

CITY OF MILWAUKEE SEWER & PUBLIC INFRASTRUCTURE REPORT

INCLUSION THROUGH SEPTEMBER 30, 2022



REPORT BY





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Executive Summary

The long awaited 44 story Couture will be the home to 322 luxury apartments. The iconic structure is a unique addition to Milwaukee’s skyline for many reasons. When completed, it will be the tallest residential building in the State of Wisconsin. It is located at the lakefront, and will serve as a multi modal transportation hub at the Eastern most connection point for riders of the new Milwaukee County East-West BRT (Bus Rapid Transit) line and the City’s HOP streetcar. Other Public Infrastructure amenities include an open-air terrace and 30,000 sq ft of natural indoor/outdoor spaces.

This report addresses the inclusion of residents certified with the City’s Residents Preference Program and businesses certified with the City as SBE on the Public Infrastructure and Sewer relocation work, as the City of Milwaukee entered into two separate Human Resource Agreements and provided targeted funding for these two elements of the Couture Development. The project site was formerly owned by Milwaukee County.

The project has a complex financing structure which includes the following:

- The City of Milwaukee¹
- Milwaukee County²
- The US Department of Housing and Urban Development (HUD)³
- The AFL-CIO Housing Investment Trust⁴



Image from August 2021.

¹The City is providing \$19 million in TIF to support the Public Infrastructure and sewer relocation.

²The building will sit on land purchased from Milwaukee County that formerly housed an underutilized transit facility.

³The U.S. Department of Housing and Urban Development is providing a loan guarantee, the largest it has provided in the Midwest since 2000.

⁴The union’s investment of its pension funds in the project, is its third-largest transaction on record. The union pension fund participation requires that all contractors are signatory to their respective unions and all labor on site must be done by union workers.

Project History



Fall 1992

A new Downtown Transit Center (DTC) opened at 909 East Michigan; however, the facility was underutilized.



Summer 2012

The first publicly released Rinka Chung rendering of an initial concept for the Couture tower was issued by Barrett-Lo Visionary Development (BLVD) and made news with every major media outlet.



Spring 2014

The State of Wisconsin clarified the land border of the proposed site of the Couture clearing the way for development.



Fall 2016

BLVD purchased the DTC and demolished the structure.



Spring 2021

BLVD finalized the complex financing and work commenced.



Summer 2021

BLVD hosted a ceremonial groundbreaking as excavation crews were already on site.

Project Partners

- City of MKE Public Infrastructure TIF
- City of MKE Sewer Relocation Funding
- Milwaukee County Land Acquisition
- HUD Loan Guarantee
- AFL-CIO Housing Investment Trust



The City Projects

This inclusion report is presented in two parts, as the City of Milwaukee commitment is defined in two parts. However, the tower, which is not a direct subject of either report, will play a sizable role in achieving the RPP and SBE requirements.

Part A:

The Sewer Relocation Project.

Part B:

The Public Infrastructure (PI) elements of the development. The PI is purposely not described as a project, as its value is defined by detailed cost analysis by the City DCD and their nationally recognized construction cost consultants – the Concord Group.



Sewer Relocation



Sewer Project

I. Genesis

On May 23rd, 2017, Urban Milwaukee's Jeramey Jannene President and Journalist accurately wrote, "the nearly two-acre site at 909 E. Michigan St. that Barrett Lo-Visionary Development bought from Milwaukee County for \$500,000 came with an underground surprise: A 48-inch-wide combined sewer runs north-south through the length of the site near its western edge..."

The article goes on to state *"the sewer was relocated to this area when interstate 794 was built in the 1970's. Unfortunately, when it was done, probably because it was done at the time on public land, there was no easement ... After exploring their options on where to relocate the sewer, the city ultimately settled on the western edge of the site."*

II. Outcome

The City of Milwaukee and the Development team entered into a Couture- "Sewer Project" Human Resource Agreement (HRA) dated April 30, 2021, requiring SBE and RPP inclusion on the sewer relocation project described herein. Because of the completeness of the relocation design by the City, the Development team incurred no professional service expense to relocate the Sewer, only construction cost.

III. Reporting Methodology

While the Sewer HRA occurred after the public infrastructure (PI) agreement it appears first in this report because its work can/was isolated and has been 100% complete.

- A. The Sewer relocation contracts were separate from the Development's Earth work.
- B. Labor for the Sewer relocation was tracked by contractor scopes to separate it from the Earth work.

Sewer Project

TABLE 1: TOTAL SBE Participation (Professional Services Spend)

As noted on the previous page, the Development team had no Sewer Project Professional Service expenditures.

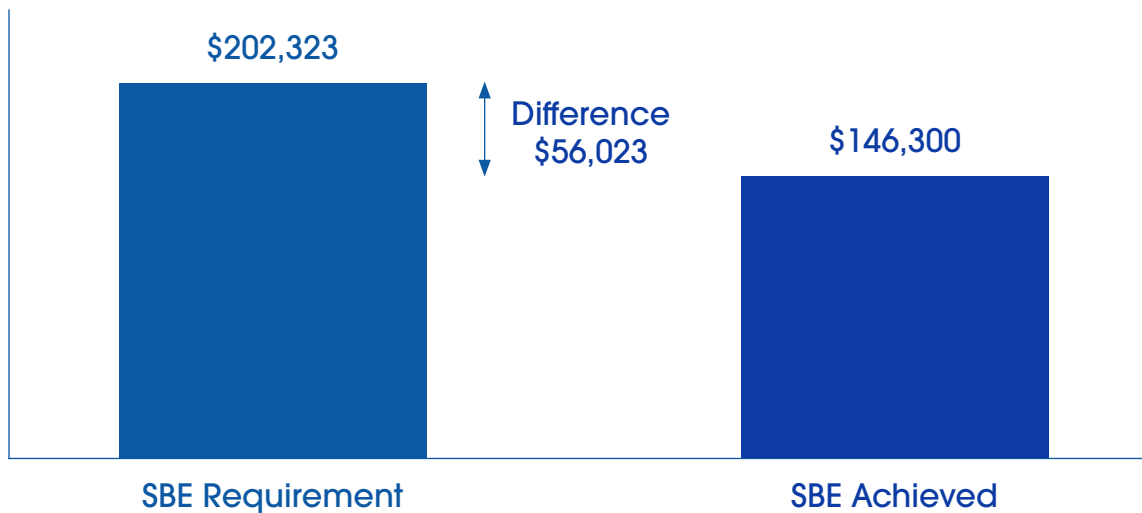
TABLE 2A: TOTAL SBE Participation (Construction Spend)

SBE firm	Subcontractor to	Description of work	Total Contract Amount
Tremmel Anderson Trucking	Super Excavators	Hauling	\$146,300
TOTAL SBE PARTICIPATION			\$146,300

TABLE 2B: SEWER Project SBE Deficit (Construction Spend)

Category	Dollars
Total Value Subject to Participation	\$809,292
REQUIRED SBE PARTICIPATION (25% OF ABOVE)	\$202,323
SBE Deficit to be resolved over next three Quarters	(\$ 56,023)

CHART 1: Construction Services SBE Inclusion Performance



Sewer Project

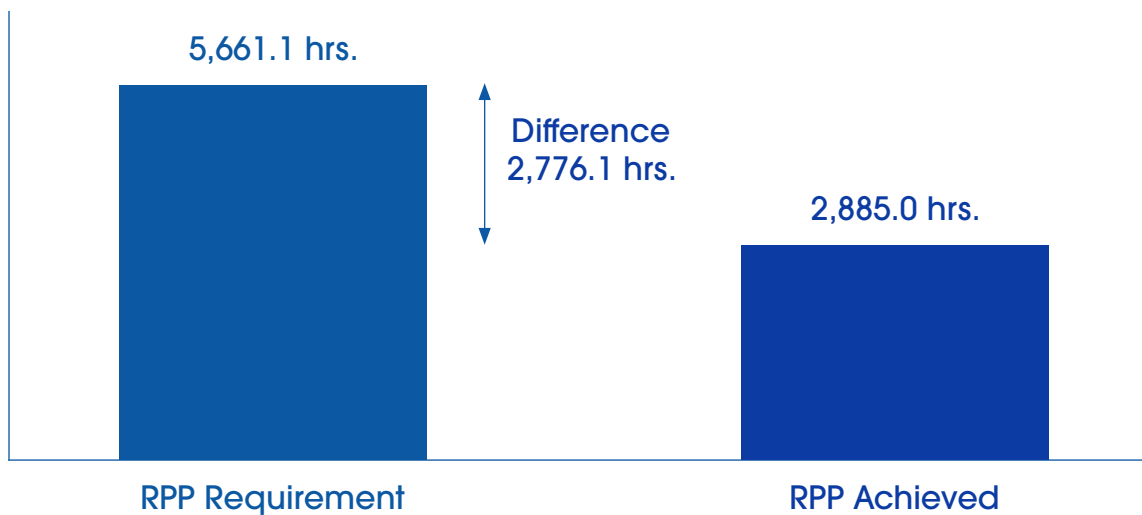
Table 3A: RPP Workforce By Contractor & Trade

Contractor	Trade	Work Performed	Total Hours	RPP Hours
Super Excavators	Operating Engineers	Excavating	826.0	0.0
Tremmel Anderson Trucking	Trucking	Hauling	2,561.2	1,964.0
Findorff	Laborers	Cement	3,979.0	897.0
Findorff	Carpenters	Encasement	6,786.5	24.0
TOTAL RPP PARTICIPATION			14,152.7	2,885.0

TABLE 3B: SEWER Project RPP Deficit

Category	Hours
Total Workforce Subject to Participation	14,152.7
REQUIRED RPP PARTICIPATION (40% OF ABOVE)	5,661.1
RPP PARTICIPATION ACHIEVED	2,885.0
RPP Deficit to be resolved over next three Quarters	(2,776.1)

CHART 2: RPP Inclusion Performance



Sewer Project

Curing The Sewer RPP and SBE Deficits

The development team understood the challenges of achieving RPP and SBE participation on the sewer project and plan to correct the deficits in both requirements through utilizing SBE firms and RPP certified workers throughout the 44-story structure.

As construction continues with the PI and tower, the RPP cure will be reported in future reports.

In this report, Table 7 on page 16 illustrates the existing SBE firms currently under contract that in fact have cured the completed Sewer SBE Deficit.



Public Infrastructure

TABLE 4A: PI SBE Professional Services Spend

SBE Firm	Contractor By	Work Scope	Total Contract Amount
Rinka Chung Architects	BLVD	Lead Architect / PI Value	\$25,597
Prism Technical Management	JH Findorff	Inclusion Consultant	\$178,074
TOTAL SBE PARTICIPATION			\$203,671

TABLE 4B: PI SBE Professional Services Requirement

Category	Dollars
Total PI Professional Services Subject to Participation	\$454,318
REQUIRED SBE PARTICIPATION (18% OF ABOVE)	\$81,777
SBE PI Professional Services Contract Values	\$ 203,671

REQUIREMENT EXCEEDED.



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Public Infrastructure

The entire Couture project was designed as one contiguous structure with a significant Public Infrastructure (PI) feature. Contractors then bid on the entire project.

The Development team worked with the city to agree on the PI value of every scope resulting in a total PI project cost.

TABLE 5A: PI SBE Construction Participation

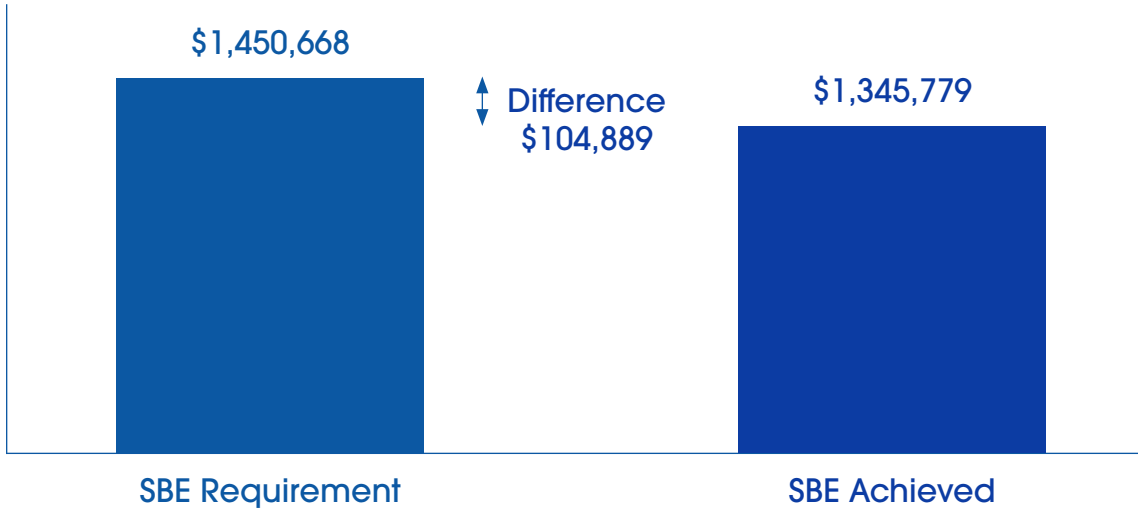
SBE Firm	Subcontractor To	Description of work	Total Contract Amount
Equity Supply	KMI	Masonry Supply	\$27,373
Hetzel-Sanfilippo	Langer Roofing & Sheet Metal	Carpentry /Framing	\$113,642
JCP Construction	JH Findorff	Water Proofing	\$10,419
Milwaukee Iron	JH Findorff	Concrete Rebar	\$852,157
Sanchez Painting	JH Findorff	Painting	\$149,036
Tremmel Anderson Trucking	Super Western	Hauling	\$193,152
TOTAL SBE PARTICIPATION			\$1,345,779

TABLE 5B: PI SBE Deficit

Category	Dollars
Total Value of PI Work Subject to Participation	\$5,802,673
REQUIRED SBE PARTICIPATION (25% OF ABOVE)	\$1,450,668
SBE Participation Achieved	1,345,779
SBE Deficit to be resolved over next three Quarters	(\$ 104,889)

Public Infrastructure

CHART 3: PI Construction Services SBE Inclusion Performance



Public Infrastructure

TABLE 6A: RPP Workforce By Contractor & Trade

Contractor	Trade	Work Performed	Total Hours	RPP Hours
Butters Fetting	Plumbers	Plumbing	2.7	0.3
JCP Construction	Laborers	Waterproofing	3.6	0.5
JH Findorff	Laborers	Concrete	6,223.7	416.5
Terra Engineering	Operating Engineers	Piles and Piers	0.0	0.0
Milwaukee Iron	Concrete Rebar	Iron Workers	663.7	143.3
Staff Electric	Electrical	Electricians	50.6	15.4
TOTAL RPP PARTICIPATION			6,944.3	576.0

TABLE 6B: PI Project RPP Deficit

Category	Hours
Total Workforce Subject to Participation	6,944.3
REQUIRED RPP PARTICIPATION (40% OF ABOVE)	2,777.7
RPP PARTICIPATION ACHIEVED to date	576.0
Current RPP deficit to be resolved over next three Quarters	(2,201.7)

Curing Deficits

TABLE 7: Curing the SBE Deficits

SBE Firm	Subcontractor to	Trade	Work Performed	Sewer Value	PI Value	Available to cure
Best Erectors	Klein-Dickert	Glazing	Podium Curtain Wall	\$0	\$0	\$210,000
Best Erectors	Klein-Dickert	Glazing	Garage Curtain Wall	\$0	\$0	\$100,000
Equity Supply	KMI	Material Supply	Masonry	\$0	\$27,373	\$57,427
Hetzel-Sanfilippo	Langer Roofing	Carpentry/ framing	Carpentry/ framing	\$0	\$113,642	\$82,158
JCP Construction	JH Findorff	Waterproofing	Foundation	\$0	\$10,419	\$59,041
MKE Iron Erectors	JH Findorff	Rebar placement	Concrete	\$0	\$852,157	\$4,187,213
Sanchez Painting	JH Findorff	Painting	Painting	\$0	\$149,036	\$1,096,042
Tremmel-Anderson	Super Western	Hauling	Foundation	\$0	\$193,152	\$531,348
TOTAL SBE PARTICIPATION						\$6,323,229

Category	Dollars
Excess SBE participation not associated with the Sewer or PI Projects is	6,323,229
Amount to cure the Sewer Deficit	56,023
Available to cure the PI SBE deficit	6,267,206

As construction continues with the PI and tower, the RPP cure will be reported in future reports.

