

ANNUAL REPORT: Fourth Report March 04, 2025

Northgate Development, LLC, pursuant to MS 2021, Minn. Laws, 1st Spec Sess, Chap 4, 4 Art, 8 Sec 30

Narrative Summary. Northgate was appropriated \$2,500,000 for capital improvements and programmatic expenditures associated with the Regional Apprenticeship Training Center (RATC) in North Minneapolis. Northgate executed a Funding Agreement with the Minnesota Department of Employment and Economic Development (DEED) on November 24, 2021. The agreement allowed for reimbursement of expenses made within the previous 60 days of contract execution.

Renovation work of training spaces funded by the state appropriation at the Regional Apprenticeship Training Center was fully completed in April 2024. Equipment was purchased and is on-site for use in training. Courses in a variety of clean energy career fields are currently being offered on a regular basis including: NABCEP Solar Associate, HVAC Tech, Building Science Principles, Hempcrete construction. The RATC is also hosting classroom and hands-on training courses for the Minnesota Energy Conservation Corps, and the Structured Pre-Apprenticeship training program for the International Brotherhood of Electrical Workers. This spring, the RATC will begin offering a custom training course in Electricity and Electronics that will award four college credits to successful trainees from Hennepin Technical College.

Minneapolis Climate Action (MCA), a local non-profit, continues to serve as the master tenant for the RATC's shared training spaces and also coordinates and develops new training partnerships for programs offered at the RATC.

I. Annual Expenditures

The total appropriation, after transfer of the \$125,000 fee to DEED, was \$2,375,000. A total of \$2,187,725 in appropriated funds was reimbursed by DEED to Northgate and the grant was closed out with DEED on July 24, 2024. A balance of \$187,275 was retained by the state for expenses in direct training that were not incurred and requested for reimbursement. No further compliance action or reporting was required as a condition of that close-out report.

II. Number of Participants

Delays in completing the space renovations resulted in program partners offering only limited training courses to cohorts that used temporary facilities at the RATC for the first two years of the appropriation cycle. As of the end of the grant period, a total of 140 individuals had been entered into the WorkforceOne data system. However, training programs have since ramped up and have trained more than the 200 participants originally set as a target for training, albeit some of them after the June 30, 2024 official end of the grant. The physical space and programmatic capacity for training that was supported by the state appropriation continues to be available to the region and

program managers expect the program to train at least 300 individuals a year for the foreseeable future in a range of Clean Energy and Climate Economy career fields. As part of an initiative with Bush Foundation, the RATC program overall has created a “developmental” evaluation model that tracks data and metrics and also allows for ongoing learning and adaptation from the operation of programs over time.

In addition to the federal earmark appropriation of \$1,000,000 received in 2023, RATC was awarded funding from US Bank and multi-year funding from Bush Foundation that has a goal of training 1,500 individuals by 2029. This year, Bush funding is supporting the engagement of an estimated 4,000 employers in Minnesota that offer some form of energy efficiency and Building Science goods and services. More than 80% of these employers are small with fewer than 20 employees and recent surveys have found that more than 80% are having a very difficult or somewhat difficult time finding employees with the necessary skills.

Demographics: The demographics of trainees continue to be mostly from low-income households and BIPOC residents, comprising more than 80% of program participants, and primarily in the 18-30 year old age groups.

Trainees have been exited into three primary pathways: direct employment with an energy services employer, referral to a registered apprenticeship program in an energy-related field including the IBEW electrical apprenticeships, or registration in a post-secondary degree program in an energy-related field. Most trainees have also been offered paid, on-the-job training in addition to classroom and hands-on training at the RATC. Trainees with incomes below 200% of federal poverty guidelines are eligible for support services and vouchers for gas or transit use. All participants in day-long programs receive a free lunch.

With the foundations built with the support of the state appropriation, Northgate and its partners have developed a regional asset for training in fast-growing and well-paying career fields. These trained workers will help support the state’s aggressive goals for climate action and the transition to non-carbon sources of energy. By focusing training efforts on under-served populations, the RATC is also a powerful tool for addressing racial disparities in educational attainment and household incomes.

Submitted by:

Michael Krause
Renewable Energy Partners, Inc.
Michaelkrause61@yahoo.com
612-229-7702