



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan
Chief Executive Officer

DATE: September 14, 2022

RE: NJ Offshore Wind Workforce and Skills Development Grant Challenge

Summary

The Members are requested to approve the creation of the Offshore Wind Workforce and Skills Development Grant Challenge (Grant Challenge), a competitive program that will award grants to selected applicants that will aid in launching or expanding innovative workforce training and skills programs focused on strengthening and diversifying the NJ offshore wind workforce. A total of \$3,725,000 will be available through this program, with minimum and maximum award amounts set at \$100,000 and \$1,000,000, respectively. Priority in this grant challenge will be given to applicants or applicant teams that propose initiatives supporting training and job access for residents of Overburdened Communities. Grants will be awarded to proposals that achieve the highest overall scores based on the scoring criteria set forth in the attached product specifications.

Background

Governor Murphy's economic development plan, "The State of Innovation: Building a Stronger and Fairer NJ Economy," identifies offshore wind as one of the strategic sectors for accelerating growth in New Jersey's economy. Offshore wind represents a unique opportunity to meet the State's clean energy goal of reaching 100 percent clean energy usage by 2050. A key step towards this goal is the State's target of generating 7,500 megawatts of offshore wind energy by 2035.

NJEDA is supporting the development of the yet to be established NJ Wind Institute for Innovation and Training (the "Wind Institute") as an independent entity created through legislation that will coordinate and deploy resources to advance offshore wind workforce development, research, and innovation in the state. This grant challenge complements work currently underway including: the construction of a Global Wind Organization safety training facility at Atlantic Cape Community College; the development of a wind turbine technician training program at Rowan College of South Jersey; the expansion of welding and painting programs for offshore wind at Gloucester County Institute of Technology and Salem County Vocational Technical School; and the launch of an offshore wind research fellowship program for juniors, seniors and graduate students at Rutgers University, Rowan University, Montclair State University, and the NJ Institute of Technology. The current Wind Institute-related programs are funded through MOUs signed in September 2020 and July 2021 between NJEDA and the NJ Board of Public Utilities (NJBPU). A total of \$11.5 million has been

provided to NJEDA by NJBPU through these two MOUs. The Grant Challenge will utilize \$3,725,000 of the \$7,000,000 provided through the July 2021 MOU.

To guide the next set of offshore wind workforce programs including this Grant Challenge, NJEDA and the NJ Council on the Green Economy¹ conducted an analysis of the offshore wind employment to be generated as a result of the State's goal of generating 7,500 MW of offshore wind energy by 2035. The analysis identified the highest growth occupations as well as the occupations that are expected to have the greatest gap in labor supply. This analysis informed the occupations eligible for this training challenge and are reflected in Appendix A.

The Grant Challenge will build on existing offshore wind workforce development efforts in New Jersey by offering a competitive funding opportunity to entities that can create or expand programs that will strengthen the workforce opportunities for NJ residents, with a particular focus on driving diversity, equity, and inclusion. The Grant Challenge will build on programs already underway at NJEDA to accelerate the development of a robust and diverse workforce that can meet the needs of the offshore wind industry. NJEDA envisions that these programs will be administrated by the Wind Institute, once established. NJEDA is anticipating applications from a broad range of applicants and expects to make multiple awards through this challenge.

Program Details

The Grant Challenge is a competitive program for applicants that can provide skill development, workforce training, job placement, and other related services to develop, implement, or expand workforce development initiatives in offshore wind. A total of \$3,725,000 is available for programs under this Grant Challenge. The minimum and maximum amounts for individual awards are set at \$100,000 and \$1,000,000 respectively. NJEDA anticipates making multiple awards in this grant challenge.

Eligibility

The Grant Challenge will be open to entities that can design and execute workforce and skills training programs. Such entities can include, but are not limited to, community-based organizations, workforce training organizations, labor unions, workforce placement intermediaries, technical high schools, community colleges, universities, non-profit organizations, regional workforce development boards, and private companies.

NJEDA will enter into a grant agreement solely with the primary applicant, and the primary applicant will be held solely responsible for complying with the terms of the grant. However, applicants must adhere to the following guidance on collaboration with other entities to develop and support robust workforce training programs. Guidance for such collaborations include:

- Required: All applications must include at least one Community-Based Organization with demonstrated experience serving a New Jersey Overburdened Community, as defined by New

¹ The New Jersey Council on the Green Economy was established to develop a blueprint for expanding the green economy and build a diverse workforce to support New Jersey's clean energy and climate goals. The Council is overseen by the Office of Climate Action and the Green Economy, and is comprised of members from State entities, the business community, organized labor, utilities, environmental justice communities and organizations, and workforce development groups.

Jersey's Environmental Justice Law. The Community-Based Organization must either be the primary applicant or, in the alternative, a strategic collaborator with the primary applicant. All applications that include the Community-Based Organization as a strategic collaborator must clearly define the Community-Based Organization's role and specifically its alignment with the CBO's mission and/or services and the amount of the grant request allocated to the Community-Based Organization for the agreed upon role on the applicant team.

- For the purposes of this training challenge, a Community-Based Organization is defined as a 501(c)(3) non-profit organization that provides direct services or supports to a specific geographic NJ community(ies) or specific segments of a New Jersey community(ies).² For the purposes of this Challenge, government entities, K-12 schools, and institutions of higher learning do not qualify as Community-Based Organizations. However, these entities may be the primary applicant or an additional collaborator on the applicant team.
- NJ's Environmental Justice Law, N.J.S.A 13:1D-157, defines overburdened communities as any census block group, as determined in accordance with the most recent United States Census in which: 1) at least 35 percent of the households qualify as low-income households; 2) at least 40 percent of residents identify as minority or as members of a State recognized tribal community; or 3) at least 40 percent of the households have limited English proficiency.
- Encouraged: Applicants may collaborate with additional entities, including for-profit or non-profit entities, to design and implement the training program as needed.

In addition to the eligibility parameters already stated above, the primary applicant must also be in substantial good standing with the New Jersey Department of Labor and Workforce Development (LWD) and NJ Department of Environmental Protection (DEP) to participate in the program. The primary applicant must provide a current tax clearance certificate as part of the application to demonstrate the applicant is properly registered to do business in New Jersey and in good standing with the NJ Division of Taxation.

Proposal Scope

Applicants must submit proposals that outline compelling plans to:

- Develop or expand a program that will allow New Jerseyans to access workforce opportunities in the offshore wind industry by providing tangible skill development and/or job-readiness training. Components of programs must include direct workforce training/skill development, and, where relevant, support services such as access to career services, mentorship, family services, counseling, transportation, etc. Proposed initiatives must focus on one or more of the following occupation areas as defined by Standard Occupation Codes (SOC)³ (see detailed list in Appendix A):
 - Operations Specialties Managers (SOC 11-3000)
 - Construction Trade Workers (SOC 47-5000)
 - Extraction Workers (SOC 47-5000)

²Per the NJ Division of Taxation, a 501(c)(3) Organization refers to a nonprofit organization that has received a determination letter from the Internal Revenue Service (IRS) stating that the organization is exempt from federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. The term also may refer to a church or ministry that may qualify for an IRS 501(c)(3) determination letter, even though it does not intend to apply for an IRS determination.

³The 2018 Standard Occupational Classification (SOC) system is a [federal statistical standard](#) used by federal agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

- Other Installation, Maintenance, and Repair Occupations (SOC 49-9000)
- Assemblers and Fabricators (SOC 51-2000)
- Metal Workers and Plastic Workers (SOC 51-4000)
- Plant and System Operators (SOC 51-8000)
- Other Production Occupations (SOC 51-9000)
- Water Transportation Workers (SOC 53-5000)
- Material Moving Workers (SOC 53-7000)
- Engage with industry and other stakeholders to design and implement a program that prepares and/or connects participants with job opportunities in offshore wind.
- Develop and/or utilize outreach, recruitment practices, program design approaches, and wraparound supports as needed such as mentorship, transportation, and childcare that target and support a diverse and inclusive pool of training participants to successfully complete the program.
- Execute the project efficiently and on schedule, achieving well-defined milestones to complete the proposed initiative.

Virtual training programs operated in New Jersey or other states are eligible under this grant challenge so long as the program includes a clear approach to make the training accessible for and targeted to NJ residents and is linked to NJ employment opportunities in offshore wind.

Diversity, Equity, and Inclusion

One of the core objectives for Wind Institute programs is to accelerate the development of a robust and diverse offshore wind workforce, and as such the Grant Challenge prioritizes the development or programs that can increase the inclusion of historically marginalized and disadvantaged communities into the offshore wind workforce. As stated above, all applicant teams must include a Community-Based Organization that serves a NJ Overburdened Community with a clear and defined role on the team and is proposed to receive a specified funding amount of the requested grant.

In addition, the challenge's scoring criteria includes up to 25 points for applications that demonstrate an ability to serve an Overburdened Community, including an approach to providing wrap around services and the ability to offer affordable training to participants (see Exhibit B).

Eligible Funding Uses and Grant Disbursement

Eligible uses of grant funding include costs associated with planning (e.g., staff costs for program development), soft launch (e.g., outreach and recruitment materials and related costs), capital costs (e.g., procurement, construction or renovation of program space, equipment, and material purchases), and/or implementation costs (e.g., instructor time, facility fees, participant equipment or materials, delivery of support services). No more than ten percent (10%) of the grant amount may be used on indirect costs such as general administration and overhead.

Capital costs will be subject to labor compliance, including New Jersey affirmative action and prevailing wage requirements. Applicants who identify capital costs as an expected use of funding will acknowledge as part of the application that they understand the grant is subject to these requirements and documentation may be audited.

Applicants must provide a detailed budget that demonstrates how the grant will be used to cover costs related to the proposed program. Program collaborators must be included in the application budget, and identified for their role in the project, and status as a Community-Based Organization, non-profit, or for-profit.

Selected applicants will enter into a grant agreement with NJEDA, and funds will be disbursed according to the following schedule:

- 50 percent of the grant will be disbursed upon execution of a grant agreement between NJEDA and the selected applicant
- 25 percent of the grant will be disbursed upon the applicant's submission of the mid-program report, the exact timing to be determined based on the grantee's implementation plan and reflected in the grant agreement
- 25 percent of the grant amount will be disbursed upon the launch of the program (for applicants seeking funds for program design) or completion of the grant period, expected to be no later than two (2) years following the date of the grant agreement execution (for applicants seeking funds for program implementation)

Application Process

Applications will be accepted during a defined application window, which the Authority will make all potential applicants aware of through a Notice of Funding Availability and other information posted to the Authority's website. There will be a defined window for potential applicants to submit questions and receive answers, including if a particular organization would be considered a Community-Based Organization for the purposes of this challenge. To support collaborations, particularly with Community-Based Organizations, during the application window but with a sufficient amount of time before the window is closed, NJEDA will host an informational webinar and an optional opportunity for interested entities to complete a form indicating their interest in participating, and the types of services they are positioned to provide as part of an applicant team. All forms will be shared with all parties that submit this form by a defined date.

After the defined application window is closed, NJEDA staff will first review all proposals for completeness and compliance with required documentation. All compliant applications will be evaluated, scored, and ranked by an Evaluation Committee comprised of staff from NJEDA. Staff from The NJ Department of Labor & Workforce Development and the Office of the Secretary of Higher Education shall serve as Subject Matter Experts (SMEs) and advise the evaluation committee. During the completeness check process or during the evaluation scoring process, NJEDA staff may request clarifying information from respondents and such information must be received within a to-be-specified period of time. All complete responses will be reviewed by the Evaluation Committee.

Proposals will be evaluated based on five primary criteria:

- Program design and the ability of the initiative to meet the need of the offshore wind industry
- Ability to serve NJ's Overburdened Communities
- Ability to provide wraparound supports and affordable training
- Prior experience creating similar programs and the applicant team's capacity to implement the proposed initiative

- Justification for the proposed use of funds with a reasonable budget to implement the proposed training program.

The minimum score required to be considered for an award is 80 points, with the highest score possible being 100 points. Within the application, applicants will be required to identify which of the priority occupation groups (Appendix A) will be the focus of their initiative.

To maximize the total amount of funding allocated through this challenge, NJEDA may opt to request revisions to the proposed budgets or scopes per the following protocol: NJEDA will fully fund the top scoring proposals within the funding cap of \$3,725,000. If the next highest scoring applicant has a budget request that would exceed the funding cap, NJEDA may request that they revise their budget and/or scope to fit within the funding cap. That applicant would then have the right to decline or accept the budget revision option. If this applicant declines, NJEDA may make the same offer to the next highest scoring applicant; this process may continue until a qualifying applicant either fits within the funding cap or accepts the offer to revise its budget to fit within the funding cap. Any applicant that accepts the offer to revise its budget will have the revised application evaluated by NJEDA to determine if the revision would lower their proposal's ranking to an extent that they are no longer the next highest scoring applicant. If so, NJEDA may request additional changes to the revised scope.

Applicants whose applications are declined will have the right to appeal. All declinations based on discretionary reasons will be brought to the NJEDA board for approval.

NJEDA will be responsible for overseeing the application process, applicant selection, and the disbursement of funding to the selected entities. Upon the anticipated establishment of the Wind Institute, NJEDA expects to assign responsibility for management of this grant to the Wind Institute. The grant recipients will be accountable to NJEDA and the Wind Institute by submitting quarterly reports. The reports will detail budgetary information, progress against milestones and metrics, any emergence of challenges or impediments to the development of the program, and data on program participants (e.g., number of applicants, number of trainees, demographics of trainees, retention and employment placement, etc.). For programs that begin training participants after the final disbursement (i.e., grant funds cover program design costs, but not the training itself), grant recipients must submit, for an additional three (3) years, quarterly reports that include data on program participants.

NJEDA will engage with the grant awardees to support connections to industry and other stakeholders that can provide insights on program development, offshore wind trends, and ways to promote diverse and inclusive participation in the program. NJEDA and/or the Wind Institute, once established, will coordinate a community of practice for all grant challenge winners, whereby all awardees will be required to come together periodically to share best practices and lessons learned.

Further details on proposal requirements, scoring criteria, and disbursement structure are outlined in the attached product specifications.

Program Funding

The \$3,725,000 for this Grant Challenge will utilize funding from the Offshore Wind Sector Initiatives Memorandum of Understanding between NJEDA and NJBPU as approved by the Members on July 6, 2021, and executed on July 14, 2021, to fund the NJ Offshore Wind Workforce and Skills

Development Grant Challenge.

Recommendation

The Members are asked to approve the creation of Offshore Wind Workforce and Skills Development Grant Challenge, a competitive grant program to establish workforce and skills development programs to strengthen and diversify New Jersey’s offshore wind workforce

Tim Sullivan, CEO

Prepared by: Jen Becker

Attachments

Exhibit A – Eligible Occupation Groups for Grant Challenge

Exhibit B – NJ Offshore Wind Workforce and Skills Development Grant Challenge Program Specifications

Eligible Occupation Groups for Grant Challenge	
Occupation Groups	Occupations
Operations Specialties Managers (SOC 11-3000)	Administrative Services Managers, Industrial Production Managers, Transportation Managers, Storage Managers, and Distribution Managers, Human Resources Managers, Financial Managers, Purchasing Managers
Construction Trades Workers (SOC 47-2000)	Electricians, Construction Laborers, Operating Engineers, Structural Iron Workers, Steel Workers, Cement Masons, Concrete Finishers, Reinforcing Iron and Rebar Workers
Extraction Workers (SOC 47-5000)	Excavating and Loading Machine and Dragline Operators, Continuous Mining Machine Operators
Other Installation, Maintenance, and Repair Occupations (SOC 49-9000)	Maintenance and Repair Workers, Helpers (Installation, Maintenance, and Repair Workers), Industrial Machinery Mechanics, Riggers, Commercial Divers, Electrical Power-Line Installers and Repairers
Assemblers and Fabricators (SOC 51-2000)	Fabricators, Structural Metal Fabricators and Fitters, Engine and Machine Assemblers, Electrical, Electronic, and Electromechanical Assemblers, Excerpt Coil Winders, Tapers, Finishers, Team Assemblers
Metal Workers and Plastic Workers (SOC 51-4000)	Welders, Cutters, Solderers, Brazers, Plating Machine Setters, Operators, Metal-Refining Furnace Operators, Metal Workers and Plastic Workers, Machinists, Cutting, Punching, and Press Machine Setters
Plant and System Operators (SOC 51-8000)	Plant and System Operators, Stationary Engineers, Boiler Operators
Other Production Occupations (SOC 51-9000)	Inspectors, Testers, Sorters, Samplers, Weighers, Computer Numerically Controlled Tool Programmers, Machine Setters/Operators/ and Tenders (Crushing, Grinding, and Polishing),
Water Transportation Workers (SOC 53-5000)	Captains, Mates, Pilots, Sailors, Marine Oilers, Ship Engineers
Material Moving Workers (SOC 53-7000)	Stockers and Order Fillers, Laborers, Freight/Stock/Material Movers, Crane/Tower/Hoist and Winch Operators, Packers and Packagers

Appendix B – NJ Offshore Wind Workforce and Skills Development Grant Challenge Program Specifications

**NJ Offshore Wind Workforce and Skills Development
Grant Challenge
Proposed Program Specifications**

Funding Source	\$3,725,000 from the Offshore Wind Sector Initiatives Memorandum of Understanding between NJEDA / NJBPU dated July 21, 2021
Program Purpose	The aim of the NJ Offshore Wind Workforce and Skills Development Grant Challenge is to strengthen and diversify the New Jersey offshore wind workforce by funding innovative workforce development programs through a competitive grant challenge.
Eligible Applicants	<p>Eligible applicants include all entities that can develop and implement a workforce development program such as community-based organizations, workforce training organizations, labor unions, workforce placement intermediaries, technical high schools, community colleges, universities, nonprofit organizations, community-based organizations, regional workforce development boards, private companies, and other related entities.</p> <p>Applicants must include a Community-Based Organization⁴ partner that has demonstrated experience serving a NJ Overburdened Community as defined by NJ’s Environmental Justice Law⁵ unless the primary applicant identifies as such.</p> <p>The Primary Applicant must be in good standing with the New Jersey Department of Labor and Workforce Development (LWD) and NJ Department of Environmental Protection (DEP) to participate in the program. The primary applicant must provide a current tax clearance certificate as part of the application to demonstrate the applicant is properly registered to do business in New Jersey and in good standing with the NJ Division of Taxation.</p>
Eligible Uses	Grant to be used to support costs associated with planning and implementation of the proposed initiatives. This can include planning (e.g., staff costs for program development), soft launch (e.g., outreach and recruitment materials and related costs), capital costs (e.g., procurement, construction or renovation of program space, equipment, and material purchases), and/or implementation

⁴ For the purposes of this training challenge, a Community-Based Organization is defined as a 501(c)(3) non-profit organization that provides direct services or supports to a specific geographic NJ community(ies) or specific segments of a New Jersey community(ies). For the purposes of this Challenge, government entities, K-12 schools, and institutions of higher learning do not qualify as Community-Based Organizations..

⁵ NJ’s Environmental Justice Law, N.J.S.A 13:1D-157 defines overburdened communities as any census block group, as determined in accordance with the most recent United States Census in which: 1) at least 35 percent of the households qualify as low-income households; 2) at least 40 percent of residents identify as minority or as members of a State recognized tribal community; or 3) at least 40 percent of the households have limited English proficiency.

**NJ Offshore Wind Workforce and Skills Development
Grant Challenge
Proposed Program Specifications**

	<p>costs (e.g., instructor time, facility fees, participant equipment or materials, delivery of support services). Within the application, teams will be required to identify which of the eligible occupation groups (Appendix A) will be the focus of their initiative.</p> <p>For applicants utilizing the grant for capital costs, prior to executing the grant agreement and the start of any construction, the grantee will coordinate with NJEDA to ensure labor compliance, including compliance with prevailing wage and Affirmative Action requirements.</p>
<p style="text-align: center;">Grant Amounts</p>	<p>\$3,725,000 will be available through this grant challenge. Grants will be subject to minimum and maximum amounts of \$100,000 and \$1,000,000, respectively.</p>
<p style="text-align: center;">Scoring Criteria</p>	<p>The minimum score requirement to be considered for an award is 80 points, with the highest score possibility being 100 points. Applications to be scored by an Evaluation Committee based on the following criteria:</p> <p>Highest Score Possibility: 100 points Minimum Score Requirement: 80 points</p> <p>In general, applicants will have the opportunity to receive the points outlined below based on the following criteria:</p> <ul style="list-style-type: none"> • Compelling plan and ample evidence of ability to execute – Full Credit/Points • Moderately compelling plan and/or minimal evidence of ability to execute – Partial Credit/Points • No compelling plan and/or no evidence of ability to execute – No Credit/Points <p>Criteria 1 – Ability to meet the needs of the offshore wind</p>

**NJ Offshore Wind Workforce and Skills Development
Grant Challenge
Proposed Program Specifications**

industry (Up to 35 points)

- Details a compelling and innovative program concept that will fulfill a workforce-related need in the NJ offshore wind industry and position New Jerseyans to enter the offshore wind workforce (up to 20 points)
- Outlines a clear strategy to engage industry employers (up to 15 points)

Criteria 2 – Ability to serve NJ’s Overburdened Communities (Up to 10 points)

- Details a clear approach to recruit and serve members of overburdened communities (Up to 10 points)

Criteria 3 – Ability to provide wraparound supports and affordable training (Up to 15 points)

- Clearly defines wraparound supports that will be needed by program participants and an approach to provide these services (Up to 10 points)
- Outlines an approach to offer affordable training to participants (Up to 5 points)

Criteria 4 – Prior experience creating and ability to implement the program (Up to 30 points)

- Details a track record of related experiences operating workforce development programs, including experience recruiting, training, and/or providing services to a diverse group of participants (Up to 10 Points)
- Has a team with the qualifications and experience required to implement the program (Up to 5 Points)
- Provides a realistic implementation plan, including strategies to mitigate anticipated challenges (Up to 10 Points)
- Describes an approach to conduct ongoing program evaluation and improvement (Up to 5 Points)

Criteria 5 – Resources required (Up to 10 points)

- Clearly details a realistic budget for the program (Up to 10 Points)

**NJ Offshore Wind Workforce and Skills Development
Grant Challenge
Proposed Program Specifications**

	<p>To maximize the total amount of funding allocated through this challenge, NJEDA may request revisions to the proposed budgets or scopes of select high-scoring proposals that if awarded would bring the allocation above the funding cap. These changes may result in some applicants not receiving the full amount of their requested grant award.</p>
<p>Funding Disbursement</p>	<p>The grant will be disbursed according to the following milestones:</p> <ul style="list-style-type: none"> • 50 percent of the grant will be disbursed upon execution of a grant agreement between NJEDA and the selected applicant; • 25 percent of the grant will be disbursed upon the applicant’s submission of the mid-program report, the exact timing to be determined based on the grantee’s implementation plan and reflected in the grant agreement; and • 25 percent of the grant amount will be disbursed upon the launch of the program (for applicants seeking funds for program design) or completion of the grant period, expected to be no later than two years following the date of the grant agreement execution (for applicants seeking funds for program implementation).