



Department of Administration
Budget and Management Division

Cavalier Johnson
Mayor

Preston Cole
Administration Director

Nik Kovac
Budget and Management Director

October 18, 2023

MEMORANDUM

To: Finance and Personnel Committee Members

From: Andrea Fowler, American Rescue Plan Act Director

Subject: DNS Demolition ARPA-related questions

The following question was posed during the Department of Neighborhood Services' budget hearing. I provide a response below.

Question: Provide a memo with dollar amounts that have been expended, are contracted, source of funding, completed projects, amount scraped out, where it went, and what timeline is for cash-financed demolitions and deconstructions. Include ARPA funding explanation. How are we communicating this to residents?

Response: The Department of Neighborhood Services was awarded \$3,000,000 in ARPA funding pursuant to CCFN 210894, and an additional \$2,200,000 pursuant to CCFN 220703, bringing the ARPA-funded total for the demolition project to \$5,200,000. As of the October 13, 2023, \$904,325 had been spent, \$2,381,529 had been encumbered, and \$1,914,145 remained unencumbered and unexpended. DNS expects to spend all but \$1,328,026 by end of 2023, and so the 2024 Executive Budget proposes to reduce the remaining ARPA budget by that amount and reallocate those funds to salaries in 2024. The Executive Budget further proposes to allocate \$3,054,000 in non-ARPA funding to continue the program in 2024. An additional \$1,782,531 will be allocated to DPW to complement DNS's demolition program.

The following performance data for the ARPA-funded portion of the program is current through October 18, 2024:

- 147 ARPA awards have been made, with 2 additional bid packages pending (approximately 18 parcels)
- 29 primary buildings have been razed, removed and invoiced
- 7 additional primary buildings have been razed and removed but still need site work
- 10 secondary buildings have been razed and removed
- 19 lots have been restored
- 77% of demolitions have occurred on City of Milwaukee owned parcels
- 86% of contracted ARPA demolitions have been located in the 6th Aldermanic District

AF:awc

I:\BUDGET\2024budget\F&P Questions\Demolition ARPA

