



# TRANSFORM MILWAUKEE INSIDER

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## PARTNERING TO REBUILD DEPRESSED TRANSFORM MILWAUKEE NEIGHBORHOODS

**T**ony Kearney walks into a classroom in the Northcott Neighborhood House on the north side of Milwaukee. All 24 seats are filled by African American men learning construction. Kearney, the Project Director of the 50-year-old nonprofit organization, brings good news. All of the students have passed the state lead abatement worker test. The class erupts into applause. Kearney is all smiles.

Northcott partnered with developer Gorman & Company from Oregon, Wis., on the landmark housing restoration effort called the Northside Housing Initiative. The project featured the construction of 40 rent-to-own, single family homes on formerly vacant lots and the rehabilitation of a series of existing duplexes to provide an added 40 affordable rental units in the Metcalfe Park and North Division neighborhoods of Milwaukee. These central city communities are located in the Transform Milwaukee area and are littered with foreclosures and blighted properties.

In 2010, the Wisconsin Housing and Economic Development Authority (WHEDA®) awarded \$951,620 in Low-Income Housing Tax Credits to Gorman for the initiative and just over \$1.5 million in credits in 2012. (Though the 2010 allocation of credits was made before the announcement of Transform Milwaukee, it's significant to note this important initiative is located within the



Transform Milwaukee area]. Gorman's Wisconsin Market President Ted Matkom now depends greatly on the Northcott students for the second phase of the project, the acquisition and rehabilitation of 105 single family homes into affordable rental units.

"Northcott is literally training individuals in building homes, in siding, roofing and carpentry," said Matkom. "The least you can do is provide opportunity for a local entity that hires local residents to work on these projects. It's a great idea."

Christopher Edwards, 41, of Milwaukee,

attends a Northcott class wearing a shirt and tie under his overalls. Edwards' expertise is remodeling homes. But like most of the students, he's unemployed.

"I have an impeccable resume," said Edwards. "But I can't find work. I'm here to make myself more marketable, more employable. I don't care if it's only for \$8 an hour."

Northcott is a refuge for another student, 45-year old Elliott Urquhart of Milwaukee, an unemployed welder.

"I'm surrounded by good people who are

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# MILWAUKEE GOES GLOBAL WITH FRESHWATER

There was an unmistakable air of economic optimism on August 13, 2012, when ground was broken on the **Global Water Center**, a seven-story 93,000 square foot space in Milwaukee's Walker's Point neighborhood.



The Global Water Center is a catalytic investment in the Transform Milwaukee area that will act as a business incubator for water technology companies in downtown Milwaukee. The key word is “water.”

“Milwaukee is the water hub of the world. When you think of clean water, when you think of fresh water technologies, Milwaukee, Wisconsin is the place you need to think about,” Governor Scott Walker told the groundbreaking gathering. “More than 150 water technology companies, five of the top in the world when it comes to water technology are right here in southeast Wisconsin, and it’s only going to get bigger and bolder as time goes on.”

Milwaukee Water Council Co-Chair Rich Meeusen added to the buzz, leaving onlookers thinking to themselves, ‘why not’?

“Some building was the first building to go up in Silicon Valley. Somewhere there was the first one, and I’d like to think

that what we’re looking at here could be the first building in water technology,” Meeusen said.

The century-old warehouse is being converted into Class A office space with research facilities, a lecture hall, and an exhibition space for new prototypes and a water flow lab. Opportunities will be created for increased collaboration between water technology companies and research organizations that assist in the development of Milwaukee’s water technology industry. This collaborative workspace and water focused research center is the first of its kind in the world.

Governor Walker announced Transform Milwaukee on April 30, 2012. WHEDA awarded \$20 million in New Markets Tax Credits to the Global Water Center on July 17, 2012, an investment expected to create more than 500 jobs. The Wisconsin Economic Development Corp. (WEDC) is providing grants of \$50,000 each to six water technology startups with commercialization potential as part of a six-month accelerator program beginning September 1, 2013.

Tenants committed to the Global Water Center include Wipfli, the Water Council, Rexnord, Badger Meter Inc., A.O. Smith, the University of Wisconsin-Milwaukee, the Greater Milwaukee Committee and WEDC. All tenants were scheduled to be at the Center by August 1, 2013. A public open house is scheduled for September 12, 2013.

French trade commission UBIFRANCE in Chicago helped secure a lease with Envolus Inc., a newly formed U.S. subsidiary of Envoleure, based in Montpellier, France. Envoleure developed a technology that quickly analyzes wastewater and organic waste. Negotiations to attract two other French firms are underway.

The Global Water Center project continues the redevelopment of blighted and underutilized industrial structures in the Transform Milwaukee area. Spillover effects could include additional development of residential, retail and high-tech industries in the surrounding neighborhood.

## COLLECTIVE IMPACT AND TRANSFORM MILWAUKEE

**C**ollective Impact is a group of community leaders and business owners who were brought together in November 2012 for the common purpose of revitalizing the city of Milwaukee. Through the efforts of Transform Milwaukee, several groups of partners have attended a two-day session hosted by WHEDA that included a tour of the Transform Milwaukee area, which allowed attendees to hear from local partners before having a group discussion of the positive effects of Collective Impact.

Collective Impact Initiatives are long-term commitments by a group of partners from different sectors to a common agenda for solving large and intractable problems. Their actions are supported by a shared measurement system, mutually reinforcing activities and ongoing communication, which is staffed by an independent backbone organization. The Transform Milwaukee Collective Impact Group had its first full group meeting with all four classes on **August 1, 2013**, to develop an action plan. The event was facilitated by James Carlson of Bucketworks and Tina Koehn of UMOS.





# TRANSFORM MILWAUKEE: WHEDA COMMITMENT UPDATE

**T**ransform Milwaukee is a public-private partnership focusing on restoring economic prosperity to the industrial, residential and transportation areas connecting the City of Milwaukee's 30th Street Industrial Corridor, Menomonee Valley, Port of Milwaukee and the Milwaukee Aerotropolis south of General Mitchell Airport.

Since the announcement of Transform Milwaukee on April 30, 2012 through to May 1, 2013, WHEDA has invested

\$84.2 million and leveraged another \$85.3 million in direct investment totaling \$170 million.

WHEDA's \$84.2 million investment represents 169% of its first year goal, and 85% towards its two-year goal of \$100 million. Overall, WHEDA's total investment has also exceeded its first year goal and is 85% towards the overall two-year goal of \$200 million adding in public and private investment.

"Halfway through our first two-year

commitment to this initiative, that's a phenomenal boost not only for Milwaukee's economy, but for the entire state," said Governor Scott Walker.

"The community's enthusiasm for Transform Milwaukee is truly inspiring. The progress we've made so far would not have been possible without the engagement and commitment of our growing list of community partners, state agencies, and the city of Milwaukee," said WHEDA Executive Director Wyman Winston.

## EXAMPLES OF WHEDA'S FUNDS USED IN TRANSFORM MILWAUKEE (From 5/1/2012-4/30/2013)



**\$252,000**  
expansion financing:  
Compo Steel Products, Inc.



**\$250,000**  
funding support, partnering  
with MMSD, for the  
completion of design  
engineering on  
Flood Mitigation Plan  
for the  
30th Street Corridor



**\$1,667,370**  
mortgage loans for  
18 single family homes



**\$141,310**  
WHEDA Foundation  
housing grants for  
seven special needs  
housing providers



**\$20,000,000**  
tax credit allocation:  
Global Water Accelerator



**\$975,000**  
multifamily residential financing:  
National Avenue Lofts



**\$5,500,000**  
multifamily financing:  
Northside Homeowners Initiative





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sincerely concerned,” said Urquhart. “My goal is to get a respectable wage, own a home and pass it on to my son.”

Both Edwards and Urquhart dream of being contractors someday, but have even greater motivation.

“I will unboard every boarded up house in this city,” Edwards proclaimed. “That’s my aspiration.”

“We’re tired of seeing all those green boards,” Urquhart concurred.

Not everyone shares the same ambition. Kearney says students who swear they aren’t afraid of heights arrive at a worksite and suddenly can’t get on a ladder. For others, weather can be too hot or cold. And, half of the students bring with them baggage in the form of felony convictions.

“We have to take a chance on them,” said Kearney. “If you’re going to revitalize the community, you have to hire from within those who are unemployed. A convicted felon is less likely to recidivate if he has a job.”

Persistence can pay off substantially. Kearney says one former student, who previously had no income, earned \$17,898 this past year and will probably make \$25,000 this year. That type of turnaround is imperative in a community crippled by an unemployment rate of 50 percent among African American males.

The biggest problem with the program isn’t a problem per se. Gorman loses workers that graduate from the program to third party contractors. Since the ultimate goal is finding sustainable employment for the students, the Gorman-Northcott partnership has been a success. A waiting list to get into the classrooms at Northcott has mushroomed to 1,200.

“WHEDA’s Emerging Business program is essential to facilitating small business,” said Gorman’s Matkom. “It’s working just great.”



For more information about Transform Milwaukee, please contact:

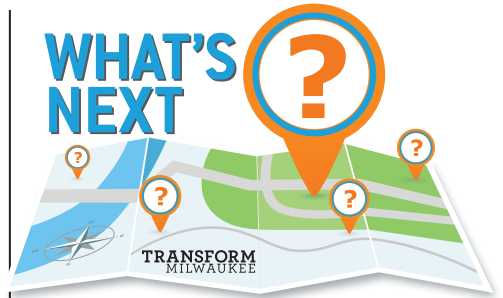
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**W**HEDA and WEDC have received Request for Qualifications (RFQ) submissions for strategic planning services in creating the Transform Milwaukee Strategic Action Plan. This is the initial step of a two-step process also involving a RFP for contract. WHEDA and WEDC are reviewing the RFQ submissions and creating the RFP for contract that is anticipated to be released to the public around the beginning of August. The consultant or consultant team selected will construct the Transform Milwaukee Strategic Action Plan to guide the distribution of resources for WHEDA and its partners. The Strategic Action Plan will synthesize the existing and ongoing planning efforts into one document that will cost out, prioritize and timeline implementable action items. The Strategic Action Plan will also maximize the resources in the Transform Milwaukee area and illustrate the relationships among partners in executing the action items.

Upon its completion, the Strategic Action Plan will operate as a playbook and outline the “who, when, where and how” in terms of implementation elements. Implementation will manifest itself in bricks and mortar, organizational alignment, program development, financial incentives, human capital development and infrastructure enhancements. A coordinated and focused approach will help to ensure limited resources are utilized efficiently and catalytic in nature.

