



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting May 24, 2022

DATE: Update date
TO: Stephen P. Metruck, Executive Director
FROM: Luis Navarro, Director, Workforce Development Programs
SUBJECT: **2021 Workforce Development Annual Report**

EXECUTIVE SUMMARY

Workforce development is critical to achieving the Port's mission as an economic development agency. As a regional anchor institution, the Port leverages its cross-sector influence and leadership to promote long-term, sustainable advancements across port-related economic activities that promote equity.

In the 2021 State of the Port, Port Commission President Fred Felleman and Executive Director Steve Metruck indicated that 2021 marked the third year that COVID impacted our budget and community, but we also saw positive signs on the horizon. The pandemic continued to present new challenges, especially for those who were already deprived of opportunities for success. We tracked a major travel recovery during the spring and summer of 2021. Passenger volume at the airport returned to 75 percent of what we consider typical. Cruise operations resumed in July with reduced ship calls and with fewer passengers.

In the area of workforce development, the Port continued to invest in regional efforts in 2021. In 2020, the workforce development budget was reduced to meet the new port-wide financial goals from the impacts of COVID-19, requiring a recalibration of priorities for 2021, including the elimination of proposed new staff, reduction and postponement of planned contracts and consulting services for market data analysis, among other areas. However, existing contracts continued without reduction that funded key employment and training programs in Port communities, in particular BIPOC communities and women who are underrepresented in port related industries.

In 2021 the Port invested in communities-oriented programs:

- Invested in workforce development in maritime, aviation, construction and green jobs
- Added resources for the South King County Community Impact Fund to mitigate the impacts of the pandemic on the community and support regional economic recovery
- Advanced the implementation of Duwamish Valley Community Equity Program
- Established the Equity Index as a resource to place resources where they are needed most
- Funded the Youth Opportunity Initiative to support nearly 300 youth internships

Meeting Date: May 24, 2022

BACKGROUND

In June 2020, the Port of Seattle Commission adopted the Workforce Development Policy Directive under Resolution 3776, with the purpose of fulfilling the Century Agenda strategic objectives of increasing equitable access for workers in port-related economic activities in maritime, aviation, construction trades, green careers, and other port related economic industries and activities. Staff developed a three-year Workforce Development Strategic Plan for 2021-2023 guided by the Port's Century Agenda and key provisions from Resolution 3776 to ensure that Port investments in workforce development and related activities produce outcomes that support a skilled workforce in Port related industries, and that workforce development programs create equitable access for all.

Resolution 3776 provides guidance in two key provisions:

- Goal 1: Increase Equitable Access to Economic Prosperity. Increase equitable workforce access for the trades in port-related economic activities, with an emphasis on expanding opportunities to near-port communities, which are most disproportionately impacted. Port staff will develop program priorities, actions, benchmarks, and metrics for success.
- Goal 2: Leverage Port Impact and Innovation. Identify and prioritize opportunities for leadership to influence and promote a sector-based approach to workforce development centered on equity, diversity and inclusion.
- Resolution 3776 also requires staff to provide an annual report to the Port Commission and the report also satisfies a requirement under RCW 53.08.245(2)(c) by providing quantitative information on program outcomes including: the number of workers trained, recruited, placed in jobs, and retained; the types of jobs and range of compensation; the number and types of businesses that are served; and any other tangible benefits realized by the port, the workers, businesses, and the public.

2021 RESULTS

Analysis of *Results of Investments* (ROI) for 2021 was conducted by Port staff and consultant Bob Watrus, a workforce development expert hired to support the analysis. The ROI report is presented in the categories of *impact, influence, and leverage*.

In 2021, COVID-19 continued to impact operations of community-based organizations. Important economic indicators showed a slow recovery, which didn't arrive equally in all communities, as communities of color recover more slowly. Nonprofit and training organizations continued with a hybrid approach to training with good results because it allowed people to participate in what felt comfortable to them or was possible considering their personal barriers. In 2021, the Port also remained committed to the communities we serve by not cancelling any existing contracts.

Meeting Date: May 24, 2022

Port Investments

The Port's workforce development actual investments in 2021 was \$3.3 million and included \$1.7 million for a second summer youth employment program, and \$1.6 million for programs in port related sectors of aviation, maritime, and construction trades. Investments included contracts with services providers such as: the pre-apprenticeship organization ANEW, the Urban League of Metropolitan Seattle, and the Youth Maritime Collaboration, and Port Jobs. The following is a report on the impact of the Port investments in workforce development. This memo also outlines how the Port influences the regional workforce development system and how we leverage external funding to support port sectors.

IMPACT

In 2021, the Port of Seattle's workforce development investments resulted in 1,312 job placements and 380 training competitions. Types of jobs in which participants were placed included airport restaurant operations, airport customer service, janitorial/cleaning, ramp/ airfield, warehouse/freight, and retail operations in the aviation sector; and apprentice electrician, laborer, carpenter, installer and helper, and sheet metal worker in the construction trades sector. Hourly wage at placement in aviation was \$17.02, and in construction, \$25.61.

In addition, Port construction projects with apprentice utilization requirements provided 591 apprentices work, including 197 apprentices of color, 55 women apprentices, and those with Priority Hire goals reported 99 Priority Hire workers.

With respect to youth, the Port's investments resulted in 535 youth participating in a range of career connected learning opportunities in port-related sectors, including maritime and environmental sustainability and green jobs.

The vast majority of participants in the Port's workforce development efforts were from communities of color (BIPOC). Most lived in priority communities (e.g., South King County and Priority Hire ZIP codes).

In 2021, 134 employers hired participants or provided youth career connected learning opportunities. Types of employers included airport concessionaires, ground handling companies, airlines, construction contractors, boat repair shops, recreational boating rental providers, and other maritime employers (e.g., cargo ship operator, marine terminal operator, and marine science and engineering firm).

Partners in the Port's workforce development efforts, in addition to employers in port related sectors, included community-based organizations, other public entities, and the regional workforce development system.

Meeting Date: May 24, 2022

A. Port Related Sector Reports

The following are the results of investment of the port sectors:

B. Aviation Sector

Airport passenger traffic continued to rebound in 2021 despite increases in COVID cases due to the Delta and Omicron variants. The number of job openings at SEA Airport increased in 2021, as compared to 2020. At the same time, the unemployment rate in King County was low (4.4% in October 2021, for example), and airport companies found it challenging to hire new employees. Many airport companies began offering hiring, attendance, or retention bonuses to entice job applicants.

Airport Employment Center and Airport University

Airport Employment Center job placements totaled 1,211 in 2021 reflecting the increase of air travel and the resulting job placements were up about 42 percent from 2020, but still well below 2019 pre-COVID numbers. The number of employers hiring through the center totaled 80, also up from 2020, but still below 2019 numbers. In addition, 79 airport workers completed training. Training enrollments and completions also increased from 2020 and included two new cohorts in the Introduction to Aviation Maintenance Technology career pathway (described in more detail below).

In 2021, the Airport Employment Center and Airport University provided employment and training services to SEA airport companies fill open positions and to help community members, SEA employees, and laid-off employees find employment and build skills for career advancement. Airport University supports incumbent workers acquire new skills. Employment and training services, provided in person at the Airport Jobs center and remotely by contractor Port Jobs, included:

- A “Hotlist” of job openings at SEA Airport available online at www.portjobs.org and sent weekly to community-based organizations and colleges.
- In-person open interview events in partnership with airport companies. Promotion of airport company-hosted hiring events; Information about jobs and career pathways at SEA Airport.
- In-person and remote job search assistance, including assistance to newly arrived Afghan refugees.
- Career navigation and resume development.
- SIDA badge training preparation to help English language learners pass the Port of Seattle’s updated SIDA badge training required for airport employment.
- Free college classes for career pathways and skill building through the Airport University program, with a focus on Aviation Maintenance Technology.
- Scholarships to SEA employees through the Alaska Airlines-Airport University scholarship program.

Meeting Date: May 24, 2022

- Combined Job & Health Insurance Enrollment & Vaccination Fairs in partnership with King County Public Health and the Port of Seattle for airport employees and community members.

2022 results are projected to remain steady, with an expected continuation of a tight labor market, and continued uncertainties about COVID variants and impacts.

Airport Employment Center and Airport University – Port Jobs				
	2019 (baseline)	2020 (actual)	2021 (actual)	2022 (projected)
# Registered for employment and/or training (unduplicated)	4,882	1,810	1,482	1600
# Job placements	2,239	857	1,211	1300
Hourly wage @ placement	\$16.04	\$16.40	\$17.02	\$17.54
# Hiring employers	90	70	80	80
# Training enrollments	247	197	247	250
# Training completions	198	174	200	200

Source: Port Jobs 2021 Year-end Highlights

Participant demographics: 44 percent African/African American/Black, 23 percent Asian, 14 percent white, 8 percent Spanish/Hispanic/Latino, 7 percent Pacific Islander/Native Hawaiian, and less than 1 percent American Indian/Alaska Native. 52 percent female and 48 percent male. 59 percent South King County residents.

Types of jobs: Restaurant operations, 28 percent; airport customer service, 27 percent; janitorial/cleaning, 18 percent; ramp/airfield, 9 percent; warehouse/freight, 8 percent; and retail operations 7 percent, and other 3 percent.

Types of businesses served: All SEA airport companies, including airlines, airport concessionaires, ground handling companies, warehouse/cargo companies, janitorial/cleaning companies, rental car agencies, etc.

Partnerships: Aviation employers (e.g., Alaska Airlines and Boeing); community colleges (Highline and South Seattle, which teach Airport University classes); K-12 system (e.g., Puget Sound Skills Center); Aerospace Joint Apprenticeship Committee and ANEW (apprenticeship referrals); Northwest Education Access (college and financial aid navigation); King County Reconnect to Opportunity (young adult employment); community based organizations (African Chamber of Commerce, Asian Counseling and Referral Services, and others); Annie.

Meeting Date: May 24, 2022

E Casey Foundation and its Generation Work Initiative; and Washington State Department of Social and Health Services (Basic Food Employment and Training);) and King County Public Health (health insurance enrollment fairs).

COVID-19 impact and response: Remote and in-person job search assistance at Airport Jobs throughout the pandemic. In-person open interview events at Airport Jobs and promotion of employer-hosted hiring events. Use of computers and internet at Airport Jobs for job search. Free health insurance enrollment fairs for laid off airport workers and community members who’ve lost health insurance benefits. Information on safety net resources such as unemployment, health care resources, food and energy assistance, etc. Airport University college classes and Alaska Airlines-Airport University scholarships for skill building and career advancement.

Aviation Career Pathways: Aviation Maintenance Technician (AMT): Port Jobs and South Seattle College partnered with the Port of Seattle to offer an Introduction to Aviation Maintenance Technology (AMT) course at SEA Airport in Winter Quarter 2021 and again in Fall Quarter 2021. Students in these two cohorts—primarily airport workers in entry jobs such as ramp agents and fuelers —gained math skills, toured the college’s AMT program, and received financial aid application assistance and navigation support to bridge into the college’s two year, FAA-approved AMT program. Completers received a \$1,000 scholarship from Port Jobs’ Alaska Airlines-Airport University scholarship program.

Once enrolled in South Seattle College’s AMT program, students receive academic and other supports.

In 2021, a diverse group of 29 SEA airport employees, former employees and community members completed the course, seven of whom enrolled in the AMT program at South Seattle College in 2021; another eight students are expected to enroll in Spring 2022. Said one female student, “Thank you so much for coordinating this class. It has inspired me to move forward in my career which I know is exactly its intention.”

Aviation Career Pathways (2020-21: Aviation Maintenance Technician, with Port Jobs and South Seattle College)			
	2020 (actual)	2021 (actual)	2022 (projected)
# Training enrollments (Intro to AMT)	23	40	40
# Training completions (Intro to AMT)	17	29	30
# Training enrollments (two-year AMT Program at South Seattle College)	5	15	16
Hourly wage & job placement (post-graduation)			\$30/hour*

Meeting Date: May 24, 2022

Cohorts have yet to reach these milestones.

*The first cohort will complete AMT training late in 2022, having enrolled in the eight-quarter college program in Spring 2020, a quarter which was interrupted due to the start of the pandemic.

Participant demographics: 90 percent BIPOC and 25 percent women.

Types of jobs: Aviation maintenance technician, which are in high demand and can pay salaries over \$85,000.

Types of businesses served: Airlines, warehouse/cargo companies

Partnerships: Port Jobs and South Seattle College.

Aviation Career Pathways: Planning and Development

Aviation career pathways planning and development work in 2021 included: development of a second aviation career pathways project targeting air cargo and logistics, with a launch date set for fall 2022; and expansion of Port of Seattle apprenticeship opportunities, including aviation maintenance as well as maritime maintenance, etc.

Fair Work Center

The Fair Work Center, in partnership with Partner in Employment and other community-based organizations, reached out to 3,742 SEA Airport workers through outreach events and activities, one-on-one intake and follow up, training workshops, and community collaborations, educating them on the City of SeaTac’s Prop 1 and helping them to improve their workplace conditions. Outreach focused on the hardest to reach workers, including workers of color, women, and newly arrived immigrant workers. 273 workers participated in Fair Work Center training workshops.

C. Construction Trades Sector (Worker Outreach, Training, and Retention)

Construction training completions totaled 180 in 2021, with 101 placements in apprenticeships and trades related jobs. Hourly wage at placement was \$25.61. 2021 data include results from construction outreach, training and retention funded jointly by the Port, City of Seattle, and Sound Transit.

Projections for 2022 are 242 training completions and 180 placements.

Construction Worker Outreach, Training, and Retention – ANEW, Urban League and Ironworkers, plus Rainier Beach Action Coalition, Carpenters, and PACT in 2021				
	2018-19 (baseline)	2020 (actual)	2021 (actual)*	2022 (projected)
# Enrolled	206	49	274	257
# Training completions	175	36	180	242

Meeting Date: May 24, 2022

# Placements (apprenticeships, trades related jobs)	190	43	101	180
# Hiring employers	40	11	42	50
Hourly wage @ placement	\$26.21	\$24.50+	\$25.61	\$27.00
Retention @ 3 mos	142 (75%)	46	52	225
Retention @ 12 mos	107 (56%)	40	49	158
Retention @ 18 mos	86 (45%)	40	41	145

* Numbers include those from construction worker outreach, training, and retention jointly funded by the Port of Seattle, City of Seattle, and Sound Transit.

Participant demographics: 72 percent BIPOC. 63 percent men and 36 percent women. 58 percent Priority Hire ZIP codes.

Types of jobs: Electricians, laborers, carpenters, installers and helpers, sheet metal workers, and plasterers.

Types of businesses served: Construction contractors.

Partnerships: City of Seattle, King County, Sound Transit and other public contracting entities (Regional Public Owners group), community-based organizations (Rainier Beach Action Coalition and Urban League of Metropolitan Seattle), pre-apprenticeship and apprenticeship programs (ANEW, PACT, Ironworkers, and Carpenters), and construction contractors.

Port Apprentice Utilization and Priority Hire

In 2021, 17 Port of Seattle construction projects with a total of almost 1,010,167 total labor hours worked had apprentice utilization requirements. These projects provided work to 591 apprentices, who performed 23 percent of labor hours worked. People of color apprentices—numbering 172—accounted for 32 percent of apprentice labor hours worked on these projects and women apprentices—numbering 55 or 12 percent.

Also in 2021, eight Port of Seattle construction projects with 60,985 total labor hours worked had Priority Hire requirements. These projects provided work to 99 Priority Hire workers, who performed 25 percent of total labor hours worked. Of the 99 Priority Hire workers, 24 were apprentices and 75 journey workers; and 26 were people of color and 4 women.

Among the crafts represented: carpenters, cement masons, electricians, ironworkers, laborers, and sheet metal workers.

Apprentice Utilization	2019 (baseline)	2020 (actual)	2021 (actual)
Port projects with apprentice utilization requirements and total labor hours worked on these projects		30 projects/ 1,642,378 total labor hours	40 projects/ 1,010,167 total labor hours
% labor hours worked by apprentices	20%	23%	23%
# apprentices		819	591
% apprentice hours worked by people of color	33%	38%	32%
# people of color apprentices		275	197
#/% apprentice hours worked by women	10%	9%	12%
# women apprentices		77	55
Priority Hire			
Number of Port projects with Priority Hire requirements and total labor hours worked on these projects	N/A	3 projects/17,700 total labor hours	8 projects/ 60,895 total labor hours
% labor hours worked by Priority Hire workers	N/A	34%	25%
# Priority Hire workers		35	99
# Priority Hire apprentices		4	24
# Priority Hire journey Workers		31	75
# Priority Hire people of color workers	N/A	20	26
# Priority Hire women workers	N/A	5	4

D. Maritime Sector

- **Maritime Experiential Learning and Internships**

In 2021, the number of students participating in maritime experiential learning events totaled 188, over twice the number participating in 2020, but only one third of the number participating in 2019 pre-Covid.

In addition, 17 youth participated in external summer internships.

Meeting Date: May 24, 2022

Maritime Experiential Learning and Internships – Youth Maritime Collaborative and Sound Experience				
	2019 (baseline)	2020 (actual)	2021 (actual)	2022 (projected)
# Students participating in maritime experiential events	474	75	188	90
# Youth participating in maritime internships	N/A	30	17	N/A
# Employers providing internships	N/A	11	12	N/A

The Youth Maritime Collaborative contract ended in January 2022. Sound Experience will continue to offer maritime experiential learning programming in 2022.

Participant demographics: 22% Black/African American, 44% Hispanic/Latino, 26% Asian/Pacific Islander, 7% White.

Types of businesses that supported youth: Boat repair shops, cargo ship operator, marine terminal operator, marine supplies recycler, recreational boating rental providers, and marine science and engineering firm.

Partnerships: Maritime employers, schools, community-based organizations (e.g., El Centro de la Raza), community and technical colleges, and maritime nonprofits (e.g., Center for Wooden Boats).

Maritime High School

37 students enrolled in Maritime High School for the 2021-22 school year. For the 2022-23 school year, it’s projected to be 100.

Maritime High School		
	2021-22 (actual)	2022-23 (projected)
# Enrolled	37	100

2022 Investments

The new Youth Maritime Career Launch program, funded for \$4.1 million for three years, is set to begin in the fall of 2022, with career preparation and launch placements expected to

Meeting Date: May 24, 2022

begin in 2023. The Port will issue solicitations for contracts to support career connected programs with emphasis on the launch component in the maritime sector.

E. Green Jobs Sector

Planning efforts were added for a green sector strategy to be developed in 2022 and 2023. A consultant is conducting a green jobs labor market analysis. The Port also invested \$757 thousand through the summer youth opportunity initiative serving 81 students.

F. Youth Programs

Youth programing has remained as key strategy in workforce development. Due to Covid restrictions that prevented the expansion of career connected youth programs in 2021, the efforts were directed at supporting existing programs by allowing service providers to operate in a hybrid format, and the most important effort in 2021 was the Opportunity Youth Initiative.

Opportunity Youth Initiative

The Opportunity Youth Initiative had 293 youth participants, with 291 completing. Interns were paid \$15 an hour and mentor lead interns \$16 to \$20 an hour. This initiative is being converted in 2022 into a maritime youth training and career launch program. In 2023, other port related sectors will be added.

Opportunity Youth Initiative – Seattle Goodwill Industries, Partner in Employment, Urban League of Metropolitan Seattle and Seattle Parks Foundation		
	2021 (actual)	2022*
# Enrolled	293	N/A
# Completions	291	N/A
Hourly wage	Interns: \$15 Mentor lead interns:\$16-20	N/A

*In 2022 the Port of Seattle Commission directed staff to rename the Opportunity Youth Initiative the Youth Career Launch program and implement it as 3-year pilot program. See section C 2022 Investments for more information.

2021 Participant demographics: 94% BIPOC. 46% Priority Hire ZIP codes.

INFLUENCE

The Port of Seattle’s workforce development efforts also aim to influence broader workforce development policies, practices, systems, and investments as they relate to port-related sectors. In 2021, examples included:

Meeting Date: May 24, 2022

Regional Public Owners (RPO's) – The Port of Seattle is a partner with the City of Seattle, King County, Sound Transit and other public contracting entities in the Regional Public Owners (RPO) group, which aims to create a pipeline of skilled, diverse construction workers to meet current and future needs driven by Port and other public infrastructure projects. RPO's goals are to align and champion greater workforce diversification in the trades, increase entry and diversity, and improve retention.

RPO's 2021 efforts included:

- Analyzing construction labor supply and demand to help inform RPO's regional strategies.
- Sponsoring a construction apprenticeship guidebook to increase equitable access to the trades. The guidebook provides information on regional pre-apprenticeship and apprenticeship programs, including application process, program requirements, and contact information. It's distributed at community outreach events, construction sites, and workforce and education and training partners.
- Supporting state legislation that calls for an apprentice retention study and creates a grant program for wrap-around supports to address barriers to beginning and competing apprenticeship programs (it passed the legislature and, was signed into law by the governor in late March).
- Working on acceptable/respectful worksite practices.

Maritime industry table – The Port of Seattle is supporting the Workforce Development Council of Seattle-King County's establishment of a maritime industry table to help develop regional strategies to address the maritime industry's workforce needs and advance job quality and racial equity. The WDC will convene and support the maritime industry table, and the Port will bring its industry expertise and employer connections to the table.

Youth Maritime Collaborative – The Youth Maritime Collaborative was a partnership of workforce education and training providers and employers that the Port of Seattle helped establish and promotes maritime career awareness and career connected learning activities, with a focus on low-income youth and youth of color. In 2021, the Youth Maritime Collaborative provided equity training to 10 maritime employers, as a way to promote equitable practices in the maritime industry and create youth internship opportunities for low-income youth and youth of color.

Meeting Date: May 24, 2022

LEVERAGE

The Port of Seattle’s workforce development investments also leverage other funding and resources. For 2021, the amount leveraged was over \$1.5 million. This included:

- \$920,000 in non-Port support for Port Jobs’ work, from the state Department of Social and Health Services Basic Food Employment & Training program, BECU, Boeing, Alaska Airlines, King County, and the Annie E. Casey Foundation.
- \$200,000 from the City of Seattle and Sound Transit as part of construction worker outreach, training, and retention jointly funded with the Port.
- \$420,000 from foundation grants and program contracts to support the work of the Youth Maritime Collaborative, which as noted above the Port of Seattle helped establish and promotes maritime career awareness and career connected learning.

ATTACHMENTS TO THIS BRIEFING

- (1) Workforce Development Resolution No. 3776
- (2) Port Jobs Annual Report Summary
- (3) Demographics in Construction and Maritime
- (4) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- (1) February 2022 – The Commission approved a Youth Career Launch Program
- (2) June 2020 – The Commission adopted the Workforce Development Resolution 3776
- (3) July 2020 – OEDI staff presented the 2021, 2023,-2023 workforce development plan