Newark Builds Newark

The Newark Workforce Development Board (NWDB), the City of Newark, Newark Alliance, Invest Newark, and Carpenter’s Union (Local 253) are pleased to submit this proposal to the Distressed Area Recompete Pilot Program. This application targets Newark, a Distressed Local Community per the Recompete mapping tool. As partners with a history working on Newark’s economic goals, we have a strong understanding of Newark’s employment gaps and how to address them, and we have relationships with residents, local leaders, and institutions. We are pleased to present Newark Builds Newark (NBN), a 5-year program to bring more prime age Newarkers into well paying, in-demand careers in the construction and building trades, including in green and sustainable infrastructure. Given our target occupations and geography (where the US is making significant infrastructure investments over the coming decade, including the Gateway Project, the single largest Federal mass transit investment ever), NBN will create opportunities for residents to join one of the US’s boldest urban development efforts. While the plan will directly connect hundreds of Newarkers to training and jobs, its impacts will be even broader. For instance, our plan will center the construction trades and career and technical education in Newark’s ecosystem, with the potential to benefit thousands of residents. NBN includes four components: (1) A new training center dedicated to union and non-union apprenticeships in skilled building trades; (2) cutting-edge technologies (e.g., virtual reality) for workforce training and upskilling; (3) community-based workforce development, technical assistance, and entrepreneurship assistance; and (4) supportive services, like stipends, transportation, child care and incentives to attract participants. The NBN partners seek approval of our plan and an invitation to apply for Recompete Pilot Phase 2.

1. Conditions and needs in Newark

Brief economic history of Newark and its local conditions

Newark is the largest city in New Jersey, the seat of Essex County, and one of the country’s most racially diverse cities. Newark developed as a shipping and manufacturing center during the 19th and early 20th centuries when prominent industries included leather tanning, brewing, iron production, mining, and the manufacture of carriages, coaches, lace, hats, cider, plastics, electrical goods, and chemicals. However, many of these industries declined in the latter 20th Century; from a post-war population of 438,776, Newark saw a decline of nearly 40% as residents moved to suburbs. This flight of residents was highly racialized, with White residents primarily leaving.

Newark’s 20th century housing segregation, which began when African Americans started moving to Newark in 1870, concentrated Newark’s African American community into one of the country’s poorest ghettos. By 1967, red-lining and discriminatory housing practices created, in Newark, the nation’s highest percentage of substandard housing and the second highest rates of crime and infant mortality. Today, residents struggle to access the benefits of Newark’s recent revitalization, as only 25% of city residents also work in the city. And they disproportionately leave the city for low-paying jobs, while non-Newarkers hold many local, higher-paying jobs.

Newark’s persistent economic distress and conditions contributing to PAEG

Newark sits in a wealthy regional network from Philadelphia, through New Jersey, New York, and into Connecticut. However, the prosperity that has benefited millions of people in the region’s key cities and suburbs has bypassed Newark. Neighboring New York City has a median household income of ~$75K, compared to $41K in Newark. While Essex County has a poverty rate below the national average, Newark has been a persistent 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:** 25–29-year-old Newarkers have the greatest prime-age employment gap (10.6 percentage points below 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.9

- People of color:10 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, 13.8 points for Asians, 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.11 Employment rates for Newarkers aged 25-64 without a Bachelor’s fall 11.3 points below the US average.12

Local conditions contributing to these gaps include insufficient education, lack of awareness of career opportunities, and barriers to training and apprenticeships. Residents lack transportation to jobs outside transit lines. 63% of Newark households own a car, compared to 89% statewide.13

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 2022.14 Locally, there is a significant ongoing employment opportunity – and a need – for local skilled labor to revitalize Newark’s urban core and neighboring areas. 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.15

Federal programs, like the Bipartisan Infrastructure Law, will increase the need for skilled labor in the region. Current and upcoming construction projects include the $6.9B Gateway rail project, which includes the Dock Bridge Rehabilitation Project and is expected to create 72K jobs16; the $191M Newark Penn Station Modernization Project; senior residential developments in Newark and Union City, funded by the NJ Economic Development Authority (NJEDA)’s Aspire Program; and a $2.7B program to modernize Newark-Liberty Airport’s Terminal A.

An example of how this will affect carpenters is below: the Carpenters Union expects 1K+ members to reach retirement over 4 years while worker demand will increase 5% per year.17

Figure: Demand for Carpenters to Replace Retirees

2. Strength of strategy and quality of potential investments
To close employment gaps and bring more prime-age workers into quality, high-paying jobs, NBN will create pathways for early career Newarkers (18-30) to enter into union and non-union skilled apprenticeships. NBN will address barriers to participation, including the lack of a training facility accessible to downtown, the availability and cost of training and equipment, the challenges of transportation to training and job sites, and access to childcare.

Strategic investments that will address Newark’s PAEG
The NBN partners propose strategic investments of $19,945,967 over four years in:
a. **Training Center ($8,632,500).** Establish, construct, and open a center of excellence for the building trades in downtown Newark, dedicated to union and non-union apprenticeships. Carpenters Union Local 253 will serve as the anchor tenant. The Center is planned as a 35K-square-foot facility with smart classrooms and flexible training spaces 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. **Rationale for investment:** The Training Center will address the lack of direct access for Newarkers who would otherwise travel as far as Edison for the nearest program.

**Metrics:**
- # of jobs created/participants employed and the distribution of those jobs by industry
- Participants prepared for apprenticeships: 72 annually, 288 total

b. **Workforce Training and Technology ($2,373,500).** The Center will offer best-in-class trades training that combines construction skills and classroom college credit through investments in advanced tech solutions. Entities that provide college credit in similar programs include the NJ-based Thomas Edison University and our partner College Unbound. For workforce training and technology, investments will include:
  - **Training Supplies ($640,000).** Materials and power tools for training programs and providing trainees with supplies to advance in their apprenticeships.
  - **Newark Green Works program continuation ($580,000).** Training for green infrastructure jobs in a National Green Infrastructure Certification Program.
  - **Entrepreneurship courses ($500,000).** Courses for construction and general entrepreneurship for carpenter trainees available to trainees and open to others in the PAEG filling a need for workforce development programs in Newark.
  - **Advanced Technology Training Solutions and Best Practices ($490,000).** Cutting-edge virtual reality (VR) training solutions to provide effective introductions to challenging skills, like welding in a safe environment. The Training Center will be outfitted for VR and other related smart technologies.
  - **SkillSmart software ($163,500).** Using SkillSmart’s compliance, reporting and tracking technology we will be able to longitudinally capture, store and report this project’s, workforce data demonstrating how workers trained through this program enter into and contribute to a strong Newark workforce.

**Rationale:** Training and tech will help Newarkers secure skills for high-paying jobs that don’t require college. Recompete funds will make that training and tech accessible. This training could become a national model for future-oriented skilled trades training.

**Metrics:**
- Five 12-week training programs conducted annually, 20 total over grant period
- 60 of the 72 trainees annually benefit from virtual reality instruction
- # of businesses created through training and # of jobs supported by those new businesses

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c. **Participant stipends, incentives and supports ($5,640,560).** To reduce barriers and challenges that prevent even motivated workers from moving through years-long processes to obtain certifications that can lead to better-paying work, such as reliable childcare and dependable access to transportation to job sites, trainees will receive:
  - **Stipends ($4,070,400).** Pre-apprentices will get stipends for their 12-week program and apprenticeship trainees will get wage support for 4 years of training.
  - **Childcare credit ($805,200).** Trainees will receive subsidies for quality childcare.
• **Transportation ($764,960).** Trainees will receive funds to get to and from training and apprenticeship sites through bus passes, vouchers for ride-share services and rental cars, and car leasing and micro-loans for car purchases.

• **Support Services (provided by Center staff).** Assistance obtaining driver’s licenses is a key component of preparing trainees for apprenticeships because workers need to transport themselves to job sites. Training center staff will work with trainees to help them through the process.

Of note regarding wraparound services for our target population, reentry populations face an additional barrier to reaching job sites because they often no longer hold a driver’s license. NWDB and its partners are committed to working with the State to review current policies and find ways to streamline the process so that reentry workers are able to participate in employment opportunities that are only accessible by car.

**Rationale:** A lack of transportation and other wraparound supports is a major barrier to employment opportunities for Newarkers. Further, these services will help Newarkers without financial means to access training independently.

**Metrics:**
- # of trainees retained
- # of individuals re-entering workforce
- Aggregate earnings of program participants over 5- and 10-year increments

d. **Instructors and Staff ($2,050,000).** The Center will be staffed with a student services office, 2 pre-apprenticeship instructors, and 10 retired carpenters. **Rationale:** These instructors will be vital to the implementation of our planning.

e. **Newark Recompete Project Coordination ($1,249,407).** Hire a coordinator and team. A dedicated Recomplete Plan Coordinator (RPC) will lead the team, with support from an assistant. Both will work under NWDB.

**Outreach**
NBN partners will conduct outreach across Newark’s five wards to raise awareness. NWDB will work with Newark Public Schools (NPS) to recruit seniors and hopes to place a Saturday pre-apprentice program in Barringer High for adult residents. Other partners to promote the opportunity include: Urban League of Essex County, Opportunity Youth Network, Youth Build, Ironbound Community Corporation, La Casa De Don Pedro, New Community Corporation, Clinton Hill Community Action, Newark Dig, United Community Corporation, and Job Corps.

**Governance | Project Administration | Reporting & Evaluation Plan**

**Governance:** Program implementation will be overseen by a Newark Recompete Advisory Board consisting of representatives of the project’s key partners: NWDB, the City of Newark, Newark Alliance, and Invest Newark; representatives from NWDB’s members including the Carpenter’s Union, and the RPC, a new position, will join the NWDB team.

**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 stakeholder and their organizational members. Project evaluation, including management of participant data and metrics and assessing progress towards measurable outcomes will be supported by program evaluation consultant, SkillSmart.
Experience of Newark Builds Newark Team
The core team has an extensive record of delivering and facilitating innovative workforce and employment solutions for Newark. See Section 6 below for descriptions of shared achievements.

- **Newark Workforce Development Board**, under Mayor Ras J. Baraka, the Office of Workforce Development is both a government agency and a 501(c)(3) non-profit. Its mission is to lead Newark’s workforce system by leveraging assets and resources to ensure the educational, professional and economic success of residents, and the prosperity of businesses. NWDB is charged with integrating publicly funded workforce services and programs into a system responsive to both workers and businesses.

- **Invest Newark's** team of planners, economists, and innovators is driven to ensure all Newarkers have the resources to thrive. With a mission to propel the city’s strong and diverse economy, build vibrant communities, and create opportunities for all Newarkers, Invest Newark is focused on supporting smaller minority businesses, investing in world-class internet service, and maintaining an intense focus on equity and sustainability.

- **Newark Alliance's** mission is to drive inclusive economic growth for all of Newark. The Alliance’s *Hire. Buy. Live. Newark* (HBL) framework focuses on leveraging the economic impact of its 35 member organizations’ own hiring, procurement, and employee housing choices. The Alliance drives local and regional interventions to develop Newark’s hiring, local sourcing, and tenant attraction and retention and has become a nationally-recognized leader in anchor collaboration and economic inclusion.

3. Equity, inclusivity, accessibility, and diversity
NBN is committed to pursuing racial equity, inclusivity, accessibility, and diversity through a comprehensive community and anchor engagement strategy.

Engage underserved communities in our planning and programming
Outreach to the target population will be modeled on the Alliance and Invest Newark’s outreach activities from the federal Affordable Connectivity Program (ACP) in 2023. To raise awareness of subsidized broadband access, they worked with community-based organizations including Newark Public Library and NPS, held sign-up events at City Hall, trained librarians on the ACP, conducted social media campaigns, and distributed flyers at parent-teacher conferences. Through these efforts, adoption of ACP has increased by 7,700 households (14% of total eligible) translating to $864K in residential cost savings in 6 months. The partners and staff will adapt these strategies and conduct outreach at job fairs and programs and events throughout the City.

Our evidence-based diversity and equity plan
Our diversity and equity plan is rooted in our partners’ past and existing efforts to achieve inclusive workforce development. Rather than create a new plan from scratch, we will instead build on the successful, proven efforts of our application partners including (but not limited to) the following:

To reach non-White workers:
- The Carpenters Union has the Carpenters Apprentice Ready Program (CARP). NWDB is working with the Union to place a CARP program in Barringer High School, in a neighborhood that is 92% non-White, on Saturdays for adults. CARP has a track record of successfully preparing young people and prime-age adults for apprenticeships.

To reach more women, NWDB:
- has run marketing and outreach for programs in construction, using proven techniques such as including images of women in construction roles in marketing materials. Such efforts have encouraged more women to apply for available positions in programs.
● has ongoing programs to assist women completing apprenticeships, including evening training for assessment testing to accommodate women’s home responsibilities.
● efforts to assist women with transportation support through Lyft, onsite childcare, and provided dinners. All have proven effective at keeping women on track in training.
● is actively engaging the Women’s Bureau and Women Build Nations to further bolster NBN’s recruitment, retention, and support for women.

To drive inclusive, equitable entrepreneurship:
● Trainees will access a network of local business support organizations, including Rutgers Business School’s Center for Urban Entrepreneurship and Economic Development (which houses its $20M Connection Program for entrepreneurs of color), Invest Newark’s StreetWise MBA program, the Port Authority of New York and New Jersey’s contractor Construction Training and Coaching, and Greater Newark Enterprises Corporation’s Backstop Program.
● Trainees introduced to entrepreneurship, who wish to start their own businesses, will be connected with Newark’s new Enterprise Infrastructure Innovation & Business Opportunities Center, focused on supporting Minority- and Women-Owned Business Enterprises in construction. Entrepreneurship is not only a pathway for those who wish to work independently but also frequently the only option for re-entry populations who may be hindered from entering the workforce due to conviction records.

Our prior commitments to equity
NBN partners have a strong history 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 launched the Racial Equity Framework to end 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 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 6% to 10%.20

4. Regional assets
High-level inventory of 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, the Port Authority, and Newark-Liberty International Airport. Industry partners among the Newark Alliance’s anchor institutions include United, University Hospital, Beth Israel, RWJBarnabas Health, Orsted, and Public Service Enterprise Group. Given Newark’s proximity to major commercial centers and State and Federal investments in offshore wind and 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 the Eastern Atlantic States Carpenters Technical College), and labor unions, like Carpenters Union Local 253. 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.21
● **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, along with local community institutions, like the Urban League of Essex County, which is highly invested in construction trades; Youth Build, which is partnering with the NWDB to build a container home for the unhoused; Job Corps, which focuses on youth outreach; the Ironbound Community Corporation; La Casa De Don Pedro; and the Opportunity Youth Network.

Other existing funding and programs in the region
Our Recompete Plan will leverage complementary Federal, state, local, and philanthropic funding and programs. Some examples 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.

- **Gateway Tunnel Project**: NBN will create a workforce with skills that can be used to support this $6.9B Federal grant, the largest Federal transportation award in history to construct a train tunnel between NJ and Manhattan and expected to create 72K jobs.22

- **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.23

- **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.24

- **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.25

- **Neighborhood Revitalization Tax Credit program**: The State provides grants for businesses and non-profits to revitalize low- and moderate-income neighborhoods. The program serves Newark’s Vailsburg, West and Central Village, Upper Clinton Hill, Ironbound, Fairmount, Lincoln Park, and Lower Broadway neighborhoods and funds activities like internships and training for students at construction sites.26

- **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.27

5. Targeted geographic approach
The promise of long-term prosperity with the target jobs in our Plan
Our plan will connect residents to good jobs with promising career pathways, raising incomes. Within Bureau of Labor Statistics data, we have identified 19 target occupations for this application such as carpenters, electricians, machinery mechanics, millwrights, plumbers, and telecom equipment installers. These occupations hold promise for multiple reasons:

- **Targeted to Newark’s un- and under-employed population**: Our entry target occupations and subsequent jobs on their career pathway do not require college degrees.

- **Many jobs in Newark**: These occupations account for ~42K jobs in Essex and neighboring counties (Bergen, Hudson, Morris, Passaic, Sussex, Union).28

- **High pay**: On average these occupations pay ~$58K per year in the US, ~30% more than the average annual earnings for an American without a college degree.29

- **Future growth**: Construction is a growing sector in Essex County, with 82% of construction occupations forecasted to grow, above the county average for all sectors.30
These jobs present workers opportunities to grow into entrepreneurial independent contractors. Two trusted partners of our application, Invest Newark and The Enterprise Center, offer construction entrepreneurship support for MWBEs and aspiring entrepreneurs.

Geography-specific approaches: Complementary neighborhood programming
Our ReCompete Plan is place-based and seeks to lift communities, businesses, and workforce institutions across Newark. Our Plan is tailored to complement existing hyperlocal workforce and construction trades initiatives across all five of Newark’s wards, such as:

- **North Ward:** Barringer High School has a construction career and tech education (CTE) program (detailed more in Section 6) in partnership with the Carpenters Union. Our Plan will offer CTE-educated Newarkers added support to access quality construction jobs. And Our Plan will build on this existing local partnership by creating a similar adult-focused Saturday program.

- **South Ward:** The South Ward has local construction programs for green infrastructure run by community organizations that train residents for jobs. Newark Dig, South Ward Promise, and Clinton Hill Community Action provide education, training, and apprenticeships. We will leverage existing relationships with these programs and complement their efforts.

- **East Ward:** BlocPower, a construction group based in the East Ward, provides quality construction jobs to Newarkers to retrofit, weatherize, and upgrade facilities. Our Plan will provide a pipeline of trained workers to local businesses like BlocPower.

- **West Ward:** The West Ward has a local training site for non-union construction. Our proposed training center and wraparound supports will complement these efforts.

- **Central Ward:** NWDB funds pre-apprenticeship programs for fiber and broadband construction in the Central Ward that can provide synergies with our Plan.

6. Partnerships and potential commitments
Our Plan includes diverse partners from across Newark, many of whom have made and will continue to make significant commitments to the city. Partners span industry, workforce development institutions, government, labor institutions, and civic institutions. Their commitments to Newark demonstrate their investment in the well-being of Newark.

Our history of working together to benefit Newark: Our application’s partners have a successful track record together. We not only have a shared vision to address Newark’s employment gaps, we have already acted on that vision. Our past work has leveraged partnerships across the public, private, and nonprofit sectors for inclusive, equitable economic growth. Examples include:

- **Hire.Buy.Live Initiative:** The City and Newark Alliance collaborated with companies to change business decisions like procurement, to advance inclusive growth, demonstrating our capacity to channel the private sector towards economic equity.

- **Hire Newark 2020:** This initiative – led by the City with partners like the NWDB and its business partners – spurred businesses to hire Newarkers for inclusive growth.

- **311 Carpentry Program:** The City, Carpenters Union, NWDB, and NPS have run a carpentry-focused CTE program in Barringer High School targeted to youth.

Existing and past partnerships for ancillary services
As detailed in Section 2 NBN will fund ancillary services, like childcare and transportation. These services will leverage existing partnerships with local and major businesses, including:

- **Partners for Parents,** a childcare provider that arranges to cover the cost of childcare for parents. The NWDB utilizes their services for residents and prospective workers.

- **Lyft,** the rideshare company, which has worked with the NWDB to pilot a 1.5-year rideshare program to meet transportation needs.
Screenshot, from the Recompete Eligibility Mapping Tool, demonstrating Newark's eligibility (note: per USEDA guidance this screenshot is not to count towards the narrative page requirements)
4 Id.
6 US Census Bureau.
7 Lightcast, Occupation Table (utilizing data from the Census Bureau’s population estimates and American Community Survey) (accessed Sep. 2023).
8 Id.
10 Id.
12 Lightcast, Occupation Table.
13 Id.
15 Lightcast, Occupation Table.
17 New Jersey Carpenters Union.
18 Newark Alliance.
19 Newark Public Schools.
20 Newark Alliance.
22 AFL-CIO: New York City Central Labor Council, President Biden Announces Funding for Gateway Hudson Tunnel Project with Union Jobs.
27 Newark Workforce Development Board.
28 Lightcast, Occupation Table.