

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** December 6, 2017

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Placing a moratorium on the implementation of a new pay-to-park program along the County-controlled streets and parkways along the Milwaukee County lakefront.

**FISCAL EFFECT:**

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| <input type="checkbox"/> No Direct County Fiscal Impact  | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required  | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues     |
| <input type="checkbox"/> Absorbed Within Agency's Budget   | <input type="checkbox"/> Decrease Capital Revenues     |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget   |  |
| <input type="checkbox"/> Decrease Operating Expenditures   | <input type="checkbox"/> Use of contingent funds       |
| <input type="checkbox"/> Increase Operating Revenues   |  |
| <input checked="" type="checkbox"/> Decrease Operating Revenues  |  |

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	(\$765,872)
	Net Cost	\$0	\$765,872
<b>Capital Improvement Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
  - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
  - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
  - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
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- A. Approval of this resolution will establish a moratorium on the 2018 Adopted Budget plan to implement metered parking along the Milwaukee County lakefront including Lincoln Memorial Drive. The moratorium would further apply to all County-controlled streets and parkways adjacent to the lakefront so that they remain free of charge to park. The resolution will also prohibit the installation of infrastructure or equipment that would be used to collect payment for street parking along the lakefront, and directs that the moratorium shall not be lifted without the approval of the County Board of Supervisors.
  - B. Approval of this resolution will not have a fiscal effect in the current year, as the 2017 Adopted Budget did not include any revenues from new metered parking. However, it will create a revenue shortfall of approximately \$ 765,872 for 2018 if the moratorium is in place for the entire year. This data is based on calculations provided by the Department of Administrative Services – Performance Strategy and Budget Office (DAS-PSB). The fiscal impact may be less if the moratorium does not extend through 2018 and opportunities exist to implement metered parking for a portion of the year.
  - C. There are approximately 1,474 total parking spots along the downtown lakefront that the 2018 Adopted budget anticipated for paid parking. Based on a scenario that assumes 750 spots are available along Lincoln Memorial Drive, the projected revenue loss due to the metered parking moratorium outlined in this resolution is approximately \$765,872. This amount would result in a total revenue reduction of \$765,872 if parking along Lincoln Memorial Drive remains free of charge in 2018.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

D. The 2018 Adopted Budget included \$1,662,000 in projected parking revenue for the Department of Parks, Recreation, and Culture (DPRC), which included the lakefront parking. This resolution would reduce the revenues in the DPRC by \$765,872, and the department will need to take corrective actions to live within its budgeted appropriations. This fiscal note assumes that a moratorium on paid parking at the lakefront would be in place for entirety of 2018, which is based on revenue projections for a full year. Expenses related to the implementation of paid parking were not included in any 2018 budget appropriations, however revenue from enforcement measures, such as parking ticket issuances, was also not included in the budget.

The revenue loss was based on the following assumptions made by DAS-PSB in the 2018 Recommended and Adopted Budgets: 750 potential parking spaces along Lincoln Memorial Drive at \$1.50/hour for 313 days for ten hours per day. For two-thirds of the year, occupancy rates would be assumed at 30%. For 1/3 of the year (Winter), the occupancy rates are assumed to be 5 percent.

Department/Prepared By Jessica Janz-McKnight, Research and Policy Analyst, Office of the Comptroller

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required

