



**Department of City Development**  
City Plan Commission  
Redevelopment Authority of the City of Milwaukee  
Neighborhood Improvement Development Corporation

**Lafayette L. Crump**  
Commissioner

**Vanessa L. Koster**  
Deputy Commissioner

October 16, 2023

Ald. Marina Dimitrijevic, Chair, Finance and Personnel Committee  
City of Milwaukee Common Council  
City Hall, 2<sup>nd</sup> Floor  
Milwaukee, WI 53202

Ald. Dimitrijevic,

The 2024 Proposed Budget includes a Payments in Lieu of Taxes (PILOT) from the Housing Authority of the City of Milwaukee (HACM). For the 2024 Proposed Budget it is estimated at \$1.0 million and is budgeted and booked as a General Fund revenue.

According to our available records, the HACM PILOT was referenced in a Cooperation Agreement between the City and HACM on September 5, 1969. The agreement includes "...the Local Authority shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of such taxes and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project."

The ability to collect a PILOT is also referenced in the 2017 Wisconsin Assembly Bill 768, Act 316 enacted on April 16, 2018 where it states that "...the city in which a project or projects are located may fix a sum to be paid in lieu of taxes by the authority for the services, improvements, or facilities furnished to the property of the authority by the city."

The calculation of Rent Collected – Utilities x 10% = PILOT Payment mentioned at the October 12<sup>th</sup> DCD Budget Hearing refers to Public Housing Agencies submission form HUD-52723. The form submission and calculations are handled fully by HACM's finance staff. HACM provides DCD the annual revenue estimate to be included in the Proposed Budget. DCD does not have access to HACM's financial information necessary for the estimate or to make the actual payments.

For your information, the following table includes the amount collected by the City for the HACM PILOT since 1999.



1999	(\$967,609.61)
2000	(\$978,692.11)
2001	(\$918,337.88)
2002	(\$903,287.60)
2003	(\$921,633.12)
2004	(\$895,367.22)
2005	(\$923,419.19)
2006	(\$886,548.21)
2007	(\$924,304.94)
2008	(\$760,508.79)
2009	(\$691,326.90)
2010	(\$768,356.20)
2011	(\$765,929.00)
2012	(\$691,377.48)
2013	(\$702,706.75)
2014	(\$689,681.78)
2015	(\$729,614.58)
2016	(\$811,557.54)
2017	(\$826,238.85)
2018	(\$871,131.28)
2019	(\$967,958.71)
2020	(\$1,094,988.35)
2021	(\$1,002,489.65)
2022	(\$1,031,347.44)

If you have any questions or would like further information please contact us at your earliest convenience.

Sincerely,



Lafayette Crump  
Commissioner, Department of City Development

CC:  
Vanessa Koster  
David Schroeder  
David Piedt