



# Priority Hire Advisory Committee

2021 Annual Report to:

Mayor of Seattle, Bruce Harrell

Seattle City Council

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# 2021 Committee Members

- |                       |                                    |
|-----------------------|------------------------------------|
| Joe Carter            | United Black Christian Clergy      |
| Karen Dove            | ANew                               |
| James Faison          | NAMC                               |
| Sonja Forster         | AGC                                |
| Abdi Hashi-Omar       | Community Rep                      |
| Jerry Jordan          | PACT                               |
| Marilyn Kennedy       | OPCMIA 528                         |
| Chris McClain         | Ironworkers Local 86               |
| Michelle Merriweather | Urban League of Seattle            |
| Jamal Middlebrooks    | PNW Regional Council of Carpenters |
| Andrea Ornelas        | Laborers Local 242                 |
| Melanie Parrett       | Hot Mix Pavers                     |
| Steve Petermann       | TRAC Construction                  |
| John Salinas II       | Salinas Construction               |
| Halene Sigmund        | CITC                               |
| Patrice Thomas        | Technical Advisor                  |
| Michael Woo           | Community Representative           |

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# Executive Summary

The Priority Hire Advisory Committee (PHAC) is tasked with the responsibility of providing guidance to the City for the successful development of Priority Hire. The annual recommendations report details the guidance agreed upon by PHAC. PHAC consists of community members, training providers, contractors and labor representatives appointed by the Mayor. PHAC meets bi-monthly to discuss programmatic and policy issues and to develop its annual recommendations to Mayor and Council. Since its inception in 2015, PHAC has provided recommendations on investments in worker outreach, recruiting, barrier removal supports and guidance on necessary resources to retain workers from job readiness and pre-training to living wage construction careers. Similarly, these recommendations contribute to workforce development in the construction industry.

## PHAC Non-Manual Position Credit Guidance

The Priority Hire Ordinance and Community Workforce Agreement (CWA) offer a non-manual position credit option for contractors. Non-manual positions cover career opportunities not currently accessible to priority hire workers, such as administration, human resources, project management, and engineering. The proposed modifications aimed to fill these gaps and ensure equity and opportunity for those underrepresented in construction.

PHAC provided to the City a set of questions and considerations for further discussion and recommended modifications move forward for the time being and revisit the recommendation at a future meeting.

## Increasing Supply and Retention

The City requested PHAC provide guidance and recommendations regarding new equitable recovery funds to address outreach, training, and resource supports. PHAC reiterated the importance of centralizing resources and supports to improve retention of workers. PHAC encouraged the City to direct efforts to work with training and community partners to better inform the community on the opportunities to lessen driver licensing issues. PHAC also directed the City to consider the options for training and educational components of the workforce development pipeline by ensuring training is resourced at every level of the pipeline. It was decided to continue discussing these recommendations with the City in 2022, with the hope of identifying specific strategies.

# Annual Report Introduction

The 2021 Priority Hire Annual Report provides a comprehensive description of the Committee recommendations to the City of Seattle's Mayor and City. The following is a brief overview of Priority Hire and a description of the program goals. The 2021 report is the fifth PHAC annual recommendations report since its inception.

The Priority Hire Advisory Committee (PHAC) works to create a set of recommendations designed to enhance the implementation of Priority Hire. PHAC was defined in the January 2015 Priority Hire Ordinance that aimed to promote construction training and career opportunities for residents in economically distressed areas in Seattle/King County. The ordinance includes:

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

## Goals

### Reaching Target Populations of Priority Hire

**Goal:** Adequate/effective outreach and recruitment from Priority Hire ZIP codes.

### On the Job Compliance

- ✓ **Goal:** Workers have an equitable opportunity to gain meaningful experience on job sites. Workers retained by contractor after project completion.

### Regional Collaboration for Priority Hire

**Goal:** Collaborate regionally to diversify the construction workforce.

### Sufficient Training and Support Services

**Goal:** 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.

### Job Assignment

**Goal:** Culture change on the job site resulting in equitable treatment.



# The Year In Review

Since 2020 PHAC has continued to meet virtually. While this has presented multiple challenges, the work to develop recommendations continued in 2021. Each meeting provided an opportunity for stakeholder groups to contribute to shaping the annual recommendations through consensus building facilitation. Additionally, each meeting also provided members a connection to the common good framework, ensuring race equity was centered in decision-making and facilitation.

For 2021, new PHAC members received an orientation to Priority Hire and the committee reviewed the Priority Hire Charter. Such activities are conducted annually and support level setting as the committee develops possible recommendations. Additionally, City staff provided regular updates on Seattle Schools SCWA and the City's Acceptable Work Site training throughout the year.

PHAC discussed and provided guidance to the city on the non-manual position credit modifications (see Appendix). A rationale for the modifications were shared along with wording of the ordinance language. Stakeholder groups held their own discussion, formed consensus, and a more thorough description is provided in the recommendations section of this report.

A major portion of the committee's effort focused on developing guidance to the city for the equitable recovery funds. The following is a summary of the process and ideas discussed by PHAC.

- Each stakeholder group spoke to the concerns of its constituents and contributed ideas they found appropriate to increasing the supply and retention of those most underrepresented in the construction industry.
- For example, each stakeholder group was asked, "What are the top three actions your stakeholder group can take to increase the supply and retention of BIPOC workers?"
- Members were provided a guidance handout to review previous recommendation ideas.

PHAC developed consensus on its recommendations which are provided in more detail in the next section of this report. It is the practice of PHAC to discuss and carry-forward recommendations from one year to the next for further development. The same is true for 2021 to 2022. A list of those emerging recommendations will be included in the 2022 work plan and PHAC looks forward to providing guidance towards the continued successful implementation of Priority Hire.



# 2021 Recommendations

The Priority Hire Advisory Committee (PHAC) agreed to submit the following set of recommendations.

## PHAC Non-Manual Position Credit Guidance

The Priority Hire Ordinance and Community Workforce Agreement (CWA) offer a non-manual position credit option for contractors. The purpose of the non-manual credit is to create quality, living-wage careers in non-manual construction jobs for those underrepresented in the industry, in alignment with the City's Priority Hire program's purpose and intent. Priority Hire projects offer opportunities for living-wage careers in the construction industry outside of physical construction work. Non-manual positions offer a unique opportunity to provide alternate career pathways for apprenticeship. Non-manual positions cover career opportunities not currently accessible to priority hire workers, such as administration, human resources, project management, and engineering. The proposed modifications aimed to fill these gaps and ensure equity and opportunity for those underrepresented in construction.

PHAC provided to the City a set of questions and considerations for further discussion and recommended the City move forward for the time being and revisit recommendations to change the modifications at a future meeting.

## Increasing Supply and Retention

The City requested PHAC provide guidance and recommendations for the granting of equitable recovery funds to address outreach, training, education, and supports. PHAC provided a list of recommended strategic investments for the City to consider. The City and PHAC discussed whether some of the proposed strategies were already implemented, could be improved, or if the same strategy needed to be expanded. Therefore, the proposed guidance and recommendations are submitted with that understanding and may apply to a strategy already being deployed.

PHAC reiterated the importance of centralizing resources and supports to improve the retention of workers. And improving access to already available resources and supports, such as ensuring online information for those using cell phones as their primary means of internet access is widely known.

Or to have the city collaborate with programs for social media presence and an online support request form for workers looking for mentoring or other available supports.

PHAC also encouraged the City to direct efforts to work with training and community partners to better inform the community on the opportunities to lessen driver licensing issues as a potential barrier to employment. Such efforts are important to the recruitment and retention of workers.

Lastly, PHAC recommended the City consider the options for training and educational components of the workforce development pipeline by ensuring training is resourced at every level of the pipeline. This includes pre-apprenticeship training through apprenticeship training, and foreman and leadership training. Such efforts may require collaboration among different stakeholders for the City to assess where further training and educational supports are needed. PHAC decided to continue discussing this recommendation with the City in hopes of identifying specific strategies.





# APPENDIX A.

## PHAC Non-Manual Position Credit Guidance

### What are non-manual positions?

The Priority Hire Ordinance and Community Workforce Agreement (CWA) offer a non-manual position credit option for contractors. See Exhibit 1 for Ordinance and CWA guidance, as well as City-proposed modifications for PHAC discussion.

*Exhibit 1. Non-Manual Credit Guidance*

Ordinance*	CWA*	Proposed Modifications (for discussion)
Any contractor is eligible	Only prime contractors are eligible	Credit is available for prime contractors (CWA alignment)
<b>Up to 10% credit is approved by Purchasing and Contracting Director.</b> If a project had 10,000 total hours, and the Priority Hire requirement was 20%, then 2,000 hours would need to be performed by Priority Hire workers. An approved credit could count for up to 200 of the 2,000 Priority Hire hours.		<b>The credit counts toward the Priority Hire journey requirement (i.e., up to 10% credit of required Priority Hire journey hours)</b> To minimize impact on apprentices and ability for contractor to meet overall apprenticeship requirements.
Worker lives in a Priority Hire ZIP code		Only hours performed during construction on the project can count toward the credit
Job is not primarily for the purpose of performing physical construction work		<b>Pay must be comparable to a prevailing wage step 1 laborer apprentice rate.</b> This is to ensure living wages. The rate is currently \$36.47.
Employee works in the position for the duration of the contractor’s work on the project		<b>Employee is newly hired once the contractor is awarded the contract.</b> To create new career opportunities.
		Supports Priority Hire’s aspirational goals for women and people of color
		Eligible workers include construction workers on light work through the state’s Stay at Work program

*\*Summarized content - see actual language on page 2.*

### Rationale For Modifications:

1. The purpose of the non-manual credit is to create quality, living-wage careers in non-manual construction jobs for those underrepresented in the industry, in alignment with the City’s Priority Hire program’s purpose and intent.
2. Priority Hire projects offer opportunities for living-wage careers in the construction industry outside of physical construction work.
3. Non-manual positions generally lack the monitoring and clear career pathway for apprenticeship and prevailing wage jobs. The proposed modifications aim to fill these gaps and ensure equity and opportunity for those underrepresented in construction.

### What is the ordinance language?

"Non-manual Position" means a job position on a public works project that is not primarily for the purpose of performing physical construction work, including but not limited to, superintendents, supervisors, staff engineers, quality control and quality assurance personnel, time keepers, mail carriers, clerks, office workers, messengers, guards, safety personnel, emergency medical and first aid technicians and other engineering, administrative, supervisory and management employees.

If approved by the Director, Contractors may receive a credit of up to 10% applied to their required Priority Worker hours by 1) hiring Priority Workers to fill Non-manual Positions; and 2) continuing to employ workers in these positions for the duration of the Contractor's work on the Covered Project.

### What is the CWA language?

The Prime Contractor may receive a credit of up to 10% of the hours performed by Priority Workers, if they hire workers from the Priority ZIP codes who perform non-manual work and continue to employ said workers in these positions for the duration of the Contractor's work on the Covered Project. Such substitutes must be approved by the Director.

### Discussion:

1. What else would you propose to help priority hire workers underrepresented in construction benefit from the non-manual credit?
2. What unintended consequences might result from the non-manual credit? How should the City mitigate them?
3. Do you agree the City should include the modifications?

