

Land Sales  
DAS ED  
Capital-LoanF

(1B002)

Org Unit Nos.: WO624 Revolving Loan  
Fund, Org. 1933 – Land Sales and Org.  
1945 – Appropriation for Contingencies

Date: October 18, 2011

2

## AMENDMENT TO THE COUNTY EXECUTIVE'S 2012 RECOMMENDED BUDGET

By Supervisors Biddle, Lipscomb, De Bruin, Harris, Dimitrijevic, Johnson and Haas

Amend Capital Improvements Project WO624, Revolving Loan Fund, by deleting all of the existing narrative language and retitling as the **“Workforce and Economic Development Fund.”** Add the following narrative language:

### Workforce Development

A workforce development and training contract titled “Ready to Work” is established that will include a consortium of local groups for skill training for possible placement in county or private sector jobs. Milwaukee County will join a consortium that includes nonprofits Wisconsin Regional Training Partnership/Big Step (WRTP/Big Step), Milwaukee Area Technical College, Milwaukee Public Schools and local building and construction trades. The partnership will provide educational training and on-the-job work experience needed to allow Milwaukee County residents to advance to the next level on the path to higher-wage, family-supporting jobs.

The Director of Economic Development, working in conjunction with the Directors of the Departments of Transportation and Public Works and Parks, shall meet with WRTP/Big Step staff and other partners as needed to develop a detailed overview of the program including goals, budget, outcomes and detailed reporting requirements. This overview shall be presented to the Committee on Economic and Community Development at its January 2012 meeting.

After County Board approval of the plan, Milwaukee County will provide a total of \$1,000,000 from future land sale revenues (2012 and beyond) for this initiative. For 2012, the first \$400,000 of any land sale revenue is earmarked for the Real Estate Services Section in the Department of Economic Development.

### Economic Development Fund

An Economic Development Fund is created to develop sustainable jobs and new tax base in Milwaukee County. Funding for the Economic Development Fund is \$1 million, which will be provided from future land sale revenue after the Real Estate Services Section retains its \$400,000 in real estate sale commission revenue and the balance of the \$1 million earmarked for the Ready to Work Initiative, as outlined above, is financed. Future land

sales revenue to seed the Economic Development Fund may not be received until later in 2012 or 2013.

The Ready to Work Initiative and Economic Development Fund anticipate a total of \$2 million in future land sale revenue. It is the policy that once this land sale revenue commitment is provided, including any budgeted amounts amount to be retained by the Real Estate Services Section, and the earmark for the Economic Development Fund, remaining land sale revenues shall be deposited in the Org. Unit 1945 -Appropriation for Contingencies.

**Modify Org. 1933 – Land Sales narrative as follows:**

**Land Sales:** Accounts for the sale of County land approved by the County Board. As in previous years, \$400,000 is budgeted in Real Estate Services to cover their operating expenditures. This represents the first \$400,000 of unallocated land sales and is historically realized through the sale of foreclosed properties and other miscellaneous land. Beginning in 2012 any land sale revenue received by the County, above the amount budgeted in Real Estate Services to cover operating expenditures, shall be allocated as described below: ~~Fifty percent of the land sale revenue shall be allocated to the Debt Service Reserve and will be specifically earmarked for the County's newly created Debt Retirement Program (see Org. Unit 9960 Debt Service). Fifty percent of the land sale revenue, up to a maximum of \$5,000,000 shall be allocated to the newly created Milwaukee County Economic Development Corporation (MCEDC) for the purposes of providing financing to the Milwaukee County Revolving Loan Fund (MCRLF) and providing financing to a non-profit agency that is actively managed by minority group members and principally serves minority group members. After \$5,000,000 has been deposited into the MCRLF, 100 percent of land sale proceeds above the amount budgeted in Real Estate Services to cover operating expenditures shall be allocated to the Debt Service Reserve and will be specifically earmarked for the Debt Retirement Program. Any land sale revenue allocated to the MCEDC for the MCRLF that is not disbursed within eighteen (18) months of its receipt must be returned to Milwaukee County and shall be deposited into the Debt Service Reserve and will be specifically earmarked for the County's Debt Retirement Program.~~

Milwaukee County will provide a total of \$2 million in future land sale revenue (2012 and beyond) for the Ready to Work Initiative and the Economic Development Fund. (See *Capital Improvement Project WO624 – Workforce and Economic Development Fund*) Once this funding commitment has been met, any remaining land sale revenue (less any budgeted in the Real Estate Services Section), shall be deposited in Org. 1945 – Appropriation for Contingencies unless otherwise directed. It should be noted that per a

(1B002)

Org Unit Nos.: WO624 Revolving Loan  
Fund, Org. 1933 – Land Sales and Org.  
1945 – Appropriation for Contingencies

Date: October 18, 2011

previous agreement related to the demolition of the Courthouse Annex, a portion of the MSOE land sale (federal share) proceeds will be placed into Org. 9960 – Debt Service Reserve.

**Modify Org. 1945 – Appropriation for Contingencies narrative as follows:**

### MISSION

Since 2003, it has been the policy of Milwaukee County that any new or unanticipated revenue actually received in the current year that is not identified in that year's budget shall be transferred to the Appropriation for Contingencies (Org. Unit 1945) Budget. This policy shall apply to new revenue sources, unanticipated revenues and revenues from existing sources that are in excess of the amounts included in the current year's budget. ~~Beginning in 2012, this policy shall not apply to land sale revenue. Any land sale revenue received above the amount budgeted in Real Estate Services shall be allocated as described below: Fifty percent of the land sale revenue shall be allocated to the Debt Service Reserve and will be specifically earmarked for the County's newly created Debt Retirement Program (see Org. Unit 9960 Debt Service). Fifty percent of the land sale revenue, up to a maximum of \$5,000,000 shall be allocated to the newly created Milwaukee County Economic Development Corporation (MCEDC) for the purposes of providing financing to the Milwaukee County Revolving Loan Fund (MCRLF) and providing financing to a non profit agency that is actively managed by minority group members and principally serves minority group members. After \$5,000,000 has been deposited into the MCRLF, 100 percent of land sale proceeds above the amount budgeted in Real Estate Services to cover operating expenditures will be allocated to the Debt Service Reserve and will be specifically earmarked for the Debt Retirement Program. Any land sale revenue allocated to the MCEDC for the MCRLF that is not disbursed within eighteen (18) months of its receipt must be returned to Milwaukee County and shall be deposited into the Debt Service Reserve and will be specifically earmarked for the County's Debt Retirement Program. The Department of Administrative Services (DAS) is authorized and directed to process such fund transfer(s) as necessary if and when such new revenue sources or excess revenues are identified. For unanticipated land sale revenue, the DAS will process an administrative fund transfer upon the receipt of any land sale revenue received above the amount budgeted in Real Estate Services and the DAS will provide the County Board with an informational report after the fund transfer is processed. The first priority for use of any such revenues, excluding land sales, is to allow the County to achieve a balanced budget in the current year. The second goal will be to achieve a surplus equal to that in the previous year's budget. Finally, if it appears that the first two goals will be achieved, such revenue can be used for emergency needs during the current budget year.~~

(1B002)

Org Unit Nos.: WO624 Revolving Loan Fund, Org. 1933 – Land Sales and Org. 1945 – Appropriation for Contingencies

Date: October 18, 2011

This amendment would increase tax levy by \$0.

Org. No.	Department (or Capital Project)	Expenditure	Revenue (or Bonds*)	Tax Levy
WO624	Revolving Loan Fund	\$0	\$0	\$0
1933	Land Sales	\$0	\$0	\$0
1945	Appropriation for Contingencies	\$0	\$0	\$0
<b>TOTALS:</b>		\$0	\$0	\$0

*If approved, the Adopted Budget narrative shall be modified as needed to reflect this amendment.*

FINANCE AND AUDIT COMMITTEE ROLL CALL		
	AYES	NOES
De Bruin		
Mayo		
Schmitt		
Johnson		
Romo West		
Chairman		
<b>TOTALS:</b>		