

**KEY POLICY ISSUES**  
**City of Milwaukee Legislative Package**  
**2011-12 Legislative Session**  
**“Strengthening the City/State Relationship”**

Milwaukee is the economic hub of the State of Wisconsin. It is a premiere center for advanced manufacturing, fresh water research and development, green technology, health care, biomedical technology and financial services. Milwaukee's dynamic and accessible markets attract people, business and investment in large and increasing numbers and its transportation system is a gateway for tourism, conventions, commerce, and economic development with benefits statewide. **It is critical that we partner with the State to improve Wisconsin's economic vitality and quality of life.**

There are many ways that the State can and does support our efforts, but there are also many areas where the relationship must be strengthened in order for the City and State to realize our full potential. The City's legislative package provides several opportunities for the State to assist in that shared goal.

**Legislative Priority Areas**

**Increase Intergovernmental Aids.** The State provides aids to local governments as a way of achieving several policy goals including tax base equalization, replacing a portion of the lost tax base resulting from State imposed exemptions, offsetting state mandated costs incurred by local governments, lowering the overall property tax burden, and recognizing that many local government services extend to residents throughout the State.

Milwaukee's largest source of revenue is the **\$237.7** million it receives through the State's Shared Revenue Program and the related Expenditure Restraint Program. In real dollars, the Shared Revenue payment has declined by **\$60** million since 2003. **It is imperative to increase the State's funding commitment to the Shared Revenue Program.**

We will also **work to maintain or increase funding from approximately 100 smaller programs that the State funds directly or serves as the intermediary for**, including efforts to:

- Encourage the State to prioritize funding to maintain existing local road and sewer infrastructure. Milwaukee has over 900 miles of residential streets, 350 miles of connectors and arterials, 400 miles of alleys, and 2400 miles of sewer laterals that need routine maintenance.
- Increase Recycling Grants. The Recycling Grant program and tipping fees for solid waste disposal are meant to work together to reduce unnecessary waste. However, the State recently increased tipping fees significantly with no increase in support for local recycling programs.
- Use the State Forestry Tax in the short term to address Emerald Ash Borer threat. Approximately \$5 million of the property taxes paid by Milwaukee residents goes to the State to preserve our forests, however less than \$25,000 is currently used to protect urban forests in Milwaukee.
- Redirect the Police and Fire Protection fee to municipalities to support first responder costs.

**Respect and Restore Local Control**

Many efforts have been made in Madison to erode the ability of local public leaders to make decisions that affect their constituents, such as maintenance of effort requirements, levy limits and collective bargaining mandates. We must maintain the integrity of our local government system by assuring the public that decisions remain at the level of government closest to them. This includes opposing efforts to bypass collective bargaining to remove our authority to employ those who reside in the city they serve.

### **Diversify Local Revenue Capacity**

Milwaukee is severely fiscally strained by Wisconsin's outdated and inflexible system of local government finance. The lack of diversification of city revenue sources means we are heavily reliant on the residential property tax base to finance city operations. Property tax exemptions have eroded the non-residential property tax base, shifting more of the property tax burden to owners of residential property. In 1970 residents paid 50% of all taxes compared to 72% today. To decrease this burden on homeowners, the State should:

- Protect the property tax base, ensure uniform assessment practices and provide an equitable appeals process so that property taxes are distributed fairly and the city does not incur undue cost.
- Consider authorizing other options to diversify local revenue sources to offset property taxes.
- Support municipal service consolidation efforts.

### **Attract and Grow Businesses and Create Employment Opportunities**

Increasing employment is critical to addressing the economic challenges facing our State. The State should increase support for programs that provide job training skills, encourage more employment opportunities, support business development and ensure access to jobs through public transportation. Specifically:

- Continue State funding for the Transitional Jobs and Summer Youth Employment programs.
- Continue to support State Economic Development Tax Credits and expand as appropriate.
- Support efforts to maximize our competitive advantage as a comprehensive transportation hub through initiatives such as the expansion of the Milwaukee Aerotropolis.
- Ensure necessary funding to provide a comprehensive, safe public transportation system, including local and regional transit as well as a high speed rail to link Milwaukee to other urban centers.
- Support the School of Public Health and School of Freshwater Sciences and promote further UW-Milwaukee expansions in the City of Milwaukee.

### **Reduce Illegal Guns and Improve Public Safety**

The proliferation of illegal guns in our community has resulted in an immeasurable cost in human lives, health care services, and public safety. To reverse that trend we must:

- Close the loopholes in state law that allow for easy access to firearms by criminals.
- Seek additional funds to support public safety efforts in our community.

### **Improve Educational Opportunities for Milwaukee Families**

Milwaukee Public Schools (MPS) has one of the largest achievement gaps of any urban district. We must come together as a community to close that gap by focusing education and child care resources efficiently and ensuring accountability for outcomes. Also, despite success in securing funds to offset the impact, the funding formula for the Milwaukee Parental Choice Program (MPCP) unduly burdens Milwaukee taxpayers. Choice students are not counted for purposes of determining equalized value per student, reducing the school aid that comes to MPS. To improve educational opportunities we will seek to:

- Better address factors such as poverty, special needs populations in the state funding formula.
- Ensure the MPCP funding mechanism addresses the existing inequity for Milwaukee taxpayers.
- Increase funding for libraries which are a key partner in improving literacy.
- Seek better coordination with child care programs to ensure improved school readiness.

### **Improve City Housing Stock**

Public resources are being strained by the increase in foreclosures throughout the region. Currently in the City of Milwaukee, there are more than 1600 bank-owned foreclosures. The underlying instability in the neighborhoods hardest hit only makes our challenge that much greater. Legislative changes and funding for foreclosure prevention, intervention, and neighborhood stabilization programs are critical to turning this crisis around.