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**2016 Overview:**

**Department of Neighborhood Services**

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Finance & Personnel Committee

October 9, 2015

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# Community Goals and Objectives

1. Build safe and healthy neighborhoods
  - Improve neighborhood conditions
  - Reduce blight inducing conditions
  - Improve the safety of buildings
2. Increase investment and economic vitality throughout the city
  - Increase investment in Milwaukee

# Community Goals and Objectives

Measure	2014 Actual	2015 Projected	2016 Planned
Average days to respond to complaints	9.1	7.1	8.0
Average days to confirm garbage abatement	13.5	16.5	16.5
Percentage of Development Center timelines met	91%	93%	95%
Nuisance properties inspected under expanded Residential Rental Inspection program	--	64	64
Properties receiving code compliance loans	5	35	35
Number of vacant building inspections	53,013	53,000	53,000

# 2016 Budget Summary

	2015 ADOPTED BUDGET	2016 PROPOSED BUDGET	DIFFERENCE (amount, %)
<b>FTEs – O&amp;M</b>	215.35	219.60	4.25 (2.0%)
<b>FTEs - Other</b>	40.15	46.15	6.00 (14.9%)
<b>Salaries &amp; Wages</b>	\$11,365,987	\$12,419,430	\$1,053,443 (9.3%)
<b>Fringe Benefits</b>	5,114,694	5,961,326	846,632 (16.6%)
<b>Operating Expenditures</b>	1,432,469	1,519,415	86,946 (6.1%)
<b>Equipment</b>	99,994	0	-99,994 (100%)
<b>Special Funds</b>	1,993,000	2,020,000	27,000 (1.4%)
<b>TOTAL</b>	\$20,006,144	\$21,920,171	\$1,914,027 (9.6%)

# Special Purpose Accounts

	2015 ADOPTED BUDGET	2016 PROPOSED BUDGET	DIFFERENCE (amount, %)
<b>Graffiti Abatement</b>	\$95,000	\$65,000	-\$30,000 (31.6%)
<b>Maint. Of Essential Utility Services</b>	65,000	65,000	0 (0%)
<b>Total SPAs</b>	\$160,000	\$130,000	-\$30,000 (-18.7%)

# Revenues

	2015 ADOPTED BUDGET	2016 PROPOSED BUDGET	DIFFERENCE (amount, %)
<b>Charges for Services</b>	\$18,027,000	\$18,484,000	+\$457,000 (+2.5%)
<b>Licenses &amp; Permits</b>	7,611,000	8,323,200	+712,200 (+9.4%)
<b>Intergovernmental</b>	1,080,000	1,100,000	+20,000 (+1.9%)
<b>TOTAL</b>	\$26,718,000	\$27,907,200	+\$1,189,200 (+4.5%)

# Capital Improvement Projects

- Concentrated Blight Elimination
  - \$2,200,000 for demolition/deconstruction
    - Increase of \$881,000 (66.8%)
- Code Compliance Loan Program
  - \$500,000 for loans to improve housing conditions and preserve owner-occupancy
- Anderson Tower Remodel
  - Garage converted to office space in 2015: \$425,000
  - Reconfigure 2<sup>nd</sup> floor in 2016: \$225,000

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# Budget Changes

- Arena Construction Inspection Staff
  - ❑ Five positions added for new Arena Construction Inspection
  - ❑ Dedicated to arena project
  - ❑ Cost offset by permit fees and other charges
  - ❑ Project anticipated to last two years
  - ❑ Positions will be eliminated when project is completed



# Budget Changes

- Accelerated *In Rem* Foreclosure
  - Mayor proposing modification of accelerated *in rem* foreclosure process approved in CCFN 150164
  - Increased foreclosure acquisition workload requires adding a Neighborhood Improvement Project Inspector
  - Cost of approximately \$78,530 (including fringe benefits)
    - Position funded for 75% of year
  - Additional staff added in DCD and additional funding added in DCD, DPW and Treasurer to manage and expedite the sale of an increased number of *in rem* properties

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# Budget Changes

- Residential Mortgage Loan Registry
  - ❑ New program approved in CCFN 141900
  - ❑ Lenders must register with DNS when a residential mortgage loan goes into default, with required property inspections
  - ❑ Program requires additional staff and staffing changes
    - Special Enforcement Supervisor position added
    - Office Assistant IV position added
    - Planned reclassification of two Office Assistant II positions into Office Assistant III positions
    - Total estimated cost of \$195,980 (including fringe benefits)

# Budget Changes

- Code Compliance Loan Program
  - Part of Strong Neighborhoods Plan
  - Program continued at same funding level as 2015
  - \$500,000 in capital account
  - DNS inspectors refer residential properties for repairs needed to correct code violations with 0% interest  
Deferred Payment Loan
  - Allows owner to retain property and avoid tax foreclosure
  - Estimated 30 to 35 loans issued with 2016 funding
  - Administrative Specialist added to support program
    - \$68,050 in funding including fringe benefits

# Budget Changes

- Increased Demolition funding
  - Part of Strong Neighborhoods Plan
  - \$3.1 in total funding
    - \$2.2 million in capital account for demolition or deconstruction
    - \$150,000 in CDBG Reprogramming
    - \$728,000 in DPW
  - Estimated 192 demolitions and 15 deconstructions to occur in 2016

# Budget Changes

- Other staffing & programmatic changes
  - ❑ Two IT positions and all IT equipment funding shifted to DOA-ITMD as part of citywide IT consolidation
  - ❑ \$113,000 added to fully fund Special Enforcement Inspector positions added in 2015 but only partially funded
  - ❑ Part-time Office Assistant II converted to full-time to support BOZA Compliance & RRI programs
  - ❑ Two part-time Residential Code Enforcement Inspectors added to reflect increased CDBG funding for nuisance garbage clean-up (\$36,250 in salaries)
  - ❑ One Residential Code Enforcement Inspector eliminated for budget savings (~3% staffing reduction, \$63,000 salary & fringe)



# Divisions

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- ▶ Department of Neighborhood Services (DNS)  
divisions:
  - ▶ Construction/Trades
  - ▶ Residential Code Enforcement
  - ▶ Commercial
  - ▶ Development Center
  - ▶ Special Enforcement
  - ▶ IT
  - ▶ Administration
  - ▶ Court



# Construction/Trades

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- ▶ The Construction division had a busy year overseeing millions of dollars of new development in the city.
- ▶ New for 2016 is the creation of five new positions dedicated to the Arena project.





# Construction/Trades

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## 745 N. Prospect Ave. (Northwestern Mutual)



# Construction/Trades

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## W. Freshwater Way





# Construction/Trades

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619 W. Walnut Ave.



833 E. Michigan St.



# Construction/Trades

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152 W. Wisconsin Ave.



401 W. Michigan St.



# Residential Code Enforcement

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- ▶ Average days to respond to complaints:
  - ▶ 2014: **9.1** (actual)
  - ▶ 2015: **7.1** (planned)
- ▶ Average days to confirm garbage nuisance abatement:
  - ▶ 2014: **13.5** (actual)
  - ▶ 2015: **16.5** (planned)
- ▶ 2014 year-end performance:
  - ▶ Violations created: 34,592
  - ▶ Number of inspections: 40,613
  - ▶ Number of reinspections: 34,568
  - ▶ Number of clean-up orders: 12,408





# Residential Code Enforcement

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Residential inspectors are essential to keeping the city free from garbage, litter, and debris. (Pictured: 2449 N. 38<sup>th</sup> Street)

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# Residential Code Enforcement – Rat Control

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- ▶ DNS staff has noticed an increase in rat complaints. Much of this increase is in areas where large rat populations were not previously noticed (west & southwest neighborhoods)
- ▶ DNS management works with neighboring communities and partners in the private industry to stay current with local conditions and to steer property owners to available resources
- ▶ DNS working with to develop a mapping tool to help determine where limited resources are best spent



# Commercial Inspection

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- ▶ The Commercial division has expanded the knowledge base of inspectors to better address high-hazard buildings
- ▶ The Environmental division moved to the downtown office.
  - ▶ These specialized inspectors have advanced scientific knowledge which will enhance the Commercial division's inspections
- ▶ Commercial inspectors have partnered with commercial business owners to stabilize commercial corridors.





# Development Center

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*DNS has worked to expedite plan review, streamline permit and plan examination, improve customer service, and ensure consistent application of codes.*

- ▶ Plan review timeline targets have been met, on average, 92% of the time
- ▶ Monthly net revenue and total revenue are on track to exceed 2014
  - ▶ 2015 average monthly revenue (Jan – Sept): \$50,498
  - ▶ 2014 average monthly revenue (Jan – Sept): \$45,570
- ▶ The Walk-in Plan Review program reviews 96% of submitted plans same-day. This program handles 26% of all projects submitted to the Development Center.



# Special Enforcement

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## ***Nuisance Property Abatement***

- ▶ Use aggressive abatement techniques to eliminate nuisance and problem properties throughout Milwaukee neighborhoods
- ▶ Partner with the Community Prosecution Unit (CPU) to bring together a variety of agencies – DNS, MPD, District Attorney's office, City Attorney's office, WE Energies, Community Advocates, Department of Aging - and neighborhood and community groups
- ▶ Special Enforcement has performed 2,987 inspections to-date (Jan – Oct. 1<sup>st</sup>) in 2015 to abate nuisance behavior in the community



# Special Enforcement

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## ***Nuisance Property Abatement – 2408 W. Kilbourn Ave.***

- ▶ Using the CPU partnership, DNS worked with MPD and the City Attorney's office to resolve a known nuisance property.
- ▶ This motel style, multi-family property had been the source of littering, loitering, drug dealing, prostitution, and violent crime.
- ▶ Recently, the courts assigned a receiver, who is developing a short-term strategy to manage the property and a long-term strategy to abate the nuisance activity.



# Special Enforcement

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## ***Nuisance Property Abatement – 2408 W. Kilbourn Ave.***



# Special Enforcement

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## ***BOZA Periodic Inspection Program (BPIP)***

- ▶ Periodic inspections are performed to ensure compliance with the conditions of approval associated with all special uses, variances, limited uses, plans of operation, landscape plans, or conditions of approval set by the Board of Zoning Appeals
- ▶ The program eliminates negative impacts to neighborhoods associated with uses operating outside regulatory boundaries.
- ▶ BPIP promotes positive development in business districts and preserves the residential character of neighborhoods.
- ▶ Scope: 4,500 existing BOZA cases and 700 additional approvals per year

## IT – Enterprise Land Management System (LMS)

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*The new LMS will better manage the multi-agency process for permitting, construction and building inspections, and code enforcement. LMS will benefit multiple departments through enhanced communication and a reduction in data entry.*

- ▶ Capital Project Total Authorized: **\$2.5 million**
- ▶ Total Spent To-Date: **\$1.2 million**
- ▶ Total Contract Amount: **\$1.8 million**
- ▶ Completed: Permit and inspection records configured in both Accela Automation (AA) and Accela Citizen Access (ACA), first pass of migrations for seven legacy systems
- ▶ Remaining: Reports, scripts, and fee configuration



# Administration – Default Registry

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## *Registration of Residential Mortgage Loans in Default (MCO 200.22.6)*

- ▶ Requires lenders to notify DNS when loans go into default
- ▶ “Go live” date of January 1, 2016
- ▶ Estimates suggest that twice as many loans are in default than are in foreclosure. Therefore, DNS anticipates receiving twice as many default notifications as RPPF foreclosure registrations.
  - ▶ 2015 RPPF Projection: ~2,000
  - ▶ 2015 Default Registry Projection: 4,000
- ▶ Requesting one additional OAIIV and one Special Enforcement Supervisor to manage increased workload.



# Administration – Default Registry

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Properties in default, which are likely to go into foreclosure, are at an increased risk for vacancy and code violations.

(Pictured: 1952 N. 39<sup>th</sup> Street and 2222 N. 44<sup>th</sup> Street)

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# Court

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- ▶ Total cases added to calendar: **4,294\***
- ▶ Total trials: **61**
- ▶ Success rate at trial: **98%**
- ▶ Adjudicated cases: **4,307**
- ▶ Adjudicated cases – Fine totals: **\$3,700,703**



\*Based on 2014 (Jan – Dec) statistics

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