

..Number
252102
..Version
PROPOSED SUBSTITUTE
..Reference

..Sponsor
ALD. STAMPER

..Title
A substitute ordinance relating to the residential preference program requirements for construction contracts.

..Sections

309-38-1-f	cr
309-38-1-g	cr
309-38-1-h	cr
309-38-2-b-2	am
309-41-2-d	am
309-41-3.5-b	am
355-7-2-a-1	am
355-9-1-a-2	am

..Analysis
Under the current ordinance, in order for a project to qualify for the City's residential preference program, 25% of the work hours for public works contracts and 40% of apprentice and on-the-job trainee worker hours must be performed by individuals living in ZIP Codes defined as high poverty.

This ordinance provides that these work hours must be performed by individuals living in high poverty ZIP Codes, defined as a poverty rate between 20% or greater and 40%, or extreme poverty ZIP Codes, defined as a poverty rate of 40% or greater. The poverty rate of each ZIP Code will be calculated by the City Clerk within 90 days of the effective date of the ordinance, and by January 1 every 5 years thereafter.

The ordinance also updates the City's residential preference program for public works contracts. For every worker hour above the program requirements performed by a worker hired from a ZIP Code with a poverty rate of 40% or greater, the contractor will receive credit for two worker hours.

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 309-38-1-f to h of the code is created to read:

309-38. Apprenticeship and On-The-Job Trainee Requirements for Construction Contracts.

1. DEFINITIONS.

f. "Extreme poverty" means a poverty rate of 40% or greater.

g. "High poverty" means a poverty rate between 20% or greater and 40%.

h. "Poverty rate" means the percentage of individuals who are below the poverty threshold as determined by the U.S. census bureau.

Part 2. Section 309-38-2-b-2 of the code is amended to read:

2. REQUIREMENTS.

b.

b-2. Of the apprentice and on-the-job trainee worker hours required under par. b-1, at least 40 percent shall be attributable to unemployed or underemployed residents residing in ~~[[zip codes established as high poverty, as determined by the city clerk on January 1 every three years beginning in 2017, in consultation with the department of administration and based on income guidelines established by the U.S. department of housing and urban development for poverty relief and housing block grant programs.]]~~ >> high or extreme poverty ZIP Codes. The poverty rate for each ZIP Code shall be calculated by the city clerk within 90 days of the effective date of this ordinance, and by January 1 every 5 years thereafter.<<

Part 3. Section 309-41-2-d of the code is amended to read:

309-41. Participation of City Residents in Public Works Contracts.

2. REQUIREMENTS.

d. A requirement that at least one quarter of the worker hours required in par. a be performed by unemployed or underemployed residents who maintain their permanent residence in ~~[[zip codes established as high poverty, as determined by the city clerk on January 1 every three years beginning in 2017, in consultation with the department of administration and based on income guidelines established by the U.S. department of housing and urban development for poverty relief and housing block grant programs.]]~~ >> high or extreme poverty ZIP Codes. The poverty rate for each ZIP Code shall be calculated by the city clerk within 90 days of the effective date of this ordinance, and by January 1 every 5 years thereafter.<<

Part 4. Section 309-41-3.5-b of the code is amended to read:

3.5. EXCEPTIONS.

b. For every worker hour exceeding the requirements of sub. 2-d, one-and-a-half hours shall be credited toward meeting the requirements of sub. 2-a. >>For every worker hour exceeding the requirements of sub. 2-d performed by a worker hired from an extreme poverty ZIP Code, 2 hours shall be credited toward the requirements of s. 309-41-2-a.<<

Part 5. Section 355-7-2-a-1 of the code is amended to read:

355-7.Participation of City Residents.

2. ADMINISTRATION.

a-1. At least one quarter of the appropriate level of participation required in par. a shall be performed by unemployed or underemployed residents who maintain their permanent residence in ~~[[zip codes established as high poverty, as determined by the city clerk on January 1 every three years beginning in 2017, in consultation with the department of administration and based on income guidelines established by the U.S. department of housing and urban development for poverty relief and housing block grant programs.]]~~ >>high or extreme poverty ZIP Codes. The poverty rate for each ZIP Code shall be calculated by the city clerk within 90 days of the effective date of this ordinance, and by January 1 every 5 years thereafter.<< Every worker hour >>performed by a worker from a high poverty ZIP Code<< exceeding this requirement shall count for one-and-a-half hours toward the requirement of par. a. >>For every worker hour exceeding this requirement performed by a worker hired from an extreme poverty ZIP Code, 2 hours shall be credited toward the requirements of par. a.<<

Part 6. Section 355-9-1-a-2 of the code is amended to read:

355-9. Apprenticeship and On-The-Job Trainee Requirements.

1. REQUIREMENT.

a-2. Of the apprentice and on-the-job trainee worker hours required under par. a-1, at least 40 percent shall be attributable to unemployed or underemployed residents residing in ~~[[zip codes established as high poverty, as determined by the city clerk on January 1 every three years beginning in 2017, in consultation with the department of administration and based on income guidelines established by the U.S. department of housing and urban development for poverty relief and housing block grant programs.]]~~ >>high or extreme poverty ZIP Codes. The poverty rate for each ZIP Code shall be calculated by the city clerk within 90 days of the effective date of this ordinance, and by January 1 every 5 years thereafter.<<

..LRB
APPROVED AS TO FORM

K. Broadnax

Legislative Reference Bureau
Date: May 19, 2026

..Attorney
IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney
Date: _____

..Requestor

..Drafter
Christopher Hillard
LRB 181456-5
5/11/2026