



Seattle

2018 Priority Hire Annual Report

DEPARTMENT OF FINANCE & ADMINISTRATIVE SERVICES
CITY PURCHASING & CONTRACTING SERVICES

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This report is an annual programmatic review in response to the Priority Hire Ordinance (SMC 20.37) and Mayor's Office, City Council and other stakeholder interests.

Cover: Arman is a cement mason apprentice and graduate of the YouthBuild pre-apprenticeship program. Before going into construction, Arman worked at a fast-food restaurant, making about \$11 an hour. As a cement mason, he's increased his wage more than 150%, earning more than \$27 in base wages an hour. He also earns an additional \$17.44 an hour in benefits, which include health insurance, a retirement pension and paid time off.

Executive Summary

Cranes are going up all over Seattle. That means hundreds of great construction jobs. In the past, workers living in the region's economically distressed communities – especially women and people of color – haven't had access to those great careers. That's where Priority Hire comes in.

The City of Seattle's Priority Hire program puts people living in economically distressed communities to work on the City's construction projects.

The Priority Hire program requires contractors working on big construction projects (City projects over \$5 million or public-private partnership projects using over \$5 million of City money) to hire workers who are from economically distressed ZIP codes, with the goal to create opportunities and access to hire women and people of color.

The program works by:

- Recruiting diverse workers.
- Training workers.
- Helping workers get hired.
- Giving workers ongoing support.

To get the work done, the City of Seattle and construction labor unions signed a community workforce agreement (CWA). The CWA creates a roadmap for labor unions, contractors, training programs and community organizations to come together to support workers.

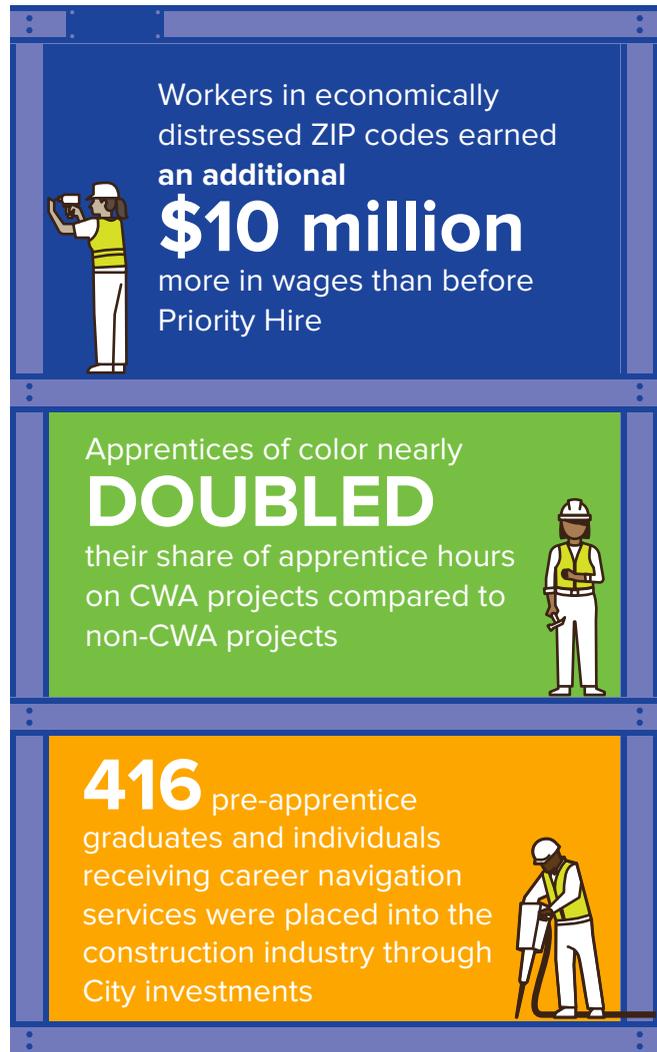
Priority Hire is a community-initiated program. Priority Hire launched in 2012 when the City ran a pilot project on the Elliott Bay Seawall. In 2015, the City formally established Priority Hire through Seattle Municipal Code (SMC) 20.37.

The Department of Finance and Administrative Services, through City Purchasing and Contracting Services (CPCS), runs the Priority Hire program. CPCS works with the Priority Hire Advisory Committee (PHAC), which advises the City on Priority Hire. CPCS aligns Priority Hire work with the City's Race and Social Justice Initiative values of advancing equity and ending racial disparities.

PROGRAM PERFORMANCE

Priority Hire is a successful program. Ending in 2018, Priority Hire:

- **Created more construction work for workers living in economically distressed areas.**
 - Priority Hire **more than doubled their share of hours** for workers in economically distressed areas, from 12% before Priority Hire to 26% on CWA projects.
 - These workers brought home **\$10 million more in wages** than they would have earned without Priority Hire, for a total of \$21 million.



- **Provided more work for African American workers.**

- African American workers performed about 113,000 extra hours on CWA projects and earned an **additional \$4.8 million in direct wages.**
- African Americans **more than doubled their share of hours** on CWA projects, from 4% before Priority Hire to 9% on CWA projects.

- **Supported diverse workers as they started construction careers.** On CWA projects compared to non-CWA projects:

- Apprentices living in economically distressed areas **increased their hours by 236%.**
- Apprentices of color **nearly doubled their share** of apprentice hours.
- Women apprentices **increased their share of hours by 313%.**

- **Prepared new workers with job skills to succeed in construction.**

- **A total of 416 individuals who received training and/or career navigation services** through Priority Hire investments were placed into apprenticeship or construction employment.
- Two-thirds of this group lived in economically distressed areas and/or were people of color, and over one-third were women.

2019 LOOKAHEAD

In 2019, about 12 projects with Priority Hire hiring requirements will begin construction. The projects are valued at \$1.3 billion. This includes a public-private partnership project, the Arena at Seattle Center. In 2019, the Priority Hire program will:

- Open doors for new Priority Hire workers to start construction careers by continuing to fund recruitment and training through community partners Casa Latina, Urban League of Metropolitan Seattle, Rainier Beach Action Coalition, Apprenticeship and Non-Traditional Employment for Women (ANEW) Apprenticeship Opportunities Project (AOP) and Pre-Apprenticeship Construction Training (PACT).
- Work with PHAC to increase the share of CWA work for those living in economically distressed ZIP codes, women and people of color. The City is a leader in this work, and other agencies have started programs similar to Priority Hire. Demand for these workers will increase, likely limiting their availability on upcoming projects.
- Keep women, African Americans and other people of color in construction by:
 - Launching an Acceptable Work Site training pilot to prevent workplace harassment.
 - Funding financial support services, case management and retention efforts, such as job site supports for new apprentices.
- Work with key stakeholders to identify strategies to increase women- and minority-owned (WMBE) contractor participation on CWA projects.
- Increase regional collaboration to maximize the impact of Priority Hire by:
 - Continuing partnerships with other public agencies to support worker retention and address gaps.
 - Signing an interlocal agreement with King County and the Port of Seattle.
 - Supporting the Regional Pre-Apprenticeship Collaborative's focus on building membership, piloting apprentice retention strategies, supporting driver's relicensing services and providing construction training to high school students.

The **2019 Construction Apprenticeship Guidebook** was developed by CPCS in

partnership with other public agencies, labor and construction training programs. It is a resource for those interested in learning more about apprenticeship options, application processes and support services to help navigate the worker pathway:

www.bitly.com/apprenticeshipguidebook



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Letter from the FAS Director



Seattle
Finance &
Administrative Services

June 1, 2019

Dear Seattle City Council and the Seattle community,

I am pleased to submit the 2018 Priority Hire Annual Report for your review.

A key pillar of our work at the Department of Finance and Administrative Services is to create economic opportunity through City contracting. The City of Seattle's Priority Hire program leverages City-contracted construction projects to create opportunities for residents in our community to enter and thrive in living-wage construction careers.

Priority Hire works through community workforce agreements between the City, trades, contractors and community partners to prioritize the hiring of residents from economically distressed neighborhoods of Seattle and King County, women and people of color on City construction projects over \$5 million.

And Priority Hire works. Since we first piloted the program in late 2013, workers from economically distressed neighborhoods brought home \$21 million in wages, which is \$10 million more than they would have earned without Priority Hire. African Americans, other workers of color and women increased their share of hours. We've also invested in preparatory training and career navigation programs that have launched construction careers for 416 residents of economically distressed areas, women and people of color.

The City of Seattle does this work in partnership with the members of the Priority Hire Advisory Committee. We deeply appreciate the labor, community, training, education and contracting partners who have walked alongside us to build the Priority Hire program. Their experience, ideas, challenges and creativity have made the program stronger.

We've made significant accomplishments, but there is still much to be done to create opportunities for workers and ensure all residents have opportunity to benefit from the growth and change taking place in Seattle. We look forward to our continued partnerships.

Sincerely,

A handwritten signature in blue ink that reads "Calvin W. Goings".

Calvin W. Goings
Department Director

Calvin W. Goings, Department Director

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2018 Priority Hire Annual Report

Introduction

The City of Seattle recognizes that capital investments bring a responsibility and opportunity to further the City's values of racial justice and social equity while addressing affordability challenges and displacement. The Priority Hire program maximizes that opportunity by increasing the hiring of residents of economically distressed neighborhoods of Seattle and King County, women and people of color on City construction projects over \$5 million. Priority Hire creates equitable access to construction training and living-wage employment by focusing on the entire construction worker development process.

The Department of Finance and Administrative Services, through City Purchasing and Contracting Services (CPCS), implements, oversees and enforces the Priority Hire program. CPCS approaches this work in alignment with the principles of the City's Race and Social Justice Initiative to address racial disparities and achieve equity in Seattle.

In 2010, the community-based Construction Jobs Equity Coalition worked with the City to elevate equity and community investment in City construction jobs. CPCS was tasked with developing strategies to increase construction career opportunities on City projects.



Islynn completed the PACE pre-apprenticeship program in 2016 and is now an operating engineer apprentice. She previously worked two jobs before going into construction; she now makes \$16 more an hour than she did before. As an operating engineer, Islynn provides financially for her three children and is looking to buy her first home in 2019.

CPCS worked with construction union leaders; contractors, which included women- and minority-owned business (WMBE) firms; advocacy associations; construction training programs and community representatives to create pathways for people interested in construction careers. This resulted in a 2012 pilot community workforce agreement (CWA) on the Elliott Bay Seawall Project, the largest public works project in City history. Construction started in late 2013, and the share of work performed by Priority Hire workers increased when compared to traditional public works projects.

Exhibit 1: Percent Change from Past Performance Before Priority Hire (November 2013-December 2018)

	CWA Projects	Past Performance Prior to CWA ¹	Percent Change
Economically Distressed ZIP Codes	26%	12%	+117%
Tier 1 – Seattle	10%	3%	+233%
Tier 2 – King County	16%	9%	+78%

¹Past performance is based on hours from a sample of projects from 2009-2013 and is based on the 2013 ZIP code list, which excludes five ZIP codes from the current list.

Source: City of Seattle, 2019.

Exhibit 2: Priority Hire Impact (November 2013-December 2018)

	CWA Actual Hours	Extrapolated Estimate Using Past Performance	Difference Between CWA Actual Hours and Extrapolated Estimate	Difference Between CWA Actual Wages and Extrapolated Estimate
Economically Distressed ZIP Codes	560,304	267,727	292,578	+10.1 million
Tier 1 – Seattle	221,995	66,932	155,063	+5.6 million
Tier 2 – King County	338,310	200,795	137,515	+4.5 million

Source: City of Seattle, 2019.

In early 2015, City Council adopted the Priority Hire Ordinance (SMC 20.37), which required CPCS to include Priority Hire requirements in public works and directed a CWA. CPCS negotiated and executed a master CWA (one agreement for projects over \$5 million) with the Seattle-King County Building and Construction Trades Council in April 2015. CPCS then convened the Priority Hire Advisory Committee (PHAC), which advises the City on Priority Hire implementation and effectiveness, in May 2015.

Program Performance

The Priority Hire program sets contract requirements for the percentage of hours worked by residents of economically distressed ZIP codes. There were 21 active or completed public works projects inclusive of Priority Hire (termed “CWA projects”) through 2018 (Attachment 1), totaling \$636.7 million. There was also one active public-private partnership project worth \$49 million, for a total of 22 projects and \$685.7 million covered by Priority Hire.

PRIORITY HIRE ZIP CODES

Priority Hire continues to increase the diversity of the construction workforce. Workers on CWA projects are more reflective of Seattle’s demographics than workers on the City’s other projects. On CWA projects, workers from economically distressed ZIP codes in Seattle and King County had higher shares of work than before Priority Hire and on current non-CWA projects.

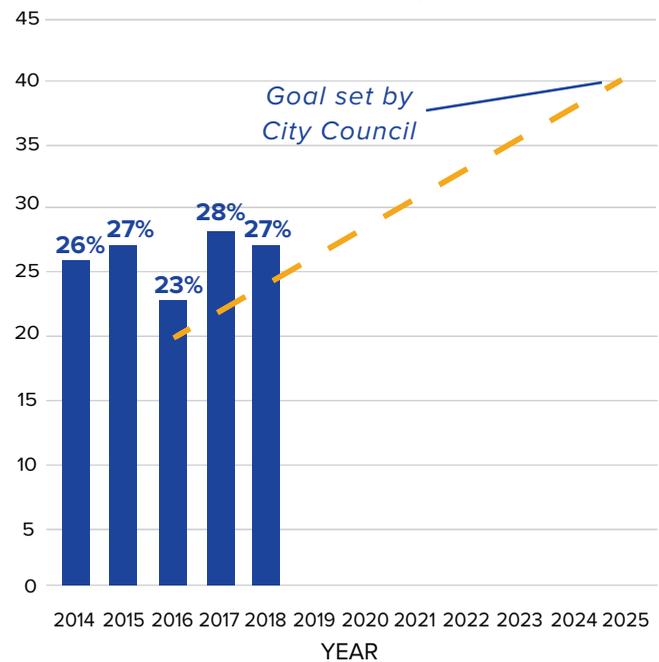
Collectively, construction workers living in Seattle’s economically distressed ZIP codes increased their share of hours by 233%, with an additional \$5.6 million going back into these neighborhoods due to Priority Hire (Exhibits 1 and 2). Construction workers living in economically distressed ZIP codes outside of Seattle city limits earned an estimated \$4.5 million more than they would have earned without Priority Hire.

The City sets project-specific workforce requirements and adjusts them annually based on historic worker utilization for similar types of projects. In addition, the Priority Hire ordinance sets a goal for 40% of the CWA public works project hours to be performed by workers from economically distressed ZIP codes in 2025. So far, the City is on track toward meeting this goal (Exhibit 3). For a list of current economically distressed ZIP codes, see Attachment 2.

As King County and the Port of Seattle implement Priority Hire projects and the demand for workers from economically distressed ZIP codes increases in the region, CPCS anticipates a worker shortage

Will workers living in economically distressed ZIP codes perform 40% of CWA project hours by 2025? In the Priority Hire Ordinance, City Council set goals for workers living in economically distressed ZIP codes to perform 20% of CWA project hours by 2016 and 40% by 2025. The City exceeded the 20% goal in 2016, but a regional increase in demand for these workers may impact their availability on the City’s CWA projects in the coming years. This will likely make it hard to meet the goal, even as the City continues to invest in preparing workers for entry into the construction industry.

Exhibit 3: Percent of Annual Priority Hire Hours



ACTUAL PERFORMANCE
GOAL

Source: City of Seattle, 2019.

and potential impact to performance. Community Attributes Inc.’s (CAI’s) Regional Public Owners Construction Workforce Analysis from August 2018 identified an average annual regionwide construction labor shortage of 9.7% for 2018-2022. This compares to a forecasted 1% annual shortage in King County’s manufacturing industry for the same time period. (For more information, visit King County’s PowerPoint report at <http://bit.ly/rpocwa2018>). CPCS is working closely with labor, other public agencies and the Regional Pre-Apprenticeship Collaborative (RPAC) to address this through a regional approach to engaging and retaining workers in Priority Hire.

GENDER

Overall, women workers have doubled their share of hours on CWA projects (Exhibit 5). Though women remain a small portion of the overall construction workforce compared to other employment fields, it is encouraging to see higher percentages of women coming into the construction workforce as apprentices through Priority Hire.

Women apprentices performed 25% of CWA project hours through 2018; as these women become journey-level workers, CPCS anticipates that women journey workers may increase their share of hours. CPCS estimates that, on CWA projects, women have seen an increase in nearly \$5 million in total wages as a result of Priority Hire. Journey women of color had three times the share of hours on CWA projects compared to non-CWA projects, making up over a quarter of all journey women hours.

On CWA projects, apprentice women performed more than four times the share of apprentice hours than on non-CWA projects. In particular, African American women apprentices saw a large increase in utilization on CWA projects; they performed 1% of hours on non-CWA projects compared to 7% on CWA projects.

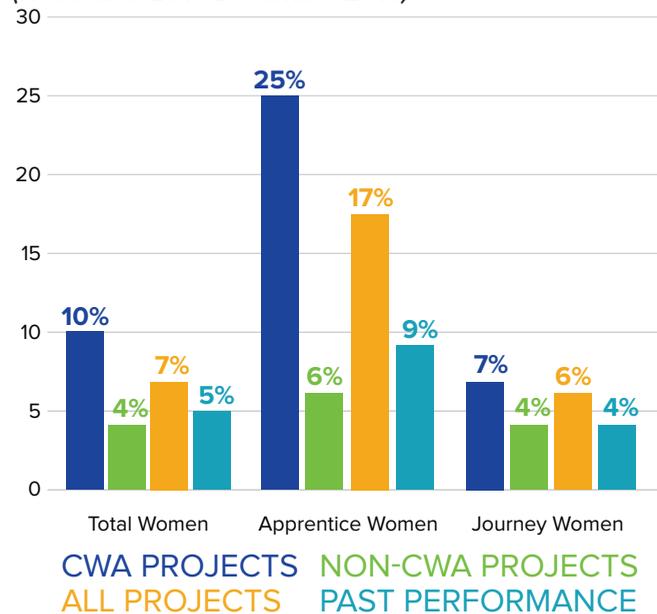
After increasing between 2014 and 2017, the number of hours women performed on CWA projects declined in 2018 (Exhibit 5), mainly as a result of less CWA work available overall (Exhibit 6). The drop in women hours in 2018 was also partially due to smaller projects active at the end of the year struggling with women utilization (Attachment 1). Even with these factors in 2018, women still have an increased share of hours compared to before Priority Hire or non-CWA projects.

CPCS anticipates that the regional construction demand for workers who are women or people of color may impact CWA projects in coming years. Public agencies such as King County, the Port of Seattle and Sound Transit have goals for utilizing diverse workers. Anecdotally, unions report workers prefer to work on projects that are:

- Outside the downtown Seattle corridor, which often has traffic challenges.
- Longer in duration than many of the City's CWA projects, providing workers more job consistency and stability.

Many of the other public agency and private projects meet this criteria, giving diverse workers options outside of City CWA projects.

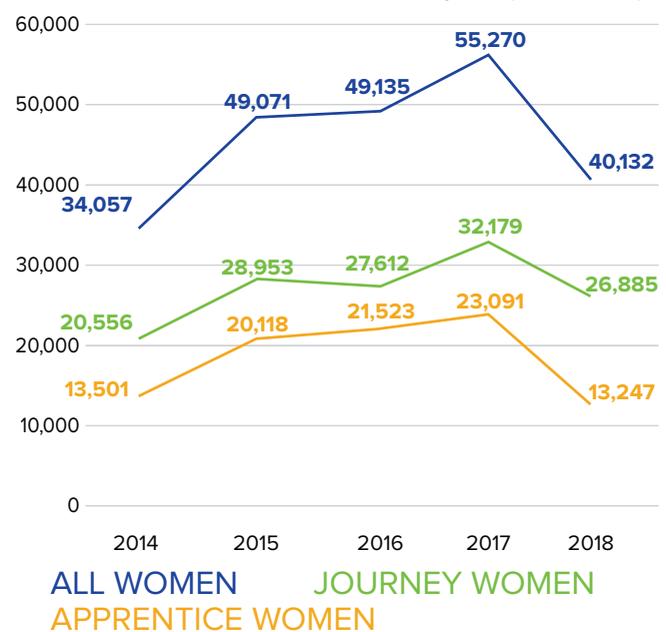
Exhibit 4: Women Utilization by Percent of Hours (November 2013-December 2018)



Past performance is based on hours from a sample of projects from 2009-2013.

Source: City of Seattle, 2019.

Exhibit 5: Women Hours on CWA Projects (2014-2018)



Source: City of Seattle, 2019.

To account for this feedback and evaluate the impact of regional construction workforce programs collectively, CPCS will work with public agency partners to identify capabilities for sharing and analyzing regional related data in 2019. This regional collaboration will increase support and opportunities for diverse construction workers. For more information, see the 2019 Lookahead section.

Meanwhile, CPCS will continue conversations with the Joint Administrative Committee, which reviews and discusses issues directly related to the CWA or individual projects, and PHAC around how to increase women utilization on CWA projects and in the construction industry.

RACE AND ETHNICITY

Overall, people of color have a slightly higher share of work on CWA projects than before Priority Hire and on current non-CWA projects. Through 2018, 28% of all hours were performed by people of color compared to 25% prior (Exhibit 7), which is an extrapolated increase of about 60,000 hours. The increase has come from a significant jump in the share of hours performed by apprentices of color (48% on CWA projects, up from 32% before Priority Hire).

Journey workers of color have maintained a similar share of the work. The rate of journey workers of color on CWA projects has increased slightly from 22% in 2016 to 24% in 2018, though this still hovers just below the average percentage prior to the Priority Hire intervention.

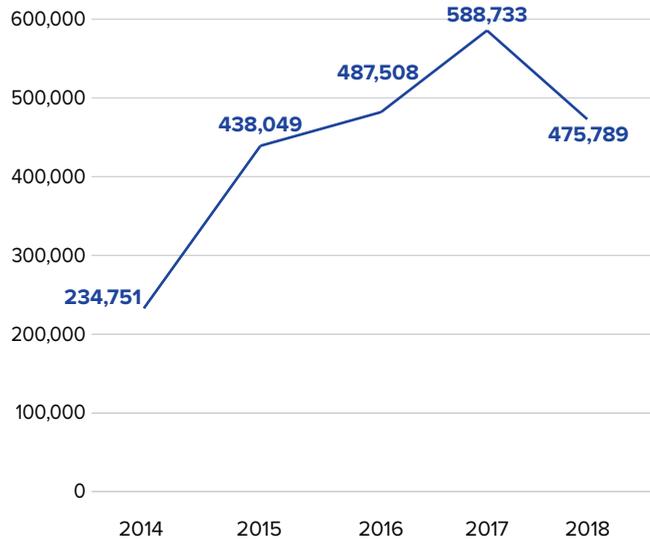
African Americans more than doubled their share of hours, from 4% on projects before Priority Hire to 9% on CWA projects (Exhibit 8). This translates to an estimated increase of nearly \$5 million in direct wages for African Americans due to Priority Hire.

While the share of hours have remained similar to past projects for workers who identify as Asian, Hispanic, Native American and Other (Exhibit 8), more work was available for workers of color (Exhibit 9), and more money from wages went back to their communities.

The lower shares of hours could be attributed to a number of factors that may impact the data on this demographic of workers, such as:

- Limited available pool of journey workers of color until more apprentices of color reach journey level.
- Opportunities to work on other non-City construction projects.

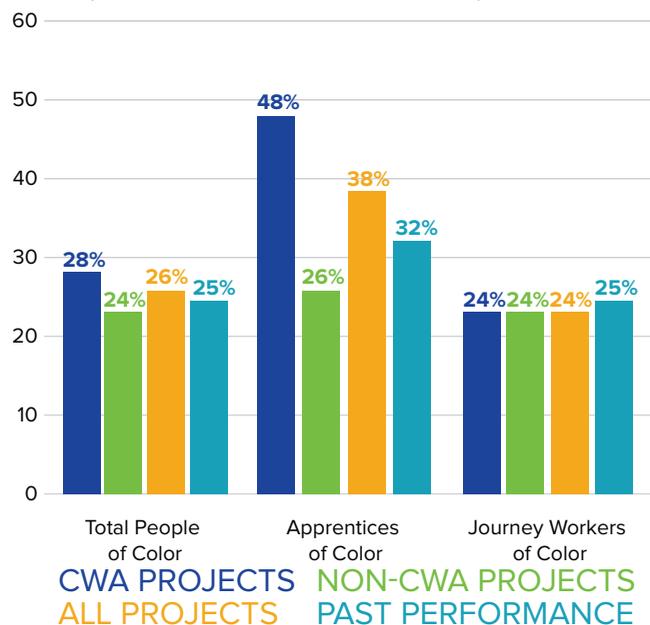
Exhibit 6: CWA Project Hours (2014-2018)



CWA PROJECT HOURS

Source: City of Seattle, 2019.

Exhibit 7: People of Color Utilization by Percent of Hours (November 2013-December 2018)



Past performance is based on hours from a sample of projects from 2009-2013.

Source: City of Seattle, 2019.

Exhibit 8: Share of Hours by Race/Ethnicity (November 2013-December 2018)

Race/Ethnicity	CWA Projects (2,231,054 hours)	Non-CWA Projects (2,177,600 hours)	All Projects (CWA & Non-CWA) (4,408,654 hours)	Past Performance Prior to CWA ¹
African American	9%	3%	6%	4%
Asian	2%	2%	2%	3%
Hispanic	11%	15%	13%	16%
Native American	2%	2%	2%	3%
Other	4%	2%	3%	N/A
White	61%	66%	64%	75%
Not Specified	11%	10%	10%	N/A
All People of Color²	28%	24%	26%	25%

¹Past performance is based on hours from a sample of projects from 2009-2013. Starting with the Elliott Bay Seawall Project in late 2013, the worker reporting system changed and workers could identify as Other or Not Specified. Therefore, there is no past performance data for Other or Not Specified.

²People of color exclude White and Not Specified.

Source: City of Seattle, 2019.

- Worker displacement due to gentrification.
- Workers not reporting their race in the reporting system that supplies Priority Hire data.

To ensure targeted populations continue to benefit from Priority Hire projects, CPCS:

- Partners with community-based organizations to increase awareness, training and accessibility for specific communities. For example, Urban League of Metropolitan Seattle (ULMS), Rainier Beach Action Coalition (RBAC) and Pre-Apprenticeship Construction Training (PACT) have long-standing connections to the Black and African American community, and Casa Latina to the Latinx community.
- Enforces Acceptable Work Site standards on City projects to prevent workplace harassment, with the goal of retaining worker of color and women.
- Visits projects to ensure workers have a safe and productive work environment to help them maintain long-term construction careers.

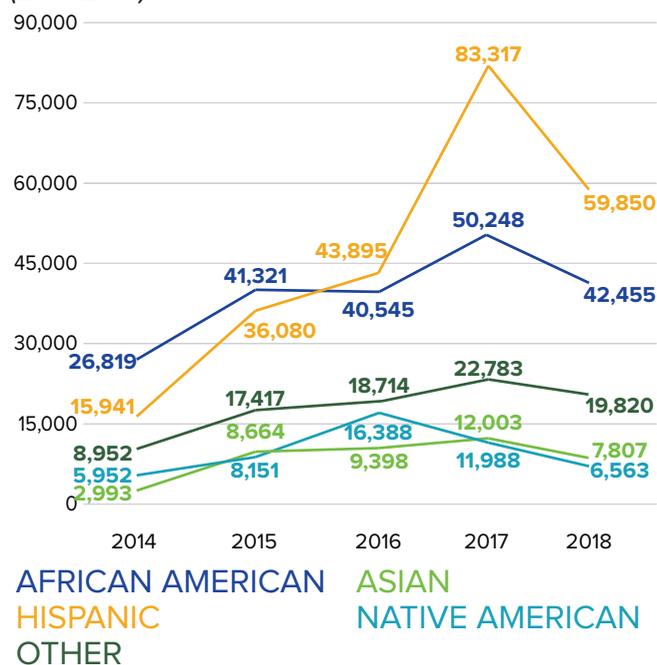
See the Construction Worker Recruitment, Training, Retention and Driver’s Relicensing section for more information.

APPRENTICE UTILIZATION AND PREFERRED ENTRY

Apprentices increased their share of hours by about 25% on CWA projects (Exhibit 10), equating to an estimated additional 77,000 hours.

Through December 2018, 65 apprentices (7% of apprentices) on all CWA projects reached preferred entry status, earning an average of \$28,000 for

Exhibit 9: People of Color Hours on CWA Projects (2014-2018)



Source: City of Seattle, 2019.

about 1,000 hours of work, for a combined \$1.8 million in wages. In late 2017, CPCS and construction labor unions amended the CWA to align with PHAC-recommended and City Council-approved changes to the preferred entry definition. The updated definition was structured to increase access for pre-apprenticeship graduates on CWA projects and create a feasible requirement for contractors that considers the difficulty of providing significant work opportunities in all scopes of work on a project. The updated definition was implemented on projects that began construction in mid-2018, and to date contractors have been successful in exceeding the 20% preferred entry requirement (Exhibit 11).

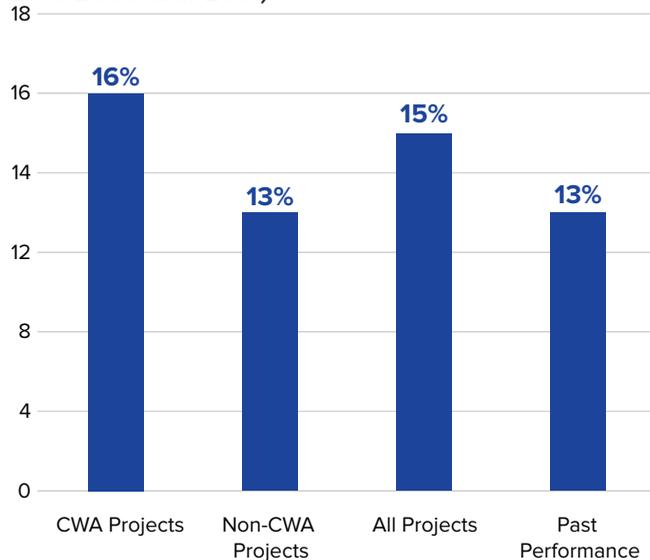
CORE WORKERS

In 2017, PHAC recommended and City Council approved a reduction in the number of open-shop contractor core workers (from five to three per contract) to allow for more Priority Hire workers. In addition, open-shop contractors may bring an additional two core workers, for a total of five core workers, if they are registered apprentices with the Washington Department of Labor and Industries and live in an economically distressed ZIP code or are women, people of color or pre-apprenticeship graduates. Since projects with the new core worker definition began in mid-2018, there is limited open-shop contractor data to determine the total number of workers and their demographics. So far, open-shop contractors are requesting two core workers on average and no open-shop apprentices have worked on these newer projects.

PROJECT BIDS AND PRE-JOBS

CPCS continued to track the number of prime contractors that bid on City public works projects. While there appears to be some variation between non-CWA

Exhibit 10: Apprentice Utilization (November 2013-December 2018)



Past performance is based on hours from a sample of projects from 2009-2013.

Source: City of Seattle, 2019.

Exhibit 11: Preferred Entry on CWA Projects (2015-2018)

Definition	Number of Projects	Preferred Entry Performance ¹
Original Definition ² <ul style="list-style-type: none"> In first 1,500 hours of apprenticeship Must work at least 350/700 hours (depending on project size) Out of one in five apprentices 	12	4%
Updated Definition <ul style="list-style-type: none"> In first two steps of apprenticeship Must work at least 350/700 hours (depending on project size) Out of one in five apprentices who worked 350/700 hours 	8	28%

¹Performance will change as many projects, particularly those using the updated definition, are still active.

²Excludes the Elliott Bay Seawall Project, which had a standalone pilot CWA and unique preferred entry definition.

Source: City of Seattle, 2019.

Exhibit 12: Average Number of Prime Contractor Bids (January 2015-December 2018)¹

	Non-CWA Projects Under \$5 Million (283 projects)	Non-CWA Projects Over \$5 Million ² (7 projects)	CWA Projects (21 projects)
Average Number of Prime Bidders	3.1	5.2	3.4

¹Alternative delivery contracts, such as GCCM, were excluded.

²The seven non-CWA projects over \$5 million were federally funded.

Source: City of Seattle, 2019.

Exhibit 13: WMBE Spend on CWA and Non-CWA Projects (January 2014-December 2018)¹

Project Type	Total Spent	WMBE Utilization ²	MBE Utilization	WBE Utilization
CWA Projects	\$586,213,087	17%	11%	5%
Non-CWA Projects	\$757,073,187	19%	10%	8%
Total	\$1,343,286,274	18%	11%	7%

¹The Elliott Bay Seawall Project was the first CWA project, and began construction in late 2013.

²MBE and WBE breakouts may not add up to total WMBE utilization due to rounding.

Source: City of Seattle, 2019.

projects over \$5 million and CWA projects, CPCS is uncertain of the impact on contractors bidding on the projects due to small sample sizes (only seven non-CWA projects over \$5 million in the past four years) with outliers (Exhibit 12). CPCS will continue to track bid data over time to look for trends in contractors bidding on CWA and non-CWA projects.

CPCS continually examines Priority Hire policies and procedures to improve outcomes for workers and contractors. In 2018, public agencies joined together with the Seattle Building and Construction Trades Council and the Pacific Northwest Regional Council of Carpenters in response to contractor feedback regarding pre-job paperwork. Pre-job paperwork is required for any contractor performing covered work on a CWA or project labor agreement (PLA) project. The paperwork varied between agencies, which could be confusing and burdensome for contractors.

As a result of this feedback, most public agencies, Seattle Building and Construction Trades Council and the Pacific Northwest Regional Council of Carpenters standardized pre-job paperwork. This simplified an administrative process for contractors and mitigates their time spent filling out paperwork.

WMBE UTILIZATION

Women- and minority-owned (WMBE) firms participated on CWA projects at similar levels as past years, earning 17% of all dollars on CWA projects through December 2018. This share compares closely to the 19% of dollars WMBE firms earned on all other projects during the same time period (Exhibit 13 shows a roll-up of previous

years; for a detailed look at WMBE performance, see Attachment 3).

To ensure WMBE contractors are aware of opportunities and have the tools to succeed on CWA projects, the City provides support through:

- Regular presentations at events hosted by organizations that assist WMBE contractors, such as the National Association of Minority Contractors, Laborers 242 Annual Minority Contractors Luncheon and Tabor 100.
- Ongoing technical support both for working in a public works environment and on CWA projects specifically.
- Partnerships with other public agencies and prime contractors, providing joint information on how to obtain subcontracts and succeed on CWA projects.

WMBE contractors bring necessary skills and scopes to City work sites and employ the most diverse workforces on CWA projects (Exhibit 14). CPCS recognizes that increasing the WMBE contractor share of work on CWA projects could:

- Increase Priority Hire utilization on CWA projects, furthering performance toward the 40% goal in 2025.
- Further racial equity outcomes for contractors and their workforces.
- Provide more employment opportunities on CWA projects for women working for WMBE contractors, potentially increasing the total hours performed by women on CWA projects again.

WMBE utilization on non-CWA projects increased each year since 2014, while utilization on CWA projects generally stayed level (Exhibit 15). CPCS sees this as an opportunity to evaluate what's working for WMBE contractors on smaller, non-CWA projects and expand that to CWA projects.

To better understand how CPCS can increase WMBE utilization in a public works environment, and on CWA projects in particular, CPCS is conducting a racial equity toolkit. Racial equity toolkits assist City departments with analyzing the racial impacts of policies, programs, initiatives and budget issues. The racial equity toolkit began in fall 2018 when CPCS contracted with a consultant to conduct three focus groups. One group consisted of prime contractors, one group of women-owned contractors, and one group of minority-owned contractors. The focus group sessions took place in December 2018 and January 2019, and the findings from the focus groups will be released concurrent with the racial equity toolkit.

CPCS staff will conduct additional stakeholder engagement with PHAC and other interested stakeholders to inform and review policies and strategies that could increase WMBE participation on CWA projects.

DUAL BENEFIT REIMBURSEMENT

The City reimburses open-shop contractors on CWA projects for payments into their existing benefits plans for workers on CWA projects, as the CWA requires all workers to pay into union trusts. Project costs continue to have very little impact from dual benefit reimbursement payments; 0.07% of project costs were reimbursements (Exhibit 16).

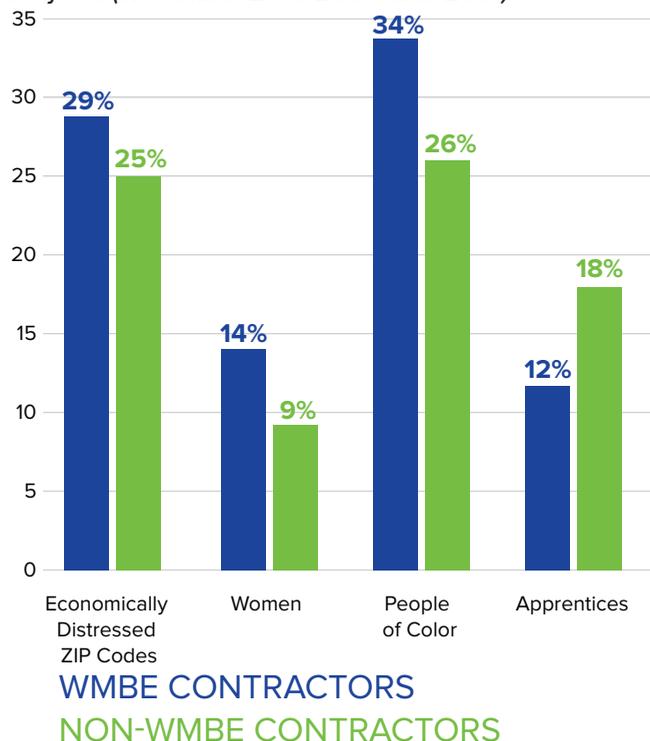
Of the eight open-shop contractors that received dual benefit reimbursements through 2018, five were WMBE contractors. They received about \$73,000 in reimbursements.

To request reimbursement, open-shop contractors submit documentation showing they made dual payments and CPCS reviews and either requests additional information, or denies or approves the request. CPCS works closely with contractors to ensure a smooth process and timely reimbursement.

PROJECT SAFETY AND TIMELINES

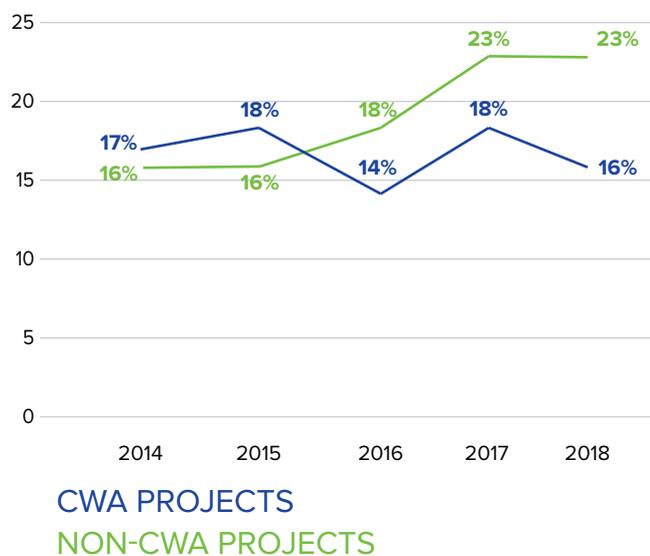
The CWA influences and promotes a safe working environment through standardized rules about breaks, restrooms and water, though there is insufficient data to measure the direct impact on worker safety.

Exhibit 14: Contractor Workforces by Hours on CWA Projects (November 2013-December 2018)



Source: City of Seattle, 2019.

Exhibit 15: WMBE Spent on CWA and Non-CWA Projects (January 2014-December 2018)¹



¹The Elliott Bay Seawall Project was the first CWA project, and began construction in late 2013.

Source: City of Seattle, 2019.

Exhibit 16: Dual Benefit Reimbursement Payments (November 2013-December 2018)

Project	Total Paid on Project	Dual Reimbursement Paid on Project	Share of Project Payments	Number of Workers Receiving Dual Benefits
Beacon Reservoir	\$6,859,075	\$84,832	1.23%	4
Buried Reservoir - Maple Leaf & Myrtle	\$5,253,493	\$88,363	1.68%	8
Elliott Bay Seawall Project	\$360,017,158	\$64,743	0.02%	42
Fire Station 22	\$9,289,981	\$12,578	0.14%	6
Total	\$381,419,707	\$250,516	0.07%	60

Source: City of Seattle, 2019.

In 2018, there were about 20 reportable injuries and several minor incidents. While this is a slight increase from 2017, the data available is insufficient to draw conclusions.

Similar to safety, there is insufficient data to measure the impact of the CWA on project delivery. Anecdotally, of the five CWA projects that completed in 2018, two finished on time and three extended their project timelines due to project-specific issues unrelated to the CWA.

CONSTRUCTION WORKER RECRUITMENT, TRAINING, RETENTION AND DRIVER'S RELICENSING

Priority Hire focuses on diversifying the regional construction workforce to meet public works workforce needs. By focusing on the entire worker development process, from recruitment to pre-apprenticeship training to retention of diverse workers, CPCS increases Priority Hire's impact. In late 2017, CPCS took the lead in issuing a request for proposals (RFP) in partnership with the Port of Seattle and King County to train and retain diverse workers in construction, resulting in collaborative contracts with community-based organizations. CPCS, the Port of Seattle and King County awarded and executed contracts in early 2018, maximizing workforce investments by fostering collaboration instead of competition among workforce providers and setting regional, aligned goals.

Through 2018, CPCS invested \$2.4 million in recruitment, construction training, career navigation and retention services for women, people of color and workers living in economically distressed ZIP codes.



Andrea is a laborer apprentice and married mother of five. Andrea completed ANEW's Trades Rotation Program in summer 2016. As a pre-apprenticeship graduate, she was given preference for hiring on the City's Denny Substation project, working for the Walsh Group. Through 2018, she earned more than \$115,000 in direct wages on the project.

In 2018, CPCS contracted with:

- Three community-based organizations to recruit and place 79 Priority Hire individuals in construction training programs or employment, for a total of 176 placements since April 2016 (Exhibit 17).
- A pre-apprenticeship training and career navigation service program to place a diverse group of nearly 175 individuals in apprenticeship or other construction employment, for a total of 416 individuals placed since January 2016 (Exhibit 19).
- A driver's relicensing service provider to support 51 residents of economically distressed ZIP codes, women and people of color in obtaining a driver's license in 2018, for a total of 131 since April 2016 (Exhibit 21).
- Two community-based organizations to focus on retaining people of color and women in the construction industry, with a success rate of 76% in 2018 (Exhibit 22).
- An organization to develop and implement the new Acceptable Work Site training on City-funded projects designed to retain people of color and women in the construction industry.

Recruitment

City-contracted community-based organizations worked together to develop innovative strategies to improve construction recruitment. Through the development of outreach, referral and case management tools, organizations introduced individuals to construction and helped them work through application processes using inclusive, culturally sensitive methods targeted to the individual. Over the life of their contracts, the organizations' streamlined strategies allowed them to increase their time providing direct service and placing clients. Priority Hire recruitment work was a new undertaking for the organizations, as they were the first in the region to partner with a public agency for this work. In 2019, CPCS will continue to provide recruitment through ULMS, Casa Latina and RBAC.

Training and career navigation

Pre-apprentice training programs and Apprenticeship and Non-Traditional Employment for Women's (ANEW's) Apprenticeship Opportunities Project (AOP) provide a direct pathway for a diverse population of workers to access construction careers (Exhibits 19 and 20) and help contractors on CWA projects meet Priority Hire

Exhibit 17: Construction Recruitment Services (April 2016-December 2018)¹

	Individuals Assessed	Individuals Referred	Individuals Placed in Construction	Retention ²
April 2016 - December 2017	529	338	97	N/A
February - December 2018				
Casa Latina	171	61	20	N/A
Rainier Beach Action Coalition (RBAC)	80	36	22	N/A
Urban League of Metropolitan Seattle (ULMS)	123	69	37	90%
Total	903	504	176	N/A

¹Organizations had varying contract lengths and goals.

²In early 2018, the City awarded ULMS' proposal to retain 30 workers they placed in construction. Ninety% reflects retention at 6 months, though they have a further goal to retain 80% of the original 30 (27 individuals) at one year after placement. They are the only construction recruitment service consultant to perform this scope of work.

Source: City of Seattle, 2019.

Exhibit 18: Recruitment – Demographics of Placed Individuals (April 2016-December 2018)

	Individuals Placed	Economically Distressed ZIP Codes	Women	People of Color
April 2016 - December 2017	97	86%	16%	86%
February - December 2018				
Casa Latina	20	95%	15%	100%
RBAC	22	73%	18%	86%
ULMS	37	73%	11%	86%
Total	176	82%	15%	88%

Source: City of Seattle, 2019.

workforce requirements. These training and career navigation investments lead to a greater, more diverse pool of local entrants into the industry, which will help contractors on CWA projects meet Priority Hire goals.

Pre-Apprenticeship Construction Training (PACT) provides pre-apprenticeship training, placement and retention services. PACT has a 20-year history of focusing specifically on the education and training of African Americans and other people of color for successful apprenticeships.

ANEW AOP provides employment navigation services to Priority Hire individuals who are immediately prepared to enter the construction industry (i.e., do not need pre-apprenticeship training). This service includes case management and support services, such as assistance filling out applications or paying for union initiation fees. ANEW AOP assists individuals with the goal of placing them in construction and increasing apprenticeship completion rates.

The City invested
\$2.4 million

in recruitment, training and support services

for workers living in economically distressed ZIP codes, women and people of color

\$742K 176 Priority Hire individuals recruited and placed into construction by community organizations

\$1.15M 416 trained pre-apprentices and Priority Hire clients placed in construction, with 85% retention

\$397K 131 individuals obtained or regained their driver's licenses

\$114K worker retention through Acceptable Work Site training development

Exhibit 19: Pre-Apprenticeship Training and Placement Contract Performance (January 2016-December 2018)¹

	Graduates/Clients ²	Placements ³	Retention ⁴
January 2016 - December 2017	222	243	90%
March - December 2018			
ANEW AOP	272	158	71%
PACT	25	15	N/A
Total	519	416	85%

¹Programs had varying contract lengths (up to two years), and graduate information is only reflective of performance while under contract with CPCS.

²ANEW AOP provides support services to pre-apprentices, those living in economically distressed ZIP codes, women and people of color; ANEW's AOP program does not provide construction training to individuals. They also provide placement services to those who are prepared for construction employment (i.e., do not need pre-apprenticeship training).

³Several pre-apprenticeship programs placed individuals who graduated in cohorts prior to their contract but were later placed or who received career navigation services without going through training.

⁴Data before 2018 is based on retention in construction apprenticeship or employment at nine months post-placement or end of contract, whichever came first. Data for 2018 is retention at six months. PACT's placements occurred in Q4 2018, so PACT's first report on retention will be in 2019. All contracts with retention goals are working toward retaining individuals one year post-placement, with reports on progress at regular intervals during that time.

Source: City of Seattle, 2019.

Exhibit 20: Pre-Apprenticeship Training and Placement – Demographics of Placed Individuals (January 2016-December 2018)

	Contract Placements ¹	Economically Distressed ZIP Codes	Women	People of Color
January 2016 - December 2017	243	68%	41%	60%
March - December 2018				
ANEW AOP	158	68%	29%	63%
PACT	15	73%	20%	73%
Total	416	68%	36%	62%

¹Individuals who enter construction apprenticeship and/or employment are considered placed.

Source: City of Seattle, 2019.

Preferred entry requirements on CWA projects provide work opportunities for pre-apprenticeship graduates and are strategies to increase apprenticeship graduation rates by ensuring graduates perform at least 350/700 hours, depending on project size, on CWA projects. A total of 185 pre-apprentice graduates worked on CWA projects as apprentices. In addition, 115 apprentices received ANEW AOP support services, showing the connection of pre-apprenticeship training and support services to construction worker access and retention.

Moving forward, CPCS will continue to rely on the pre-apprenticeship programs to provide contractors with strong Priority Hire worker candidates.

Driver's relicensing

Driver's licenses and dependable transportation are essential to working in construction. The Regional Pre-Apprenticeship Collaborative (RPAC) identified driver's relicensing as a top barrier to entering and staying in construction. Most construction apprenticeships require a license to ensure the success of the apprentice entering a program, as project locations vary throughout the region. Prior to CPCS investing in driver's relicensing services, individuals interested in construction had limited resources to help them navigate this complicated and often time-intensive process. Through 2018, 131 residents of economically distressed ZIP codes, women and people of color obtained a driver's license through CPCS' investment (Exhibit 21). In 2019, CPCS will

continue to partner with Legacy of Equality, Leadership and Organizing (LELO) to provide driver's licensing assistance to those interested in entering or staying in construction.

In August 2018, CPCS began a joint effort with the City Attorney's Office and LELO to provide a community alternative to Driving While License Suspended 3 (DWLS 3) criminal charges. The City recognizes that the criminal justice system disproportionately affects communities of color, and this effort is designed to reduce racial disparities in DWLS 3 cases. This alternative approach will prevent criminal charging, provide individuals with relicensing support and create a pathway to pre-apprenticeship for those interested in construction. In less than five months, LELO assisted 19 individuals with avoiding DWLS 3 criminal charges. LELO also provided relicensing support to another 19 to avoid future DWLS 3 criminal charges. Of the 38 individuals LELO assisted, 13 individuals got their driver's license back or removed all barriers that were preventing them from doing so (such as removing holds on licenses). LELO enrolled another 25 in the program and is continuing to work with them in 2019.

Retention

Recruitment, training and career navigation

While Priority Hire is diversifying and growing the construction workforce, CPCS, the Port of Seattle and King County's joint RFP recognized more effort is needed to increase access and retention for underrepresented individuals. In construction

Exhibit 21: Priority Hire Driver's Licenses Obtained/Regained (April 2016-December 2018)

	Total	Economically Distressed ZIP Codes	Women	People of Color
April 2016 - December 2017	80	75%	9%	90%
January - December 2018				
LELO	51	75%	18%	69%
Total	131	75%	12%	82%

Source: City of Seattle, 2019.

Exhibit 22: Demographics of Retained Individuals at Six Months (March 2018-December 2018)¹

	Individuals Retained	Retention Rate	Economically Distressed ZIP Codes	Women	People of Color
ANEW - AOP	57	71%	65%	35%	67%
ULMS	27	90%	59%	22%	81%
Total	84	76%	63%	31%	71%

¹PACT also has retention goals in their contract, though placements occurred later in 2018, so retention reporting will begin in 2019.

Source: City of Seattle, 2019.

apprenticeship, only 40% complete their programs and reach journey-worker status. The completion rate is even lower for women and people of color (CAI, City of Seattle Construction Hiring Analysis – Apprenticeship Analysis, December 2016). As a result, CPCS partnered with community-based organizations to create robust, innovative strategies to increase retention. Initial data shows that Priority Hire individuals are staying in construction at higher rates (Exhibit 22).

While ULMS has recruited Priority Hire individuals for construction training and employment since 2016, they took a step further in 2018 by proactively ensuring individuals they had placed have the support and resources needed to stay on the job. ULMS visited individuals on job sites, met with contractors and apprenticeship coordinators, provided case management and barrier removal support services such as financial assistance with housing or transportation, and met with workers one-on-one or in group settings.

PACT’s retention strategy includes a mentorship program that connects their pre-apprenticeship students and graduates with experienced construction journey workers. PACT provides mentorship training to the journey workers prior to pairing with PACT graduates. In addition, PACT continues to follow up with graduates monthly through on-the-job visits and regular meetings with the individual or designated mentor. PACT’s placements occurred in late 2018. PACT will begin reporting on retention outcomes in 2019.

ANEW AOP also provides retention services for workers to stay in the construction industry, providing financial assistance to those just getting started and case management to ensure they stay in construction. In 2018, ANEW AOP responded to worker needs through City investment – 42% of requests for assistance they filled were for work clothing or tools, 35% for testing, training or related construction fees and 20% for transportation. On average, a client uses AOP services to overcome four different barriers to accessing and retaining construction employment or apprenticeship within a two-year period.

Acceptable Work Site

With a more diverse workforce, CPCS wants to ensure that our construction work sites are respectful and appropriate. The City of Seattle has implemented the Acceptable Work Site (AWS) contract provisions,



Gerard is a laborer apprentice in King County. On the City of Seattle’s Denny Substation project, working for the Walsh Group, he performed about 3,500 hours, earning nearly \$100,000 in wages, plus an additional \$40,000 in benefits. Gerard graduated from the PACE pre-apprenticeship program in 2017. Pre-apprenticeship built his work ethic, stamina and confidence, helping him be successful on job sites. Gerard’s 13-year-old son is his motivation to succeed. He sees construction as the opportunity to create a life for himself and his son that he didn’t have growing up.

stringent standards for acceptable behavior on City construction work sites that prohibit bullying, hazing and related behaviors—particularly those based upon race, immigrant status, religious affiliation, gender identity or sexual orientation.

In 2018, CPCS selected ANEW to develop and implement AWS training on City-owned construction sites. Under development in partnership with key stakeholders, AWS training will help workers identify unacceptable behavior and gain skills in bystander intervention.

In addition to feedback from PHAC, ANEW convened a training advisory committee made up of labor, training and construction leaders and experts in race and social justice to advise on pilot program development, curriculum and effectiveness. ANEW has since drafted 15 training units and a three-video series on AWS to support and enhance City-owned construction site training. Training pilot implementation will begin in 2019.

PUBLIC-PRIVATE PARTNERSHIP PROJECTS

In 2018, Priority Hire expanded beyond public works projects and onto other private development projects. These private construction projects were chosen due to City investment in the project, per Executive Order 2017-01. CPCS staff administers the CWA on these projects, including conducting on-site field monitoring. CPCS staff performs the same functions as on traditional public works projects covered by the CWA, though the owner is responsible for the implementation of any necessary enforcement mechanisms, not the City. CPCS may, however, recommend enforcement mechanisms to the owner.

The Seattle Asian Art Museum (SAAM) project is currently under construction and is covered by the City of Seattle CWA. At the end of 2018, SAAM was about two-thirds complete and was on track to meet economically distressed ZIP codes requirements, though struggled with some of the aspirational goals for women and apprentice of color. Early in the project, the prime contractor accepted CPCS' offer to meet with subcontractors to discuss strategies to increase performance. Since then, CPCS has continued to offer assistance to the prime.

Construction on the Arena at Seattle Center project started in the first quarter of 2019. It is covered by a CWA that was negotiated between Oak View Group, the Seattle Building Trades Council and the Northwest National Construction Alliance II.

PRIORITY HIRE ADVISORY COMMITTEE (PHAC)

PHAC is comprised of mayoral appointees representing community, contractors (including at least one WMBE), construction labor unions and training programs. Since inception in 2015, PHAC met at least quarterly through 2017 and advised the City on Priority Hire implementation and effectiveness. After PHAC terms ended in early 2018, Mayor Durkan appointed new members, resulting in the most diverse membership to date. In late 2018, PHAC held an annual retreat with members, of which approximately 70% were newly appointed. The committee will produce a recommendations report in 2019.

COLLABORATION

The City is a national leader in Priority Hire, and CPCS offers technical assistance to jurisdictions across the region and U.S. who are considering or implementing similar initiatives. Recent requests for information came from government representatives from Portland, Chicago, Kansas City and British Columbia.

More locally, the City partners with the Port of Seattle, King County, Sound Transit and Washington State Department of Transportation (WSDOT) to meet regional public construction project demand by diversifying and expanding the workforce. These public owners implemented a strategic plan, aligned funding across several agencies, released a regional construction workforce report and made progress on several priorities described in the Lookahead section.



Jeffery Robinson, the ACLU Deputy Legal Director and Director of the ACLU Trone Center for Justice and Equality, presents to public owners and construction trades unions.

Deconstructing racism with Jeffery Robinson

In 2018, the City, Port of Seattle, King County, Sound Transit and WSDOT jointly hosted with the Seattle Building and Construction Trades Council a “Race Matters” presentation with Jeffery Robinson, the ACLU deputy legal director and director of the ACLU Trone Center for Justice and Equality. The event raised awareness about how racism is embedded in the foundation of our nation and laws and how it leads to implicit bias in our decision-making. The presentation was well-attended and well-received by union representatives and public agencies.



CPCS helped spearhead the Regional Pre-Apprenticeship Collaborative (RPAC), a regional model of public-private workforce development partnership. RPAC builds the quality, capacity, strength and sustainability of pre-apprenticeship training for individuals to access and succeed in construction apprenticeship. Representation includes pre-apprenticeship providers, apprentice programs, contractors, community-based organizations, public agencies (including the Washington State Department of Labor and Industries), K-12 systems, union representatives and workers. In 2018, CPCS continued to support the implementation of RPAC’s work plan. RPAC finalized its bylaws, selected officers and a steering committee and created a membership structure.

Fifty or more participants attended monthly meetings to:

- Share and identify best practices for pre-apprenticeship training standards.
- Promote regional policies that support access to and inclusion in the construction industry.
- Build broader outreach and recruitment systems across the tri-county region.
- Support apprentice retention by working on strategies related to driver’s relicensing, child care and mentorship and identifying all available support service resources.
- Create sustainable funding streams for reliable, quality training.

In 2018, CPCS supported the revitalization of the Seattle Public Schools Seattle Skills Center construction class at Rainier Beach High School. CPCS partnered with RPAC members and other City staff to share best practices with Seattle Public Schools regarding recruitment strategies, partnerships with construction apprenticeship programs, industry-recognized curriculum and connections with employment partners. As a result of this combined effort, 15 students started the Seattle Skills Center construction class in early 2019. CPCS will continue to support the construction class throughout 2019.

2019 Lookahead

In 2019, CPCS estimates breaking ground on 12 construction projects covered by the CWA and Priority Hire, with an estimated \$1.4 billion in total construction costs (Exhibit 23). This includes the Arena at Seattle Center, which expands Priority Hire’s impact in the region as directed by Executive Order 2017-01.



The Martin Luther King, Jr. Career and Opportunity Fair 2019 organizers, including CPCS’ job and training advisor, Jon Bersche (front row, middle).

Photo courtesy of Ron Johnson.

Access to careers and temporary employment

Since the inception of the Martin Luther King Jr. Career and Opportunity Fair in 2016, CPCS’ job and training advisor has served as the co-chair of the committee producing the event. The event is focused on employers seeking to diversify their workforces.



The fourth annual event was held in early 2019. Fifty-two exhibitors attended, including employers, public sector agencies and construction organizations. Employers offered 138 conditional offers of employment, which is a 116% increase from the year before.

Exhibit 23: Anticipated 2019 Upcoming Priority Hire/CWA Projects¹

Project	Engineer's Estimate ²	Estimated Construction Start
2019 Arterial Asphalt & Concrete Package 1	\$24.2 million	Q2 2019
2019 Arterial Asphalt & Concrete Package 2	\$10 million - \$10.8 million	Q2 2019
2019 Safe Routes to School Project	\$4.8 million	Q3 2019
Brighton Playfield and Comfort Station Renovation	\$4.7 million	Q2 2019
Burke-Gilman Trail Missing Link – Phase 1	\$8.4 million	Q1 2019
Cedar Falls Substation	\$10 million	Q2 2019
Northgate Bridge and 1 st Avenue NE Protected Bike Lane	\$22.5 million	Q3 2019
Pump Station No. 22 Retrofit and Force Main Replacement	\$5.5 million	Q3 2019
Seattle Municipal Tower Chiller Plant Replacement	\$11.8 million	Q3 2019
Ship Canal Water Quality Project – Tunnel Storage	\$220 million	Q4 2019
Waterfront Seattle Alaskan Way – Elliott Way S. (King St. to Bell St.)	\$165 million - \$185 million	Q4 2019
Public-Private Partnership Projects		
Arena at Seattle Center ³	\$900 million	Q1 2019
Total	\$1.4 billion	

¹Project information is subject to change.

²CWA coverage of projects over \$5 million is based on engineer's estimate plus contingency.

³The Arena at Seattle Center was originally anticipated to begin in Q4 2018, but project changes moved the start date and value.

Source: City of Seattle, 2019.

As these projects begin and the work for Priority Hire workers increases, CPCS will also implement the following initiatives to help ensure the program's long-term success for workers, contractors and the City.

STRATEGIES

Increase access for new Priority Hire workers to enter construction careers

- Continue to fund PACT to prepare and train a diverse pool of entrants into the construction industry. Using City funding in 2019, PACT will train, graduate and place 24 individuals into construction apprenticeship or employment and proactively retain them in the industry.
- Continue to fund ANEW's Apprenticeship Opportunities Project (AOP), which provides career navigation services to underrepresented individuals interested in entering the construction industry. ANEW will provide navigation services and place an additional 80 Priority Hire individuals in 2019, while providing long-term support to ensure their success.
- Continue to fund ULMS, Casa Latina and RBAC to recruit Priority Hire candidates into pre-apprenticeship, apprenticeship and construction employment. The three organizations anticipate placing 84 Priority Hire workers in 2019.

Implement retention strategies for women, African Americans and other people of color in the construction industry

- Implement and evaluate an AWS training pilot on City-owned construction sites.
- Fund financial support services and case management for Priority Hire individuals so they have what they need to be successful, whether it's assistance with transportation; work tools or clothing; or fees associated with testing and applications, initiation into a union or licensing.
- Continue funding and staffing of innovative retention strategies, such as site visits with new apprentices and contractors, meetings with apprenticeship coordinators and mentorship.

Expand success to priority workers by implementing Priority Hire on a project-specific basis to private construction projects with City investments

- The Arena at Seattle Center is the largest project to date covered by Priority Hire and will require significant attention in 2019 as contractors are brought on board and workforce needs are identified. To ensure adequate project monitoring, City Council provided 2019 funding for a new field advisor position for these large, around-the-clock, complex projects.

- Future public-private partnerships that are anticipated to be covered by the City's CWA include the Seattle Aquarium redevelopment project, which is anticipated to begin construction in 2021, and an upcoming Office of Housing project in 2020. It will be the first affordable housing project covered by the City's CWA. These projects will further the positive impact of Priority Hire in our community as part of the City's investment in economic and housing development.

Improve support for WMBE contractors

- As part of CPCS' ongoing focus on increasing WMBE utilization on CWA projects, CPCS will share findings from the racial equity toolkit and focus groups with PHAC and other key stakeholders and develop related program and policy recommendations.

Increase regional collaboration to maximize the impact of Priority Hire

Much regional partnership is underway to align construction workforce diversity practices and policies and leverage our shared need to meet regional public construction workforce demands. CPCS intends to continue the partnership using these strategies:

- Continue to implement the Regional Public Owner work plan, including these ongoing priorities:
 - Analyze regional workforce data to address specific gaps in workforce diversity performance, such as gaps in particular construction crafts or target populations. Regional analysis will become more important as the Port of Seattle and King County implement their new priority hire programs.
 - Enter into an interlocal agreement with King County and the Port of Seattle to strengthen our government-to-government cooperation, develop recommendations on joint structures and policies and create efficiencies through collaboration.
- Support RPAC's 2019 plan to focus on building membership, engaging more contractors, piloting apprentice retention strategies such as mentorship, supporting relicensing services, and providing construction training to high school students.
- Continue to support the Seattle Skills Center by connecting contractors, apprenticeship coordinators, public agencies and current apprentices for employment opportunities, exposure to the trades and association with those in the field.

Priority Hire in action

Juan arrived at Casa Latina, a Priority Hire outreach provider, in May 2018. He was looking for work and was very interested in Priority Hire, because he had experience as a carpenter, electrician and concrete worker. He decided he would apply to the Carpenters Local 30. He attended an orientation in July and found out he was on the waiting list for interviews in September. While waiting to enter the apprenticeship, Casa Latina worked with Juan, encouraging him to not give up and ensuring he had work while waiting to hear back on his application. In November, Juan found out he would be accepted as a carpenter apprentice. He officially started in February 2019, making more than \$26 an hour plus benefits.



Conclusion

Through Priority Hire, residents of economically distressed ZIP codes, women and people of color have access and opportunity to succeed in family-wage construction careers. In 2019, the CPCS will continue to support construction jobs and meaningful employment through Priority Hire on public infrastructure and specific private projects with significant City investment. To support Priority Hire's expansion throughout the region, CPCS will continue to engage stakeholders and work with partner agencies to identify and address strategies that increase success.

More information about Priority Hire can be found at www.seattle.gov/priorityhire.

Definitions

Acceptable Work Site

Contract provisions that set stringent standards for acceptable behavior on City construction work sites that prohibit bullying, hazing and related behaviors—particularly those based upon race, immigrant status, religious affiliation, gender identity or sexual orientation.

Apprentice

A worker enrolled in a Washington State Apprenticeship and Training Council-approved training program.

City Purchasing and Contracting Services (CPCS)

The division in the City's Department of Finance and Administrative Services that implements, oversees and enforces the Priority Hire program.

Community Workforce Agreement (CWA)

A comprehensive pre-hire collective bargaining agreement between the City and labor unions that sets the basic terms and conditions of employment for public works construction projects. CWA projects include Priority Hire requirements, which increase access to construction jobs for workers living in economically distressed ZIP codes in Seattle and King County.

Economically Distressed ZIP Codes

ZIP codes in Seattle and King County that have high densities of people living under 200% of the federal poverty line, unemployment rates and those over 25 without a college degree.

Joint Administrative Committee (JAC)

A committee made up of City and construction union representatives who are signatory to the CWA. The JAC reviews and discusses issues directly related to the CWA or individual projects. Prime contractors and other attendees are non-voting participants.

Journey Worker

A worker who is not enrolled in a Washington State Apprenticeship and Training Council-approved training program.

Pre-Apprenticeship Program

Supportive and hands-on training programs that help prepare people for entry and success in the building trades. These preparatory programs provide construction training and education, in addition to assisting with driver's licensing, transportation, child care, budgeting, etc.

Priority Hire

A program that increases the hiring of residents of economically distressed ZIP codes in Seattle and King County, women and people of color on City construction projects over \$5 million. It creates equitable access to construction training and employment by focusing on the entire construction worker development process.

Priority Hire Advisory Committee (PHAC)

A committee that advises the City on Priority Hire implementation and effectiveness. Members are appointed by the Mayor and represent construction labor unions, training programs, contractors (including at least one women- or minority-owned contractor) and community.

Public-Private Partnership Project

Private construction projects with significant City investment that include social and labor equity contract provisions, including Priority Hire, per Executive Order 2017-01.

Racial Equity Toolkit

A process that assists City departments with analyzing the racial impacts of policies, programs, initiatives and budget issues.

Regional Pre-Apprenticeship Collaborative (RPAC)

A regional construction workforce development partnership that builds the quality, capacity, strength and sustainability of pre-apprenticeship training for individuals to access and succeed in construction apprenticeship. Representation includes pre-apprenticeship providers, apprentice programs, contractors, community-based organizations, public agencies (including the Washington State Department of Labor and Industries), K-12 systems, union representatives and workers.

Regional Public Owners (RPO)

A collaboration between the City, King County, Port of Seattle, Sound Transit and the Washington State Department of Transportation that partners to meet public construction demand by expanding, diversifying, training and retaining the workforce.

Women- and Minority-Owned Businesses (WMBEs)

Businesses that are at least 51% owned by women and/or minorities.

Attachments

ATTACHMENT 1: Active and Completed CWA Projects (November 2013-December 2018)

Project	Prime Contractor	Amount Awarded in Millions	Completion in Months	Total Hours	Economically Distressed ZIP Codes	Women	People of Color	Apprentice Utilization	Preferred Entry
23 rd Avenue S ¹	Jansen	\$10.2	7/11	34,127	App - 9% Jour - 24%	App - 20% Jour - 7%	App - 39% App AA - 25% Jour - 24% Jour AA - 2%	20%	29%
3 rd Avenue West Water Main	Stellar J	\$5.2	2/9	1,187	App - 0% Jour - 6%	App - 0% Jour - 3%	App - 100% Jour - 6%	1%	0%
2018 Arterial Asphalt & Concrete Package 2	Jansen	\$7.3	7/11	29,463	App - 11% Jour - 27%	App - 4% Jour - 7%	App - 62% Jour - 28%	17%	20%
2018 Arterial Asphalt & Concrete Package 3	KC Equipment	\$6.3	5/8	15,891	App - 6% Jour - 12%	App - 24% Jour - 9%	App - 63% Jour - 34%	23%	50%
City Wide Pool Projects	Biwell	\$6.3	2/15	739	App - 8% Jour - 8%	App - 0% Jour - 0%	App - 0% Jour - 4%	8%	0%
Pier 62/63 Reconstruction	Pacific Pile & Marine	\$29.0	13/25	33,302	App - 13% Jour - 16%	App - 33% Jour - 4%	App - 77% Jour - 24%	24%	4%
Portage Bay Park	Orion Marine	\$6.4	4/18	4,666	App - 6% Jour - 12%	App - 11% Jour - 8%	App - 11% Jour - 8%	28%	0%
Ship Canal – Ballard Early Works	Redside	\$7.0	3/11	4,759	App - 1% Jour - 4%	App - 2% Jour - 0%	App - 61% Jour - 15%	16%	0%
Public-Private Partnership Projects									
Seattle Asian Art Museum	BNBuilders	\$49.0	11/14	103,560	App - 4% Jour - 12%	App - 2% Jour - 3%	App - 7% Jour - 21%	21%	0%
Completed Projects	Prime Contractor	Amount Spent in Millions	Completion in Months	Total Hours	Economically Distressed ZIP Codes	Women	People of Color	Apprentice Utilization	Preferred Entry
2017 Arterial Asphalt & Concrete 3 rd Avenue	Gary Merlino	\$6.1	12	26,241	App - 14% Jour - 19%	App - 27% Jour - 12%	App - 59% Jour - 28%	25%	13%
2017 Arterial Asphalt & Concrete 4 th Avenue S	Titan Earthwork	\$4.2	14	13,669	App - 2% Jour - 15%	App - 20% Jour - 9%	App - 21% Jour - 15%	12%	7%
Beacon Reservoir	JW Fowler	\$6.9	10	32,239	App - 16% Jour - 22%	App - 23% Jour - 8%	App - 84% Jour - 49%	25%	7%
Blue Ridge Conduit 1	Olson Brothers Excavating	\$5.8	27	30,661	App - 11% Jour - 17%	App - 56% Jour - 12%	App - 53% Jour - 25%	22%	0%
Blue Ridge Conduit 2	KC Equipment	\$3.9	17	26,939	App - 8% Jour - 43%	App - 0% Jour - 9%	App - 99% Jour - 43%	15%	20%
Cedar Falls Administration Building	Pease & Sons	\$9.6	21	59,148	App - 11% Jour - 16%	App - 10% Jour - 6%	App - 40% Jour - 22%	23%	2%
Denny Network	Shimmick	\$49.7	37	339,685	App - 6% Jour - 23%	App - 17% Jour - 10%	App - 51% Jour - 20%	14%	7%

Completed Projects	Prime Contractor	Amount Spent in Millions	Completion in Months	Total Hours	Economically Distressed ZIP Codes	Women	People of Color	Apprentice Utilization	Preferred Entry
Denny Substation	Walsh	\$80.8	36	464,902	App - 7% Jour - 20%	App - 23% Jour - 5%	App - 45% Jour - 27%	15%	4%
Elliott Bay Seawall	Mortenson Manson Joint Venture	\$360.0	50	970,957	24%	12% App - 32%	26% App - 46%	16%	13%
Fire Station 22	Par-Tech	\$9.3	20	37,746	App - 12% Jour - 17%	App - 19% Jour - 1%	App - 51% Jour - 35%	21%	1%
Fire Station 32	Balfour Beatty	\$13.1	20	74,732	App - 6% Jour - 11%	App - 2% Jour - 0%	App - 24% Jour - 19%	20%	1%
Maple Leaf & Myrtle Reservoir	JW Fowler	\$5.3	9	17,611	App - 15% Jour - 16%	App - 35% Jour - 1%	App - 63% Jour - 28%	13%	0%
Waterfront Seattle 13.8 KV Network Relocation	MidMountain	\$4.2	8	14,487	App - 5% Jour - 15%	App - 57% Jour - 7%	App - 52% Jour - 26%	17%	50%
Total²		\$636.7		2,234,976	App - 8% Jour - 18%	App - 25% Jour - 7%	App - 48% Jour - 24%	16%	7%

¹23rd Avenue S goal has additional goals for African American apprentice and journey utilization.

²Public-private partnership projects are excluded from the total. Project-specific data reflect a less than 1% increase in total hours due to delayed payroll submittal when compared to previous exhibits.
Source: City of Seattle, 2019.

ATTACHMENT 2: Economically Distressed ZIP Codes

The table below shows that on CWA projects, the population of workers who live in economically distressed ZIP codes are more diverse than in other ZIP codes.

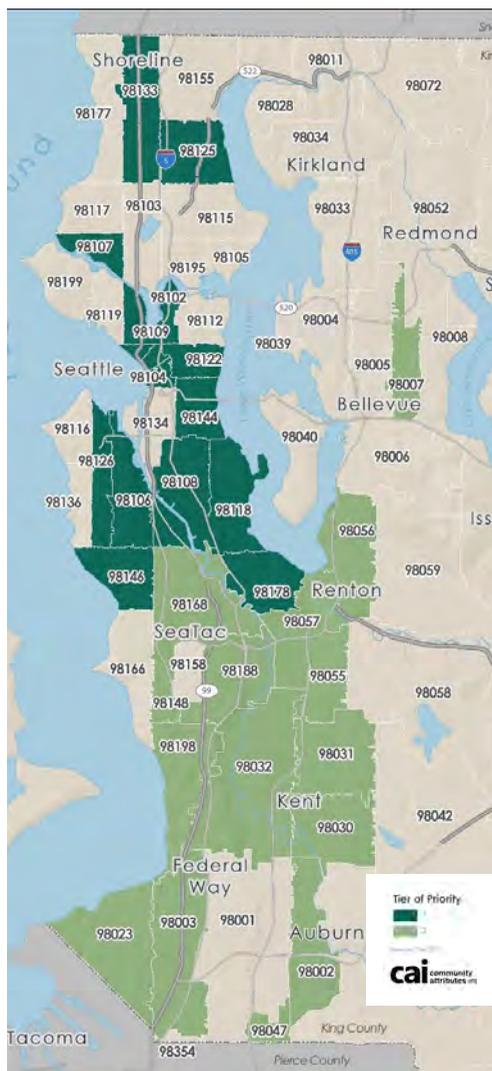
Economically Distressed ZIP Code Diversity in Percent of Hours (November 2013-December 2018)¹

	Total Hours (n=2,231,054)	Economically Distressed ZIP Code Hours (n=560,304)	Other ZIP Code Hours (n=1,670,750)
Women	10%	15%	9%
People of Color	28%	52%	19%
Apprentice Utilization	16%	32%	11%

Source: City of Seattle, 2019.

1. People living under 200% of the federal poverty line.
2. Unemployment rate.
3. Those over 25 without a college degree.

Priority Hire Economically Distressed ZIP Codes



Tier 1	Seattle Neighborhood	ZIP Code
Tier 1	Downtown	98101
Tier 1	Capitol Hill/Eastlake	98102
Tier 1	Downtown/ID	98104
Tier 1	Delridge	98106
Tier 1	Ballard	98107
Tier 1	S. Beacon Hill/South Park	98108
Tier 1	Interbay/Queen Anne	98109
Tier 1	Rainier Valley/Rainier Beach	98118
Tier 1	Belltown	98121
Tier 1	Central District	98122
Tier 1	Lake City/Northgate	98125
Tier 1	Delridge/High Point	98126
Tier 1	Bitter Lake/NW Seattle	98133
Tier 1	N. Beacon Hill	98144
Tier 1	White Center	98146
Tier 1	Rainier Beach/Skyway	98178
Tier 2	King County Neighborhood	ZIP Code
Tier 2	Kent/Auburn	98002
Tier 2	Federal Way	98003
Tier 2	Bellevue	98007
Tier 2	Federal Way	98023
Tier 2	East Kent	98030
Tier 2	Northeast Kent	98031
Tier 2	West Kent	98032
Tier 2	Pacific	98047
Tier 2	South Renton	98055
Tier 2	Northeast Renton	98056
Tier 2	Central Renton	98057
Tier 2	Burien	98148
Tier 2	Boulevard Park/Tukwila	98168
Tier 2	SeaTac/Tukwila	98188
Tier 2	Des Moines	98198

Source: Community Attributes Inc., Priority ZIP Codes, 2016.

ATTACHMENT 3: WMBE Spent on CWA and Non-CWA Projects (January 2014-December 2018)¹

Project Type	Total Spent ²	WMBE Utilization ³	MBE Utilization	WBE Utilization
2014				
CWA Projects	\$83,166,187	17%	12%	5%
Non-CWA Projects	\$175,177,866	16%	9%	7%
Total	\$258,344,053	16%	10%	6%
2015				
CWA Projects	\$144,358,059	18%	11%	7%
Non-CWA Projects	\$183,640,109	16%	9%	7%
Total	\$327,998,168	17%	10%	7%
2016				
CWA Projects	\$156,086,128	14%	10%	4%
Non-CWA Projects	\$161,507,628	18%	10%	9%
Total	\$317,593,756	16%	10%	6%
2017				
CWA Projects	\$120,072,322	18%	12%	6%
Non-CWA Projects	\$119,069,938	23%	11%	12%
Total	\$239,142,260	20%	12%	9%
2018				
CWA Projects	\$82,530,392	16%	10%	6%
Non-CWA Projects	\$117,677,645	23%	14%	10%
Total	\$200,208,037	21%	12%	8%
2014-2018				
CWA Projects	\$586,213,087	17%	11%	5%
Non-CWA Projects	\$757,073,187	19%	10%	8%
Total	\$1,343,286,274	18%	11%	7%

¹The Elliott Bay Seawall Project was the first CWA project, and began construction in late 2013.

²WMBE spent in past years may be higher than previously reported due to delayed payment reports from primes. Discrepancies may vary percentages from 0.0% to 0.1%.

³MBE and WBE breakouts may not add up to total WMBE utilization due to rounding.

Source: City of Seattle, 2019.