

# EXECUTIVE SUMMARY

## GRANT AND AID FUND

### 2009 PROPOSED BUDGET

- 1) The 2009 Grant and Aid budget of \$78,370,351 represents a 1.7% increase from anticipated 2008 funding. Only grants expected to be awarded in 2009 are reflected in this total. **(Page 1)**
- 2) The projected 2009 total includes \$18 million in “unanticipated” grant funding. This amount remains unchanged from 2008. **(Page 1)**
- 3) The Federal Housing And Economic Recovery Act of 2008 is expected to provide approximately \$12 million in funding to the City of Milwaukee in 2008. As this grant funding is anticipated in 2008, it will be treated as a 2008 grant. **(Page 1)**
- 4) The Department of Administration (through the Community Development Grants Administration Division), Health Department and Police Department account for 88% of anticipated grant funding in 2009. **(Page 2)**
- 5) Participating departments in grant funding include:
  - Community Development Grants Administration **(Page 2)**
  - Health Department **(Page 2)**
  - Police Department **(Page 2)**
  - Department of Public Works **(Page 3)**
  - Department of City Development **(Page 3)**
  - Fire Department **(Page 3)**
  - Library **(Page 3)**

**GRANT AND AID FUND**  
**2009 PROPOSED BUDGET**  
**SUMMARY PREPARED BY LEGISLATIVE REFERENCE BUREAU**

CATEGORY	2007 Actual	2008 Budget (*)	2007-2008 Change	2009 Proposed (*)	2008-2009 Change
Grantor Share (non-City)	\$52,803,606	\$77,028,771	N/A	\$78,370,351	1.7%
<b>TOTAL</b>	<b>\$52,803,606</b>	<b>\$77,028,771</b>	<b>N/A</b>	<b>\$78,370,351</b>	<b>1.7%</b>

(\*) Includes \$18,000,000 in "unanticipated" grant funding.

**Function:** The Grant and Aid Fund is a "parent" account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. The Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. As set forth in the Milwaukee Code of Ordinances, no expenditures may be made from this account without Common Council approval. In order to expend funds, a Common Council resolution is adopted to authorize a specific project, create a sub-account, and allocate specific funding from the "parent" account.

➤ **2009 Grants Defined**

Only grants anticipated to be awarded in 2009 are reflected in the 2009 Proposed Budget grant total. Though they may represent programs and/or activities that will occur in 2009, grant funds awarded in 2008 are not included in the 2009 total.

The \$78,370,351 in projected 2009 grants represents operating grant funding only. Certain City departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects, which are not included in the \$78,370,351 figure.

➤ **Unanticipated Grants**

The Comptroller's Office has recommended funding authority of \$18,000,000 for "unanticipated" grants in 2009, unchanged from 2008. Use of this funding authority is typically the result of anticipated grants being received at higher than budgeted amounts, rather than unanticipated new grants being received. Because revenues offset the account and there is no "draw down" without an award, increasing expenditure authority has no impact on the tax levy.

➤ **Federal Housing and Economic Recovery Act**

The Federal Housing and Economic Recovery Act of 2008 is anticipated to provide approximately \$12 million in funding to the City of Milwaukee in 2008. The grant allows assistance for the redevelopment of abandoned and foreclosed homes and residential properties. Allowable activities include purchasing and rehabilitating abandoned and foreclosed homes in order to sell, rent or redevelop the homes, demolishing blighted structures, and redeveloping demolished or vacant properties. As the grant funding is anticipated for 2008, it will be treated as a 2008 grant.

## GRANT FUNDING BY DEPARTMENT

The table below summarizes 2009 anticipated grant funding by participating departments, followed by a synopsis of each department. Extensive analysis of individual grants is provided within the department summaries prepared by the Legislative Reference Bureau.

**2008-2009 COMPARISON OF PROJECTED GRANT ACTIVITY**

Department	2008	2009	Dollar Change	% Change
Administration	\$26,403,729	\$24,367,358	(\$2,036,371)	(7.7%)
Health	15,521,900	16,748,550	1,226,650	7.9%
Police	10,074,284	12,012,109	1,937,825	19.2%
Public Works	3,793,239	3,702,534	(90,705)	(2.4%)
City Development	1,237,000	1,240,000	3,000	(0.2%)
Fire	1,000,000	1,245,000	245,000	24.5%
Library	998,619	1,054,800	56,181	5.6%
Unanticipated	18,000,000	18,000,000	0	0
<b>Total</b>	<b>\$77,028,771</b>	<b>\$78,370,351</b>	<b>\$1,341,580</b>	<b>1.7%</b>

➤ **Community Development Grants Administration**

The Community Development Grants Administration anticipates receiving approximately \$24.4 million in grant funding, a \$2 million decrease from the 2008 budget. An estimated \$16 million of this projected funding is through the Community Development Block Grant Program (“CDBG”). CDBG funds support neighborhood strategic planning efforts that target the City’s federal block grant allocation toward city neighborhood priorities and needs. Forecasted CDBG funding in 2009 is \$1.7 million less than projected 2008 amounts.

➤ **Health**

Projected Health Department grant funding of \$16.75 million in 2009 is a \$1.2 million increase over 2008 levels. The increase can largely be attributed to the following:

- *Healthy Homes Demonstration Grant*: Funding of \$1 million is anticipated for this new grant.
- *Women’s Infants and Children’s Grant*: Anticipated funding increase of \$185,000.
- *EcoCultural Grant*: This is a new grant with anticipated funding of \$150,000.
- *Plain Talk Initiative Grant*: Anticipated funding increase of \$100,000.

➤ **Police**

Anticipated Police Department grant funding increases by \$1.9 million to \$12 million in 2009. This overall increase is largely attributable to Bradley Center and Milwaukee Brewers grants, totaling \$2 million, which were not recognized in 2008 because of timing of the grant awards.

The Police Department anticipates several new grants in 2009, including:

- *MPS School Security* grant in the amount of \$375,000.
- *Wisconsin Internet Crimes Against Children* grant in the amount of \$85,000.

➤ **Public Works**

Department of Public Works grant funding in 2009 is projected to be \$3.7 million, a decline of nearly \$91,000 from 2008 amounts. Notable changes include the following:

- *Recycling Efficiency Incentive Grant*: The Wisconsin Department of Natural Resources is no longer awarding funding for this grant. This grant has funded the City's recycling mailers, e-waste processing and recycling outreach efforts.
- *Basic Recycling Grant*: Projected funding increase of \$47,300.
- Anticipated receipt of a new \$85,000 grant to improve the City's storm water quality.

➤ **City Development**

Projected Department of City Development grant funding in 2009 of \$1,240,000 is a \$3,000 increase over 2008. All 2008 grants are again anticipated in 2009 with funding levels staying relatively unchanged. The lone exception is the Arts Board Grant, which is projected to have a small increase.

➤ **Fire**

Fire Department grant funding in 2009 is expected to be \$1,245,000, a \$245,000 increase from 2008 levels. Notable changes include the following:

- *Urban Areas Security Initiative Program*: Projected funding increase of \$245,000.
- *Metropolitan Medical Response System Grant*: Projected funding increase of \$10,000.

➤ **Library**

Library grant funding is anticipated to be \$1,054,800 in 2009. This \$56,000 increase from 2008 levels is primarily a result of the following:

- *Wisconsin Regional Library for the Blind and Physically Handicapped Grant*: Projected funding increase of \$41,000.

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