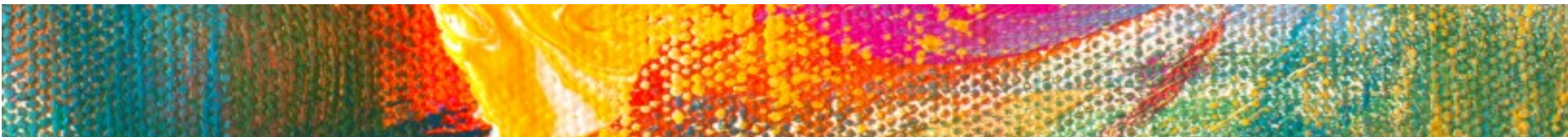


LIVABLE WAGE JOBS: 2021-2022 BUDGET

Study Session
November 3, 2020



AGENDA

- Priority Area Overview
- Community Engagement Overview
- Summary of City Programs and Funding
- Major Actions and Outcomes in 2021-2022

PRIORITY AREA OVERVIEW

Increase the number of Tacoma households that have livable wage jobs within proximity to the city

A livable wage job is the hourly rate that an individual in a household must earn to support themselves and their family. In addition to more diverse, livable wage jobs in the city, we also need to ensure that more Tacoma households have the skills to access those jobs and continue to thrive in Tacoma.

OUTREACH SUMMARY

Community Survey

- 17% of respondents indicated that they were very satisfied with the City's overall economic health while 61% said they were satisfied.

Summer Outreach

When asked what prevented them from getting a livable wage job:

- 17% cited the lack of jobs in the area;
- 13% mentioned that available wages were too low;
- 10% mentioned that the cost of living is too high.

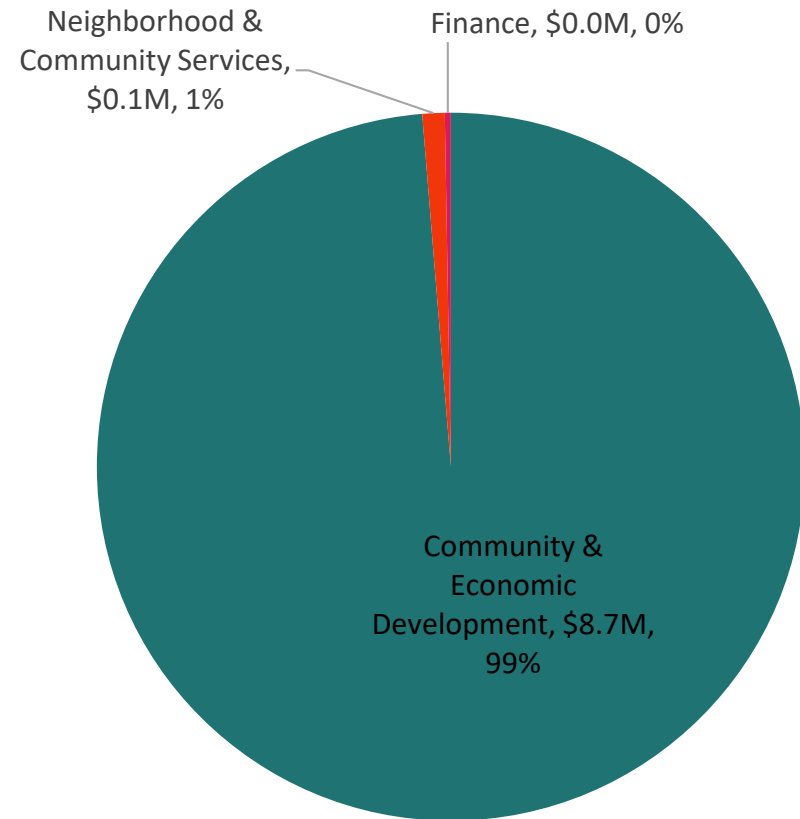
When asked what the City should do to create more access to livable wage jobs:

- 26% of respondents cited the need to attract, retain and grow business to the City;
- 16% asked the City to raise the minimum wage.;
- 15% asked for the City to increase support to programs that prepare residents for living wage careers.

CITY ROLE: LIVABLE WAGE JOBS

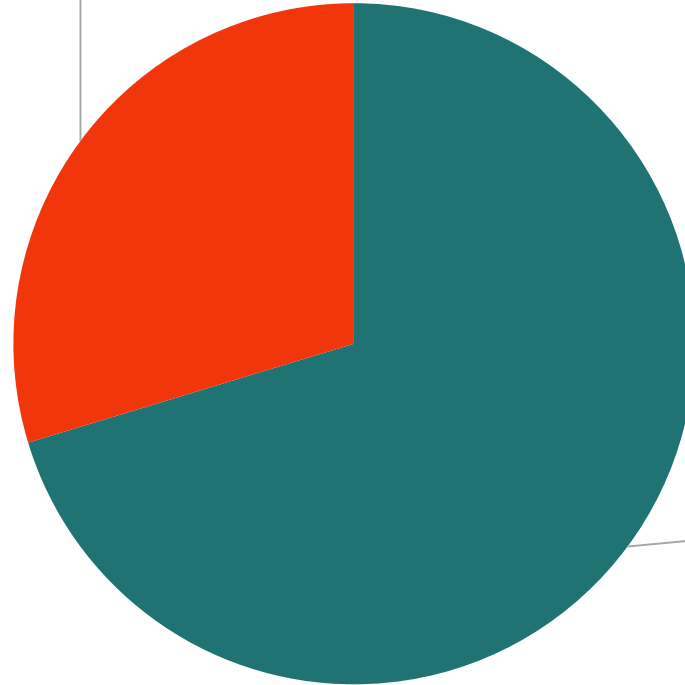
- Direct Support Services for Businesses
- Business Retention & Expansion, Start Up & Recruitment, Marketing, Business Outreach and Partnerships
- Supporting Workforce Development and Training
- Permitting Assistance and Support
- Support for Property Owners
- Enhancing Local Business Climate

PROGRAM OVERVIEW (\$8.8M)



FUNDING OVERVIEW (\$8.8M)

General Fund -
Sales, Utility,
Property, Business
Tax, \$2.6M, 30%



Dedicated Special
Revenue, \$6.2M,
70%

MAJOR ACTIONS IN 2021-2022

- Direct Business Support
- Maintain and Focus on Business Retention & Expansion
- Local/Regional Partnerships & Coordination
- Business Recruitment, Marketing & Promotion
- Workforce Development
- Enhance Local Business Climate

DIRECT BUSINESS SUPPORT

- Equity in Contracting
 - Increase compliance for LEAP and Equity in Contracting Programs (+\$245K, +1 FTE)
 - Equitable Outreach & Involvement with Small Businesses (+\$91K, +0.5 FTE)
- Training & Technical Assistance
 - Minority Business Development Agency
 - Business Services Division
 - Economic Development Services Division
- Business Financial Assistance
 - EDA Revolving Loan Fund / EDA CARES Act Resurgence Loans
 - COVID Stabilization Loan Fund / COVID Resiliency Grants

DIRECT BUSINESS SUPPORT

- Equity in Contracting Program
 - Improved results due to increased training, coordination, monitoring, active involvement, and tracking
 - 2020 Statistics to date:
 - Engineer Estimated Expected Contribution
 - MBE - \$451,046 WBE- \$323,194 SBE- \$778,121
 - Winning Bid Totals
 - MBE - \$770,320 WBE- \$515,135 SBE- \$1,234,140
 - \$10,560,192 awarded to prime contractors
 - \$2,519,595 to EIC contractors = utilization rates 24% EIC & 12% MBE/WBE

DIRECT BUSINESS SUPPORT

- Financial Assistance
- COVID Stabilization Loan Fund: 200 applications for \$2.7M
 - 69 loans = \$993,500
 - Average # of employees = 6
 - Average years in business = 14.5
 - Working capital & operations
- COVID \$10K Resiliency Grants (\$565K in CDBG CARES Act)
 - 250 applications
 - Awards in mid-November 2020

DIRECT BUSINESS SUPPORT - NAMATAD



DIRECT BUSINESS SUPPORT - QUICKIE TOO



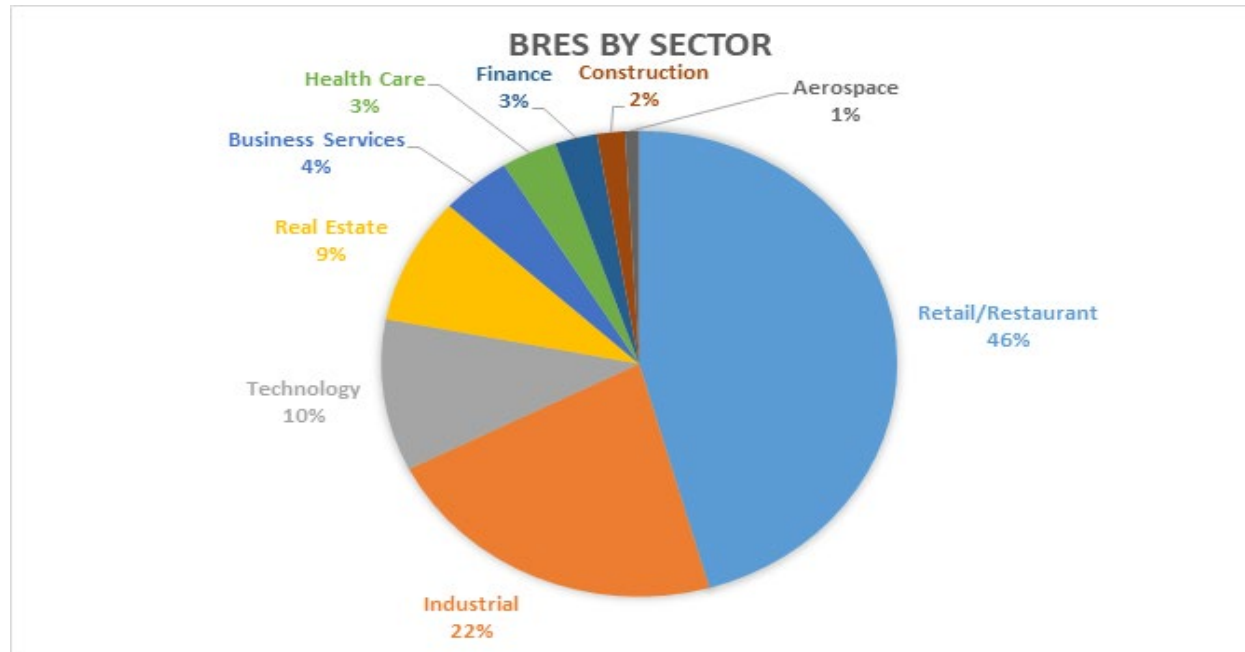
FOCUSED BUSINESS RETENTION & EXPANSION

- Reduction of 1 FTE Business Development Manager (-\$387K)
- Continue and strengthen partnerships on core and essential BRE efforts with Economic Development Board for Tacoma-Pierce County and Tacoma Public Utilities for large, mid-sized and smaller employers
- Focus and direct BRE efforts with BIPOC and women-owned businesses in key sectors of the economy such as manufacturing and technology that provide living wage employment opportunities, and conduct a minimum of 100 BREs contacts annually with at least 40 BIPOC-owned businesses
- 2019-2020: 311 Completed BREs in target sectors of Biotech, Industrial, Manufacturing, Technology, Retail

FOCUSED BUSINESS RETENTION & EXPANSION

Number of BREs Conducted : 114

Percentage of BREs by Sector: (JANUARY 1, 2020 – SEPTEMBER 11, 2020)



Growth/Expansion Potential (Based on 114 Companies—Including Retail/Restaurants)

- Growth: 25 (22%)
- Expansion: 11 (10%)

Growth/Expansion Potential (Based on 62 Companies—Excluding Retail/Restaurants)

- Growth: 25 (40%)
- Expansion: 11 (18%)

FOCUSED BUSINESS RETENTION & EXPANSION



LOCAL/REGIONAL PARTNERSHIPS

- Continue to strengthen partnerships and coordination with public and private local and regional partner organizations
 - Create efficiencies by more deliberate division of labor, reducing overlap and increased reliance on partner organization's area of expertise and focus
 - Reduction in external contracts to World Trade Center, Downtown Retail Advocate and Downtown On The Go
 - TPU, Economic Development Board, Workforce Central, Manufacturing Industrial Council, Chamber of Commerce, Port of Tacoma, Pierce County, Greater Seattle Partners, WA Department of Commerce, Sister Cities, Travel Tacoma, Start-up 253
 - Tacoma Urban League, LatinX Unidos, Asia Pacific Cultural Center, Black Collective, Tacoma Anchor Institutions, Business District Associations, National Development Council, Spaceworks, United Way, Sound Outreach, Goodwill, Bates, Clover Park, Tacoma Public School District, University of Washington Tacoma, SBDC

BUSINESS RECRUITMENT

- Focused recruitment efforts on sectors that provide living wage jobs such as manufacturing, maritime, technology and closely coordinate with EDB Cluster Acceleration Teams, Greater Seattle Partners Strategic initiatives
 - Total Leads 2019-2020: 129 including 34 in 2020; Currently Active: 14
- Continue to develop and provide customized recruitment proposals as well as enhanced marketing and promotional activities (19 during current biennium)
- Continue to work closely with private property owners and brokers to continue to monitor and maintain an inventory of available locations suitable for a variety of uses

BUSINESS RECRUITMENT

- Maritime Blue Incubator
 - Partnership with WA Department of Commerce, Port of Tacoma, UWT, UPS, City Environmental Services, Tacoma Venture Fund and many others
 - Program Launch Q1 2021; operations funded for 3 years
 - Focus Areas in alternative energies, clean water, logistics
 - 12- month no-cost support to a minimum of seven companies
 - Services to include space, administrative support, product and system development, mentoring, introductions to investors & access to capital

BUSINESS RECRUITMENT



WORKFORCE DEVELOPMENT

- Training Programs
 - External Contracts - Reductions to administrative funding for programs (\$325K)
 - Summer Jobs 253, Foundation for Public Students, United Way
 - Tacoma Training and Employment Programs (TTEP) 116 Participants 2017- Present, 10 Graduates hired by City
 - Local Employment Apprentice Programs (LEAP) - Transition of support (reduction in administrative support to expand compliance support)
 - Competitive solicitation for TTEP and re-align partnerships for greater efficiencies
 - Additional emphasis on training and education for jobs in targeted sectors - healthcare, manufacturing, information technology

WORKFORCE DEVELOPMENT

- TTEP contracted partners 2016 -2019:
Bates, Sound Outreach, Goodwill, Genesis, Surehouse, BDS Consulting, Puget Sound Educational Services District
- 116 Participants 2017- Present
- 10 Graduates hired by City
- Numerous placements in private sector employment
- 2021-2021 Goal: 60 participants (3 cohorts annually)

LOCAL BUSINESS CLIMATE

- Build Tacoma's capacity to retain, create and attract new jobs to enable our competitive position
 - Facilitate access to new sources of capital
 - Incubate/accelerate the growth of new companies
 - Form new partnerships to grow existing and new business clusters
 - Generate new business opportunities with a focus on BIPOC and underserved communities

WORKFORCE DEVELOPMENT - CITY AS EMPLOYER

- Outreach to women and BIPOC communities to provide information about City jobs and create a sense of connection with the City of Tacoma
- Power Apprenticeship Program: 3.5 year program for 12 people
- Water Apprenticeship Program: 2 year program for 18+ people
- Women in Trades Events: 200 women attended last event
- Intern Program: 58 paid interns last year
 - Improving program to enhance diversity of participants

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