

# Economic Development Division

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## *Agency Overview*

### Agency Mission

The mission of the Economic Development Division is to promote the economic growth and competitiveness of the City of Madison to maintain and enhance the City's fiscal sustainability, job base, and business environment, fostering prosperity and ensuring it is broadly shared.

### Agency Overview

The Agency is responsible for real estate transactions and financial and technical assistance to businesses. The goal of the Economic Development Division is to manage City real estate projects and the expansion of economic development initiatives. The Economic Development Division will advance this goal by improving business assistance programs and increasing the number of real estate projects.

### 2019 Budget Highlights

#### The 2019 Adopted Budget:

- Introduces a Kiva Program as a platform to crowd-fund small, zero percent rate loans, providing early-stage funding to small businesses currently not available through private and public programs in the City of Madison (\$50,000).
- Increases funding for Business Walks Program (\$7,000).
- Increases funding to change the Street Vending Monitor position from 0.5 FTE to 1.0 FTE (\$35,000). Funding for this item was added to the budget by Finance Committee amendment #7.
- The Adopted Budget reflects the City's cost allocation model that was developed in 2018. The goal of this methodology is to accurately and consistently allocate central service costs to enterprise agencies receiving services. Charges associated with cost allocation are reflected in the inter-departmental charges & billing major expenditure categories shown in the Line Item Detail section of the agency's budget. Reference the Executive Summary for a full explanation of the methodology, the allocation basis, and summary of allocated costs.

**Economic Development Division****Function: Planning & Development****Budget by Service (All Funds)**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
<b>Revenue</b>						
Office of Business Resources	676,255	665,312	730,212	725,049	774,819	809,819
Office of Real Estate Services	707,923	947,763	799,388	1,055,019	1,060,075	1,060,075
<b>Total Expense</b>	<b>\$ 1,384,178</b>	<b>\$ 1,613,075</b>	<b>\$ 1,529,599</b>	<b>\$ 1,780,068</b>	<b>\$ 1,834,894</b>	<b>\$ 1,869,894</b>
<b>Net General Fund</b>	<b>\$ 1,384,178</b>	<b>\$ 1,583,075</b>	<b>\$ 1,529,599</b>	<b>\$ 1,780,068</b>	<b>\$ 1,834,894</b>	<b>\$ 1,869,894</b>

**Budget by Fund & Major**

Fund: General

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
<b>Revenue</b>						
Transfer In	-	(30,000)	-	-	-	-
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ (30,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expense</b>						
Salaries	950,437	1,171,033	1,099,473	1,258,545	1,300,447	1,335,447
Benefits	281,366	260,027	284,724	338,388	332,941	332,941
Supplies	21,992	10,500	11,636	10,500	10,500	10,500
Purchased Services	63,649	106,100	68,351	76,100	133,100	133,100
Inter Departmental Charges	66,734	65,415	65,415	96,535	62,130	62,130
Inter Departmental Billing	-	-	-	-	(4,224)	(4,224)
<b>Total Expense</b>	<b>\$ 1,384,178</b>	<b>\$ 1,613,075</b>	<b>\$ 1,529,599</b>	<b>\$ 1,780,068</b>	<b>\$ 1,834,894</b>	<b>\$ 1,869,894</b>
<b>Net General Fund</b>	<b>\$ 1,384,178</b>	<b>\$ 1,583,075</b>	<b>\$ 1,529,599</b>	<b>\$ 1,780,068</b>	<b>\$ 1,834,894</b>	<b>\$ 1,869,894</b>

# Economic Development Division

Function: Planning & Development

## Service Overview

### Service: Office of Business Resources

#### Service Description

This service helps businesses locate, open, or expand within the City of Madison by directing businesses toward financial and technical assistance programs available through the City and other sources. This service also guides businesses through City permitting and approval processes, facilitates appropriate space for business development through participation in City land use planning efforts, and maintains and provides demographic/community information to businesses. The goal of this service is to be a point of contact for all businesses, assist in economic development programs and initiatives, and to grow the local economy.

#### 2019 Planned Activities

- Respond to business inquiries, organize multiple Business Walks, manage the City's street vending and sidewalk cafe programs, and work towards a Kiva City designation.
- Manage business support programs through the Capital Budget (i.e., Façade Improvement Grant Program, Cooperative Enterprise Development Fund, and Healthy Retail Access Program).
- Apply for and manage State grant funds and leveraging the new Opportunity Zone Program.
- Construct the Madison Public Market and continue Oscar Mayer redevelopment planning.

#### Service Budget by Account Type

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Revenue	-	-	-	-	-	-
Expense	676,255	665,312	730,212	725,049	774,819	809,819
<b>Net Service Budget</b>	<b>\$ 676,255</b>	<b>\$ 665,312</b>	<b>\$ 730,212</b>	<b>\$ 725,049</b>	<b>\$ 774,819</b>	<b>\$ 809,819</b>

### Service: Office of Real Estate Services

#### Service Description

This service acquires all real estate needed by City agencies, including real estate for road construction projects. This service also leases property needed for City services, provides relocation assistance to individuals and businesses displaced by acquisitions, manages private use of public property (often street right of way) through leases, easements, and encroachment agreements, maintains and sells property within City business parks, manages and sells surplus City property, and administers the City's Tax Increment Financing (TIF) program. The goals of this service are transparent and efficient acquisition and management of property for City purposes, maximizing return on investment of public dollars (e.g., tax base, jobs, and infrastructure), and balancing the needs and wants of businesses, developers, residents, and policy makers.

#### 2019 Planned Activities

- Continue acquisition and lease of property required for road construction projects and other City needs.
- Manage private use of public property through encroachment agreements, leases, etc.
- Maintain and sell property within City business parks.
- Underwrite Tax Increment Financing (TIF) requests and implementation of new TIF Districts.

#### Service Budget by Account Type

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Revenue	-	(30,000)	-	-	-	-
Expense	707,923	947,763	799,388	1,055,019	1,060,075	1,060,075
<b>Net Service Budget</b>	<b>\$ 707,923</b>	<b>\$ 917,763</b>	<b>\$ 799,388</b>	<b>\$ 1,055,019</b>	<b>\$ 1,060,075</b>	<b>\$ 1,060,075</b>

**Economic Development Division**

**Function: Planning & Development**

*Line Item Detail*

**Agency Primary Fund: General**

**Transfer In**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Transfer In From Capital	-	(30,000)	-	-	-	-
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ (30,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Salaries**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Permanent Wages	918,338	1,201,835	1,085,470	1,289,347	1,331,249	1,331,249
Salary Savings	-	(50,000)	-	(50,000)	(50,000)	(50,000)
Premium Pay	71	17,090	223	17,090	17,090	17,090
Compensated Absence	13,800	-	11,000	-	-	-
Hourly Wages	6,970	-	673	-	-	-
Overtime Wages Permanent	11,258	2,108	2,108	2,108	2,108	2,108
<b>TOTAL</b>	<b>\$ 950,437</b>	<b>\$ 1,171,033</b>	<b>\$ 1,099,473</b>	<b>\$ 1,258,545</b>	<b>\$ 1,300,447</b>	<b>\$ 1,335,447</b>

**Benefits**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Comp Absence Escrow	56,595	-	-	-	-	-
Health Insurance Benefit	83,911	85,795	124,913	147,291	138,501	138,501
Wage Insurance Benefit	2,466	2,250	3,942	4,741	4,741	4,741
WRS	63,187	78,875	72,791	86,387	87,196	87,196
FICA Medicare Benefits	71,090	91,285	81,265	98,147	100,622	100,622
Moving Expenses	2,286	-	-	-	-	-
Tuition	0	-	-	-	-	-
Post Employment Health Plans	1,831	1,822	1,813	1,822	1,881	1,881
<b>TOTAL</b>	<b>\$ 281,366</b>	<b>\$ 260,027</b>	<b>\$ 284,724</b>	<b>\$ 338,388</b>	<b>\$ 332,941</b>	<b>\$ 332,941</b>

**Supplies**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Office Supplies	6,306	3,500	3,500	3,500	3,500	3,500
Copy Printing Supplies	4,467	2,500	2,500	2,500	2,500	2,500
Furniture	-	1,000	1,000	1,000	1,000	1,000
Hardware Supplies	4,813	1,000	1,000	1,000	1,000	1,000
Software Lic & Supplies	1,419	-	-	-	-	-
Postage	4,988	2,500	3,636	2,500	2,500	2,500
<b>TOTAL</b>	<b>\$ 21,992</b>	<b>\$ 10,500</b>	<b>\$ 11,636</b>	<b>\$ 10,500</b>	<b>\$ 10,500</b>	<b>\$ 10,500</b>

**Economic Development Division****Function: Planning & Development***Line Item Detail***Agency Primary Fund: General****Purchased Services**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
Stormwater	17,705	500	243	500	500	500
Telephone	2,840	2,500	-	2,500	2,500	2,500
Cellular Telephone	249	300	240	300	300	300
Facility Rental	-	-	204	-	-	-
System & Software Mntc	-	-	1,867	-	-	-
Recruitment	1,795	500	-	500	500	500
Mileage	1,358	500	500	500	500	500
Conferences & Training	14,805	22,500	21,079	22,500	22,500	22,500
Memberships	2,160	2,500	2,500	2,500	2,500	2,500
Storage Services	-	2,500	2,298	2,500	2,500	2,500
Mortgage & Title Services	8,500	12,000	11,220	12,000	12,000	12,000
Management Services	136	4,300	200	4,300	4,300	4,300
Consulting Services	-	10,000	10,000	10,000	17,000	17,000
Advertising Services	11,030	10,000	10,000	10,000	10,000	10,000
Other Services & Expenses	2,815	38,000	8,000	8,000	58,000	58,000
Permits & Licenses	255	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 63,649</b>	<b>\$ 106,100</b>	<b>\$ 68,351</b>	<b>\$ 76,100</b>	<b>\$ 133,100</b>	<b>\$ 133,100</b>

**Inter-Departmental Charges**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
ID Charge From Engineering	59,539	59,539	59,539	89,800	55,395	55,395
ID Charge From Insurance	5,957	4,639	4,639	5,439	5,439	5,439
ID Charge From Workers Comp	1,238	1,237	1,237	1,296	1,296	1,296
<b>TOTAL</b>	<b>\$ 66,734</b>	<b>\$ 65,415</b>	<b>\$ 65,415</b>	<b>\$ 96,535</b>	<b>\$ 62,130</b>	<b>\$ 62,130</b>

**Inter-Departmental Billings**

	2017 Actual	2018 Adopted	2018 Projected	2019 Request	2019 Executive	2019 Adopted
ID Billing To Parking	-	-	-	-	(515)	(515)
ID Billing To Sewer	-	-	-	-	(1,178)	(1,178)
ID Billing To Stormwater	-	-	-	-	(1,619)	(1,619)
ID Billing To Transit	-	-	-	-	(113)	(113)
ID Billing To Water	-	-	-	-	(799)	(799)
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(4,224)</b>	<b>(4,224)</b>

**Economic Development Division**

**Function: Planning & Development**

*Position Summary*

	2018			Request		2019		Adopted	
	CG	FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
BUSINESS DEV SPEC	18	2.00	166,995	2.00	169,494	2.00	175,002	2.00	175,002
CLERK	20	0.60	24,611	0.60	23,371	0.60	24,130	0.60	24,130
COM DEV PROJ MGR	18	1.00	95,991	1.00	96,141	1.00	99,265	1.00	99,265
ECON DEV DIV DIR	21	1.00	117,201	1.00	120,004	1.00	123,905	1.00	123,905
ECON DEV SPEC	18	1.00	78,889	1.00	82,636	1.00	85,321	1.00	85,321
PLANNER	18	1.00	104,928	1.00	105,332	1.00	108,755	1.00	108,755
PROG ASST	17	1.00	57,376	1.00	58,055	1.00	59,942	1.00	59,942
REAL ESTATE AGENT	18	6.00	486,242	6.00	482,438	6.00	498,118	6.00	498,118
REAL ESTATE DEV SPEC	18	1.00	98,443	1.00	98,811	1.00	102,023	1.00	102,023
REAL ESTATE SUPERV	18	1.00	84,609	1.00	105,332	1.00	108,755	1.00	108,755
ST VENDING MONITOR	16	0.50	27,148	0.50	27,787	0.50	28,691	1.00	28,691
STR VENDING COORD	16	1.00	56,705	1.00	58,193	1.00	60,085	1.00	60,085
<b>TOTAL</b>		<b>17.10</b>	<b>\$ 1,399,137</b>	<b>17.10</b>	<b>\$ 1,427,593</b>	<b>17.10</b>	<b>\$ 1,473,990</b>	<b>17.60</b>	<b>\$ 1,473,990</b>

Salary amounts recorded on this page are for total budgeted salaries; this amount may differ from budgeted permanent wages as presented in the Line Item Detail due to payroll allocations to other funding sources (capital projects, grants, etc.) or inter-agency services are not reflected in this summary page.