Construction Career Pathways in Detroit

In both the public and private sector, Detroit is playing host to increased economic activity in the overlapping fields of real estate development and neighborhood rehabilitation. Large-scale construction projects, particularly in the downtown, consistently promote their immediate and sustained need for qualified skilled trades labor. However, the city's well-documented barriers to education and employment create a significant gap in the ability of local Detroit residents to actively participate in these career opportunities. How can the City of Detroit connect its residents with construction career opportunities? Significant efforts are already underway to address this question. This report consolidates information and recommendations relevant to the topic.

Overview of Lessons Learned from Interviews

When it comes to construction career pathways in Detroit, the 'big picture' issues are clear:

- (1) There are common barriers for the average Detroiter to begin and sustain a construction apprenticeship: math test, reading test, drug test, and transportation access. Many training centers are in the suburbs, regional bus routes remain limited, and personal cars are crucial for the on-the-job nature of apprenticeship training.
- (2) For labor unions and training providers, a Detroit-specific focus requires significant organizational commitment. Coordination and long-term planning is essential to recruit, welcome, and train Detroiters. Many of the unions are statewide, or they at least cover a region much larger than just Detroit. There is a limited number of slots for new apprentices each year, and they are sensitive to labor market demand (healthier economy \rightarrow more real estate development \rightarrow greater need for labor). Training a Detroiter might be a more resource-intensive task than training an apprentice who went to high school in other parts of the state. This exacerbates the race gap in unions.
- (3) The shortage of skilled labor in Detroit directly affects housing issues. Higher construction costs make local development more expensive, so Detroit is a difficult place to create new affordable housing. There aren't enough contractors to respond to government housing programs, so repair of occupied homes and rehab of vacant houses is a constant challenge for program administrators.
- (4) The skilled trades have a stigma. Multiple generations have now grown up with the 4-year university as the 'traditional' or 'preferred' career path. Encouraging a high school student to consider carpentry, electrical, or plumbing as a career option isn't always received positively. Parents are an even tougher audience. Many do not want to hear about alternatives to their child attending university. Nonetheless, the building trades present excellent opportunity for economic mobility. The 'earn while you learn' model of on-the-job training remains a unique path to a strong living wage. In Detroit and in Michigan, high demand for the building trades creates immediate application for the skills of these professions. The same is true across the nation, and the credentials resulting from skilled trades apprenticeships are transferable to anywhere in the United States.

Ecosystem / Stakeholder Map

For the unfamiliar audience, here is a quick snapshot of the organizations and initiatives involved in construction career pathways in Detroit.

Civil Rights, Inclusion and Opportunity

- > Executive Order 2016-1
 - 51% local hiring on publiclysupported construction projects
- Skilled Trades Employment Program
 - STEP agreements with unions to incentivize more Detroit apprenticeships

Detroit City Council

Skilled Trades Task Force

Detroit Employment Solutions Corporation (DESC)

- > Detroit At Work
- One-Stop Career Centers

Detroit Public Schools Community District (DPSCD)

Randolph Career and Technical Center

Detroit Economic Growth Corporation (DEGC)

> D2D

State of Michigan

- ➤ Labor and Economic Opportunity (LEO)
- ➤ Going PRO in Michigan
- ➤ MiRoad2Work.org

Michigan Building & Construction Trades Council

- ➤ Local Trades Labor Unions
- ➤ MUST Construction Careers
- Michigan Apprenticeship Steering Committee, Inc. (MASCI)

Access for All, United Way, & the Detroit Regional Workforce Fund

Workforce Intelligence Network for Southeast Michigan (WIN)

- Advance Michigan Center for Apprenticeship Innovation (AMCAI)
 - Mlapprenticeship.org

Training Providers

- Detroit Training Center
- > Emerging Industries Training Institute
- > Southwest Solutions
- > Focus: Hope
- ➤ SER Metro
- Brookins Construction Apprenticeship Institute

Training Partners

- ➤ Michigan HRDi
- Detroit Job Corps Center
- Power and Trades Pathways Program
- Greater Michigan Plumbing & Mechanical Contractors Association
 - MIconstructioncareers.org

Supporting Organizations

- > Michigan Minority Contractors Association
- > Detroit Coalition for Economic Inclusion
- > Detroit Development Fund
- ➤ Build Institute
- Southwest Detroit Business Association
 - Small Business Advocacy Center

Best Practices

Earlier this year, New America <u>published</u> a report about the role of apprenticeships in equitable development. In a chapter titled "City Levers for Apprenticeship Development and Expansion", the author <u>outlines</u> six strategies city leaders may consider to increase the supply of apprenticeships in their cities. The chart below applies that template to potential action in Detroit specifically.

	Strategy	New America recommendation	Application in Detroit
1	Organize Around a Vision	Convene leaders around a common vision and plan to elevate apprenticeship as a core workforce development strategy.	Establish formal arrangement between the Mayor's workforce development board and the City's human rights commission, setting targets on workforce inclusion outcomes.
2	Use Procurement Authority	Leverage the city's procurement and related policies to incentivize the adoption of apprenticeship by local contractors.	Amend Executive Order 2014-05 to grant greater preference to Detroit-headquartered firms as opposed to simply Detroit-based.
3	Collaborate with Community Organizations to Create Career Pathways	Engage and support community-led efforts to develop on-ramps to apprenticeships.	Empower community development corporations to serve as place-based advocates and educators on local pathways to construction apprenticeships.
4	Build Pipelines into Public Sector Employment	Invest in public sector apprenticeships.	Integrate hands-on City positions (such as seasonal GSD roles) with GDYT internships to increase youth exposure.
5	Structure Development Incentives to Achieve Community Benefits	Design development incentives that benefit residents.	Encourage neighborhood advisory councils to include workforce development as a component of community benefits agreements negotiations.
6	Secure Funding for Development and Expansion	Direct city funding to programs and supports to expand apprenticeship opportunities for residents.	Designate a portion of the Workforce Training Fund specifically to pre-apprenticeship expansion and wraparound services.

Incentivizing Apprenticeships

Incentivizing apprenticeships remains a crucial aspect of this topic, and obviously the STEP agreements are a big piece of the puzzle. In keeping with the program's logic, how can CRIO encourage the creation of more local hiring engagement in Detroit? The city of Spokane, WA offers a helpful and straightforward example of municipal incentives for apprenticeship development. It offers financial incentive through a <u>public works</u> apprenticeship program.

But like any true public policy problem, it becomes an issue of funding, and Detroit may not have the luxury of such flexibility. In the fallout from Covid-19, the City of Detroit will face severe budgetary restrictions. With allocation of public resources set to be as limited as we've seen since the City's bankruptcy, allocating public dollars toward apprenticeship incentives will prove difficult. To incentivize more apprenticeships, what assets can the City of Detroit leverage? What can be offered to encourage more action from construction firms, labor unions, or training providers?

- ➤ Workforce development funding → DoL apprenticeships and/or Going PRO talent money
- ➤ Workforce training expertise → Detroit At Work as supporting entity (the FCA model)
- \triangleright Public contract opportunities \rightarrow points in the bidding process (could STEP enrollment be a criterion?)
- ➤ Publicly-owned property → DLBA discount for members of STEP unions

Leveraging Public Assets

In addition to the STEP discount, the DLBA provides a unique opportunity for hands-on learning. To expand pre-apprenticeship programming, the City could leverage public property ownership as a proving grounds for entry-level trades training. Many DLBA houses require some form of sales preparation work to mitigate poor property conditions. For the thousands of houses in need of rehab, a series of initial steps is needed to prepare the house for full renovation. This includes:

- exterior clear-outs of yard debris and overgrowth
- > interior clean-outs of home trash and debris
- wood board-ups of broken or missing windows
- carpet tear-outs and bulk furniture removal

These services do not require licenses or warranties. At present, the Land Bank pays third-party firms to perform these services, and they pay on a per-quantity basis. Could CRIO partner with the DLBA, and advocate to divert this spending toward a workforce development model of property prep? By transferring these responsibilities to a 'Board-Up Brigades' model of direct local hiring, the DLBA services can double as pre-apprenticeship professional development. This would functionally serve to prepare properties for optimal condition for interested general contractors or community developers. More importantly, it's an opportunity for the City to train residents on blight remediation work, offer first-hand experience in an on-the-job training model, and provide professional mentoring and counseling services that prepare them for the rigor of an apprenticeship in the building trades.

Government Coordination to Centralize Information

It's not easy to quickly communicate construction career pathways in Detroit. To comprehend the building trades is to understand a large and complex ecosystem. With so many differing perspectives at the table, it becomes difficult to define and recognize the various touchpoints at which Detroiters can engage. As such, making progress in these systems requires a great deal of intentional coordination from the different levels of government and the private sector. If Detroit is looking to get more residents into construction apprenticeships, then how might we make the process as simple as possible?

Where to click first?

CRIO Construction Outreach Team detroitmi.gov/departments/civil-rights-inclusion-opportu nity-department/about-crio/outreach-team

Looking for Detroiters with Construction Trade Skills? <u>detroitatwork.com/news/are-you-looking-detroiters-cons</u> truction-trade-skills-detroit-work-can-help

Construction & Transportation Training - Detroit At Work <u>detroitatwork.com/start-your-skilled-trades-career</u>

Going PRO in Michigan Career Finder going-pro.com/careers/?field=Construction

Becoming an Apprentice - MI Apprenticeship miapprenticeship.org/apprentices/

Apprenticeship Training Programs - MiRoad2Work.org miroad2work.org/apprenticeship-readiness-programs/

Applications open for Access for All <u>unitedwaysem.org/blog/applications-open-for-access-for-all/</u>

How to Apply - MUST Construction Careers mustcareers.org/how-to-apply

Focus: HOPE Pre-Apprenticeship focushope.edu/pre-apprenticeship/

MCA Detroit Apprenticeship Resources mcadetroit.info/apprenticeship

First let us consider the perspective of the major employer. This year, the Gordie Howe Bridge project will introduce its new **community benefits coordinator** in Detroit. This employee will be the point person for information related to employment and training opportunities on this transformational international infrastructure project. If the coordinator for the Gordie Howe Bridge wants to maximize engagement in Detroit, they'll need to build relationships and maintain communication with many stakeholders: CRIO, DESC, labor unions, the Michigan Minority Contractors Association, the Southwest Detroit Business Association, and more.

Next let us look to the perspective of the philanthropic community. This year, the Quicken Loans Community Investment Fund will introduce its new **building trades program manager** in Detroit. This employee will support projects focused on strengthening pathways to employment and economic self-sufficiency through training opportunities. If the program manager for Quicken Loans wants to maximize impact, they'll need to understand the multi-partnered approach to skilled trades workforce development in Detroit.

Finally, let us prioritize the most important point of view: the Detroit resident hoping to pursue a construction career. What is their primary touchpoint? How should they navigate the complex web of government agencies and training providers working in this space?

Models for Intervention

With these perspectives in mind, how might CRIO streamline information, consolidate resources, and create a centralized information portal to inform Detroit on construction career pathways?

Pittsburgh Collaboration

Last year, Pittsburgh launched a new construction partnership initiative to address many of the concerns raised in our interviews. The city government partnered with Pittsburgh Gateways, a nonprofit business accelerator, and The Builders Guild of Western Pennsylvania, which is Pittsburgh's corollary to M.U.S.T. in Southeast Michigan. The new collaboration created an "Introduction to the Construction Trades" to fully prepare individuals to successfully enter apprenticeship training programs in the region.

As Construction Industry Booms, Pittsburgh Moves to Avoid Labor Shortfall https://fusecorps.org/case-studies/as-construction-industry-booms-pittsburgh-moves-to-avoid-labor-shortfall/

Builders Guild, Partner4Work, Pittsburgh Gateways Partner on Construction Trades Pre-Apprenticeship Program https://www.partner4work.org/news/builders-guild-partner4work-pittsburgh-gateways-partner-revamped-construction-trades-pre-apprenticeship-program

These efforts resulted from a so-called 'construction industry workforce partnership' comprised of developers, contractors, buyers, trade organizations, and workforce training providers. In addition, the City offered its support for a centralized web portal, headed by the Builders Guild, to serve as a hub for applicants to learn about opportunities, pathways, and standards in the construction sector. Multiple attempts to contact Pittsburgh program administrators to set up an interview were unsuccessful.

City-Chartered Nonprofit

In Detroit, the Community Education Commission (CEC) presents a unique example of intervention to support Detroit students and their parents. As a 501(c)(3) founded by the City of Detroit, the CEC provides transparent information about Detroit schools. While still in its infancy, the CEC could provide a working model for how the City can create an independently operating entity to take the lead in informing Detroiters on construction careers. Setting up a new commission is no simple task, but the Pittsburgh case study and the existence of the CEC at least raise the possibility of such an effort. Not only would it aid the City's efforts to streamline communication, it may create a new avenue for philanthropic support of the building trades.

Coalescing around the creation of a construction careers commission may also provide the impetus for increased accountability in setting and achieving diversity targets in apprenticeships. Building a diverse pipeline requires everyone to be at the table, and looking to a digital platform may be a small step toward that end. Rather than navigating a web of city, nonprofit, union, and private-sector sources, a central hub allows these organizations to all direct Detroiters to the same starting point, while also integrating Detroit At Work one-stop career centers, union recruiting efforts, nonprofit training providers, and DPSCD programming.

Pre-Apprenticeships & Wraparound Services

The need for remediation came up often in conversation with workforce training providers. Pre-apprenticeships are crucial in building the skills and confidence needed for Detroiters to progress toward full-fledged apprenticeships. Access for All remains uniquely important, because the pre-apprenticeship model is so needed in Detroit. However, its enrollment and placement numbers are one small piece of the big picture.

Graduates of Detroit high schools often face a steep learning curve on the reading and math tests required by trade unions. From the unions' perspective, training a Detroiter is more resource-intensive, because instructors must focus on foundational skills-building and professional development before they can fully devote attention to the hands-on specifics of the building trades. Additionally, transportation is absolutely critical. If you don't have a car, you likely won't be able to get to construction sites for the on-the-job aspect of an apprenticeship.

Urban Alliance and the High School Internship Program

Building a stronger career pathway requires holistic wraparound services via Detroit-specific pre-apprenticeship programming. Wraparound services can bridge the gap that currently exists for Detroit residents to enter and successfully complete construction apprenticeships. The high school internship model utilized by the Urban Alliance may provide a case study for helping youth to prepare for a construction career.

Quicken Loans, other organizations take on Detroit high school interns through national nonprofit https://www.crainsdetroit.com/workforce/quicken-loans-other-organizations-take-detroit-high-school-interns-through-national

Creating Economic Opportunity for Detroit's Youth: Quicken Loans Partners with Urban Alliance https://www.forbes.com/sites/gradsoflife/2019/03/28/creating-economic-opportunity-for-detroits-youth-quicken-loans-partners-with-urban-alliance/

Launched in 2018 through the support of Quicken Loans, Urban Alliance entered 5 Detroit high schools with its flagship program, the high school internship. The program targets seniors at risk of discontinuing further education. The pilot cohort received a paid professional internship along with additional training, mentoring, and support. This intentional, personalized approach in some ways mirrors the union apprenticeship model, but its focus on youth adds an additional layer that could greatly benefit Randolph students in their transition to full-fledged apprenticeships. Applying this model to construction firms in Detroit, or to unions enrolled in STEP agreements, could bridge the gap often cited by trades unions in their recruiting efforts.

Skilled Trades Charter Academy

In Michigan, charter schools may be authorized by a state public university, a community college, a local school district, or an intermediate school district. Two or more of these public educational agencies also hold standing to jointly serve as charter authorizers pursuant to an interlocal agreement. This brings us to 3 possible authorizers for a skilled trades charter academy in Detroit: Wayne State University, Wayne County Community College District, and Detroit Public Schools Community District. Charter schools in Michigan are eligible for categorical vocational/career and technical education state aid payments, subject to approval by the State Office of Career and Technical Education. Michigan law allows much discretion to charter school service providers (management entities), and a charter school curriculum tailored specifically to the issues discussed in this paper is well within reality. Each charter school/service provider agreement is unique. The fundamental question becomes, would a member of the construction and/or development industry in Detroit seriously consider serving as the managing entity of a construction skilled trades charter academy in Detroit?

Final Takeaways

Expanding construction career pathways in Detroit represents a true opportunity to move the needle on economic equity in Southeast Michigan. None of the interviewees in this process are comfortable with the status quo, and the topic has been the frequent subject of political and academic focus.

The building trades offer sustainable and rewarding careers that can directly impact quality of life. Construction jobs will endure in an era of automation, but equal access to those careers can only be assured through intentional policy efforts. A stronger future for American workers means greater flexibility in post-secondary education options. Looking nationally, our need to address the issues will only increase with time. Aging infrastructure means the building trades are crucial careers for brilliant minds.

Poverty Solutions and the Detroit Partnership on Economic Mobility could serve as natural partners to continue studying this issue. Late last year, they <u>published a report</u> titled, "Work and Opportunity in Detroit: The Case for a Bold Subsidized Employment Initiative." The themes explored there are easily applicable to the mission of the CRIO and the construction outreach team.