



Metropolitan Milwaukee  
Association of Commerce

**DATE:** MARCH 2, 2009  
**TO:** COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE  
**FROM:** TIM SHEEHY, PRESIDENT  
**RE:** COMMUNITY PARTICIPATION ORDINANCE

On behalf of the Metropolitan Milwaukee Association of Commerce (MMAC) I would like to express our concern over the proposed Community Participation Ordinance (CPO). While the goals of this proposed ordinance are commendable, we believe that provisions in the ordinance actually work in conflict with those goals and will place Milwaukee business and workers at a competitive disadvantage in an increasingly competitive economic atmosphere.

We agree that getting the almost 90,000 residents in the city of Milwaukee over the age of 25 who do not have a high-school degree the education, training, and skills to participate in a meaningful way in our economy is an imperative for raising their quality of life. As the supporting information for this proposed ordinance notes, it is also of significant value in improving the city's fiscal position, and our overall per capita income.

In or outside this challenging economic environment, however, development projects in the city of Milwaukee will compete for capital with projects throughout the region, state, and other markets in the U.S. Two provisions in the proposed ordinance will work against the goal of growing employment for disadvantaged or unskilled workers, while attracting more capital to projects in the city. The combination of requiring a prevailing wage mandate and 40% participation by "unemployed residents or residents at a disadvantage" serve to both drive up the cost of development projects, while driving down the ability to manage a project's risk.

The goal of leveraging city support for a project by improving the skills and work experience of its residents is sound. Its application in this proposed ordinance is at best impractical, and more likely to work against the outcome of a better trained and skilled constituency by reducing the flow of investment into city projects. This proposed ordinance would turn investors and developers into instant job training programs as a requirement for doing business in the city. While development projects utilizing city financing can and should serve as tools for developing a better skilled and trained population, this proposal far overreaches what is practical or even feasible in a project.

We are sure you hear specific examples related to the improbable challenge of financing and constructing a project with 40% of the workforce untrained and unskilled for the job requirements in a given project. A more sensible solution would lie with requiring a portion of the city/private sector financing package be set aside with the city's Workforce Investment Board to actually put in place some "employment skills" necessary to work on these projects their by building the pool of capable city residents.

Thank you for your thoughtful attention to these concerns. I urge you to help support Milwaukee jobs and small businesses by opposing this ordinance as currently drafted.

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