



Department of Planning & Community & Economic Development

Community Development Division

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Child Care
Community Resources
Community Development Block Grant
Madison Senior Center

To: City County Homeless Issues Committee

From: Linette Rhodes, Community Development Manager

Date: October 7, 2024

Subject: 2025 City Budget Update

The Executive Operating Budget for the City of Madison will be released on October 8th. As of the date of the October City County Homeless Issues Committee the Community Development Division does not have any further updates than as presented as a budget overview in July. We continue to encourage Committee members to find the most current information on the budget process and referendum on Finance's webpage <https://www.cityofmadison.com/finance/budget/2025/outlook>.

Once the Executive Operating Budget is released, presentations will be held on October 14th and 15th at the Finance Committee. The Common Council will begin deliberations on November 12th to finalize both the Capital and Operating Budget.

The Executive Capital Budget was released in September and has been discussed at Finance Committee. The programs supported through the Capital Budget seek to address current inequities that exist in Madison's housing market in a variety of ways and recognizes the need for capital improvements to neighborhood-based facilities and child care centers. Including in the 2025 Executive Capital Budget are the following:

1. Affordable Housing – Development Projects (\$14.5M)

Continues support of the Affordable Housing Fund (AHF), enabling CDD to respond to a broader range of development opportunities that emerge within the City. This work will provide the greatest long-term benefit for the greatest number of people.

2. Affordable Housing – Consumer Lending (\$3,207,000)

Continues support for loan programs designed to help households gain and maintain home ownership (with particular emphasis on reaching households of color) and undertake needed repairs and improvements to existing rental housing stock.

3. Community Facilities Loan (CFL) Program (\$1M)

Continues support for a loan program offered to community partners to help finance non-residential capital improvement projects that provide public benefit.

4. Child Care Capital Access Program (\$250,000)

Continues support for providers of early child care services to help them finance capital improvements that are likely to expand the number of children (from birth to age 5) they are able to serve.

The Mayor's Operating Budget instructions to all City agencies included a request for spending reductions totaling 5% of each agency's authorized general fund totals. For the Community Development Division, that

translates to nearly \$800,000. CDD's submission to the Mayor included reductions totaling about \$650,000 from purchase of services contracts with the balance coming from reduced spending for staffing. Among the \$650,000 purchase of services reductions was more than \$400,000 in contracts related to homeless services, that staff believe will have limited impact on persons experiencing homelessness in our community. The Mayor's decisions regarding possible spending reductions, which would be necessary only if the referendum is unsuccessful, will be revealed on October 8, when she releases her Executive Operating Budget.