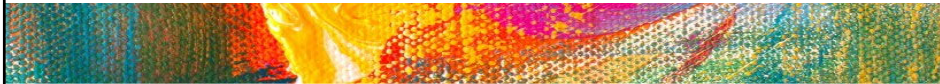


# LIVABLE WAGE JOBS: 2021-2022 BUDGET

Study Session  
November 3, 2020



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2021-2022  
**TACOMA**  
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**BUDGET**

## AGENDA

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

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## 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.

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## 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.

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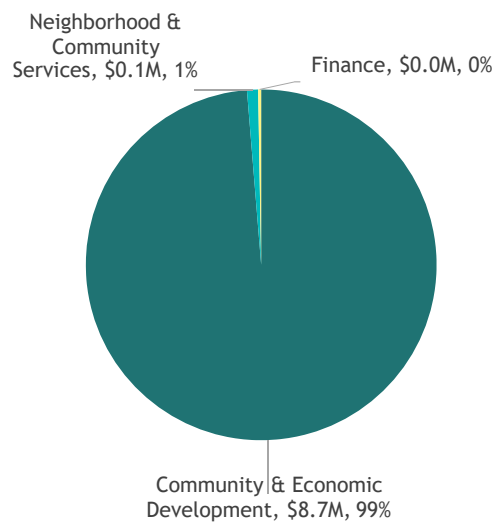
## CITY ROLE: LIVABLE WAGE JOBS

- 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

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## PROGRAM OVERVIEW (\$8.8M)

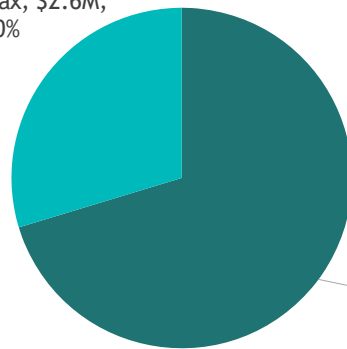


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## FUNDING OVERVIEW (\$8.8M)

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



Dedicated Special  
Revenue, \$6.2M,  
70%

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## MAJOR ACTIONS IN 2021-2022

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

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## 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

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## 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
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  - Winning Bid Totals
 

MBE - \$770,320	WBE- \$515,135	SBE- \$1,234,140
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  - \$10,560,192 awarded to prime contractors
  - \$2,519,595 to EIC contractors = utilization rates 24% EIC & 12% MBE/WBE

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## 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

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## DIRECT BUSINESS SUPPORT - NAMATAD



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## DIRECT BUSINESS SUPPORT - QUICKIE TOO



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## FOCUSED BUSINESS RETENTION & EXPANSION

- Reduction of 1 FTE Business Development Manager (-\$387K)
- Continue and strengthen partnerships on core and essential BRE efforts
  - Economic Development Board for Tacoma-Pierce County
  - Tacoma Public Utilities
- Focus BRE efforts with BIPOC and women-owned businesses in key sectors: Manufacturing & Technology
  - Goal: Conduct a minimum of 100 BREs contacts annually with at least 40 BIPOC-owned businesses
- 2019-2020 Accomplishments:
  - 311 Completed BREs in target sectors of Biotech, Industrial, Manufacturing, Technology, Retail

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## FOCUSED BUSINESS RETENTION & EXPANSION

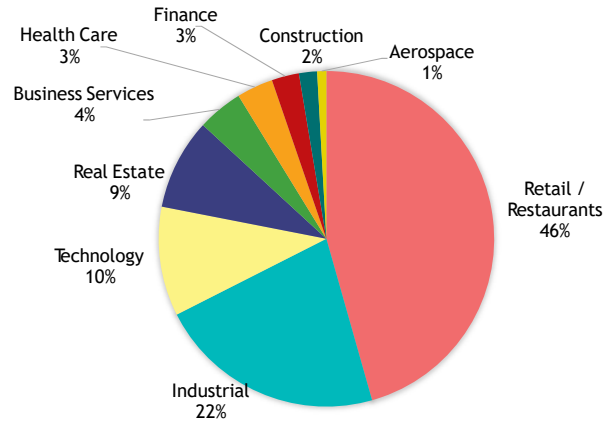
### Growth/Expansion Potential (Based on 114 Companies— Including Retail/Restaurants)

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

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

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

BRES BY SECTOR (114 TOTAL - JAN-SEPT 2020)



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## FOCUSED BUSINESS RETENTION & EXPANSION



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## LOCAL/REGIONAL PARTNERSHIPS

- Strengthen partnerships and coordination with public and private local and regional partner organizations
  - Reduction in external contracts
    - World Trade Center
    - Downtown Retail Advocate
    - Downtown On The Go
  - Refocus efforts on Regional Partnerships and leverage specific skills expertise of partners
 

<ul style="list-style-type: none"> <li>• TPU</li> <li>• Economic Development Board</li> <li>• Chamber of Commerce</li> <li>• Greater Seattle Partners</li> </ul>	<ul style="list-style-type: none"> <li>• Tacoma Urban League</li> <li>• LatinX Unidos</li> <li>• Asia Pacific Cultural Center</li> <li>• Black Collective</li> </ul>
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## BUSINESS RECRUITMENT

- Focus recruitment efforts on sectors that provide living wage jobs such as manufacturing, maritime, and technology
  - Total Leads 2019-2020: 129 including 34 in 2020; Currently Active: 14
- Develop customized recruitment proposals and enhance marketing and promotional activities
  - 19 during current biennium
- Work closely with private property owners and brokers to monitor and maintain an inventory of available locations suitable for a variety of uses

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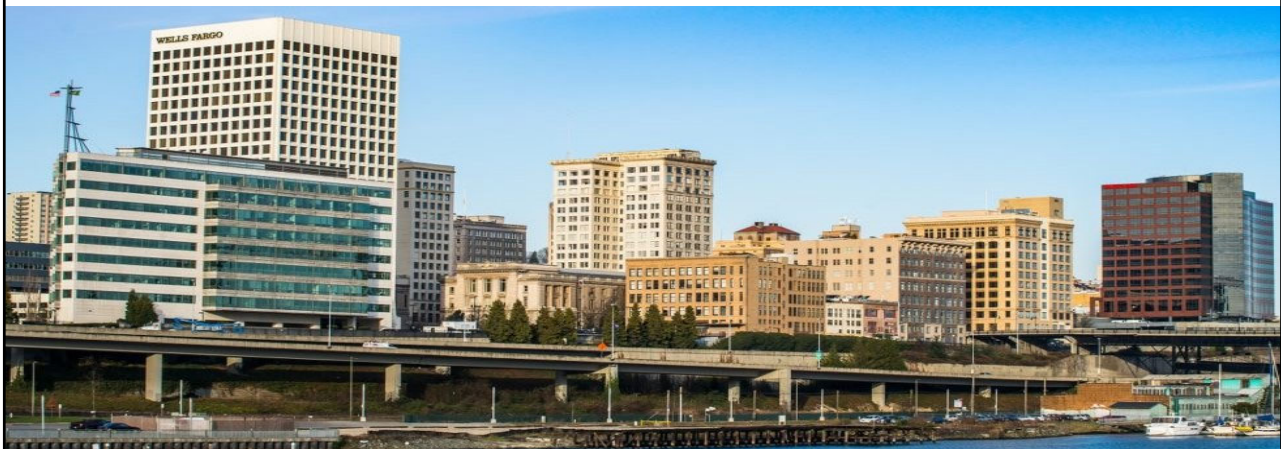
## BUSINESS RECRUITMENT

- Maritime Blue Incubator
  - 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

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## BUSINESS RECRUITMENT



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## WORKFORCE DEVELOPMENT

- Training Programs
  - Summer Jobs 253, Foundation for Public Students, United Way
  - Tacoma Training and Employment Programs (TTEP)
  - Local Employment Apprentice Programs (LEAP) - Reduction in administrative support to expand compliance support
- External Contracts - Reductions to administrative funding for programs (\$325K)

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## WORKFORCE DEVELOPMENT

### Historical Partners and Performance 2021-2022

- |                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• TTEP contracted partners 2016 -2019:<br/>Bates, Sound Outreach, Goodwill, Genesis, Surehouse, BDS Consulting, Puget Sound Educational Services District</li> <li>• 116 Participants 2017-Present:               <ul style="list-style-type: none"> <li>• 10 Graduates hired by City</li> <li>• Numerous placements in private sector employment</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Goal: 60 participants (3 cohorts annually)</li> <li>• Competitive solicitation for TTEP and re-align partnerships for greater efficiencies</li> <li>• Additional emphasis on training and education for jobs in targeted sectors - healthcare, manufacturing, and information technology</li> </ul> |
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## 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

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## WORKFORCE DEVELOPMENT - CITY AS EMPLOYER

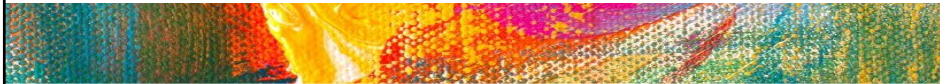
- Outreach to women and BIPOC communities to provide information about City jobs and create a sense of connection with the City of Tacoma
- Power Apprentice Program: 3.5 year program for 12 people
- Water Apprentice Program: 2 year program for 18+ people
- Women in Trades Events: 200 women attended last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

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