



**COMMISSION**  
**AGENDA MEMORANDUM**

**Item No.** 11a

**BRIEFING ITEM**

**Date of Meeting** October 8, 2024

**DATE:** October 2, 2024

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Bookda Gheisar, Senior Director, Office of Equity, Diversity, and Inclusion  
Pearse Edwards, Senior Director, External Relations

**SUBJECT:** **South King County Community Impact Fund Program Briefing**

**EXECUTIVE SUMMARY**

In 2019, the Port Commission authorized \$10 million over five years to build partnerships with near airport communities with the goal of advancing equity and access to economic opportunity. In 2020, the Port launched the South King County Community Impact Fund (SKCCIF) to support three primary programs – Economic Recovery, Environmental Improvement Projects, and Women and Minority-Owned Business Enterprises (WMBE) support. SKCCIF is co-managed by the Office of Equity, Diversity, and Inclusion (OEDI) and External Relations.

Commission Order 2021-12 authorized the Executive Director to conduct an evaluation and develop recommendations for the future re-authorization of the program before the end of the initial five-year period. The Evaluation highlighted the impact of the SKCCIF, reflecting the positive economic and environmental outcomes of the Port’s financial investments in communities in South King County.

From 2020-2024, the SKCCIF procured four funding cycles to contract with community-based non-profit organizations. A total of \$9.25 million has been committed to a total of 52 community-based organizations.

Given the success of the program and needs of the communities the Port serves, staff is proposing a new five-year program to contract with community-based programs for a total of \$14 million from 2025-2029. The restructured program is proposed to:

- Refocus the Economic Recovery program to fund projects that advance economic opportunity instead of projects focused on recovering from the impact of the pandemic. Recovery from the pandemic is no longer applicable, and communities are in need of ways to expand and advance economic stability and opportunity. In refocusing this program, we would rebrand as “Economic Opportunities for Communities;”

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- Expand the geographical region of where we fund to areas of King County that are identified by the Equity Index as having the greatest need; and,
- Continue funding programs in the six near-airport cities and to identify how applications focused on programs in those cities will receive priority status.

### **SKCCIF Programs Evaluation 2020-2024**

The evaluation of programs consisted of:

- OEDI engaged Community Attributes Inc. (CAI) in analyzing reports provided by each contractor, supplemented by interviews of contractors. OEDI staff and CAI mined contractors' reports submitted from 2021 through 2024. CAI aggregated reported outcomes and impacts by type of impact (placements, etc.). Total contract values were compared to outcomes and impacts to understand approximate, scalable benefits.
- External Relations engaged Siliana Consulting in a community outreach, engagement, and capacity building contract. Siliana Consulting also conducted a landscape analysis through interviews and focus group to get a better understanding of how SKCCIF is making a difference to community-based organizations (CBOs) and identifying specific areas for improvement. Siliana Consulting LLC sampled 38 CBOs and made calls to representatives from each partner to get their views and concerns on the SKCCIF.
- OEDI engaged Contacto Consulting (Victoria García Tamayo) from November 2022 to May 2023 to document what aspects of SKCCIF have worked and where there are areas for improvement to positively impact advancing the Port's Century Agenda. The assessment relied on a literature review, a brief examination of similar funds at other ports across the country, a review of internal documents, in-depth qualitative interviews with 25 key internal and external constituents, and an online survey. Interview participants included Port staff, as well as CBO staff, community liaisons and reviewers, and consultants who have contracted with the Fund. Community applicants, funded and unfunded, were representative of both programs and of different types of contracted partners.

OEDI and External Relations, with support from Legal and CPO, have made the following changes based on the community input we received:

- CBOs reported challenges in getting their programs off the ground without any capital startup funds. As a result, this change was implemented: 25% of the yearly funding provided within 30 days of the start of contract for Economic Recovery funded projects, starting with Cycle 4.
- OEDI learned after the first round of funding about the staff time and resources organizations had put into applying for funds as well as the length of time necessary to execute contracts with the Port. We learned that a broader range of funding amount and timeline will allow maximum impact to program development. This change includes providing a minimum and maximum contract amount per portfolio.
- The Port of Seattle achieved a policy change by lowering the Environmental Grants Program mandate match from 3:1 to 2:1.

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- Gained the opportunity for community reviewers with subject matter expertise to participate throughout the consensus process from start to end.
- OEDI developed a cohort learning model and conducted regular partner meetings with Economic Recovery partners to discuss best practices, shared learning and networking to amplify impact.
- OEDI proposed a new program model to support organizations to better understand and gain experience in Port related industries. This new model will involve a three-tiered program for organizations with: 1) Little to no experience or knowledge about Port Industries, 2) Some experience or knowledge about Port Industries, and 3) A lot of experience or knowledge about Port Industries. Segmenting organizations based on their level of experience in Port related industries workforce development will allow OEDI to design more specific strategies to support partners and to ensure their success.
- OEDI, CPO, and Legal have been engaged in a Process Improvement design to simplify and streamline the application process. We have spent significant time together supported by our CPI team to identify the most challenging and time-consuming steps in the process and are currently engaging a consultant to support the development of templates that supports organizations during the application process.

**Funding Impact**

Since its inception, SKCCIF investments have been creating valued assets for both communities with the greatest need as well as the Port, including:

- Fostering Port connections and new partnerships with BIPOC-led community-based organizations and investing in structurally excluded, impacted communities of color.
- Establishing port-related career education and training and creating access to job and internship placements.
- Increasing opportunities for WMBE contracts with the Port as primes and subs, by removing barriers for participation and supporting small businesses in the competitive process.
- Building capacity and building trust with BIPOC community members in Port programs as compensated community liaisons and as reviewers in the contract selection process.
- Enhancing livability, improving greenspaces, restoring forests and parks, and fostering community ownership of parks and community gathering spaces.

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Cycles 1-4 committed a total of \$9.25 million in communities in South King County.

Funded Areas	# Partners	# Projects	Total Funds Committed
Economic Recovery	26	34	\$ 6,674,591.00
Environmental	26	43	\$ 1,422,348.00
WMBE	N/A	7	\$ 760,000.00
Community Outreach and Capacity Building; (over 4 years)	N/A	N/A	\$400,000.00
<b>TOTAL</b>	<b>52</b>	<b>84</b>	<b>\$ 9,256,939.00</b>

**A. Economic Recovery Program Evaluation: 70% of total SKCCIF funds**

With ties to all of Washington’s key economic sectors and connections to more than 500 employers operating at our facilities, the Port is uniquely positioned to create diverse talent pathways of well-trained and equipped professionals who can access and secure quality, family-wage careers at the Port and in port-related industries.

The Economic Recovery Program funds projects with outcomes related to workforce development, job creation, and/or economic recovery solutions in the port-related industries of aviation, construction, maritime and green jobs/green careers. Applicants must be a certified 501C(3) nonprofit organization or 501C(6) (chambers of commerce); a community coalition, or group may apply but they must have a licensed nonprofit partner serve as their fiscal sponsor. Projects must serve those who are economically distressed.

Economic Recovery offers multi-year awards to applicants for projects spanning one, two, or three years. The vast majority (95%) of applicants request multi-year funding (2 or 3 years). The minimum multi-year request is \$60,000 and the maximum is \$250,000. Multi-year funding increases the impact of the Port’s community investments and helps to support sustainable project planning and implementation. Altogether, Economic Recovery (Cycles 1-4) committed \$6.6M to 26 partners and 34 projects to increase access to economic opportunities through careers in port-related industries.

Port investments with and in communities closes the wage, income, and wealth gap for people and families often excluded from opportunity and ultimately contributes to an enhanced quality of life for near airport communities. Since 2021, Economic Recovery partners from Cycles 1-3 have been well-established in South King County, served a broad range of ages (spanning from youth in high school to older adults), and have strong relationships and community connections with ethnically diverse groups. These partner organizations were uniquely positioned to provide effective and culturally relevant programming and training to prepare and equip community members to access and secure quality, family-wage careers with the Port and in port-related industries. Overall, there was an equal distribution of focus among all four industries with

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organizations also focusing on small businesses and port employers. Table 1 displays Economic Recovery outcomes from Cycles 1-3 and the associated costs per program participant.

**Table 1. Economic Recovery Program Evaluation (Cycles 1-3)**

	21-22	22-23	23-24	Total
Organizations Contracted	10	12	18	40
		Distinctive Organizations:		21
Job placements	156	450	306	912
Pre-apprenticeship	153	78	141	372
Apprenticeships	-	8	-	8
Internships	110	20	32	162
Job or internship retention	144	354	603	1,101
<b>Placement &amp; Retention Total</b>	<b>563</b>	<b>910</b>	<b>1,082</b>	<b>2,555</b>
Trainings & workshops	132	718	519	1,369
Opportunity Youth MA program	-	27	49	76
Participants /trained	984	759	282	2,025
Clients served	724	1,586	1,305	3,615
Contracts' Value	\$951,882	\$2,994,955	\$1,258,877	\$5,205,714
Cost per Placement & Retention	\$1,691	\$3,291	\$1,163	<b>\$2,037</b>
Cost per Clients served	\$1,315	\$1,888	\$965	<b>\$1,440</b>

**B. Environmental Impact and Outcomes: 20% of total SKCCIF Funds**

The Environmental Grants Program supports projects to improve the environment in near-airport communities of Burien, Des Moines, Federal Way, Normandy Park, SeaTac, and Tukwila. Community-led groups are invited to apply for funding for activities such as: public space improvements (including parks, school playgrounds, or public square); equipment or artwork installations; or neighborhood or environmental stewardship and restoration projects.

Communities in South King County disproportionately experience environmental harm due to a long history of inequitable land use practices and economic displacement that have pushed marginalized communities farther south. Through funding and partnerships with community-based organizations, the Environmental Grants Program drives the Port’s investment in projects within cities around the airport to enhance livability, improve green spaces, and restore forests. The SKCCIF Environmental Grants Program expands the reach of the successful Airport Community Ecology (ACE) program into more communities that surround Seattle-Tacoma International Airport (SEA).

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The Environmental Grants Program offers multi-year awards to applicants for projects spanning one, two, or three years for up to \$20,000 per year and not to exceed \$60,000 for multi-year funding. The multi-year funding element increases the impact of the Port’s community investments and helps to support sustainable project planning and implementation. Environmental Grants (Cycles 1-4) committed \$1.2M to 32 partners and 43 projects to improve the environment in near-airport communities.

**Table 2. Environmental Program Outcomes (Cycles 1-4)**

Cycle	1	2	3	4	TOTAL
<b>Projects Contracted</b>	<b>14</b>	<b>18</b>	<b>5</b>	<b>6</b>	<b>43</b>

<b>Organizations Funded</b>	<b>32</b>
<b>BIPOC-Led Organizations</b>	<b>47%</b>
<b>Projects Completed</b>	<b>18</b>
<b>Trees Planted</b>	<b>650+</b>
<b>Volunteer Hours</b>	<b>3000+</b>
<b>Community Education Hours</b>	<b>3200+</b>
<b>Parks Restored</b>	<b>27</b>

**C. WMBE Support Impact and Outcomes: 10% of total SKCCIF funds**

SKCCIF supports many women and minority owned business enterprises (WMBE) and Small Businesses through the Diversity in Contracting department in the Economic Development Division. Program goals focus on increasing WMBE’s knowledge of how to navigate the Port, city, state and federal contractual processes. Other programs provide WMBE entrepreneurs with mentors, especially for small businesses still impacted by COVID-19. Funded projects include an Interlocal Agreement (ILA) with Highline Small Business Development Center, Advanced PortGen Series, and the Business Accelerator Mentorship program, which develops the capacity of WMBE firms to partner with the Port.

The SKCCIF invests in programs to remove barriers, build and foster capacity of businesses, and grow WMBE participation on Port contracts. The investments include \$760,000 to fund three WMBE programs: Interlocal Agreement (ILA) with Highline College’s Small Business Development Center (SBDC); the PortGen Business Accelerator (10-Week Mentorship Program); an annual series of online technical assistance workshops through Advanced PortGen.

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#### **D. Port of Seattle Internal Transformation and Outcomes**

The Port of Seattle’s commitment to equity has resulted in significant program improvements to the SKCCIF, including:

- **Capital startup funds:** 25% of the yearly funding provided within 30 days of the start of contract for Economic Recovery funded projects, starting with Cycle 4.
- **Multi-year funding:** A broader range of funding amounts and timelines to allow maximum impact to program development, including providing a minimum and maximum contract amount per portfolio.
- **Match Requirement:** Achieved a Washington State policy change, lowering the Environmental Grants Program mandate match from 3:1 to 2:1.
- **Community reviewers:** Compensated community members participate throughout the consensus process.
- **Cohort learning model:** Regular partner meetings with Economic Recovery partners to discuss best practices, shared learning, and networking to amplify impact.
- **Increased community engagement and relationships with new communities:** Port staff and Siliana Consulting added 18 informational sessions and 26 technical support sessions in multiple languages and conducted three symposiums attended by over 200 community members to strengthen outreach and capacity building.

#### **Incorporating Feedback from Communities**

In 2023, we conducted a survey to SKCCIF partners, and in 2024, we held several listening sessions in Tukwila, Beacon Hill, and Kent. A total of 99 people attended these sessions and offered the following feedback.

- People appreciated the Port taking the time to share information on these topics, particularly equity-based budgeting.
- There was interest about small business opportunities with the Port, particularly about working at and around SEA. Information needs to be more widely available and accessible.
- Port-related workforce development programs (i.e. SKCCIF Economic Recovery) need to continue focusing on communities with limited access to those programs.
- Match requirements for Port-contracts (Environmental Grants Program) continue to be a barrier, although organizations appreciated the reduction from 3:1 to 2:1.

#### **The Future of South King County Community Impact**

The first iteration of the SKCCIF created new and innovative ways for the Port to invest in its communities. The SKCCIF allowed the Port to build new relationships with key community members and leaders, particularly with organizations serving and led by people of color. These relationships have resulted in improvements in public spaces, innovative workforce training programs, and new leadership opportunities for airport communities to engage with the Port during critical decision-making processes. The next chapter allows for the Port to leverage what we have learned to deepen our community relationships and broaden our impact. We aim to

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establish new relationships and partnerships in near Port communities and communities with a low Equity Index score.

The next phase will build on the successes of the program and will adjust based on the lessons learned from the program's challenges. Through the SKCCIF, the Port has not only invested in near-airport communities to advance equity and foster community building, but also created a framework to deepen its impact and reach new communities to advance the Port's economic and environmental sustainability goals.

**Moving forward, we propose to expand the geographical region of SKCCIF to fund areas of King County that are identified by the Equity Index as having the greatest need. We envision this as follows.**

**Priority region:** SKCCIF commits to continuing to fund the six cities of Burien, Tukwila, SeaTac, Normandy Park, Des Moines, and Federal Way. The Economic Opportunity Program will offer priority to organizations with an office in the six cities who are serving people who live and/or work in the six cities. The Environmental Program will prioritize projects located in the six near-airport cities.

**Eligible Region:** Based on Equity Index data, there is a large region in King County with a low equity score. This means there are many communities within the Port's jurisdiction experiencing economic and environmental inequities that could benefit from SKCCIF investments. This expanded funding area includes the original six cities and part or all of the following cities: South Seattle, White Center, Bryn Mawr-Skyway, Renton, Kent, Auburn, Algona, and Pacific. Within this eligible region:

- 56% of residents are BIPOC (vs. 41% countywide)
- 29% are foreign-born (vs. 25% countywide)
- 8% are English language learners (vs. 4% countywide)
- 12% poverty rate (vs. 8% countywide)

In addition to the Equity Index, we are considering where people live versus where they work. Of all the workers in SeaTac and the other five cities that SKCCIF contracts served, **only 17% of those workers live in those six cities (see Image 1)**. The workforce that serves the six South King cities creates a much larger laborshed, one that stretches north into South Seattle, Renton, Kent and Auburn, and well eastward through the southern half of King County. Additionally, residents in the six SKCCIF-funded cities predominately work outside of those cities (see Image 2). **Nearly 80% of workers in those six cities work elsewhere, most notably in Renton, Kent, Auburn, and South Seattle**

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**South King County Community Impact Fund 2.0 MODEL – Economic Opportunities for Communities**

The Economic Recovery Program has received feedback from partners about challenges meeting program outcome requirements. OEDI and External Relations have re-assessed program models and communications to ensure clear, accurate information and expectations are made available to partners and potential partners. OEDI and External Relations are also ensuring program goals and objectives are within the allowable RCW authority, while being responsive to community needs.

In SKCCIF 2.0, we propose shifting from a “one-size-fits-all” model to a tiered approach, allowing multiple access points for organizations to be eligible for funding (see Table 3 below). Organizations will be grouped into two tracks. Organizations that fall into Track 1, Tier A are those that are well embedded in the communities they serve but have little to no experience or knowledge of port-related industries. In this track, we will work closely with these organizations to build their capacity to provide industry-specific programming and training to community members with a goal of expanding our reach and network of partners while also building port-related expertise. Over time, this will allow organizations to move to Track 2.

In Track 2, there are two tiers of organizations. Tier B is for organizations with a moderate amount of experience and knowledge of port-related industries and have existing WFD programs focused on those industries. Tier C organizations are those who are experts in port-related industries and are interested in scaling up their existing programming.

This tiered approach will allow us to achieve several goals. One, we will build and expand the capacity of community-based organizations to operate port-related workforce development programs. Two, we will grow and strengthen a community of practice among these organizations, creating a strategic, collaborative approach to port-related WFD. Three, we will increase outreach, education, and exposure to careers in port-related industries, especially in communities that are largely underrepresented in these industries – communities of color, immigrant communities, women, and low-income communities. Four, we will advance our efforts to diversify port-related industries and grow the next generation of the workforce in these industries.

**Financial Implications**

The funding for the SKCCIF is sourced by a tax levy. The budget request of \$14 million for the next five years (2025 – 2029) is an increase over the past funding of \$10 million (2020 – 2024). Evenly distributed, this will result in an \$800,000 increase per year for the next five years. Given the program’s success, the need to expand the geographic reach of the program’s services, and the potential to create an even greater impact in the region we serve, this is a sound, worthwhile investment

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**ATTACHMENTS TO THIS BRIEFING**

- 1) Presentation Slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- 1) October 10, 2023 – Commission briefing on South King County Fund
- 2) September 13, 2022 – Authorization of South King County Fund Cycle 3
- 3) July 27, 2021 – The Commission authorized \$2 million for the South King County Fund for 2021.
- 4) April 28, 2020 – The Commission approved Motion 2020-10 to add economic development to the permissible uses for the South King County Fund, in support of local recovery from the COVID-19 pandemic.
- 5) June 25, 2019 – The Commission approved Motion 2019-10, adopting principals to guide outreach and development of the South King County policy.
- 6) November 27, 2018 – The Commission approved Motion 2018-14, establishing the South King County Fund.