



## Legislation Text

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SUBSTITUTE 1

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ALD. STAMPER, COGGS, WESTMORELAND, TAYLOR, PRATT, RAINEY, CHAMBERS AND PEREZ

Substitute resolution directing all City departments and City-related agencies to investigate methods of generating new revenue for the City.

This resolution directs all City departments and City-related agencies, including the Housing Authority of the City of Milwaukee, Milwaukee Economic Development Corporation, Neighborhood Improvement Development Corporation and Redevelopment Authority of the City of Milwaukee, to investigate possible methods for generating new revenue for the City. The resolution further directs each department and agency to present its findings at a meeting of the Steering and Rules Committee to be scheduled at the call of the Chair.

Whereas, The City of Milwaukee faces an unprecedented set of fiscal challenges; and

Whereas, Among these challenges are the City's inflexible sources of revenue; and

Whereas, According to a recent Wisconsin Policy Forum (WPF) report, between 2011 and 2021, City revenues grew by only 12.8% in the City's tax-supported governmental funds, which was substantially lower than the 20.5% increase in the Consumer Price Index over that period; and

Whereas, Milwaukee's other major source of revenue, shared state revenue, has remained stagnant since 2011; and

Whereas, Milwaukee has traditionally relied much more on state payments than other wealthier communities, such as Madison; and

Whereas, According to WPF, in 2000, Milwaukee received 40.7% of its general revenues from state aid and only 21.1% from local property taxes; and

Whereas, According to the same WPF report, by 2020, overall state aid had fallen to 27.6% of Milwaukee's general revenues, just below the 28.4% of revenues that came from the local property tax levy, the first time in the available state data that local property taxes contributed a larger share of the City's general revenues than state aid; and

Whereas, The increased reliance on property taxes poses a challenge for the city's many low-income residents, who pay property taxes directly if they own property or indirectly through their rent; and

Whereas, The City's options for additional revenue are highly constrained by state law; and

Whereas, Milwaukee's revenue challenges are further compounded by the City's long-term

obligations, pension funding in particular; and

Whereas, If the City is unable to secure new sources of revenue, the dramatic increase in payments needed for the City's pension system may require substantial cuts to City personnel and services; and

Whereas, Because of the City's financial challenges, it is incumbent upon all City departments and City-related agencies to use their expertise to develop innovative ways to increase revenues; and

Whereas, The institutional knowledge and expertise within the City's departments and affiliated agencies puts them in an excellent position to devise new sources of revenue; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Common Council directs all City departments and City-related agencies, including the Housing Authority of the City of Milwaukee (HACM), Milwaukee Economic Development Corporation (MEDC), Neighborhood Improvement Development Corporation (NIDC) and Redevelopment Authority of the City of Milwaukee (RACM) to investigate possible methods for generating new revenue for the City; and, be it

Further Resolved, That each department shall report these findings to the Common Council in the same order as presentations made to the Finance and Personnel Committee during the budgeting process, followed by HACM, MEDC, NIDC and RACM; and, be it

Further Resolved, That presentations shall be made at a meeting of the Steering and Rules Committee to be scheduled at the call of the Chair.

LRB 178175-2  
Christopher Hillard  
6/2/2023