REGIONAL TRANSIT AUTHORITY

MOTION NO. 51 BACKGROUND AND COMMENTS

| Meeting: | Date: | Agenda Item: | Staff Contact: | Phone: |
|---|----------|--------------|----------------|----------|
| Finance Committee – discussion | 11/20/97 | No. 8 | Paul Matsuoka | 684-6761 |
| Executive Committee – discussion | 11/21/97 | No. 7 | | |
| Finance Committee – action | 12/04/97 | No. 4 | Alec Stephens | 689-3762 |
| Executive Committee – action | 12/05/97 | No. 6 | | |
| Board of Directors – action | 12/11/97 | No. 7A-1 | | |

ACTION:

Approval of an RTA Motion establishing a budget for an economic development program.

BACKGROUND:

The RTA Board approved the concept of hosting an Economic Development Summit and the Summit was held on September 9, 1997. The Summit's objectives included exploring ways in which the RTA could encourage maximizing its economic benefits to local businesses and workers. Summit participants brought forth numerous existing economic development programs that could be enhanced and be directly relevant to the RTA's mission of implementing regional transit service.

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- <u>Motion Nos. 26 and 29</u>, adopted in March and May of 1997, adopting policies regarding local, small, and M/W/DBE businesses.
- <u>Motion No. 34</u>, adopted on July 24, 1997, approving the Summit and calling for the development of an economic development strategy.

KEY FEATURES:

The Summit was the kickoff event of a process to ultimately result in an economic strategy for the RTA. The intent for the Summit was to convene a broad array of interests in the community to brainstorm possible ways for the RTA to encourage and support economic initiatives.

Discussion at the Summit revealed numerous existing programs that could contribute to workforce preparedness and business opportunities as Sound Transit is designed, built, and operated. Working with consultants and RTA staff, Councilmember Greg Nickels recommended a new pilot grants program be established to encourage and improve upon these existing efforts, and to help ensure that local tax dollars and recirculated within the local economy to the greatest extent possible. During discussion at Finance and Executive Committees in November, 1997, numerous issues were raised by Boardmembers which require further review and consideration. Staff recommends that a

budget be reserved for the program, but that further work be conducted in early 1998 to revise Councilmember Nickels' initiative.

FUNDING:

The economic development program budget is suggested at \$400,000 for 1998. No funding has been included in the 1998 proposed budget to date. The expenditure would come from the Regional Fund.

ALTERNATIVES:

Alternatives to this proposal include: 1) a grants program as originally proposed, or greater or less than a \$400,000 annual commitment; 2) an economic development program not reliant on monetary expenditures but on non-monetary actions of the RTA; and 3) no action beyond current activities.

CONSEQUENCES OF DELAY:

Attendees of the Summit are expecting the board to follow up with action and this program would signal that work is actively underway.

Regional Transit Authority Motion No. 51

A motion of the Board of the Regional Transit Authority for the Pierce, King and Snohomish Counties region establishing an economic development budget and calling for an Economic Development Program to be developed in 1998.

Background:

The RTA Board approved the concept of hosting an Economic Development Summit and the Summit was held on September 9, 1997. The Summit's objectives included exploring ways in which the RTA could encourage maximizing its economic benefits to local businesses and workers. Summit participants brought forth numerous existing economic development programs that could be enhanced and be directly relevant to the RTA's mission of implementing regional transit service.

Motion:

It is hereby moved by the Board of the Regional Transit Authority that the economic development budget be adopted, to allow the development of an Economic Development Program during 1998.

Approved by the Board of the Regional Transit Authority for the Pierce, King, and Snohomish Counties region at a regular meeting thereof on the <u>11</u> day of <u>December</u>, 1997.

Bob Drewe

Board Chair

ATTEST:

in Walker

Marcia Walker Board Administrator

D R A F T May 29, 1997

. Proposal for an RTA Local Economic Development Initiative

Purpose: To communicate with local economic development leaders about the RTA's employment and contracting policies and guidelines, and to identify and promote innovative ways to maximize the local economic benefits of the RTA's construction and operation program.

The RTA has developed detailed policies and guidelines to ensure that its employment and contracting practices during the implementation of Sound Move bring the maximum benefit to businesses in the region. The opportunities represented by these policies have not yet been widely communicated to the economic development and business communities.

Additionally, other opportunities may exist that have not yet been identified to leverage the RTA's \$3.9 billion, 10-year investment for maximum benefit to local communities throughout the region. For example, specific strategies could be developed to enhance local employment benefits and to partner with government and community-based organizations in training and welfare-to-work programs. Local economic development leaders throughout the region would be best positioned to help develop such strategies based on efforts that are already underway or that best meet local needs.

The RTA thus proposes to convene a half-day RTA Economic Development Summit meeting and to invite economic development leaders in the region to:

- Discuss current economic development initiatives underway in the region and in local communities that could be supplemented by the RTA's participation;
- Develop innovative ways to allow the RTA to tie in to local economic development efforts;
- Discuss the RTA's proposed employment and contracting policies and guidelines; and
- Develop additional ideas to augment the RTA's policies to maximize local economic benefits.

The discussion of RTA economic development tie-in initiatives could be organized around three broad strategies:

- 1. Business strategies
- 2. Employment strategies
- 3. Training/Welfare-to-Work strategies

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Potential agenda for Summit Meeting:

Opening remarks and welcome by RTA Board

- Session I: Presentations by local economic development players on their current programs and how the RTA could supplement or tie into ongoing efforts
- Session II: Presentation by RTA of its policies and guidelines and how it plans to implement and monitor them
- Session III: Discussion by participants of additional ideas to augment RTA policies and guidelines and of potential local tie-in agreements, for example:
 - Partnership agreements with EDCs, Chambers, community and technical colleges, and local governments for "first choice" hiring of targeted groups
 - Use of RTA leverage on major contracts to secure hiring opportunities (similar to City of Seattle Employment Linkage Project)
 - Negotiated agreements with contractors and suppliers on employment and contracting diversity, local benefit goals
 - RTA matching funds to help staff a recruiter/broker for local, small, and other targeted businesses as contractors and suppliers
 - RTA matching funds to help staff an employment broker/counselor at local EDC or workforce organization
 - RTA matching funds to help staff an employment broker jointly provided by a consortium of contractors and suppliers to the RTA
 - Stipends for workforce training/skill upgrading for targeted worker groups at local community or technical colleges

Meeting Wrap-Up

Potential invitees (very preliminary):

King County

Greg Nickels, King County Council and RTA Board Mike Alvine, King County Council Staff Ron Sims, King County Executive and RTA Board Ray Moser, King County Director of Economic Development Dick McIver, Seattle City Council and RTA Board Jan Drago, Seattle City Council Mary Jean Ryan, Director, Seattle Office of Economic Development Bob Watt, Greater Seattle Chamber of Commerce President Economic Development of Seattle-King County

Bill Stewart, King County Workforce Brokerage

Ron Judd, King County Labor Council Executive Secretary-Rich Feldman, Worker Center Executive Director Paige Miller, Port Commissioner Susan Crane, Port Jobs Executive Director Sarah Skoglund, Director, Bellevue Chamber of Commerce Bob Roberts, President, Renton Technical College Al Starr, Private Industry Council

South King County

Bob Green or representative, Federal Way Chamber of Commerce Linda Cowan, Auburn School Superintendent Bob Pressey, SeaTac Occupational Skills Center Highline Community College Green River Community College

Pierce County

Doug Sutherland, Pierce County Executive Daisy Stallworth, Director Pierce County Economic Development Erling Mork, Pierce County Economic Development Board Brian Ebersole, Mayor of Tacoma L.H. Bates Vocational-Technical School Don Meyer, Interim Executive Director, Port of Tacoma John Thompson, Secretary Treasurer, Pierce County Central Labor Council David Graybill, President CEO, Tacoma Pierce County Chamber of Commerce

Snohomish County

Bob Drewel, County Executive and RTA Board John Thoreson, Snohomish County Economic Development Council Ed Hansen, Mayor of Everett Ray Stephenson, Director, City of Everett Economic Development Dick Bennett, Director, Everett Chamber of Commerce Kathy DiJulio, Director, Snohomish County PIC Pam Koss, South County Chamber of Commerce Pat McClain, Everett Community College

State

Tim Douglas, Washington State Department of Trade and Economic Development