



CROSS MANAGEMENT SERVICES, INC.

March 20, 2009

Finance & Personnel Committee Members
200 East Wells Street
Milwaukee, WI 53202

Re: File #80218

Dear Committee Members:

My firm, Cross Management Services, Inc., has been hired by developers or contractors to coordinate the EBE and RPP requirements placed on their development projects. While projects have successfully met the EBE goals, meeting the RPP goals is a continual struggle. Increasing the RPP area to the City of Milwaukee will assist. Unfortunately, the percentage of construction workers that are residents of the City of Milwaukee still create a challenge for meeting the new 40% RPP goal.

The table below shows the percentage of city residents and city resident hours performed on six development projects. City residents make up 40% of the workers on only one project. Please note that these are city residents, not RPP certified residents.

City Workforce
City of Milwaukee TIF Projects
2006 - 2008

Projects	City Residents*	Non-City Residents	Total Workers	% City Residents	City Residents Hours	Non-City Residents Hours	Total Hours	% City Residents Hours
Direct Supply	56	157	213	26%	10,943.75	22,449.50	33,393.25	33%
Harley-Davidson Museum	433	1,036	1,469	29%	93,552.12	219,464.50	313,016.62	30%
RiverBend - Manpower	176	541	717	25%	46,424.25	104,248.50	150,672.75	31%
RiverBend - Parking Garage	84	270	354	24%	10,124.75	29,609.25	39,734.00	25%
RiverBend - Tenant Interiors	62	155	217	29%	13,433.00	22,396.75	35,829.75	37%
The North End - Public Infrastructure	58	71	129	45%	8,121.25	3,856.00	11,977.25	68%
Total	869	2,230	3,099	28%	182,599	402,024.50	584,623.62	31%

Source: Payroll reports submitted by contractors performing work on development projects subject to RPP requirements.

*Actual number of workers, not FTE.

March 20, 2009

Meeting the new RPP requirement will require an increase in the number of City of Milwaukee residents employed in the construction industry. While this creates opportunities for city residents, a construction project cannot be successful if 40% of the workforce is unskilled. So, we must increase the number of experienced or skilled workers that are RPP certified. In the short term, this may be achieved if all trade unions or non-union contractors require any City of Milwaukee member or employee laid off for at least 30 days become certified as RPP.

The new apprenticeship requirement creates additional opportunities for city residents, but there is a shortage of individuals seeking apprenticeships in the MEP trades. So again, we lack the RPP apprentices within those trades.

The successful implementation of these provisions will require participation from all segment of our community working together. Developers creating projects. The City providing gap financing. Contractors hiring city residents. City residents acquiring the knowledge and skills to contribute to the construction of a project.

Thank you.

Carla Y. Cross
President