

# Workforce Development Expansion 2016 Funding Authorization Request Airport Sector

## Office of Social Responsibility

# Overview

- Workforce Development Revised Strategy
- Action Requested
- Why Invest in Workforce Development
- Revised Airport Sector investment options & metrics funding source options
- Implementation timeline
- Next steps

# Proposed Workforce Development Strategy

## Commissioner's Direction

- Continued strong support for workforce development
- Confirm sector approach as overarching framework
- Strengthen airport sector metrics and scope of work
- Modify scope for construction and maritime sectors
- Develop recommendations to support manufacturing as an important sector

Strengthen Port-related sectors

# Action Request Summary

- Phase One: Issue RFP for Airport Sector
- Five Years Total Contract Value \$5,550,000
- 2016 Year One Contract Value \$950,000
- Expand scope of work and outcomes
- Five Year contract – Port discretion annual options
- 2016- Airport employer outreach and convenings
  - *OSR, Commission, Airport*
- Year 2 informed by additional stakeholder input:
  - *Commission, CEO, employers, other stakeholders*

Airport contracted services to ensure uninterrupted services

# Why Invest in Workforce Development

## Current and Emerging Challenges

- Shrinking pool of qualified workers
- Low unemployment rate (4.1%) reduces pool
- Shifting demographics of emerging workforce
- Low Skills-Low Wages
- Growing skills gap for middle wage jobs
- Limited pathways to quality jobs
- Lack of skilled workers limits economic growth
- Supports Airport operations

Insufficient pipeline of qualified workers

# Proposed Workforce Development Strategy Expansion Recommendations

- Sector Approach
- Expand and strengthen current efforts at Sea-Tac
- Leverage Port's role in regional economic development
- Identify new opportunities to leverage federal, state and local investments

Strengthen Port-Related Sectors

# Airport Sector

Current & Future Labor Market	Gaps/Needs
<p><b>Increasing Demand</b></p> <ul style="list-style-type: none"><li>• SeaTac’s growth create new jobs</li><li>• Safety &amp; security of Airport Operations relies on skilled workforce</li></ul> <p><b>Current Labor Force</b></p> <ul style="list-style-type: none"><li>• High turnover in entry level positions</li><li>• Low wages, limited career advancement</li><li>• Turnover raises safety &amp; security issues</li><li>• Limited English proficiency</li><li>• High cost of recruiting screening, and training new employees</li></ul>	<p><b>Increasing Needs</b></p> <ul style="list-style-type: none"><li>• Recruitment - new &amp; replacement</li><li>• Retention support</li><li>• Training:<ul style="list-style-type: none"><li>✓ Safety &amp; Security</li><li>✓ Job-Related English</li><li>✓ Basic Skills</li><li>✓ Career advancement (Customized)</li></ul></li></ul> <p><i>* Resolution 3694 English Proficiency Policy encourages employers “to provide paid leave to Covered Employees for on-the-job English proficiency training”.</i></p>

Recruitment, training and retention needs of Airport employers

# Airport Sector Investment Scope of Work

## Contract Deliverables & Expanded Services

- Job matching/placement
- Job readiness training
- Industry-specific skills training
- Increase Retention, Skills, Wages, Career Advancement
- Increased employer partnerships
- Fund development/leverage funding available

Deliverables for 2017 through 2020 will be reviewed annually



# Airport Sector Investment Scope of Work

## Contract Deliverables & Expanded Services

- Expanded training (Airport University)
- Increased career navigation & counseling
- New training partnerships
- Retention, support and tracking
- Enhanced database
- Enhanced evaluation (looking back at outcomes)

Deliverables for 2017 through 2020 will be reviewed annually

# Airport Sector Metrics

## Evaluation of Outcomes

- Increased retention, skills, wages and career advancement
  - New Work-Based ESL Training Implemented
  - New Employer Partnerships
  - Funds Leveraged (education fte, support resources)
  - Participant Tracking System Implemented
  - Demonstrated Learning Gains
  - # Job Career Upgrades and # Increased Earnings
  - Job Retention (6 & 12 months)

# Airport Sector Metrics

Airport Sector Metrics	Current	2016	2017	2018	2019	2020
· <b>Individuals Served (unduplicated)</b>	6,499	6,000	6156	6316	6480	6648
· <b># of Job Placements</b>	1,236	1,750	1795	1842	1890	1939
· <b># of Hiring Employers</b>	75	120	123	126	129	132
· <b>Placement Hourly Wage</b>	\$10.28	\$10.50	\$11.25	\$11.50	\$12.00	\$12.00
· <b>Employers Served</b>	100	125	125	128	130	132
· <b>Job Listings</b>	925	1,500	1539	1579	1620	1662
· <b>Training Enrollments</b>	337	400	410	421	432	443
· <b>Training Completions</b>	327	350	359	368	378	387
· <b>New Funds Secured</b>	\$1.9m (4 yrs)	1 new funder	1 new funder	1 new funder	1 new funder	1 new funder
· <b>New Training Courses</b>	4	2	1	1	1	1

Expected results based on year over year Airport growth

# Funding Sources

- **Tax Levy Options**
  - Fund Entire Amount
- **Port Corporate Allocation**
  - Allocate to divisions through corporate allocation
  - Review alternate funding models
- **Airport Funds For Airport Portion**
  - FAA audit pending

Funding options available to the Port

# Next Steps/Timeline

## June/July 2015:

- Commission Approval of Recommendations & Budget
- Review statutory authority with Port Legal
- Release Airport Sector RFP

## August/September 2015:

- Present Revised Recommendations  
(Maritime, Construction, Manufacturing)

## October/November 2015:

- Evaluate Airport RFP responses, brief CEO and Commission

## December 2015:

- Execute Airport Sector Contract for January 2016 start

## Q1 2016:

- Airport Employer Convenings
- Develop recommendations and adjustments for 2017

Baseline work for a multi-year proposal in 2017