

New Economic and Community Development Division

The 2004 budget consolidates the Economic Development Division with the Housing and Community Development Division. During 2004, this will reduce seven positions, including a current director – all to streamline efforts to bring more jobs to the county.

Creation of Community and Economic Development Fund.

Milwaukee County generates revenue through the sale of various real estate interests. 2004 and 2005 will see the sale of significant real estate assets, including approximately 16 acres of land in the Park East freeway corridor.

These lands represent tremendous assets held in trust by Milwaukee County for the benefit of the citizens of this county. Historically, with occasional exception, these sales have not represented a large influx of revenue. This revenue has been used in various ways. Some has been targeted to fund a particular program or function on a one-time basis, some has been held in trust for future capital needs, and often it has been used to offset basic operating expense or tax levy.

True stewardship of these major public resources requires that their sale provide a benefit for the citizens. While offsetting tax levy to fund operating expense is a tool that is sometimes necessary, such major sales should provide a longer-term and sustainable benefit to the community.

This budget provides for the creation of a Community and Economic Development (CED) Fund. The CED (pronounced 'seed') Fund would be comprised of a series of individual funds or programs designed to address 'gap' needs in the marketplace. It is not intended to reproduce resources that are available either in the commercial marketplace or through other public sources. The Fund recognizes that there are areas where the market does not make available the resources required for sustainable development. By providing those resources, the Fund seeks to be a catalyst that will enable businesses to develop and grow, communities to prosper, and the lives of all of our citizens to be enriched.

This Fund would be endowed and sustained by the revenue produced through the sale of real estate assets. First, all net revenue generated by the sale of land in the Park East Corridor will be dedicated to the Fund and apportioned equally between its constituent funds.

Furthermore, with the exception of revenue allocated to other purposes by statute, ordinance, resolution, or budget action, all other revenue produced by the sale of real estate assets will be allocated equally to the CED Funds. Additional resources for the Fund may be generated through the repayment of Fund loans, interest earnings, etc.

The following are some general ideas of the individual funds that may comprise the Fund.

- Minority Business Working Capital Fund
- Small & Minority Business Contract Financing Fund
- Housing Development Fund
- Neighborhood Business Development Fund
- Economic Development Fund
- Environmental Mitigation/Brownfields Fund

The current Economic Development Fund and the Brownfields Fund will become part of the CED Fund.

This budget adopts a policy statement in support of the principle and creation of the Fund. The specifics of its structure, including individual funds, policies and procedures, etc. will be adopted separately. The County Executive will host a summit of business and community leaders during the month of October to assist in framing the structure to be proposed for adoption.

New Office of Community Business Development Partners.

The budget creates this new office to replace the current Office of Disadvantaged Business Development (DBD). This reflects a change in mission to go beyond certification to the active recruitment of minority businesses.

The county will also continue a role as a founding partner in the Minority Business Opportunities Committee (MBOC), which is housed, in office space leased by Milwaukee County at Schlitz Park. This unique partnership with the private sector and the federal, state and city governments will help connect minority businesses to real job opportunities within Milwaukee County.