



Department of Administration
Office of Equity and Inclusion

Cavalier Johnson
Mayor

Preston Cole
Director of Administration

Bernadette Karanja
Chief Equity Officer

December 9, 2024

GenCap KG North Ave 50, LLC
6938 North Santa Monica Blvd
Fox Point, WI 53217

Re: Project – Riverwest Apartments and Food Accelerator

Dear Sir / Madam:

This letter is to inform you that the City of Milwaukee Office of Equity and Inclusion (OEI) finds the Riverwest Apartments and Food Accelerator project to either currently be or in danger of becoming noncompliant with the Human Resources Agreement and [City Ordinance 355 – Community Participation in Development Agreements](#) as it relates to the following:

- I. Residents Preference Program (RPP) inclusion – Per the Human Resources Agreement and City Ordinance 355-7-2-a, the Developer shall utilize unemployed or underemployed residents for no less than 40 percent of the total worker hours expended on Construction. The project's reported RPP as of Q3 2024 is 12 percent.
- II. Professional Services Small Business Enterprise (SBE) participation – Per the Human Resources Agreement and City Ordinance 355-13-4-a-3, Developer shall utilize SBE for no less than 18 percent of total project costs for the purchase of professional services. The project's reported Professional Services SBE participation as of Q3 2024 is 11 percent.
- III. OEI has not yet received the Construction Budget-Categories of Work, nor the Professional Services Budget-Categories of Work.

Compliance with the Human Resources Agreement and its stated workforce inclusion goals is a requirement for developers under a Human Resources Agreement.

Please comply with the bulleted items in this letter by submitting the required items and a detailed plan for coming into compliance with the inclusion requirements to Mary Reed, Contract Compliance Office at mareed@milwaukee.gov by December 27, 2024. Improvements in the areas of RPP and Professional Services SBE should be evident and documented by the Q1 2025 quarterly

report for this project. Failure to do so may be considered further noncompliance and potential default under the Human Resources Agreement.

You may contact me with any questions at 414-286-8749.

Sincerely,

Mary Reed, Contract Compliance Officer

Enclosures: Riverwest Apartments and Food Accelerator executed Human Resources Agreement

cc: Department of City Development
Bernadette Karanja, Chief Equity Officer
Maria Rodriguez, RPP Business Analyst