

Department of Administration Budget and Management Division **Cavalier Johnson** Mayor

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September 16, 2025

MEMORANDUM

To: Members of the Finance and Personnel Committee

From: Shaketa Winters, Budget & Fiscal Policy Analyst IV

Subject: Fiscal Impact of Waiving DNS Permit Fees for Flood Recovery

This memo evaluates the fiscal impact of temporarily waiving Department of Neighborhood Services (DNS) permit fees for owner-occupied homes affected by recent flooding in Milwaukee.

A targeted waiver of DNS permit fees is under consideration to support flood recovery efforts. The proposal would apply only to owner-occupied residential properties that sustained verifiable flood damage and require permitted repairs (e.g., electrical, furnace, water heaters).

Fiscal Impact Assessment:

Importantly, waiving permit fees in this case is unlikely to significantly reduce city revenue; because many homeowners would not have applied for permits without financial relief in the first place. That is:

- 1. Permits that would not have been submitted without a waiver = no revenue loss
- 2. Permits that would have been submitted anyway = some revenue loss

So far, only 30 flood-related permits have been filed with DNS, generating approximately \$6,000 in total fees. This low volume suggests that many flood-affected homeowners may be delaying or avoiding repairs due to financial constraints — including the cost of required permits.

Given this limited uptake, waiving permit fees for owner-occupied flood-damaged homes is unlikely to result in significant lost revenue. In fact, the waiver may simply enable compliance and safety for homeowners who otherwise would not proceed with permitted repairs. Therefore, the net fiscal impact to the City is expected to be minimal.

Recommendation:

We recommend that the Common Council consider a temporary waiver of DNS permit fees for flood-affected properties, limited by:

- A fixed eligibility window
- A requirement for proof of flood damage

This policy would support recovery, improve safety compliance, and likely have minimal to no impact on projected permit revenue.

Best regards,

Shaketa Winters

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