

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: April 2, 2015

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution/ordinance amending County Ordinance 4.05.01 by eliminating the cap for the number of taxicab permits at the General Mitchell International Airport, creating new classes of taxicab permits, establishing the duration for new taxicab permits at GMIA to a three-year period; and limiting the number of permits held by any individual owner or operator.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input checked="" 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 type="checkbox"/> Decrease Operating Expenditures
<input checked="" type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input 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	\$10,000	\$7,500
	Net Cost	(\$10,000)	(\$7,500)
Capital Improvement Budget	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.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. Approval of this resolution will eliminate the cap for the number of taxicab permits at the General Mitchell International Airport (GMIA), create new classes of taxicab permits, establish the duration for new taxicab permits at GMIA to a three-year period; and limit the number of permits held by any individual owner or operator.
- B. Approval of this resolution will create additional operating revenue for the GMIA through the issuance of new taxicab permits. For each permit holder, GMIA will receive \$200 in revenue (\$125 for the permit, \$25 for an airport driver's permit, \$50 application fee). The new permit revenue cannot be accurately estimated because it is hard to predict the number of licensed metered taxicabs that will apply for the permit. The City reports that it has issued 804 licensed taxicabs, but was unable to differentiate between metered and transportation network company taxicabs. The City of Franklin also issues permits, but no operator has renewed a license for 2015. Considering that the pool of eligible and likely taxicab permits applicants will be the 804 licensed operators in the City of Milwaukee, the 2015 revenue will not exceed \$160,800. In 2016, Class A permit holders will not need to renew their permits, thus the potential revenue will not exceed \$123,100.

Allowing new taxicabs to obtain airport permits will require GMIA to process additional permit paperwork and may require GMIA staff to perform more inspections. Existing staff time will be used to meet the increased demand for taxicab inspections and permit processing.

Approval of this resolution may create new expenses for GMIA. If there is strong demand for the new permit and many taxicabs go to GMIA for fares, the roadways and staging

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.

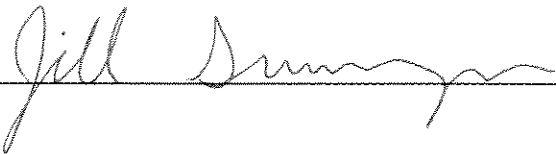
² Community Business Development Partners' review is required on all professional service and public work construction contracts.

areas for GMIA may become congested and create a safety risk. GMIA may need to mitigate this congestion by building secondary lots for waiting taxicabs or create a notification system to alert drivers to available fares. Since the demand for the permit is unknown and GMIA does not have a current plan to control taxicab overflow, the costs at this time cannot be estimated.

- C. There is no tax levy impact.
- D. The fiscal note assumes that GMIA will receive 50 applications for Class A permits in 2015. This assumption doubles the current number of eligible taxicab operators for GMIA and slightly exceeds GMIA's current staging area capacity for taxicabs. It is difficult to predict the number of applicants for the new permit, but the permit revenue will not exceed \$160,800 in 2015.

Department/Prepared By Jill Suurmeyer, Research and Policy Analyst, Office of the Comptroller

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No

Did CBDP Review?²

Yes

No

Not Required