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Primed to weatherize low-income homes

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Nearly a year after the federal stimulus package was enacted, New Jersey is still priming its system for pumping \$118.82 million into weatherizing the homes of low-income residents, setting off a scramble in some areas to find contractors to do the work.

At year's end, 41 homes statewide had been weatherized with stimulus money.

The Weatherization Assistance Program is ready to take off in Mercer County, which is poised to award the first contracts under the \$4 million it expects to receive.

But county officials and participants say the program has gotten off to a slow start because of delays at the state Department of Community Affairs in clarifying the requirements for contractors. Some questions have been raised about the role organized labor has played in the planning.

Although the state's construction industry continues to shed jobs, it will be a challenge to line up contractors who meet the requirements, says the Rev. Wayne Griffith, CEO of the New Jersey Community Action Association in Trenton, which helps administer the program through a network of community groups.

Generally, companies must certify that 50 percent of their workers have completed a weatherization training program in which half the participants live in an economically distressed neighborhood or are low-income residents. There are exceptions for small businesses and provisions for contractors without trained workers to meet the guidelines.

"The challenge is there are not enough contractors that are willing to participate in the program because of the requirements that they hire persons within urban areas and also the persons they hire attend a training program," Griffith said in an interview.

Griffith said contractors must be certified as responsible bidders through the National Weatherization Corp., a company which his group hired. He said their workers also must attend training programs offered through a consortium that is headed by the New Jersey Building Laborers Training and Apprenticeship Fund and includes the Black Ministers Council of New Jersey.

Griffith said his group is aggressively recruiting contractors and expressed confidence the goals would be met.

He said New Jersey has received plaudits in the past from federal authorities for its weatherization programs and that stimulus money has created the need for quick expansion.

"Now you're almost tripling that number so you have to, of course, recruit and engage contractors that can help meet that threshold," said Griffith, who participated in DCA discussions setting up the program.

Nevertheless, Griffith said "the involvement of unions in this process has slowed up the process whereas other states did not push strongly to have union involvement." He declined further comment, as did DCA.

However, David Johnson, director of the Laborers Eastern Region Organizing Fund, said the DCA took the time to fashion a program that not only will provide quality upgrades to homes but also create career paths for residents in those communities.

"We don't want to be creating low-wage, dead-end jobs," Johnson said. "That's not going to stimulate anything. I think it's a smarter move to have that process be a little slower and do it right than to rush out.

"It's creating a pipeline for folks who wouldn't ordinarily have a pipeline," he said.

Mercer County Executive Brian Hughes said "the rule-making has been a bit slow" at the state level and further delays might occur amid the change of administrations.

"Obviously, that's something the county doesn't want to see and the homeowners don't want to see," he said. "Any delay of putting people back to work is going to hurt our local economy."

Once the program gets rolling, thousands of homes are expected to be weatherized and hundreds of jobs created statewide. Average energy savings are expected to top \$400 a year per dwelling and the jobs will start at about \$17.40 an hour.

Residents whose household income meets federal guidelines are eligible to receive up to \$6,500 in weatherization services to their dwellings, which includes improved windows and insulation and new heaters. Priority will be given to elderly and disabled residents and households with children, DCA says.

The state anticipates the number of dwellings weatherized each month will top 200 by the end of the first quarter and 300 units by the end of the second quarter, said Edwin Carman, a spokesman for the DCA. By contrast, 41 units were weatherized using stimulus money through Dec. 30, although 2,193 dwellings were upgraded using other funds, Carman said in an e-mail.

So far, the focus has been on ramping up, with community weatherization agencies "acquiring additional equipment and vehicles, hiring and training personnel, and community outreach and application intake activities," Carman wrote in the e-mail.

As of early January, the state had disbursed approximately \$12.14 million of the weatherization funds to 20 agencies, he said.

Under the consortium training program, 600 people will be trained in next 18 months in 10-week programs that will include a comprehensive career-building skills, said Don Howard, director of the New Jersey Building Laborers and Apprenticeship Fund.

Trainees, who do not have to join a union, will be recruited through the state's One-Stop Career Centers and community referrals.

The training classes began last week in Bridgeton. They are scheduled to be offered in Burlington County in March and in Trenton in June.

However, Mercer County, which has been weatherizing homes for 25 years, has not had any difficulty attracting contractors, said Elizabeth Maher Muoio, director of the Office of Economic Development and Sustainability.

In fact, she said, contracts scheduled to be awarded this month have attracted more interest than usual, with five bidders for three contracts. The county expects to weatherize 600 dwellings during the next 2½ years, according to Julie Willmot, county communications director.

The county has hired a fiscal officer and a clerical assistant to oversee the program in order to comply with state guidelines. Other new staff will include three field technicians who conduct energy audits of dwellings and a community outreach officer who gathers information from eligible residents on handheld electronic devices.

Muoio praised the county communications staff for getting the word out among contractors about the program.

Martin Johnson, president and CEO of Isles Inc., said there has been frustration with delays in New Jersey's program but that "there's always a natural lag time" in expanding such efforts. The community nonprofit provides weatherization and other green jobs training and is among the bidders on the county contracts.

"There were some and continue to be some confusing requirements," Johnson said. "It took New Jersey a long time in relative terms.

"It's one thing to talk to about expanding the pipeline for weatherization around the country," he added. "What we're seeing is how the challenge of expanding these pipelines plays out in the real world."

Regardless, the future is bright for green jobs, including in the weatherization field, says Jeanne Oswald, an Isles vice president who heads the group's Center for Energy and Environmental Training.

Last year, Isles used grant funding to train 260 unemployed and underemployed residents throughout the state for entry-level jobs as energy efficiency assistants or higher-skilled positions as energy analysts. She said about one-third of those who took the courses landed jobs so far.

Isles is currently offering classes to anyone who wishes to attend. The classes cost \$1,200 or \$1,300 depending upon the course; those who pass are eligible to take a test and obtain an industry certification.

"It's a wonderful opportunity to break into a field," said Oswald, a retired executive director for the state's Commission on Higher Education.

Oswald said demand for trained workers is high not only on government-funded projects but also with utilities and private companies. She said the work is becoming more skilled, with demand growing for certified workers.

David Craig, a Trenton entrepreneur who owns Tri-City Contractor, is hoping to be among those who gain increased business from the green economy.

He has obtained training through Isles programs and is in the process of ensuring that his five employees also have the appropriate training. He plans to bid on Mercer County weatherization contracts.

Craig, who has been in business 10 years, also is spending \$7,000 on equipment to do weatherization work, which he said is a substantial outlay for his business. He expects to be able to generate enough work through public and private contracts to justify the expense.

"You want to get your investment back," Craig said. "It looks to me so far that it's going to be around for a while."

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