



City of Seattle
 Seattle City Council

MEMORANDUM

Date: June 29, 2011

To: Monica Martinez Simmons, City Clerk

HARD COPY: City Hall, Third Floor, Main Reception

ELECTRONIC COPY: clerkfiling@seattle.gov

From: Susana Serna, Central Staff
 (Traci Ratzliff, Staff Analyst)

Re: Request to Create Clerk File – Response to 2011- 2012 Council Statement of Legislative Intent

Title of Clerk File: Office of Economic Development (OED) Response to 2011 – 2012 Statement of Legislative Intent (SLI) No. 29-1-A-2: Clarifying the City’s workforce development policies and investments in Office of Economic Development. June Report.

Please cross-reference: Resolution No. 31269 (2011-2012 SLI Adoption Resolution)
 Ordinance No. 123442 (2011-2012 Budget Adoption Ordinance)
 Clerk File No. 311072
 (City Council Changes to the 2011-2012 Proposed Budget and the 2011-2016 Proposed Capital Improvement Program)

Please create a Clerk File for the OED response, and related documents/memoranda, to 2011-2012 Council SLI No. 29-1-A-2.

I am attaching hard and electronic copies of all materials related to this SLI.

Clerk File Table of Contents:

Item	Title	File Name
1	SLI 29-1-A-2 Workforce Development. Dated June 29, 2011.	SLI 29-1-A-2_062011 Response Memo.pdf
2	2011-2012 Statement of Legislative Intent 29-1-A-2	SLI 29-1-A-2.pdf



City of Seattle
Office of Economic Development

Memorandum

Date: June 29, 2011

To: Seattle City Councilmembers

From: Steve Johnson, Director, OED
Nancy Yamamoto, Sr. Policy Advisor, OED

cc: Ben Noble, Central Staff Director
Traci Ratzliff, Central Staff Analyst
Kristi Beattie, City Budget Office
Greg Shiring, City Budget Analyst

Subject: SLI 29-1-A-2: Clarifying the City's Workforce Development Policies and Investments in OED

In SLI 29-1-A-2, the Council requested that the Office of Economic Development (OED) complete the following work during 2011 related to clarifying the City's workforce development policies and investments:

1. Provide a report describing the program components and budget for the Seattle Jobs Initiative's 2011 contract.... Due date: January 30, 2011.
 - OED responded to this component of the Council SLI on January 30 with a report detailing the program support included for the Seattle Jobs Initiative in the 2011 Adopted Budget.
2. Provide a report describing OED's proposed investment in workforce development and OED's approach for increasing regional alignment around workforce education and postsecondary attainment. This report should describe 1) the role of workforce development providers and investors including the Gates Foundation, Seattle Foundation, Seattle Community College District, Workforce Development Council, SkillUp Washington, and others; and 2) how the City's investments can leverage and maximize outcomes for low-income and low-skill adults. This should include the development of a common framework that includes goals, and methods to evaluate and measure progress.... Due Date: April 2, 2011 and extension granted to July 1, 2011.

This memorandum responds to the second part of SLI 29-1-A-2 by providing information on both OED's investment in workforce development, and the Department's work with partner organizations through the Pathways to Careers Initiative to achieve dramatic improvements in education/training completion rates for low-income, low-skilled adults to meet labor market demand.

I. Background

Now, more than ever, education and training beyond high school is recognized as the gateway for good paying jobs for struggling individuals and families. A recent report by the Georgetown University Center on Education and Workforce found that by 2018, nearly two-thirds of jobs in the U.S. will require at least some college. At the same time, a staggering 61.8% of all working-age adults in Washington have no college degree.¹

Community colleges, with their open and low-cost access, are a major avenue for low-income, low-skilled individuals to receive the education and training necessary to enter a career and move up the ladder. However, post-secondary completion rates are low. Of first-time college students who enrolled in a community college in 2003-04, fewer than 36% earned a postsecondary credential within 6 years.² Students fail to complete coursework toward a credential for a variety of reasons. Many students are simply unprepared and haven't acquired the necessary skills and training to succeed at the college level. For other students who have significant work and family responsibilities, the financial cost of tuition and fees, lost wages and foregone work experience can create significant hurdles. Navigating course requirements and sequences can also be confusing and students are not typically monitored to ensure that they are making progress.

OED's workforce investment is targeted toward helping low-income, low-skilled individuals obtain jobs, primarily through the work of three agencies and programs; PortJobs, Workers Center, and the Seattle Jobs Initiative. At a 2011 funding level of \$2.1 million, the Seattle Jobs Initiative (SJI) is OED's largest workforce contractor to connect low-income/low-skill Seattle residents with jobs that offer benefits and career advancement. In addition, OED's 2011 Adopted Budget includes \$624,000 in one-time funding for programs that will increase the level of college and career attainment. OED investment of this one-time funding is still being determined by the development of Phase I as part of the Pathways to Careers Initiative described below.

II. Pathways to Careers Initiative

a. Overview

Pathways to Careers is a joint initiative currently being developed with OED, the SCCD, philanthropic funders, intermediaries, and program partnership providers of workforce education and training to form a new partnership around sector specific training pathways to achieve dramatic improvements in completion rates for low-income, low-skilled adults. The Initiative's goal is to achieve dramatic improvements in completion rates for low-income, low-skilled adults. With over 50,000 students, SCCD understands the critical importance of improving their students' completion rates. The Pathways to Careers Initiative is closely aligned with the goals of the SCCD, to transform its institution and increase the number of students completing degrees or certificates by 25% by 2015.

The Pathways to Careers Initiative focuses on four sector training pathways to target our efforts to improve education/training completion rates for low-income, low-skilled individuals in growing economic sectors. These initial efforts will begin to institutionalize the practices and synergies

¹ *Washington Profile of Adult Learners* (2008), The Council for Adult and Experiential Learning

² *Get with the Program: Accelerating Community College Students' Entry into and Completion of Programs of Study* (April 2011), Davis Jenkins, Community College Research Center

necessary to create the large scale systems changes needed to increase student completion beyond these four pathways by:

- Focusing on doubling postsecondary education & training completion rates in targeted occupational pathways;
- Focusing on strategies that can build sustainable and ongoing partnerships;
- Incorporating best practices and processes and to avoid one-time projects or strategies that simply mitigate system failure; and
- Emphasizing actively engaging faculty and employers in the process with the shared goal of improving student outcomes.

b. Partners

OED’s major partner in the Pathways to Careers Initiative is the Seattle Community College District (SCCD), the City’s largest provider of workforce education and transfer students. With SCCD, we have connected with industry, funders, and the community-based providers that can address the total student experience from the college-entry to career. To achieve our objective of doubling completion rates in the targeted training pathways, we will need to capitalize on the partnerships in the Pathways to Career team.

These partners and roles are summarized in the table below:

Participants	Existing Workforce Strengths & Capacity
<ul style="list-style-type: none"> • Seattle Community College District 	In 2008-2009, the SCCD awarded over 2,393 degrees and certificates and transferred over 1,600 students to four-year institutions.
<ul style="list-style-type: none"> • City of Seattle Office of Economic Development & Office of Education 	Funder and policy driver. The City can also serve as a model employer for connecting training to jobs.
<ul style="list-style-type: none"> • Bill & Melinda Gates and Seattle Foundations 	Aligned investments, source of venture capital for innovation, and builder of connections around best practices.
<ul style="list-style-type: none"> • SEIU NW Healthcare Partnership and SEIU Healthcare 1199 	Employee representative of the region’s healthcare employees, providing access to training pathways to higher skilled jobs.
<ul style="list-style-type: none"> • Seattle Jobs Initiative 	Alignment of support services with job skills training and job placement assistance to low-income, low-skilled individuals.
<ul style="list-style-type: none"> • Seattle/King County Workforce Development Council 	Alignment and integration of multiple funds, strong employer connections.

Participants	Existing Workforce Strengths & Capacity
<ul style="list-style-type: none"> • SkillUP Washington 	Connector and funder of leverage points.
<ul style="list-style-type: none"> • Port Jobs 	Strategies to build more skilled workers in port-related businesses and create opportunities for those who had typically been underrepresented in such jobs.
<ul style="list-style-type: none"> • Community Center for Education Results 	Civic driver to improve education results from cradle to college and career. Roadmap for Education Results provides a framework for common goals and performance metrics.

c. Industry Sector Focus

The Pathways to Career team defined occupational training pathways in the highest growth industry sectors to focus effort and investment towards student success. The team determined that an industry sector approach provided a good intersection between the employment needs of low-skilled, low-income adults, as well as the needs of the region’s employers. In order to ensure the Pathways to Careers Initiative will lead to the acquisition of skills that lead to good-paying, high-demand jobs, we are focused on specific industry sectors where there are foundational training pathways in place, as well as employment demand and growth. The sectors are as follows:

- **Business Operations:** The greatest number of actual job openings is projected to be in business operations and administration support occupations, with over 43,000 total jobs expected by 2020. This cluster includes the job titles of executive secretaries and office managers, sales managers, buyers, and purchasing agents. With the increasing reliance on information technology and communication systems, most of these positions will require some postsecondary education. These occupations are also cross cutting, and found across every major industry sector, including the other sectors targeted here. The current average wage for these jobs is over \$24/hour.
- **Logistics and International Trade Transportation and Distribution:** With 2 major ports in the region, the Logistics, International Trade, and Transportation sector provides opportunities for sustained growth of middle wage jobs. This sector offers a significant number of entry level jobs on the Transportation/Warehousing/Distribution side, but also provides the opportunity of advancing to other managerial and technical positions, which usually requires some additional vocational or university training to qualify.
- **Manufacturing and Industrial Skills:** Manufacturing continues to play an important role in Seattle’s economy, and cuts across a wide variety of industries, including marine, transportation, construction, and aerospace. The focus in this sector is to build an industrial/manufacturing training pathway that builds core competencies in safety, blue print reading, electronics, and machining/industrial processes that can feed into more specialized training in a variety of manufacturing and industrial settings. The jobs that are associated with specific Community

College course offerings represent over 73,000 jobs, with over 9,000 projected openings within the next 5 years with an average hourly wage of over \$25/hour.

- **Healthcare:** This occupation pathway will focus and build on the healthcare career pathways developed by SEIU NW Healthcare Partnership and 1199. Considering home health care alone, there are currently more than 50,000 home care workers in the state, of which more than half are in the region. By 2030, it is estimated that the need will grow to 77,000 home health care workers. This training pathway is focused on advancing the skills of these incumbent workers to qualify them for employment as medical assistants (average wage \$16/hr) to Registered Nurse (average wage \$35/hr).

d. Program Design

OED is currently working with four teams focusing on the four sectors above to finalize the program design and funding needs to propose to the Pathways to Careers partnership group in late July. Currently, sector teams are developing proposals to integrate best practices in professional and technical education that improve student persistence and completion towards a degree/certificate with labor market value. For example:

- Business Operations – is working to develop one common Business Technology Program across all the Seattle Colleges that integrates basic skills and developmental education within program. This program would build to a 2-year degree in business technology that can be applied to more specialized programs.
- Manufacturing – is focused on an Industrial Pathway that would build core skills in a credit course that can be applied to additional specialized training.
- Trade and Logistics – requires further mapping to identify a training pathway that meets the occupational skills ladder and entry points of this sector.
- Healthcare – builds on the training programs offered by SEIU to their healthcare workers and the agreements necessary to receive college credit for prior learning.

In all cases, the proposals will involve building a training program that incorporates a clear process for entry/reentry and provides the structural changes and support necessary for participants to complete the training.

We will also be considering how to build on and advance postsecondary and career outcomes with our future workforce investments. For example, our annual investment with the Seattle Jobs Initiative could support a stronger coordinating role with the SCCD for the social supports and wrap around services needed to move students towards completion.

The focus will then shift to outreach, faculty/employer engagement, and curriculum development necessary for implementation. Implementing these strategies will require the following two phases:

Phase I Program Investments: (OED funding and leveraged funding from other sources)

- **Curriculum development** in the four pathways that integrates best practices for student persistence and completion. These strategies include: cohort based programs; flexible schedules and online components; common district-wide college curriculum and articulation requirements; developmental education acceleration and integrated basic skills; and credit for prior learning.
- **Employer engagement** to link the pathways to employers in curriculum development and identify internship and employment opportunities for students.
- **College navigation and wrap around support integration** to provide integrated case management across the myriad support programs for income support, childcare, transportation, and other key support services.
- **Faculty engagement** to design the completion pathway that offers stackable credentials in each of the four sectors with a plan to implement these across all colleges and programs.

Phase II Program Investments: (potential funding sources include the Department of Labor and other grant sources, philanthropic partners, and SCCD)

In addition to the initial investment required in these pathway components, there are longer term needs to build upon and expand the work completed in these initial projects.

- **Continuing faculty engagement** to build upon and expand work completed in Phase I
- **Create a District-wide Industry Advisory Council**
- **Program evaluation & performance metrics** to track student progress and assess program and completion rates.
- **Formation of organizational infrastructure** to stay on track and build on initial collaboration

V. Next Steps

A final program design, funding needs plan, and investment plan will be completed this summer. We are looking forward to providing you with a briefing of these details in early fall.

2011 - 2012 Statement of Legislative Intent

Approved

Tab	Action	Option	Version
29	1	A	2

Budget Action Title: Clarifying the City’s workforce development policies and investments in Office of Economic Development

Councilmembers: Bagshaw; Clark; Conlin

Staff Analyst: Traci Ratzliff

Budget Committee Vote:

Date	Result	SB	BH	SC	TR	JG	NL	RC	TB	MO
11/10/2010	Pass 8- 1-Absent	Y	Y	Y	Y	Y	Y	Y	-	Y

Statement of Legislative Intent:

The City can and must play a critical role in preparing our youth and residents for postsecondary and career success to support an equitable and sustainable economic recovery. Individuals with postsecondary education and/or training have the best opportunity at earning a family supporting wage. Yet, over half of Washington’s working-age adults have no college degree. At the same time, it is projected that 67% of Washington State job vacancies will require post secondary degrees by 2018.

The City’s investment in this area has historically been in the Seattle Jobs Initiative (SJI). SJI provides adult education and training to connect low-income/low-skill Seattle residents with jobs in growing local industry sectors that offer benefits and career advancement. In addition to skills training, SJI aligns support services –case management, housing, transportation, childcare, counseling, and college navigation – to support training completion, job placement and long-term job retention. These are important services provided to Seattle residents.

There are opportunities to leverage the City’s investment in SJI to achieve greater alignment and scale of postsecondary attainment programs. SJI has recently piloted a strategy that focuses its client services toward post-secondary attainment (including technical, community college, or university credential). This could require a future shift in how SJI deploys its services.

In addition, there are also a number of entities that are beginning to focus on post-secondary attainment, including the Gates Foundation, Seattle Foundation, Seattle Community College District, Workforce Development Council, SkillUp Washington, and others. The City could play an important role in advocating for increased coordination and collaboration across these multiple efforts that may benefit the City’s low-income working adults.

The Council requests that the Office of Economic Development (OED) complete the following work during 2011 related to clarifying the City’s workforce development policies and investments:

1. Provide a report describing the program components and budget for the Seattle Job's Initiative's 2011 contract. Program component shall include, but not be limited to the provision of: adult education and training to connect low-income and low-skill Seattle residents with jobs in growing local industries that offer benefits and career advancement; and support services such as, case management, housing, transportation, childcare, counseling, and college navigation – to support training completion, job placement and long-term job retention. Due Date: January 30, 2011
2. Provide a report describing OED's proposed investments in workforce development and OED's approach for increasing regional alignment around workforce education and postsecondary attainment. The report should describe 1) the role of workforce development providers and investors including the Gates Foundation, Seattle Foundation, Seattle Community College District, Workforce Development Council, SkillUp Washington, and others; and 2) how the City's investments can leverage and maximize outcomes for low-income and low-skill adults. This should include the development of a common framework that includes goals, and methods to evaluate and measure progress. Due Date: April 2, 2011

Responsible Council Committee(s): Regional Development & Sustainability

Date Due to Council: various