressively advance workforce development.

<i><b>2016 Lessons Learned</b></i>	
<input checked="" type="checkbox"/>	Interns felt strongly that their work contributed to Port goals.
<input checked="" type="checkbox"/>	Interns learned transferrable professional and life skills such as navigating the work environment, networking, and identifying potential career paths.
<i>See more lessons learned on page three</i>	

For 2017 staff is working to build off the Port’s successful 2016 internship programs and initiate a career connected learning initiative for middle school children (grades 7-9) in conjunction with private sector partners. Staff is also improving the 2017 program based on intern feedback and lessons learned (see page three).

The table below highlights the Port’s aspiration to provide 150 internship opportunities next year. Increasing high school job slots and placing more students into private industry internships will help the Port ultimately add 35 new intern opportunities in 2017.

	<b>2016</b>	<b>2017</b>
Port of Seattle High School Interns	68	82
Port of Seattle College Interns	31	32
Port of Seattle Graduate Interns	6	6
Public Private Partnership Interns	10	30
<b>Total</b>	<b>115</b>	<b>150</b>

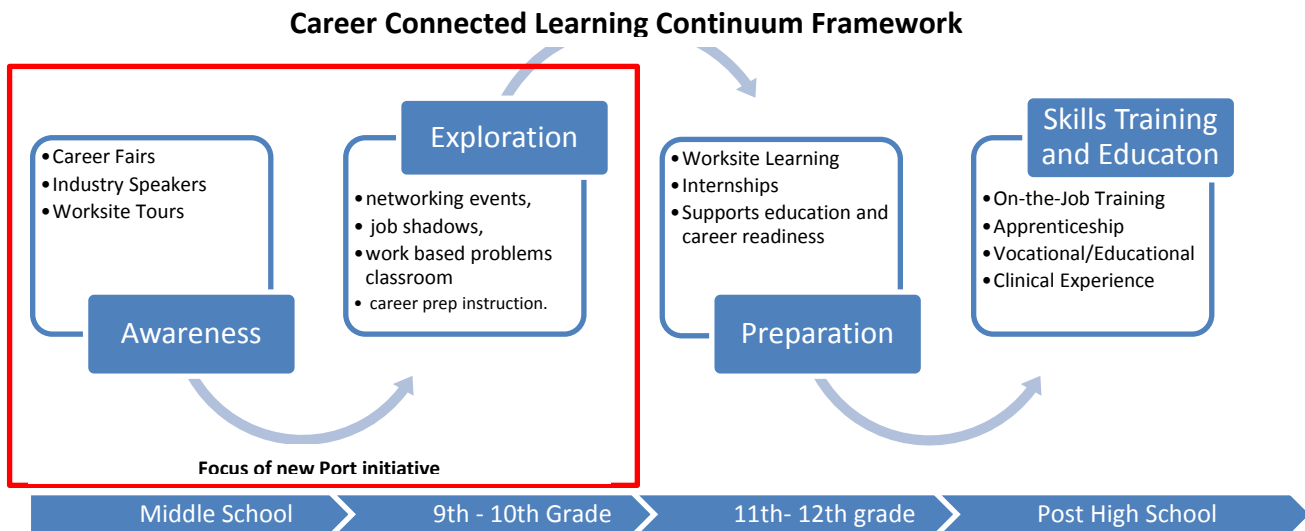
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**Career Connected Learning Initiative**

In addition to increasing 2017 internship opportunities by 30 percent, Port staff is also working on a new initiative to orient middle school students (7<sup>th</sup> to 9<sup>th</sup> graders) towards careers in Port Cluster industries. The Port will work with Boeing, CAMPS and other partners to provide these students a continuum of awareness, exploration, preparation, and work experiences. Through a combination of career fairs, industry tours, and classroom activities this initiative can help build a talent pipeline.

Activities and intensity vary based on the age of the youth - with more school-based and educationally focused programs for younger youth, and more community-based and career-focused programs with strong ties to education for older youth.



**Seattle Public Schools Skills Center Strategic Plan**

In response to Commission request, we partnered with the Seattle Public Schools to fund and select a consultant to conduct a capacity assessment and strategic plan to identify resources and partnerships needed to support expansion of its Skills Center. The purpose of this study is to provide the information and foundation necessary to inform the choices Seattle Public Schools makes in the future regarding their Skills Center delivery models, venues, partnerships, capacity building priorities and actions. In 2017, the Skills Center is low, even though regional labor market data points to the need to build more robust pipelines of qualified students to high-demand employment sectors. The study will also provide facilities recommendations to support expansion of programs in manufacturing, maritime, construction trades and other port-related occupations.

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**ATTACHMENTS TO THIS BRIEFING**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

April 12, 2016 – The Commission was briefed on Workforce Development Strategies and Long Range Plan.

September 22, 2015 – The Commission authorized Airport Workforce Development Services Continuity and Expansion RFP.

July 12, 2015 – The Commission was briefed on proposed 2016 RFP and Contract Authorization Request (Airport).

June 23, 2015 – Airport Workforce Development Services briefing.

May 26, 2015 – The Commission was briefed on Workforce Development Strategic Plan Recommendations.

November 11, 2014 – Workforce Development Briefing.

September 30, 2014 – Workforce Development Expansion Strategy briefing.

July 22, 2014 – Commission adoption of Resolution 3694 regarding quality jobs at Seattle-Tacoma International Airport.

July 1, 2014 – Commission adoption of Workforce Development Motion.

December 4, 2012 – Commission adoption of the Century Agenda.