DATE: June 6, 2019

TO: City Finance Committee

FROM: Judge Doyle Project Negotiating Team

RE: Additional Information Requested Regarding the Block 88 RFP Responses

At the May 28, 2019 City Finance Committee meeting, members asked the City Negotiating Team to provide the following information in advance of the June 10 City Finance Committee meeting.

1. A memo from the City Attorney's Office instructing the Finance Committee what it is able to require of the development teams in terms of contracting goals, organized labor and labor rates, including best value contracting.
2. A response from each construction firm (Stevens (For Stone House), CD Smith (for Mandel) and Iconica (for Gebhardt)) to describe its philosophy for diversity and inclusion. Each team was asked to provide "its construction firm's philosophy, and specifically, the firm's goals regarding workforce utilization for women and persons of color and targeted business participation. Specific performance data over the past five years would be helpful as part of the response."
3. A response from each construction firm with additional information from each firm regarding its apprenticeship program utilization and the use of union subcontractors.
4. Background information on the estimated property assessments provided by the City Assessor for each development, including a value of the commercial space in each proposal.
5. Status of Parking Utility reserves including a chart prepared by Sabrina Tolley for the City Transportation Commission in August 2018.

The balance of this memo is organized into five sections, each addressing the additional information requested by the Committee as described above:

Section 1: Memo from the City Attorney	Pages 2 -9
Section 2 and 3 (combined): – Contracting/Apprenticeship Participation	Pages 10 -58
Section 4 – Estimated Property Assessment Information	Pages 59 -62
Section 5 – Parking Utility Reserves Information	Pages 63 -64

CITY OF MADISON
OFFICE OF THE CITY ATTORNEY

Room 401, CCB

266-4511

June 10, 2019

TO: Mayor Satya Rhodes-Conway
Members of the Finance Committee

FROM: Kevin Ramakrishna, Assistant City Attorney

RE: Block 88 and Labor Requirements

At the May 28, 2019 Finance Committee meeting, I was asked to provide an opinion on the City's authority to set contracting goals, require organized labor, set labor rates, including through best value contracting.

Project Labor Agreements (PLA) and Labor Peace Agreements (LPA) are similar with the distinction being that PLAs are used in public works contracts and while LPAs are used in private development. Both have similar impacts on labor relations, and both are illegal under state law.

In 2017, under Act 327, the State of Wisconsin created new sec. 66.0134, Wis. Stats., titled "Labor Peace Agreements Prohibited". The new law provides that the City may not:

> [E]nact a statute or ordinance; adopt a policy or regulation; or impose a contract, zoning, permitting or licensing requirement, or any other condition including a condition of regulatory approval; that would require any person to accept any provision that is a mandatory or non-mandatory subject of collective bargaining under state or federal labor laws.

The City Attorney's Office issued a Memorandum on April 17, 2018 discussing the impact of the legislation (Attachment 1). The advice therein continues to be accurate, and, as related to the Judge Doyle project, the City cannot require a union workforce, set labor rates, or enforce similar provisions through best value contracting.

Similarly, sec. 66.0901(6m), Wis. Stat. preempts the City from requiring PLAs, stating:

> Prohibited practices. A municipality may not do any of the following in a specification for bids for a public contract under this section:
>
> > (a) Require that a bidder enter into or adhere to an agreement with a labor organization.

(b) Consider as a factor in making an award under this section whether any bidder has or has not entered into an agreement with a labor organization.

(c) Require that a bidder enter into, adhere to, or enforce any agreement that requires, as a condition of employment, that the bidder or bidder's employees become or remain members of, or be affiliated with, a labor organization or pay any dues, fees, assessments, or other charges or expenses of any kind or amount, or provide anything of value, to a labor organization or a labor organization's health, welfare, retirement, or other benefit plan or program.

Nothing forbids the City from considering a company's positive labor relations policies as a positive factor, among many others, in choosing a developer. However, selecting a developer primarily based on a unionized workforce is no different than having a policy to that effect, which would be illegal.

Please note that at the Finance Committee meeting, though I noted that the law had changed, I explained that there may still be room to negotiate such agreements where the City had a "proprietary interest" in the development, which was accurate before adoption of Act 327. However, the law clearly preempts the City entirely, and that discussion should be disregarded.

The law still permits the City to set goals for employee and subcontractor diversity, in accordance with MGO Chapter 39.02 related to Affirmative Action. Goals can, and should, be set during the negotiation process of the Block 88 development agreement.

TY OF MADISON
OFFICE OF THE CITY ATTORNEY
Room 401, CCB
266-4511

Date: April 17, 2018

MEMORANDUM

TO: Mayor Paul Soglin
All Alderpersons
Department and Division Heads

FROM: Michael P. May
City Attorney

RE: 2017 Wis. Act 327 (Formerly Assembly Bill 748)

Governor Walker signed Assembly Bill 748 on April 16, 2018. The law, now designated as 2017 Act 327 takes effect one day after publication. This is another in the series of laws where the Legislature is taking powers away from municipalities.

This memorandum will outline where the Act limits the City's authority and how we might react to it.

LABOR PEACE AGREEMENTS.

Section 1 of the Act creates a new sec. 66.0134, Wis. Stats., titled "Labor Peace Agreements Prohibited. The new law provides that the City may not:

> ..enact a statute or ordinance; adopt a policy or regulation; or impose a contract, zoning, permitting or licensing requirement, or any other condition including a condition of regulatory approval; that would require any person to accept any provision that is a mandatory[1] or non-mandatory subject of collective bargaining under state or federal labor laws.

Note the broad language that covers essentially all actions the City might take (ordinance, contract, license, etc.) In the past, the City has required, or has considered requiring, Labor Peace Agreements (LPA) or Project Labor Agreements (PLA) that compel an individual, company, corporation, developer, etc., to recognize a particular union and work out a labor agreement as a condition of the City providing financial support or granting a license or permit. The City could require these types of agreements in limited circumstances, essentially when the City was acting in the role of an investor in the project. The new law says that the City may no longer require these agreements under any circumstances.

[1] Mandatory subjects of bargaining are anything having to do with hours of work, wages and terms and conditions of employment (including benefits). Anything outside of the mandatory subjects are non-mandatory.

The new Act also makes a violation of this section a criminal misdemeanor. None of the other sections do that.

Impact on City Policies: Going forward, the City cannot impose a requirement that any individual or business must recognize and negotiate with a union to reach an agreement on wages, hours of work, conditions of employment (including benefits) or any other topic of employment before they can receive anything of value from the City.

OCCUPATIONAL LICENSING.

The Act adds a new subsection to existing sec. 66.048, Wis. Stats. The existing law generally limits the City's power to license "occupational professions" to those it licensed on November 13, 2015. While not defined, the "professions" covered appear to be those subject to licensing by the Department of Safety and Public Service (DSPS).

There is no definition of occupational licensing in the statutes. Historically, the term "occupational license" generally applied to licenses granted by the Department of Regulation and Licensing, an abolished agency whose functions were transferred to the Department of Safety and Professional Services. An example is in 76 OAG 110 (1974), where the Attorney General opines that Regulation and Licensing has the authority to enact rules which would provide procedural guidelines for "summary suspension of occupational licenses in Wisconsin".

The Senate Sponsor of Assembly Bill 748, Sen. Chris Kapenga stated in his written testimony during the February 7, 2018 hearing on the bill that "2015 Act 65 prohibited local governments from creating additional occupational licenses moving forward. This bill (AB 748) builds on that legislation by restricting the ability of local governments to enforce licensing requirements that are more stringent than state standards, thus ensuring that licensees do not have to comply with duplicative rules and fees across the state."

The 2015 Act 65, to which he referred, created the existing Sec. 66.0408 (c), Wis. Stats., which states that if new licensing requirements or occupational fees are imposed by "the department of safety and professional services or an examining board, affiliated credentialing board or other board in the department of safety and professional services" on a previously unregulated profession (that is "unregulated" by the state), then a political subdivision may not continue to regulate that profession. If the current AB 748 "builds on" 2015 Act 65, then it seems likely that the occupational licensing restrictions imposed by AB 748 apply only to professions licensed by the Department of Safety and Public Service, or its affiliated boards.

The list of the various occupational licenses issued by DSPS may be found here:

https://dsps.wi.gov/pages/Professions/Default.aspx

It is a long list. The City Attorney and the Clerk's office should review the list and compare it to any licensing done by the City. To the extent the City issues licenses for any of these professions, the City's requirements may not be more extensive than the State requirements.

Impact on City Policies:

The impact appears limited, but a careful review should be undertaken by the City Clerk and the City Attorney to see if any City licenses are in State licensed fields.

HOURS OF LABOR AND OVERTIME.

The Act creates a new sec. 103.007, Wis. Stats. that prohibits a city from enacting or enforcing "an ordinance that regulates employee hours or overtime, including scheduling employee work hours or shifts." The law defines "employee hours and overtime" by reference to a number of state laws, many of which are not applicable to the City's needs because they regulate underage workers or migrant workers. However, the Act also includes the general authority to set the standard workweek (40 hours) and the requirement to pay overtime above 40 hours[2] for covered workers.

While it first appears that the City is unable to regulate hours of work, overtime or even schedules for its employees, we do not believe that is the intent of the law. First, the law is not as broad as the language prohibiting Labor Peace Agreements, because §103.007 only refers to enacting or enforcing an ordinance. Unfortunately, as we learned in the case *Wisconsin Carry, Inc. v. City of Madison,* 2017 WI 19 (guns on Metro buses) the Wisconsin Supreme Court interprets this language more broadly so that it could cover almost any City-imposed requirement.

Second, as pointed out above, the language is poorly drafted such that it could almost be read to say that the City may not pay *its own* employees overtime in any circumstance if they have not put in 8 hours in a day or 40 hours in a week, or even schedule shifts of *its own* employees. Such a reading would be an absurdity and contrary to the intent of the rest of this Act, which is to limit the City's power to regulate *other* employers but not limit the rights of employers to regulate their own employees. Therefore, we read the word "regulate" in the law to mean the regulation of third parties, and not a limitation on the City's ability to schedule its own employees or pay overtime.

Finally, we note that the law could not be read as extending limitations on the City's relationship with its own employees to the extent that relationship is governed by collective bargaining agreements. Those agreements cannot be modified or impaired by legislative enactment.

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[2] Section 103.02 governing hours of labor states, "The department shall, by rule, classify such periods of time into periods to be paid for at regular rates and periods to be paid for at the rate of at least one and one-half times the regular rates." The Department of Workforce Develop Administrative Rule 274.03 sets overtime pay at "time and one-half the regular rate of pay for all hours worked in excess of 40 hours per week."

Impact on City Policies: Since the City does not regulate what other Madison employers must schedule or pay their employees, this section has little impact.

REGULATION OF EMPLOYMENT BENEFITS.

The Act creates a new sec. 103.12, Wis. Stats. In relevant part, the new law states that a City shall not:

> . . . enact or enforce an ordinance requiring an employer to provide certain employment benefits to its employees, to provide a minimum of employment benefits to its employees, or to prescribe the terms or conditions of employment benefits provided to its employees.

Again, we find this section to be poorly worded. This section also uses the term "ordinance." However, for the reasons explained above, we think it likely covers any City *requirement*, but not a voluntary program. Like section 103.007, this section also could be read to prohibit the City from determining the benefits it will provide to *its own* employees. Again, we do not believe this is the meaning or intent. Rather, we read the "benefits" section the same way we read the section on hours and overtime. That is, the law only limits the City from imposing requirements relating to benefits or other conditions of employment[3] on *other* employers.

Finally, this part of the Act includes a finding that "each employer in this state should be allowed to determine the employment benefits the employer provides to its employees without interference by local governments." We read this finding to support the idea that the City, as a local employer, should retain control over the benefits we provide to our own employees but that the City cannot tell another employer what benefits it must provide to that employer's employees.

Impact on City policies: This part of the law impacts MGO sec. 39.07, the ordinance requiring some City contractors to provide equal benefits to domestic partners of their employees. The new law renders MGO sec. 39.07 inapplicable and unenforceable. Accordingly, MGO 39.07 should be moved to the 77 Square Miles ordinance.

Options: If the City wishes to continue a program for contractors to provide equal benefits to domestic partners, it would have to be a voluntary program. The nature of such a program needs to be explored, but one option might be the award of preference points (similar to current award of local preference points). Contractors who provide equal benefits to their employees' domestic partners during the term of a city contract

[3] "Benefits" typically includes things such as insurance, disability income protection, vacation, sick leave, etc. "Conditions of employment" generally refers to training, dress codes, tuition reimbursement, bonuses, break and lunch policies, etc.

would receive preference points through the bidding system. There may be other options.

SOLICITING SALARY INFORMATION.

The Act creates a new section 103.36, Wis. Stats., that explicitly allows employers to seek the salary history of prospective employees, and prohibits the City from enacting an ordinance that would ban that practice.

Impact on City Policies: None. This section does not need any response from the City.

MINIMUM OR "LIVING WAGE" THROUGH CONTRACT.

The Act repeals sec. 104.001(3), Wis. Stats. Sec. 104.001 is the law that prohibits municipalities from enacting their own minimum wage laws. Subsection (3) provided an exception to that rule, and read as follows:

> This section does not affect an ordinance that, subject to s. 66.0903, requires an employee of a county, city, village, or town, an employee who performs work under a contract for the provision of services to a county, city, village, or town, or an employee who performs work that is funded by financial assistance from a county, city, village, or town, to be paid at a minimum wage rate specified in the ordinance.

This exception allowed the City to have an ordinance that required certain contractors and recipients of City Financial Assistance to pay their employees a specified wage (MGO 4.20, Living Wage.) The City's ability to impose the living wage requirement through contracts has now been taken away.

Impact on City Policies: MGO 4.20 should be moved to the 77 Square Mile ordinance. The Living Wage clause in City contracts and solicitation forms will be removed. Our office will provide specific instructions to the affected departments.

Options: As with equal benefits, this law does not prohibit contractors from voluntarily agreeing to pay a living wage. Therefore, the City could establish a system to encourage voluntary compliance. One option is a bidding preference point system for contractors agreeing to voluntarily pay a living wage during the term of their contract with the City. There may be other options to consider, and the administrative details would need to be worked out.

WAGE AND CLAIM COLLECTION.

The Act creates new sec. 109.09(3), Wis. Stats., to require that municipalities follow the State's rules on wage claims and prohibits the City from enacting an ordinance contrary to State law. Because the City currently follows §109.09(3), this section does not impact the City.

Impact on City: None.

CONCLUSION

2017 Act 327 contains some unhappily drafted sections, but properly interpreted, the Act limits the City's ability to require payments of living wages or specified benefits through the contracting process. The City might be able to devise a voluntary program to achieve similar results. In other areas, the Act has no impact on the City.

If there is interest in setting up a voluntary program and/or contractor selection process that awards preference points for voluntary living wage or equal benefits compliance, please contact ACA Lara Mainella.

CC: Deputy and Assistant City Attorneys
Deputy Mayors

George Austin

From: Lee Christensen <lee@gebhardtdevelopment.com>
Sent: Monday, June 03, 2019 12:00 PM
To: George Austin
Cc: Schmiedicke, David; Wachter, Matthew; Ramakrishna, Kevin; Schaller, David
Subject: Re: FW: City Finance Committee Follow-up - Block 88

George,

See below statements from Iconica regarding the requested responses below, also we are announcing an additional partnership with JP Cullen for any modifications to the podium along with the construction of the core & shell of the project. JP Cullen's response to your questions also are included below.

Iconica is a family owned Architecture, Engineering and Construction Management company working in and around Madison since 1972. Today Iconica boasts a team of 86 professionals – registered architects and engineers, pre-construction and construction management professionals. We have experience bidding projects to minority and women owned companies. We have and will continue to hire and bid to qualified individuals and sub-contractors regardless of race, gender or union affiliations.

JP Cullen is a fifth-generation family-owned construction management company. Since 1892, we have taken on the most challenging government, education, healthcare, commerce, industrial, arts & entertainment and historic restoration projects across Wisconsin, Illinois, and Iowa. Today we are a $400 million full-service pre-construction and construction company with over 800 employees, managing projects from $1,000 to over $80 million in size. JP Cullen has constructed buildings in Madison for close to 100 years including notable projects such as an addition to Bascom Hall, an addition to 1 West Wilson, Van Hise Hall, Manchester Place, Wisconsin State Capitol renovations, Risser Justice Center, two Camp Randall renovations, and 306 West Main. We are currently constructing the Judge Doyle Square parking garage and podium project for the City of Madison.

It has been made clear to us the importance that there shall be no interruption to the parking garage opening and operation. At the request of the city, JP Cullen has performed extensive research in conjunction with Jonathan Sladek of WSP, structural engineer for the parking garage, on different modifications to the Judge Doyle Square podium project for future expansion. We found the structural enhancements required for Gebhardt's proposed design would take four (4) months. Currently, the parking garage and podium are expected to be complete by the end of October of this year. If Gebhardt's modifications could start immediately the delivery of an operational parking garage would not be delayed.

JP Cullen has an approved affirmative action plan with the City of Madison Public Works Department which has helped us meet or exceed diversity program requirements on over 20 of our most recent projects. We have been putting a focus on Residential Hiring and Apprenticeship Inclusion since 1998. To ensure we are reaching as many individuals as possible we:

- Develop an inclusion plan that lays out methodology, requirements, tasks and timelines
- Analyze the project to identify categories where diverse, residential hiring and apprentice hiring can be attained
- Define the diverse, residential hiring and apprentice hiring percentages for all contracts so that it becomes a requirement of suppliers/contractors rather than just a goal

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- Use stakeholder meetings to identify and notify prospective diverse firms, residents and apprentices about the project, work categories and requirements
- Produce and distribute participation reports to all stakeholders that show participation levels and forecast future participation
- Verify all diverse firms are certified with the Wisconsin Department of Commerce
- Recruit tradespeople from YWCA/Construct-U, Urban League of Greater Madison, National Association of Women in Construction, NAACP Dane County, Hispanic Chamber of Commerce, African American Chamber of Commerce and 9 to 5 Wisconsin Chapter
- Advertise the job opportunities and the solicitation of bids in The Daily Reporter
- Divide total of project requirements into smaller tasks and/or quantities, where economically feasible, to permit maximum participation and inclusion

Our pledge to workforce utilization and diversity is also evident in the two most recent awards we've received: the Big Step/WRTP Employer Partnership Award and the 2018 Diversity Award from Froedtert Health.

JP Cullen employs one of the largest union workforces in the region. Since 2015, we have paid over $223,000,000 in union wages. JP Cullen is signatory to the following trade unions: Bricklayers, Laborers, Iron Workers, Operators, Millwrights, Cement Masons, Cement Finishers, and Carpenters. The unions and JP Cullen work closely to develop workers in the construction industry. In 2018, we employed 92 apprentices as well as 10 youth apprentices. The proud partnership between JP Cullen and the local unions dates back to the formation of our company in 1892.

Thanks,

GEORGE CULLEN
VICE PRESIDENT | **JP CULLEN**

d : 608.449.4334 | p : 608.754.6601

janesville | madison | milwaukee | jpcullen.com

Lee Christensen
Development Manager
Gebhardt Development
834 E Washington Ave Suite 233
Madison, WI 53703
lee@gebhardtdevelopment.com
(608) 209-7568

On Wed, May 29, 2019 at 4:08 PM George Austin <gaustin@wjffoundation.org> wrote:

> Good afternoon Block 88 proposers:

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At the City Finance Committee meeting on Monday afternoon, two items were requested from each team as follows:

1. Your construction firm's philosophy, and specifically, the firm's goals in regards to workforce utilization for women and persons of color and targeted business participation. Specific performance data over the past five years would be helpful as part of the response.

2. Additional information from each construction firm on the apprenticeship program utilization and the use of union subcontractors. Again, specific performance data over the past five years would be helpful as part of the response.

Please submit this information to me by the end of business on Monday. June 3rd. Thank you.

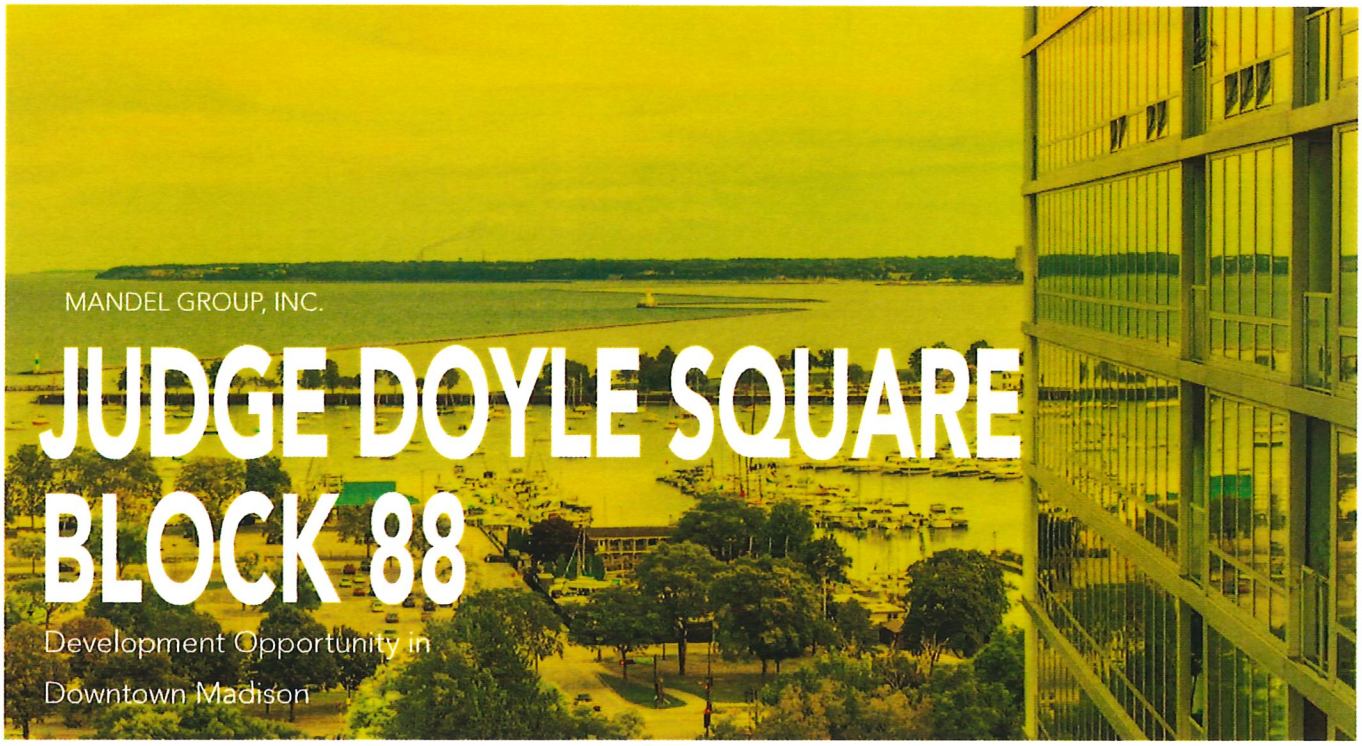
George E. Austin

City of Madison Judge Doyle Project Director

MANDEL GROUP







MANDEL GROUP, INC.

JUDGE DOYLE SQUARE BLOCK 88

Development Opportunity in Downtown Madison

ADVANCING DIVERSITY



2019 ACRE PROGRAM GRADUATES

The Associates in Commercial Real Estate (ACRE) Program is an industry-supported initiative that recruits and retains minorities for professional careers in the field of commercial real estate. Created in 2005, ACRE is administered through LISC Milwaukee in partnership with Marquette University, MSOE, and the UW-Milwaukee.

The goal of the program is to expand minority representation in the commercial real estate fields of development, property management, and construction management. It offers students the opportunity to expand their knowledge while creating a valuable network of fellow students, ACRE graduates, and industry professionals.

Tuition costs for the program are covered by benefactors, eliminating financial barriers for participating in the program. Many ACRE graduates have gone on to successful careers as City of Milwaukee Common Council members, the Executive Director of WHEDA, and small-business entrepreneurs.

Mandel Group is the largest financial benefactor for the ACRE program, consistently providing support over the years. In addition to its financial contributions, Mandel Group teaches the ACRE students and acts as judges for their year-end development projects and analyses.

$0

TUITION FOR ACRE STUDENTS

280

ACRE GRADUATES SINCE INCEPTION

3

ACRE GRADS → CITY OF MILWAUKEE COMMON COUNCIL

ACRE PRESS

MILWAUKEE BIZTIMES - "THE ACRE ALUMNI" - BY CORRINNE HESS - 11.14.2016



Donsia Strong Hill, Deshea Agee and Carla Cross

When Kevin Newell hired Terrell Walter at his Milwaukee-based real estate development company, Royal Capital Group, there was one stipulation: Walter had to graduate from the Associates in Commercial Real Estate program.

Newell was an ACRE graduate himself, having gone through the program while still a senior at the University of Wisconsin-Whitewater in 2007.

He knew the connections and skills Walter would make through ACRE, a program created in 2005 at Marquette University to train minorities for career paths in the commercial real estate industry, would be invaluable to both Royal Capital and his young protégé.

Walter, now a project manager at Royal Capital who oversees $12 million to $20 million deals, graduated from ACRE in 2015.

"ACRE was a core component of Terrell's overall development of his career," Newell said. "ACRE opened up the doors for me. It was the networking, but it also taught me the basic fundamentals of the industry."

Since the ACRE program's first class graduated in 2005, its impact has been seen throughout the City of Milwaukee and beyond in the work being done by minority developers, brokers and contractors.

In addition to Newell and Walter, ACRE counts as alumni three current Milwaukee aldermen – Milele Coggs, Khalif Rainey and Jose Perez – and three Milwaukee business improvement district executive directors: Jacqueline Ward, North Avenue/Fond du Lac – Marketplace BID 32; Deshea Agee, Historic King Drive Business Improvement District #8; and Keith Stanley, Avenues West Association.

James, Jalen and Clifton Phelps, owners of Milwaukee-based JCP Construction, all graduated from the program, as did Melissa Goins, founder and president of Milwaukee-based Maures Development Group LLC, Carla Cross, president and chief executive officer of Milwaukee-based Cross Development Group Inc., and Vincent Lyles, president and CEO of the Boys & Girls Clubs of Greater Milwaukee – and that's just to name a few.

"There are also those that are quietly changing their own neighborhoods through the ownership of a duplex or four-unit, building wealth, building community," said Mark Eppli, Robert B. Bell, Sr., chair in real estate at Marquette, who started the ACRE program after moderating a commercial real estate conference in Milwaukee in 2004. Following the conference, Eppli was approached by a colleague, former Marquette dean of business Tom Bausch, who noted there wasn't a single minority in the audience.

Eppli took the comment to heart and started doing some research. What he found was a report in the Wall Street Journal that showed less than 1 percent of the industry's 100,000 professionals – including leasing brokers, asset managers and real estate company executives – who handle the $1.5 trillion of commercial real estate in the country are black.

By comparison, blacks make up 7.9 percent of business executives and 5 percent of lawyers.

"Locally, someone only needs to attend one commercial real estate event to witness the lack of diversity in the profession," Eppli said. "At a recent commercial real estate breakfast held at Marquette University, there were over 360 attendees, but no minorities were present, confirming the need to expand the profession beyond its current demographic."

Bader Philanthropies Inc., formerly the Helen Bader Foundation, agreed to fund the program for the first three years and the ACRE program was launched in 2005.

"Overall, the inaugural class had the greatest impression on me, maybe because we were all in this together and trying something new," Eppli said.

During the year prior to launching ACRE, Eppli and other industry experts collected contact information from potential students. The students who applied were required to take a mini-Graduate Management Admission Test/ACT exam to make sure they had the quantitative and qualitative skills needed to be successful in the field.

They were then interviewed to assess their passion for the commercial real estate industry.

When the Great Recession hit in 2008, the brightest and best capitalized developers in Milwaukee were struggling to get developments off the ground, so Eppli decided to put the ACRE program on hiatus in 2010.

By that time, ACRE had been running successfully for five years and had graduated 140 men and women of African-American, Asian, Latino and American Indian descent.

"Graduating students into that environment with the expectation of using their newfound knowledge in the field was peddling false hope," Eppli said. "To me, false hope is extraordinarily corrosive."

The Milwaukee office of Local Initiatives Support Corp. took the lead on revitalizing the ACRE program in 2013, this time partnering with Marquette, the Milwaukee School of Engineering, the University of Wisconsin-Milwaukee and private industry.

Eppli has remained an active ACRE board member and assists with student and instructor selection, student project reviews and financial support.

Robert Lemke, an architect and associate professor at MSOE, and Carolyn Esswein, director of community design solutions at UWM's School of Urban Planning, have since stepped up to take on more prominent roles in the program.

ACRE PRESS (CON'T)

Donsia Strong Hill, LISC Milwaukee's executive director and a 2005 graduate of ACRE, oversees the program.

"I want to make sure the talented people who spend their time with us leave with a demonstrated ability to go forward in some capacity of development if they want to," Hill said. "It's quite a joy. I feel very passionate about it."

When Strong Hill joined the ACRE program in 2005, she was working as a bond lawyer and secretary for the state Department of Regulation and Licensing. In her work, she often represented financial institutions, underwriters and developers. Strong Hill said she wanted to understand how they thought, how they came to certain conclusions and why a lot of transactions would start and stop because of what she called "money tension."

The 26-week program gave Strong Hill and her colleagues, many of whom were already working in the profession, a better handle on the financial side of development.

"Everyone is not equipped with the demeanor to be a developer," she said. "My biggest takeaway was the understanding of the spreadsheets, pro formas and understanding what goes into creating the formulas."

LISC graduated its first ACRE class in 2014. The class of 2015 consisted of 23 students ranging in age from 25 to 63, with an average age of 37.

Most students have college degrees and real world experience. Applicants still have to pass a rigorous screening test, which includes an interview with an ACRE alumnus and a real estate professional. They also must be proficient in Microsoft Word and Excel and be employed full-time. The $300 application fee is refunded after successful completion of the 26- to 28-week course.

The current round of funding for ACRE comes from Milwaukee-based Mandel Group Inc., The Opus Group (based in Minneapolis with a local office in Menomonee Falls) and other Milwaukee-area commercial real estate companies, as well as from NAIOP Wisconsin, the Commercial Association of Realtors Wisconsin and the Associated General Contractors of Greater Milwaukee. Local real estate professionals also volunteer as ACRE instructors.

Barry Mandel, president of Mandel Group, has contributed approximately $175,000 to the program. He also has been an instructor and hosted many of the networking events for ACRE students and graduates over the years.

"The money is a small comparison to what I've received back and the relationships I've been able to have with the ACRE students and the impact they've had on the city," Mandel said. "Attending the graduations and seeing many of the alumni move forward in their professions has been the most gratifying for me."

Jim Villa, CEO of NAIOP Wisconsin, said the program is invaluable for its ability to pave the way for minority students to be connected to the commercial real estate industry.

"NAIOP has historically been involved in bringing in industry professionals for networking and to provide the curriculum and we hope to continue that partnership," Villa said. "Increasing diversity in our field brings diversity of thought, perspective and background. It's great to be expanding that base."

LISC started its current ACRE class on Oct. 11. The focus has always been commercial, industrial and residential real estate, but this year, Strong Hill has added another component.

Two Milwaukee Department of City Development staff members, Kenneth Little and Dwayne Edwards, serve as ACRE board members. This year, the class will partner with DCD to study some of the properties the city owns and the students will come up with their own potential projects for the sites.

"ACRE graduates can develop anywhere and we want them to do that, but we hope we have a strong cohort of folks interested in bettering the lives and the real estate in the areas that we work in," Strong Hill said. "For example, Mitchell Street or King Drive, how would they orient a building? Does it make sense for market rate, first floor commercial, does it cry out for community space or is it better kept as straight retail space? We want to look at properties like that in a clustered approach because that is how you make a difference."

Strong Hill said the ACRE program will continue to be tweaked to keep it focused and relevant. Its strongest attribute is the creation of a lifelong network, she said. Strong Hill often finds herself calling on her fellow ACRE graduates for projects or lifting up someone she knows through ACRE because she can count on their work ethic, she said.

"This is one area where all three major institutions are involved, the political apparatus is engaged and supports us and industry supports us, not only financially, but also in-kind," Strong Hill said. "I believe there is goodwill all around this city, but there has to be a vision of what something can be in order for people to come around it. ACRE created that vision."

Across Milwaukee, other industries, particularly manufacturing, continue to struggle with the skills gap – the idea that employers are not able to find enough potential employees to fill their needs, while unemployment remains an issue in the central city.

So why won't a program like ACRE work in other industries? Those involved with the program said the reason for ACRE's initial success was its inception, and those achievements are now building upon themselves.

"The reason this worked was there was a committed individual, Mark (Eppli), who talked to others, and The Bader Foundation, and everyone had a desire to move this forward," Strong Hill said. "And then you had a group of people with a pent-up desire. Those kinds of people exist in all races and all income levels, but ACRE was the perfect stew. I don't know if the same thing exists in other industries."

EBE SUPPORT



Mandel Group has supported diversity in the construction workplace for over 30 years, dating back to participation goals in its development of East Pointe Commons in 1989. These goals have included Emerging Business Enterprise participation as well as Resident Preference Program participation. Mandel Group has a long-tradition of meeting or exceeding these goals as evidenced by our most recent successes in the table below.

In addition to construction participation goals, Mandel Group helped develop and administer, in conjunction with the City of Milwaukee, a capacity-building program for minority-owned firms in connection with its development of The North End. Participating firms worked with dedicated consultants to identify hurdles to growth in their respective companies. The owners of the firms developed business plans to overcome these hurdles and build their firms' capacities. The participating firms have gone on to grow their companies, including JCP Construction, Maures Development, and P.L. Freeman in the general contracting, development, and HVAC industries, respectively.

Mandel Group Human Resources Summary for Recent Developments

	SBE/EBE/SWMBE		RPP	
	Goal/Requirement	Achieved	Goal/Requirement	Achieved
North End Phase I	10% Voluntary Goal	23.8%	N/A	N/A
North End Phase II	25% Requirement	28.0%	30% Requirement	32.0%
North End Phase III	10% Voluntary Goal	17.0%	N/A	N/A
North End Phase IV	10% Voluntary Goal	26.0%	N/A	N/A
North End Phase V	10% Voluntary Goal	18.9%	N/A	N/A
North End Infrastructure	18% Requirement	34.2%	21% Requirement	23.0%
Echelon	17% Requirement	22.0%	N/A	N/A

THANK YOU





DIVERSITY AND INCLUSION

Success knows no color, no gender, no sexual preference, no disability and no age.

Success can't be defined as a whole by being narrowly limited to one perspective. Success happens when people, all people, come together and stand for something greater than themselves. When people set aside their outward or perceived differences to unite in pursuit of one goal, the greatest successes are possible. C.D. Smith is committed to diversity in its business operations, its direct workforce, subcontractor participation and supplier participation.

C.D. Smith believes in maximizing diversity of our employees, subcontractors and suppliers on every project, and specifically for the Judge Doyle Square development, in a way that provides opportunity for women, persons of color, and targeted businesses to succeed in capturing and effectively executing their scope of work, as well as mentoring those firms on how they can be best-positioned to capture future opportunities both with C.D. Smith and within the marketplace.

WORKFORCE UTILIZATION: WOMEN + PERSONS OF COLOR

As a national company, diversity and inclusion are critical to the success of our company. C.D. Smith is committed to being an Equal Opportunity Employer and to increasing the number of women and persons of color within our company. We focus on including employees of all backgrounds in an effort to make our employees, subcontractors, vendors, and clients always feel accepted. We strongly discourage unfair acts or treatment by our employees that may be discriminatory in any nature.

AFFIRMATIVE ACTION PLAN (AAP):

C.D. Smith has an approved affirmative action plan (AAP) on file with the City of Madison which also was most recently approved by the Department of Civil Rights in March 2019.

PROACTIVE OUTREACH

We are working diligently to launch a new Diversity and Inclusion campaign that will include a very targeted message to go beyond encouraging participation, but to inspire inclusion. The campaign will include outreach events, public relations tools, as well as internal and external training events.

INCLUSION POLICY

Our internal inclusion policy is designed to promote the outreach of people of diverse backgrounds to participate on all of our projects. Affirmative action plans and mandated project goals are a baseline of inclusion. Developing custom inclusion campaigns, community outreach events and partnering with diversity consultants to extend our reach, we further open our minds and educate our team on the power of a diverse workforce.



Justin Smith, President and CEO hosted a celebration for C.D. Smith's employees for Women in Construction week!

INCLUSION IN NUMBERS

25%

women employed at C.D. Smith in professional roles

365

days of the year we focus on outreach

1ST

first ever to win WI DOA Accolade Award for Supplier Diversity

We source from diverse subcontractors and vendors for the federal, state and local governments, and select business clients. C.D. Smith adheres to and/or exceeds the requirements for these projects. We believe a diverse work environment promotes good will and has a positive impact on the project and our customers.

EMERGING BUSINESS GOALS:

C.D. Smith has extensive experience working on projects with certified Emerging Businesses participation goals. Our team has a proven track record working with certified firms across Wisconsin on a variety of projects, both public and private. We encourage Emerging Business participation programs on all of our projects, regardless of funding and project requirements. We are dedicated to utilizing minority businesses as well as maximizing local business involvement without sacrifice to the quality of work, time or cost to the client.

We have hosted minority business outreach summits to encourage participation in addition to the following measures and procedures to ensure we maximize TBE outreach and participation.

We will use the following sources to further develop the subcontracting goals:

1. Existing Company source lists
2. The Procurement Automated Source Systems (PASS) of the Small Business Administration
3. The National Minority Purchasing Council Vendor Information Service
4. Minority Business Development Centers (funded by the Minority Business Development Agency, Department of Commerce)
5. Trade associations affiliated with SDB's

Furthermore, we will take the following steps to demonstrate compliance with a good faith effort in achieving small business subcontracting goals:

1. Outreach efforts will be made as follows:
    a. Contacts with minority and small business trade associations.
    b. Contacts with business development organizations.
    c. Attendance at small and minority business procurement conferences and trade fairs.
2. The following internal efforts will be made to guide and encourage buyers:
    a. Workshops, seminars and training programs will be conducted.
    b. Activities will be monitored to evaluate compliance with this subcontracting plan
3. SB, SDB, WOB, HZ and VOSB source lists, guides and other data identifying SB, SDB, WOB, HZ, VOSB and SDVOSB concerns will be maintained and utilized by buyers in soliciting subcontracts.

EMERGING BUSINESS GOALS:

C.D. Smith implemented set-aside goals on the following projects:



Green Bay, WI - VA Outpatient Clinic



Wilmington, NC - VA Outpatient Clinic



Peoria, IL - VA Outpatient Clinic



Lewiston, ME - VA Outpatient Clinic



Bangor, ME - VA Outpatient Clinic



Evansville, IN - VA Outpatient Clinic



Billings, MT - VA Outpatient Clinic



Billings, MT - VA Outpatient Clinic 2



General Mitchell International Airport
Baggage Claim Project | Milwaukee, WI
Exceeded 25% Goal
DBE Goal: $8,045,876.06
DBE Achieved: $8,105,333

PROGRAM ADMINISTRATION:

C.D. Smith will assign a Program Administrator to ensure Targeted Business goals are met on this project. General overall responsibility for review, monitoring and execution of this plan include, but are not limited to the following:

1. Developing and maintaining bidders' lists of SB, SDB, WOSB, HZ, VOSB and SDVOSB concerns from all possible sources.
2. Ensuring that procurement packages are structured to permit SB, SDB, WOB, HZ, VOSB and SDVOSB concerns to participate to the maximum extent possible.
3. Assuring inclusion of SB, SDB, WOB HZ, VOSB and SDVOSB concerns in all solicitations for products or services which they are capable of providing.
4. Reviewing solicitations to remove statements, clause, etc., which may tend to restrict or prohibit SDB, WOB, HZ and VOSB and SDVOSB concerns from participating.
5. Ensuring periodic rotation of potential subcontractors by bidders lists.
6. Ensuring that the bid proposal review board documents its reasons for not selecting low bids submitted by SB, SDB, WOB, HZ and VOSB and SDVOSB concerns.
7. Ensuring the establishment and maintenance of records of solicitations and subcontract award activity.
8. Attending or arranging for attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
9. Conducting or arranging for the presentation of motivational training for purchasing personnel pursuant to the intent of Public Law 95-507.
10. Monitoring attainment of proposed goals.
11. Preparing and submitting periodic subcontracting reports as required (i.e. SF-294 and SF-295).
12. Coordinating contractor's activities during the conduct of compliance reviews by Federal agencies.
13. Coordinating the conduct of contractor's activities involving its SB, SDB, WOB, HZ, VOSB and SDVOSB subcontracting program.



UNION COMMITMENT

At C.D. Smith, being a union contractor means more than legal documents. To us, being a union contractor ensures our people receive excellent pay and benefits, have unlimited access to advanced training, and value the importance of a safety first culture.

In today's labor market, qualified help is hard to find. We guarantee that our clients have the most skilled labor on their projects throughout construction.

UNION COMMITMENT

As a local, union general contractor, C.D. Smith believes The Judge Doyle Square development provides an important opportunity to focus upon maximizing local, family-supporting wages, which will be achieved through maximizing utilization of local, union trades.

Over the past five (5) years, C.D. Smith has averaged approximately 70% of labor on projects being provided by union subcontractors. Our team will make every reasonable effort to obtain a minimum of three bids in each bid category. Below is a list of trade associations with which C.D. Smith has signatory agreements.

» International Association of Bridge/Structural/Ornamental & Reinforcing Iron Workers - Local #8 and Local #383
» International Union of Operating Engineers - Local #139
» International Union of Bricklayers and Allied Craft Workers
» Wisconsin Laborer District Council - Local #330
» North Central States Regional Council of Carpenters

We believe a goal of 70% participation of union subcontractors on the Judge Doyle Square development is achievable and that level of participation would significantly exceed the participation rate a non-union general contractor could achieve.

70%

UNION PARTICIPATION GOAL

APPRENTICESHIP PROGRAM:

C.D. Smith encourages all trades employees to participate in an apprenticeship program that supports and defines their career goals. We believe in continued employee development no matter the position or age of our employees, from entry level through executive roles.

To promote our apprenticeship program we host quarterly information sessions for our employees to learn more about the various apprenticeship opportunities that exist across our self-performed trades. Employees are incentivized to attend, but not required to pursue. We feel career development should be offered and available to all employees, but it is on the individual to decide what is best for them.

Our field management professionals also attend local technical colleges and high schools to promote careers in construction and our apprenticeship program.

425
UNION TRADES EMPLOYEES

85
TRADES APPRENTICES FROM 2015 - 2018

35
CURRENT TRADES APPRENTICES

LIVING WAGE:

C.D. Smith chooses to be a Union Contractor in large part for our trades employees to receive excellent pay and benefits packages. Our focus has always been to give back to the employees that give so much to our company day in and day out. We also work hard to ensure our office staff is compensated well and offered benefits to meet the needs of the employee and their families.

We would not be where we are today without the hard work and dedication of our employees, many of whom are 2nd or 3rd generation employees. We pay them a living wage not because we have to, but because they are more than deserving of it.



STONE HOUSE
DEVELOPMENT, INC.

June 3, 2019

George E. Austin
City of Madison, Judge Doyle Square Project Director
210 Martin Luther King Jr. Blvd, Room 417
Madison, WI 53703

Dear Mr. Austin,

Attached is a letter report from the Stone House team's general contractor, Stevens Construction, responding to your email of May 29, 2019. I have also included letters of support from relevant local organizations for your review.

It will become apparent after reviewing the material that Stevens' philosophy in regards to workforce utilization for women, persons of color and targeted business participation is beyond reproach. More importantly, the goals they have achieved in the past five years are impressive by any standards. Their current employee mix is made up of 10.4% women and 11.3% persons of color. In addition, in the last five years they have awarded $25,000,000 in contracts to qualifying DBE, MBE, SBE and WBE firms.

The following report from them also addresses their apprenticeship and mentoring programs and union contract participation. They report that in the past five years they have awarded more than $180,000,000 in contracts to union subcontractors and suppliers. A letter from Walltech Companies, a member of NCS Regional Council of Carpenters Local Union 314, attests to their success in partnering with union subcontractors.

Finally, Stevens has presented proof of their commitment to inspiring the next generation of construction workers. They include in their response letters of commendation and support from the Dane County School Consortium, Sun Prairie High School, Madison Metropolitan School District, Monona Grove High School and the Department of Workforce Development. Of particular note is the letter from Baltazar De Anda Santa of the Latino Academy of Workforce Development wherein he states "the partnership with Stevens Construction has been essential for the success of the Latino Academy's Bilingual Construction Training."

Stone House is proud to have Stevens Construction as an integral part of our team. We appreciate the opportunity to present their credentials as an exemplary local corporate citizen.

Sincerely,

Helen H. Bradbury
President

1010 East Washington Ave, Suite 101, Madison, Wisconsin 53703 PH 608-251-6000
www.stonehousedevelopment.com FX 608-251-6077

MILWAUKEE | MADISON | MINNEAPOLIS

June 3, 2019

George E. Austin
City of Madison Judge Doyle Project Director
City of Madison
210 Martin Luther King Jr. Blvd, Room 417
Madison, WI 53703

RE: City Finance Committee Follow-up - Block 88

Dear Mr. Austin:

Stevens Construction Corp. is a 65 plus year old company, proud to be headquartered in Madison, WI. The majority of our 230+ construction professionals and their families are based out of our Madison office, yard operations and field.

Stevens Construction is a progressive and dynamic organization striving to have positive impact on the community in which we live and work. In response to the City Finance Committee Follow-up to Block 88 we would like to highlight our significant initiatives and focus on diversity and training the past 5 years, as well as, our professional collaboration with both Union and Non-Union subcontractors and suppliers.

Diversity

We recognize that the shortage of current and incoming skilled workers coupled with the high number of skilled craftsmen and craftswomen that will retire in the next decade is the greatest challenge the construction industry faces today. To meet this challenge Stevens Construction has gone through a renaissance in how we attract and train our craftsmen and craftswomen. We have changed our focus from the traditional basic, one size fits all, apprenticeship model to a new, innovative approach focused on attracting underserved men and women of color, as well as, generating excitement for Stevens Construction and the industry as whole for our youth and skilled craftspeople of tomorrow.

As a merit shop contractor we have the flexibility to work with partners in diversity and truly develop new ways of training and providing family supporting careers to persons of color. The greatest example of this has been our pioneering partnership with the Latino Academy of Workforce Development over the last four years. As part of this collaboration we have created, invested in and trained 54 individuals, starting them down the path to rewarding, family supporting careers in construction. Please see the letter, referenced as ***Attachment A-1*** from, **Baltazar De Anda Santana,** Executive Director of the Latino Academy, lead partner and force of nature that we assisted in developing the bilingual construction training program.

Our collaborations do not end with the Latino Academy. We have also worked with to help train and hire individuals from programs such as The Urban League, Foundation for the Trades, Construct U and the TrANS Program. Our newest partnership formation is with Operation Fresh Start. Over the past several months we have had several of our top carpenters spend time at their new facility, helping train and mentor their current students. As our relationship continues to develop, we are excited to be able to offer employment opportunities to those with troubled backgrounds and offer them stability and a great family supporting career opportunity. Some of our best current employees had challenges in their background that required incarceration but have made the most of their careers as part of the Stevens Construction family.

As part of how we do business every day, we were nominated for and won the Diversity in Business Award from the Daily Reporter (the leading Wisconsin construction publication) and the Wisconsin Law Journal for "having demonstrated a significant contribution toward creating a diverse and inclusive business/academic/social community through the implementation of policies, procedures, initiatives, and/or programs in one or more of the following areas:

- Recruitment and retention of diverse employees/students/partners
- Fostering or creating opportunities within the business/academic/social community
- Encouraging diverse perspectives in their communities and/or organizations
- Creating a welcoming and supportive business/academic/social climate through efforts such as visibility, communication, and education
- Other areas critical to establishing inclusive excellence
- Promoting professionals of color in a significant and positive way

With the many construction awards we have won over the years for the great buildings that have contributed to our communities, this award represents the hope for our greatest contribution in the communities in which we serve and one which we are extremely proud!

Another area of focus for Stevens Construction is attracting women to the construction industry. In the last year we have hosted job site tours with a local women in construction group and have actively been a participant in the Women in Construction Initiative with the State of Wisconsin Department of Workforce Development. Please see the letter of support from **Pat Schramm**, Executive Director/CEO of the Workforce Development Board of South Central Wisconsin, with regards to these and other efforts we have made over the years in ***Attachment A-2***.

Finally, in addition to our active participation with the community partners discussed above, we advertise every month with the Job Center and mail letters to 108 local neighborhood associations and community centers advertising our current openings. Please find in ***Attachment B***, our Madison and Milwaukee letters from April sent to 71 organizations in Madison and 37 in Milwaukee along with a copy of our mailing labels so you can review the names of the organizations.

We are also very proud to report that through these diversity efforts, since January 1, 2015, our employees who happen to be persons of color have increased by nearly 400% and we are at 11.3% in our data submitted in our 2019 Affirmative Action plan, nearly double the City of Madison goal of 6%! We are also at 10.4% of female employees which is 150% over the City of Madison goal of 7%. Our efforts are truly succeeding!

Obviously, the diversity of our workforce is important, however, so is collaboration and the partnership we provide to emerging and minority and women owned businesses. In the past 5 years we have awarded construction contracts of nearly $25,000,000 to more than 50 organizations that have gone through the qualification process as MBE's, DBE's, SBE's and/or WBE's (Minority, Disadvantaged, Small, and/or Women-owned Business Enterprises). In fact, our merit shop non-union status, is a huge advantage in our flexibility to work with the Companies in these diversity programs as, I believe, the majority of the Companies are non-union. Union GC's could not subcontract with many of these firms without violating their union contracts. Please see the letters of recommendations we have received from some of these partners included in ***Attachment C***.

Although we do not construct many projects directly with the City of Madison, we did receive the FAAIR Award for Focused Affirmative Action Initiative & Results for our above and beyond work with Minority Owned Businesses when we built the LEED Platinum City of Madison Fire Station No. 12!

Union Collaboration

Stevens has a long history of working with Union and Non-Union subcontractors. At the heart of our Merit Shop philosophy is we always try to work with construction partners who are the best fit for each project. As part of this philosophy, when partnering with a subcontractor we do not consider a firm's Union affiliation or non-affiliation. That being said, we partner with Union subcontractors on virtually every project, and over the last 5 years we are one of the largest partners of union companies with over $180,000,000 in contracts awarded to Union subcontractors and suppliers. We have a great working relationship with our Union subcontracting partners, highlighted in letters of recommendations from just a few included in ***Attachment D***.

Next Generation of Craftspeople, Training and Apprenticeship

Next Generation of Craftspeople

Stevens Construction Corp. has been a leader in finding the next generation of crafts people and generating excitement for the Construction Industry as a whole with its many family supporting career paths. We have done this through our direct involvement and leadership with multiple events such as:

- Kids Building Wisconsin Event In Dane County
- Future Quest Middle School Career Fair (More than 5000 middle schoolers from Dane County)
- Many jobsite tours with teachers and students from multiple area High Schools
- Participating in multiple high school career fairs and mock interviews
- Classroom presentations at multiple high schools, as well as, developing relationships with teachers and school career counselors to help recruit students to the trades who may not excel in the traditional school subjects but excel when working with their hands. Helping those students head down the path to find a great family supporting career with Stevens or another contractor in the industry
- Our leadership with the **State of Wisconsin Youth Apprenticeship Program**
    - We have worked with students since the Youth Apprenticeship Program was approved by the State the last 3 years
    - We have mentored Youth Apprentices from 5 different high schools and currently have 6 Youth Apprentices from Madison East, Monona Grove, Sun Prairie, DeForest, and Muskego.
    - We have had Youth Apprentices who have been inspired to go to college and pursue Construction Management degrees, as well as, start careers as craftpersons
    - Please see the recommendations from the following regarding our great partnership with these programs in ***Attachment E***:
        - **Josh Fassl**, Director of the Dane County School Consortium
        - **Nancy Everson**, School to Career Manager at Sun Prairie High School
        - **Sherrie Stuessy**, Experiential Learning Liaison at Madison Metropolitan School District
        - **Jennifer Deibele**, Career and Technical Education Coordinator at Monona Grove High School

Training and Apprenticeship

In 2017, Stevens Construction Corp. applied for and received a grant and partnership with State of Wisconsin DWD Fast Forward Program and are under consideration for a 2nd grant partnership currently. Simultaneous to this we built a Stevens Construction training facility at our Yard Operations site for Stevens Employee training. We have turned our focus to a Stevens Construction proprietary training program known as "Stevens University" as opposed to the standard Apprenticeship program of the past. So, it is true our number of people enrolled in "apprenticeship programs" has decreased, however, the amount of training our people are receiving has never been higher in number or quality.

Since we started our partnership with the State of Wisconsin Fast Forward we have had 158 employees receive training with 28 completing the Concrete classes and 17 completing the Carpentry classes. We are taking unskilled or underskilled candidates through a combination of classroom and hands on training, simultaneous with on the job training and turning them into skilled craftspeople earning family supporting wages and starting great careers in construction.

Candidates not only get trained in Carpentry and Concrete there is a huge curriculum dedicated to safety and multiple certifications our employees get in safety, in addition to the OSHA 10 hour certification.

The numbers of employees trained are even higher if you include our already experienced craftspeople who have taken classes as part of Stevens University in order to continue to improve themselves and their careers.

The focus of a great contractor is how well their people are trained, not the number of people in a specific program like the union style apprenticeship program. Stevens Construction is leading the way in new and innovative ways to train the workers of tomorrow and finding the best way to reach underserved men and women of color and start great family supporting careers in construction.

Please see our letter of recommendation from **Rita Atkinson**, Director of the Office of Skills Development at the Department of Workforce Development, discussing our great collaboration with the State of Wisconsin DWD on this project in ***Attachment F***.

Summary

Stevens Construction Corp. is proud to be headquartered in Madison WI and provide great careers to approximately 175 families in this area. We strive to be great corporate citizens of the City of Madison and State Wisconsin and also for the Construction Industry as a whole. Our efforts and successes in the areas of diversity, training and working with youth are unsurpassed and genuine. The people we partner with from outside our organization feel our sincerity and see our successes, as you can read in the many letters of recommendation from local community leaders attached that we have received in a short period of time. They tell our story even better than we can!

Sincerely,



Mark A. Rudnicki
CEO & President
Stevens Construction Corp



Latino Academy of Workforce Development
1917 Lake Point Dr.
Madison WI 53713

June 3, 2019

To Whom It May Concern,

My name is Baltazar De Anda Santana and I am writing this letter to confirm the strong partnership that has existed between Stevens Construction Corp and the Latino Academy of Workforce Development since 2015.

The partnership with Stevens Construction has been very instrumental to the development and success of the Latino Academy's Bilingual Construction Training Program. The Bilingual Construction Training Program consists of the following: two-week construction training program with two phases. The first phase is job readiness curriculum and safety instruction. Participants strengthen their job search skills, technical skills, and soft skills. The second phase is the industry specific hands-on training where participants work with Stevens Construction Corp. to learn from experienced journeymen the basics of construction. Instruction includes construction math, use of carpentry tools and materials, green building techniques, and blueprint reading, while developing transferable employability skills. Construction participants can receive a number of certifications including: OSHA 10 card, National Work Zone Safety Flaggers' certification, and forklift permit. Once participants complete this training, they are hired at Stevens Construction Corp. Even after participants are hired, the Latino Academy and Stevens Construction continue partnering to make sure newly hired employees are successful. Stevens Construction support is such that they accompany program participants from the first day of the program to the time they graduate. Stevens Construction has supported the Latino Academy in the curriculum development of this program as well.

Through the Bilingual Construction Training, Stevens Construction has worked with six cohorts, provided training and support to 54 program participants and hired 23 program graduates.

Stevens Construction recognizes that establishing a great relationship is a must when working with a community based organization, that they have supported the Latino Academy in other ways which include the following:

- Stevens Construction has been an active member of the Latino Academy's Steering Committee since 2015.

- Stevens Construction has participated on a number of occasions at the Latino Academy's monthly radio program at La Movida Spanish Radio Station.
- Stevens Construction has supported the Latino Academy during Dane County and Federal grant presentations.
- Stevens Construction has participated at many Latino Academy jobs fairs and events since 2015.
- Stevens Constructions has also supported many of Latino Academy graduations over the years.

As I mentioned before, the partnership with Stevens Construction has been essential for the success of the Latino Academy's Bilingual Construction Training. The partnership between the Latino Academy and Stevens Construction is very strong. Stevens Construction has worked with our community for many years. They know who our program participants are and they do what they can to help our graduates to overcome any barriers they might have to prevent them from succeeding in the workplace. We look forward to continuing partnering with Steves Construction Corp.

Please let me know if you have any questions regarding this letter.

Sincerely,

Baltazar De Anda Santana
Executive Director
Latino Academy of Workforce Development
608 4695448
baltazar@latinoacademywi.org

Attachment A-2

WORKFORCE DEVELOPMENT BOARD
OF SOUTH CENTRAL WISCONSIN

June 3, 2019

City of Madison, Common Council
210 Martin Luther King Boulevard, Room 417
Madison, WI 52703

Dear Members of the Madison Common Council,

I am writing today, to offer some background specifically on Stevens Construction. We understand that Steven Construction is part of the Stone House Development Inc.'s proposal for part of the Judge Doyle Square Project. We understand that there was some conversation before the City's Finance Committee questioning Steven Construction's commitment and track record on diversity. Please know that at the Workforce Development Board, we have had deep engagement with Stevens Construction as they work with us to open up construction careers to under-represented people. Here are just a few of Steven's engagements.

Stevens Construction:

- ✓ Served as the first construction company in the City of Madison to partner with Latino Academy for Workforce Development. This partnership is more than 4 years old. Stevens not only dedicated trainers and facilities to the Latino Academy's Construction Academy put also have created internship so that the trainees could have hands on experience during training.

- ✓ Steven has been an industry partner in the Foundations for the Trades. A training program targeted to under-represented people which was initially co designed and funded by the Workforce Development Board in 2016 and since has transitioned to the Construction Training Initiative (CTI) which is a partnership of the Urban League of Greater Madison, Latino Academy for Workforce Development, and Operation Fresh Start, funded by the City of Madison Community Services and United Way. Stevens has offered trainers, mock interviewing and has been one of the employers who has hired workers from each training cohort.

- ✓ Stevens worked in 2018/19 with the UW School for Workers, Madison College, Urban League of Greater Madison and the Workforce Development Board to deliver the first Women only construction pre-apprenticeship in the Madison area in over 10 years. Stevens participated in the outreach efforts to recruit construction companies to become partners; recruit women to attend the training and provided mentors and employment opportunities to the trainees.

Stevens Construction from our experience cares about and is committed to increasing diversity within the construction industry. We have found that as a company Stevens Construction doesn't just talk about the concept. They dedicate their time and talent to make it happen.

Thanks in advance for the opportunity to share our experience.
Pat Schramm

Executive Director/CEO

WDBSCW
3513 Anderson St, Ste 104
Madison, WI 53704 USA

+1 608 249 9001
info@wdbscw.org
www.wdbscw.org

Attachment B

STEVENS CONSTRUCTION CORP.

MILWAUKEE | MADISON | MINNEAPOLIS

April 9, 2019

100 Black Men
P.O. Box 787
Madison, WI 53701

RE: CURRENT OPENINGS

To Whom It May Concern:

Stevens Construction Corp., a Madison-based General Contractor, currently has openings for:

EXPERIENCED CONCRETE WORKERS

- Permanent & Temporary full-time positions available.
- Ability to perform a variety of skills including forming with multiple forms systems, pouring and striking-off concrete walls & slabs, tying rebar, post-tension, and finishing concrete.

EXPERIENCED CARPENTERS

- Permanent full-time positions available.
- Ability to perform a variety of carpentry skills including rough framing, forming, and finish work.

To apply visit our careers page at www.stevensconstruction.com.

Deadline: April 30th, 2019

Sincerely,

Dena Gullickson

Dena M. Gullickson, SHRM-SCP, SPHR
Human Resources Manager/EEO Officer
EEO/AA Employer

** PLEASE POST **

All employment offers are contingent upon passing a pre-employment drug test

STEVENS CONSTRUCTION CORP.

MILWAUKEE | MADISON | MINNEAPOLIS

April 9, 2019

Agape Community Center
400 W. River Woods Pkwy
Milwaukee, WI 53212-1060

RE: CURRENT OPENINGS

To Whom It May Concern:

Stevens Construction Corp., a Milwaukee & Madison-based General Contractor, currently has openings for:

EXPERIENCED CARPENTERS

- Permanent full-time positions available.
- Ability to perform a variety of carpentry skills including rough framing, forming, and finish work.

EXPERIENCED CONCRETE WORKERS

- Permanent full-time positions available.
- Ability to perform a variety of skills including forming with multiple forms systems, pouring and striking-off concrete walls & slabs, tying rebar, post-tension, and finishing concrete.

To apply visit our careers page at www.stevensconstruction.com.

Deadline: April 30th, 2019

Sincerely,

Dena Gullickson

Dena M. Gullickson, SHRM-SCP, SPHR
Human Resources Manager/EEO Officer
EEO/AA Employer

** PLEASE POST **

All employment offers are contingent upon passing a pre-employment drug test

100 Black Men
Po Box 787
Madison, WI 53701

African American Educators
213 Oak Street
Madison, WI 53704

Bayview Foundation Inc
Sheri Harper
601 Bayview Triangle
Madison, WI 53715

Blackhawk Technical College
Ariana Richardson
6004 S County Road G
Janesville, WI 53546

Boys & Girls Club of Dane County
Michael Johnson
1818 W Beltline Hwy
Madison, WI 53713

Bridge-Lakepoint-Waunona
Neighborhood Ctr
1917 Lake Point Drive
Madison, WI 53713

Catholic Multicultural Center
Steve Maurice
1862 Beld Street
Madison, WI 53713

Catholic Multicultural Center
Lilliam Post
1863 Beld Street
Madison, WI 53714

Centro Hispano of Dane County
810 W Badger Road
Madison, WI 53713

Community Action Coalition for South Central WI
1717 N Stoughton Road
Madison, WI 53704-2605

Dane County Employment Relations
210 Martin Luther King Jr Blvd, Rm 418
Madison, WI 53703-3345

Dane County Equal Opportunity
Carrie Braxton
210 Martin Luther King Jr Blvd Rm 356
Madison, WI 53709

Dept of Veterans Affairs Madison Vet Center
Eric Sprague
1291 N Sherman Ave
Madison, WI 53704

Division of Vocational Rehabilitation
Les Mirkin
1801 Aberg Ave
Madison, WI 53704

East Madison Community Center
8 Straubel Court
Madison, WI 53704

Employment & Training Association
1819 Aberg Avenue
Madison, WI 53704

Employment Resources Inc
2701 International Ln #210
Madison, WI 53704

Family Housing Community Services
611 Eagle Heights
Madison, WI 53705

Kennedy Heights Neighborhood Center
199 Kennedy Heights
Madison, WI 53704

Latina Academy of Workforce Development
Baltazar DeAnda-Santana
1917 Lakepoint Dr
Madison, WI 53713

Lutheran Social Services
Peggy Hill
6314 Odana Rd
Madison, WI 53719

Madison Area Technical College
Gretchen Rixie
1701 Wright Street
Madison, WI 53704

Madison Area Technical College
Tools for the Trades
Massaya Xiong
1701 Wright Street
Madison, WI 53704

Madison Area Technical College
Catherine Hara
2125 Commercial Avenue Rm 120
Madison, WI 53704

Madison College-Commercial Ave Campus
Jen Voichick
2125 Commercial Avenue
Madison, WI 53704

MATC Career Services Office
3550 Anderson Street
Madison, WI 53704

MATC Women in Trades
2125 Commercial Avenue
Madison, WI 53704

Middleton Public Library
Pamela Westby
7425 Hubbard Ave
Middleton, WI 53562

Mt Zion Baptist Church
2019 Fisher Street
Madison, WI 53713

Madison Area Urban Ministry
2115 S Park St
Madison, WI 5373

Nehemiah Development Corporation
655 W Badger Rd
Madison, WI 53713

Neighborhood House Community Ctr
29 S Mill St
Madison, WI 53715

Northside Community Council
1313 Delaware Blvd
Madison, WI 53704

Office of Veterans Employment Services
Eugene Degner
1819 Aberg Ave
Madison, WI 53704

Omega School
Oscar Mireles
835 W Badger Rd
Madison, WI 53713

Operation Fresh Start
1925 Winnebago Street
Madison, WI 53704

Ridgewood Neighborhood Association
1214 Artisan Drive
Madison, WI 53704

Second Baptist Church
Rev. Anthony Wade
4303 Britta Pkwy
Madison, WI 53711

South Metropolitan Planning Council
2300 S Park Street, Ste 107
Madison, WI 53713

Southwest Wisconsin Technical College
1800 Bronson Blvd
Fennimore, WI 53809

SS Morris AME Church
Rev. Gregory J Armstrong
3511 Milwaukee Street
Madison, WI 53714

St Lukes
Rev Dr Paula Harris
4011 Major Ave
Madison, WI 53716

St Paul AME Church
Pastor Joseph Baring, Jr
4525 Diamond Dr
Madison, WI 53714

State Minority Business Program
101 E Wilson St 6th Fl
Madison, WI 53707

Tellurian UCAN Inc
Kevin Florek
300 Femrite Dr
Madison, WI 53716

The Salvation Army of Dane County
Wendy Tougas Construction
630 E Washington Ave
Madison, WI 53703

Tribal Employment Rights Office
Po Box 667
Black River Falls, WI 54615

Unfinished Business
Mark Richardson
Po Box 3118
Madison, WI 53704

United Asian Services of WI, Inc
1310 Mendota Street, Ste 105A
Madison, WI 53714

Urban League of Greater Madison
Jane Moy
2222 S Park Street, Ste 200
Madison, WI 53713

UW Alumni Association
Kate Dixon
650 N Lake St
Madison, WI 53706

UW Madison-Adult & Student Services Ctr
April McHugh
21 N Park St 7th Floor
Madison, WI 53715

UW Extension-Dane County
Deb Neubauer
1 Fen Oak Court, Ste 138
Madison, WI 53718

UW Madison-Multicultural Student Ctr
716 Langdon St Red Gym
Madison, WI 53706

UW Madison American Science & Engineering Society
Jennifer Roy
1080 Engineering Centers Bldg
Madison, WI 53706

UW Madison Chicano & Latino Studies Program
Sylvia Garcia
312 Ingraham Hall
1155 Observatory Dr
Madison, WI 53706

UW Madison Hmong American Students Assoc
c/o Multicultural Student Ctr
716 Langdon St 2nd Fl Red Gym
Madison, WI 53706

UW Madison Multi-Cultural Student Coalition
Olivia Wick Bander
333 E Campus Rm 3129
Madison, WI 53715

UW Madison Society of Women Engineers
1550 Engineering Dr, Rm 1085
Madison, WI 53706

UW Madison Student Job Center
333 E Campus Mail #9701
Madison, WI 53715

Vera Court Neighborhood Center
614 Vera Court
Madison, WI 53704

Warner Park Community Center
1625 Northport Dr
Madison, WI 53704

Wexford Ridge Association
55 South Gammon Road
Madison, WI 53717

WI Association of Black Men
313 N Frances St Apt 701
Madison, WI 53703

WI Dept. Veteran Affairs Employment Assistance
Po Box 7843
Madison, WI 53707

WI DWD Office of Veteran Services
1819 Aberg Avenue, Ste C
Madison, WI 53704

Wilmar Community Center
953 Jennifer Street
Madison, WI 53703

Wisconsin Dept. of Corrections
Po Box 7925
Madison, WI 53707-7925

Wisconsin Youth & Family Center
Ellie Maier
1201 McKenna Blvd
Madison, WI 53719

WorkSmart Network at Opportunities
Marvel Brown
930 Stewart Street
Madison, WI 53713

YMCA Empowerment Center
Julie Larson
2040 S Park St
Madison, WI 53713-1218

Agape Community Center
400 W River Wood Pkwy
Milwaukee, WI 53212-1060

Bay View Neighborhood Association
Po Box 070184
Milwaukee, WI 53207

Central Hispano Milwaukee
614 W. National Ave
Milwaukee, WI 53204

Community Advocates
728 North James Lovell Street
Milwaukee, WI 53233

Council for Spanish Speaking Inc
Dba Centro Hispano of Milwaukee
Amy Crumble
614 W National Avenue
Milwaukee, WI 53204

Employ Milwaukee
2338 N 27th Street
Milwaukee, WI 53210

Gateway Technical College
Career and Employment Services
3520 30th Avenue
Kenosha, WI 53144

Hispanic Chamber of Commerce Of WI
1021 W National Avenue
Milwaukee, WI 53204

Ho Chunk Nation, Tribal Branch
Terry Winneshiek
3501 South Howell
Milwaukee, WI 53207

Job Center South
Frank Tamel
2701 S Chase Ave
Milwaukee, WI 53207

LaCasa de Esperanza Inc
Edwin Maldonado
410 Arcadian Avenue
Waukesha, WI 53186

Marquette University
Career Services Center
Sharon Hansen
Po Box 1881
Milwaukee, WI 53201-1881

American Indian Chamber of Commerce
10710 W Scharles Ave
Hales Corners, WI 53130-2031

Milwaukee Area Technical College
Student Employment Services JOBshop
700 West State Street
Milwaukee, WI 53233-1443

Milwaukee Christian Center
807 S 14th Street
Milwaukee, WI 53204

Milwaukee Community Service Corps
Chris Litzau
1441 North 7th Street
Milwaukee, WI 53205-2011

Milwaukee County Veterans Services
6419 W Greenfield Ave
West Allis, WI 53214

Milwaukee Habitat for Humanity
3726 N Booth Street
Milwaukee, WI 53212

Milwaukee Urban League
Rosalind Webster
435 West North Street
Milwaukee, WI 53212

Moraine Park Technical College
Career Center
235 North National Avenue
Fond du Lac, WI 54936-1940

New Horizon Center Inc
4200 N Holton St
Milwaukee, WI 53212

Pabst Park Neighborhood Association
2119 North 61st Street
Wauwatosa, WI 53213

QHNA, LLC
6650 West State Street, Suite 108
Wauwatosa, WI 53213

Silver Spring Neighborhood Center
5460 N 64th Street
Milwaukee, WI 53218

Skilled Trades Services
Frieda Webb
1714 North Fifth Street
Milwaukee, WI 53212

The Garden District Neighborhood Assoc
Po Box 70876
Milwaukee, WI 53207

United Community Center
1028 South 9th Street
Milwaukee, WI 53204

Walkers Point Youth & Family Center
2030 W National Avenue
Milwaukee, WI 53204

Waukesha County Tech College
Employment Opp Cntr
Jean Donovan
800 Main Street
Pewaukee, WI 53072

Washington Heights Neighborhood Assoc
Po Box 080140
Milwaukee, WI 53208

Waukesha County Technical College
892 Main St
Pewaukee, WI 53072

Wisconsin Community Services
3732 W Wisconsin Ave, Ste 200
Milwaukee, WI 53208

Wisconsin Women's Business Initiative Corp
1533 N Rivercenter Dr
Milwaukee, WI 53212

WRTP/Big Step
3841 W Wisconsin Ave
Milwaukee, WI 53208

YMCA Southwest Wisconsin
1915 N Doctor M.L.K. Dr
Milwaukee, WI 53212

UMOS
John Dean
2701 S Chase Ave, Ste B
Milwaukee, WI 53207

Mindful Staffing Solutions
Reginald Reed Jr
3227 N 31st Street
Milwaukee, WI 53216

J&K SECURITY SOLUTIONS

Stevens Construction
Two Buttonwood Court
Madison, WI 53718
Jonathan Koch

05/31/19

To whom it may concern:

J&K Security Solutions, a Certified Woman Business Enterprise, has been working as a subcontractor with Stevens Construction for many years. We enjoy working with Stevens Construction as they are a top-notch Contractor and deliver a top-notch product. Projects such as Stonehouse, The Marling, and The Lyric are some recent examples of the quality product they put out. Their involvement in the Community matches J&K's philosophy about giving back. We here at J&K feel that they are the perfect choice for the Block 88 project.

Respectfully,

Kim Beckmann

Kim Beckmann
President

1605 SOUTH PARK STREET • MADISON, WI 53715
608.255.5799 • F.608.255.5719 • JKSECURITY.COM

5307 South Ridge Way Middleton Wi 53562

Aurora Erectors INC. Has successfully partnered with Stevens Construction on several projects. Stevens Construction awarded Aurora Erectors its first project 3 years ago as a startup company on Stone House phase 1. Aurora Erectors is very familiar with the Judge Doyle square project and work around the capitol. We are affiliated with Iron Workers Local 383. We employ all Union workers and are an SBE with the City of Madison. We look forward to the possibility of another successful partnership with Stevens Construction.

Eric Young
President

MAVID
CONSTRUCTION

June 3rd, 2019

Stevens Construction
Attn: Jonathan Koch
2 Buttonwood Court
Madison, WI 53718

Re: Judge Doyle Square

Jonathan,

Thank you for supporting Mavid Construction. As you know, we are the largest MBE Union interior contractor in the State. Thank you for the flooring and glass and glazing opportunities and we strongly support you for the Judge Doyle Square project.

Thank you,

Zoar Fulwilder
Member

Mavid Construction Services, LLC • 1609 Western Ave., Suite A, Green Bay, WI 54303
P: 877-494-0515 • F: 888-494-0504 • zoar@mavidconstruction.com
www.mavidconstruction.com

Wall-tech Companies

Madison: (608) 257-1595 • Milwaukee: (414) 771-0685 • Cedar Rapids: (319) 826-6537 www.walltechcompanies.com

Attachment D

Jonathan Koch
Director of Project Management
Stevens Construction Corp.
Two Buttonwood Court
Madison, WI 53718

Re: Support for Stevens

Dear Jonathan,

Wall-tech Companies would like to give Stevens Construction our highest recommendation and full support in their bid for the upcoming Judge Doyle Square Project.

As a member of the NCS Regional Council of Carpenters Local Union 314, Wall-tech has been providing professional, safety-conscious, craft-trained workers and has thoroughly enjoyed teaming up with Stevens Construction on a couple of recent projects, Hotel Indigo and Stone House Mixed Use. From their project managers and superintendents, to sequencing and project schedule, it is clear Stevens Construction strives to provide the best quality and value - one of the many reasons we appreciate our solid working relationship with them.

We look forward to partnering again with Stevens Construction on future projects.

Sincerely yours,

Scott Nordenstrom
COO

Design Point Exteriors

June 3, 2019

Mr. Jonathan Koch
Stevens Construction Corp.
Two Buttonwood Court
Madison, WI 53718

Dear Mr. Koch,

On behalf of Design Point Exteriors, I would like to thank you for your continued support and including us as part of your team.

I have personally been involved in six different projects with Stevens Construction over the last five years. Since most of these projects have been sizable subcontracts, Stevens Construction is definitely an important part of our business.

We always enjoy working with the Stevens Construction team. Stevens Construction's project managers and superintendents are professionals and truly bring everyone together as a team to help make sure the project is a success and every subcontractor succeeds at the same time.

Design Point Exteriors is a member of the North Central States Regional Council of Carpenters Union (NCSRCC). As a member of the NCSRCC, we utilize and support the unions four-year apprenticeship program for new employees entering the workforce. This apprenticeship program gives the individuals the basic skill and safety certifications they need to succeed.

Sincerely,
Design Point Exteriors, LLC

Chad Patoka
President

Design Point Exteriors, LLC 4808 Beaver Dam Road Stevens Point, WI 54482 Phone: 715-544-0170

MICHELS®

June 3, 2019

City of Madison – Finance Committee
215 Martin Luther King, Jr. Blvd.
Madison, WI 53703

Attention: **City Finance Committee**

Reference: Block 88 – Stevens Construction Corp. Letter of Support

Dear Members of the City Finance Committee,

Michels Corporation is a union contractor specializing in utility and infrastructure construction. Founded in 1959 by Dale Michels as a utility contractor in Brownsville, WI, Michels comes from humble roots and continues as a second generation family owned company.

Michels Corporation and Stevens Construction Corp. have worked together on a nearly annual basis since our first project together in 1961. Throughout dozens of projects in the Midwest, Stevens' leadership has entrusted Michels to perform a variety of deep foundation and earth retention work. Our working relationship has always been very constructive; from the ownership to the field staff. We are eager to work on any project with Stevens Construction Corp.

Michels self-performs most construction activities on projects, but hires local, specialized contractors when efficiencies can be gained. Whenever possible, we seek the services of qualified small disadvantaged, veteran, women and/or minority owned (D/V/WMBE) businesses. In keeping with Michels' core values and our commitment to social responsibility it is Michels' policy to provide D/V/WMBE firms the maximum practicable opportunities to participate in the projects we undertake and to help our customers achieve their goals for D/V/WMBE participation.

Michels' established Supplier Diversity Manager and Procurement Team are continuously looking to expand and improve our supplier base with the addition of small and diverse businesses. We work directly with these types of firms to help them build a resume that will aid them in securing work from coast to coast while still supporting Michels.

Sincerely,

MICHELS CORPORATION

Paul R. Wiedmeyer
Regional Manager – Milwaukee
Foundations Operations
C: 414.788.6271
E: pwiedmey@michels.us

Krantz Electric Inc.
2650 N. Nine Mound Rd
Verona WI 53593
(608) 845-9156 Fax: 845-7584

May 31, 2019

RE: Judge Doyle Square Project

Krantz Electric Inc has been in business for over 40 years. We are a proud union contractor. Our electricians gain knowledge and experience through the electrical union apprenticeship.

Krantz Electric Inc has worked with Stevens Construction Corp. for 20 years. Most recently on multiple million-dollar plus projects including the original Stone House project at 1010 E. Washington Avenue, The Lux at 433 W. Johnson Street. and the 151 E. Wilson Street project. We enjoy working with Stevens Construction because of the quality project managers and superintendents on the projects. Stevens Construction maintains schedules and finishes projects to meet the owner's timeline.

We continue to maintain a good working relationship with Stevens Construction and support them in the industry.

Thank you,

Joseph Krantz

Joseph Krantz
President

Klein-Dickert Milwaukee, Inc.

4702 Helgesen Dr
Madison, WI 53718
P 608.258.3300
F 608.258.1862

To: George E. Austin
City of Madison Judge Doyle Square Project Director

From: Patrick R. Zimmer
Executive Vice President, Klein-Dickert Milwaukee, Inc.

Date: June 3, 2019

This letter is in support of Store House Development and Stevens Construction for the Judge Doyle Square development project.

Stone House Development is a top-tier developer, focused on providing high quality developments that match the uniqueness of our City. Their East Washington development showcases an outstanding commitment to revitalizing Madison. Extending their expertise to this prominent project would bring stability, and allow decisions to be made by experts that know and love the Madison community.

Stevens Construction and K-D Glass have worked cohesively on the design/development of many projects, to assure customers get the best value. During the construction phase, coordination of subcontractors and project timelines plays a key role in Stevens successfully delivering every project on time. Stevens office personnel and field staff are detail oriented, promote project efficiency, and stress the importance of safety on all of their projects.

K-D Glass has been part of the fabric of Madison for 100 years. We're a union contractor signatory to the Painters & Allied Trades DC7; Glaziers Local 941. We have a trained workforce that utilizes the State of Wisconsin Apprenticeship program as a basis for our Journeymen Glaziers. K-D Glass is also a City of Madison approved contractor.

Feel free to contact me with any questions or for further clarification.

Sincerely

Patrick R. Zimmer
Executive Vice President
Klein-Dickert Milwaukee, Inc

LAKE CITY GLASS
3501 East Washington Ave. Madison, Wisconsin 53704
Direct: 608-204-7685 Fax: 608-244-5531
E-mail: cmeece@lakecityglass.com

Lake City Glass and Stevens Construction have worked together on many successful projects over the years, the most recent being Hotel Indigo in Madison. Hotel Indigo was a complex project combining both historical intricacies along with new construction. We believe this project was very successful due in large part to Stevens Construction team's professionalism, leadership and open communication throughout. We at Lake City Glass would highly recommend the Stevens Construction team for the Block 88 project.

Lake City Glass is a Union glazing contractor located in Madison WI. We are a community based equal opportunity employer that currently employs 38 union glaziers and 19 non-union shop workers.

Sincerely,

Calvin Meece
Vice President
Lake City Glass

h.j. Martin and son, inc
Est. 1931

320 South Military Avenue, Green Bay, WI 54303 | P.O. Box 11387, Green Bay, WI 54307
Phone: 920-494-3461 | Fax: 920-494-4177 | Website: www.hjmartin.com

Residential Flooring | Shower Doors | Floorcare | Tiled Showers | Backsplashes | Accent Walls
Commercial Glass & Glazing | Walls & Ceilings | Flooring | Millwork Installation | Doors & Hardware | Floorcare
National Retail Solutions Construction Management | New Store Fixture Installation | Remodels & Rollouts
Casework Installation | Merchandising | Concrete Polishing

June 3rd, 2019

Stevens Construction
Attn: Jonathan Koch
2 Buttonwood Court
Madison, WI 53718

Re: Judge Doyle Square

Jonathan,

I am writing to confirm Stevens Construction is a strong Union supporter. For example, The Stone House project was performed with Union labor. Jonathan, thank you for supporting H.J. Martin and all our divisions who have used Union sub labor. Stevens Construction is a great partner of H.J. Martin and I highly recommend them for the Judge Doyle Square project.

Thank you,

Edward Martin
President

SPEEDWAY SAND & GRAVEL INC.

EXCAVATING, GRADING, SITEWORK & DEMOLITION

8500 Greenway Blvd. Suite 202 Middleton, WI 53562

Telephone (608)836-1071 Fax (608)836-7485

May 31, 2019

To Whom It May Concern,

Speedway Sand & Gravel, Inc is a union contractor that is given the opportunity to bind on Stevens Construction projects. We have completed projects with them for decades.

Sincerely,

Thomas DeBeck
President, ext 223
tom@speedwaysg.com

Equal Opportunity Employer

Attachment E

DANE COUNTY SCHOOL CONSORTIUM

Connecting classroom education to career preparation

5900 Monona Dr.Suite #202, Monona, WI 53716 / 608.316.1358 / www.dcsc.org

Madison City Council
210 Martin Luther King Jr. Blvd.
Room 417
Madison, WI 53703

May 31, 2019

Re: Support of Stevens Construction

Dear Committee Members,

It has been brought to our attention that Stevens Construction is being considered for a project and there are questions of company diversity and commitment to training. I urge you to consider their application with the fullest support of the Dane County School Consortium and our School district members.

Stevens Construction has fully embraced and supported the training and development of our future Architecture and Construction workforce. They have taken Youth Apprenticeship students from five different school districts including MMSD and placed them with qualified mentors on multiple projects across Dane County. Stevens has been a leader supporting our YA program and encouraging other industry partners to work with our Youth Apprentices. They have been leaders in training our students, helping to create awareness with employees by recognizing and supporting the students at their annual picnic and providing unique learning opportunities that align to the students career interests.

Steven's Construction embodies the company values that DCSC looks for in YA employer champions. From Human Resources to Project Managers to Team Foreman; each of their staff members have been wonderful to work with and have embraced the support of working with our youth and helping to provide a diverse workforce and opportunities for our students.

Thank you for your time, and I look forward to speaking with you and answering any questions you may have regarding the quality of training that Steven's Construction provides our students.

Sincerely,

Josh Fassl, Director

SUN PRAIRIE HIGH SCHOOL

Keith Nerby, Principal
Heidi Walter, Associate Principal
Chad Whalley, Associate Principal
James Ertel, Dean of Students
Melissa Paynter, Dean of Students
Jeffrey Farley, Interim Dean of Students

888 Grove Street
Sun Prairie, Wisconsin 53590
Phone: 608-834-6700
Fax: 608-834-4143

May 30, 2019

Ladies and Gentlemen:

It has been brought to my attention that there is some concern on the part of the Madison City Council that Stevens Constructions has a problem with diversity in its workforce and is not training the next generation of workers.

As someone who has worked with Stevens Construction for the past several years, I can tell you that nothing is further from the truth. I am the School-to-Career Manager for the Sun Prairie Area School District, and I have had nothing but the most positive experiences working with this great company. Stevens has opened its doors and has provided excellent tours to our students so that they are aware of career opportunities in the construction field. Several of our students have gone into construction based upon these tours.

I have also had the pleasure of placing several youth apprenticeship students with Stevens. In fact, Stevens was the **first** construction company that I worked with to start placing high school students in this field. For the past several years, I have had two to three students employed by Stevens as a youth apprentice—*more than any other company*. My Sun Prairie High School students have had excellent mentors to work with, and they have loved the experience that they have been provided. My two current seniors are going on to school in construction management due to the experience that Stevens has provided. These kids are working an average of 25 hours a week while attending high school.

In the words of Kevin Kubly, Class of 2019, "I have now worked at Stevens Construction for almost 11 months now, and I have loved every minute of it. I started in the summer of 2018 and was put on a job site with very little experience and have learned something new almost every single day." His twin brother Tyler wrote: "The guys at work have really been a huge help on the job; they always teach me the best way to complete a task. They encourage me to always think outside the box and there is always a way to solve a problem and that nothing is impossible. Being a part of this Youth Apprenticeship Program has really opened my eyes to the possibilities in construct ion; and because of that, construction is definitely what I want to do in the rest of my life." Does this sound like a company that is not training the next generation of workers? Instead of questioning what they are doing, I think you should be giving them an award for what they are doing! In the three years that they have been hiring youth apprentices, every single student of mine has had a wonderful experience.

I would be more than happy to discuss this further with you in person. Every single school-to-work coordinator in Dane County has had similar experiences with this great company. I am in the process of working with them right now to place two of my students with them for next year. If you would like to get the accurate story, don't hesitate to contact me.

Sincerely,

Nancy M. Everson
School-to-Career Manager
Youth Apprenticeship Coordinator
Sun Prairie Area School District
608-834-6734 or nmevers@sunprairieschools.org

July 3, 2019

RE: LETTER OF SUPPORT FOR STEVENS CONSTRUCTION CORP

It is with great enthusiasm that we share details of our growing partnership with Stevens Construction Corp. My name is Sherrie Stuessy, and I am the Experiential Learning Coordinator for the Madison Metropolitan School District (MMSD). Assisting me in my work is Marshall Behringer, the Talent and Education Manager for the Greater Madison Chamber of Commerce.

We have had the pleasure of working with Stevens Construction Corp throughout the 2018-19 school year through their dedicated involvement with the MMSD Youth Apprenticeship Program. The Youth Apprenticeship Program provides an opportunity for Madison area businesses to develop a recruitment pipeline by training future employees to high company standards while increasing workforce diversity.

Stevens Construction Corp employed an East High School junior youth apprenticeship student. This student's experience included working on job sites under the direct supervision of highly skilled mentors. Not only did the mentors ensure that the student had an opportunity to demonstrate the required Department of Workforce Development Skill Competencies, they also made every accommodation necessary to ensure that the student was in a safe working environment aligned to the student's experience and skill level.

Through our work together, not only is Stevens Construction Corp building strong relationships with MMSD students and staff, they are also taking on the important role of ensuring that we have a highly skilled workforce.

We greatly appreciate the willingness of Stevens Construction Corp to work with our youth apprenticeship students. They do so with great commitment and dedication to the students they mentor.

Sincerely

Sherrie L. Stuessy

Sherrie Stuessy, Experiential Learning Liaison

Sherrie L. Stuessy ► 545 West Dayton Street, Madison, WI 53703 ▲ slstuessy@madison.k12.wi.us ▼ 608.662.7482 (SMS) ◄ 608.663.1978

MONONA GROVE HIGH SCHOOL

4400 Monona Drive
Monona, Wisconsin 53716
Phone: (608) 221-7666
Fax: (608) 221-7690
www.mononagrove.org

Paul A. Brost, Ph.D.
Principal

Melissa Hahn
Associate Principal

Jason Kling
Associate Principal

Jeffrey Schreiner
Athletic and Activities Director

June 1, 2019

To Whom It May Concern:

Steven's Construction has proven to be an amazing placement for our Youth Apprenticeship high school students exploring the world of construction and the trades in general. The mentors at Steven's Construction aren't afraid to give feedback, both positive and constructive, make room for mistakes, and challenge Youth Apprentices to make them stronger. In addition to all of this, they takes time to laugh with them, remembering that they are still kids in a learning environment. This year, Steven's Construction hosted one of our Tech Ed classes to show the students firsthand what a commercial job site looks like.

Monona Grove has had a very positive relationship with Steven's Construction overall, including a variety of different staff members within the company. This year we have one student placed at Steven's Construction for the first year of his two year Youth Apprenticeship program. The student has had a wonderful experience at Steven's Construction, has learned a lot and grown personally and professionally through this experience. This student plans to return to Steven's Construction next year to complete year 2 of his program, in which he will be exposed to a variety of different trades areas in order to fulfill the requirements of the program.

Our YA student feels comfortable speaking to upper level staff members when he has a question or concern. Their approachability and quickness to resolve any issues makes them ideal mentors to high school aged students. This company truly cares about Youth Apprenticeship students and strongly values training the next generation of tradesmen/tradeswomen. The staff at Steven's Construction don't treat them like high school students working part-time jobs, but instead as full-time employees truly vested in the company. I'm so proud to collaborate with such an outstanding company to help students explore their career interests. If you have any questions, please feel free to contact me.

Sincerely,

Jennifer Deibele
Career and Technical Education Coordinator
Monona Grove High School
(608)316-1374
jennifer.deibele@mgschools.net

Attachment F

Department of Workforce Development
Office of Skills Development
Wisconsin Fast Forward
P.O. Box 7946
Madison, WI 53707-7946

Tony Evers, Governor
Caleb Frostman, Secretary

June 3, 2019

Mark Rudnicki, CEO & President
Stevens Construction Corp.
2 Buttonwood Court
Madison, WI 53718

Re: Wisconsin Fast Forward Grant Program Participation

Dear Mr. Rudnicki:

Per your request, I am writing to confirm Stevens Construction Corp.'s partnership with the Wisconsin Fast Forward grant program to provide customized training solutions to serve Stevens' employment and business needs. The Wisconsin Fast Forward program is designed to provide support for employer-focused worker training grants for employers who can demonstrate a critical need for skilled workers. These training programs are designed to provide sustainable, short- and medium-term training, and placement of workers in positions that offer trainees long-term professional growth and economic opportunity. The program is administered by the Department of Workforce Development, Office of Skills Development (OSD).

In 2017, DWD issued Stevens Construction Corp. a grant contract of up to $323,900.00 to develop an in-house training program to meet the needs of entry-level unemployed and incumbent workers. The training developed and provided under this grant includes a range of coursework from entry-level introduction to construction, safety, concrete, carpentry, equipment certifications, and crane operation. To date, 57 trainees have completed their training, with another 43 continuing to receive training. The Office of Skills Development anticipates additional trainees will continue to receive training through the remainder of the grant period. Stevens Construction Corp. has also been a partner on two other Wisconsin Fast Forward Grants since 2015, which specifically target underserved populations in the Madison area, including minorities and women. In 2015, Stevens partnered with the YWCA of Madison (Grantee), Latino Academy of Workforce Development, Operation Fresh Start and the Urban League of Greater Madison to provide entry-level construction skills training to unemployed and underemployed individuals. Under this grant, 80 individuals were trained; of these, several graduates of the Latino Academy's Bilingual Construction Program were hired by Stevens Construction Corp.

In 2017, Stevens again partnered with the Vera Court Neighborhood Center (Latino Academy) (Grantee) and the Urban League of Greater Madison to provide entry-level construction skills to minorities and women, who are underrepresented in the construction industry. Under this grant, Stevens Construction Corp. has partnered with the Latino Academy's Bilingual Construction Program. Thus far, at least 5 graduates have been hired at Stevens Construction, with other graduates being placed in employment with other firms. In May 2018, I attended a Bilingual Construction Program graduation.

To maintain a strong environment for private-sector job creation, Wisconsin must train workers to fill the employment demands of growing and expanding employers. It is anticipated that the relationships developed through these training programs will continue to flourish after the grant has ended. Thank you for your partnership on these grants.

Respectfully,

Rita Atkinson
Director, Office of Skills Development
Department of Workforce Development

	Gebhardt	Mandel	Stone House
Estimated Assessed Value			
Initial Valuation	$28 million	$26 million	$27 million
Revised Valuation	$40 million	$28 million	$29 million
Estimated Total Annual Property Taxes	$980,000	$686,000	$710,500

The table above compares the initial valuation of each proposed project by the Assessor's Office based on the information provided in the RFP submittals. After the discussion at the Finance Committee on May 28, 2019, the Assessor's Office reviewed the valuations again and sought more precise estimates of rental income. The original proposal from Gebhardt did not include a pro forma of annual rent, while the other two proposals did provide this level of detail. In its initial estimate, the Assessor's Office used industry averages to develop a pro forma for the Gebhardt project. All three valuation estimates relied on industry averages for rent from affordable units.

The revised valuations rely on a pro forma provided by Gebhardt, along with the maximum rent levels for affordable units allowed by projects using WHEDA guidelines. In addition, all three valuations rely on a common industry standard for expenses of 30% of gross income. The expense standard used in the initial valuation was 35% of gross income.

The revised valuation for the Gebhardt project has the greatest change and is consistent with the higher level of density on the site compared with the other two projects. The Mandel and Stone House valuations were revised due to the updated affordable unit rent standard and the use of the 30% expenses factor.

The Assessor's Office emphasizes that these are preliminary estimates of valuation and will change when the project is completed based on actual information available at that time.

Judge Doyle Square
Block 88 - Gebhardt Development

Income Approach to Value:

Description	Units/SqFt	Monthly Rent	Total Annual Rent
Office Space	22,600	$12.92	$292,016
Retail Space	7,807	$25.00	$195,175
Residential:			
Affordable Units (78) 60% LIHTC:			
One-bedroom	42	$1,130	$569,520
Two-bedroom	12	$1,356	$195,264
Studio	24	$1,054	$303,552
Market Rate Units (118):			
One-bedroom	82		$2,955,740
Two-bedroom	18		
Studio	18		
Apartment Parking Income			$263,958
Office Parking Income			$133,763
NNN Estimates(CAM Reimbursements?)			$235,663
Other Income			$90,225
Total Units:	196		
Potential Gross Income:			$5,234,876
Vacancy:	4.00%		($209,395)
Effective Gross Income:			$5,025,481
Expenses:	$	% EGI	
Total:	$1,507,644 Market Average	30.0%	$1,507,644
Net Operating Income:			$3,517,837
Overall Capitalization Rate:			8.750%
Tax Rate:	2.250%		
Cap Rate:	6.500%		
Value Estimate(rounded):			**$40,200,000**
Value Estimate Per Unit:			**$205,100**

COMMENTS:
Used market vacancy. Average rent of market rate units is $2,087.
Used market (Costar) and HUD LIHTC guidelines for affordable housing portion of income.
Used average exp ratio of 30%. Average exp ratio for newer projects is 25% to 35%.

Judge Doyle Square Project
Block 88 - Mandel Group Inc.

Income Approach to Value:

Description	Units/SqFt	Monthly Rent	Total Annual Rent
Retail	7,595	$25.00	$189,875
Market Rent Apartment Units (115):			
Studio Units:	32		$2,842,337
One-bedroom Units:	45		
Two-bedroom Units:	26		
Three-bedroom Units:	12		
80% LIHTC Units (29):			
One-bedroom units:	14	$1,507	$253,176
Two-bedroom units:	9	$1,808	$195,264
Three-bedroom units:	6	$2,089	$150,408
Total Units:	144		
Potential Gross Income:			$3,631,060
Vacancy:	4.00%		($145,242)
Other Income:			$0
Effective Gross Income:			$3,485,818
Expenses:	$	% EGI	
Total:	$1,045,745 Market Average	30.0%	$1,045,745
Net Operating Income:			$2,440,072
Overall Capitalization Rate:			8.750%
Tax Rate:	2.250%		
Cap Rate:	6.500%		
Value Estimate(rounded):			**$27,890,000**
Value Estimate Per Unit:			**$193,700**

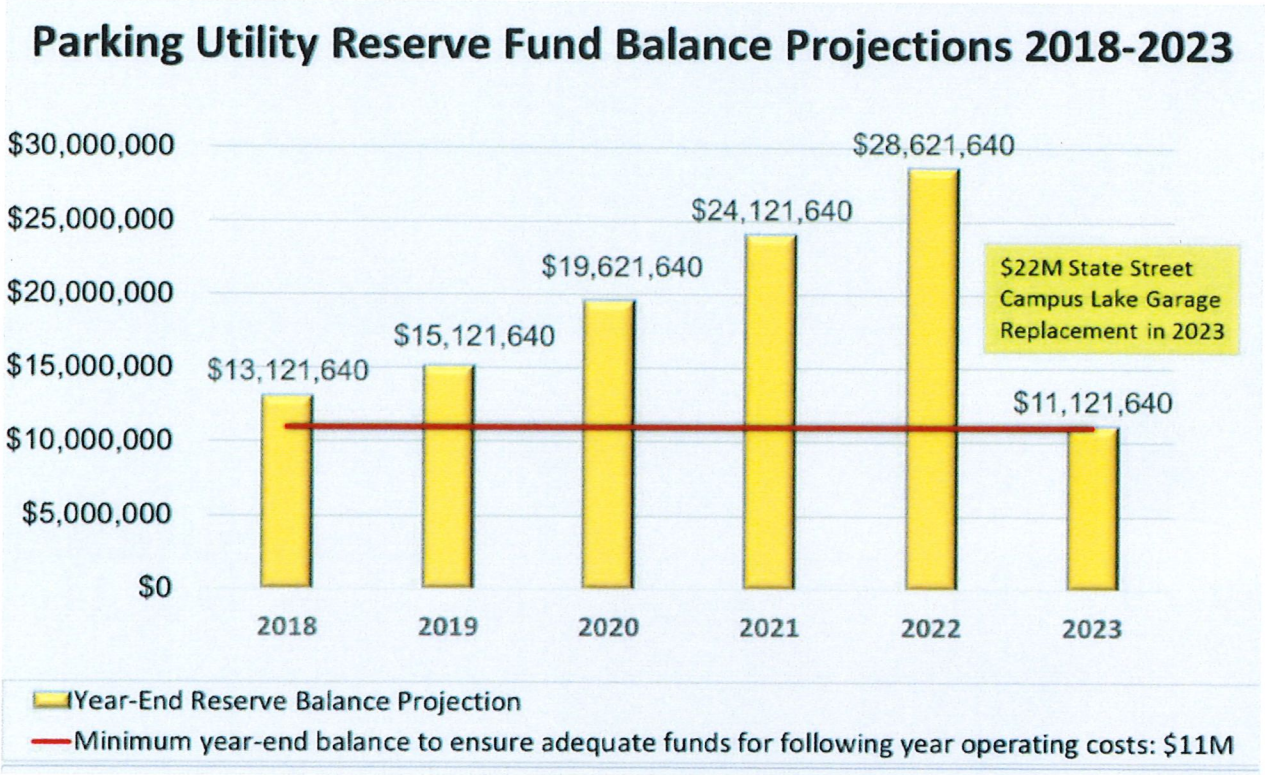
COMMENTS:
Used average exp ratio of 30%. Average exp ratio for newer projects is 25% to 35%.
Pro-Forma does not break out income by residential and retail. Affordable units income based on LIHTC guidelines. Vacancy rate from market data. Average market rent per unit is $2,060.

Judge Doyle Square
Block 88 - Stone House Development

Income Approach to Value:

Description	Units/SqFt	Monthly Rent	Total Annual Rent
Commercial	7,000	$25.44	$178,100
Apartments (122 at market rents)			
Assume 27 studio units:	27		$2,977,349
Assume 70 one-bedroom units:	70		
Assume 25 two-bedroom units:	25		
Apartments (20 at 80% LIHTC)			
Assume 10 one-bedroom units:	10	$1,507	$180,840
Assume 10 two-bedroom units:	10	$1,808	$216,960
Apartments (17 at 60% LIHTC)			
Assume 8 one-bedroom units:	8	$1,130	$108,480
Assume 9-two-bedroom units:	9	$1,356	$146,448
Total Units:	159		
Potential Gross Income:			$3,808,177
Vacancy:	4.00%		($152,327)
Other Income:			$0
Effective Gross Income:			$3,655,850
Expenses:	$	% EGI	
Total:	$1,096,755 Market Average	30.0%	$1,096,755
Net Operating Income:			$2,559,095
Overall Capitalization Rate:			8.750%
Tax Rate:	2.250%		
Cap Rate:	6.500%		
Value Estimate(rounded):			**$29,250,000**
Value Estimate Per Unit:			**$184,000**

COMMENTS:
Affordable rental unit income based on LIHTC rent guidelines. Average market rent is $2,034.
Used average exp ratio of 30%. Average exp ratio for newer projects is 25% to 35%.
Used market vacancy.



The graph above was presented to the Transportation Commission in August 2018. It shows the projected Parking Utility reserves by year from 2018 through 2023, assuming completion of all currently planned Parking Utility capital projects, including the Judge Doyle garage and podium, and the State Street Campus Lake Street garage replacement. The projection does not reflect any repayments from the Judge Doyle project (e.g., air rights/lease payments on Blocks 88 and 105). In other words, proceeds from purchase or lease of the air rights/podium on Blocks 88 and 105 would add to the reserve balance amounts in this projection.

As you will note, this projection shows there are sufficient reserves to fund these projects and meet reserve policies for operations. There are no excess amounts for other projects in this projection and the projection is subject to modification based on changing conditions, including higher than normal costs and lower than anticipated revenues due to weather events (severe snow, flooding, etc.).

Based on the Block 88 podium and air rights payment elements of each proposal, along with assumed ground lease payments from the development of a hotel and apartment building on Block 105, the table below shows the anticipated balance in the Parking Utility reserves in 2023 and 2031, along with the time to repay the $11 million borrowed from the Parking Utility for the podium project, with interest. Surpluses from Parking Utility operations of $4.5 million annually are assumed to continue. No other projects besides the Judge Doyle Garage and Podium and the State Street Campus Lake Street Garage replacement are included. Note that after further review, the time to repay for the Stone House proposal has been reduced from 20 years to 17 years compared to the projection included in the May 23rd memo from the Negotiating Team to the Finance Committee.

The table also includes a column that shows the Parking Utility reserve balances without any Block 105 repayments. Without these payments, Block 88 payments alone are insufficient to repay the Parking Utility for the cost of the podium, with interest. However, Parking Utility reserve balances would be considerable due to the accumulating annual operating surpluses of $4.5 million.

	Gebhardt		Mandel		Stone House	
	w/Block 105	w/o Block 105	w/Block 105	w/o Block 105	w/Block 105	w/o Block 105
Parking Utility Reserves						
2023	$17.9 million	$17.9 million	$11.6 million	$11.6 million	$16.1 million	$16.1 million
2031	$58.4 million	$53.9 million	$59.9 million	$55.4 million	$56.7 million	$52.2 million
Year Reserves Repaid	2033	N/A	2033	N/A	2037	N/A

The Gebhardt and Stone House proposals include an upfront payment for the podium and air rights, which results in faster improvement in Parking Utility reserves than the Mandel proposal. On the other hand, the Mandel proposal combines an annual lease payment with a purchase payment by year 10, resulting in a greater overall reserve level in 2031 than the other two proposals.

Given the continued uncertainty of the Beitler development on Block 105, an immediate payment for the Block 88 podium and air rights could be viewed as a better way to mitigate risk to the Parking Utility reserves (and, by extension, the City's General Fund if has to be used as a source to finance Parking Utility projects). However, the Mandel proposal has the greatest overall benefit by 2031 by being the least reliant on payments from Block 105. The difference in the reserve levels for Gebhardt and Stone House is directly related to greater density of development on the site under the Gebhardt proposal. As discussed in other sections of the staff team report, that density has potential timing and cost risks that need to be balanced with the higher purchase amount for the air rights and podium.