

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: June 15, 2018

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization to enter into a Lease Agreement with the Urban Ecology Center to enable a long-term project in Washington Park.

FISCAL EFFECT:

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

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.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	(\$18,000)
	Revenue	0	\$2,000,000
	Net Cost	0	(\$2,018,000)

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. ¹ 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.
- A. The Parks Department proposes to enter into a lease and agreement to redevelop the Washington Park boat house with the Urban Ecology Center. This project would shift all operational expenses to the Urban Ecology Center (\$18,000 per year), reduce deferred maintenance to the Parks Department with regard to the assets included in the project (\$1,836,433), and result in new improvements funded for Parks that were otherwise included in the capital budget.
- B. Under this proposal, Parks would receive \$2,000,000 in new capital improvements to be fundraised by the Urban Ecology Center, in collaboration with the County. The estimate cost of these improvements includes a new parking lot (\$600,000), sidewalks (\$150,000), lighting (\$150,000), public restrooms (\$400,000), pedestrian bridges in the lagoon (\$400,000), and an ecological renewal of the lagoon (\$300,000).
- C. No impact in the current year as it is anticipated that the project would not begin fundraising and construction until 2019 and 2020. If the transaction closes, Milwaukee County would shift the operational expenses of the boat house to the Urban Ecology Center.
- D. Cost estimation for the new improvements was made with assumptions based upon similar County projects and the capital improvement plan, deferred maintenance expenses are based upon best information available through the County's VFA system, operating expenses are based upon real costs of operating the park and boat house.

Department/Prepared By Jim Tarantino, Director of Recreation and Business Services

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

¹ 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.