



# Welford Sanders Historic Lofts

**PARTICIPATION PERFORMANCE REPORT  
THROUGH JUNE 2017**

# TABLE OF CONTENTS

2	EXECUTIVE SUMMARY
3	INTRODUCTION
4	PUBLIC OUTREACH
5 - 6	PROFESSIONAL SERVICES
7 - 9	CONSTRUCTION SERVICES
10 - 14	RPP PARTICIPATION

## EXECUTIVE SUMMARY

Wisconsin Redevelopment, LLC, and the non-profit Martin Luther King Economic Development Corporation (MLKEDC) are partnering to convert the former Milwaukee Enterprise Center into the Welford Sanders Historic Lofts, a new office and apartment complex in the heart of Milwaukee's central city.

The project team includes general contractor Catalyst Construction, architectural firms Continuum Architects and American Design and business and workforce monitor Prism Technical.

The project has committed to utilizing City of Milwaukee Residents Preference Program (RPP) workers for 40% of its onsite workforce hours, 25% of its applicable construction spending with Small Business Enterprise (SBE) contractors, and 18% of its applicable Professional Services spending with SBEs.

RPP workers have performed 43.1% of the construction hours on the project through the end of June 2017, exceeding the required 40% participation target.

SBE Construction contractors have been awarded \$4,091,030 in contracts and commitments, or 37.6% of the value of applicable construction services through the end of June 2017, exceeding the required 25% participation target.

SBE Professional Service firms have been awarded \$580,200 in contracts and commitments, or 67.2% of the value of applicable Professional Services through the end of June 2017, exceeding the required 18% participation target.



## INTRODUCTION

The transformation of the Milwaukee Enterprise Center into the Welford Sanders Historic Lofts is a dynamic renovation of the largest structure in this King Drive neighborhood.

It honors Welford Sanders, late Executive Director of the Martin Luther King Economic Development Corporation (MLKEDC), who was instrumental in revitalizing Milwaukee's Martin Luther King Drive Corridor.

The project includes 40,000 square feet of office space for community service agencies and businesses and 59 affordable housing units. The refurbished office space will open in June with the affordable apartments opening in spring of 2018.

Wisconsin Redevelopment, LLC and MLKEDC are spearheading the development of the Welford Sanders Historic Lofts with support from the City of Milwaukee and a variety of state of Wisconsin agencies including WHEDA.

The first phase involves office space on the building's eastern portion. The upgraded space will include the building's original skylights, hardwood flooring, and exposed brick work.

The building will retain most of its current office tenants, which include organizations that work on finding jobs and eliminating barriers to employment.

The conversion of the western portion will create loft style apartments that will be leased at below-market rent to people earning no more than 60% of the area's median income. There will be a common classroom for all tenants supported by Associated Bank. It will include many exceptional amenities including a community room for residents, a common courtyard and underground parking.

The outdoor courtyard will include a statue of Welford Sanders. The building will also include classroom space for the Associates in Commercial Real Estate (ACRE) Program, building and commercial tenants operated by LISC Milwaukee, Marquette University Center for Real Estate, University of Wisconsin - Milwaukee, and the Milwaukee School of Engineering, and financially supported by Associated Bank. Seven ACRE graduates are directly and indirectly involved in the development.

# PUBLIC OUTREACH

## Ribbon Cutting and Ground Breaking Event on June 19, 2017

Governor Scott Walker, Mayor Tom Barrett and many members of the community attended The Welford Sanders Historic Lofts ("WSL" or "Lofts") ribbon cutting and ground-breaking ceremony on June 19, 2017. Hundreds of contractors and community members celebrated the transformative project in the Martin Luther King neighborhood.

Governor Walker and Mayor Barrett spoke, as did Todd Hutchison and Bob Lemke of Wisconsin Redevelopment, LLC. Louis Thomas, a participant in the Residents Preference Program (RPP)<sup>1</sup>, spoke of his involvement in The Joseph Project.<sup>2</sup> Dawn Sanders, daughter of Welford Sanders, also spoke of her father's dedication to his work and the community.

The ribbon cutting commemorated the completion of the commercial space for the Lofts. Executive Director of Alma Center, Terri Strodthoff, spoke in appreciation of their new office space in the building.

The groundbreaking ceremony began the construction of the residential space in WSL.

Photos from Ribbon Cutting and Ground-Breaking Event

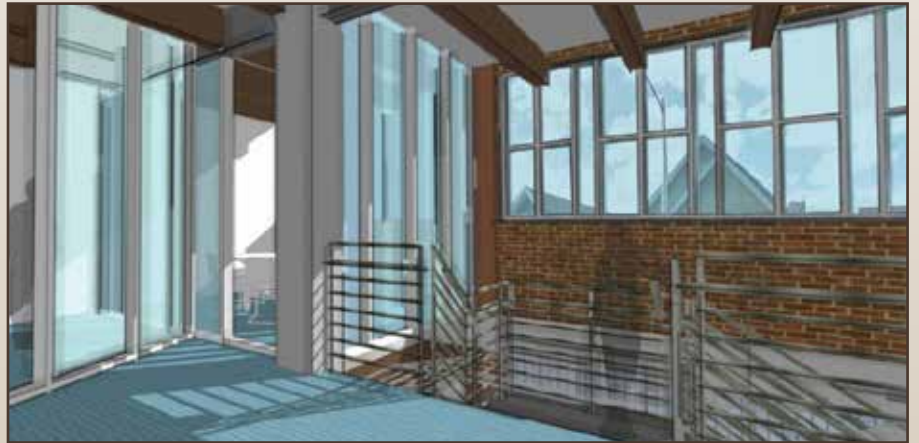


<sup>1</sup> The RPP certification is designed to promote the use of city residents as part of a contractor's or developer's workforce on certain city-funded construction and private development projects.

<sup>2</sup> The Joseph Project provides classes to help applicants prepare to land jobs, build careers and better lives for their families.

# Professional Services - SBE Participation

The projected professional services budget is \$863,502 with professional services SBEs currently holding \$580,200 of the contract value, or 67.2%. Through the end of June 2017, SBEs were paid \$395,057 of the \$596,988 paid out in expenditures, or 66.2%. In June the office portion of the development received occupancy and now 100% of the available space is lease to job training agencies and agencies that address barriers to employment.

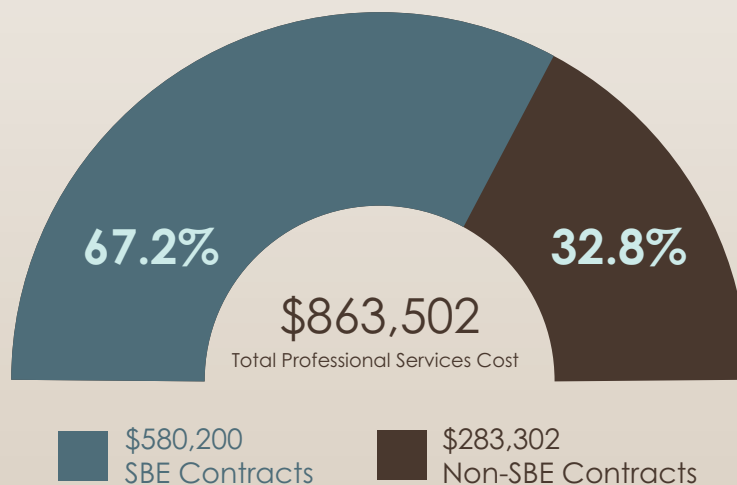


# Professional Services - SBE Participation

TABLE 1 - PROFESSIONAL SERVICES THROUGH JUNE 30, 2017

Targeted Business Name	Trade/Description of Work	Awarded Contract Value	Paid To Date	Paid % of Contract Through June 2017
American Design, Inc.	Architect Design	\$ 30,000	\$ 30,000	100.0%
Continuum Architects & Planners, S.C.	Architect Design	\$ 176,500	\$ 86,850	49.2%
Continuum Architects & Planners, S.C.	Historic Consulting	\$ 70,000	\$ 65,000	92.9%
Continuum Architects & Planners, S.C.	Survey, Plan Review	\$ 75,000	\$ 70,000	93.3%
Continuum Architects & Planners, S.C.	Engineering Costs	\$ 68,750	\$ 62,183	90.4%
Prism Technical Management & Marketing Services, LLC	Inclusion Monitors	\$ 94,000	\$ 17,348	18.5%
Quorum Architects, Inc.	Architect Survey/Engineering	\$ 65,950	\$ 63,676	96.6%
<b>TOTAL</b>		<b>\$ 580,200</b>	<b>\$ 395,057</b>	<b>68.1%</b>
<b>SBE Contract Percentage</b>				<b>67.2%</b>
<b>SBE Payment Percentage</b>				<b>66.2%</b>
<b>Total Adjusted Professional Services Cost</b>				<b>\$ 863,502</b>
<b>Total Expenditures on the Project</b>				<b>\$ 596,988</b>

## PROFESSIONAL SERVICES CONTRACTS



## Construction Services - SBE Participation

The projected adjusted construction budget is \$10,870,747 with construction SBEs currently holding \$4,199,436 of the contract value, or 38.6%. Through the end of June 2017, SBEs were paid \$1,313,712 of the \$4,946,957 paid out in expenditures, or 26.6%.



Worker pouring concrete.



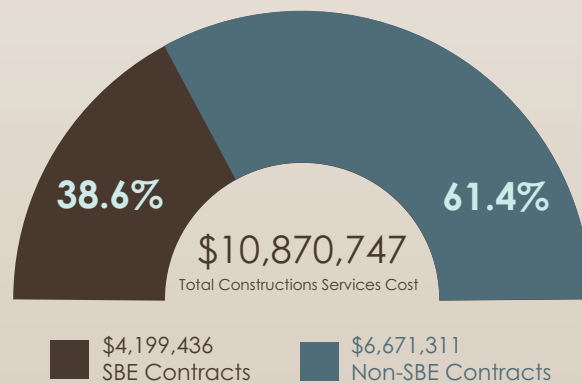
Worker removing debris.

# Construction Services - SBE Participation

TABLE 2 - CONSTRUCTION SERVICES THROUGH June 30, 2017

Targeted Business Name	Subcontractor to	Trade/Description of Work	Awarded Contract Value	Paid To Date	Paid % of Contract Through June 2017
Arteaga Construction, Inc.	Catalyst Construction	HVAC/ Masonry	\$ 1,025,919	\$ 229,979	22.4%
Arteaga Construction, Inc.	Catalyst Construction	Masonry	\$ 246,000	\$ -	0.0%
Byco, Inc.	Catalyst Construction	Ceramic Tile & Flooring	\$ 235,282	\$ -	0.0%
Hernandez Roofing, LLC	Catalyst Construction	Roofing	\$ 389,416	\$ 300,587	77.2%
LF Green Development, LLC	Catalyst Construction	Demolition Labor	\$ 108,406	\$ 108,406	100.0%
LF Green Development, LLC	Integrity Environmental Services	Demolition Labor	\$ 150,570	\$ 106,292	70.6%
Rams Contracing, LTD	Catalyst Construction	Demolition	\$ 130,000	\$ -	0.0%
Rams Contracing, LTD	Integrity Environmental Services		\$ 110,000	\$ 65,549	59.6%
Superior & Reliable Builders, LLC	Catalyst Construction	Rough & Finish Carpentry	\$ 391,001	\$ 65,554	16.8%
Superior & Reliable Builders, LLC	Catalyst Construction	Steel Studs, Insulation & Drywall	\$ 1,412,842	\$ 437,344	31.0%
<b>TOTAL</b>			<b>\$ 4,199,436</b>	<b>\$ 1,313,712</b>	<b>31.3%</b>
<b>SBE Contract Percentage</b>					<b>38.6%</b>
<b>SBE Payment Percentage</b>					<b>26.6%</b>
<b>Total Adjusted Construction Cost</b>					<b>\$ 10,870,747</b>
<b>Total Expenditures on the Project</b>					<b>\$ 4,946,957</b>

## CONSTRUCTION SERVICES CONTRACTS





## BUSINESS PROFILE: LF GREEN DEVELOPMENT LLC

Beginning in 2008, LF Green Development, LLC has provided environmental consulting not only in Wisconsin but in Illinois, Minnesota and Michigan. Among LF Green's employees are scientists, inspectors and supervisors.

***"Any chance we have to work on or be involved in a project that is a redevelopment of an underutilized, underused or groundfilled property is very rewarding."***

Being a professional geologist and hydrogeologist by trade, Linda Fellenz has great insight on pre-demolition inspections for hazardous materials. Redevelopment projects like the Welford Sanders Historic Lofts project are a big focus point for the company. "Any chance we have to work on or be involved in a project that is a redevelopment of underutilized, underused or a groundfilled property is very rewarding." They began working onsite in late 2016.

Linda enjoys the flexibility that her job provides, as she is also the director of marketing for a local festival in Burlington, WI. In the future, Fellenz hopes to focus more on working with small businesses as well as women owned businesses to expand her company on a federal level.



## RPP Participation Hours

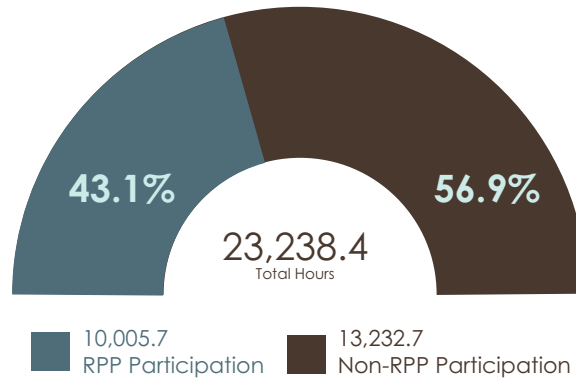
Through June 30, 2017, a total of 23,238.4 construction hours were worked on the project. Of those hours, 10,005.7 or 43.1% were worked by workers certified through the Residents Preference Program.

**TABLE 3 - RPP PARTICIPATION THROUGH JUNE 30, 2017**

Contractor	Subcontractor to	Service Performed	Workforce Hours	RPP Hours	RPP %
Arteaga Construction, Inc.	Catalyst Construction	HVAC/Masonry	1,788.0	872.5	48.8%
Badger Railing, Inc.	Catalyst Construction	Structural Steel	39.9	12.4	31.1%
Blair Fire Protection, LLC	Catalyst Construction	Fire Protection	599.5	234.0	39.0%
Byco, Inc.	Catalyst Construction	Ceramic Tile & Flooring	373.5	0.0	0.0%
Current Electric Co.	Catalyst Construction	Electric	1,264.1	336.3	26.6%
DV Services, LLC	Catalyst Construction	Painting	897.0	565.0	63.0%
Hernandez Roofing, LLC	Catalyst Construction	Roofing	1,335.5	358.0	26.8%
Horner Plumbing Co., Inc.	Catalyst Construction	Plumbing	798.5	332.0	41.6%
Integrity Environmental Services, Inc.	Catalyst Construction	Selective Demolition	4,533.0	2,216.5	48.9%
LF Green Development, LLC	Integrity Environmental Services, Inc.	Demolition Labor	3,750.5	2,941.5	78.4%
Mindful Staffing Solutions, LLC	Hernandez Roofing, LLC	Workforce Staffing	222.3	0.0	0.0%
Mindful Staffing Solutions, LLC	Integrity Environmental Services, Inc.	Workforce Staffing	333.1	0.0	0.0%
Sandmasters, Inc.	Catalyst Construction	Wood Flooring	596.3	34.5	5.8%
SELAROM Construction, LLC	Catalyst Construction	Rough Carpentry	2,024.0	1,446.5	71.5%
Storm Guard Restoration of Southeastern Wisconsin	Superior & Reliable Builders, LLC	Labor	1,114.5	0.0	0.0%
Superior & Reliable Builders, LLC	Catalyst Construction	Carpentry (Finish & Blocking)	2,882.8	180.5	6.3%
Tambo Rojo, LLC	Superior & Reliable Builders, LLC	Carpentry	503.0	476.0	94.6%
Trillium Staffing Solutions	Current Electric Co.	Workforce Staffing	183.0	0.0	0.0%
<b>TOTAL WORKFORCE HOURS</b>			<b>23,238.4</b>	<b>10,005.7</b>	<b>43.1%</b>
<b>CITY OF MILWAUKEE RPP PERCENTAGE REQUIREMENT</b>			<b>40.0%</b>		

# RPP Participation Hours

## WORKFORCE TOTAL HOURS



Worker finishing drywall.



Prism workforce monitor conducting living wage interviews.



Worker preparing window installation.

# RPP Participation Hours

TABLE 4 - RPP PARTICIPATION BY TRADE & ZIP CODE

Trade	Number of Workers	Zip Code	Total RPP Hours through 06/30/17
Acoustic Ceiling Tile Installer (2)	2	53204	254.8
Carpenter	1	53215	684.5
Drywall Taper (2)	1	53204	320.0
	1	53215	156.0
Electrician (2)	1	53204	124.9
	1	53211	137.1
Fire Sprinkler	1	53220	234.0
General Laborer (37)	10	53204	2126.0
	1	53205	62.0
	1	53207	11.0
	2	53212	168.6
	4	53214	336.0
	14	53215	1990.5
	2	53218	831.0
	1	53221	21.5
	2	53224	575.0
Painter (7)	1	53204	78.0
	2	53212	106.0
	3	53215	318.0
	1	53216	16.0

Continued on page 13

# RPP Participation Hours

TABLE 4 - RPP PARTICIPATION BY TRADE & ZIP CODE (CONTINUED)

Trade	Number of Workers	Zip Code	Total RPP Hours through 06/30/17
Plumber (2)	1	53206	14.0
	1	53221	256.0
Roofer (2)	1	53204	181.0
	1	53215	177.0
Sheet Metal Worker (2)	1	53215	455.5
	1	53216	371.0
<b>Totals</b>	<b>58</b>		<b>10,005.4</b>



Workers removing asbestos.



## Like Father, Like Son

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First year apprentice Israel Cortez began working on the Welford Sanders Lofts project in March of 2017. He enjoys working for SELAROM Construction, LLC while training to become a carpenter. "Every day is different here," says Cortez. "One day I dug up a trench; today I am putting up rails and covering floors. It's pretty nice."

***"I can do my own work in my own house now. I know how to do a lot of things now that I wouldn't have thought of doing before I entered construction." - Israel Cortez.***

Prior to being an apprentice, Cortez was a dishwasher at a local restaurant. With his father being a contractor, it was almost inevitable for him to join the construction field. "I can do my own work in my own house now. I know how to do a lot of things now that I wouldn't have thought of doing before I entered construction," says Cortez.