



Seattle
Finance &
Administrative Services

Priority Hire, Contract Equity and Community Impact Climate Pledge Arena

February 2022

Photo courtesy of DP Drones/
Seattle Arena Company.

Working toward economic equity

[Climate Pledge Arena](#) is one of the most significant privately funded investments in Seattle sports and entertainment history. The investment resulted in one of the largest construction projects in the region. Oak View Group, the City of Seattle and Mortenson, the prime contractor, used [Priority Hire](#) to further social and labor equity in the region during construction. Construction on the Arena offered quality jobs that provided living wages, benefits, [career advancement](#) and workplace safety, particularly during the country's pandemic, economic and racial hardships.

Priority Hire successfully increased equity outcomes on Climate Pledge Arena. During construction, workers living in economically distressed communities, most of whom are people of color, women and those just starting their career, earned \$32 million in wages. This amount is **\$14 million more** than they would have earned without Priority Hire.

Climate Pledge Arena created ample opportunity for women- and minority-owned (WMBE) contractors, moving the needle in contracting equity. Eighty-eight WMBE contractors participated on the project, performing electrical work to painting to traffic control. Overall, WMBE contractors earned \$179 million on the project.

Climate Pledge Arena at a glance:

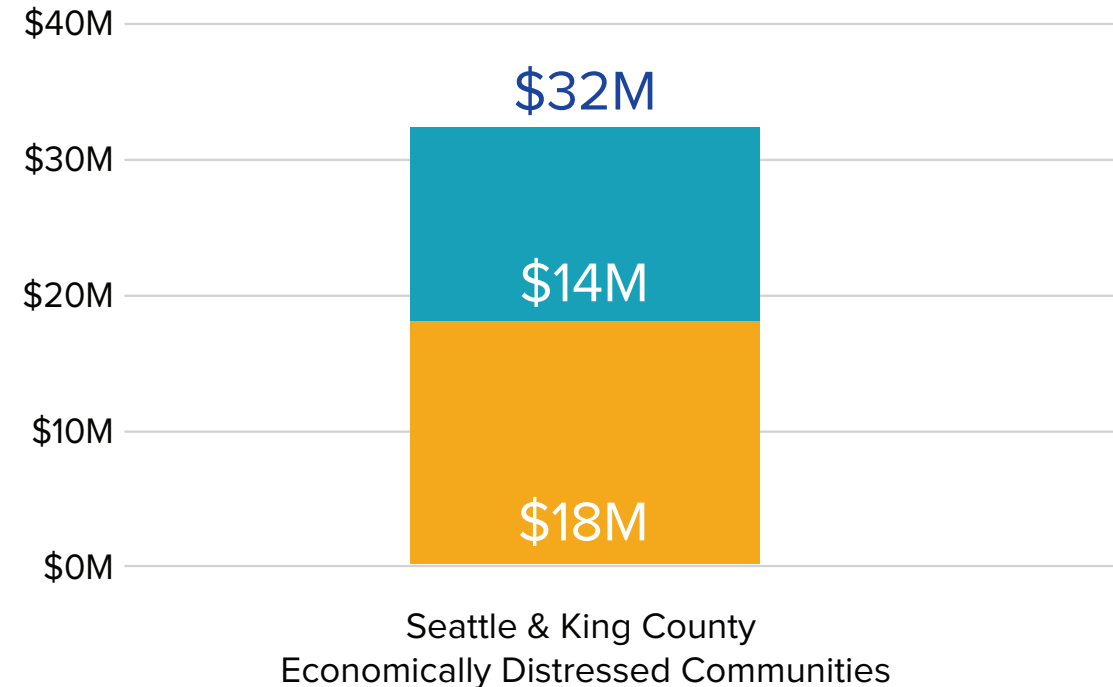


\$903,600,000 construction cost (privately funded)
\$179,000,000 earned by WMBE contractors



\$152,628,557 earned by all workers
2,941,990 construction hours

How did Climate Pledge Arena impact workers living in economically distressed communities?



WAGES ANTICIPATED WITHOUT PRIORITY HIRE
ADDITIONAL WAGES EARNED DUE TO PRIORITY HIRE

Source: City of Seattle, 2021. Data reflects wages earned between November 2018 and November 2021. Wages anticipated without Priority Hire uses past performance data from City public works projects as a proxy for program impact.

Creating quality jobs

Priority Hire program is a key strategy in the push for racial equity, inclusion and good jobs. **Priority Hire puts people living in economically distressed communities to work on construction projects like Climate Pledge Arena and beyond.**

Construction offers living wages, plus health and retirement benefits. Those can make a big difference for someone buying a home or providing for their family.

One example of a worker is Emelia, whose second dispatch as an ironworker apprentice was to Danny's Construction on Climate Pledge Arena. After completing the Ironworker's Boot Camp at Local 86, Emelia worked on the Arena for about a year, earning over \$62,000, plus benefits. Originally from American Samoa, Emelia had never imagined working in construction, especially as an ironworker. But she loved working as an ironworker on the Arena — for the first time, she didn't have to worry about finances. In fact, she saved money!

Emelia was prioritized for work on the Arena through preferred entry, which required contractors to hire workers who had completed preparatory training for construction apprenticeship programs. The preferred entry requirement helps people of color, women and residents of economically distressed communities kick start their construction careers, ensuring access to long-term work and wraparound support.

Climate Pledge Arena worker impact



41,418,903 earned by people of color
9,359,437 earned by women
24,127,143 earned by apprentices



29% hours worked by people of color
7% hours worked by women
21% hours worked by apprentices

"I'm gaining confidence every day. I love my career choice. Busting rebar on my first job was brutal — mentally and physically challenging. It was go, go, go all day, every day. Once I got through that, and it didn't break me, I knew this was the career for me."

— Emelia, Ironworker on Climate Pledge Arena



Workers celebrate completion of structural steelwork on the Arena by signing a beam. Photo courtesy of Climate Pledge Arena's YouTube channel.

Engaging women- and minority-owned contractors

Women- and minority-owned (WMBE) contractors bring necessary skills and scopes to construction projects. On Climate Pledge Arena, WMBEs earned 20% of total construction spend, well exceeding the 15% goal.

WMBE firms earned
\$179 million

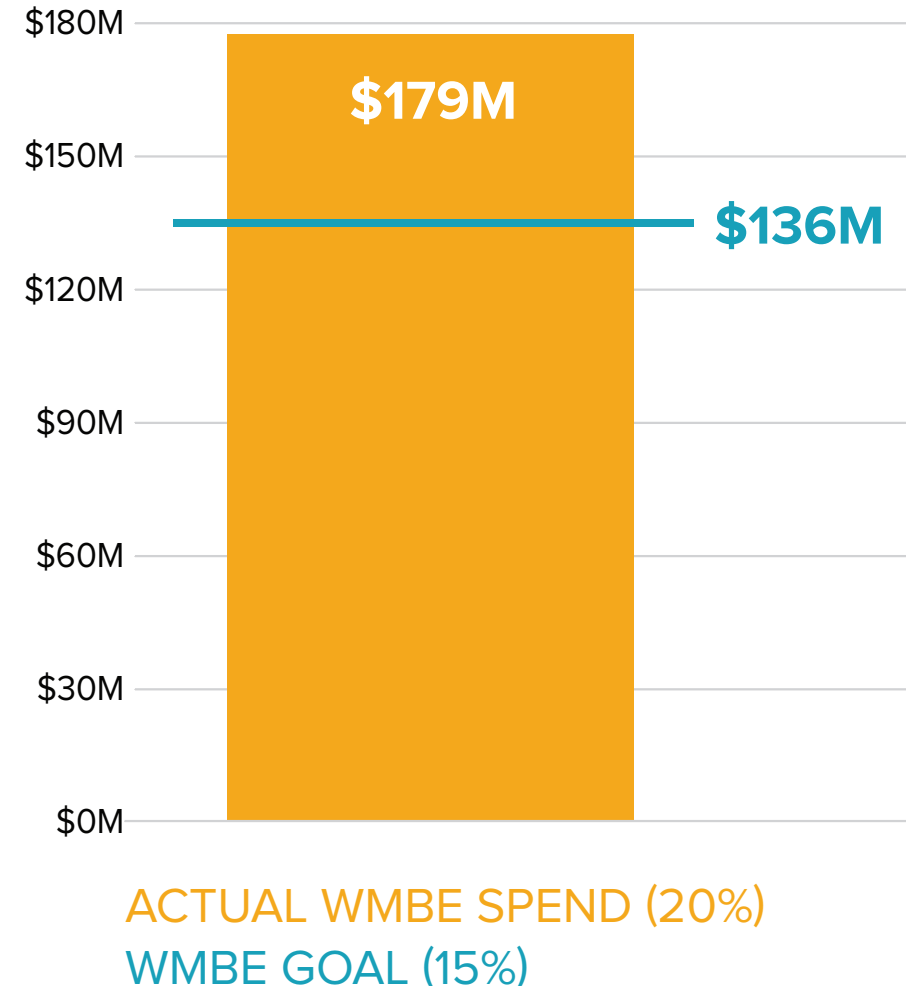
This is **\$43 million more than the 15% goal of \$136 million**

88 WMBEs participated on Climate Pledge Arena, and over half were minority-owned

20% Of each dollar spent on Climate Pledge Arena went to WMBE firms

\$49M Earned by WMBE contractors' construction workers

How much did WMBE contractors earn on Climate Pledge Arena?



Source: City of Seattle, 2021. Data represents outcomes as of December 2021.

Impacting contract equity

Adept Mechanical

Shelton started Adept Mechanical because he enjoys helping people in need of a plumber. As the owner of the company, he's grown his business by setting good prices and keeping his word. Adept Mechanical had the opportunity to stretch their business experience on Climate Pledge Arena. Their \$4 million contract was double the size of their typical work, and they successfully laid several miles of underground piping to complete their scope. Hermanson, their prime contractor, helped Adept Mechanical with coordination and safety throughout the project. Climate Pledge Arena was a unique experience; Shelton appreciated the support on the project, while expanding his company's visibility, overall revenue and skill with larger contracts.

NI Painting

Nadeem, the president of NI Painting, has always liked construction. He finds it interesting and challenging. Nadeem started in the industry because he didn't want to work behind a desk all day, so he learned his trade and developed relationships with other contractors. Over time, NI Painting grew, taking on larger contracts. Climate Pledge Arena was one of those opportunities, with NI Painting managing a contract larger than usual. Working under a larger painting company, Purcell P&C, NI Painting successfully completed their work on the project.

T&T Traffic Control

Tracey, owner of T&T Traffic Control, calls her experience working at Climate Pledge Arena "amazing!" T&T's number one goal was to "get everyone in and out, safely. And we accomplished that." Tracey has a long history working on Priority Hire projects, both as a worker and a contractor. She loves being a business owner and giving living-wage opportunities to people in need, such as those who are low-income or in work release. Tracey attributes her success to her faith. "I would not be in this position otherwise. I have blessed so many people with work. They're doing amazing jobs. Giving second chances — it's just unbelievable."



Construction takes place on Climate Pledge Arena, including solar panel installation and the ice slab pour for the hockey rink. Photos courtesy of Climate Pledge Arena's YouTube channel.



Celebrating workers on the Arena



Aaron

Aaron is a new laborer apprentice and member of the Skokomish Tribe. Before his apprenticeship, Aaron completed the Seattle Conservation Corps, a year-long pre-apprenticeship at the City that helps prepare people experiencing homelessness for construction careers. While working for Mortenson on the Arena, he found a mentor in his foreman, Jamien, who was a very good teacher with high expectations. Jamien would teach Aaron what he needed to know, and gave him the independence to succeed. Aaron's experience on the Arena set him up for a successful apprenticeship and long-term construction career.

Eskender

Eskender is a cement mason's apprentice who worked on Climate Pledge Arena for Mortenson. Mortenson first met Eskender at his graduation from the PACE pre-apprenticeship program, and brought him on the team when there was an opening. Eskender enjoyed working on the Arena, where he was able to learn his craft as a new apprentice. He had experienced cement masons working beside him on the project, helping him succeed. Eskender worked on the Arena for more than a year, earning about \$60,000 in wages, plus benefits.



Marquia

As a mother, Marquia knew how important it would be to find a career that would provide for her family. This meant leaving her existing job for a career with a living-wage, benefits and career growth. She found it in construction. Marquia completed the ANEW pre-apprenticeship program and went to work for Mortenson on the City's first Priority Hire project, the Elliott Bay Seawall. She eventually became a journey-level heavy equipment operator and started her own company, GN Squared Construction. She came full circle to Climate Pledge Arena, working for Mortenson for over a year, averaging \$53 an hour, plus benefits.

Bladimir

Bladimir worked as a preferred entry carpenter's apprentice for Mortenson on the Arena. He loves carpentry, building things himself and seeing the finished product. Entering construction has changed his life in two significant ways. Carpentry is the first job he actually loves, and he gets paid a living wage with benefits. "This is a lot more money than I've ever earned before." The Arena was his third job as a carpenter — and his favorite one so far. He's grateful for his many mentors on the project who were happy to teach him the skills he needs, as well as give him tips for being successful in a long-term construction career.



Photo courtesy of GN Squared Construction, a company owned by Marquia.



Leilanna

Leilanna is a journey-level heavy equipment operator who worked on the Arena for Mortenson. After completing ANEW's pre-apprenticeship program in 2013, she first went to work as a new apprentice for Mortenson on the Elliott Bay Seawall — the region's first Priority Hire project. She first entered construction when she realized that as a mother and a professional, she needed more for her family. Now that she's well into the next level of her career, she passes on the same mentorship and commitment she first experienced in construction. The Arena offered an incredible professional opportunity for Leilanna, on which she earned an average of \$57 an hour, plus benefits.

Junior

Junior was a plumber's apprentice for Hermanson on the Arena. Junior entered construction to continue a family legacy — his grandfather was a well-known carpenter in American Samoa. He became a plumber to give his three sons a life he never had and open a pathway for future Polynesians into construction. Junior gained a lot of experience on the Arena, often working overtime to help finish the project in time for the first Seattle Kraken game. In less than a year, he earned nearly \$90,000, plus benefits. He feels fortunate to have had a great journey worker and foreman on the Arena, who helped build his skill set and advance his career.



Jessica

Jessica worked as an ironworker apprentice for three different contractors on the Arena. In the year and a half she was on the project, she earned \$160,000, plus benefits. Jessica completed the TRAC pre-apprenticeship program, which provides basic construction and job-skill training for incarcerated women. Jessica's work on the Arena helped her gain experience needed to advance in her apprenticeship — she completed her training while on the project, and is now a journey-level ironworker.

Photo courtesy of TRAC pre-apprenticeship program.

Pati

Pati is an ANEW pre-apprenticeship graduate who worked as a sheet metal apprentice and trimble operator for Hermanson. Having grown up in Seattle, Pati was excited to work on Climate Pledge Arena. From the first day on the project, she felt Mortenson's focus on safety and worker appreciation. She loved the experience — especially seeing many other women and people of color on the project; usually, she's the only one. Pati faced many challenges before she started her apprenticeship, but her construction career has allowed her to find her true self, buy her first home and provide a good life for her young son.



Photo courtesy of Mortenson.

Creating worker opportunities

Climate Pledge Arena provided opportunities for workers historically underrepresented in the construction industry — specifically, people of color and women. Climate Pledge Arena set workforce goals for those just entering the industry, and supported hiring people of color and women at all skill levels.

Preferred entry is a workforce goal that helps diversify the construction workforce, as workers coming through this pathway often live in economically distressed communities, are women, people of color, at-risk youth and those transitioning from the justice system.

Preferred Entry Apprentices on Climate Pledge Arena:



52 preferred entry apprentices earned **\$2.9 million** in wages, plus benefits

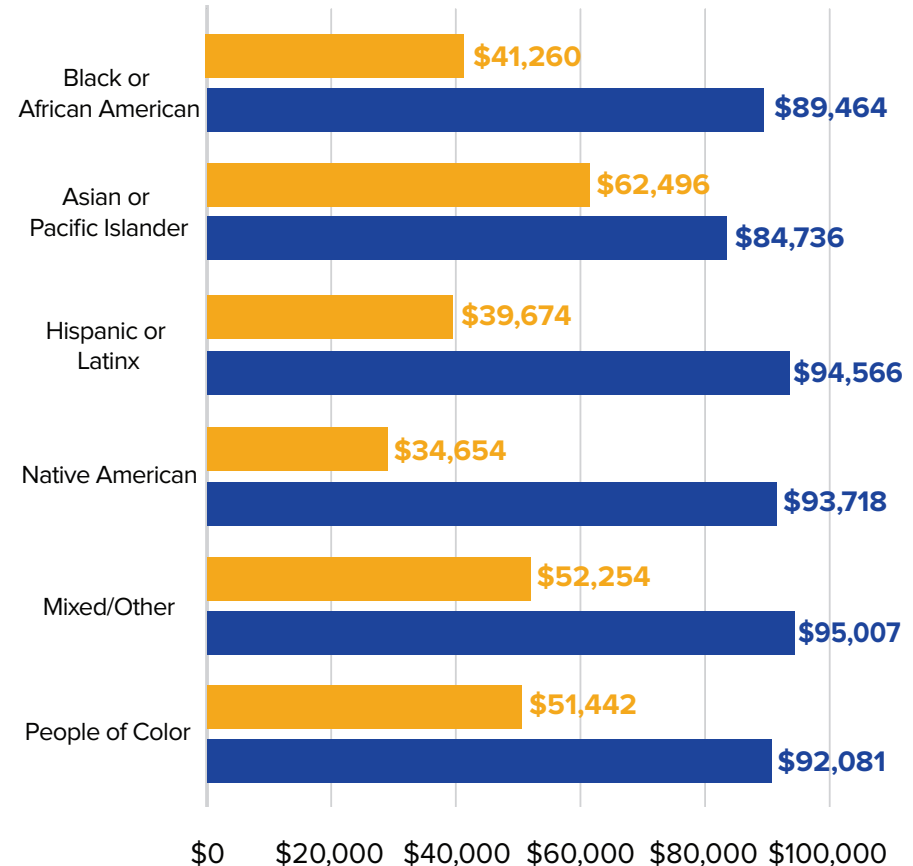


\$37 was the average hourly wage, which is **more than double** the \$17 hourly wage typically earned by preferred entry apprentices before they enter construction



1,470 hours worked on average by each preferred entry apprentice on the Arena, creating a solid foundation for their construction careers

How did Climate Pledge Arena impact communities of color?



AVERAGE ANNUAL INCOME IN SEATTLE METROPOLITAN REGION (2018)

ESTIMATED AVERAGE ANNUAL INCOME ON CLIMATE PLEDGE ARENA (DEC. 2018-NOV. 2021)

Source: National Equity Atlas, Advancing Workforce Equity in Seattle, 2021; City of Seattle, 2021. The estimated average annual income on Climate Pledge Arena is based on total wages divided by hours, multiplied by the 1,920 hours a construction worker is likely to perform in a year. Some workers on the Arena stayed on the project for near its entirety, while others had a more limited duration. Due to its size, the Arena provided longer work opportunities than many smaller projects in the region.

Definitions

Apprentice

A worker enrolled in a Washington State Apprenticeship and Training Council-approved training program.

Economically Distressed ZIP Codes

City-identified ZIP codes in Seattle and King County that have high densities of people living under 200% of the federal poverty line, unemployment rates and those over 25 without a college degree.

Journey Worker

A worker who is not enrolled in a Washington State Apprenticeship and Training Council-approved training program.

Pre-Apprenticeship Program

Supportive and hands-on training programs that help prepare people for entry and success in the building trades. These preparatory programs provide construction training and education, in addition to assisting with driver's licensing, transportation, child care, budgeting, etc.

Preferred Entry

Pre-apprenticeship program graduates who work at least 700 hours on the project. Priority Hire projects require that at least 20% of apprentices who work at least 700 hours on the project are pre-apprenticeship graduates.

Priority Hire

A program that increases the hiring of residents of economically distressed ZIP codes in Seattle and King County, women and people of color on City construction projects over \$5 million. It creates equitable access to construction training and employment by focusing on the entire construction worker development process.

Public-Private Partnership Project

Private construction projects with significant City investment that include social and labor equity contract provisions, including Priority Hire, per Executive Order 2017-01. Climate Pledge Arena is one such project.

Women- and Minority-Owned Businesses (WMBEs)

Businesses that are at least 51% owned by women and/or minorities.