

## **Making Opportunity Real**

By Mara Eala and Sarah McMillan

For far too long, communities like Birmingham, Alabama have been victim to widespread disinvestment. We believe the only way to fight back is to actively and relentlessly reinvest in the residents of these communities.

Now, thanks to a proactive approach to seeking more funding and forming broad coalitions – most recently in service of winning a \$20 million federal grant – Birmingham is becoming a place to reinvest, especially for its most historically underserved communities. It is becoming a City – as Birmingham Mayor Randall Woodfin often says – that "puts people first."

Last month, Birmingham was one of six winners nationwide in an incredibly competitive grant program offered by the U.S. Department of Commerce. The funding through the <u>Distressed Area Recompete Pilot Program</u>, or Recompete, is intended to "to create renewed economic opportunity in communities that have for too long been forgotten." The unprecedented number of applications (565) from around the United States shows just how many communities are in dire need of assistance for greater economic revitalization.

For its application, the City of Birmingham partnered with the <u>Community Funding Accelerator</u> (CFA), which provides pro bono technical assistance so underserved communities can access federal grants. With CFA's encouragement, Birmingham made a strategic choice: even though the grant application did not require prioritizing education, the City chose to expand programming for K-12 students.

By design, Recompete sought applications from communities where prime-age (25-54 years) employment levels lag behind the national average. CFA emphasizes the importance of building comprehensive workforce pathways that include K-12 education, and Mayor Woodfin's administration prioritizes both K-12 education and workforce development. As a result, City officials chose to extend the focus age of its proposal downward, including not just working-age adults in Central and North Birmingham but also high school and even middle school students. The result is a comprehensive approach that creates a true talent pipeline and offers a blueprint to communities around the country.

After all, much of what ails Birmingham, where more than two-thirds of residents are Black, ails the nation. Redlining, for instance, afflicted cities from coast to coast, but nearly 100 years ago Birmingham was the <u>second-most redlined city in the country</u>, and the impact is still felt in some neighborhoods to this day. The economic inequities that animated the civil rights movement still linger, with the unemployment rate of Black residents in Birmingham (10.4%) nearly three times that for white residents (3.7%).



When it comes to education, the performance gap between Black students and white students in Alabama is stark – 27 points in both <u>reading</u> and <u>math</u> – and the divide hasn't significantly changed in the last 25 years. For higher education, the gap between the City's Black and white residents in earning a bachelor's degree is nearly three times (2.7x) the national level.

Building a student-centered strategy amidst these factors may seem Sisyphean. Why would we choose to partner on pursuing a major federal grant and then premise our application on such an underserved area?

Precisely because it's such an underserved area.

Any long-term community revitalization that is going to happen in neighborhoods like North Birmingham, Northside, Pratt, and Smithfield – or in any neighborhood nationwide – is going to rely on the abilities of the next generation. Tax credits may attract businesses, but they don't prepare workers. Redevelopment may bring in tax revenue, but it can lead to harmful gentrification and displacement. Focusing economic development on the workforce readiness of current middle and high school students is the best path to sustainable, equitable, long-term growth.

In Birmingham, that looks like dramatically increasing the number of students participating in work-based learning, pre-apprenticeship, and apprenticeship opportunities. For example, instead of four Jackson-Olin students doing an internship each year through a <u>community partner</u>, Birmingham's application paves the way for 60 students a year. Instead of no students attending a modern manufacturing program led by a <u>local nonprofit</u>, 300 students would participate each year.

By starting young and starting small, Birmingham will steadily prepare the next generation for good jobs. There is a great deal of momentum to build on. For example, CNBC <u>recently named Alabama</u> "America's Most Improved State for Business in 2024," and Governor Ivey set a statewide goal of adding 500,000 highly skilled individuals to Alabama's workforce by 2025.

What Birmingham was will not dictate what Birmingham will be. The city's strategy of centering K-12 education in its workforce readiness approach was a winning strategy for a \$20 million federal grant and offers lessons for communities across the country.

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