



**Tom Barrett**  
Mayor, City of Milwaukee

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**Mayor Barrett's 2015 Executive Budget Address**  
September 23, 2014

*As Prepared for Delivery*

Good morning.

Thank you Mr. President, members of the council, Attorney Langley, Comptroller Matson, Treasurer Coggs, members of the cabinet and members of the public. Thank you for having me here this morning.

The City of Milwaukee's 2015 budget that I present this morning incorporates our shared priorities and strengthens our great City.

Just seven days ago, Fitch Bond Ratings said Milwaukee's, "Budgetary oversight and control is strong. The City has demonstrated its willingness and ability to limit expenditures to maintain budget targets."

Common Council Members: you should be proud of that characterization.

The 2015 budget includes a levy increase of approximately 1.2% or about \$3.1 million. The levy supported expenditure authority is \$1.2 billion. The 2015 levy and municipal service charge changes result in an estimated increased cost of \$21.11 or 1.4% to the typical residential property owner. This 1.4% increase for the typical homeowner is below the projected 2015 inflation rate of 2%.

My proposed budget also includes some important pension financing changes that respond to State mandates. On July 31<sup>st</sup> the Wisconsin Supreme Court ruled that the State action to prohibit the City of Milwaukee from paying the member pension contribution for general employees does not violate home rule, nor does it violate any contractual rights of employees.

As a result, my budget proposal complies with state statute through a proposed change to the City Charter that will require all general employees to pay their member contribution. Given the sacrifices made by general city employees over the last several years with mandatory furloughs and increases in healthcare contributions, my budget proposal also includes compensation

changes for general city employees who, as a result of Act 10 and the recent Supreme Court decision, will now have to pay their member contribution. We will also work to address the issue of member pension contributions for our protective service employees through the collective bargaining process.

One of the best parts of my job is attending a Mayor's Manufacturing Partnership graduation, or going to a DPW facility and meeting a dozen workers who are part of our transitional jobs program, or attending the last day of our Earn & Learn summer jobs program where our young workers are picking up their paychecks. Connecting people with jobs is important to me and I know it's important to all of you.

When our residents have jobs, our neighborhoods are safer. When our residents have jobs, our children can imagine themselves in future work settings. Local jobs support local businesses. Jobs bring hope. So, let's take every reasonable step to connect Milwaukee residents to work.

This is what is behind our Compete Milwaukee plan...creating opportunities for individuals to find family-supporting jobs to improve their lives.

I'd like to recognize and thank Alderman Hamilton, Alderman Wade and President Murphy for your leadership with this initiative.

The transitional jobs program we implemented earlier this year is working. Joining us today is Latrice McNeal. A graduate of John Marshall High School and mother of four, Latrice has a background in medical records and most recently, property inspection. Unemployed through no fault of her own, Latrice is now doing records maintenance for DPW's Sanitation Section.

Also joining us is Jaime Martinez. A graduate of South Division High School and father of three, Jaime was an unemployed bridge construction worker who is now able to use his skills working on a DPW concrete maintenance crew. Both of these Milwaukee residents have benefited from a program that provides temporary work while they continue their search for permanent jobs.

Building on our success, we will expand this program to include 130 job opportunities in city departments. Some of these jobs will include monitoring our city inventory of foreclosed homes, while at the same time being trained by city inspectors in Neighborhood Services. The individuals hired for these positions will build skills toward full-time employment while making our city's neighborhoods stronger.

In the Police Department, up to 20 young people, including those aging out of foster care, will get an opportunity to participate in a Transitional Jobs Mentorship Program. The Mentorship program will also enable Milwaukee police to expand traditional recruitment efforts to reach individuals who may be interested in becoming Milwaukee Police officers.

Participants in the program will be mentored by their "on the job" trainer and will spend time at the training academy.

We're going to make sure we're maximizing outcomes and opportunities.

We're going to have Jobs Scan and Industry Assessment tools that will provide a report of regional employer and employee demands. It will assess the current workforce and forecast future needs.

I am confident you will join me in supporting Compete Milwaukee.

During last year's speech I unveiled the Strong Neighborhoods Plan. We laid out an ambitious agenda for dealing with our city's foreclosure issue and we did what we said we're going to do. We could not be where we are without our public and private partners.

We see signs of the plan's success already: millions of dollars in value back on the tax rolls, vacant properties re-occupied and dozens of families realizing the dream of homeownership. Hundreds of blighted buildings are gone.

Abating the foreclosure crisis, a problem we did not cause, and reinvesting in our neighborhoods must remain priorities to reduce crime, improve fire safety and stabilize property values.

I thank the Council for its support of our initiatives, especially Alderman Bohl, Alderwoman Coggs, and Alderman Bauman.

In the second year of our three-year Strong Neighborhoods Plan, my 2015 budget invests \$10.6 million.

Given our success this year, we will reduce demolition and increase revitalization. We will expand our efforts to prevent tax foreclosures, and renew vacant spaces throughout the City.

In 2014, we had a backlog of more than 500 demolitions. Those demolitions required \$5 million. In 2015, I'm allocating another \$2.2 million for demolition. We are making a big investment and I hope you will join me in pressing the State to provide more funding.

We promised to get ahead of demolition, and we delivered. This budget will include deconstruction and salvage as a growing part of our program. This work provides meaningful training and work for city residents.

To reduce tax foreclosures, my budget adds \$500,000 in new funding for the Code Compliance Loan program and another \$500,000 for loans to help City homeowners at risk of tax delinquency to stabilize their homes. Keeping owners in their homes keeps our neighborhoods strong.

Treasurer Coggs is a partner in our prevention strategy, and this budget adds a position in his office to help delinquent taxpayers, as well as funding for a new data system to stay ahead of delinquencies.

Our partnership with ACTS Housing has helped dozens of families become homeowners. I met the Vivas family in April, and I remember how proud they are of the home they bought from the City and renovated with the help of ACTS. We plan to make that same dream a reality for dozens more families in 2015.

Strong Neighborhoods benefit from a strong local business community. This year's budget adds \$500,000 in new funding to support work on City-owned property in our commercial corridors. I want to recognize Alderman Perez in particular for his advocacy on this issue.

We will continue funding improvements to City-owned lots. Our partnerships with funders and community organizations will deliver more improvements to vacant space, making a difference in our neighborhoods. The Ezekiel Gillespie Park project on 14<sup>th</sup> and Wright is a great example of what these partnerships can accomplish and I thank Alderman Stamper for his leadership.

As the Great Recession took hold, cities across the country – from Sacramento, San Jose and Oakland, to Tulsa, Cleveland and Columbus – were slashing police budgets and laying-off police officers.

Despite our state shared revenue reductions, the economic downturn and the \$230 million we have committed to the employee pension fund, I have kept public safety a priority and, together, we didn't lay off any police.

I know the police are not the only resource to fight crime. That's why we invest and partner in Strong Neighborhoods, Compete Milwaukee, Black Male Achievement, the Fatherhood Initiative and so many other critical efforts. But I also know our citizens deserve a well-staffed, professional and diverse police department.

In this proposed budget, the department's staffing level, or average sworn strength, will increase to 1,880. A class of 50 officers will come out of the academy in April, and another class of 35 will start in July. Policing is challenging and dangerous work and that's why Milwaukee needs police and residents to build strong relationships.

We have the opportunity to relocate our sensitive crimes unit to Sojourner Family Peace Center's new facility at 6th and Walnut. I'm asking you to approve this modest investment that brings with it great rewards.

The police department's work with the Byrne Grant and the Washington Park Partners, the Building Neighborhood Capacity Program in the Amani and Metcalfe Park neighborhoods are other examples of police officers partnering with the community to improve the quality of life in our city.

The Milwaukee Police Department is the only major city police department to be awarded both these grants from the Department of Justice and the White House. I want to thank Chief Flynn and the men and women of the Police Department for their commitment.

We also need a department that reflects the people we serve.

Common Council Members, bring us recruits from your districts and help them succeed in the process. We are recruiting for Police Officers, Police Aides and Fire Cadets. For our residents and our Police and Fire Departments, we must have a sustained effort to have our public safety departments reflect Milwaukee's diversity.

The field test of body cameras is complete and we are moving into an expanded pilot program. Technology is evolving quickly, and the implementation of body cameras has far-reaching implications. To ensure proper implementation, I am allocating \$100,000 in my budget.

Of the eight fire deaths this year, seven occurred in homes without working smoke detectors. That simply shouldn't happen. These deaths are preventable. That's why my budget has a substantial increase in the Focus program.

Soon ten young recruits will begin their careers as fire fighters, and recruitment is underway for the next class of 26 fire cadets. Fire Chief Rohlfing, thank you for your innovative recruitment efforts.

Continuing high levels of investment in core city infrastructure is a priority. This includes streets, bridges, street lighting and sewers totaling \$82 million. Since 2004, City funding for core infrastructure has increased by \$39.1 million, nearly 100%.

2015 will mark the third year of the City's successful High Impact Paving program. In 2014, this well-received program resurfaced 12 miles of City streets, providing smoother and safer roadways for motorists, bicyclists, and pedestrians. It's what I call "Milwaukee's Extreme Makeover" and residents and business owners alike love this program and its quick results. In 2015, I'm proposing \$2 million for an additional eight miles of newly-surfaced streets.

In addition, my budget for local street reconstruction and paving includes \$12.3 million –nearly four times the funding budgeted for this purpose in 2004.

While we can all see the visible infrastructure around the City – streets, alleys, lights, bridges, buildings – we shouldn't forget the City's "invisible infrastructure" – our water and sewer mains.

This past winter was one of the most severe winters that we've experienced in years. It took a toll on our water mains, with a record number of breaks in February. The water main budget will replace 78 of the worst water mains.

As for our sewer mains, the 2015 budget calls for a \$35 million investment for 32 miles of sewer repair. The replacement cycle for sewers is now less than 90 years, down from 227 years in 2004.

In this budget, I am including funds for the purchase of three automated trucks, designed to collect both garbage and recycling without the truck driver having to leave the vehicle. This purchase brings our fleet of these trucks to 15. Automated collection reduces risk of injury and increases collection efficiency, resulting in more than \$300,000 in savings. Alderman Dudzik has been a strong supporter of our efforts to improve service for Milwaukee residents.

The Health Department is on the front lines of protecting and preventing illness. While outbreaks and new illnesses can't always be predicted, one ongoing health threat we face is tuberculosis. In 2015, I am committing \$100,000 to the City's Tuberculosis Control Clinic to make up for the elimination of funding from the State. As the largest city in the state, and a location where vulnerable refugees often seek care, we will not abdicate the responsibility to protect our community from tuberculosis.

Thanks to strong city investments and our work in building community-based coalitions, we have reached a milestone in the health of school-age children, with 88% of school children now in compliance with Wisconsin Immunization Law. This is the highest rate documented, but we're not done yet. It will take a concerted effort to reach the public health goal of 95% of children.

I am also committed to reducing infant mortality. Too many babies continue to be born too small and too soon. Our Health Department's nurse home visiting programs are having success, seeing prematurity rates among their clients that are 3 to 6% better than the general population. Keep in mind: We are serving the most at-risk population.

Our Residential Rental Inspection Program is a success, and we will expand it to the St. Josaphat's neighborhood next year. This program has a positive impact on stabilizing neighborhoods, and encourages investment. In the first two neighborhoods, we've seen a significant decline in aldermanic service complaints and overall violations. Permits and investments are increasing in these areas. This is a great preventive program improving the quality of life.

I'd like to warmly welcome residents of the St. Josaphat's neighborhood who are with us here this morning. Thank you, Alderman Perez for your service to these constituents.

Libraries remain a funding priority. An investment in our libraries is an investment in building a strong Milwaukee. Our libraries are the places where we develop lifelong learners. They are the places where people connect to each other and to jobs. By 2020, we'll have virtually replaced or updated our entire branch system with 21<sup>st</sup> century, technology-rich facilities.

I'm excited to announce that the new East Branch will open on November 22<sup>nd</sup>. East will feature 99 market rate apartments above the library. This is the most economical way for us to replace our dated and inefficient buildings. Alderman Kovac has been an extremely engaged member of the Library Board and I thank him for his service.

Thanks to your support, we'll invest \$18 million into rebuilding Forest Home, Mill Road, Capitol and King libraries. Next year, capital funds will be designated for the complete renovation of Tippecanoe library as well as the start of rebuilding Forest Home and Mill Road libraries. The library is actively seeking development partners now and I look forward to working with Alderman Puente to make Mill Road another library project we're extremely proud of.

We will continue to fund the placement of certified teachers in libraries after school. Thousands of children and families took advantage of free homework help from a professional educator last year at nine libraries.

Next month, we're opening the first fully-automated 24-hour library in the Midwest – MPL Express at Silver Spring in Westlawn Gardens. Neighbors can check out and return books and browse the entire library collection online.

And we'll keep our doors open and our lights on at all of our Milwaukee Public Libraries. In my 2015 budget, I'll ensure all hours and locations will be maintained to provide service to people making more than 2.2 million visits to our libraries annually.

In recent weeks we have celebrated impressive new developments around the city. UWM's School of Freshwater Sciences is open. Lakefront Brewery is growing at two locations. Many residential projects are under construction. Rishi Tea and Solaris will have new homes in the Menomonee Valley Industrial Center. New retailers are planning to open at Midtown. In downtown, the Northwestern Mutual tower will soon take shape.

I want the pace of development in Milwaukee to continue and accelerate. And I want investments in every aldermanic district – investments that add jobs and property value.

I want the private sector to see Milwaukee as an ideal place to grow. I want them to recognize the potential in Milwaukee workers, and I want companies to establish their future right here. That's why we are investing in Century City, a modern business park with access to a ready workforce. That's why we are partnering with private developers at the Reed Street Yards where our public infrastructure investments have created an ideal location for water-related businesses to expand.

I want local businesses to feel comfortable with our zoning and permitting procedures, and I thank Alderman Terry Witkowski who has been instrumental in forming the Local Business Action Team with DNS, DCD and the Health Department.

My budget includes added resources to increase activity in our commercial corridors. We are adding two people who will be engaged in commercial corridor development. Local commercial corridors are vitally important to Milwaukee neighborhoods, and with this budget, we are pledging additional support.

We are also committed to making Milwaukee an attractive and modern place to work and live. The streetcar is part of that plan. So is the Couture – Rick Barrett’s dramatic proposal at the lakefront. Public spaces and public access along Lake Michigan are long-established priorities, and the Couture has elevated that to a new height.

Investments at the Port of Milwaukee are paying off for our residents and for area businesses. Facilities at the Port, including rail, roadways, docks, and cranes, are moving locally produced equipment – such as a recently shipped P&H mining shovel that is on its way to Africa.

In recent months the Port has welcomed U.S. Venture, a Wisconsin-based energy company, whose products will further diversify the cargo that moves through the Port. One attractive feature that helped land U.S. Venture as a tenant is the improved rail capacity that city investments, in Alderman Zielinski’s district, made possible.

We live in a technical, mobile world, and we want to help people connect with their city through their mobile devices.

With the launch of MKE Mobile, residents can access City services more efficiently and connect with residents through an innovative, new mobile channel. Case updates can be reviewed in real-time. And it’s not just to request city services — MKE mobile highlights various links to City programs, and serves as a communication tool for critical community, weather or emergency events.

We will also be making upgrades to the Election Commission voting equipment. My 2015 budget includes a major investment in voting technology that will be faster, more efficient and voter-friendly. This purchase of this equipment coincides with a county-wide effort to establish uniform voting equipment so that municipalities can better share resources and reduce programming costs.

My administration and members of the common council have delivered budgets that are forward thinking and fiscally sound. We focus resources on the important issues; we insist on accountability and effectiveness; and we respect our residents who pay the bills.

2015 presents challenges and new opportunities. Our budget for next year answers those challenges and embraces the opportunities.

In the coming weeks, we will finalize this budget plan. Let’s keep our focus on our citizens and our great City’s future.