

Welford Sanders Historic Lofts

**PARTICIPATION PERFORMANCE REPORT
SPRING 2017**

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EXECUTIVE SUMMARY

Wisconsin Redevelopment, LLC, and the non-profit Martin Luther King Economic Development Corporation (MLKEDC) are partnering to convert the former Milwaukee Enterprise Center into the Welford Sanders Historic Lofts, a new office and apartment complex in the heart of Milwaukee's central city.

The project team includes general contractor Catalyst Construction, architectural firms Continuum Architects and American Design and business and workforce monitor Prism Technical.

The project has committed to utilizing City of Milwaukee Residents Preference Program (RPP) workers for 40% of its onsite workforce hours, 25% of its applicable construction spending with Small Business Enterprise (SBE) contractors, and 18% of its applicable Professional Services spending with SBEs.

RPP workers have performed 54.8% of the construction hours on the project through the end of March 2017, significantly exceeding the required 40.0% participation target.

SBE Construction contractors have been awarded \$3,910,884 in contracts and commitments, or 36% of the value of applicable construction services through the end of March 2017, exceeding the required 25% participation target.

SBE Professional Service firms have been awarded \$580,200 in contracts and commitments, or 67.2% of the value of applicable Professional Services through the end of March 2017, exceeding the required 18% participation target.



INTRODUCTION

The transformation of the Milwaukee Enterprise Center into the Welford Sanders Historic Lofts is a dynamic renovation of the largest structure in this King Drive neighborhood.

It honors Welford Sanders, late Executive Director of the Martin Luther King Economic Development Corporation (MLKEDC), who was instrumental in revitalizing Milwaukee's Martin Luther King Drive Corridor.

The project includes 40,000 square feet of office space for community service agencies and businesses and 59 affordable housing units. The refurbished office space will open in June with the affordable apartments opening in spring of 2018.

Wisconsin Redevelopment, LLC and MLKEDC are spearheading the development of the Welford Sanders Historic Lofts with support from the City of Milwaukee and a variety of state of Wisconsin agencies including WHEDA.

The first phase involves office space on the building's eastern portion. The upgraded space will include the building's original skylights, hardwood flooring, and exposed brick work.

The building will retain most of its current office tenants, which include organizations that work on finding jobs and eliminating barriers to employment.

The conversion of the western portion will create loft style apartments that will be leased at below-market rent to people earning no more than 60% of the area's median income. There will be a common classroom for all tenants supported by Associated Bank. It will include many exceptional amenities including a community room for residents, a common courtyard and underground parking.

The outdoor courtyard will include a statue of Welford Sanders. The building will also include classroom space for the Associates in Commercial Real Estate (ACRE) Program, building and commercial tenants operated by LISC Milwaukee, Marquette University Center for Real Estate, University of Wisconsin - Milwaukee, and the Milwaukee School of Engineering, and financially supported by Associated Bank. Seven ACRE graduates are directly and indirectly involved in the development.

PUBLIC OUTREACH



Photos from Welford Sanders Lofts Job Fair

Milwaukee Residents Job Fair held April 5th

On April 5, 2017 Wisconsin Redevelopment, Martin Luther King Economic Development Corporation, Catalyst Construction, Prism Technical Management and Marketing Services, LLC and The Redevelopment Authority of the City of Milwaukee held a job fair for Milwaukee residents to learn about job opportunities on the project and meet and greet with subcontractors. Several organizations and employers attended.

Alderdwoman Coggs offered greetings at the fair, which also included Employ Milwaukee and West Care, who discussed additional training opportunities related to the construction trades and other job opportunities.



Photos from Bradley Tech H.S. tour & Lecture.

Tour and Lecture for Bradley Tech High School students April 27th

Dave Rhoda with Catalyst Construction conducted a Tour of the Welford Sanders Historic Lofts site and a lecture for high school students at Bradley Tech High School on April 27, 2017.

Lecture topics included project financing costs, architectural features, engineering, how to bill a project using American Institute of Architects documents (AIA), a project draw process for large construction projects, invoice generating and the review approval process. Mr. Rhoda has also provided a tour to MSOE students.

Professional Services - SBE Participation

The projected professional services budget is \$863,502 with professional services SBEs currently holding \$580,200 of the contract value, or 67.2%. Through the end of March 2017, SBEs were paid \$305,684 of the \$464,712 paid out in expenditures, or 65.8%.

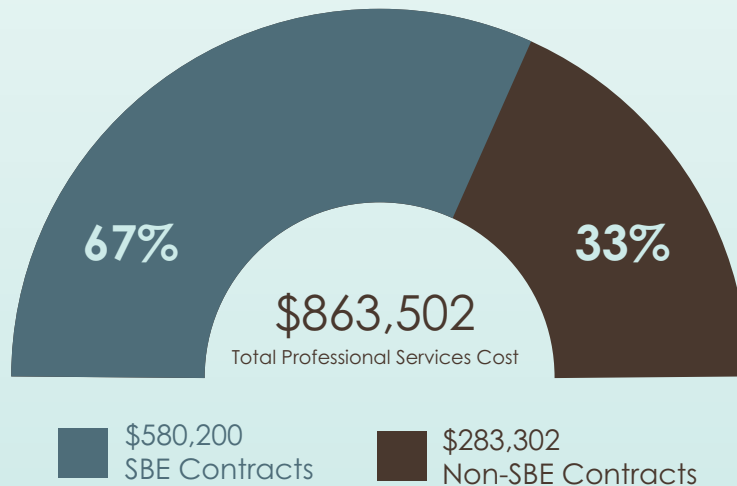


Professional Services - SBE Participation

TABLE 1 - PROFESSIONAL SERVICES THROUGH MARCH 31, 2017

Targeted Business Name	Subcontractor to	Trade/ Description of Work	Awarded Contract Value	Paid To Date	Paid % of Contract Through March 2017
American Design Inc.	Welford Sanders Historic Lofts	Architect Design	\$30,000	\$30,000	100.0%
Continuum Architects & Planners S.C.	Welford Sanders Historic Lofts	Architect Design	\$176,500	\$35,000	19.8%
Continuum Architects & Planners S.C.	Welford Sanders Historic Lofts	Historic Consulting	\$70,000	\$50,000	71.4%
Continuum Architects & Planners S.C.	Welford Sanders Historic Lofts	Survey, Plan Review	\$75,000	\$55,000	73.3%
Continuum Architects & Planners S.C.	Welford Sanders Historic Lofts	Engineering Costs	\$68,750	\$62,183	90.4%
Prism Technical Management & Marketing Services LLC	Catalyst Construction	Inclusion Monitors	\$94,000	\$9,825	10.5%
Quorum Architects Inc.	Welford Sanders Historic Lofts	Architect Survey/ Engineering	\$65,950	\$63,676	96.6%
TOTAL			\$580,200	\$305,684	52.7%
SBE Contract Percentage					67.2%
SBE Payment Percentage					65.8%
Total Adjusted Professional Services Cost					\$863,502
Total Expenditures on the Project					\$464,712

PROFESSIONAL SERVICES CONTRACTS



Construction Services - SBE Participation

The projected adjusted construction budget is \$10,870,747 with construction SBEs currently holding \$3,910,884 of the contract value, or 36.0%. Through the end of March 2017, SBEs were paid \$432,769 of the \$645,725 paid out in expenditures, or 67.0%.



Associated Bank Supported ACRE Classroom.



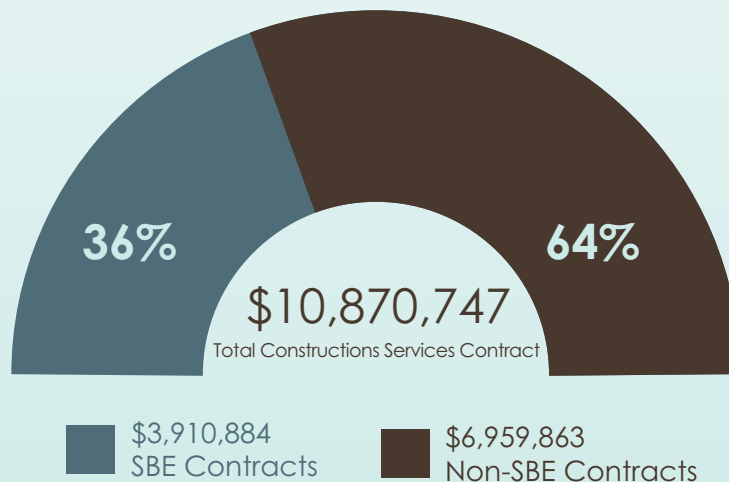
Third floor skylight.

Construction Services - SBE Participation

TABLE 2 - CONSTRUCTION SERVICES THROUGH MARCH 31, 2017

Targeted Business Name	Subcontractor to	Trade/ Description of Work	Awarded Contract Value	Paid To Date	Paid % of Contract Through March 2017
Arteaga Construction Inc.	Catalyst Construction	HVAC	\$1,025,000	\$76,050	7.4%
Arteaga Construction Inc.	Catalyst Construction	Masonry	\$271,000	\$-	0.0%
Byco Inc.	Catalyst Construction	Ceramic Tile & Flooring	\$228,432	\$-	0.0%
Hernandez Roofing LLC	Catalyst Construction	Roofing	\$377,050	\$-	0.0%
LF Green Development LLC	Integrity Environmental Services	Labor	\$150,570	\$94,375	62.7%
Rams Contracting LTD	Integrity Environmental	Transportation of Waste	\$110,000	\$43,925	39.9%
Superior & Reliable Builders LLC	Catalyst Construction	Rough & Finish Carpentry	\$341,582	\$27,419	8.0%
Superior & Reliable Builders LLC	Catalyst Construction	Steel Studs, Insulation & Drywall	\$1,407,250	\$191,000	13.6%
Total			\$3,910,884	\$432,769	11.1%
SBE Contract Percentage					36.0%
SBE Payment Percentage					67.0%
Total Adjusted Construction Cost					\$10,870,747
Total Expenditures on the Project					\$645,725

CONSTRUCTION SERVICES CONTRACT



BUSINESS PROFILE: HERNANDEZ ROOFING LLC

Hernandez Roofing, LLC has been in operation for seven years. Owner Arturo Hernandez started the commercial/industrial roofing company in 2012 after 25 years as a roofer and foreman.

“When the customers are really happy with me, that makes me feel good.” - Hernandez Roofing, LLC

Beginning on the Welford Sanders Historic Lofts project in March 2017, Hernandez enjoys all the work he does as the owner of his business. “When the customers are really happy with me, that makes me feel good.” He also dabbles in project management, quality control, sales and safety training.

Hernandez hopes to further grow his company of 16 while still having time to spend with his family.

“Arturo and Hernandez Roofing have been committed to the project from the start. They attended the Projects job fair and as a result hired direct hires for the project. The work performed by this firm was an extremely difficult roofing project and they were fantastic to work with.” - Dave Rhoda, Catalyst Construction



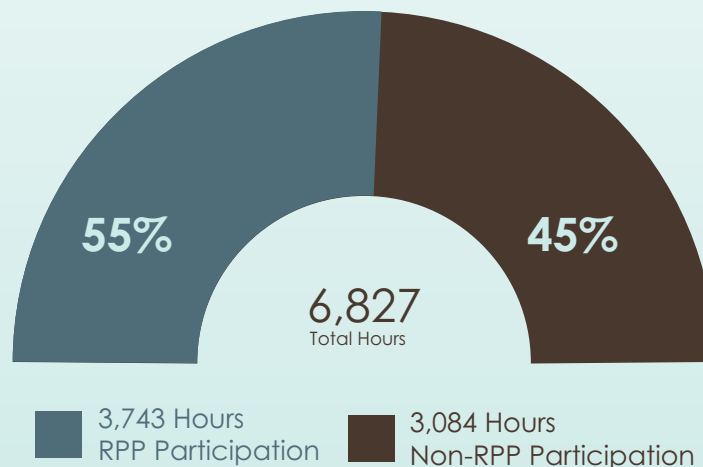
RPP Participation Hours

Through March 31, 2017, a total of 6,827 construction hours were worked on the project. Of those hours, 3,743 or 55% were worked by workers certified through the Residents Preference Program.

TABLE 3 - RPP PARTICIPATION THROUGH MARCH 31, 2017

Contractor	Subcontractor to	Service Performed	Workforce Hours	RPP Hours	RPP %
Arteaga Construction Inc.	Catalyst Construction	HVAC/Masonry	625.0	290.5	46.5%
Blair Construction	Catalyst Construction	Fire Protection	67.0	3.0	4.5%
Current Electric Co.	Catalyst Construction	Electric	220.7	0.0	0.0%
DV Services LLC	Catalyst Construction	Painting	124.3	72.7	58.4%
Hernandez Roofing LLC	Catalyst Construction	Roofing	415.5	123.5	29.7%
Horner Plumbing Co. Inc.	Catalyst Construction	Plumbing	80.0	39.0	48.8%
Integrity Environmental Services	Catalyst Construction	Selective Demolition	1,707.5	900.5	52.7%
LF Green Development LLC	Integrity Environmental	Demolition Labor	2,273.0	1,972.0	86.8%
Sandmasters Inc.	Catalyst Construction	Wood flooring	288.3	28.0	9.7%
SELAROM Const. LLC	Catalyst Construction	Labor	314.0	314.0	100.0%
Superior & Reliable Builders LLC	Catalyst Construction	Carpentry (Finish & Blocking)	711.5	0.0	0.0%
TOTAL WORKFORCE HOURS			6,826.8	3,743.2	54.8%
CITY OF MILWAUKEE RPP PERCENTAGE REQUIREMENT			40.0%		

WORKFORCE TOTAL HOURS



RPP Participation Hours

TABLE 4 - RPP PARTICIPATION BY TRADE & ZIP CODE

Trade	Number of Workers	Zip Code	Total RPP Hours through 03/31/17
Carpenter (1)	1	53215	170.0
Fire Sprinkler Fitter (1)	1	53220	3.0
General Laborer (32)	11	53204	1,338.5
	1	53205	39.0
	1	53207	5.0
	1	53212	28.0
	2	53214	111.0
	13	53215	1,434.0
	1	53218	77.5
	1	53221	21.5
	1	53224	66.5
Painter (4)	1	53204	26.0
	1	53212	15.0
	2	53215	31.7
Roofer (2)	1	53204	43.5
	1	53215	80.0
Sheet Metal Worker (2)	1	53215	209.0
	1	53216	44.0
Total	42		3,743.2

WORKER PROFILE: ROGER APONTE, FOREMAN LABORER



From the Desk, to the Hammer

Roger Aponte has been working on the Welford Historic Sanders Lofts project since April of 2017 as a lead foreman for SELAROM Construction LLC. His job duties are to supervise the other construction workers as well as perform carpentry.

His previous occupation was in administrative work, but he now enjoys being able to work with his hands and not just sitting behind a desk. Although carpentry is now his trade, Aponte has accomplished many milestones in his life prior to being in the construction field. He has an Associate Degree in Information Technology and in literature. He notes that it is great to make a good wage even if the job is not in his initial fields of study.

“I am rooted to the city and whatever can be done to improve [it], especially in minority areas is good.” - Roger Aponte

Moving to Milwaukee in 1996, Aponte considers himself loyal to the city. “I am rooted to the city and whatever can be done to improve [it], especially in minority areas is good,” says Aponte. He suggests bringing trade classes back to high schools to get more people involved in construction.

Always trying to keep a positive attitude onsite and in life, Aponte does not let others bother him. “There are good days and bad days but everything negative is a challenge,” says Aponte. In the next 10 years, he hopes to own his own business and retire early.



Building Careers

Louis Thomas attended the onsite Welford Sanders Historic Lofts job fair event on April 5, 2017. The job fair was held to recruit workers in the community for various job opportunities on the project. Louis was immediately hired by the flooring contractor Sandmasters, Inc. General contractor, Catalyst Construction saw his impressive work ethic and picked him up as a carpenter and machine operator for their organization. Louis was previously a part of the **Joseph Project**, which provides classes to help applicants prepare to land jobs, and build careers and better lives for their families. He received training in curb and gutter, forklifting and scaffolding there.

***“The construction field is constantly growing.
There’s always something new every day.” - Louis Thomas***

A typical day for Louis onsite as a crew leader involves running the sky track and loading and unloading materials. “The construction field is constantly growing. There’s always something new every day,” he said. Louis is working on multiple projects with Catalyst and is very happy with where he is going in his career.

Having previously worked for the City of Milwaukee for ten years, Thomas has a lot of experience with WHEDA and praises the **Joseph Project** and WRTP/BIG STEP for his accomplishments as an RPP worker. “Everything progressed from the WRTP/BIG STEP program back in 2005.” In the future, he hopes to become a foreman and continue to move up in the rankings of the construction business.



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