
Department of City Development

2015 Budget Overview

Finance & Personnel Committee

October 10, 2014

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 BID programs.
 - Administer and fund 4th of July festivities, Arts Board, and other cultural initiatives.

 - Increase investment and economic vitality throughout the city.
 - 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 the city.
 - Provide commercial streetscape.

 - 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 the city 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.
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Goals & Objectives

Measure	2013 Actual	2014 Planned	2015 Planned
Net new construction (% of Equalized Value)	1.13%	1.12%	1.12%
Sales, transfers, and dispositions of tax foreclosed property as a share of inventory.	291	350	350
Percentage increase in value of property for closing Tax Increment Districts.	No TIDs closed in 2013	28%	194%

2015 Budget - Expenditure

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
FTEs – O&M	34.40	36.70	2.30 (6.69%)
FTEs - Other	68.60	67.30	-1.30 (-1.9%)
Salaries & Wages	\$2,267,250	\$2,456,728	\$189,478 (8.36%)
Fringe Benefits	1,065,608	1,105,528	39,920 (3.75%)
Operating Expenditures	138,950	138,950	-
Equipment	0	0	-
Special Funds	125,000	150,000	25,000 (20%)
TOTAL	\$3,596,808	\$3,851,206	\$251,398 (7.07%)

Net FTE Changes

Position	O&M	Non-O&M	Note
Commercial Revitalization	0.40	1.60	<i>Net increase 2 positions from 2014 Adopted budget</i>
RACM Transfers	1.00	2.00	<i>3 total positions</i>
HACM Transfer	1.00	-	<i>Transferred in 2014, reflected in 2015 budget</i>
Other Position Changes	-0.10	0.10	
HACM Position Attrition	-	-5.00	<i>Positions eliminated upon vacancy</i>
NET CHANGE, 2014	2.30	-1.30	

Major Budget Changes

- Commercial Revitalization (\$22,000)
 - Commercial Corridor Manager added in 2014 is now “on budget” in 2015
 - Add 1 position for commercial revitalization work
 - Both positions 80% grant funded
- KIVA Zip Milwaukee(\$25,000)
 - Micro-lending partnership
 - Crowd funding support for local entrepreneurial efforts
 - Borrowers are predominately low income and minority

Special Purpose Accounts

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
Land Management SPA	\$550,000	\$650,000	\$100,000 (-18.2%)
Municipal Arts Board	200,000	200,000	-
4th of July Commission	95,000	110,000	\$15,000 (15.8%)
Total SPAs	\$845,000	\$960,000	\$115,000 (13.6%)

Revenues

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
Charges For Service	\$10,100	\$8,000	-\$2,100 (-20.8%)
Licenses & Permits	50,000	50,000	-
Miscellaneous	353,000	100,000	-253,000 (-71.7%)
TOTAL	\$413,100	\$158,000	-\$255,100 (-61.8%)

Capital Improvement Plan

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE (amount, %)
Advanced Planning	\$150,000	\$100,000	-\$50,000 (-33.3%)
NCDSIF	300,000	200,000	-100,000 (-33.3%)
BID	250,000	250,000	-
Healthy Neighborhoods Initiative	-	150,000	150,000 (100.0%)
Commercial Investment Program	250,000	0	-250,000 (-100.0%)
Brownfields	500,000	500,000	-
HIPF	450,000	450,000	-
In Rem Property Program	1,900,000	2,000,000	100,000 (5.3%)
Commercial In Rem Property Program	-	500,000	500,000 (100.0%)
Tax Increment Dist.	19,500,000	20,000,000	500,000 (2.6%)
TOTAL	\$23,300,000	\$24,150,000	\$850,000 (3.7%)

Capital Improvement Plan

Strong Neighborhoods Plan / In Rem Property Program	
Strong Home Loans	\$500,000
For existing homeowners who face one or more of three defined challenges * Loan balance exceeds value * No access to financing * Monthly fixed income	
Rental Rehabilitation	\$600,000
Loan program that provides assistance to investors who agree to rent to income eligible tenants	
Homebuyer Assistance	\$650,000
Assists prospective homebuyers in rehabilitating foreclosed homes to occupy as their primary residence	
Rent-to-Own	\$300,000
Offers the opportunity to purchase city owned properties to tenants of the previous owner who reside in the property at the time it is acquired	

Capital Improvement Plan

Strong Neighborhoods Plan / In Rem Property Program	
Housing Infrastructure Preservation	\$450,000
Funds improvements for houses historic or architectural significance to prevent further deterioration and reduce negative impact on neighborhoods	
Challenge Fund	\$500,000
Supports a competitive process and focused area strategy to generate development proposals for multiple parcels open to developers, non-profits, and other organizations	
ACTS Housing Partnership	\$200,000
Supports ACTS Housing efforts to increase homeownership by providing counseling, technical assistance and help with required rehabilitation	

Capital Improvement Plan

Commercial Revitalization	
Advanced Planning	\$100,000
Supports economic and real estate development activities such as land use, engineering, marketing and economic studies.	
Business Improvement District (BID)	250,000
Loan fund for BIDs to make streetscape and infrastructure improvements	
Neighborhood Commercial District Street Improvement Fund	200,000
Provides matching funds for BID loans to fund streetscape improvement projects for commercial corridors throughout the city	
Commercial In Rem Property Program	500,000
Provides funding to market and sell city-owned commercial properties acquired through foreclosure and incentives for necessary renovations	
Commercial Investment Program	0
Funds Façade Program, White Box, and Retail Investment Fund projects to support business throughout the city. Projects will be supported by carryover funds in 2015	