

PROGRAM PLAN**30th Street Industrial Corridor Workforce Training Program
Common Council of the City of Milwaukee****DATE**

November 16, 2009

RESPONSIBLE STAFF

Kein Burton, RACM (414-286-5845)

PROGRAM PROJECT AREA

30th Street Industrial Corridor: The Corridor is generally bounded by Hampton Avenue to the north, North 27th Street to the east, West Highland Avenue to the south and 37th Street to the west (1st, 4th, 7th and 15th Aldermanic Districts).

PROPOSED ACTION

The Department of City Development (DCD) is seeking an allocation of \$289,000 from the Development Fund and approval to enter into a Cooperation Agreement to implement the 30th Street Industrial Corridor Workforce Training Program. These dollars will fund the second phase of job training grants for Corridor businesses with a goal to create at least 25 new jobs.

Subject to Common Council approval, DCD will enter into a Cooperation Agreement with the Corridor Corporation to administer funds over a two-year period. As in the pilot phase, the Corridor Corporation will receive 10% of the overall fund amount or \$28,900, evenly distributed across fiscal years 2010 and 2011.

BACKGROUND

The Corridor is home to many of Milwaukee's top employers, including Harley Davidson, Miller-Coors, Eaton Corporation, DRS Technologies, Master Lock and others. In 2005, the City of Milwaukee and the State of Wisconsin jointly identified the Corridor as a top economic development priority and committed significant financial resources to restore and retain jobs and to improve neighborhood conditions. Since that time, DCD has worked to promote public and private investment and has established a network of businesses, non-profit community development corporations and resident groups to assist in shaping a new vision for revitalizing the area.

Business leadership in the Corridor is fundamental to retaining employment opportunities and in fostering business-to-business connections to recruit new companies. The Corridor Corporation (formerly 30th Street Industrial Corridor Corporation) is a non-profit, economic development organization with deep ties to the local business community. The Corridor Corporation provides staff support to the 30th Street Industrial Corridor Business Improvement District (BID) #37. Together, the Corridor Corporation and BID #37 primarily focus their efforts on:

- Technical assistance to businesses
- Workforce development
- Safety and security
- Marketing
- Planning and redevelopment opportunities

In 2008, DCD and the Corridor Corporation received \$100,000 in a Large Impact Development grant to implement the 30th Street Industrial Corridor Workforce Training Pilot Program. The Corridor Corporation entered into a Cooperation Agreement with DCD to solicit, review and recommend proposals for funding. The Corridor Corporation received \$10,000 in administrative support to conduct the above activities in addition to project monitoring and reporting.

Under the pilot phase, \$30,000 grants were awarded to three companies, including Master Lock, Inc., Capitol Stampings, Inc. and DRS Technologies. Upon completion of this initial phase, 30 new jobs were created with a minimum overall compensation of \$15.00 per hour. Positions ranged from production workers to entry-level management and included training in leadership development, manufacturing skills certification and production quality control.

While there were plans to continue the Program, an informal survey of businesses in 2009 revealed that no new hiring would take place due to the economic downturn. Therefore, applications for additional public and private funding were not submitted. Recent discussions with area businesses have indicated renewed hiring. Training dollars are needed to prepare production workers for the unique products and processes of these companies.

PROGRAM DESCRIPTION

The 30th Street Industrial Corridor Workforce Training Program will provide grants of up to \$50,000 to businesses for training new and incumbent workers. Funds will be made available in January 2010 and proposals will be evaluated based on the following criteria:

- Awardees are eligible to receive \$10,000 in funding for every new job created or \$5,000 for incumbent employees. Employers are expected to demonstrate a 50% private match, which can be derived from wages during the training period, curriculum development, purchase of equipment necessary for training, tuition and consultant fees and other sources approved by the Corridor Corporation and DCD.
- The average wage for the newly created, permanent jobs at each company must be at least \$10.00 per hour.
- Awardees must show a demonstrated effort to attempt to recruit City of Milwaukee residents for newly created, permanent positions. This will include working with workforce development agencies, neighborhood/ resident associations, community development groups and others to find

potential employees and also holding a neighborhood job fair or other activities.

- All grant funds will be made on a reimbursable basis. Awardees will only be reimbursed for expenses that meet the goals or guidelines deemed appropriate by the Corridor Corporation and DCD.
- Training should result in some type of credential, certification or marketable skill that will allow for the upward mobility of the employee or a wage increase for the employee completing the training.
- Awardees agree to provide any data requested by the City of Milwaukee and the Corridor Corporation. Data may include, but is not limited to, the number of jobs created, the number of employees to enter and complete training, certifications or credentials attained by employees participating in the training, employee wages before/after hire or training, employee addresses, job titles, employee retention and other information. The Corridor Corporation and the City of Milwaukee will not release names or any personally identifying materials to the public.