

LRB-FISCAL REVIEW SECTION ANALYSIS

ECONOMIC DEVELOPMENT COMMITTEE

ITEM 6, FILE 010635

SEPTEMBER 14, 2001

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File #010635 is a communication from the Department of Public Works submitting the Resident Preference Program Annual Report.

Background and Discussion

1. The Resident Preference Program began in 1991, requiring that a set percentage of all hours worked on Department of Public Works (DPW) construction contracts include residents of a designated area of the City of Milwaukee. The program requires that 25% of total hours on City construction contracts are worked by CDBG area residents.
2. The City Code, section 309-41, established the guidelines:
 - Worker – A resident who lives in the CDBG area; has worked less than 1200 hours (30 weeks) during the last 12 months can qualify for 5 years if they are certified in a verifiable training program determined by the department.
 - Contractors – Agree to the 25% target hours and will comply with apprenticeship and on-the-job training for eligible workers; maintain records of names, titles, addresses, race, gender and other employee records that can be verified.
 - DPW is responsible for planning, implementation and enforcement of the program, review of the information and maintaining accurate data.
3. DPW has partnered with community agencies to assist contractors in finding qualified resident workers and assist the agencies in find jobs for applicants. Esperanza Unida, 1329 W. National Ave is designated as the current job training agency.
4. Between 1991 through 2000, 1,408 residents have been certified. Currently, 1,281 workers are eligible. For 1999 there were 17 different job classifications for 257 participants. The two highest jobs were laborer for 153 participants and truck driver for 32 participants.
5. A summary of the 50 contracts begun and closed out in 2000 indicates the following:
 - The total of all contract hours is 66,228. The total target area hours worked is 22,231, 33.6% of all contract hours, which is 8.6% above the goal of 25% of all hours.
 - The amount for all contracts paid is \$7,440,490. This amount covers supplies, material, equipment, fees, license as well as wages. The total amount of wages paid for all target area workers was \$624,597, 8.4% of all the contracts.
 - Contract #000095, a sewer-water project bounded by Vine, Brown, 6th and 8th Streets, had the highest number of target hours worked, 1,725. This contract paid the most to target area workers, \$39,805, this is 5.9% of the total contract, \$673,205.

Fiscal Impact

There is no fiscal impact to this file.

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