# Newark Builds Newark Recompete Phase 2 Proposal

### **I. Executive Summary**

#### A. Overview

The City of Newark, the Newark Workforce Development Board (NWDB), Newark Alliance, Invest Newark, and Carpenters Union (Local 253) are pleased to submit this proposal to the Distressed Area Recompete Program. This application targets Newark, New Jersey (pop. 305,000), a Distressed Local Community per the Recompete mapping tool. Our plan, Newark Builds Newark (NBN), is a 5-year collaborative initiative to bring more prime-age Newarkers into well paying, in-demand careers in the construction and skilled building trades, by creating opportunities for them to join one of the United State's boldest urban development efforts. Huge development and infrastructure investments are being made over the coming decade in the North Jersey region, including the Gateway Program, the single largest federal mass transit investment ever. Through our plan, more Prime Age Employment Gap (PAEG) Newark residents will be trained and prepared to participate in these investments and able to better support their families and contribute to the city's economy. NBN includes three components: (1) Construction of a new **Training Center** located in Newark and dedicated to union apprenticeships in skilled building trades; (2) **Training and Supports** including the creation of a temporary training facility; paid pre-apprenticeship and supplemental financial support through apprenticeships; supports to specifically address barriers for women and low-income residents in the form of transportation and child care stipends; and alternative workforce training, upskilling and entrepreneurship classes; and (3) an Administration and Governance plan to ensure participation and buy-in across the government, non-profit, and private sectors and the sustainability of program and preliminary investments.

NBN leverages the deep partnerships among its founders who have a history of working together to meet Newark's inclusive economic growth goals, a strong understanding of Newark's employment gaps and how to address them, and excellent relationships with residents, local leaders, businesses and major anchor institutions. Together, the partners are fully focused on achieving our goals. While the plan will directly connect hundreds of Newarkers to training and jobs, its impacts will be even broader. The plan puts the construction trades and career and technical education at the center of Newark's ecosystem, with the potential to benefit thousands of residents. Our track record of working together to build a better Newark has shown that when we increase economic opportunity for targeted members of our community, we ultimately build a stronger community, city, and region for everyone.

NBN is committed to using the Recompete Program to demonstrate a viable model for increasing the participation of Newarkers in skilled building trades or connecting Newarkers to opportunities in related job sectors based on strong collaborative and strategic partnerships between City government, local agencies, and community groups. This approach is expected to attract other resources and make the initiative sustainable for many years beyond the grant period.

# B. Geography and Service Area

### Geography

Newark is the largest city in New Jersey, the seat of Essex County, and one of the country's most racially diverse cities; its population is over 80% minority (47% Black and 37% Hispanic). Newark sits within a wealthy region stretching from the Philadelphia suburbs, through New Jersey, New York City, and Connecticut. Its essential infrastructure assets such as the Port Newark-Elizabeth Terminal, the Port Authority, Newark-Liberty International Airport, and numerous corporate headquarters are essential to the region's economic success. However, the prosperity that has benefited millions of people in the region's key cities and suburbs has too often bypassed Newark residents. Neighboring New York City, a

short 10 miles away, has a median household income of ~\$75K, compared to \$41K in Newark; even more starkly, in South Orange, just over the border of Newark, the median household income is \$174,795<sup>1</sup>.

Through the 19th and early 20th centuries, the city developed as a shipping and manufacturing center but experienced a precipitous decline in population in the post-war period as nearly 40% of residents moved to the suburbs. Housing segregation began as early as 1870 when African Americans started moving to Newark. By 1967, redlining and discriminatory housing practices created the nation's highest percentage of substandard housing and the second highest rates of crime and infant mortality. The Rebellion of July 1967 was a pivotal moment in the City's history leading to greater disinvestment throughout the 1970s and 1990s. Although Newark never lost its status as a thriving corporate, commercial, and logistics center, the reality is that Newark *residents* struggle to access the benefits of Newark's economy. While non-Newarkers commute into downtown offices for higher-paying jobs, of city residents also work in Newark<sup>4</sup> with the vast majority leaving the city for low-paying jobs.

<u>Service Area</u>: Newark is divided into five political wards that are often used by residents to identify their communities. Because state law requires the ward boundaries to be redrawn to reflect population shifts, the wards, nevertheless, remain relatively distinct. The East and South wards are heavily industrialized and close to the airport and seaport lands, while the North, Central (except for the downtown), and West Wards are primarily residential neighborhoods. The South Ward, where the training facility will be located, is 80% Black.

### Service Population - Newark's Prime Age Employment Gap (PAEG)

Reflecting failed planning interventions, including redlining and redistricting, Newark has been designated a poverty area with a rate greater than 20% for the last three decades. Newark's employment-to-population ratio is ~55% compared to the national ratio of ~64%. The gaps are particularly acute for:

- **Younger Residents:** <sup>7</sup>25–29-year-old Newarkers have the greatest prime-age employment gap (10.6 percentage points above the national average) and those 16-24 have a 13 point gap relative to the US. Such early unemployment sets the stage for continued unemployment into prime age working years, driving Newark's PAEG. <sup>8</sup>
- **People of color:** White Newarkers have an employment gap of 2.1 percentage points compared to the national average, while non-White Newarkers have employment gaps of 5.3 points for African Americans and 4.3 for Hispanics.
- **Residents with lower educational attainment:** Just 16% of Newarkers have a Bachelor's degree, compared with 41.5% of New Jerseyans. <sup>10</sup> Employment rates for Newarkers aged 25-64

<sup>&</sup>lt;sup>1</sup> US Census Bureau, Quick Facts: New York City; QuickFacts: South Orange Village township, Essex County, New Jersey , <a href="https://www.census.gov/quickfacts/fact/table/newyorkcitynewyork/HSG010222">https://www.census.gov/quickfacts/fact/table/newyorkcitynewyork/HSG010222</a>; US Census Bureau, Quick Facts: Newark, <a href="https://www.census.gov/quickfacts/fact/table/newarkcitynewiersev/PST045222">https://www.census.gov/quickfacts/fact/table/newarkcitynewiersev/PST045222</a>.

<sup>&</sup>lt;sup>2</sup> David Hartman and Barry Lews, *A Walk Through Newark: History of Newark, The Riots*, Thirteen PBS, <a href="https://www.thirteen.org/newark/history3.html">https://www.thirteen.org/newark/history3.html</a> (accessed Oct. 2023).

<sup>&</sup>lt;sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> US Census Bureau, American Community Survey Public Use Microdata Sample: 2016 and 2021 one-year files, <a href="https://www.census.gov/programs-surveys/acs/microdata.html">https://www.census.gov/programs-surveys/acs/microdata.html</a> (accessed Sep. 2023).

<sup>&</sup>lt;sup>5</sup>US Census Bureau

<sup>&</sup>lt;sup>6</sup> Lightcast, Occupation Table (utilizing data from the Census Bureau's population estimates and American Community Survey) (accessed Sep. 2023).

<sup>&</sup>lt;sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> The Aspen Institute: Aspen Community Solutions, *Impact of the Opportunity Youth Forum*, <a href="https://www.aspencommunitysolutions.org/impact/">https://www.aspencommunitysolutions.org/impact/</a> (2019) (accessed September 2023)

<sup>&</sup>lt;sup>10</sup> US Census Bureau, Quick Facts: New Jersey, <a href="https://www.census.gov/quickfacts/fact/table/NJ/PST045222">https://www.census.gov/quickfacts/fact/table/newarkcitynewiersey/PST045222</a>; US Census Bureau, Quick Facts: Newark, <a href="https://www.census.gov/quickfacts/fact/table/newarkcitynewiersey/PST045222">https://www.census.gov/quickfacts/fact/table/newarkcitynewiersey/PST045222</a>;

# without a Bachelor's fall 11.3 points below the US average.<sup>11</sup>

Local conditions contributing to these gaps include lower educational attainment and barriers to career development, training, and apprenticeships. In tandem, residents lack transportation to jobs outside transit lines. Only 63% of Newark households own a car, compared to 89% statewide. 12

Newark Builds Newark - Target Population: Given the persistent poverty gaps specific to Newark, the goal of Newark Builds Newark is to improve opportunity for all PAEG Newark residents. However, our initiative will specifically target younger Newark residents (ages 18 - 35) and others who are entering the workforce including recent high school graduates, those obtaining GEDs, those for whom English is a second language; women who have previously faced barriers to entering the building trades; and persons reentering the workforce following incarceration.

### **C.** Investment Thesis

To close employment gaps and bring more prime-age workers into quality, high-paying jobs, NBN will create new pathways for early career Newarkers (ages 18-35) to enter into skilled building trades. NBN will address the historical structural barriers to these jobs which include the lack of a centrally-located training site by creating a permanent training facility that can be used for many decades to come. Through programs managed by the Newark Workforce Development Board, we will address the challenges workers face through the unfunded portions of multi-year apprenticeship training with stipends and credits for childcare and transportation to and from job sites. The initiative will connect workers to the many in-demand jobs in the building trades that are coming online due to once-in-a-generation federal infrastructure and energy investment. Our five-year plan will invest funds into a set of strategies that are sustainable beyond the grant period. The project will demonstrate to the building trade unions, and other employers of skilled labor, that it is cost-effective to support the training of workers through the NBN Training Center in order to create a sufficient pool of skilled workers that can meet the current and future labor force demands. By engaging a wide cross section of businesses, community groups, and other local partners in the implementation of the Recompete Project, we will build an engaged network that can identify resources and opportunities that can sustain the work beyond the grant period.

Opportunities ahead for skilled prime-age workers: The Newark region, like the US, faces shortages of skilled labor in building trades and other skilled jobs. Nationally, the US had 440K construction worker openings in 2022. <sup>13</sup> Locally, there is a significant ongoing employment opportunity – and a need – for local skilled labor to revitalize Newark's urban core and neighboring areas. The need for skilled labor is bolstered by the fact that New Jersey has some of the strongest prevailing wage requirements in the country creating strong conditions for public and private employers to employ unionized labor. Data from Lightcast indicates that 19 potential target occupations for this application – such as carpenters, electricians, industrial machinery mechanics, machinists, millwrights, plumbers, and telecommunication equipment installers – currently provide ~42,000 skilled labor jobs in Essex and neighboring counties. <sup>14</sup>

An example of how this will affect carpenters is below: the Carpenters Union expects 312 members to reach retirement annually while worker demand will increase 5% per year.<sup>15</sup>

<sup>&</sup>lt;sup>11</sup> Lightcast, Occupation Table.

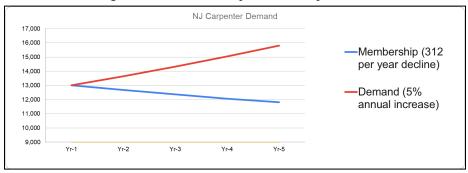
<sup>12</sup> Id.

<sup>&</sup>lt;sup>13</sup> Garo Hovnanian, Adi Kumar, and Ryan Luby, *Will a labor crunch derail plans to upgrade US infrastructure?*, McKinsey & Company, <a href="https://www.mckinsey.com/industries/public-sector/our-insights/will-a-labor-crunch-derail-plans-to-upgrade-us-infrastructure">https://www.mckinsey.com/industries/public-sector/our-insights/will-a-labor-crunch-derail-plans-to-upgrade-us-infrastructure</a> (Oct. 17, 2022) (accessed Oct. 2023).

<sup>&</sup>lt;sup>14</sup> Lightcast, Occupation Table.

<sup>&</sup>lt;sup>15</sup> New Jersey Carpenters Union.

Figure: Demand for Carpenters to Replace Retirees



The Carpenters Union recognizes that it does not currently adequately reach Newark residents. Of its 13,000 active members, only 229 (or 1.76%) are Newark residents. At the Carpenters training center in Edison, NJ (the closest training center to Newark is 25 miles away) only 3.12% of the current trainees are Newark residents, yet Newark makes up 5.32% of the serviced population from that location. NBN will fill this gap and ensure Newark residents make up their fair share and then some. The carpenter's data reflects similar demand trends among all skilled building trades.

## Regional assets - industry, workforce development, and community-based assets

The region's strong assets across industry, workforce development, and community-based organizations are well-positioned to support trained workers in Newark's PAEG target group changing the region's economic dynamics, particularly for our focus industry. These include:

- Industry and infrastructure: Assets include the Port Newark-Elizabeth Terminal and Newark-Liberty International Airport. Industry partners among the Newark Alliance's anchor institutions include United Airlines, University Hospital, RWJBarnabas Health, Prudential, Verizon, and Public Service Enterprise Group. Given Newark's proximity to major commercial centers and State and Federal investments in infrastructure, these assets will remain competitive well into the future.
- Workforce development and labor: Our region has committed partners for workforce development and labor. These include the NWDB, colleges and universities (like Rutgers Newark and New Jersey Institute of Technology), and labor unions, like Carpenters Union (Local 253), which is part of the Eastern Atlantic State Regional Council of Carpenters. In terms of unions, our region and focus occupations have some of the US's greatest assets: NJ ranks 6th in the US in union density; unions are strongest in sectors like construction with a unionization rate of 24.3% in NJ. Additionally, Newark maintains a strong network of workforce development practitioners and conveners through national partnerships with Jobs for Future, National League of Cities, the National Fund for Workforce Solutions, and others.
- Community-based assets: Our region's community-based assets will help connect residents with workforce opportunities. These assets include our public school system, NPS and the Newark Board of Education, local universities, local community institutions, like the Urban League of Essex County, which is highly invested in construction trades; Youth Build partnered with the city of Newark and the NWDB to contribute to the construction of Hope Village 2, a container home community to house the homeless. Job Corps and Newark Opportunity Youth Network/My Brothers Keeper Network which focus on youth outreach; Programs for Parents, a family and childcare agency and provider network; the Ironbound Community Corporation; La Casa De Don Pedro; the Urban League of Essex County, and the, United Community Corporation, Clinton Hill Neighborhood Action, Newark DIG, Greater Newark Enterprises Corporation who together will

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<sup>&</sup>lt;sup>16</sup> New Jersey Carpenters Union.

<sup>&</sup>lt;sup>17</sup> Boyle and Todd Vachon, *The State of Labor in New Jersey*, Rutgers University (May 2022), https://smlr.rutgers.edu/news-events/smlr-news/state-labor-new-jersey (accessed Oct. 2023).

deliver targeted wraparound supports including ESL, GED, entrepreneurship classes and on-the-job training alternatives.

## Upcoming infrastructure and construction employment opportunities

The Newark region has a very large number of major construction projects coming online that require skilled labor including several publicly funded infrastructure projects. Among these are:

- **Gateway Tunnel Project:** a \$17B project to construct a train tunnel between NJ and Manhattan, which is expected to create 72K jobs<sup>18</sup> part of the larger Gateway project
- Newark Bay Hudson County Extension Program: a \$2 billion project to rebuild the 8.1 miles of highway creating 25K jobs over 10 years<sup>19</sup>
- Newark-Liberty Airport's Terminal A: a \$2.7B program to modernize the airport terminal
- Newark Air Train: \$2.05 billion project to design and construct a new 2.5-mile AirTrain at Newark Airport
- Newark Penn Station Modernization Project \$190M to renovate, restore, and upgrade the facility
- Newark Mulberry Commons Pedestrian Bridge: a \$110 million project to connect Newark's downtown to an entertainment venue, green space, and the city's Ironbound neighborhood and enhance the pedestrian experience in and out of Newark Penn Station

In addition, there are numerous residential and mixed-use developments in Newark and neighboring Union City, funded through programs like Low Income Housing Tax Credits and by the NJ Economic Development Authority (NJEDA)'s Aspire Program and the NJ Housing and Mortgage Finance Agency's Affordable Housing Production Fund, as well as major infrastructure improvements poised for the region in preparation for the 2026 FIFA World Cup which will include upgrades to transit and MetLife Stadium (11 miles from Newark).

## How EDA Investment will make a discernible impact

Creating a new, permanent, 21st century training facility in the heart of Newark will bring more PAEG Newark residents into well-paying jobs in the construction trades over the years of the grant period and for many years to come. During the grant period, new methods of training and wraparound services will be implemented, assessed, and revised resulting in a workable model that will be sustainable well beyond the grant period.

#### **II. Project Components**

**A. Training Center (\$7,553,179)** Construct and open a center of excellence for the building trades in the heart of Newark, dedicated to union pre-apprenticeships and supplemental skill-building. The Center will create a new 16,192 sq. ft. facility housed in two buildings on a 28,248 sq. ft. campus-like site with three flexible training shops for programs from basic carpentry skills to advanced applications of those skills to areas like the building and maintenance of fiber optics and green energy projects. It will include classrooms for programs that support pre-apprentices and apprentices. The Training Center will address the lack of direct access for Newarkers who would otherwise travel across several counties for the nearest program. The lead for this component is Invest Newark, which manages the city of Newark Land Bank, and acquired this site for \$1 specifically for the purpose of building this training center.

**B. Training and Supports (\$10,307,535)** The Center will offer best-in-class trades training that combines construction skills with advanced tech solutions, and training. A temporary training center will

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<sup>&</sup>lt;sup>18</sup> AFL-CIO: New York City Central Labor Council, President Biden Announces Funding for Gateway Hudson Tunnel Project with Union Jobs.

<sup>&</sup>lt;sup>19</sup> New Jersey Turnpike Authority, Newark Bay Hudson County Extension Program, Economic Benefits FAQ

be created at Malcom X Shabazz High School to allow pre-apprentice training to begin while the permanent center is being constructed. As participants move from pre-apprenticeships to apprenticeships and into the skilled workforce, we will help them access supports and services to enable them to continue through the multi-year process of becoming fully certified journeymen and enter into high-paying skilled labor professions that will enable them to support themselves and their families into the future. Program participants will receive support for childcare and transportation addressing two of the key barriers to participation in these training programs. NBN will also offer classes in areas participants need to master in order to qualify for union training programs and additional training for specialized career paths. The Training and Supports component is being led by Newark Workforce Development Board.

C. Administration and Governance (\$4,694,192) To manage the initiative, Newark Builds Newark will establish three cooperative governance entities. The *Governing Committee*, composed of representatives from named partners, will provide the overall strategic direction of the Newark Builds Newark initiative, managing the funding (EDA Recompete funds and any other), assessing progress towards goals and making any course corrections, and communicating about the initiative internally and externally. The Newark Builds Newark Collaborative will be a community of engaged stakeholders invested in supporting the strategic implementation and positive outcomes of the initiative and will build and maintain additional community support for the project through the grant period and beyond. An NBN Advisory Board will engage representatives from Newark-based community groups and business; program participants, graduates, and job seekers; and community-based organizations. Program administration staffing will include a dedicated Recomplete Plan Coordinator (RPC) to lead the team. with support from an assistant. Both will work under the City of Newark's Office of Business Administrator and work closely with the construction manager reporting to Invest Newark. A training center Programs Manager will oversee student services, contracted instructors and service providers from the building trade unions and community-based programs, and building maintenance and security staff. The City of Newark will lead the Administration and Governance component.

#### III. Deliverables and key milestones

The NBN initiative will accelerate the City's goals to connect more residents to skilled apprenticeships leading to high-paying jobs in growth sectors of the State and City's economy. The plan will result in:

- The creation of a state-of-the-art permanent training center in downtown Newark dedicated to the building trades;
- The development of a temporary training facility for use in Years 1 and 2;
- Formation of a new model of comprehensive training and supports that enables those who previously could not complete the rigorous requirements of some apprenticeship programs to complete training and become prepared for lifetime careers in in-demand, high-skilled jobs;
- 520 Newark residents enter union-led pre-apprenticeships and are on a path towards skilled labor careers; and
- Development of an active network of public and private sector employers and community-based organizations invested in the success of PAEG Newark residents.

To track progress towards our goals, we will collect data on the following metrics:

- # of Newark residents will enter union pre-apprenticeship programs; goal is 520;
- # of participants graduate pre-apprenticeship programs and enter apprenticeships; goal is 416;
- # of participants become union members and obtain steady employment; goal is 312;
- # of participants entering skilled labor training/jobs through alternative pathways; goal is 104;
- # of union pre-apprentice training programs conducted, goal is 52 total over grant period;

- # of apprenticeships offered to participants by Newark-based employer partners;
- # of jobs created/participants employed and the distribution of those jobs by industry;
- # of businesses created through training and # of jobs supported by those new businesses;
- # of individuals re-entering workforce from incarceration;
- # of women entering training program and obtaining job placements; and
- Aggregate earnings of program participants over 5- and 10-year increments.
- # of MWBE subcontractors in the construction trades in 5 year increments over 15 years

## IV. Complementary federal, state, local, and philanthropic funding

NBN will leverage the New Jersey Department of Labor and Workforce Development (NJDOL) recently announced partnership with the New Jersey Economic Development Authority (NJEDA) to invest \$10 million for the expansion of apprenticeship training centers to meet the growing need for skilled workers as New Jersey experiences an unprecedented surge in infrastructure and public works initiatives. Additional examples of complementary federal, state, local, and philanthropic funding and programs include the following:

- Good Jobs, Great Cities Academy: Our Plan channels the momentum of Newark's selection for the US Department of Labor's Good Jobs, Great Cities Academy, which provides access to technical assistance for workforce development.
- New Jersey Economic Recovery Act: Our Plan will take advantage of the opportunities created by this \$14B statewide program that helps accelerate sectors like clean energy that will need workers with the skills our Recompete Plan aims to develop.<sup>20</sup>
- Infrastructure Innovation & Business Opportunities Center: Our Plan will leverage the resources of this announced Center to be built in Newark with funds from the USEDA. The Center encourages minority-owned construction businesses and startups and expects to create 100+ local jobs and generate \$50M more in private investment.<sup>21</sup>
- State apprenticeship funding for diversity in construction: Our Plan builds on statewide support for apprenticeships, including \$8.6M (in 2023) in NJ Department of Labor grants for diversity in construction. Specific to Newark, the NJDOL has awarded ~\$2M in NJBUILD awards for pre-apprenticeships and apprenticeships for women and minorities in construction over the past two years.<sup>22</sup>
- Neighborhood Revitalization Tax Credit program: The State provides grants for businesses and non-profits to revitalize low- and moderate-income areas such as Newark's Vailsburg, West and Central Village, Upper Clinton Hill, Ironbound, Fairmount, Lincoln Park, and Lower Broadway and funds activities like internships and training for students at construction sites.<sup>23</sup>
- Newark Tree Canopy Program: Through a partnership with the Nature Conservancy, Newark has received \$8 million from the US Forest Service to expand and improve the tree canopy throughout the city. Newark DIG provides community-based training and workforce development support for the program.
- Clean Energy Future Energy Efficiency: Public Service Enterprise Group (PSEG) will invest \$3.1B across its service area that includes Newark in residential and commercial energy efficiency and building electrification over the next three years, and additional funds beyond that.

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<sup>&</sup>lt;sup>20</sup> New Jersey Economic Development Authority, *About the Economic Recovery Act*, <a href="https://www.njeda.gov/economicrecoveryact/">https://www.njeda.gov/economicrecoveryact/</a> (accessed Oct. 2023).

<sup>&</sup>lt;sup>21</sup> State of New Jersey, *ICYMI: U.S. Department of Commerce Invests \$960,000 to Support Construction Business Development in Newark, New Jersey*, <a href="https://nj.gov/governor/news/news/562023/approved/20230912b.shtml">https://nj.gov/governor/news/news/562023/approved/20230912b.shtml</a> (accessed Oct. 2023).

<sup>&</sup>lt;sup>22</sup> New Jersey Department of Labor and Workforce Development, *NJDOL Awards More Than \$8.6 Million in Grants to Support Apprenticeship Programs, Diversity in Construction* (June 15, 2023),

https://www.nj.gov/labor/lwdhome/press/2023/20230615 apprenticeshipgrants.shtml (accessed Oct. 2023).

<sup>&</sup>lt;sup>23</sup> New Jersey Department of Community Affairs, *Neighborhood Revitalization Tax Credit Program*, <a href="https://nj.gov/dca/dhcr/offices/nrtc.shtml">https://nj.gov/dca/dhcr/offices/nrtc.shtml</a> (accessed Oct. 2023).

- NJEDA Urban Investment Fund Grant Program: Launching May 2024 to target the revitalization of commercial corridors in urban municipalities, with grants up to \$7 million.
- Nonprofit and philanthropic funding: Newark received \$700K from the NJ Environmental Justice Alliance to develop the wind workforce through recruitment and case management as well as a \$10K capacity-building grant from Jobs for the Future.<sup>24</sup>

#### V. Component Linkages

The components of the NBN plan are deeply linked and each will contribute to the project's success. The plan leverages existing relationships between City and State government and the key partners who have a history of working together to address challenges in the community and uplift the city of Newark. Upon this solid foundation, we have laid out a plan to add a permanent and sustainable training facility to Newark's workforce development landscape. We have surrounded that resource with strategies to support and mentor participants so they know where to turn should they face challenges and that they have people deeply invested in their success. The NWDB and its partners have experience in addressing barriers and coaching trainees towards long-term solutions rather than only short-term fixes.

The long-term success of this plan will be realized through the close relationships between the businesses, the public sector, and the community as facilitated through organizations like the Newark Alliance which has, for years, elevated the importance of hiring and procuring from the local community. This concept is now widely understood as an important metric of business success in Newark and the business community's participation in this and other projects have addressed the challenge and opportunities of placing Newark residents in jobs and contracts.

### VI. The importance of equity in the plan

Creating equitable opportunity for underserved PAEG workers in Newark to high-skilled training is at the heart of the Newark Builds Newark plan. A recent study of public construction contracting in New Jersey found an overwhelming disparity between the number of minority- and women-owned construction companies and the percentage of projects they win in the state. While nearly 28% of construction firms in the state are minority-owned, they received just 3.7% of state-awarded funds for prime construction contracts valued up to \$5.7 million, according to the New Jersey Disparity Study released this month. Likewise, women-owned businesses comprised nearly 38% of all professional services firms, but received less than 10% of contracts up to \$800,000. End Newark Builds Newark will reverse these disparities by bringing more minorities and women into the building trades, and supporting, through training and mentorship by Invest Newark and Greater Newark Enterprise Corporation among others, the capacity of emerging MWBE construction firms to acquire and protect capital and assets and to to successfully compete for decades of projected infrastructure growth in the state and the region.

<u>Our prior commitments to equity</u>: NBN partners have a strong history of working together to advance equitable, inclusive economic growth for the benefit of historically underserved populations. For instance, with the Newark Alliance, since 2019, Newark's largest employers have implemented the Racial Equity Framework to counter systemic racism. The Framework tracks and assesses the employers' individual and collective progress in three focus areas: Equitable Hiring, Recruitment, and Retention; Internal Culture, Structure, and Communications; and Community Drivers and Core Business and

<sup>&</sup>lt;sup>24</sup> Newark Workforce Development Board.

<sup>&</sup>lt;sup>25</sup> NJ study finds wide disparity in public construction contracts, https://www.constructiondive.com/news/new-iersev-construction-disparity-study/705940/

Services. Further, through the Alliance's Buy Newark initiative, Newark employers increased local small business spending, with an emphasis on MWBE's, by matching anchors with vetted local diverse vendors. From 2017 to 2020, local contracting among anchors grew from 3% to 10%. The Alliance's best practices and strategies to encourage equitable business practices will be incorporated into NBN programs and encouraged with all our partners through the meetings of the NBN Collaborative and the NBN Advisory Board.

## VII. Climate and Environmental Responsibility

We are partnering with Newark DIG (Doing Infrastructure Green), established in 2013, with a mission to establish sustainable green infrastructure as the first line of defense to better manage stormwater run off, improve water quality and resilience to flooding, and reduce combined sewer overflows with a focus on the Passaic River and its tributaries. Through Newark DIG and other community partners we will establish a training pathway towards skilled labor careers in the growing field of green infrastructure.

Additionally, the NWDB is an authorized training provider for the National Green Infrastructure Certification Program (NGICP), offering train-the-trainer opportunities and certifications to bolster the skills of wastewater management professionals in city government and among community-based organizations. Through a combination of public and private funding including NJBUILD, NJEJA and the Victoria Foundation, the NWDB and its Green Energy and Infrastructure Task Force is currently supporting training initiatives in offshore wind, solar, commercial and residential energy efficiency, recycling and urban flood abatement solutions.

### VIII. Longer Term Outcomes | Reporting & Evaluation Plan

The vision of Newark Builds Newark is to put unemployed or underemployed PAEG Newark residents on a pathway to in-demand, skilled labor positions so that they obtain gainful employment in a sustainable career while becoming active participants in the revitalization of their city and the region.

### **Workforce Commitments**

This plan leverages the strong relationships the partners have with public and private sector employers. The following workforce partners and businesses are aware of this effort and have committed to hiring Newark residents who complete the training programs: Associated Construction Contractors of New Jersey, Andersen Interior Contracting, Bel-con Construction Services, Inc., Essex County, Holt Construction Corporation, Joseph Jingoli & Son, Inc., Sloan & Company, Turner Construction, Avatar, Nettarius Technology Solutions, Bloc Power, NewarkDIG, National Action Network and others.

### **Advancing Technology Solutions**

The NBN Collaborative recognizes the rapid advancement of new technologies that will enhance training and support burgeoning infrastructure projects for the next several decades. Leveraging existing partnerships with training providers who are also employers, like NextWave and Alpha Drones, NBN will continue to develop career pathways in construction, green careers and broadband that incorporate proven technology integration, such as those already underway in VR (virtual reality) and drones.

Administration, Reporting, & Evaluation: The Newark Recompete Advisory Board will provide regular updates on progress to key stakeholders in the City and State governments and to key community stakeholders and their organizational members. Project evaluation, including management of participant data and metrics and assessing progress towards measurable outcomes, will be supported by a program evaluation consultant and the use of SkillSmart software.

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<sup>&</sup>lt;sup>26</sup> Newark Alliance.

#### IX. An overview of the work conducted between Phase 1 and Phase 2

The primary work conducted between Phase 1 and Phase 2 has been the identification of a permanent site to house the training center. The Project team vetted multiple locations to house the needed workforce training facility. Given the unique needs: high ceilings for shop classes, adjacent classroom space, offices, parking, loading and unloading, etc., it was determined that a new building would be best. The site selected – **703 South 12th Street** allows for a small workforce campus to be developed that can include multiple shops and classrooms to operate without interrupting one another. In addition, delivery and supply drop-off is possible off of the street, allowing for minimal traffic disruption to the surrounding residential community. The site is located in the South Ward where need is great, and the project benefits from a strong partnership with the prior owner, the International Youth Organization. On April 22, 2024, the City of Newark successfully acquired site control of the property, following the passage of an ordinance by City Council.

In addition to this permanent space, we worked with Newark Board of Education to identify a temporary space at Malcolm X Shabazz High School in a former auto-body training site. This site allows us to use existing shop-type space with large ceilings (>16 feet) along with adjacent classrooms within the school. NBN will renovate this space to create one shop to pilot the union-led pre-apprentice training program in Years 1 and 2 while the permanent facility, with multiple shops, classrooms, and other features is being constructed.

The Carpenters Union conducted a survey of 200 of its members regarding childcare needs, which revealed the following learnings:

- 71% know someone who has not pursued a career in the building trades due to difficulty in securing childcare;
- 69% are caring for children under age of 13 while 67% would use union-provided childcare; and
- 80% point to affordability, availability, quality, and accessibility as the key childcare challenges.

Recognizing these barriers and taking into account consultations with the architect of the US Military's childcare model, NBN will leverage best practices in childcare to create tailored solutions for its pre-apprentices and apprentices, especially women pursuing careers in the trades.

The NBN team entered into collaboration with Uniquely Abled Project to develop pathways to skilled labor careers for individuals on the autism spectrum who have specialized and adaptive abilities to utilize newly emerging tools and technologies for the trades.

#### Conclusion

The Recompete Program represents a significant opportunity for the City of Newark to rewrite the story of the strength of its local labor force and the pride gained in building the infrastructure that makes the City, and the region, a great place to live and work. The NBN plan is well-positioned to make a significant and lasting improvement to the economic opportunities available for PAEG residents in this economically distressed area where employment is significantly lower than the national average and to close this gap through flexible, locally-driven investments. The plan's strategies will tap into a proven mix of public and private partnerships, the strength of the area's unionized labor force, existing economic and infrastructure development projects, and a strong network of community-based organizations all working together towards shared goals. The many additional funding and hiring commitments gained through the planning process indicate a deep level of support for the plan. The EDA's investment in Newark Builds Newark will result in lasting impacts beyond the grant period and help Newark create a strong workforce and a thriving community.