

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-4295/1	Introduction Number SB-514
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Subject
 Historic buildings; certified downtowns; highway projects

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input checked="" type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DOT/ Dennis Leong (608) 266-9910	Authorized Signature Carol Buckmaster (608) 267-6979	Date 3/12/2004
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Fiscal Estimate Narratives

DOT 3/12/2004

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Subject		
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Assumptions Used in Arriving at Fiscal Estimate

Downtown Development: Fiscal Impacts

Assumptions

1. This Bill requires DOT to consult with State Main Street communities and other certified downtowns recognized by the Department of Commerce when a highway improvement project will have an impact on the downtown area. DOT must give priority to retaining the on-street parking when a highway project widens the streets for through traffic in the downtown area.

(Assumption: The public outreach requirement for the DOT to contact communities impacted by construction of highway projects in the downtown area will not likely result in additional hours or costs on the District staff. As a matter of practice, District project managers and their contractors meet regularly with local officials and residents in advance of upcoming transportation projects. District staff helps the local communities develop and provide alternative access to downtown businesses. Discussions and actions are taken to mitigate project impacts to the communities. Discussions and negotiations regarding the retention of on-street parking can be included in these pre-project District outreach meetings.)

2. This Bill requires DOT to pay for the resurfacing and rehabilitation of parking lanes when the Department is making improvements to the travel lanes for Main Street and certified communities under the Department of Commerce.

(Assumption: There are currently 24 out of 34 Main Street communities in the Department of Commerce program that have state highways passing through the central business districts. In the Department's Six-Year Highway Improvement Plan (2002-2007), it is estimated that 10 Main Street communities could have construction projects in the downtown area. The Department of Commerce estimated another six downtown business districts that might seek certification within the next 2-6 years. This certification process would qualify these six (or more) communities for parking lane resurfacing or reconstruction costs from DOT. The parking lanes associated with the boundaries of the main street business district along a state highway varies between 8-14 blocks in length.)

Fiscal impact analysis is based on the following two scenarios:

A. Assuming 10 Main Street communities and 6 additional certified business districts qualify for resurfacing and reconstruction for 8 blocks of parking lanes for years 2002-2007.

Resurfacing (asphalt) for 16 downtown districts @ 8 blocks per district = \$704,000

Reconstruct (asphalt) 16 downtown districts @ 8 blocks per district = \$985,600

Reconstruct (concrete) 16 downtown districts @ 8 blocks per district = \$1,267,200

B. Assuming 10 Main Street communities and 6 additional certified business districts qualify for resurfacing and reconstruction for 14 blocks of parking lanes for years 2002-2007.

Resurfacing (asphalt) for 16 downtown districts @ 14 blocks per district = \$1,078,000

Reconstruct (asphalt) 16 downtown districts @ 14 blocks per district = \$1,509,200

Reconstruct (concrete) 16 downtown districts @ 14 blocks per district = \$1,940,400

NOTE: DOT discourages parking on state trunk highways for safety reasons. Under current DOT policy, if a community wants parallel parking along the State Trunk Highway within their municipal boundaries; the municipality must pay for the parking per State Statute 86.32(4) and agree to maintain those parking lanes. Parking lanes are a direct benefit to the businesses in the community and hence, the DOT's rationale for having the community pay for the repair and maintenance of these parking lanes. By having DOT pay for parking lanes for some communities and not others, this creates an inequitable situation between the Main Street and certified business district status verses non-certified and non- Main Street communities.

3. The Bill requires the DOT to design and construct an "active bypass" for any of the current six highway majors bypass projects when the local governing body of a city, village, or town adopts a resolution requesting such an action. "Active bypass" is defined in the Bill as a bypass of an existing highway that is designed and constructed so that access to the bypass requires motorists to exit the existing highway in order to travel on the bypass. The following six highway major bypasses currently listed in the program are: Beloit, Burlington, Eau Claire, Fond du Lac, Oconomowoc and Whitewater. DOT highway design engineers have recommended a type of directional intersection or interchange to safely accomplish the intent of an "active bypass".

(Assumptions: The design was based on the concept of a directional split, similar to the interchange in Tomah where I-90 and I-94 splits into two interstate highways. This scenario gives the drivers time to make a decision to merge into the lanes that would either take them into the community or choose the route that would bypass the community. This scenario may require more right-of-way in order to construct the additional lanes, transitional lanes, and additional signage needed to inform drivers well in advance of the directional split. In order to maintain driver expectancy and consistency, that is, keeping the through lanes on the left and lanes leaving the main roadway to the right, it would be necessary to construct three bridges or structures for the two active bypasses at each end of the bypassed community.

Directional Split or Major Fork at both ends of the community - \$11,083,335
(includes three bridges to accommodate right exits from the main highway in order to address driver expectancy concerns)

Regular diamond interchanges at both ends of the community - \$8,680,392

Cost difference between active and regular bypass interchanges - \$2,402,942

It would cost at least \$2.4 million more to construct an active bypass provided that no other improvement is considered under this scenario. It is possible that an active bypass may have additional interchanges to allow for additional access from the highway, which add back the cost for interchanges. For the purpose of this analysis, the additional cost impact per year may be \$2.4 million per bypass community if the DOT would to construct one new active bypass per year.

Long-Range Fiscal Implications

Long-Range Fiscal Implications

The Bill authorizes the Department of Commerce to certify downtown business districts. Upon certification, these business districts will be qualified to receive DOT assistance to resurface and reconstruct parking lanes. The long-range fiscal implications are based upon how many of these business districts will become certified in the future. It is possible that every community where a highway project runs through the downtown business district will ask to be certified and thus qualify for parking lane improvements. This will likely add 2-3 times the number of communities that will be eligible for parking lane improvements in the next six-year highway improvement plan. Estimated impact for the next Six-Year Highway Improvement Plan (2008-2014) ranges between \$2-6 million

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$2-6 million increased cost to state over 6 year program period (average \$1 million per year) for parking lanes and \$2.4 per year for the design and construction of one active bypass per year.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes (FTE Position Changes)	\$	
State Operations - Other Costs	3,400,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$3,400,000 \$	
B. State Costs by Source of Funds		
GPR		
FED	2,720,000	
PRO/PRS	680,000	
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$3,400,000	\$-200,000
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
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Carol Buckmaster (608) 267-6979		
Date		
3/12/2004		