

2022



Legislative Reference Bureau

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REDEVELOPMENT AUTHORITY

2022 Proposed Plan and Executive Budget Review

Prepared by: Jeff Osterman, Legislative Research Supervisor
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Version 1.0

\$7.05 million

Total proposed budget for 2022,
A decrease of 1.6% from the
2021 Budget of \$7.16 million.

-2.2%

Decrease in withdrawal from
RACM General Reserves
for 2022
(from \$487,318 in 2021
to \$476,709 in 2022).

-\$100,000

Projected change in revenue
from Dwelling Rent,
2021 to 2022,
a decrease of 20.0%,
a reflection of the shrinking
inventory of in rem homes.

61.7%

Percentage of RACM's budget
to be funded by grant
proceeds in 2022,
compared to 60.7% in 2021.

Relationship of RACM to City

The Redevelopment Authority of the City of Milwaukee (RACM) is an independent corporation created by State Statute in 1958. Its mission is to:

- Eliminate blighting conditions that inhibit neighborhood reinvestment.
- Foster and promote business expansion and job creation.
- Facilitate new business and housing development.

RACM has an annual cooperation agreement with the City for the City to provide:

- Management of financial affairs.
- Land use planning and urban design guidance.
- Real estate acquisition and disposition.
- Relocation assistance for displaced families and businesses.

Staffing Update

- All RACM positions moved to City (DCD) budget in 2018.
- 12 City positions supported by RACM reimbursement in 2022, the same number as in 2021.

RACM Board

- 7 Board members.
- All members appointed by the Mayor and approved by the Common Council.
- Board members receive no compensation.
- The Board held 11 regular meetings in 2017, 10 in 2018, 12 in 2019 and 10 in 2020.
- Board meetings receive City staff support from DCD and the City Attorney's Office.

Staffing Costs

- 2022 salary reimbursement to City will total approximately \$1.3 million.
- 2022 reimbursement is essentially unchanged from 2021.
- Fringe benefit calculation rate remains at 46%.

12

Number of City (DCD) positions supported by RACM reimbursement.

\$6.08 million

Balance of RACM General Reserves as of September, 2021.

\$28,000

CDBG funding remaining, to be expended for environmental purposes.

\$6.9 million

Value of revenue bonds RACM is issuing on behalf of Port Milwaukee to support construction of new \$35 million Agricultural Maritime Export Facility.

RACM Operating Expenditures

	2021 Budget	2022 Proposed
Property Services	\$4,318,579	\$4,212,877
Professional Services	\$2,341,146	\$2,322,000
Loans and Grants	\$300,000	\$300,000
All Other	\$204,593	\$213,832
Total	\$7,164,318	\$7,048,709

RACM Revenues by Type/Source

Revenue Type	2021 Budget	2022 Proposed
RACM General	\$2,814,318	\$2,698,709
Property sales	\$1,000,000	\$1,000,000
Dwelling rent	\$500,000	\$400,000
Non-dwell. rent	\$725,000	\$725,000
RACM reserves	\$487,318	\$476,709
Other	\$102,000	\$97,000
Grants/City	\$4,350,000	\$4,350,000
Total	\$7,164,318	\$7,048,709

Major RACM Grants

Category	2021	2022
EPA Grants	\$1,000,000	\$1,000,000
WisDOT TEA	\$1,000,000	\$1,000,000
US Dept. of Comm./EDA	\$1,000,000	\$1,000,000
WEDC Idle Sites Grant	\$500,000	\$500,000
MMSD	\$500,000	\$500,000
WisDNR	\$200,000	\$200,000

Grant Funds – Major Uses

- Brownfields (environmental remediation).
- Grand Trunk Wetland restoration (Inner Harbor), including installation of green infrastructure.
- 30th Street Industrial Corridor/Century City redevelopment efforts.
- Rail infrastructure improvements to serve new Komatsu manufacturing facility.