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COMMISSION

AGENDA MEMORANDUM Item No. 11a

BRIEFING ITEM Date of Meeting June 13, 2023

DATE: March 14, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Luis Navarro, Director, Workforce Development Programs

SUBJECT: 2022 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 2022, the Port continued to invest in regional workforce development, with a significant commitment for increased funding in maritime programs. In the 2022 State of the Port, Port Commission President Ryan Calkins, and Executive Director Steve Metruck indicated that the successful rebound of our key business activities in 2022 allows the Port to maximize our reinvestment in the Port's mission and vision. They also said that the success of our Port and region depends on our people being safe, trained, resourced, and ready for the work ahead. To that end, the 2023 budget makes a larger investment in people and programs than any budget in recent years, and we will add full-time employees and contractors to improve customer services and advance initiatives in all Port divisions.

In 2022, the Port invested in communities-oriented programs in workforce development in the port-related sectors of maritime, aviation, construction trades, and green jobs. The Port also 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 and advanced the implementation of the Duwamish Valley Community Equity Program and other important community-centered programs.

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 jobs, and other port related industries and activities. Resolution 3776 provides guidance in two key provisions:

- Goal 1: Increase Equitable Access to Economic Prosperity. Increase equitable workforce access to jobs and the trades in port-related economic activities, with an emphasis on expanding opportunities to near-port communities, which are most disproportionately

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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. 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.

In a report provided by Consultant Robert Watrus, an expert in workforce development, he indicated that, according to the Bookings Institution, Washington State Security Department and the City of Seattle Office of Economic Development, the Seattle-King County economy has largely rebounded from the Covid recession in terms of number of jobs, which is now higher than pre-pandemic; and unemployment rate, which now stands at around three percent, after having reached a high of 15 percent at the peak of the recession. However, there are certain fundamentals of the region's economy that remain unchanged – before and after Covid. First, equity and inclusion remain issues to address. Second, port-related industries and occupations remain a good source of quality, family wage jobs and, therefore, a target of opportunity for the

Port's workforce development efforts. And third, people of color and women remain underrepresented in port-related industries and occupations—especially quality, family wage occupations—and this will remain the case absent equity, diversity, and inclusion efforts. The Workforce Development Council of Seattle-King County's Workforce Dynamics dashboard shows that "income disparities in King County are vast and fall along racial lines. King County enjoys higher incomes than the state or national averages, but this relative prosperity is concentrated among the white population. The greatest income disparities in King County are concentrated in zip codes in South King County, home to the majority of the region's BIPOC communities".

Port Investments

In 2022, the Port invested \$2.5 million in external workforce development programs in the port related sectors of aviation, construction trades and maritime. Investments included contracts with service providers such as: Port Jobs, Partner in Employment, pre-apprenticeship training organizations including ANEW, the Urban League of Metropolitan Seattle, and we joined the City of Seattle and Sound Transit in outreach and training programs in construction. The Port also supported the Maritime High School, the Youth Maritime Collaborative, and DIRT Corps to support green jobs in the Duwamish Valley. The following is a report on the impact of the Port investments

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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.

2023 Trends

In 2023, the job market has remained strong for jobseekers. Employers continue to be concerned with being able to hire enough people to maintain appropriate service levels. Our department continues to contract with regional training organizations that provide skills to youth and adults preparing them for family wage jobs. The Port continues to support a diverse pipeline in aviation, construction trades, and maritime.

2022 RESULTS

Results of Investments (ROI) in workforce development for 2022 are presented in the categories of impact, influence, and leverage.

IMPACT

In 2022, the Port of Seattle's workforce development investments resulted in 1,604 placements and 689 training completions. Types of jobs in which participants were placed included airline operations/passenger support, restaurant operations, janitorial/cleaning, 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. The hourly wage at placement in aviation was \$18.82. The hourly wage upon entry into construction was \$23.14 and after six months, the average hourly wage was \$37.03.

In addition, Port construction projects with apprentice utilization requirements provided 404 apprentices work, including 134 apprentices of color, 59 women apprentices, and those with Priority Hire goals reported 93 Priority Hire workers.

With respect to youth, the Port's participation in the Youth Maritime Collaborative resulted in youth participating in a range of career connected learning opportunities in port-related sectors, including maritime and environmental sustainability and green jobs. In addition, Workforce Development staff augmented the Duwamish Valley Green Jobs Corps youth cohort experience with tours of the airport and the Maritime Institute of Training and Graduate Studies (MITAGS). The majority of participants supported by the Port's workforce development efforts were from communities of color (BIPOC). 86% of those supported live in economically distressed communities (e.g., South King County and Priority Hire ZIP codes).

In 2022, 145 employers hired participants or provided youth career connected learning opportunities. Types of employers included airport concessionaires, ground handling companies, airlines, and construction contractors.

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<http://www.portjobs.org/>

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

Port Related Sector Reports

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

A. Aviation Sector

Airport passenger traffic continued to rebound in 2022. The number of job openings at SEA Airport increased in 2022, as compared to 2021. At the same time, the unemployment rate in King County was low (2.8% in December 2022, for example), and airport companies found it challenging to hire new employees. Many airport companies continued offering hiring, attendance, or retention bonuses to entice job applicants.

Airport Employment Center and Airport University

Airport Employment Center job placements totaled 1,479 in 2022, reflecting the increase of air travel and the resulting job placements were up about 22 percent from 2021, but still well below 2019 pre-Covid numbers. The number of airport employers hiring totaled 82, also up from 2021. In addition, 491 airport workers completed 573 trainings. Training enrollments and completions also increased from 2021 and included another cohort in the Introduction to Aviation Maintenance Technology career pathway (described in more detail below).

In 2022, the Airport Employment Center and Airport University provided services to SEA airport companies to help them fill open positions and to help community members, SEA employees, and laid-off employees find employment and build skills for career advancement.

Airport University (AU) programs are funded by external partners that support incumbent workers in acquiring new skills. Port funded employment and training services, provided in person at the Airport Jobs center and remotely by contractor Port Jobs, included:

- o A "Hotlist" of job openings at SEA Airport available online at www.portjobs.org and sent weekly to community-based organizations and colleges.
- o 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.
- o In-person and remote job search assistance, including assistance for recent Afghan refugees.
- o Career navigation and resume development.
- o SIDA badge training preparation to help English language learners pass the Port of Seattle's updated SIDA badge training required for airport employment. This service is important as there has been an increase in individuals who need support with airport specific English terminology.
- o Free college classes for career pathways and skill building through the Airport University program, with a focus on Aviation Maintenance Technology.

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- o Scholarships to SEA employees through the Alaska Airlines-Airport University scholarship program.
 - o Combined Job & Health Insurance Enrollment & Vaccination Fairs in partnership with King County Public Health and the Port for airport employees and community members.
- 2023 results are projected to remain steady, with an expected continuation of a tight labor market.

Impact

Airport Employment Center and Airport 2021 2022 2023

University Baseline Actuals Projected

job placements 1,211 1,479 1,550

Hourly wage @ placement \$17.02 \$18.82 \$19.06

hiring employers 80 82 83

training enrollments-includes SIDA support 247 539 600

training completions-includes SIDA support 200 491 450

Aviation Career Pathways

training enrollments 23 18 40

training completions 17 11 30

Aviation Investments 2021 2022 2023

Investment Amount \$1M \$2.0M \$1.8M

Participant demographics: 42 percent African/African American/Black, 25 percent Asian, 13 percent white, 10 percent Spanish/Hispanic/Latino, 6 percent Pacific Islander/Native Hawaiian, and less than 1 percent American Indian/Alaska Native, 3 percent Other. 52 percent female and 48 percent male. 59 percent were South King County residents. Types of jobs: 37 percent airline operations/passenger support, 23 percent restaurant operations, 21 percent janitorial/cleaning, 12 percent warehouse/freight, 4 percent retail operations, 2 percent security, and 1 percent skilled trades.

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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, Seattle World School); AJAC – Advanced Manufacturing Apprenticeships and ANEW (apprenticeship referrals); Northwest Education Access (college and financial aid navigation); King County Reconnect to Opportunity (young adult employment); community based organizations (Asian Counseling and Referral Services, Partner in Employment, International Rescue Committee and many others); Annie E. Casey Foundation and its Generation Work Initiative; and Washington State Department of Social and Health Services (Basic Food Employment and Training); and Public Health-Seattle & King County (health insurance enrollment fairs).

COVID-19 impact and response in 2022: Remote and in-person job search assistance; inperson open interview events 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; ; and 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 starting in 2021.

Participants, 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 wraparound supports.

2022 participant demographics: 91 percent BIPOC and 21 percent women.

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

Partnerships: Port Jobs and South Seattle College. In 2022, a diverse group of eleven SEA airport employees, former employees and community members completed the Introduction to AMT course, seven of whom enrolled in the AMT program at South Seattle College. Said one student who completed an earlier cohort, "Yes! I am almost done with the Aviation Maintenance Technology (AMT) program at South Seattle College. Two more quarters and

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one more FAA certification to go! It all started with the Introduction to AMT class. Before I had few job options, but now the doors are open."

Aviation Career Pathways (2021-23: Aviation Maintenance Technician, with Port Jobs and South Seattle College) Introduction to AMT

2021 (actual) 2022 (actual) 2023 (projected)

2 classes 1 class 1 class

Training enrollments (Intro to 40 18 20

AMT)

Training completions (Intro to 29 11 15

AMT)

Training enrollments (two-year 14 7 10

AMT

Program at South Seattle College)

Hourly wage & job placement 4 students have graduated from South Seattle College's AMT (post-graduation) program.

6 students who enrolled in the two-year AMT program at South Seattle College have career advancement job placements in AMT-related. Wages range from \$21 to \$36/hour.

In 2023, additional training opportunities will be implemented at SEA Airport including a commercial drivers' license training program for bus driving to encourage community members to apply for bus driving opportunities at SEA Airport. Also, an airport ground equipment mechanics introductory program, and we are researching training support for taxi drivers to develop new skills.

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

In 2022, construction training completions totaled 189, with 125 placements in apprenticeships and trades related jobs. The hourly wage at placement was \$23.14. After six months, the average hourly wage is \$37.03. 2022 data include results from construction outreach, training and retention funded jointly by the Port, City of Seattle, and Sound Transit. Projections for 2023 are 216 training completions and 173 placements.

Construction Worker Outreach, Training, and Retention

ANEW, Urban League and Ironworkers, plus Rainier Beach Action Coalition Carpenters, and PACT in 2021

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Construction Results

2021 2022 2023

Year

Baseline Actuals Projected

Enrolled 274 209 270

Training completions 180 187 216

Placements (apprenticeships, 101 125 173 trades related jobs)

Hiring employers 42 63 60

Hourly wage @ placement \$25.61 \$23.14 \$26.00

Construction Investments 2021 2022 2023

Investment Amount \$610K \$668K \$716K

* 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: 81 percent BIPOC. (3% Asian, 27% Black/African American, 33% Hispanic/Latino, 3% Native American/Alaskan Native, 2% Native Hawaiian/Pacific Islander, 4% Multi-Race, 19% White, 8% Not reported) 71 percent men and 29 percent women. 53 percent Priority Hire ZIP codes.

Types of jobs: Electricians, laborers, carpenters, installers and helpers, sheet metal workers, piledrivers, cement masons, sprinkler fitters, 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 2022, 40 Port of Seattle construction projects with a total of 1.3 million labor hours worked provided work to 404 apprentices. 134 BIPOC apprentices worked 433,000 hours or 33.5 percent of labor hours, and 59 women apprentices worked 190,000 hours or 14.7 percent of the apprenticeship hours. Apprentices earned over \$6 million in wages and benefits on the Port's construction projects.

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93 Priority Hire workers earned nearly \$925,000 in wages and benefits on the Port's Priority Hire projects. \$180 million of construction payout to contractors under these programs, and over \$35 million paid in construction worker wages and benefits.

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

C. Maritime Sector

With the Opportunity Youth Initiative set to finish at the end of 2021, the Port of Seattle Commission adopted Order 2022-02 in February of 2022 to implement a pilot program that will explore how to evolve the program from a temporary response to Covid recovery to an ongoing, permanent program aligned with the core priorities of the Port's workforce development strategic plan and Workforce Development Resolution and Policy Directive. The new program would be called the Youth Career Launch, and the first sector focus would be maritime. Workforce Development wrote and implemented a strategic plan for the program. In 2022 we also oversaw a competitive procurement process to award three 3-year contracts totaling \$4.1 million to Washington Maritime Blue, Urban League of Metropolitan Seattle, and The Polytech. Contracts were executed in November of 2022, kicking off the first phase of maritime employer engagement.

In 2023 we expect the program to begin enrolling participants and place 40-50 youth in maritime internships.

- Maritime Career Connected Learning

In 2022, the Port attended a Maritime Core Plus Try-a-Trade event with over 650 students in attendance. In addition, 30 BIPOC students participated in the RAISE the Sails program from Sound Experience.

Maritime Career Connected Learning

2021 2022

(baseline) (Actuals)

Students participating in N/A 650

awareness events

Students participating in 188 30

experiential events

Students participating in 0 0

preparation events

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<https://www.seattlejobsinitiative.com/>

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Students participating in 0 0

career launch events

Employers providing 12 N/A

internships

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

Maritime High School

Current enrollment is at 80 students, with 50% identifying as white, and 50% as BIPOC

Maritime High School

2022-2023 (actual) 2023-2024 (projected)

Enrolled 80 100

D. Green Jobs Sector

The Duwamish Valley Green Jobs Corps entered its second year of programming in 2022, and for the first time Workforce Development played an active role by organizing tours to the Maritime Institute of Training and Graduate Studies, the Port of Seattle Headquarters, and Seattle-Tacoma International Airport.

The youth cohort consisted of 11 participants from the Duwamish Valley. The adult cohort consisted of 10 participants from the Duwamish Valley.

In 2022, the Port hired Seattle Jobs Initiative, a research consultant, to identify in-demand,

living-wage career pathways in the maritime and green jobs industries. SJ1 determined that maritime crews, maritime engine crews, electricians, and heating, ventilation and air conditioning mechanics and installers

analyzed the following two career pathways due to their current and projected employer demand, accessibility for entry-level workers, and earnings potential:

INFLUENCE

The Port of Seattle's workforce development efforts also aim to influence regional workforce development policies, practices, systems, and investments as they relate to port-related sectors. In 2022, examples included:

- 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

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(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 2022 efforts included:

- o Analyzing construction labor supply and demand to help inform RPO's regional strategies and public agencies investments.
- o 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.
- o 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.
- o Working on acceptable/respectful worksite practices.
- Regional Green Jobs Coalition – The Port of Seattle is collaborating with King County and the City of Seattle to form a regional Green Jobs Coalition. In 2022, a Memorandum of Understanding was approved by the Port of Seattle Commission to hire a FUSE Corps Executive Fellow to develop a strategic plan for the next two years; foster alignment of green job strategies between the Port, King County and the City of Seattle; create a funding plan to execute the strategy; and launch a platform for regional green employment stakeholders to collectively advance their agenda.
- Regional College System – The Port's career pathways program, which funds introductory courses to careers in port-related sectors has an impact on the college system and its offerings. For example, the aviation maintenance technician introductory course offered at the airport has created a pipeline of women and people of color registering at the South Seattle College for their two-year AMT program. The college has also made changes to the program (e.g., integration of academic supports and student services, leveraging of student financial assistance, etc.) to make it more accessible to workers in entry jobs at SEA. The Port is also working on other career pathways that will encourage the college system to create new programs or keep existing programs with an emphasis on access to port-related careers.

LEVERAGE

The Port of Seattle's workforce development investments also leverage other funding and resources. For 2022, the amount leveraged was over \$ 1.5 million. This included:

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- o \$900,000 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.
- o \$634,000 from the City of Seattle and Sound Transit as part of construction worker outreach, training, and retention jointly funded with the Port.

ATTACHMENTS TO THIS BRIEFING

(1) Presentation Slides

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

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