RESOLUTION NO. 40124

BY REQUEST OF MAYOR WOODARDS AND COUNCIL MEMBERS BLOCKER, HUNTER, AND McCARTHY

A RESOLUTION directing the City Manager to prepare a draft Priority Hire Ordinance ("PHO") and Community Workforce Agreement ("CWA") in order to prioritize the hiring of residents who live in economically distressed areas for certain public works construction projects which exceed a substantial threshold cost; and to convene a "CWA Task Force" to be comprised of leaders from labor unions, private contractors, minority and women's business enterprises, and economically distressed communities, to review, refine, and make recommendations on a final PHO and CWA for City Council consideration, within six months from the date of this resolution.

WHEREAS, despite a strong regional economy, poverty and underemployment are growing in the City and the cost of living is rapidly outpacing wages; in Tacoma, these difficult economic conditions have historically and continue to disparately impact communities of color and others with social and economic disadvantages, and

WHEREAS one-half of the 80,000 households in the City are living on less than $52,000 per year, and nearly 40 percent lack affordable housing, and

WHEREAS the 2018 Tacoma Disparity Study identified an underutilization of Minority and Women's Business Enterprises ("MWBE") in City contracting; the City must ensure that economic opportunities that flow from the expenditure of its public works dollars provide workforce development and economic opportunity to those residents who need it the most in our community, and
WHEREAS Priority Hire Ordinances ("PHO") and Community Workforce Agreements ("CWA") have been effectively utilized in other metropolitan areas across the nation, including Seattle, Los Angeles, San Francisco, Oakland, Cleveland, and New York, and

WHEREAS these programs ensure that the public receives a high quality of construction while advancing social equity, workforce diversity, and the development of skilled local workers for construction careers, and

WHEREAS the resultant economic opportunity and workforce development in economically distressed areas is a boon to the affected communities, as well as the entire community at large, and

WHEREAS, for public works construction projects over a threshold amount ("covered projects"), to be determined based on an evaluation of the City's public work contracts and market conditions, the PHO will ensure that a percentage of the workforce is comprised of journey-level workers and apprentices from economically distressed areas of our City, and

WHEREAS, complimentary to the PHO, the CWA will ensure that workers on "covered projects" are guaranteed essential rights governing labor and employment conditions, while institutionalizing employment diversity and veteran preference goals, and

WHEREAS the City can learn from the examples and experiences of other jurisdictions, and can incorporate that information into a unique model which is tailored to advance the needs of our City, and
WHEREAS a CWA Task Force shall be established to convene the necessary stakeholders vested in the program objectives and the class of "covered projects" impacted by the PHO and CWA, and will allow for feedback and proposal enhancement from community stakeholders, and

WHEREAS the CWA Task Force will consider the 2018 Tacoma Disparity Study and work with City staff towards developing a PHO and CWA which will result in effective workforce development and promote the appropriate use of MWBE contractors, and

WHEREAS, at the September 18, 2018, Study Session, a Council Consideration Request was shared on this topic, with the recommendation that a resolution be prepared for full City Council consideration; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the City Manager is directed to work with staff to prepare a draft Priority Hire Ordinance ("PHO") and Community Workforce Agreement ("CWA") in order to prioritize the hiring of residents who live in economically distressed areas within our City, for certain public works construction projects which exceed a substantial threshold cost; and further, to convene a "CWA Task Force" to be comprised of leaders from labor unions, private contractors, minority and women's business enterprises, and economically distressed communities, to review, refine,
and make recommendations on a final PHO and CWA for City Council consideration within six months from the date of this resolution.

Adopted OCTOBER 2, 2018

Attest:

Mayor

City Clerk

Approved as to form:

Deputy City Attorney
TO: Elizabeth Pauli, City Manager  
FROM: Council Assistant Lynda Foster, on behalf of Council Member McCarthy  
COPY: City Council and City Clerk  
SUBJECT: Priority Hire Ordinance and Community Workforce Agreement – Requested for October 2, 2018  
DATE: September 24, 2018

SUMMARY:
We ask the City Council to vote on a resolution directing the City Manager to (1) prepare a draft Priority Hire Ordinance (PHO) and Community Workforce Agreement (CWA) in order to prioritize the hiring of residents that live in economically distressed areas for certain public works construction projects which exceed a substantial threshold cost; and (2) convene a ‘CWA Task Force’ comprised of leaders from Labor Unions, Private Contractors, WMBE’s, and Economically Distressed Communities, to review, refine, and make recommendation on a final PHO and CWA for Council consideration within the next six months.

COUNCIL SPONSORS:
Mayor Victoria Woodards, Council Member Keith Blocker, Council Member Lillian Hunter, and Council Member Conor McCarthy

STRATEGIC POLICY PRIORITY:
The proposed legislation best aligns with the following City Council Strategic Policy Priorities:
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage thriving residents with abundant opportunities for life-long learning.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents

BACKGROUND:
Half of the 80,000 households in Tacoma are living on less than $52,000 per year and nearly 40% lack affordable housing. Despite a strong regional economy, poverty and under-employment are growing in Tacoma and the cost of living is rapidly outpacing wages. In Tacoma, these difficult economic conditions have historically and continue to disparately impact communities of color and others with social and economic disadvantages. In addition, the 2018 Tacoma Disparity Study identified an underutilization of Minority and Women's Business Enterprises (MWBE) in City contracting. Tacoma must ensure that the economic opportunities that flow from the expenditure of its public works dollars provide work force development and economic opportunity to those residents who need it the most in our community.

Priority Hire Ordinances and Community Workforce Agreements have been effectively utilized in metropolitan areas across the nation, including Seattle, Los Angeles, San Francisco, Oakland, Cleveland and New York. These programs ensure that the public receives a high quality of construction while advancing social equity, workforce diversity, and the development of skilled local workers for construction careers. The resultant economic opportunity and workforce development in economically distressed areas is a boon to the affected communities as well as the entire community at large.

For public works construction projects over a threshold amount (to be determined based on an evaluation of the City’s public work contracts and market conditions), the PHO will ensure that a percentage of the workforce is comprised of journey level workers and apprentices from economically distressed areas in
our City. Complimentary to the PHO, the CWA will ensure that workers on ‘covered projects’ are
guaranteed essential rights governing labor and employment conditions, while institutionalizing
employment diversity and veteran preference goals. Overall, other jurisdictions offer many PHO and
CWA examples and experiences, from which the City can learn and incorporate into a unique model
which is tailored to advance the needs of our City. The CWA Task Force will be established to convene
the necessary stakeholders vested in the program objectives and the class of ‘covered projects’ impacted
by the PHO and CWA. The CWA Task Force will consider the 2018 Tacoma Disparity Study, and work
with City staff towards crafting a PHO and CWA which will result in effective workforce development,
and promote appropriate use of MWBE contractors. Subsequently, the Council will take into
consideration the recommendations from the CWA Task Force on the future legislation to be proposed.

A Council Consideration Request was shared at the September 18, 2018 Study Session recommending a
resolution be prepared for City Council consideration.

ISSUE:
Despite a strong regional economy, poverty and under-employment are growing in Tacoma and the cost
of living is rapidly outpacing wages. In Tacoma, these difficult economic conditions have historically and
continue to disparately impact communities of color and others with social and economic disadvantages.
There is a need to address these issues, as well as for staff time to be allocated to researching proposed
legislation that would meet needs specific to Tacoma and feedback from community stakeholders to
provide feedback and enhance the proposal.

ALTERNATIVES:
The council could choose to modify or not support the requested resolution.

RECOMMENDATION:
The recommendation is that the Council approve the resolution directing the City Manager to prepare a
draft Priority Hire Ordinance and Community Workforce Agreement, and to convene a ‘CWA Task
Force.’

FISCAL IMPACT:
There is no fiscal impact.
ITEM/ISSUE PROPOSED FOR COUNCIL CONSIDERATION:

We ask for your support for the inclusion of the following item on the agenda at the earliest available meeting of the Study Session:

We respectfully request City Council concurrence to direct the City Manager to: (1) prepare a draft Priority Hire Ordinance (PHO) and Community Workforce Agreement (CWA) in order to prioritize the hiring of residents that live in economically distressed areas for certain public works construction projects which exceed a substantial threshold cost; and (2) convene a ‘CWA Task Force’ comprised of leaders from Labor Unions, Private Contractors, WMBE’s, and Economically Distressed Communities, to review, refine, and make recommendation on a final PHO and CWA for Council consideration within the next six months.

BRIEF BACKGROUND:

Half of the 80,000 households in Tacoma are living on less than $52,000 per year and nearly 40% lack affordable housing. Despite a strong regional economy, poverty and under-employment are growing in Tacoma and the cost of living is rapidly outpacing wages. In Tacoma, these difficult economic conditions have historically and continue to disparately impact communities of color and others with social and economic disadvantages. In addition, the 2018 Tacoma Disparity Study identified an underutilization of Minority and Women's Business Enterprises (MWBE) in City contracting. Tacoma must ensure that the economic opportunities that flow from the expenditure of its public works dollars provide work force development and economic opportunity to those residents who need it the most in our community.

Priority Hire Ordinances and Community Workforce Agreements have been effectively utilized in metropolitan areas across the nation, including Seattle, Los Angeles, San Francisco, Oakland, Cleveland and New York. These programs ensure that the public receives a high quality of construction while advancing social equity, workforce diversity, and the development of skilled local workers for construction careers. The resultant economic opportunity and workforce development in economically distressed areas is a boon to the affected communities as well as the entire community at large.

For public works construction projects over a threshold amount (to be determined based on an evaluation of the City’s public work contracts and market conditions), the PHO will ensure that a percentage of the workforce is comprised of journey level workers and apprentices from economically distressed areas in our City. Complimentary to the PHO, the CWA will ensure that workers on ‘covered projects’ are guaranteed essential rights governing labor
and employment conditions, while institutionalizing employment diversity and veteran preference goals. Overall, other jurisdictions offer many PHO and CWA examples and experiences, from which the City can learn and incorporate into a unique model which is tailored to advance the needs of our City. The CWA Task Force will be established to convene the necessary stakeholders vested in the program objectives and the class of ‘covered projects’ impacted by the PHO and CWA. The CWA Task Force will consider the 2018 Tacoma Disparity Study, and work with City staff towards crafting a PHO and CWA which will result in effective workforce development, and promote appropriate use of MWBE contractors. Subsequently, the Council will take into consideration the recommendations from the CWA Task Force on the future legislation to be proposed.

STRATEGIC POLICY PRIORITY:
State and briefly explain which strategic policy priority is best aligned to this action. Please remove the statements below you are not directly addressing.

- Assure outstanding stewardship of the natural and built environment.
- Strengthen and support a safe city with healthy residents.
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Encourage thriving residents with abundant opportunities for life-long learning.
- Cultivate a vibrant cultural sector that fosters a creative, cohesive community.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents

POLICY DEVELOPMENT PATH:

☐ Request for policy development and legislation

This item is best aligned with the purview of the following Council Standing Committee (refer to Council Standing Committee Process Manual):

☐ Community Vitality and Safety  ☐ Economic Development

☐ Government Performance and Finance  ☐ Infrastructure, Planning and Sustainability

☒ Request for Resolution

In you have a question related to the Council Consideration Request, please contact Lynda Foster at (253) 591.5166 or Lynda.Foster@cityoftacoma.org.

SUBMITTED FOR COUNCIL CONSIDERATION BY: ________________________________

Council Member McCarthy

SUPPORTING COUNCILMEMBERS SIGNATURES (2 SIGNATURES ONLY)
(Signatures demonstrate support to initiate discussion and consideration of the subject matter by City Council for potential policy development and staff guidance/direction.)

1. __________________ POS # 3

2. __________________ POS # 6

3. __________________ POS # Mayor
Resolution No. 40124

Adopted: OCT 02 2018

Maker of Motion: IBSEN

Seconded: BLOCKER

Voice Vote:

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Roll Call Vote:

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