

Department of City Development

2017 Budget Overview
Finance & Personnel Committee
October 14, 2016

Community Objectives & Goals

- ❑ ***Build safe and healthy neighborhoods.***
 - Reallocate significant resources to eliminating the impact of tax foreclosed property.
 - Continue support for neighborhood business through Business Improvement District programs.
 - Administer and fund 4th of July festivities, Arts Board, and other cultural initiatives.

- ❑ ***Increase investment and economic vitality throughout the Milwaukee.***
 - Invest strategically in housing and business development through targeted programs.
 - Leverage private and other investment to match city commitments.
 - Utilize Tax Increment Financing as a development tool throughout Milwaukee.
 - Provide commercial streetscape.
 - Engage community stakeholders in land use planning activities

- ❑ ***Improve workforce development and connect more citizens to family supporting jobs.***
 - Assist employers locating in Milwaukee and fund redevelopment of commercial and industrial sites.
 - Promote Milwaukee as a place to do business through the M7 and other strategic partnerships

- ❑ ***Help children succeed, prepare for post-secondary education, and meet their full potential.***
 - Continue to place large numbers of Milwaukee teens in the Earn & Learn Summer Youth Employment program, as well as job and internship opportunities.

Performance Measures

Measure	2015 Actual	2016 Projected	2017 Planned
Net new construction (% of Equalized Value)	1.12%	1.11%	1.72%
Sales, transfers, and dispositions of tax foreclosed property as a share of inventory.	530	400	400
Percentage increase in value of property for closing Tax Increment Districts.	418%	745%	481%
Projected number of Strong Homes Loans disbursed	90	110	90

2016 Budget - Expenditure

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
FTEs – O&M	46.4	51.72	5.32	11.5%
FTEs - Other	56.1	41.28	-14.82	-26%
Salaries & Wages	2,888,203	3,213,105	324,902	11.25%
Fringe Benefits	1,386,337	1,445,897	59,560	4.30%
Operating Expenditures	256,950	148,950	-108,000	-42.03%
Equipment	0	0	0	0.00%
Special Funds	250,000	210,000	-40,000	-16.00%
TOTAL	\$4,781,490	\$5,017,952	\$236,462	4.95%

Budget Highlights - Changes

- ❑ Salaries increase ~\$325K
 - Elimination of NSP funding, increase in O&M funded FTEs
 - Addition of Business & Development Liaison position
- ❑ Operating - \$108,000 reduction
 - Funding for Compete Milwaukee placements eliminated
- ❑ Special Funds - \$40,000 reduction
 - In Rem Property Management, reallocated to salary costs
 - \$10K increase to Milwaukee 7 contribution

Special Purpose Accounts

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
Land Management	726,000	676,000	-50,000	-6.89%
Milwaukee Arts Board	200,000	200,000	0	0.00%
4th of July Commission	110,000	125,000	15,000	13.64%
Total SPA Funding	\$1,036,000	\$1,001,000	-\$35,000	-3.38%

- ❑ Land Management
 - \$50K reallocated to account for changes to CDBG funding
- ❑ Milwaukee 4th of July Commission
 - Contract expiration, costs expected to increase

Revenues

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
Taxes & PILOTS	690,000	700,000	10,000	1.45%
Charges for Services	8,000	9,500	1,500	18.75%
Licenses & Permits	50,000	60,000	10,000	20.00%
Miscellaneous	50,000	10,000	\$-40,000	-80.00%
Total Revenue	\$798,000	\$779,500	\$-18,500	-2.32%

- ❑ Net decrease of \$18,500
 - Changes in each account based on 2015 actuals

Capital Improvements Plan

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
Advanced Planning	150,000	150,000	0	0.00%
Brownfields	500,000	500,000	0	0.00%
Tax Incremental Districts	56,900,000	47,500,000	-9,400,000	-16.52%
Commercial Investment Program	500,000	1,100,000	600,000	120.0%
Business Improvement Districts	0	150,000	150,000	100.0%
Commercial In Rem Property Program	250,000	250,000	0	0.00%
Housing Infr. Preservation Fund	450,000	450,000	0	0.00%
In Rem Property Program	1,330,000	1,550,000	220,000	16.54%
Strong Homes Loans	1,500,000	1,167,000	-333,000	-22.20%
Century City Site Improvements	0	400,000	400,000	100.0%
Art & Resource Buildings	100,000	0		
Vacant Lot Loan Program	150,000	0	-150,000	-100.0%
TOTAL	\$61,830,000	\$53,217,000	\$-8,613,000	-13.93%

Capital Improvements Plan

Capital funding totals \$53.2 million in 2017

- ❑ Citywide Development ~ \$48.5 million
 - TIDs, Advanced Planning and Brownfields
 - Century City Site Improvements
- ❑ Revitalizing Commercial Corridors - \$1.5 million
 - Supports business owners and potential entrepreneurs
 - 2017 allocation represents a \$600K increase in funding
- ❑ Housing and Neighborhoods - \$3.17 million
 - Includes programs for current homeowners, investors, and potential homebuyers interested in city-owned properties
 - Supports efforts outlined in the Strong Neighborhoods Plan

Questions?

Department Comments