

# **Department of City Development**

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**2018 Budget Overview  
Finance & Personnel Committee  
October 17, 2017**

# 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 4<sup>th</sup> of July festivities, Arts Board, and other cultural initiatives.
- ***Increase investment and economic vitality throughout 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	2016 Actual	2017 Projected	2018 Planned
Net new construction (% of Equalized Value)	1.11%	1.72%	1.66%
Sales, transfers, and dispositions of tax foreclosed property as a share of inventory.	502	400	350
Percentage increase in value of property for closing Tax Increment Districts.	929%	481%	584%
Projected number of Strong Homes Loans disbursed	99	120	84

# 2018 Budget - Expenditure

	2017 ADOPTED BUDGET	2018 PROPOSED BUDGET	DIFFERENCE (amount, %)	
FTEs – O&M	51.72	51.86	0.14	0.3%
FTEs - Other	41.28	35.14	<b>-6.14</b>	<b>-15%</b>
<b>Salaries &amp; Wages</b>	3,213,105	3,223,711	<b>10,606</b>	0.33%
<b>Fringe Benefits</b>	1,445,897	1,482,907	<b>37,010</b>	2.56%
<b>Operating Expenditures</b>	148,950	138,288	<b>-10,662</b>	<b>-7.16%</b>
<b>Equipment</b>	0	0	<b>0</b>	0.00%
<b>Special Funds</b>	210,000	200,000	<b>-10,000</b>	<b>-4.76%</b>
<b>TOTAL</b>	<b>\$5,017,952</b>	<b>\$5,044,906</b>	<b>\$26,954</b>	0.54%

# Budget Highlights - Changes

- ❑ Salaries - increase of \$10,606
  - Reduced CDBG funding, increase in O&M funded FTEs
- ❑ Operating - \$10,662 reduction
  - Reductions reflect actual spending and account for modest operational changes
- ❑ Special Funds - \$10,000 reduction
  - Economic Development Marketing fund
    - Allocation reduced to \$40,000

# Special Purpose Accounts

	2017 ADOPTED BUDGET	2018 PROPOSED BUDGET	DIFFERENCE (amount, %)	
<b>Land Management</b>	676,000	676,000	<b>0</b>	0.00%
<b>Milwaukee Arts Board</b>	200,000	200,000	<b>0</b>	0.00%
<b>4th of July Commission</b>	125,000	125,000	<b>0</b>	0.00%
<b>Total SPA Funding</b>	<b>\$1,001,000</b>	<b>\$1,001,000</b>	<b>\$0</b>	0.00%

## □ Accounts funded at 2017 levels

- *Land Management* - Funds maintenance of city-owned properties
- *Milwaukee 4th of July Commission* – Supports celebrations in 15 neighborhood parks
- *Milwaukee Arts Board* – Used to support and promote creative arts activities

# Revenues

	<b>2017 ADOPTED BUDGET</b>	<b>2018 PROPOSED BUDGET</b>	<b>DIFFERENCE (amount, %)</b>	
<b>Taxes &amp; PILOTS</b>	700,000	700,000	<b>0</b>	0.00%
<b>Charges for Services</b>	9,500	10,000	<b>500</b>	5.26%
<b>Licenses &amp; Permits</b>	60,000	63,000	<b>3,000</b>	5.00%
<b>Miscellaneous</b>	10,000	27,000	<b>\$17,000</b>	170.00%
<b>Total Revenue</b>	<b>\$779,500</b>	<b>\$800,000</b>	<b>\$20,500</b>	2.63%

- ❑ Net increase of \$20,500
  - HACM PILOT, based on federal calculations
  - All other changes based on prior year trends

# Capital Improvements Plan

	<b>2017 ADOPTED BUDGET</b>	<b>2018 PROPOSED BUDGET</b>	<b>DIFFERENCE (amount, %)</b>	
Advanced Planning	150,000	150,000	0	0.00%
Brownfields	500,000	250,000	-250,000	-50.00%
Tax Incremental Districts	47,500,000	49,470,000	1,970,000	4.15%
Business Improvement Districts	150,000	0	-150,000	100.0%
Commercial Investment Program	1,400,000	1,000,000	-400,000	-28.6%
Commercial In Rem Property Program	250,000	200,000	-50,000	-20.00%
Housing Infr. Preservation Fund	450,000	100,000	-350,000	-77.78%
In Rem Property Program	1,550,000	600,000	-950,000	-61.29%
Strong Homes Loans	1,167,000	1,150,000	-17,000	-1.46%
Century City Site Improvements	400,000	0	-400,000	100.0%
<b>TOTAL</b>	<b>\$53,517,000</b>	<b>\$52,920,000</b>	<b>\$-597,000</b>	<b>-1.12%</b>



# Capital Improvements Plan

## Capital funding totals \$52.9 million in 2018

- ❑ Citywide Development ~ \$49.8 million
  - TIDs, Advanced Planning and Brownfields
- ❑ Revitalizing Commercial Corridors - \$1.2 million
  - Supports local business owners and potential entrepreneurs
- ❑ Housing and Neighborhoods - \$1.85 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**