



**Department of Administration
Office of Equity and Inclusion**

2023

**Residents Preference Program Annual
Report**

Summary

As set forth in City of Milwaukee Code of Ordinances Chapter 355, the Office of Equity and Inclusion is responsible for monitoring Residents Preference Program (RPP) participation on private development projects that receive more than \$1 million of direct financial assistance from the City of Milwaukee. The direct financial assistance can include: land sales, grants and loans for brownfield remediation, tax incremental financing, and infrastructure improvements. Terms of the participation requirements are codified in a Human Resources Agreement between the Developer and the City.

Per the requirements of City of Milwaukee Code of Ordinances Chapter 355-7-3, the Office of Equity and Inclusion has compiled information regarding the efforts of recipients of City financial assistance in achieving the goals of the RPP for development agreements.

Contracts/Projects Subject to Participation

In 2023, three (3) development projects subject to Chapter 355 were completed. These completed projects received \$14.95 million of direct financial assistance. The projects are summarized in Table 1.

Table 1: Completed Contracts/Projects in 2023

2023 Contracts/Projects	Completion Date	Total Project Costs	City Funding	Other Funding
1. Cathedral Square	3/11/2023	\$1,629,386.48	\$1,850,000.00	NA
2. Garden Homes	12/31/2023	\$6,311,797.00	\$1,000,000.00	\$240,000.00
3. Red Beacon	10/29/2023	\$30,000,000.00	\$12,100,000.00	\$7,900,000.00
Total		\$37,941,183.48	\$14,950,000.00	\$8,140,000.00

The Office of Equity and Inclusion provided for an RPP Hours adjustment to for Red Beacon project. This resulted in an increase RPP Hours rate of 8.8 percent to meet the 40 percent RPP inclusion goal.

As stipulated in Common Council File #, both projects monitored by OEI in 2023 that met the \$1 million threshold were subject to a 40% RPP participation requirement. Table 2 below summarizes the RPP achievement of each project, both including and excluding the bonus hours for labor from the Special Impact Areas (SIA).

Table 2: RPP Targets & Achievements for OEI-Monitored PACE Projects

Projects with RPP Targets	RPP % Required	RPP w Bonus% Achieved	Variance	# of RPP Hours Worked	#SIA Hours Worked
Cathedral Square	40%	53.7%	+13.7%	2,202	983.20
Garden Homes	40%	62%	+22%	26,378.23	10217.40
Red Beacon	40%	40%	+0%	194,996.86	70,378.01
Total				223,577.09	81,578.61

Socio-economic Impact

As shown in Table 3 below, worker hours have also been broken down percentagewise by residency respective to location: within the City of Milwaukee, in the State of Wisconsin (excluding City of Milwaukee), and outside of Wisconsin.

Table 3: Worker Participation by Residency

Projects	% Hours by City Residents	% Hours by Non- City Residents	% Hours by Non-State Residents	% Hours Unspecified	Totals
Cathedral Square	43.21%	55.36%	1.43%	0.00%	100%
Garden Homes	76.54%	19.56%	0.00%	3.90%	100%
Red Beacon	49.96%	49.85%	0.11%	0.08%	100%

Provide a brief summary of Tables 4-6 below.

Table 4: Worker Participation by Zip Code - Milwaukee

PARTICIPATION BY ZIP CODE	
Zip Code	% of Workers
53202	2.07%
53204	7.57%
53205	0.48%
53206	1.43%
53207	7.41%
53208	4.62%
53209	2.87%
53210	6.69%
53211	2.07%
53212	5.10%
53213	1.04%
53214	1.67%
53215	20.48%
53216	5.02%
53218	6.69%
53219	6.69%
53220	2.31%
53221	6.45%
53222	1.91%
53223	1.75%
53224	1.20%
53225	1.67%
53226	0.08%
53227	1.27%
53228	0.48%
53233	0.96%
Total	100%

Table 5: Worker Participation by Race

Race	Percent
American Indian or Alaska Native	0.71%
Asian	0.16%
Black or African American	13.21%
Hispanic or Latino	17.90%
Not Specified	11.06%
Other	1.57%
White	55.39%
Total	100%

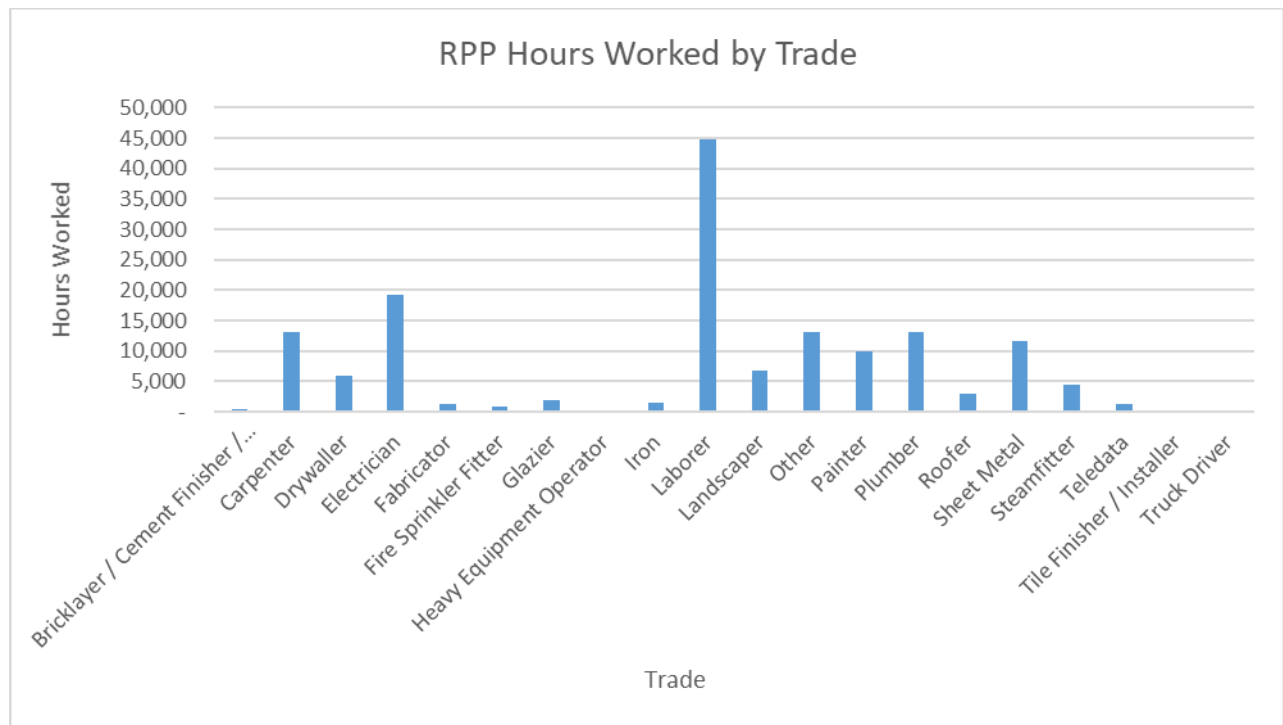
Table 6: Worker Participation by Gender

Race	Percent
Male	94.71%
Female	4.36%
Unspecified	0.93%
Total	100%

Provide a summary of Table 7 below.

Table 7: RPP Workers by Trade

Trade	# of RPP Workers	# of RPP Hours	% of RPP Hours
Bricklayer / Cement Finisher / Stone Mason	58	461.75	0.30%
Carpenter	380	13,197.50	8.66%
Drywaller	72	5,868.90	3.85%
Electrician	220	19,225.37	12.62%
Fabricator	4	1,366.00	0.90%
Fire Sprinkler Fitter	38	779.00	0.51%
Glazier	93	2,002.25	1.31%
Heavy Equipment Operator	83	22.25	0.01%
Iron	110	1,486.50	0.98%
Laborer	473	44,821.86	29.41%
Landscaper	38	6,742.00	4.42%
Other	398	13,012.73	8.54%
Painter	270	9,958.50	6.53%
Plumber	143	13,049.50	8.56%
Roofer	159	2,967.00	1.95%
Sheet Metal	337	11,565.50	7.59%
Steamfitter	209	4,485.50	2.94%
Teledata Installer	9	1,368.50	0.90%
Tile Finisher / Installer	23	15.00	0.01%
Truck Driver	1	-	0.00%
Total	3,118	152,395.6	100%



Provide a summary of Table 8 below.

Table 8: RPP Estimated Hourly Wages

Residency	Wages \$	% of Wages
RPP	\$5,048,962.98	29.55%
Non-RPP/Non-resident	\$12,037,022.83	70.45%
Wages \$	\$17,085,985.81	100%

Provide a brief summary of Tables 9 and 10 below.

Table 9: RPP New Hires

NEW HIRES BY GENDER		
Gender	Count	Percent
Male	18	85.7%
Female	1	4.8%
Unspecified	2	9.5%
TOTAL	21	100%

NEW HIRES BY RACE		
Race	Count	Percent
White	1	4.8%
Black	7	33.3%
Latino	3	14.3%
Native American	0	0%
Unspecified	10	47.6%
TOTAL	21	100%

Table 10: Apprentice and/or On-the-Job Training by Gender

APPRENTICES BY GENDER		
Gender	Count	Percent
Male	22	100%
Female	0	0%
Unspecified	0	0%
TOTAL	22	100%

Table 11: Apprentice and/or On-the-Job Training by Race

APPRENTICES BY RACE		
Race	Count	Percent
White	5	22.7%
Black	7	31.8%
Latino	1	4.5%
Native American	0	0%
Unspecified	9	40.9%
TOTAL	22	100%

Adjustments/Waivers

Provide a brief summary of Table 12 below.

Table 12: Adjustments and/or Waivers

CONTRACT/PROJECT	CONTRACTOR/DEVELOPER	DESCRIPTION	ADJUSTED RPP %	Reason for Adjustment
Red Beacon	Milwaukee Tool - Schwer, Pflicht, & Werkzeug Properties, LLC	Renovate building into new office space to accommodate 1,210 FTEs	8.8%	Per the developer: "...the pre-fabrication process has many workforce hours being performed off-site. This request allows contractors to utilize RPP workers for off-site work related to the project." – Per data extracted from LCR, the project achieved a 31.2% RPP inclusion rate prior to the adjustment; hence utilizing the adjustment for an additional 8.8% RPP participation.

Final Analysis and Recommendations

Provide a summary of the overall annual participation as well as any recommendations.

In summary, the Office of Equity and Inclusion saw three projects conclude during 2023. Each of the projects either met or exceeded RPP participation goals with 36.5% of RPP hours having been worked by individuals residing in hard-hit, Special Impact Area zip codes.

The RPP program can be improved by initiatives that increase female worker participation, increased participation among people of color, as well as increased RPP Apprentice participation.