

PRIORITY HIRE ADVISORY COMMITTEE ANNUAL REPORT

2/1/2017

2016 Annual Recommendations Report to
Seattle Mayor and City Council

Submitted by Watanabe Consultation on behalf of

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Priority Hire Advisory Committee Annual Report

2016 ANNUAL RECOMMENDATIONS REPORT TO SEATTLE MAYOR AND CITY
COUNCIL

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“The City can help set the tone for others to follow.”
Tom Peterson 2016

PHAC RECOMMENDATIONS SNAPSHOT

2016 PHAC RECOMMENDATIONS	POSSIBLE CITY OR PARTNER NEXT STEPS
<p>1. Effective Outreach to Priority Hire Target Populations</p> <ul style="list-style-type: none"> ▪ Standardize outreach practices ▪ Diversify community outreach sites ▪ Foster provider collaboration to maximize impact 	<p>City outreach contracts:</p> <ol style="list-style-type: none"> 1) Support development of key outreach materials and conduct outreach at multiple sites (i.e., prisons, youth programs, affinity groups, etc.) by encouraging provider partnerships 2) Fund collaboration among outreach providers through outreach contracts
<p>2. Availability of Training & Support Services</p> <ul style="list-style-type: none"> ▪ Increase pre-apprentice training slots and graduates ▪ Provide support services throughout pipeline transitions for trainee retention 	<p>City training contracts:</p> <ol style="list-style-type: none"> 1) Fund more training slots and job placements; encourage other public agencies to increase slots 2) Fund training programs based on data about performance, quality training standards and support services 3) Fund expansion of case management support
<p>3. Accessible & Equitable Job Assignment</p> <ul style="list-style-type: none"> ▪ Change jobsite culture through training ▪ Change number of required “core” workers from 5 to 3 ▪ Create entry process/path for job placement for jobseekers with construction experience from Priority Hire ZIP codes ▪ Coordinate Priority Hire efforts among unions, pre-apprenticeship programs and contractors 	<ol style="list-style-type: none"> 1) City provides training to create equitable treatment on jobsite 2) City changes ordinance requirement from 5 to 3 “core” workers 3) Contractors, Labor, City take steps for jobseekers with construction experience from Priority Hire zip codes to get construction jobs by: <ul style="list-style-type: none"> ○ Collecting and sharing union “test in” information ○ Notifying City of Priority Hire dispatch requests unfilled or filled by non-priority workers ○ Identifying and referring priority jobseekers with construction experience to a job pathway (via union dispatch or training program) ○ Track and maintain data about their status/progress (City) 4) Unions, pre-apprenticeship training programs, contractors and outreach providers communicate and act proactively to meet Priority Hire goals
<p>4. Priority Hire on the Job Compliance</p> <ul style="list-style-type: none"> ▪ Equitable opportunity to gain needed experience on job site for people of color (POC)/women ▪ Retain Priority Hire workers after project completion for other project opportunities/career path ▪ Use contractor incentives and sanctions for meeting/not meeting Priority Hire requirements 	<ol style="list-style-type: none"> 1) City provides Priority Hire education with prime contractors as well as subcontractors at the earliest stage of the project 2) City develops Priority Hire performance incentives for retention of Priority Hire workers 3) City creates recognition system for Priority Hire contractor “champions” 4) City institutes additional Priority Hire enforcement tools (e.g., liquidated damages, deficiency ratings, poor performer list)
<p>5. Regional Collaboration to spread Priority Hire model</p>	<ol style="list-style-type: none"> 1) City works with other public owners to expand the pool of workers by hiring local people of color and women 2) City contributes resources with other public owners to address problems/increase scale of construction pipeline 3) City aligns investments, strategies and standardizes processes with other public owners for a construction work/career pipeline

BACKGROUND

PRIORITY HIRE ORDINANCE

In 2013, community stakeholders sought legislation to establish City “targeted” or “local hire” contracting requirements for public works projects. In 2014, the Seattle City Council approved Resolution No. 31485 to expand opportunities for those historically under-represented in the construction field: women, people of color and otherwise disadvantaged individuals on Seattle public works projects.

On January 15, 2015, the City of Seattle passed a new Priority Hire ordinance to promote construction training and career opportunities for residents living in economically distressed areas in Seattle and King County.

The Priority Hire Ordinance:

- Prioritizes local construction workers living in economically distressed ZIP codes on City public works projects over \$5 million, creating access to training and employment within the construction workforce.
- Supports women and people of color to become part of the trained construction workforce, with opportunities for construction careers.
- Requires a Community Workforce Agreement to supersede union hiring procedures and create better work environments with safety protections and dispute resolution and grievance processes.

PRIORITY HIRE ADVISORY COMMITTEE (PHAC)

The ordinance included creating an advisory body with representatives appointed by the Mayor from four groups: Community, Contractors (at least one WMBE firm), Labor, and providers of Pre-Apprentice and Apprentice Training programs. Additional Regional Partners and At-large members were also invited to participate along with the original appointments. (See Appendix A for the member list.)

The Priority Hire Advisory Committee (PHAC) was created to review and advise the City on the implementation of Priority Hire. To foster successful implementation of the Priority Hire ordinance, PHAC members created an operating charter, determined data needs, and agreed to invite content experts as needed.

PHAC ROLE

From the outset, PHAC members demonstrated a high degree of interest and commitment to supporting the successful implementation of Priority Hire. They defined their role as giving program and system guidance, furthering ordinance awareness, supporting Priority Hire implementation by assessing needed changes, and formulating findings and recommendations in an annual report to the Department of Finance and Administrative Services, Mayor and City Council. To fulfill their responsibilities, PHAC members not only agreed to meet more times than required by the ordinance, they also committed time outside of the monthly meetings to discuss topics in depth.

As a result of their discussions throughout 2015 and 2016, PHAC members, used project status report data, drawing on their own expertise and consulting with their constituents to develop guidance and recommendations for the PHAC annual report to the Department of Finance and Administrative Services, Mayor, and City Council.

PHAC GOALS

At their May 2015 kick-off retreat, PHAC members agreed on four goals for Priority Hire implementation:

1. City projects are achieving Priority Hire job placement and retention targets so people of color and women are getting into and staying in public works jobs.
2. City projects are taking steps to institutionalize Priority Hire practice.
3. City projects using Priority Hire are efficient, effective, and meeting their budgets.
4. The City's Priority Hire is serving as a model for others.

Some initial expectations about the PHAC's purpose and value are reflected in the following comments:

"Develop the workforce in underrepresented communities" – Contractor

"Ensure every contractor, union, and open shop makes a real effort to do priority hire" - Labor

"Have a clear communication line with the targeted populations" - Community

"Help people going through a pre-apprenticeship program to have the right skill level and, do career development, not just fill training program slots" - Training program provider

SYSTEM ANALYSIS

CONSTRUCTION PIPELINE CURRENT STATE

Collectively PHAC members recognize that those currently and historically underrepresented in construction, including people of color, women and people living in poverty, bring assets and are a viable potential workforce resource to the construction industry to fill upcoming demand. Yet accessing construction jobs and/or developing careers in the industry is a challenge for many of these same populations because of systemic barriers that exist at all phases of the pipeline, including entry, navigation throughout and career advancement.

Over the course of 14 PHAC meetings from May 2015 to November 2016, PHAC explored and analyzed the current state of the construction pipeline, informed by their vantage points as members of different key stakeholder groups with their distinct roles and relationships to the construction pipeline.

The composite picture created by this multi-sector group is visually depicted in Appendix B and highlights the following points:

- The Priority Hire target population isn't being reached sufficiently, and those who are recruited are not all getting into the pipeline.

- The pipeline “leaks” at all phases, i.e., showing up in disparate rates of entry into some apprenticeship programs, on the job retention and advancement for people of color and women.
- Policies and processes across all involved entities (unions, public agencies and construction contractors) are not consistent.

EARLY PHAC RECOMMENDATIONS

PHAC members see an urgent need to address construction pipeline barriers so that the construction industry and City projects can benefit from the skills, abilities and assets of those who are underrepresented in the current workforce. In order to enter and successfully navigate the construction pipeline, recruits from Priority Hire zip codes need training opportunities and supports, such as help obtaining/reinstating a driver’s license, adequate childcare, transportation, or issues arising from justice system involvement. In order to succeed once on the job, the construction culture needs to change so that experiences such as poor treatment, inequitable job assignments and/or limited training options to develop necessary skills do not continue to impact retention or career advancement for Priority Hire workers.

Based on their collective definition of systemic barriers, gaps, and opportunities for Priority Hire, PHAC members developed programmatic recommendations in 2015 that the City Purchasing and Contracting Services staff acted upon in the following ways:

1. Criteria for the City’s Priority Hire outreach and training services contracts - Guidance incorporated into City RFP and contracts.
2. Increased percentage point level requirements for Priority Hire - Implemented in City contracts and simplified increase for new contracts.
3. Priority Hire referral process improvement recommendations – Implemented through outreach and training contracts and a regional pre-apprenticeship collaboration to identify best practices and evaluate effectiveness.
4. Regional vision for Priority Hire – City involved in creation of and participation in a regional public owners group.

More information about City Priority Hire Program can be found in the *Priority Hire Annual Report*.

REPORT RECOMMENDATIONS

For the first annual report, PHAC members selected five priorities to foster “culture change” in order to transform the construction industry so that all people can succeed and thrive in their chosen vocation. PHAC members recognize that this level of culture change is challenging and requires a sustained and long-term effort.

1. PHAC Recommendation: Reaching Target Populations of Priority Hire

Issues/Pipeline Challenges	
<ul style="list-style-type: none"> ▪ Priority Hire target population doesn't know about available jobs ▪ Some training program criteria excludes target population ▪ Qualified priority candidates don't always get into apprenticeship training ▪ Those recruited for Priority Hire are not always ready for jobs ▪ Support services and funding may not be sufficient to meet the need 	
Goal	
<ul style="list-style-type: none"> ▪ Adequate/effective outreach and recruitment from Priority Hire zip codes 	
Recommended	<ol style="list-style-type: none"> 1. Standardize outreach information and perform outreach in multiple community settings 2. Encourage collaboration among outreach providers
Possible Next Steps	<p>→ Support development of standardized outreach materials and outreach to multiple sites (e.g., prisons, youth programs, affinity groups, etc.) by encouraging provider partnerships</p> <p>→ Fund collaboration among outreach providers through outreach contracts</p>
City Action Taken to Date	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Contracts with community providers for outreach (continue) <input checked="" type="checkbox"/> Connect outreach providers to existing support service resources (continue) <input checked="" type="checkbox"/> Educate larger community about industry/training (continue)



“Even in this booming economy, people are being left out.”
 Michael Woo 2016

2. PHAC Recommendation: Sufficient Training and Support Services

Issues/Pipelines Challenges	
<ul style="list-style-type: none"> ▪ Not enough pre-apprentice graduates to meet expected demand ▪ Lack of pre-apprentice and apprentice trainees retained during training ▪ Not enough training slots in pre-apprenticeship and sometimes apprenticeship ▪ Pre-apprenticeship training may not always adequately prepare individuals 	
Goals	
<ul style="list-style-type: none"> ▪ Sufficient pre-apprenticeship graduates to meet projected demand ▪ Increased pre-apprentice/apprentice trainee retention ▪ Service providers adequately connect people to training, jobs and support services 	
Recommended	<ol style="list-style-type: none"> 1. Fund pre-apprenticeship programs with highest quality standards 2. Improve pre-apprenticeship outreach recruitment 3. Institute high quality pre-apprenticeship training standards 4. Provide support at each transition point in pipeline - long term funding for tracking/supporting person throughout
Possible Next Steps	<ul style="list-style-type: none"> → <i>Fund more training slots and job placements</i> → <i>Fund training programs based on data on high performance, quality training standards and support services</i> → <i>Encourage other public agencies to increase pre-apprenticeship training slots</i> → <i>Expand support for case management</i>
City Action Taken to Date	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> City investment-to-date of \$1.1 million in Priority Hire for outreach and training with ongoing resources available <input checked="" type="checkbox"/> Lead the review and institute regional pre-apprenticeship training standards (<i>continue</i>) <input checked="" type="checkbox"/> Support case management in pre-apprenticeship contracts (<i>continue</i>)



“The Seawall project is the most diverse jobsite I’ve been on. We need to have workers reflect our community. Everyone needs the same opportunity I’ve had. My goal is that the Seawall job is just the new normal.”

Marge Newgent

3. PHAC Recommendation: Job Assignment

Issues/Pipeline Challenges

- Poor treatment of Priority Hire workers on the jobsite
- Lack of coordination/communication among key players (unions, training programs, contractors)
- Lack of career opportunities for jobseekers with construction experience in priority ZIP codes (e.g. unemployed, working in residential or light commercial construction, etc.)
- Employers bring “core” workers that don’t reflect target Priority Hire population

Goals

- **Culture change on jobsite resulting in equitable treatment**
- **Contractors meet/exceed Priority Hire goals and requirements**
- **Contractor’s “core” employees reflective of Priority Hire target population**
- **Increased number of Priority Hire workers with prior construction experience in family-sustaining construction careers**

Recommended

1. **Respectful workplace training to support equitable treatment on the jobsite**
2. **More communication to coordinate Priority Hire efforts among unions, pre-apprenticeship programs and contractors**
3. **Change employer’s core workers from 5 to 3 to allow for more priority workers**
4. **Clear and direct process for priority jobseekers with construction experience to enter construction pipeline**

Possible Next Steps

- *City provides training to create equitable treatment on jobsite/construction industry*
- *City changes ordinance requirement from 5 to 3 “core” workers*
- *Involved parties take steps for priority jobseekers with construction experience from Priority Hire ZIP codes to get construction jobs by:*
 - *Collecting and sharing of union “test in” information*
 - *Notifying City of Priority Hire dispatch requests unfilled or filled by non-priority workers*
 - *Identifying and referring jobseekers with construction experience to a job pathway (via union dispatch or training program)*
 - *Track and maintain data about their status/progress (City)*
- *Union/pre-apprenticeship training programs/contractors communicate and act proactively to meet Priority Hire*
- *Continue steps below being implemented*

City Action Taken to Date

- Monitoring jobsite and setting clear expectations for worker treatment and notification of hiring needs with contractors (continue)*
- Convene contractors, pre-apprenticeship program staff, unions and apprenticeship coordinators in the City Joint Administrative Committee and Regional Pre-Apprenticeship Collaborative (continue)*
- Liaison function of Job and Training Advisor (continue)*

4. PHAC Recommendation: On the Job Compliance

Issues/Pipeline Challenges	
<ul style="list-style-type: none"> ▪ PH workers aren't given equitable opportunities for meaningful on-the-job experience ▪ Priority Hire workers aren't retained after job completion ▪ Some contractors aren't compliant with Priority Hire workforce diversity requirements/goals 	
Goals	
<ul style="list-style-type: none"> ▪ Priority Hire workers have equitable opportunity for gaining meaningful experience on jobsite ▪ Priority Hire workers retained by contractor after project completion ▪ Increased compliance by noncompliant contractors 	
Recommended	<ol style="list-style-type: none"> 1. Equitable work distribution/meaningful experience opportunity 2. Incentivize contractors to retain Priority Hire apprentices for future projects 3. Penalize contractors for non-compliance
Possible Next Steps	<ul style="list-style-type: none"> → <i>Provide Priority Hire education at the earliest stage with prime contractors as well as subcontractors</i> → <i>Develop Priority Hire performance incentives for retention of PH workers</i> → <i>Create recognition for Priority Hire champions</i> → <i>Institute additional Priority Hire enforcement tools (e.g., liquidated damages and poor performer list)</i>
City Action Taken to Date	<input checked="" type="checkbox"/> Priority Hire contractor education, monitoring and enforcement strategies (continue)



“We all realize we need to engage.”
Monty Anderson

5. PHAC Recommendation: Regional Collaboration for Priority Hire

Issues/Pipeline Challenges	
<ul style="list-style-type: none"> ▪ Different policies, goals, processes among public partners ▪ Different policies and processes among unions and apprenticeship programs 	
Goal	
<ul style="list-style-type: none"> ▪ Collaborate regionally to diversify the construction workforce for public projects 	
Recommended	<ol style="list-style-type: none"> 1. Create a public owners' group for collaboration on projects in multiple counties 2. Focus on creating equity through a shared commitment of hiring local people of color and women <ul style="list-style-type: none"> ○ Offer Economic Opportunity: More continuous work/career path for workers ○ Scale up/Expand: Create bigger pool of workers; expand use of CWAs outside public projects ○ Align Efforts and Improve Efficiency: Standardize processes and align investments and workforce strategies ○ Resource: Contribute to support construction pipeline/address problems 3. Implement by: <ul style="list-style-type: none"> ○ Create an MOU among owners to commit to creating equity for people of color, women, low-income people ○ Use Results Based Accountability to define shared purpose and approach ○ Use a paid neutral convener to hold partners accountable and commit staffing time and other financial resources ○ Involve decision makers ○ Define next steps, sharing best practices/model partnering for others ○ Develop political strategy to increase revenue
City Action Taken to Date	<ul style="list-style-type: none"> ☑ Assisted and supported initial and regular joint convening's of public owners including Sound Transit, Port of Seattle, Washington State Department of Transportation, King County, City of Tacoma (<i>continue</i>) ☑ Developed Regional Public Owners' vision statement, goals, aligned funding strategies, draft MOU and work plan ☑ Convened Apprenticeship Coordinators to begin bringing them along as partners in implementing a more diverse workforce region-wide (<i>continue</i>)

For more information on City projects and recommendations from the Department of Finance and Administrative Services about Priority Hire, see the Priority Hire Annual Report.

<http://www.seattle.gov/priorityhire>

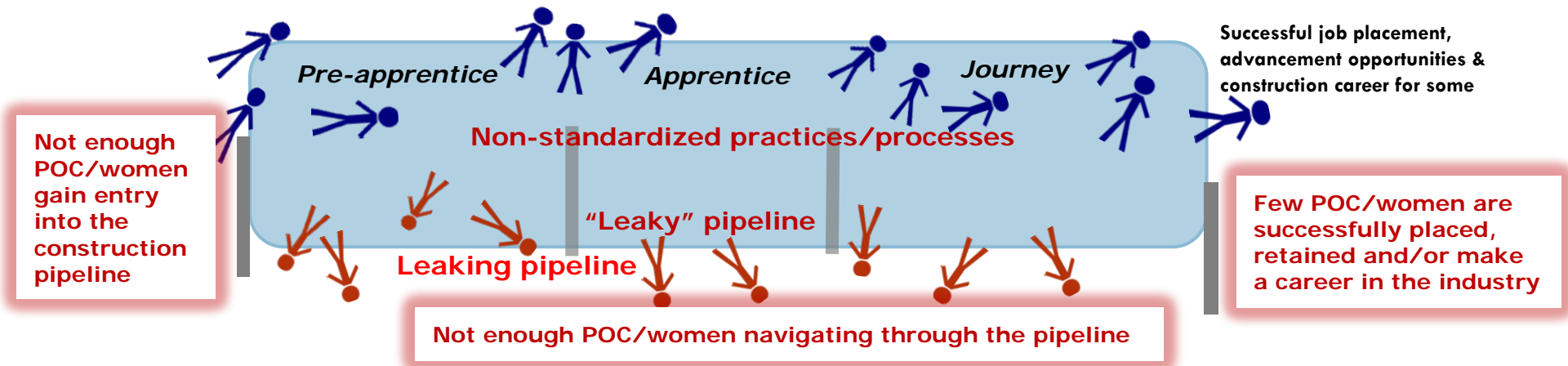
APPENDIX A
PRIORITY HIRE ADVISORY COMMITTEE MEMBERS

Group Represented	Name	Company/Organization	Position
Community	Ray Hall	Worker	Electrician
	Michael Woo	Founder of Got Green	Community Activist
General Contractor	Tom Peterson	Hoffman Construction	VP & General Manager
	Rory Olson	MacDonald-Miller Facility Solutions	Service Operations Manager
WMBE	Jon Green	Metro Painting	Senior Advisor
Training Providers	Greg Christiansen	Ironworker Management Progressive Action Cooperative Trust	Coordinator
	Karen Dove	Apprenticeship & Non-Traditional Employment for Women (ANEW)	Executive Director
	Lawrence Willis	Seattle Colleges- Seattle Vocational Institute Pre-Apprenticeship Construction Training	PACT Coordinator
Labor	Marge Newgent	Operating Engineers Local 302	Business Agent
	Leanne Guier	Plumbers & Pipefitters	Business Development Specialist
	Monty Anderson	Seattle Building Trades Council	Executive Secretary
Regional Partner	Glenn Davis	Seattle Office of Immigrant & Refugee Affairs	Policy & Program Specialist - Workforce
	Gary Schmitt	Sound Transit	Project Labor Specialist
At Large	Eleonor Oshitoye	Mortenson	Diversity Inclusion Manager
	Tali Hairston	Seattle Pacific University-John Perkins Center	Director
	Andra Kranzler	Seattle City Council	Legislative Aide

	Community
	Contractors
	WMBE
	Training Providers
	Labor
	Regional Partner
	At Large

APPENDIX B: PHAC CONSTRUCTION PIPELINE ANALYSIS

While the construction pipeline from entry to career advancement works for many, people of color (POC) and women historically and currently are underrepresented



- **INSUFFICIENT SUPPLY OF PEOPLE** (women/people of color/underrepresented workers) **ENTERING REFERRAL PIPELINE** (pre-apprenticeship/apprenticeship/ journey level)
 - Community doesn't know jobs are available
 - Interested people can't get into apprenticeship training (training criteria exclude them)
 - People not ready for jobs
 - Support services not available to help people get into the pipeline
 - Services not coordinated across cities (i.e. drivers relicensing)
 - Non-manual options not available/known
- **"LEAKY" PIPELINE**
 - Lack of ready jobs for apprentices
 - People are not a good fit with the realities of the work
 - Support services not available to support people staying in the pipeline
 - Non uniform priority hire dispatch
- Contractors underutilizing women and POC workers on the job site (unequal opportunities)
- Contractors not creating work environments for women and people of color to retain them and help them advance
- **VARIABLE PRACTICES/PROCESSES MAKE PIPELINE NAVIGATION DIFFICULT**
 - Unions not uniformly helping contractors navigate union requirements on priority hire projects
 - Contractors not uniformly implementing priority hire
 - Public agencies have varying requirements about workforce diversity goals
 - Public agencies vary in their enforcement tools/actions
- **INSUFFICIENT JOB AVAILABILITY – SEASONALITY AND CYCLICAL NATURE OF WORK**
- **SYSTEMS NOT WORKING TOGETHER**