



# TRANSFORM MILWAUKEE INSIDER

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## TRANSFORM MILWAUKEE SURPASSES INVESTMENT GOAL

**H**ow do you begin the daunting task of economically reenergizing a city from one end to the other? When Governor Scott Walker and Wisconsin Housing and Economic Development Authority (WHEDA) Executive Director Wyman Winston met at the Hatco Corporation in Milwaukee on April 30, 2012, to make a formal announcement about the state's first class city, they realized they had to unveil a big, bold initiative.

Unemployment in Milwaukee was at an all time high with male African American unemployment rates being one of the highest in the nation. Once booming factories were now vacant or torn down. Neighborhoods were distressed.

"Overall, it just makes for a better state when we transform the City of Milwaukee," said Governor Walker.

And so the strategic business plan was born: **Transform Milwaukee.**

The goal was straightforward.

"Our focus is to restore industrial and manufacturing jobs to Milwaukee," said Winston.

The task was monumental: \$100 million invested over the next two years leveraged by another \$100 million in public and private financing resulting in \$200 million in identifiable projects, a template for economic activity.

State agencies were already onboard along with the City of Milwaukee. Now the concept had to be sold to additional partners and an outreach campaign was launched.

WHEDA engaged community investors:

foundations, community and civic organizations, minority chambers, businesses and industrial parks. Tours were conducted of the Transform Milwaukee area. Roundtable

*Goal surpassed, continued on page 5*

### NEW TRANSFORM MILWAUKEE VIDEO HIGHLIGHTS INITIATIVE'S PROGRESS

WHEDA, with support from other Wisconsin state agencies, the City of Milwaukee and private partners, created a Transform Milwaukee video highlighting the initiative's progress and success over the past two years. The full-length video can be found at [TransformMilwaukee.com](http://TransformMilwaukee.com).



# COLLECTIVE IMPACT ENGAGEMENT UPDATE



A Collective Impact work session held on April 10, 2014 at Milwaukee Area Workforce Investment Board (MAWIB).

**T**ransform Milwaukee was able to successfully celebrate its two-year anniversary in large part because the initiative garnered critical support from key partners.

When Transform Milwaukee was first announced on April 30, 2012, Governor Scott Walker entrusted WHEDA to spearhead the effort.

“The idea was to have WHEDA lead the charge because they’re great at investing dollars not only through the state but also leveraging private sector dollars,” said Walker.

Transform Milwaukee, if it was going to work, could not be a project exclusive to WHEDA. Other stakeholders who were devoted to and passionate about the ambitious goal needed to become partners. One of the methods used to build consensus was the **Transform Milwaukee Collective Impact Engagement**. A number of sessions were conducted comprised of community participants dedicated to developing and driving the goals of Transform Milwaukee, i.e., restoring economic prosperity to Wisconsin’s first-class city.

Collective Impact Initiatives are long-term commitments by important actors from various sectors in a community to form a common agenda in order to solve large and intractable problems. Transform Milwaukee’s Collective Impact group focused on three major categories – economic development, workforce/talent development and community development.

All state agencies are on board to help Transform Milwaukee, committed to partnering with business, community, educational, workforce development and municipal representatives in working toward the common agenda. Secretary Eloise Anderson of the Department of Children and Families, Secretary Reggie Newson of the Department of Workforce Development and WHEDA Executive Director Wyman Winston have presented their vision of Transform Milwaukee to the Collective Impact group. At the most recent session held at the Milwaukee Area Workforce Investment Board attended by active members of the community, Winston stressed the importance of collective impact partners sharing

information and creating connections that can ultimately lead to powerful social and economic networks. His thoughts would turn out to be prophetic.

Many examples of partnerships already have occurred through the Collective Impact Engagement. Matthew Kures with the University of Wisconsin Extension and Gloria Stearns, Executive Director of the 30th Street Corridor presented a new and exciting initiative that resulted from a discussion between the two at a prior session.

Kures discussed the importance of supporting second-stage businesses that have the greatest impact on job creation. Also known as emerging growth companies, second-stage firms typically produce goods or services that are sold to external markets, have 10 to 99 employees, and generate \$1 to \$50 million in annual sales. Kures introduced “Economic Gardening TM” as a national model for supporting second-stage businesses. Developed in Littleton, Colorado, Economic Gardening provides second-stage businesses access to a strategic

*Collective Impact, continued on page 6*





# DNR HELPS TRANSFORM MILWAUKEE

**F**rom the beginning, Transform Milwaukee has worked to establish partnerships between financial institutions, community and civic organizations, minority chambers of commerce, business and industrial parks and state agencies. All of these partners have collaborated to help grow Milwaukee's economy by working to revitalize the industrial corridor, neighborhoods and small businesses encompassing the Milwaukee 30th Street Industrial Corridor, Menomonee Valley, Port of Milwaukee and Aerotropolis located near General Mitchell Airport.

When Governor Scott Walker announced Transform Milwaukee in 2012, there was little doubt that state agencies would play a part in helping drive the initiative. Much like our sister agencies, the Department of Natural Resources has brought together staff expertise and financial resources over the past two years to help move this ambitious project forward. Through various agency programs, the DNR is helping contribute to the success of Transform Milwaukee in the following ways:

## AIR, WASTE, AND REMEDIATION & REDEVELOPMENT (AWARE) DIVISION

Since 2012 the DNR has committed approximately \$3.28 million in payments under five grant programs.

- **Site Assessment Grants:** Reimbursements from the last round of grants awarded by the DNR: \$104,150.
- **Leaking Underground Storage Tanks Stimulus (American Recovery and**

**Reinvestment Act) Awards:** This was federal funding provided to the DNR to administer the grant. Amount committed in 2012: \$3,073,882.

- **Wisconsin Plant Recovery Initiative (WPRI) funds committed as part of the WPRI Community Managed Funds:** \$32,699.
- **WPRI Assessment Monies (WAM) grants:** DNR administered assessment money: \$104,067.

But it doesn't end there.

The DNR will provide \$145,845 in WAM money reimbursement to the City of Milwaukee for Century City, the former Tower Automotive site. The Milwaukee Metropolitan Sewerage District has applied to the DNR for a Runoff Management Grant for the 30th Street Project for \$150,000 design/construction and \$50,000 property acquisition of grant funding for the 30th

Street Industrial Corridor Northeast Storm water Improvements.

Finally, in 2012 the DNR provided three grants through the EPA Great Lakes National Program Office to the Urban Ecology Center [\$26,535] for outreach and monitoring efforts in the Milwaukee River; to the Alliance for the Great Lakes [\$11,607] for beach monitoring; and Milwaukee Riverkeeper [\$8500] for monitoring storm water outfalls.

Although this is not a complete list of investments, the DNR has spent or committed approximately \$6 million to the Transform Milwaukee area. Working with our partners to restore economic vitality to the Transform Milwaukee area may take time, but the DNR is in this for the long haul.





# BLUEPRINT FOR PROSPERITY BRINGS JOB TRAINING SUPPORT TO TRANSFORM MILWAUKEE

Governor Walker's Blueprint for Prosperity is bringing employer-driven skills training to the Transform Milwaukee area.

Transform Milwaukee is a public-private initiative focusing on restoring economic vitality to the industrial, residential, and transportation areas connecting Milwaukee's 30th Street Industrial Corridor, Menomonee Valley, Port of Milwaukee and Aerotropolis, located south of General Mitchell

Airport. All state agencies are involved in Transform Milwaukee, including the **Department of Workforce Development (DWD)**.

One of the major goals of Transform Milwaukee is to support the development of businesses that create jobs in a labor market that includes one of the nation's highest rates of male African American unemployment. Recently, DWD announced its intent to award **30 grants totaling \$2.1 million** to develop or expand programs that prepare hundreds of high school pupils in Wisconsin for the workforce or post-secondary education through training in high-demand fields. Included is a \$122,751 grant to WRTP/BIG STEP to train students in manufacturing.

The investment is part of the **Governor's Blueprint for Prosperity**, a comprehensive agenda to provide tax relief and invest in worker training to move Wisconsin along a path to prosperity. The plan includes \$35.4 million to expand the Wisconsin Fast Forward worker training program into three key areas, including training in high-demand fields for high school pupils.

The Wisconsin Fast Forward-Blueprint for Prosperity grant represents one of many investments that DWD has made in the Transform Milwaukee area. In total, \$10.7 million in funding from DWD was allocated or awarded over the first two years of Transform Milwaukee to provide job services, training, and employment assistance.

"Thanks to Governor Walker's vision, high school pupils will have an opportunity to learn new skills that are in demand by employers, and earn a semester or more of technical college credit while still in high school," DWD Secretary Reggie Newson said in announcing the awards. "The experience translates directly to future success in the classroom or on the shop floor. These are the kinds of innovative collaborations that effectively

address Wisconsin's skills gap and move our state forward."

At WRTP/BIG STEP, the grant will support the organization's Early Level Manufacturing Skills project. Fifteen high school students from Milwaukee Public Schools will be trained in Quality Control Technician, CNC Machining, and Plastic Injection Molding.

Successful trainees will gain certification in the **Manufacturing Skills Standards Council (MSSC)** Certified Production Technician, OSHA 10, First Aid and CPR, Financial

Literacy, Job Readiness Training, Healthy Relationships, Industrial Mathematics, Blueprint Reading, Tool Identification and Use and Metrology. Pupils who successfully complete the program will be provided placement opportunities at two Milwaukee-area businesses.

DWD worked with the state **Department of Public Instruction (DPI)** to develop grant criteria and issue a grant program announcement (GPA) in March 2014 for up to \$1.5 million in potential awards. Applications had to include at least one business or business organization in collaboration with school districts, educational partners, and/or technical colleges.

For more information about **Wisconsin Fast Forward – Blueprint for Prosperity**, go to [www.dwd.wisconsin.gov/wff/prosperity/](http://www.dwd.wisconsin.gov/wff/prosperity/).



➔ **BLUEPRINT FOR PROSPERITY**





discussions were held. Prospective partners were urged to make long-term commitments.

Consensus and support started to grow.

"Transform Milwaukee is a vision that says if we pool our efforts, because of our connections, we can help many residents," said ReDonna Rodgers, the Executive Director of Milwaukee's Center for Teaching Entrepreneurship.

Entrepreneur Greg Meier, the co-founder of Revolution Labs in Milwaukee has also bought in.

"You absolutely need a Transform Milwaukee to get a revival going," said Meier.

Over two years has passed since Transform Milwaukee began and to date the effort has surpassed its goal by raising \$215 million.

"As we see this recovery, our goal is to make sure no one is left behind – that everyone who wants a good job, can get a good job, not only in Milwaukee but throughout the state," said Governor Walker.

Here are a few examples of key investments in Transform Milwaukee:

- An allocation of \$20 million in New Markets Tax Credits helped convert an empty, dilapidated warehouse into office and water research space, the **Global Water Center**. The potential is tremendous. Milwaukee could become the Silicon Valley of water technology. Thirty-two (32) companies now occupy the Global Water Center that recently received the Milwaukee Business Journal Project of the Year Award. Since the building opened there has been swift and significant growth in the Walker's Point neighborhood. The adjacent Reed Street Yards will be home to the world's first water technology business park that will feature cutting edge water management practices.
- Working with specialty alloys, carbon steel and numerous metals, **Compo Steel Products** is an engineering and contract fabrication manufacturer. Compo Steel wanted to expand their business with the purchase of a 6000 watt laser capable of cutting through thicker pieces of steel. WHEDA matched a loan from Associated Bank allowing the company to purchase new equipment and generate continued and greater business opportunities and create an additional 30 jobs over a span of a year. Compo Steel Products is located just north of Milwaukee's Riverwest neighborhood and is providing jobs in a neighborhood that people sometimes forget still has a manufacturing base.
- **Sherman Park Homeowners Initiative** is the seventh phase of a project that continues Gorman and Company's northside Milwaukee scattered-site efforts. All of these phases have involved purchasing foreclosed vacant lots, homes, or duplexes from

the City of Milwaukee and putting these properties back on the tax rolls after extensive renovation. By early 2015, Gorman & Company, Inc. will have constructed and rented over 200 single family and duplex units on Milwaukee's northside.

"The progress we have made thanks to our partners has been phenomenal," said Winston. "Investments we are seeing in the workforce, economic development, and infrastructure are making a difference in the city."

Surpassing the \$200 million goal was quite an achievement. However, everyone involved readily admits the mission is far from over.

"This idea of bringing together like-minded people should not be two years or four years," said Meier. "This has to be forever in Milwaukee."

"Transform Milwaukee is a long-term push, not a short-term fix," said Rodgers.

Transform Milwaukee's continued expansion demonstrates the desire by community partners, businesses and leaders have in revitalizing Wisconsin's first-class city.

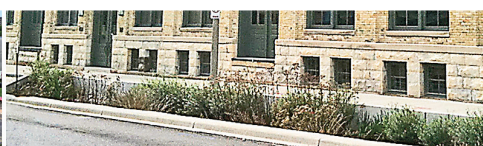
## TRANSFORM MILWAUKEE FINANCING PRODUCT UPGRADED

In a previous Transform Milwaukee Insider we informed you about a WHEDA exclusive: The **Transform Milwaukee Loan Guarantee Program (TMG)**. This financing product was designed to provide incentives to lenders to make small business loans in the City of Milwaukee and the Transform Milwaukee area.

WHEDA has exciting updates to this financing program:

- **There are no fees.**
- **WHEDA has streamlined the application process for deals under \$250,000 in order to provide quick and easy access to financing.**
- **The TMG can be used for full refinancing of a loan currently held by a different lender.**
- **The TMG can be utilized by any borrower in the City of Milwaukee.**

The 2013-15 state budget signed into law by Governor Scott Walker approved \$2.5 million for small business loan guarantees and an additional \$750,000 for loan guarantees was provided by the Wisconsin Department of Justice, enabling \$3.25 million to be targeted to Transform Milwaukee. The TMG will allow for up to \$18.3 million in lending for small businesses located in the Transform Milwaukee area and the City of Milwaukee. The TMG program has up to an 80% guarantee on loans up to \$750,000.



research team with expertise in market research, GIS, search engine optimization and social media. The team uses data and tools traditionally available to large corporations to focus on strategic issues and identify new opportunities for growth for these businesses. A pilot Economic Gardening program will be launched later this year as part of Transform Milwaukee.

As a result of another partnership made through the Collective Impact group, Gloria Stearns offered to provide connections to companies in the 30th Street Corridor for Kures' pilot program. This innovative outcome is exactly the type of effective network Winston described at a Collective Impact session, providing an opportunity for Sterns' organization and the businesses she serves. It's also a prime example of why Transform Milwaukee has enjoyed such a tremendous start.

WHEDA is not alone in Transform Milwaukee, a key reason the initiative's future looks bright.

## COLLECTIVE IMPACT INITIATIVE: NEW INTERNSHIP PROGRAM

Leaders at Cardinal Stritch University will be leveraging a Great Lakes Corporation internship grant received to support the mission and goals of Transform Milwaukee. The University has pledged to use grant funds to support at least 20 student internships at our Transform Milwaukee partner sites this summer. Interns will be expected to support at least one common goal of the Transform Milwaukee Initiative.

Watch for upcoming announcements on this new internship program.

## US DEPT OF COMMERCE SELECTS MILWAUKEE 7 AS A "MANUFACTURING COMMUNITY"

**T**ransform Milwaukee received a huge shot in the arm when Milwaukee 7 was selected by the U.S. Commerce Department as one of 12 "Manufacturing Communities" as part of the Investing in Manufacturing Communities Partnership (IMCP) initiative. The chosen Manufacturing Communities will receive coordinated support for long-term economic development strategies from eleven federal agencies.

Achieving this highly sought-after designation was critical. There were 70 applicants. The payoff is the Milwaukee 7 along with the other Manufacturing Communities will now get preferred consideration when applying for \$1.3 billion in federal economic development assistance.

The Redevelopment Authority of the City of Milwaukee (RACM) submitted an application to the U.S. Department of Commerce. Wisconsin Housing and Economic Development Authority (WHEDA) Executive Wyman Winston wrote a letter to City of Milwaukee officials in support of the application that read, in part:

*"WHEDA, along with its partners, continue to advance statewide development initiatives to support strong manufacturing communities. This is evident in WHEDA's commitment to expand the Transform Milwaukee initiative... the IMCP designation could significantly maximize both the current and future investment in the Transform*

*Milwaukee area.*

*"The IMCP program perfectly aligns with the mission of Milwaukee 7 and its Next Generation Manufacturing Council to make the region a globally competitive manufacturing hub. I understand the significant positive impact the IMCP designation will have on the City of Milwaukee. We must continue to foster a strong collaboration between federal, state, local and private funds in order to package resources that will help grow businesses and restore central Milwaukee to a vibrant place in which to live and work."*

Governor Scott Walker also wrote a letter of support to the U.S. Department of Commerce stating the designation would match Wisconsin's efforts to create a business climate that supports the creation of jobs in manufacturing industries. The Governor congratulated Milwaukee 7 on its outstanding news.

"This is a testament to the comprehensive work Milwaukee 7 is doing to develop our workforce, grow our economy, and create jobs. This designation will help boost economic development in the Transform Milwaukee area, and all of southeastern Wisconsin, which will have a positive impact on our great state," said Walker.

Milwaukee 7 was formed to create a regional, cooperative economic development platform for Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha counties.

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