Executive Summary

Name and Geography: The "Grow Milwaukee Recompete Coalition" ("Coalition") is led by the Northwest Side Community Development Corporation (NWSCDC), located at 4201 N. 27th St., Milwaukee, WI 53216. The EDA-identified Recompete area in the City of Milwaukee centers on the 30th Street Industrial Corridor, also including the Menomonee Valley, the Northwest Side, and the near South Side. Total population is over 220,000, and the Prime-Age Employment Gap (PAEG) is 16%. Poverty here has exceeded 20% since 1990 - for more than a generation, 1 and many of the existing jobs are in low-wage sectors.

The 30th Street Industrial Corridor was a manufacturing hub for the world and an economic powerhouse through most of the 20th century. It was also a primary place for Black workers in the Milwaukee metropolitan area to access <u>quality jobs</u> by transit or walk-to-work neighborhoods, for a time boasting the highest per-capita Black income in the US². Since the 1980s when major businesses began to leave – offshoring, relocating to suburban sites or moving to non-union friendly states – decades of job losses led to concentrated unemployment and poverty, exacerbated by racial segregation and discrimination. A Project Map showing the service area, key investment sites, and complementary community resources is included in the NWSCDC Letter of Commitment (LOC).

Lead applicant NWSCDC is a private, 501(c)(3) nonprofit Community Development Financial Institution (CDFI) and CDC with a 40-year history in community revitalization through community economic and business development activities in low-income neighborhoods in Milwaukee. NWSCDC has lent \$25 million to small businesses (leveraging tens of millions in additional investments) that have created 1,300 new full-time quality jobs. NWSCDC's deep connections and track record for leveraging Federal and private funds are unmatched. NWSCDC is a member of the Grow Milwaukee Recompete Coalition that includes Ingeteam, Rockwell Automation, Jonco Industries, Unico, HUSCO, Milwaukee Tool, Froedtert, The Milwaukee Bucks, Altius, WRTP | BIG STEP, Employ Milwaukee, the WI Economic Development Corp. (WEDC), and Milwaukee County, the City of Milwaukee, the Greater Milwaukee Foundation, Zilber LTD, Zilber Family Foundation, Century City Triangle Neighborhood Association, Sherman Park Community Association, Dominican Center, 30th Street Industrial Corridor Corp, Near West Side Partners, Havenwoods/Villard, and a host of large and small businesses making commitments to investing and growing jobs and supplier relationships (see LOCs).

<u>Investment Thesis:</u> The Grow Milwaukee Coalition's Northstar is business expansion for job creation in key 21st century manufacturing-related industries, upskilling, and job placement. Cross-sector partnerships will fuel development in this area – <u>especially in 21st Century Green Economy Industries like Electric Vehicles (EV) and charging stations, renewables, energy storage and <u>efficiency</u>, and related supply chains – increasing employment opportunities and unlocking upward mobility in <u>quality jobs with family supporting wages³</u>.</u>

The component projects will enable adoption of advanced manufacturing methods to small businesses that would otherwise be unable to capitalize and participate in next-generation manufacturing processes, tooling, and procedures. The projects support trained workforce, an influx of dedicated capital and new tooling design to secure Milwaukee as the center of excellence for the growing EV, energy storage, and renewables market space, where both Original Equipment Manufacturers (OEMs) and the supply chain are positioned with people, capital, and facilities. Moreover, by creating employee ownership opportunities and revitalizing neighborhoods, Milwaukee can be a replicable model for cities that offer economic inclusion in formerly distressed areas to ensure shared prosperity. With EDA's Recompete funding, the 30th Street Corridor can again be a center for Black opportunity with the mutually reinforcing programs described below.

¹ US CENSUS Decennial Figures - 1990, 2000, 2010, 2020, and ACS 1-Year estimates 2022

² "Heavy job losses since the 1970s hit Milwaukee's black community the hardest" Schmid, Milwaukee J-S, August 27, 2019.

Today the Grow Milwaukee Recompete Coalition stands ready to deploy the \$50 million in Recompete funding. The 30th Street Corridor boasts substantial investments in shovel-ready industrial sites, strong and growing transit connections, walk-to-work neighborhoods, integrated cross-sector partnerships, and a labor force desiring economic inclusion and opportunity. The complementary projects and investments have been thoroughly vetted. These project concepts were named in the Southeast Wisconsin 2021-2025 Comprehensive Economic Development Strategy⁴ funded by EDA, and supported by government, industry, and community stakeholders.

Further, our strategy advances key Federal priorities for CHIPS Act domestic supply chains,⁵ the DOE Industrial Decarbonization Roadmap,⁶ and the 2021 Executive Order on Made in America supply chains⁷ by linking advanced manufacturing support and small businesses to semiconductor, renewable energy, and EV supply chains. US manufacturing is resurgent⁸ and recent figures show that 3.8 million quality manufacturing jobs could go unfilled from 2024-2033⁹ without structural change in workforce interventions. Milwaukee will be a national model for addressing this gap.

In the Milwaukee Recompete area, <u>place correlates to race</u>. Investments in this place - business growth, job growth, and wage growth - will move the needle on disparities by race, seen in income, wealth, health, homeownership and numerous related outcomes in the 30th St. Industrial Corridor and throughout Milwaukee.

As described in the <u>Outcomes and Outputs</u> section, the integrated funding of these projects will: attract and grow businesses, tightly link paid training and pre-apprenticeships leading to upskilling and job placement for targeted populations, grow quality union and advanced manufacturing jobs, advance racial equity through business ownership, and reduce the PAEG, as well as increase incomes, revitalize a distressed community, and grow generational wealth.

Short Descriptions of Component Projects and Overview of Deliverables and Key Milestones

Lead Applicant NWSCDC is grantee and lead all component projects. NWSCDC will staff projects directly or contract with qualified partners. This strategy ensures coordinated service delivery and accountability of all partners and service providers, channeled through the Grow Milwaukee Recompete administration structure (described in Project #8). 10

1) Grow Milwaukee Revolving Loan Fund (RLF) \$20M - RLF capital to be leveraged with additional dollars (\$20M EDA plus \$80M leveraged for \$100M total), deployed for business expansion via facility expansion, factory modernization and retooling, and more in the Recompete area. The \$20M NWSCDC funds will be a 'first-loss' tranche to support additional private capital investment from banks, mission-based lenders, and similar entities. Recompete geographic hiring agreements and coordination with workforce partners will be written into financing agreements, ensuring alignment with coordinated strategies.

<u>Deliverables and Milestones</u>: Year 1 - Fund established, publicity launched (Q1) and first loans generated (Q2-4). Years 2 to 4 - Deploy \$5M/year plus leveraged funding. Years 4-5 and beyond - Begin to revolve capital and source new capital, sustaining the fund into the future. Ongoing - Portfolio management, borrower support, data collection and reporting. Years 1-5 – deploy \$100M and assist businesses to create 1,500 new quality jobs. 11

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⁴ Comprehensive Economic Development Strategy for Southeastern Wisconsin: 2021-2025, SEWRPC, 2022.

⁵ CHIPS for America Act & FABS Act, Semiconductor Industry of America, 2022

⁶ U.S. Department of Energy's Industrial Decarbonization Roadmap, DOE/EE-2635, September 2022

⁷ Executive Order on Ensuring the Future Is Made in All of America by All of America's Workers, White House, 2021.

⁸ "Manufacturing has begun returning home." Milwaukee Journal-Sentinel, April 24, 2024.

⁹ Taking charge: Manufacturers support growth with active workforce strategies, Deloitte, April 2024.

¹⁰ Initial budget totals are indicated in millions (M). High-level <u>Deliverables and Key Milestones</u> are also included here by Year and Quarter (Q). Deliverables, Milestones, and further administrative plans are described in greater detail in the respective Project Applications.

¹¹ The current Pipeline of \$51M in requests and 821 new Jobs is estimated for Years 1-3. We expect to roughly double that figure by Year 5 for \$100M deployed and 1,500 new jobs.

<u>2) Energy Training and Manufacturing Innovation Center \$10M</u> - Construction of a 50,000 square foot facility to house training operations for universities and workforce partners, and business accelerator and R&D space targeting 21st Century Green Economy Industries. ¹²

<u>Deliverables and Milestones</u>: Year 1 - Finalize construction plans, initiate bidding and finalize contractor selection (Q1+2), start construction Q3. Year 2 - Finish construction with 80% union labor, equipment and training facility setup (Q2+3). First training cohorts in this facility start in Year 2. Recruit and finalize business and research and development tenants, host community tours and feedback. Years 3 to 5 - Continue hosting training programs and business tenants. Use the facility as a hub for business recruitment and acceleration, and workforce recruitment. Engage philanthropic and business communities for operating support beyond Year 5.

3) Business Innovation Technical Assistance \$2M - Provide specialized small business technical assistance for modernizing, retooling, IoT and AI, and advanced manufacturing methods. The project will also coordinate a Supplier Council for small and minority-owned firms in the Recompete area, linking these businesses to Fortune 1,000 global companies in 21st Century Green Economy Industries and semiconductors and advanced electronics 13. This project enables adoption of advanced manufacturing resources for small businesses that otherwise would not be able to tackle these investments.

<u>Deliverables and Milestones</u>: Year 1 - Establish service contracts and business tracking system (Q1+2). Enroll initial 50 firms with service providers (Q3+4). Years 2 to 5 - Engage 50 firms each year, and aim for 20% of firms progressing to execution of a financing package or training / upskilling partnership. Ongoing - Data collection and evaluation, Partner performance review. Year 5 - Explore post-Recompete funding and pathways to sustain this project. Overall - Target of 10 firms launching modernization activities each year, each creating or upskilling an average of 20 jobs, for a total of 1,000 new or upskilled jobs.

4) Union Workforce Pre-Apprenticeship Pathways \$5M - Establish stipend supported pre-apprenticeship training pathways to current and upcoming union jobs in Recompete projects (market opportunities for those in low skilled jobs, construction, trades, electrical, plumbing), contracting with WRTP | BIG STEP and others including The Way Out (TWO).¹⁴

<u>Deliverables and Milestones</u>: Year 1 - Establish service contracts, expand union outreach and partnerships (Q1+2). Enroll 75 individuals (Q2-4). Years 2 to 5 - Enroll 75 individuals each year (WRTP) and up to 50 each year (TWO). WRTP serves up to 300 in total, 50% to complete Pre-Apprenticeships, and 25% to enter Registered Apprenticeships. Assist 300 individuals to secure a job with a higher wage. TWO serves up to 250 individuals total. Years 4 to 5 - pilot employer-funded service and pursue philanthropic and other support to sustain this project.

<u>5) Advanced Manufacturing Training Programs \$5M</u> - Create <u>stipend supported training pathways</u> linked to jobs in Recompete projects, focusing on the Rockwell Academy of Advanced Manufacturing (AAM) and industry-led skills needs (including Employ Milwaukee, Milwaukee Area Technical College (MATC), and JobsWork MKE).

<u>Deliverables and Milestones</u>: Year 1 - Establish service contracts (Q1). Recruit and launch initial 2-3 cohorts, hosted at an interim site (Rockwell or MATC) to serve 42 individuals (Q2-4). Year 2 - Move program to the Energy Training and Manufacturing Innovation Center (Project #2) upon completion of construction (Q2 or 3). Serve 42 individuals in new space. Years 3 to 5 - Continue AAM serving 42 individuals annually. Ongoing participant tracking. Serve 210 in AAM, with 80% securing a higher paying job. Year 5 - pilot employer-funded service and pursue philanthropic and other support. Years 1 to 5 - serve up to 100 individuals via Employ MKE, MATC, Jobs Work.

¹² Letters from multiple manufacturing businesses and training partners indicate need for this facility.

¹³ See Letters: Ingeteam, Materion, Blueline Batteries, Lean Design Werks.

¹⁴ Lack of training stipends was identified as a key local barrier. A training stipend provides a bridge to opportunity.

6) Employee Ownership Technical Assistance \$3.5M - Legal development work and organizing assistance for deployment of Employee Stock Option Plans (ESOP), Cooperatives, and similar pathways for employee equity via business succession planning. This project includes educational activities targeted to business managers, employees, and business brokers, and financial literacy and ownership mentality for employees and community members. (No EDA funds go to business equity investments. This project supports organizing costs for ESOPs and Coop development management needs of coops and preparation for debt financing via RLF.)

<u>Deliverables and Milestones</u>: Year 1 – Market concept, get community buy in then establish service contracts, identify business brokers and investment professionals (Q1-2). Launch publicity and recruitment strategy (Q2-3). Enroll 15 businesses for employee ownership evaluation (Q3-4). Year 2 to 5 - Enroll 15 businesses each year for employee ownership evaluation. Overall - Serve 75 businesses, and assist approximately 10% with loan financing for ownership conversion and business expansion. <u>Increase employee earnings through ownership for approximately 1,000 employees</u>.

7) Supporting Diverse Real Estate Developers \$2M - Specialized small business technical assistance to support local firms infilling housing on vacant lots, renovating vacant housing stock, and building commercial real estate in the Recompete area. (No EDA funds go to housing projects. This project supports developers to grow business operations and revitalize area neighborhoods.)

<u>Deliverables and Milestones</u>: Year 1 - Formalize partnerships with referral entities and industry associations (realtors, builders, developers, etc.) (Q1-3). Years 1 to 5 - Serve approximately 10 developers each year, leading to three business financing deals each year. Overall - Serve 50 developers, executing 15 financing deals (leveraging non-EDA funds) to support construction or renovation of approximately 300 housing units and five commercial real estate projects in total.

8) Governance, Administration, and Equitable Community Engagement \$2.5M - Staffing support for the Recompete coalition administration, and ongoing coalition governance, data collection and reporting for five years. This project includes description of governance structure through a special-purpose NWSCDC subsidiary and Governing Board to manage Recompete projects. (Includes contracts for Community Engagement.)

<u>Deliverables and Milestones</u>: Year 1 - Launch formal coalition governance through NWSCDC subsidiary and Grow Milwaukee board of directors (adopt bylaws, policies and procedures), hire Recompete Plan Coordinator (RPC) and other key roles (four or more additional staff), and establish community engagement contracts with neighborhood partners (Q1-2). Years 1 to 5 - host regular community meetings (approximately 2-3 per year) and attend at least 10 additional community meetings annually. Engage in ongoing feedback, focus groups, and community evaluation. Years 4 to 5 - Explore ongoing sustainability of Grow Milwaukee Recompete projects and programs, and develop transition or sustainability plans for each project.

Complementary Investments, Policies, or Other Commitments

The Coalition Plan builds on substantial public and private investments, and catalyzes fresh opportunities for business, job, and wage growth, upskilling, and community revitalization.

Public Commitments: The City of Milwaukee has already invested \$40M in cleanup and preparation of the Century City Business Park, which today has 40+ acres shovel-ready. The entirety of the 30th Street Corridor is 880 acres, including 518 acres zoned Industrial. Dozens of buildings are still standing and suitable for renovation, while 70+ other acres are clear and available for new development. BDA funding has supported the clearing and preparation of the Century City Business Park in the 30th St. Industrial Corridor. The City of Milwaukee received a 2023 EPA Brownfields Program grant of \$5M which will further advance site preparation for the 30th St. Industrial Corridor. Transformation in the 30th Street Corridor is attainable, as demonstrated by

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¹⁵ GigaCrete modular housing company is planning to locate a factory in Milwaukee (see Lending Pipeline).

¹⁶ "30th Street Corridor Economic Development Master Plan," City of Milwaukee Dept. of City Development 2011

<u>Milwaukee's Menomonee Valley</u> which saw: 300 brownfield acres developed, 70 businesses located, 5,200 quality new jobs, and new trails and green spaces connecting neighborhoods, workplaces, and major destinations.

Milwaukee County is dedicated to equitable economic development, and the County made national news in 2019 when it declared racism a public health crisis. Following up, the County passed a comprehensive ordinance dedicating to advancing racial equity and eliminating health disparities. This is now reflected in plans for North/South Bus Rapid Transit improvements for 27th Street. This transformative project serves a majority-minority population on a route linking neighborhoods and destinations through the African American north side and Latino south side, including the heart of the Recompete area. A total investment of \$148M is expected with service launching in 2028.

<u>Philanthropic Commitments</u>: The Greater Milwaukee Foundation (GMF) has invested \$3M in neighborhoods near the 30th St Corridor and \$31M in adjacent neighborhoods in the Recompete area including significant support for childcare facilities, and commits to continuing to invest alongside Recompete. The Zilber Family Foundation (ZFF) has invested tens of millions in Milwaukee neighborhoods, including recent seed grants to NWSCDC to accelerate Recompete strategy work. ZFF commits to continued support and coordination (see LOCs).

Business Commitments: Numerous businesses are planning growth in the Recompete area and/or committing to support supply chain, hiring, and training in the area. The Letters of Commitment section contains detail on over a dozen businesses expressing partnership. Specifically, Ingeteam is growing their production of EV charging stations and wind turbines, planning for 20+ new positions in coming years and partnering with union IBEW. Space does not allow a full description of all the business commitments here. The Letters section, and the NWSCDC Lending Pipeline document, demonstrate substantial interest from businesses that are ready to grow and invest in the area with over \$51M in financing requests for 32 businesses projecting 821 new jobs.

<u>Training and Service Providers</u>: <u>WRTP | BIG STEP</u>, a national leader in expanding apprenticeships and trades, commits to contracting under Recompete to support pre-apprenticeship training. <u>The Way Out</u> provides <u>re-entry</u> and <u>employment support for justice-involved individuals</u>, and will scale their services for Recompete residents. <u>JobsWork MKE</u> supports individuals with <u>trauma-informed wrap-around coaching and support</u>.

Community Partner Commitments: The key neighborhood groups and Business Improvement Districts (BIDs) surrounding the 30th Street Corridor have each signed on as partners and Governance participants with Grow Milwaukee Coalition. The BIDs are 30th St Corridor Corp, Near West Side Partners, and Havenwoods/Villard, and the neighborhood groups are Dominican Center, Century City Tri-Angle Neighborhood Association, Sherman Park Community Association. These groups are shown on the Grow Milwaukee Area Map.

Banks and financing: A growing list of banks and financial institutions have shared Letters of support of the Recompete plan, detailed in the attached.

All together these commitments set the stage, but a new catalyst is needed in order to accelerate business growth and economic opportunity. Forty years of local history shows that redevelopment requires interventions that truly move the market, as described in the follow section.

How Projects and External Investments Will Relate to Each Other

The Grow Milwaukee Recompete Plan articulates a comprehensive strategy that leverages major investments and fills critical service gaps specific to our Project Area. <u>Each project intervention addresses a known barrier to economic revitalization for our Recompete geography</u>. Decades of studies and recent action plans have identified the inter-related challenges of offshoring, deindustrialization, brownfield pollution, employee skills mismatch, as well as segregation,

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¹⁷ "Milwaukee County Passes Ordinance to Advance Racial Equity and Improve Health Outcomes," 2020

discrimination, justice involvement, and economic exclusion resulting in high incarceration rates, chronic underemployment, housing disrepair, health disparities and antisocial behavior. The component projects and external investments address each of these challenges, with close coordination modeled on recent successes like Milwaukee's Menomonee Valley (green industrial redevelopment), Cleveland's Evergreen Cooperatives (shared ownership), the Atlanta's Nia Building at Pittsburgh Yards (makerspace and small business hub), and the Atlanta Wealth Building Initiative (inclusive economy and communities of color). Lessons learned from each of these precedents will inform Grow Milwaukee project execution.

Key <u>business service offerings</u> include assistance from Wisconsin Manufacturing Extension Partnership (WMEP), Lean Design Werks, Milwaukee School of Engineering (MSOE), and MKE Tech. Together these partners will create customized methods for business growth and worker upskilling in: <u>automation and technology</u>, AI roadmaps, talent and culture, growth and strategy, and <u>sustainability</u> (see Project #3). Alongside these pathways to retool and modernize operations, the Wisconsin Center for Employee Ownership (WICEO) will offer <u>customized resources on a variety of employee ownership pathways</u> including ESOPs, Cooperatives, and other structures (see Project #6). Additional partners will <u>expand supplier sourcing commitments and linkages for the Recompete area</u> (see MMAC and M-7 LOC). Catalyzing these opportunities, the Grow Milwaukee RLF (Project #1) will make low-interest loans for implementation and business growth. The public/private structure described in the RLF provides <u>flexible financing to accelerate business expansion</u>, increase wealth, and grow jobs.

Key workforce service offerings include successful upskilling and training programs, linked to the jobs created through business activities described above. Grow Milwaukee will provide training for established job opportunities, not just training for training's sake. Our workforce partners are seasoned experts, deeply experienced in achieving results. Demand for training vastly outweighs current training spots available, and too often central city trainees find that the good jobs are located out of reach in far suburbs. Growing jobs in the Recompete area and expanding the number of trainee slots will begin to reverse the decades of job losses here. To accommodate this, WRTP | BIG STEP will offer stipend supported pre-apprenticeships for pathways to union opportunities (detailed in LOC and Project #4). The Rockwell Academy of Advanced Manufacturing (AAM) will launch a new training site in the Energy Training and Manufacturing Innovation Center (Project #2), providing stipend supported training pathways for employer-driven upskilling, linked to new local opportunities (detailed in LOC and Project #5). The Way Out will expand their innovative justice reentry program, linking individuals with mentorship communities and soft skills, and offering a job matchmaking platform for employers.

NWSCDC serving as lead grantee for all projects will maximize the customizability of project delivery and ensure jobs are linked to residents, which is <u>crucial for integration of Recompete activities</u>. NWSCDC has a multi-channel pipeline of business growth and attraction commitments, which feeds to specific investment projects and ultimately job growth. In order to link nearby job-seekers to these positions, <u>training resources will be laser-focused on real job opportunities</u>, with <u>Department of Labor "Good Jobs Principles" and local hiring commitments written into business financing agreements and project labor agreements and union agreements.</u> In addition, targeted resources will <u>promote job growth through modernizing and expanding companies already here, and attracting new investments in growing industries.</u> The coordination of flexible and competitive business financing and intensive business innovation support, paired with employer-driven upskilling, will revitalize this often abandoned part of Milwaukee. The proposed intervention linking business activities and workforce support activities in this specific geography is unprecedented.

How Projects Consider Equity in Outcomes and Process

<u>Equity in Outcomes Overview</u>: Equity is a throughline for the Grow Milwaukee Recompete Plan, and the entire suite of projects is designed to improve equity outcomes through economic

opportunity. In this part of Milwaukee, <u>place correlates to race</u>. Increasing <u>business investment</u>, <u>job creation</u>, <u>worker upskilling</u>, <u>quality housing and homeownership</u> in the Milwaukee Recompete area will <u>directly improve outcomes for the predominantly African American community</u> here. The coordinated projects will create opportunities in disinvested areas, and the project agreements will include local hiring and service requirements to dedicate program activities to this area.

Jobs and Wages Equity Outcomes: Local residents participating in training and employment will see incomes rise significantly. While starting wages of \$15/hour are now common across the country, not every industry pays at this level even today. The types of manufacturing jobs described in the business and training partners materials include positions such as Controls Technician, Maintenance Technician, Electro-Mechanical Technician, and Maintenance Supervisor which pay between \$45,000 to \$85,000 per year (equivalent to \$22/hr to \$40/hr). These wages are achievable without an advanced degree, and the 8-10 weeks of training provided through Grow Milwaukee workforce partners will be sufficient for many job-seekers to access these opportunities. We anticipate 90% individuals of color and 75% African American individuals in training and job placement results. The businesses participating in Grow Milwaukee programs and those receiving financing through the RLF will commit to the Dept. of Labor and Dept. of Commerce Good Jobs Principles, ensuring that workers have safe and healthy working conditions and jobs with benefits.

Business and Ownership Equity Outcomes: NWSCDC is uniquely capable of executing a sophisticated business strategy that centers racial equity in Milwaukee. In recent years, over 90% of NWSCDC small business clients were entrepreneurs of color (over 85% Black entrepreneurs), and the vast majority of its lending portfolio and community impact are located within the EDA Recompete eligible geography. The pipeline of loan requests for RLF funding demonstrates racial equity in ownership for Grow Milwaukee investments with 31 of 32 current requests by entrepreneurs of color, and 10 of 32 women-owned firms. Removing blight and promoting infill development and homeownership (Project #7) helps translate income gains to generational wealth by making the pathway to homeownership more accessible for neighbors in the Recompete area.

Equity in Process Overview: The Grow Milwaukee Coalition is organized and led by dedicated Milwaukee natives and community leaders who have a lifetime of experience connecting with this community. Key partners who are not Milwaukee natives have decades of experience working alongside the residents and neighborhoods, job-seekers and businesses, and other stakeholders described in this plan. Community accountability and engagement is built into the plan, as described in more detail in the "Governance, Administration and Equitable Community Engagement project" (#8). Leadership representing the six key neighborhood groups surrounding the 30th Street Corridor have all included Letters of Commitment, and project #8 dedicates appropriate budget resources to equitably compensate these groups for service on the Grow Milwaukee Board of Directors and neighborhood-level community engagement activities.

Equity in Process and Staffing Detail: Lead applicant NWSCDC is a Black-led CDFI and community organization with a majority Black staff and Board of Directors. ¹⁹ NWSCDC is a community problem-solver, partnering in neighborhood organizing, real estate development, safer streets and trails, environmental projects, and community engagement.

NWSCDC will work with Coalition leadership to recruit and hire a <u>Recompete Program Coordinator (RPC)</u>²⁰ and other new staff who represent the local community. Candidates will be evaluated for their demonstrated experience serving diverse businesses and populations in the Recompete area. <u>The proposed project budgets, coalition leadership, and governance all center equity and inclusion, with a robust diversity reflecting deep experience in the area.</u>

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¹⁸ A 2024 Milwaukee County living wage for a family of two adults (both working) & two children is \$28.60. A living wage for one adult with one child is \$38.43. Living Wage Institute at MIT, 2024.

¹⁹ See Grow Milwaukee Recompete Coalition Resumes.

²⁰ A short-list of three diverse finalists for RPC and proposed compensation range is available to EDA reviewers.

Other Coalition partners are also led by individuals from underrepresented groups or have decades of experience engaging with the underrepresented groups in Milwaukee. Specifically, both Milwaukee Mayor Cavalier Johnson and Milwaukee County Executive David Crowley are Black men who grew up in the 53206 Zip Code in the heart of the Recompete area. Additionally, many of our coalition partner organizations are led by women and have worked to expand pathways for women and people of color in male-dominated fields. WRTP | BIG STEP is woman-led, has created programs for women entering careers in trades and construction industries, and primarily serves Black job-seekers in Milwaukee. MKE Tech Hub, also woman-led, is diversifying technology fields by race and gender and leading in advancing AI roadmaps for small and minority-led firms. MSOE's training program is diversifying engineering and management careers. Partner Prism Technical has overseen local resident hiring preferences and diverse business contracting goals for massive construction and public works projects totaling over \$10 billion, often achieving 95% resident preference hiring goals. Prism will contract to support and monitor Recompete projects and measure progress toward equity targets.

<u>Equity in Long-Term Outcomes and Systems Change</u>: The Grow Milwaukee projects are designed not simply to serve target populations, but to <u>advance lasting structural change</u> and reverse decades of disinvestment and policy failures which impacted people of color in Milwaukee's central city. Together <u>these projects will revitalize the most disinvested part of America's most highly-segregated major city</u>.

How Recompete Plan Considers Climate and Environmental Responsibility

The Grow Milwaukee Recompete Plan achieves significant environmental benefits by investing in an historic activity center - growing jobs where the job-seekers already live and can walk or take transit to work. The planned Bus Rapid Transit (BRT) line along 27th Street represents a generational transit improvement with construction expected in 2026 and electric BRT service expected around 2028. This transit improvement links the redevelopment sites and service providers running up and down the Corridor, as clearly shown on the Project Map (see NWSCDC LOC).

The Grow Milwaukee project strategies link to key regional priorities for Greenhouse Gas reductions, pollution reduction, and environmental benefits: Improving access to EV charging in low-income and disinvested communities, promoting electrified vehicles, improving energy efficiency in existing public and private buildings, improving energy efficiency of existing housing stock and reducing the energy cost burden for low-income households.²²

Grow Milwaukee also links to the ongoing National Science Foundation - Regional Innovation Engine headed by The Water Council (TWC). With partners, the Milwaukee-based <u>TWC</u> will promote water and energy resilience for manufacturers and utilities (see TWC LOC).

Finally, the small businesses served by Grow Milwaukee projects will improve their capabilities to grow in key 21st Century Green Economy industries supporting supply chains for products like EVs, charging stations, renewable energy, smart grid infrastructure, and more. These industries will undoubtedly <u>drive economic growth as the world shifts towards greenhouse gas reductions and cleaner power sources</u>.

Overview of Outcomes and Outputs

<u>Major Outcomes</u>: In the Century City Business Park, located in the 30th St. Industrial Corridor, the recent Century City 1 building (CC1) serves as a tangible model of success. Four tenants occupied the building, invested about \$20M, and created dozens of new manufacturing jobs in diverse local industries. Craft Beverage Warehouse, a recent startup financed by NWSCDC, has grown and is planning to construct a similar building (CC2) next door to CC1.

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²¹ "Building for proximity: The role of activity centers in reducing total miles traveled" Brookings, June 2023

²² Metropolitan Milwaukee Priority Pollution Reduction Action Plan, SEWRPC, February 2024.

NWSCDC has eight small manufacturing firms lined up and ready to occupy the next two additional buildings after CC1 and CC2. To accelerate this strategy, two new facilities are in planning stages. One facility is the Project #2 'Innovation Center' proposed here. Another new facility will be a similarly-sized USDA-certified food manufacturing space designed for food producers, planned to proceed with leveraged investments from non-EDA sources.

The <u>Outcomes</u> generated by these and all the Grow Milwaukee projects will be: community revitalization, wage increases and Labor Force Participation increases, increased pathways for racial equity in business ownership opportunities, increased generational wealth, and increased self-identity of ownership, capability, and inclusion.

The <u>Outputs</u> achieved by Grow Milwaukee projects will be: business expansion and modernization, job creation and retention, upskilling, wage increases, construction of the 'Energy Training and Manufacturing Innovation Center,' increased supplier diversity linked to 21st Century Green Economy industries, stipend-supported training and pre-apprenticeship pathways linked to quality jobs, active initiatives to promote employee ownership and financial literacy, accelerated housing renovation and homeownership in Recompete neighborhoods, tangible engagement with community partners in active governance, neighborhood reach, and Recompete program feedback.

Overview of Work Between Phase 1 and Phase 2

Work Completed Since Phase 1: The Coalition has continued active work on partner recruitment, strategy development and project planning since Phase 1 submission. The Phase 1 grant has been catalytic for engagement in the long-term transformation of he 30th St. Industrial Corridor. For instance, the Grow MKE Coalition has expanded; coordination with the Tech Hub applicants has increased; commitments from large employers have soared and partnerships are blossoming in the training arena with employers. To this end, major activities included reconvening the full Coalition for strategy sessions, establishing working groups for project focus areas. Working groups containing local experts in: (1) Training and Workforce, (2) Suppliers and Industry, (3) Real Estate, Finance, (4) Success Determinants, and Community Engagement have been meeting weekly. Three project managers, additional NWSCDC staff, and Coalition members have developed the strategy details informing this application. These actions were devised and coordinated by lead grantee NWSCDC.

<u>Updates to Project Vision, Service Area, Projects, and Partners</u>: The <u>vision and investment thesis for Grow Milwaukee remains the same</u>, with a focus on accelerating business growth alongside tightly linked workforce training pathways to increase employment, wages, and economic opportunity. A few projects have been updated to better align with our overall strategy, described below. <u>No changes have been made to the Service Area</u>. Numerous new partners have joined the Coalition, and we expect further additions in coming months.

Projects: The team has made the following project updates.

- 1) The coalition added a <u>Revolving Loan Fund</u> project, which replaced "*Industrial Site Cleanup and Land Assembly*." This change will <u>spur faster business expansion and job creation projects</u>, utilizing shovel-ready sites. The City of Milwaukee continues remediation and land assembly work using EPA funds, including a new \$5 million EPA grant.
- 2) The Coalition added the new Energy Training and Manufacturing Innovation Facility in place of the Phase 1 "Construction of a Food Manufacturing Accelerator."²³ The coalition expanded its commitments with companies growing in sectors like EV charging, battery, renewable energy and smart grid technologies, which better aligns with strategic priorities to strengthen and modernize the world-class cluster of energy and power companies and their respective supply chains and emerging workforce needs.
- 3) The Coalition re-worked both "Small Business Technical Assistance" and "Advanced Manufacturing Support for Legacy Firms" into the newly-titled Business Innovation Technical

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²³ NWSCDC still plans to create a food manufacturing facility using other leveraged funds.

<u>Assistance</u> which encompasses both previous projects. Project #3 describes services from MKE TechHub, Lean Design Werks, WMEP and MSOE (further described in LOCs).

4) The Coalition added a dedicated project for <u>Governance</u>, <u>Administration</u>, and <u>Equitable</u> <u>Community Engagement</u>. This change reflects EDA feedback prioritizing governance and related activities and suggesting a stand-alone project. Grouping these activities as a full project is preferable to ensure dedicated budget resources for governance, community engagement, evaluation, monitoring and reporting activities.

<u>Partners:</u> The Coalition continues to add partners, and has <u>strengthened specific partner</u> <u>Commitments</u>. We expect to continue adding more interested businesses in coming months. Major new additions since Phase 1 include Ingeteam, GMF, banks and financing partners, and a growing list of companies making commitments on expansion and supply chain prioritization for the Recompete plan (described in the Business Letters of Commitment).

Additional Explanation of Evaluation Criteria #1-5

- 1. Overall vision and strategy: The Grow Milwaukee plan leverages a pipeline of manufacturers to drive growth, and structures community engagement to economically uplift neighbors and residents to avoid gentrification and displacement. The organic strategy is built on primarily supporting firms and partners interested in Milwaukee, not smokestack chasing. Steering this local ecosystem to distressed areas like the 30th St. Industrial Corridor will yield the greatest benefits. Upskilling and wage increases will reinforce a culture of ownership.
- **2. Equity:** All business financing and support services will contain contractual agreements that specify Recompete area hiring, investment, and partnership priorities. Uniquely, the mutually-reinforcing projects are each built with equity goals expressed in contractual benefits agreements.
- **3. Sustainable Partnerships and Commitments:** The partnerships described in this plan, the eight component projects, and the numerous Letters demonstrate a deep commitment to successfully executing the Recompete projects and achieving lasting change. The projects are mostly designed with potential to continue beyond Year 5 by utilizing models of support including philanthropy, public/private partnerships, and business client fees.
- **4. Leadership and Governance:** The NWSCDC and Grow Milwaukee Coalition leadership exemplify the skills and experience needed to launch the strategy. Position descriptions for the RPC and other proposed positions reflect the business acumen and community experience needed for success. The Coalition has initiated preliminary conversations with three leading diverse candidates for RPC or other senior leadership roles and expects to move forward with candidate hiring shortly. The governance strategy leverages NWSCDC's existing strengths, and utilizes an existing subsidiary to clearly manage Recompete funds and projects. The majority of Governing Board members are already committed, representing neighborhood groups, training and workers, business interests, philanthropy, and local government.
- 5. Overall Impact and Risk Mitigation: The Grow Milwaukee strategy builds on core strengths of the Southeast Wisconsin region, and rededicates energy and focus to revitalizing the area that has been economically left behind for decades. The coalition partners and leadership are not naive about the scale of work that is needed to see substantial change. The model of success here is persistence and creativity in the face of economic changes. The industries targeted for growth are expected to be vital for decades to come. Further, the breadth of experience among the key partners and Governance members ensures that emerging risks are identified and mitigated in a timely manner. NWSCDC undergoes a Strategic Planning process every three to four years, including a SWOT analysis. The Recompete program will undertake a similar process, and monitoring and resident and participant feedback is built into the project structures to ensure that potential issues are identified and addressed.