



Department of City Development
City Plan Commission
Redevelopment Authority of the City of Milwaukee
Neighborhood Improvement Development Corporation

Rocky Marcoux
Commissioner
rmarco@milwaukee.gov

Martha L. Brown
Deputy Commissioner
mbrown@milwaukee.gov

September 21, 2016

Ald. Ashanti Hamilton
President
Milwaukee Common Council
City Hall, Room 205

Dear Ald. Hamilton:

In accordance with the requirements of MCO Ch. 355-15, the Department of City Development herewith submits its 2016 report regarding compliance with the provisions of MCO Chapter 355. During 2016, three development projects, Northwestern Mutual Tower & Commons, The Posner and Zurn Global Headquarters, were subject to the requirements of Ch. 355.

The human resources agreements for each of the projects require that at least 25% of the construction and 18% of the professional services budgets be spent with firms certified by the City of Milwaukee as Small Business Enterprises (SBE).

Northwestern Mutual Tower & Commons reported that SBE firms have been awarded 29.9% of the construction and 35% of the professional services contracts, exceeding the requirements.

The Posner awarded 32% of its contract value to SBE firms, surpassing the 25% construction contract requirement. The project has awarded 11% of professional services contract value to SBE firms, with a requirement of 18%, according to their report submitted September 21, 2016.

The most recent report (September 13, 2016) regarding the Zurn Global Headquarters indicates that 48.9% of the contracts for construction and 23% of the professional service contracts were awarded to SBE firms, both exceeding the requirements in their agreement.

The human resources agreements for Northwestern Mutual Tower and Commons, the Posner Building and the Zurn Global Headquarters further require at least 40% RPP participation for the labor involved in these projects.



Ald. Ashanti Hamilton
September 21, 2016

Data submitted March 31, 2016, regarding Northwestern Mutual Tower & Commons, reported a 44% RPP participation rate, surpassing the 40% requirement.

The Posner's September 21, 2016 report notes a 28% RPP participation rate. The developer has indicated that the particular skills required for a historic restoration project of this magnitude plus the high demand for RPP workers on other projects have suppressed RPP hiring. He is currently working with the Office of Small Business Development to address this situation by including RPP on other projects in his firm's portfolio.

The Zurn Global Headquarters reported 31% RPP participation. While not meeting the 40% requirement, the contractor is working with the Office of Small Business Development to discuss other ways to meet the requirement. At the September 13, 2016 meeting of the Zoning, Neighborhoods and Development Committee, the contractor expressed difficulty finding available qualified workers to hire for the project.

Copies of the most recent reports submitted by the developers regarding Ch. 355 requirements are attached.

Lori Lutzka will attend the September 28, 2016 meeting of the Community and Economic Development Committee to answer any questions regarding the projects.

Sincerely,



Martha L. Brown
Deputy Commissioner

C: Ald. Russell W. Stamper, II, Chair, Community and Economic Development
Committee
James Owczarski, City Clerk
Nikki Purvis, Office of Small Business Development
Lori Lutzka, Department of City Development

Attachments