

Department of Administration Office of Equity and Inclusion Cavalier Johnson Mayor

Preston Cole Director of Administration

Bernadette Karanja Chief Equity Officer

December 9, 2024

Five Points MLKEDC LLC 2745 N Martin Luther King Dr Ste 200 Milwaukee, WI 53212

Re: Project – Five Points

Dear Sir / Madam:

This letter is to inform you that the City of Milwaukee Office of Equity and Inclusion (OEI) finds the Five Points project to either currently be or in danger of becoming noncompliant with the Human Resources Agreement and <u>City Ordinance 355 – Community Participation in Development</u> <u>Agreements</u> as it relates to the following:

- Quarterly workforce inclusion reporting Per the Human Resources Agreement, the project commenced on or around January 2024. Please note that formal quarterly reporting is due to the Office of Equity and Inclusion each quarter throughout the life of the project.
- II. 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% of the total worker hours expended on Construction. As of this date, the project's total recorded RPP as detailed in the Labor Compliance Reporting (LCR) portal is at 14.9 percent.
- III. Apprentice RPP inclusion Per the Human Resources Agreement and City Ordinance 355-9-1-a-1, Developer shall require its contractors and subcontractors on the project to employ onequarter of the apprentices and on-the-job trainees required for the project as measured in worker hours, to be unemployed or underemployed residents of the City. As of this date, the project's total recorded Apprentice RPP as detailed in the Labor Compliance Reporting (LCR) portal is at 10 percent.
- IV. OEI has not yet received the Professional Services Budget-Categories of Work.



Quarterly reporting is essential in tracking and monitoring the performance of project requirements. Without this reporting, the Office of Equity and Inclusion is unable to wholly determine the project's progress in achieving these goals.

Please comply with the bulleted items in this letter by submitting the items and/or responses to Mary Reed, Contract Compliance Office at <u>mareed@milwaukee.gov</u> by December 27, 2024. 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: Five Points executed Human Resources Agreement

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

