



## Fiscal Estimate Narratives

SHS 9/23/2003

LRB Number	<b>03-2446/2</b>	Introduction Number	<b>AB-499</b>	Estimate Type	<b>Corrected</b>
<b>Subject</b>					
Historic buildings and downtown development					

### Assumptions Used in Arriving at Fiscal Estimate

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„h Increased revenues from fees for certification of historic, commercial properties are estimated to be \$155,000. These fees are based on 1% of the rehabilitation costs up to a maximum of \$10,000 fee per project. Fees for review of historic, residential projects are estimated at \$150 per project for 200 projects for a total of \$30,000. New paperwork will be generated by charging and collecting fees requiring a 20% Program Assistant 2 LTE at \$11.345 per hour and a 10% fringe rate.

„h Fees generated by certification of historic building rehabilitation projects will help replace a portion of dollars lost at the federal and state levels during the past two years and will allow the program to continue to provide review for historic rehab projects. These fees will not cover the additional cost of reviewing buildings that are not certified historic structures.

„h We estimate that 100 Wisconsin downtowns will be certified by the Department of Commerce including 40 current and former Main Street communities. Furthermore, we estimate that each of these downtowns will generate an average of one project per year generating 100 projects per year (50 large and 50 medium) generating the need for 2 additional Preservation Architects (Senior) at \$22.588 per hour, 40% fringe for a permanent staff person. (We estimate that one architect can coordinate 35 large projects OR 90 medium OR 150 small projects in one year).

„h We estimate that the certified downtowns will generate 25 applications per year for tax credits on owner-occupied buildings that are not certified historic structures. These projects will generate the workload of a 17% FTE LTE Preservation Architect and a 10% fringe rate.

„h Providing opinions on the 165 anticipated building code appeals per year @ 12 hours per appeal. (1,980 hours or 95% of a Preservation Architect Senior 14-47 at \$22.588) plus a 40% fringe rate for permanent Preservation Architect

„h 70 hours (3% FTE LTE) for preparation of the Rural Preservation pamphlet, presentations, and articles for Commerce. (Preservation Architect LTE (14-46) at \$16.472) 10% LTE fringe rate.

„h To manage rural historic building survey: 100 hours (5% FTE LTE) to develop, prepare the RFP, review, supervise, and coordinate contract employees (Grants Specialist LTE) at \$14.967) 10% fringe rate for LTE

#### Long-Range Fiscal Implications

„h Continuing annual costs.

AMENDMENT NOTE: Amendment impacts fiscal estimate significantly as follows:

#### Amendment changes:

„h Amendment increases tax credits for rehabilitation of historic buildings in downtowns.

„h Amendment eliminates tax credits for rehabilitation of non-historic buildings

#### Bill vs. Amended Bill:

„h The number of tax credit projects involving historic buildings will increase by 27 (2 very large, 20 large, and 5 small)

„h The number of tax credit projects involving non-historic buildings will be 0

- „h The fees generated by the increase in the number of projects will increase
- „h The time/dollars needed for charging and collecting fees will increase very slightly
- „h The additional staff needed to work on tax credit projects will decrease

Change in fiscal estimate, Bill vs. Amended Bill:

- „h FTE positions needed decreases from 2.95 FTE to 1.7 FTE
- „h GPR needed decreases by \$146,300 (\$287,100 to \$140,800)
- „h Net Change in Costs decreases by \$89,300 (\$287,100 to \$197,800)
- „h Net Change in Revenue increases by \$120,750 (\$185,000 to \$305,750)

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>03-2446/2</b>		Introduction Number <b>AB-499</b>	
<b>Subject</b>			
Historic buildings and downtown development			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$212,100	
(FTE Position Changes)		(3.0 FTE)	
State Operations - Other Costs		75,000	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$287,100</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		287,100	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS (185,000)		185,000	
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$185,000</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$287,100	\$
NET CHANGE IN REVENUE		\$185,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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