

LRB – FISCAL REVIEW SECTION ANALYSIS

**JUNE 8, 2004 AGENDA
COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE**

**ITEM 3, FILE 040159
Emma J. Stamps**

File #040159 is a resolution authorizing additional funding for the City of Milwaukee's Retail Investment Fund. (DCD)

Background

1. The Department of City Development operates the Retail Investment Fund ("RIF"), through which it provides grants to job creating businesses that will locate or expand in designated commercial districts in the central city.
2. Since 1999, RIF has performed as follows:
 - Assisted 57 businesses (including 37 minority owned businesses)
 - Created 399 new jobs
 - Provided grants totaling \$1,343,500
 - Leveraged \$14,104,514 in new investments
3. RIF funding typically comes from community development block grant dollars and the City's Development Fund, a capital account. Project budgets are approved in adopted annual city budgets.
4. In September 2003, the department forecast 2004 RIF needs at \$200,000.

Discussion

5. Businesses assisted by the RIF are located throughout the city's north, south, and east sides.
6. DCD records dated April 26, 2004 report an aggregate \$700,000 TCDF (RIF) budget, \$641,285.84 expenditures, and a \$58,714.16 budget balance.
7. DCD records report that, of the \$2.2 million budgeted, the remaining 2004 Development Fund capital project balance totals \$1,912,847, including 2004 priority project list containing a \$200,000 earmark for RIF projects.
8. The Development Fund assists small business projects that do not qualify for TID classification.

Fiscal Impact

Adopting File #040159 authorizes a \$200,000 Development Fund expenditure to support RIF projects.

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