

COUNTY EXECUTIVE'S 2008 BUDGET

DEPT: DEPARTMENT OF ADMINISTRATIVE SERVICES – ECONOMIC AND COMMUNITY DEVELOPMENT

UNIT NO. 1192
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

The purpose of the Economic and Community Development Division is two-fold. Through economic development activities, it is charged to preserve and enhance the tax base of the County by undertaking programs and activities that stimulate, attract and revitalize commerce, industry and manufacturing. The Division’s goal is to promote area-wide, regional economic development, marketing and cooperation among all involved governments and private-sector groups to provide for a unified development approach for the Milwaukee area.

The Division also seeks to maximize available public and private resources and provide professional services to promote self-sufficiency and to ensure that County neighborhoods are viable communities and that housing choices are safe and affordable for low and moderate income households.

Pursuant to Section 59.82 of the Wisconsin Statutes, Milwaukee County may participate in the development of a research and technology park

through a nonprofit corporation organized specifically for this purpose. The Milwaukee County Research Park Corporation (MCRPC) was incorporated on May 18, 1987, with a mandate from Milwaukee County to develop a research park on approximately 172 acres of County land in the southwest quadrant of the County Grounds adjacent to the Milwaukee Regional Medical Center.

The development objective of the MCRPC is the establishment of a quality research and technology park that will complement, to the greatest extent possible, the Milwaukee Regional Medical Center, the University of Wisconsin-Milwaukee, the Milwaukee School of Engineering, Marquette University and the Medical College of Wisconsin, and enhance the economy of the City of Wauwatosa, Milwaukee County and the State of Wisconsin.

BUDGET SUMMARY				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008 Change
Personal Services (w/o EFB)	\$ 1,539,761	\$ 1,461,227	\$ 448,907	\$ (1,012,320)
Employee Fringe Benefits (EFB)	876,955	1,120,036	271,603	(848,433)
Services	960,047	1,048,343	913,281	(135,062)
Commodities	13,431	31,356	10,497	(20,859)
Other Charges	17,138,165	14,725,412	1,380,500	(13,344,912)
Debt & Depreciation	0	0	0	0
Capital Outlay	8,471	15,975	1,889	(14,086)
Capital Contra	0	0	0	0
County Service Charges	765,897	725,263	543,916	(181,347)
Abatements	(3,013,837)	(4,127,295)	(225,638)	3,901,657
Total Expenditures	\$ 18,288,890	\$ 15,000,317	\$ 3,344,955	\$ (11,655,362)
Direct Revenue	2,018,775	2,064,500	1,940,500	(124,000)
State & Federal Revenue	16,699,452	15,291,689	1,700,000	(13,591,689)
Indirect Revenue	356,550	1,000	0	(1,000)
Total Revenue	\$ 19,074,777	\$ 17,357,189	\$ 3,640,500	\$ (13,716,689)
Direct Total Tax Levy	(785,887)	(2,356,872)	(295,545)	2,061,327

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Central Service Allocation	\$ 223,591	\$ 205,509	\$ 0	\$ (205,509)
Courthouse Space Rental	202,920	250,130	0	(250,130)
Tech Support & Infrastructure	103,639	81,084	0	(81,084)
Distribution Services	5,959	4,893	0	(4,893)
Telecommunications	7,624	6,628	0	(6,628)
Record Center	2,947	10,537	0	(10,537)
Radio	0	0	0	0
Computer Charges	13,940	7,838	0	(7,838)
Applications Charges	133,231	59,764	0	(59,764)
Apps Charges - Network	0	0	0	0
Apps Charges - Mainframe	0	0	0	0
HRIS Allocation	10,402	8,861	0	(8,861)
Total Charges	\$ 704,252	\$ 635,244	\$ 0	\$ (635,244)
Direct Property Tax Levy	\$ (785,887)	\$ (2,356,872)	\$ (295,545)	\$ 2,061,327
Total Property Tax Levy	\$ (81,635)	\$ (1,721,628)	\$ (295,545)	\$ 1,426,083

** In 2006 and 2007, these costs were included in other charging departmental and non-departmental budgets. They were reflected here to show the "total" amount of tax levy support for this Department. In 2008, these costs are budgeted within the receiving department to show the tax levy cost in the department.

PERSONNEL SUMMARY				
	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Personal Services (w/o EFB)	\$ 1,539,761	\$ 1,461,227	\$ 448,907	\$ (1,012,320)
Employee Fringe Benefits (EFB)	\$ 876,955	\$ 1,120,036	\$ 271,603	\$ (848,433)
Position Equivalent (Funded)*	35.5	29.0	6.2	(22.8)
% of Gross Wages Funded	96.0	96.6	95.4	(1.2)
Overtime (Dollars)**	\$ 11,508	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.3	0.0	0.0	0.0

* For 2006 Actuals, the Position Equivalent is the budgeted amount.

** Delineated for information. (Also included in personal services.)

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PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Social Security & Fringe)
Fiscal Assistant 2	Unfund	1/1.0	Administration	\$ (38,661)
Adm Asst 2 - Accts Rec	Unfund	1/1.0	Administration	(47,349)
Fiscal Mgmt Analyst	Unfund	1/1.0	Administration	(50,214)
Accountant 4	Transfer - Out	1/1.0	Administration	(58,923)
Housing & Comm Dev Prog Coord	Unfund	1/1.0	Block Grant	(54,252)
Asst H & Dev Corrd C/D	Unfund	1/1.0	Block Grant	(52,333)
Clerical Asst 2	Transfer - Out	1/1.0	Home/Home Repair	(38,661)
Housing Prog Asst Rehab	Transfer - Out	2/2.0	Home/Home Repair	(78,160)
Housing Rehab Analyst	Transfer - Out	1/1.0	Home/Home Repair	(45,495)
Housing & Comm Dev Prog Coord	Transfer - Out	1/1.0	Home/Home Repair	(63,037)
Office Support Asst 2	Transfer - Out	2/2.0	Voucher Program	(68,130)
Housing Insp Rent Asst	Transfer - Out	2/2.0	Voucher Program	(97,780)
Housing Program Asst Rent Asst	Transfer - Out	9/9.0	Voucher Program	(374,904)
Housing & Comm Dev Prog Coord	Transfer - Out	1/1.0	Voucher Program	(63,037)
Asst H & Comm Dev Prog Coord	Transfer - Out	1/1.0	Voucher Program	(54,964)
			TOTAL	\$ (1,185,900)

ORGANIZATIONAL COST SUMMARY					
DIVISION		2006 Actual	2007 Budget	2008 Budget	2007/2008 Change
Administration	Expenditure	\$ 16,401,018	\$ 15,715,667	\$ 225,638	\$ (15,490,029)
	Abatement	(2,947,862)	(4,032,979)	(225,638)	3,807,341
	Revenue	17,054,509	15,291,689	0	(15,291,689)
	Tax Levy	\$ (3,601,353)	\$ (3,609,001)	\$ 0	\$ 3,609,001
Block Grant	Expenditure	\$ 488,724	\$ 284,252	\$ 1,774,491	\$ 1,490,239
	Abatement	(1,003)	(886)	0	886
	Revenue	0	0	1,700,000	1,700,000
	Tax Levy	\$ 487,721	\$ 283,366	\$ 74,491	\$ (208,875)
Home/Home Repair	Expenditure	\$ 275,257	\$ 414,758	\$ 0	\$ (414,758)
	Abatement	(1,315)	(1,477)	0	1,477
	Revenue	0	0	0	0
	Tax Levy	\$ 273,942	\$ 413,281	\$ 0	\$ (413,281)
Special Needs	Expenditure	\$ 791,228	\$ 0	\$ 0	\$ 0
	Abatement	(1,504)	0	0	0
	Revenue	0	0	0	0
	Tax Levy	\$ 789,724	\$ 0	\$ 0	\$ 0
Voucher Program	Expenditure	\$ 1,849,009	\$ 1,145,182	\$ 0	\$ (1,145,182)
	Abatement	(3,760)	(4,135)	0	4,135
	Revenue	0	0	0	0
	Tax Levy	\$ 1,845,249	\$ 1,141,047	\$ 0	\$ (1,141,047)
Economic Development	Expenditure	\$ 1,497,502	\$ 1,567,753	\$ 1,570,464	\$ 2,711
	Abatement	(58,397)	(87,818)	0	87,818
	Revenue	2,020,270	2,065,500	1,940,500	(125,000)
	Tax Levy	\$ (581,165)	\$ (585,565)	\$ (370,036)	\$ 215,529

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MISSION

The Economic and Community Development Division provides quality services and responds quickly and effectively to meet the needs of other County agencies, citizens and businesses. The Division develops initiatives and operates programs that are designed to preserve and enhance the County's tax base and increase employment opportunities by helping to create an environment that stimulates business growth and development.

OBJECTIVES

- Provide sound fiscal stewardship of the Community Development Block Grant (CDBG) program and maximize the use of CDBG resources to enhance economic growth in Milwaukee County.
- Meet or exceed the 2008 Land Sales budget by aggressively seeking and implementing opportunities to market and sell unneeded County property and utilizing such opportunities to enhance economic growth in Milwaukee County.
- Work with the Directors of Administrative Services and Transportation and Public Works to develop a thoughtful and creative Facilities and Space Plan for Milwaukee County.
- Work with the Directors of Administrative Services and Transportation and Public Works and with the Milwaukee Regional Medical Center partners to develop a thoughtful and creative plan for the County's future use of the County Grounds and to maximize opportunities for partnerships that will create sound economic growth on the County Grounds.

DEPARTMENT DESCRIPTION

The Economic and Community Development Division consists of two sections.

The **Block Grant Section** develops and administers programs designed to enhance the business climate, allowing existing businesses in Milwaukee County to flourish and expand while attracting new businesses to the community. Specific

responsibilities include assisting businesses in accessing Milwaukee County resources and services, identifying and referring businesses to various sources of technical and financial assistance, working with municipalities and economic development agencies to package services to companies and promoting Milwaukee County to outside businesses. The Section seeks to identify catalytic projects that can leverage County resources and expand development efforts and efficiency. Additionally, the Section manages, monitors and distributes Federal Community Development Block Grant funds throughout 16 participating County municipalities. This Federal funding source provides approximately \$1.1 million annually for economic development, public works, housing and other services that principally benefit low and moderate income individuals and families in participating communities, as well as County-wide.

The **Economic Development Section** manages, sells and acquires real estate for Milwaukee County. The Section manages and leases improved and unimproved properties, including air space and parking lots for the Wisconsin Department of Transportation (WISDOT). The Section sells County-wide surplus real estate and tax deed foreclosure properties in Milwaukee County. It also manages real estate leasing functions for County departments.

BUDGET HIGHLIGHTS

DEPARTMENTAL

- Personal services without fringe benefits decrease \$1,012,320, from \$1,461,227 to \$448,907, due primarily to the below noted reorganization.
- Abatements change by \$3,072,644 due to the budgeting of costs directly in program cost centers and the correction of overstated administrative charges in 2007.
- The DAS – Economic and Community Development Division is streamlined in 2008 to include only the Block Grant Section and the Economic Development Section. This will allow the Division to focus exclusively on economic development grants and activities, which is

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critical in light of several significant economic development projects that have recently been initiated. Those projects include potential purchase or lease of the St. Michael facility for the Behavioral Health Division (BHD) plus potential sale or lease of the existing BHD property, and potential sale of a significant parcel of land on the Northeast Quadrant of the County Grounds to the University of Wisconsin-Milwaukee for a new School of Engineering. The streamlined focus of this Division also reflects the strategic planning initiatives contained in the DAS-Fiscal Affairs Division, as Economic and Community Development will be expected to play a central role in the County-wide space and facilities planning process and County Grounds planning.

- The Home/Home Repair and the Voucher Program sections are transferred out of the Economic and Community Development Division in 2008 into the newly created Department of Health and Human Services (DHHS) Housing Division. These sections will be combined in the new DHHS Division with two HUD-funded special needs housing programs currently contained in BHD: Shelter Plus Care, which links rental subsidies with supportive services for homeless individuals with serious and persistent mental illness; and Safe Haven, which provides a home-like environment to seriously mentally ill homeless individuals. The consolidation of these programs into a single Housing Division in DHHS is anticipated to produce more focused management and to instill a strategic emphasis on prioritizing the use of County housing resources to serve persons with mental illness and other special needs.
- Expenditures for the Home/Home Repair Program of \$1,825,232 and corresponding revenues of \$1,920,000 are transferred along with the following five positions:
 - 1.0 FTE Clerical Assistant 2
 - 2.0 FTE Housing Program Assistant Rehab
 - 1.0 FTE Housing Rehab Analyst
 - 1.0 FTE Housing & Community Development Program Coordinator
- Expenditures for the Voucher Program of \$12,149,313 and corresponding revenues of

\$11,842,548 are transferred along with the following fifteen positions:

- 2.0 FTE Office Support Assistant 2
 - 2.0 FTE Housing Inspector Rent Assistance
 - 9.0 FTE Housing Program Assistance Rent Asst
 - 1.0 FTE Housing & Community Development Program Coordinator
 - 1.0 FTE Assistant Housing & Community Development Program Coordinator
 - 1.0 FTE Accountant 4
- The following positions that were unfunded in 2007 are again unfunded in 2008: 1.0 FTE Fiscal and Management Analyst and 1.0 FTE Housing and Community Development Program Coordinator. Three positions are unfunded in 2008: 1.0 FTE of Fiscal Assistant 2, 1.0 FTE Administrative Assistant 2 – Accounts Receivable and 1.0 FTE Assistant Housing and Development Coordinator C/D for a savings of \$207,895.
 - The Budget Manager (Aging) deployed to the Department on Aging in 2007 from the Department of Administrative Services is re-deployed half-time to DAS-Economic & Community Development. The position will remain deployed half-time to the Department on Aging.

ECONOMIC DEVELOPMENT

- A revenue stream of \$400,000, which represents a 10 percent service charge on the County's first \$ 4 million in land sales, is continued in 2008.
- Total parking revenue is decreased \$150,000, from \$1,550,000 to \$1,400,000, due to an envisioned decrease in rental of an expiring lease. The County receives an initial \$40,000 administrative fee, with the balance divided equally between the County and the State for a net revenue of \$720,000 in 2007.
- The 2008 Budget eliminates a \$50,000 appropriation for the Economic and Community Development Reserve Fund due to fiscal constraints.
- Revenue from Cellular Tower contracts increases \$25,000, from \$100,000 to \$125,000.

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- Departments have the authority to fill unfunded positions provided they do not incur a salary deficit.
- ECP positions are not provided step increases or performance awards in 2008 as allowed in County Ordinance Section 17.265 (3).
- The abatement of Countywide crosscharges is discontinued in 2008. The tax levy previously held in the servicing department is redistributed to the recipient departments in an amount corresponding to the crosscharges. This results in a tax levy redistribution equal to the change in abatements. Due primarily to this change in methodology, direct tax levy for this department increased \$2,061,327. The change in tax levy for this department from 2007 is an increase of \$1,426,083.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred

against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severally liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."