

Regional Building Decarbonization Oversight Committee

Meeting date: February 14, 2025

Agenda Item #: 6 (Attachment C)

Workforce and industry development programs

Agenda item type: Discussion

Summary

Overview of the building decarbonization program's workforce and industry development programs.

Background

The programs within this historic building decarbonization initiative have exposed issues regarding the supply and labor shortage across the region. None of the proposed initiatives within Decarbonize DRCOG will be possible without an HVAC industry equipped with the skills, interest, and capacity to install and maintain this equipment. Despite recent rollouts of robust incentives for heat pumps, only about 10% of Colorado's HVAC industry regularly installs this technology. Regional program leaders and utility professionals routinely engage with HVAC contractors to better understand why there hasn't been more adoption of heat pump technology as a best business practice. Responses vary, but the most common reasons include "It's too complicated to go through all the different rebate applications", "heat pumps don't work in cold climates" (not true) and "I don't have the staff to keep up with the demand".

Through the Decarbonize DRCOG grant, DRCOG will establish a new platform that will prioritize the needs of the HVAC contractor industry through the design and implementation of a \$4.5 million Contractor Navigation Hub (CNH). This Hub will act as a regional 'one-stop shop' that ultimately will make the business of installing heat pumps *easier* for the contractor. This tool will take the form of a web portal that lives on the greater Decarbonize DRCOG website. The Contractor Navigation Hub will house a variety of third-party resources and organizations that help contractors better install heat pumps. The vendor will also be tasked to design a *Business Scaling Program* to help small HVAC businesses in the DRCOG region grow and scale their operations by taking advantage of the heat pump revolution as early adopters. Finally, the Hub will offer hands-on assistance through a team of "Contractor Navigation Agents" that will offer to handle *all* the paperwork, rebate applications, and administrative burden that traditionally has fallen on the shoulders of the contractor. This pain point is especially burdensome for small business owners, who do not yet have the scale to hire an administrative office team to handle this side of the business. These agents will give industry contractors back their most valuable asset: time. Time to install more heat pumps, attend industry training, and grow their business by hiring more technicians. The Contractor Navigation Hub will serve over 1,000 contractors via these services throughout the duration of the grant.

The remaining two programs that DRCOG will be establishing through this grant will address the overall labor gap in the HVAC and building decarbonization industry. How do we get more individuals to enter the trades? What are the barriers preventing certain demographics from



pursuing these careers? These are questions DRCOG’s workforce working group has discussed over the last year. The solution: Green Workforce Hubs. This \$5.2M program will establish three workforce centers across the DRCOG region that connect new workers to apprenticeships and careers in building decarbonization industries (HVAC, energy efficiency, electrical, pipefitting, plumbing). When someone enters a Green Workforce Hub looking for a job, they will be able to sit down with a “Green Career Navigator” and discuss their options. Programming will be available for any jobseeker for one year. These robust services include case management, generous funding for wraparound services (work tools, cost of trainings, childcare, transportation vouchers), and one-on-one coaching with their career navigator to connect them to a fulfilling career path in the decarbonization trades.

Finally, but perhaps most importantly, we take a hard look at the demographics and representation within the building decarbonization trades. Labor data tells us that the general makeup of the trades in Colorado is predominantly white males over the age of 45. To diversify representation in these trades, DRCOG is proposing three customized training programs that are specifically designed for underserved communities. The three demographics identified by the DRCOG working groups are the youth (ages 18-24), multicultural communities (English as a second language), and those who have been impacted by the criminal justice system. Since these training courses will be focused on representation gaps, economic growth and access, they will be called *Growth Access Programs (or GAPS for short)*. Together, these custom heat pump training programs will provide more access to rewarding careers to those who have historically been overlooked. Together, the Green Workforce Hubs and the Growth Access Programs will serve over 3,800 individuals throughout the course of the grant. This injection of local talent across the DRCOG region will boost local economies and provide residents with careers that subsequently are improving local air quality for communities.

Previous discussion/action

None

Recommendation

None

Attachment

Staff presentation

For more information

If you need additional information, please contact Clay McCombe, Program Manager, Workforce and Industry Development, at cmccombe@drcog.org.





Overview of the workforce and industry development programs

Regional building decarbonization oversight committee - Feb 14, 2025



The problem

We have a skills gap & a labor gap in the heating, ventilation, and air conditioning (HVAC) industry.

Skills gap: only 10% of Denver's HVAC Industry is trained to properly install cold-climate heat pumps.

Labor gap: we simply don't have enough workers in the trades.





How we are going to solve the problem

- Make heat pumps easy, simple, and ‘business-as-usual’ for industry.
- Green workforce centers across the region to fill labor gap.
- Targeted outreach to underrepresented populations.



Workforce & Industry Development Programs

Contractor navigation hub (\$4.5M)

- One-stop-shop that connects HVAC contractors to *free* resources.
- Services include:
 - Training on heat pumps
 - Sales and customer service
 - Rebate guidance
 - Project management
 - Building codes and permitting
 - *...and more!*



**Serve 1,000
contractors**



Services for industry

- Online web platform
 - Connects contractor industry with helpful resources.
 - Tools include financing, rebate guidance, sales trainings, and more.
 - Must register with Decarbonize DRCOG program to access.



Services for industry

- Establish a small business scaling program
 - 6-month training course.
 - Small cohort sizes (6-10).
 - Experienced mentor assigned to each participant.
 - Graduates can scale their businesses & install more heat pumps!

Services for industry

- Live “heat pump agents”
 - Contractors can access *free* assistance on projects.
 - Relieving contractors of administrative burden.
 - Step-by-step guidance for “new to heat pump” contractors.



Services for industry

- Master training calendar.
 - Contractors are often unaware of all the different trainings on heat pumps across the region.
 - A live calendar that has all trainings and links in one location.
 - The goal is to train 100% of the HVAC workforce on heat pumps.



Green workforce hubs (\$5.2M)

- Three workforce centers across DRCOG region.
- ‘Green career navigators’
 - Run the day-to-day.
 - Connect jobseekers to trainings and career opportunities.
- Wraparound services
 - Childcare, transportation, tools, training costs.



**3,800 individuals
added to the
workforce.**

Growth access programs (GAPs) (\$2.8M)

- Three pilot programs.
- Custom trainings for entry level HVAC positions.
- Each program focuses on a demographic that is under-represented in the HVAC industry.

**Justice-
impacted
program**

**Multicultural
program**

**Youth
program**



Oversight Committee's Role Workforce & Industry

Support and feedback

- **Advise on partnerships** with educational institutions, labor organizations, and industry stakeholders.
- **Assess effectiveness** of workforce initiatives and recommend adjustments based on performance data.
- **Identify challenges** and suggest solutions to address labor shortages or skills gaps.
- **Recommend equity-focused strategies** to ensure diverse participation in the program's opportunities.