



Department of Administration
Budget and Management Division

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October 24, 2025

MEMORANDUM

To: Zoning, Neighborhoods, and Zoning Committee Members

From: Shaketa Winters, Budget & Fiscal Policy Analyst IV

Subject: Clarification on 2026 Concentrated Blight Elimination Appropriation and Status of 2025 Funds

In the 2026 Proposed Capital Plan, the Department of Neighborhood Services (DNS) is budgeted \$2,225,000 for Concentrated Blight Elimination, which includes funding for the demolition of approximately 90 units in 2026.

During the recent Joint Committee on Redevelopment of Abandoned and Foreclosed Homes, discussion focused on the status of the 2025 Concentrated Blight Elimination Program. For 2025, DNS was appropriated \$3,300,000 with a target of 180 demolitions. As of today, the department has arranged for 80 properties to be demolished through a combination of private contractors and Department of Public Works (DPW) crews, with an additional 10 units pending Common Council approval by year-end. The current status of 2025 funds is summarized below:

2025 Concentrated Blight Elimination Appropriation Status	
2026 Appropriation	\$3,300,000
Expenditures	\$139,855
Encumbrances	\$971,422
Balance as of 10/25/25	\$2,188,723

Demolition costs vary significantly depending on property type and assignment. DPW crews primarily handle single-family homes and small duplexes, averaging approximately \$18,000 per demolition. Private contractors typically manage larger multi-unit or commercial structures, averaging \$38,000 per demolition, with commercial demolitions potentially exceeding \$450,000 depending on size, environmental conditions, and site complexity.

The recent change to Wisconsin Statute § 75.69 has delayed the referral process, and the number of properties the City has acquired has also declined. As of this date, Department of City Development (DCD) has referred 10 properties in 2025 and projects an additional 30 to 50 referrals in 2025 and another 90 to 100 referrals in 2026. While not all 2025 referrals have been received, DCD anticipates sending an additional batch of properties in the coming weeks. Below is a list of anticipated commitments for 2025 funds:



2025 Anticipated Commitments	
Balance as of 10/25/25	\$2,188,723
10 Referrals pending Council approval	\$280,000
Muskego & Rogers Emergency Demo pending IRI	\$180,802
DCD Pending Referrals (30-50 additional)	\$1,400,000
Contingency	\$250,000
Unanticipated 2025 Funds	\$77,921

Even if all 2025 funds are not expended this year, maintaining these resources is essential. DNS relies on unspent prior appropriations to fund emergency demolitions, as there is no dedicated budget for urgent cases. Preserving sufficient balances ensures the department can promptly address hazardous or structurally unsafe buildings throughout the year.

Finally, if 2026 funding is reduced or eliminated, the city would likely face a renewed backlog of properties awaiting demolition. This would delay progress on remaining 2025 referrals and newly identified unsafe structures, extending response times and increasing long-term program costs.

Best,

Shaketa Winters

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