



Michael J. Murphy
City of Milwaukee Common Council

August 6, 2014

Good afternoon Rocky and Martha,

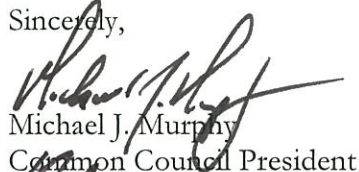
Thank you for all the hard work that has been put into “Growing Prosperity.” I want to provide you with some detailed, honest thoughts on the report. First, let me preface by saying that the report is a great descriptive document detailing the city’s current and historical economic conditions. It also does a good job of placing the city within the broader regional economic context. With that said, there is room for improvement so that actionable steps are better articulated with specific implementation strategies, outcomes and time frames. The document should identify actionable steps, i.e. activities, to be carried out in unison by key stakeholders.


Additionally, more detailed information should be included on the metrics chosen, including i.) a brief explanation of why these were chosen, ii.) indicators that will inform us of changes, and iii.) when midline and final evaluations are expected. If metrics are used, which I am strongly in support of, we must also include an explanation of how they are to inform us of changes to economic development. I want this document to be *actionable* and not get lost in the endless number of reports produced among all the departments. Moreover, I think we could do a better job incorporating mechanisms to help us—the City—be more accountable.

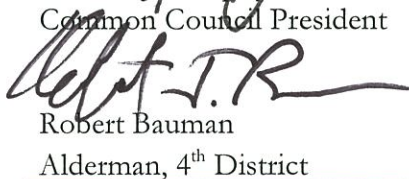
My biggest critique is that the document recognizes, and reiterates, that one of the largest challenges faced by the city is that of racial and economic inequity, yet it fails to provide actionable activities to alleviate the problem, clearly articulated outcomes sought, or an inclusion of racial indicators in the metrics.

Below is my summary of the document; headings indicate whether follow up is recommended.

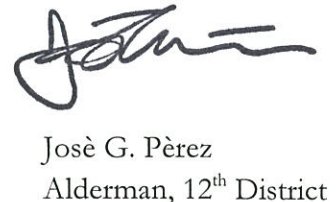
Sincerely,


Michael J. Murphy
Common Council President


Nik Kovac
Alderman, 3rd District


Robert Bauman
Alderman, 4th District

James A. Bohl Jr.
Alderman, 5th District


José G. Pèrez
Alderman, 12th District

Document Narrative [included in introduction]

In the current knowledge-based economy, markets and preferences have shifted in favor of regions that are socially and economically integrated over ones that are fragmented. Thus, alignment between regional and city-based strategies and priorities is critical. But a healthy region alone does not guarantee that a city will thrive. Actions need to be taken by a city itself to capitalize on regional strategies for growth so that a city can thrive in an increasingly global economy.

Plan Goal [vision statement provided]

The plan strategies and activities are structured to meet the following goal: City of Milwaukee government will **reduce unemployment and poverty** within the city and **grow prosperity** for its residents by **partnering strategically with and leveraging the resources** of community organizations, key asset industry leaders and private sector partners.

Action Plan Principles to Guide Action [provided in document]

The plan's overall structure is built to promote ten principles. These were listed in the document.

Action Agenda Duration [detailed explanation needed with connection to activities and actors]

The document details strategies to be pursued by, and some expected outcomes for, the City of Milwaukee. However, it is never clear what specific time frame either the city or its partners are working under, save for the general reference to "short," "medium," "long," and "10 year" implementation spectrum. I realize that ranges were identified within the discrete categories, but it is not at all clear what specific actions will be taken during that timeframe, who is performing the activity, and the duration of the activity.

Let's look at Strategy 7.2.2 under Strengthen & Engage Neighborhood & Civic Leadership as an example:

No.	Action Item	Time Frame	Lead Actor	Supporting Partners
7.2.2	Encourage and support grassroots organizations involved in neighborhood improvement	Medium	CITY	LISC; CDFA
Hundreds of grassroots organizations, from block clubs to Business Improvement Districts, are actively working to improve their neighborhoods. These groups are critical partners in formulating and implementing neighborhood development strategies. Technical assistance, financial resources, and establishment of liaison relationships between these groups and City government will help to make them more effective and sustain their operations.				

- "Action Item" – What is posed as an action item is a descriptive strategy.
- "Time Frame" – The Medium category corresponds to 1 to 3 years. What exactly about this item takes either 1, 2, or 3 years? The reader is left guessing.
- "Lead Actor/ Supporting Partners" – The document identifies key stakeholders in the strategy yet the reader is left to guess what any of them are doing to promote the "action item." What is the City leading with and how long will it take to achieve? Why were these supporting partners chosen; what are we identifying that they do?
- Description – The description of the action item reiterates/summarizes what has already been stated earlier in the chapter under "who's here." No new information is provided. It seems that this is the appropriate location to identify and specify the specific activities to be

carried out by the various stakeholders mentioned to achieve a desired outcome/output/impact on the city’s economic development.

Another example is Strategy 4.1.2 under Location-Based Opportunities:

No.	Action Item	Time Frame	Lead Actor	Supporting Partners
4.1.2	Maintain an inventory of 100 acres of “shovel ready” industrial land for development	Medium	CITY	DCD; RACM
The City should always have shovel-ready land available for industrial investment. Considering the needs of each site to make it shovel ready and taking account of the future needs of the key asset cluster, the City will strive to ensure that at least 100 acres of developable industrial land is available within the city limits each year.				

- “Action Item” – This *is* an actionable item with a definite expected outcome (100 acres of “shovel ready” land).
- “Time Frame” – Again, what about this item takes either 1, 2, or 3 years? What is our starting point? When will we have the 100 acres, by year two, three? What are the incremental steps to be taken to get the City to 100 acres?
- “Lead Actor/ Supporting Partners” – Again, what steps are being taken by whom and during what period to promote the “action item?”
- Description – same as above. Additionally, this type of action should probably be linked to the five asset clusters. For instance, how can we use these 100 acres to advance the 5 asset cluster industries identified? How are we choosing which 100 acres to make “shovel ready” and how is this connected to our targeted approach to development?

To summarize, the “action plan” should incorporate more specific actions (activities to be carried out by specific stakeholders) with specific time frames and outputs (if appropriate). While this may not be suitable for all action items listed, merely providing a range of time for a suggested strategy makes it difficult for the city to hold itself accountable and evaluate its own progress over time. Specifying durations is critical to overall evaluation. The document should further detail when midrange evaluations will take place in order to evaluate if certain strategies/actions are having the intended impacts within the community, i.e. reducing unemployment and poverty, closing racial gaps, etc.

Areas of Focus and Action Plan Strategies [further clarification needed]

Further work needs to be done connecting action plan strategies and areas of focus with specific asset clusters, activities and tools/resources available at the city’s disposal. I’ll use Location-Based Opportunities as an example.

The chapter gives a great description of current economic conditions, city resources, and adds some brief discussion on challenges we face for economic development. What is lacking is a comprehensive connection to the asset clusters, actionable methods of leveraging tools available at our disposal, locations where specific tools will be targeted and, in some instances, a clearer connection to other focus areas. A few thoughts to use as a starting point:

Several challenges were presented for the City to take advantage of location based opportunities, primarily improving regional transportation. What concrete efforts will the City take to connect the workforce to job opportunities? Are transportation improvement efforts being targeted in particular areas of the city or in conjunction with particular development sites? This issue was connected to action items in Human Capital Development, but they seemingly contradict one another. For instance, Strategy 4.2.4 related to policy advocacy to promote public transportation investment

indicates the City is the lead actor. Strategy 5.2.4 also relating to policy advocacy for public transportation improvements indicates the lead actor is Transit Now? Both have “long” time frames. This is a good example of why it would be useful to identify specific activities, at specific time periods to be carried out by specific actors. Then, there is no confusion of what is being advocated and by whom.

Further, vacant land and existing building opportunities were detailed for entrepreneurs and startups. Importantly, the live/work/sell zoning concept was featured as a prime opportunity to attract this desired constituency. Are there best practices that would help scale successful conversions? The document states these concepts should be nurtured but doesn’t express how. For instance, Park East Enterprise Lofts are mentioned as having 100% occupancy, but none are occupied by entrepreneurs using street entry for professional or commercial use. What activities can we pursue to encourage the desired outcome? Do we have a specific goal that we can measure our efforts against? Are efforts going to be targeted in particular areas? Strategy 6.3.4 starts exploring this but doesn’t quite go far enough. It states the time frame is “Long,” why?

Some opportunity also exists to better connect these strategies to efforts in Entrepreneurship and Innovation. A prime example is the following:

No.	Action Item	Time Frame	Lead Actor	Supporting Partners
4.3.1	Identify existing vacant building inventory and promote for alternative uses	Short	CITY	DCD ;RACM; Business Improvement Districts
4.3.3	Explore and advance opportunities for live/work/sell space to support artists & entrepreneurs	Long	CITY	DCD; RACM; Milwaukee Artists Resource Network
6.1.2	Re-use vacant City-owned commercial properties to foster start-ups in central city neighborhoods	Medium	CITY	Business Improvement Districts
6.3.4	Evaluate City regulations to ensure they facilitate the occupancy of shared work spaces, live/work spaces, and research and development activities	Long	CITY	

While action 4.3.1 has a “short” time frame for identifying and promoting vacant buildings, action 6.1.2 has a “medium” time frame—why? How do these various actions work with another over a temporal period? Why do they have different supporting actors? What key activity should each partner play? How does the discussion around live/work/sell space fit into the five asset clusters and perhaps the City’s top priority sites?

In regards to current development sites, Figure 4.1 is a good geographic portrayal of Appendix B. Appendix B summarizes well the locations and their potential uses. What is not clear is which sites require the most investment, which will be primarily targeted by the City to encourage development, and what tools at the City’s disposal are most relevant for priority sites. Also, while a few of the clusters are mentioned in potential uses, headquarters and business services and finance and insurances clusters are not. What areas will be targeted to encourage the development of these asset clusters? From Appendix B, it seems the Park East Corridor is the only option since the Former Marquette Interchange 2 has limited access and infrastructure and Former Marquette Interchange 3 recommends an ESA prior to acquisition or redevelopment.

Chapter 4 mentioned that other cities have specific strategies in place to help them decide how to best allocate scarce resources. Triaging was one example given. What is our overall strategy? The document indicates that the “chapter offers strategies aimed at prioritizing sites based on an

evaluation of their various assets, needs and marketability, and whether they have been targeted by an existing industry or cluster or have already received significant investment.” Yet after reviewing the three strategies and their respective actions items, it is not clear where the City’s limited resources will be devoted for land development or redevelopment.

Lastly, this chapter notes that the City should build on its strengths, noting the success of the Menomonee Valley redevelopment. Are there any measures from the MV success that can be replicated in other target areas? The document describes work that has been done on the Reed Street Yards and Century City. Are there specific next steps being taken? How is the City taking advantage of its IMCP federal designation?

Activities [further work needed to incorporate specific activities]

Activities are shaped to achieve particular outputs or contribute to specified strategies that are in line with the plan goal. A thorough baseline analysis would ideally be completed before specific activities are designed, such that all activities are appropriate to the specific needs and interests of each respective area and the stakeholders therein. Although a thorough analysis may not be possible at this point, specific activities should be incorporated and linked with specific actors. Some suggestions for further analysis are found below:

1. City Level.

- a. *Desired Outputs within Focus Areas and Strategies where appropriate???*
- b. *Activities to meet outputs/outcomes and contribute to overall goal???*

2. District/Zip codes/BIDs/Neighborhoods/Industries/Corridors/Priority sites, etc.???

The action plan subdivides the document into four focus areas: location-based opportunities, human capital development, entrepreneurship and innovation, and quality of life and place. In addition to this, should further consideration be given to the challenges and opportunities provided by individual districts, BIDs, neighborhoods, etc... within the categories or the specific strategies and action items? That is, should we incorporate another level of analysis? If our main goal is to reduce poverty and unemployment, presumably we are targeting some areas of the city more than others.

- a. *Outputs (same as above)*
- b. *Activities (same as above)*

3. Implementation. There is no specificity as to the sequencing of plan activities. Ideally, some form of activity map would be incorporated to help the reader place the activities over time. This again is connected to the specificity needed in the duration of strategies/activities, etc. Please see the attached activity map as an example.

Performance Monitoring and Evaluation [further analysis required]

Rigorous assessments should be conducted to ensure that the plan is responsive to the needs of Milwaukee communities and to measure the impacts of our collective strategies and activities. Basic guidelines to assess plan goals and reinforce plan transparency must be developed in addition to further clarifying the metrics already chosen.

- ❖ **Metrics Chosen** – An overall explanation is required to understand why these particular metrics were chosen. How, for instance, are these metrics related to the overall plan goal. Why do they inform us of economic development? Are all metrics relevant to all four focus areas, or do they pertain to particular ones? How do the activities and strategies feed into these metrics? Where will data be derived from? How

often is the data collected and by whom? Will the data source be available for midline and endline evaluations? How will the metrics be used to understand overall impacts?

In the executive summary, under economic conditions & trends, there is mention of metrics that identify economic weakness for Milwaukee. These included, “higher unemployment rates compared to the region and state, particularly among the city’s minority populations; a growing inventory of City-owned foreclosed structures and vacant lots; disparities in education and income equality that break along racial lines; and transportation challenges...” Is there any reason why we don’t include any of these in our metrics?

These questions and some of the notes below are a starting point in understanding why certain metrics were chosen. Moreover, as identified in the document, economic development necessarily equates to different things within different constituencies and locations—while some areas are improving others may not. As such, our metrics/data should be disaggregated to give the reader a comprehensive understanding of what is improving, where impacts are most felt, and where we need to improve. While I encourage a thorough analysis of all the metrics chosen, below are a few suggestions for disaggregation:

- Population change overall and in central city neighborhoods
- Acres of developable industrial land available; remediated/redeveloped
- Percent of workforce employed in manufacturing or “family supporting” jobs
 - Suggestions for disaggregating metric:
 - Gender, race, age group
- Percent of workforce employed in asset industry cluster
 - Suggestions for disaggregating metric:
 - Gender, race, age group
- Workforce participation rate
 - Suggestions for disaggregating metric:
 - Gender, race, age group
- Percent of African American men of prime working age with criminal records
- Poverty rate for city and as a share of MSA
 - Must be disaggregated to understand who is poor and where they reside—where is poverty concentrated?
 - Race, age group, gender, location (zip code? district?), educational attainment, family size?
- Business starts
 - Suggestions for disaggregating metric:
 - Location, first time business owner?, were city programs/resources used?
- Median household income
 - The report mentions that equal opportunity and economic growth are inseparable. The report further examines how inequalities exist in education and income depending on race. Therefore, this statistic needs to be disaggregated to understand if the action plan activities are impacting the city’s most vulnerable groups. Who’s median income is increasing or decreasing and where these individuals are located, for instance, is important information to know in order to guide public policy. Below are some recommendations for disaggregating this metric:

- Race, location (zip code? district level?), age group, gender, educational attainment, family size, since this is at the household level—how many people contribute to income?
 - Neighborhood market conditions
 - Which are the challenged neighborhoods?
 - Which are the stronger neighborhoods?
- ❖ **Evaluation** – Impacts are generally assessed by conducting baseline, midline and endline evaluations. The baseline evaluation serves as a reference point from which activities are designed and plan outcomes are evaluated against. Midline evaluations serve as a midpoint to ensure the overall plan is on track to meet set goals. Any structural changes occur at this point depending on data analysis. Endline evaluations are used to conclude what the overall impact of strategies and activities were on an overall goal. While the document alluded to the City becoming more data driven, no explanation was provided of where data will be derived. No specificity was provided regarding baseline, midline and endline evaluations.

Mechanism for monitoring and evaluation could include:

- Market Value Analysis (MVA)
 - According to the report, this only provides information related to housing markets and neighborhood conditions. Presumably this will be used to evaluate quality of life and place strategies. Where else will data be collected from? How often is the MVA published, i.e. when can we expect the next evaluation in order to measure impacts?
- Human Capital Development—where will this data come from?
 - How often is the data collected and by whom?
 - How will impacts be measured?
 - How will information be disaggregated?
- Entrepreneurship and Innovation—where will data come from?
 - How often is the data collected and by whom?
 - How will impacts be measured?
 - How will information be disaggregated?
- Location Based Opportunities/ Industry clusters—where will data come from?
 - How often is the data collected and by whom?
 - How will impacts be measured?
 - How will information be disaggregated?
- ❖ **Performance monitoring will be conducted on a _____?_____ basis. Results will be shared with _____?_____ to promote transparency and assure strategies and activities are in line with the overall plan goal.**

Impact and sustainability [information not identified in the document]

Indicators of plan/strategy impact will be based on _____?_____

- Indicator
- Indicator
- Indicator

Mapping Strategies/Activities over time

ACTIVITY MAP	Year 1										Year 2										
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Action Plan Start Up																					
	X	X																			
	X	X	X																		
Strategy 1: Location Based Opportunities																					
Activities			X	X																	
Activities					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Strategy 2: Human Capital Development																					
Activities				X	X	X															
				X	X	X															
				X	X	X															
Strategy 3: Entrepreneurship and Innovation																					
				X	X																
	X	X																			
				X	X	X															
Strategy 4: Quality of Life and Place																					
Plan Evaluation/Close Out (Example activities)																					
Exit interviews with local stakeholders																				X	X
Quantitative & qualitative data analyses to identify enduring challenges & recommend best way forward.																				X	X
Report on intervention data, policy recommendations & future action.																					X