

Fiscal Estimate Narratives
DOT 12/19/2007

LRB Number 07-1222/4	Introduction Number AB-0599	Estimate Type Original
Description The regulation, preservation, and restoration of historic buildings; the supplement to the federal historic rehabilitation tax credit and the state historic rehabilitation tax credit; requiring the certification of downtowns; promoting certain downtown areas in this state; highway projects involving business and downtown areas; and granting rule-making authority; and making appropriations		

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 331 imposes three requirements for WisDOT:

1. During the preliminary phases of a proposed highway project funded by the DOT, the agency is required to consult with existing communities under the State Main Street Program and other downtowns certified by the Wisconsin Department of Commerce as to the effects of the project on the business or certified downtown area.

No fiscal impact. (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 regional staff. As a matter of practice, the regional project managers and their contractors meet regularly with local officials and residents in advance of upcoming transportation projects. Regional 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.)

2. Allows State and certified Main Street by the Department of Commerce to erect awning and other signage that projects from a building over a sidewalk provided the awning or signage does not encroach upon the travel portion of the highway and that the signage provides adequate clearance for equipment used to maintain or clear the sidewalks of snow or debris.

Fiscal impacts to DOT include potential damage and personal injury claims from signs or awnings in the right-of-way. The proposed legislation cedes limited use of the state acquired interest in the right-of-way to private businesses. The right-of-way of the DOT often extends beyond the travel lanes of the highway to include parking lanes, sidewalks and other property adjacent to buildings. The purpose of the extended right-of-way is to provide the needed space for the safety, maintenance and repair of the roadway. Currently, signs and awnings within the right-of-way are required to apply for a revocable occupancy permit as a means to clarify the nature and status of the encroachment. If the proposed legislation continues the current policy for the property owners to apply for and be granted a revocable occupancy permit for these signs and awnings, this provides the liability protection for the Department.

3. During the concept definition phase of a highway project, DOT is directed to recognize the high visual and aesthetic significance of, and impact related to, these types of highway projects (intent of the provision directs DOT to recognize impacts for the existing and certified main street communities by the Department of Commerce).

This fiscal estimate assumes that 14 Main Street communities (8 existing Main Street communities and 6 certified by the Wisconsin Department of Commerce) would be eligible for funds related to the improvement of visual and aesthetics in the next six-year highway improvement program. Under the DOT's Community Sensitive Design initiative, 5% of the total project cost could be allocated to enhance the visual and aesthetics of the downtown business district. The exact amount of the award is based upon the discretion of the DOT manager of the highway project. These projects might include decorative lighting, landscaping, planting, bicycle and pedestrian facilities, park benches, banners and signage.

For the purposes of this fiscal analysis, a four block urban main street district would be reconstructed at a cost of \$3 million. The Community Sensitive Design (CSD) initiative allows for a maximum of 5% or \$150,000 towards community enhancement projects.

Six Year Fiscal Estimate: 14 communities x \$150,000 = \$2.1 million

Annual Fiscal Estimate: \$345,000

Long-Range Fiscal Implications

As more downtown main street communities are aware of the potential funding available under the DOT's Community Sensitive Design initiative, more communities will likely seek certification by the Wisconsin Department of Commerce to access these funds.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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		345,000	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$345,000	\$
B. State Costs by Source of Funds			
GPR			
FED		345,000	
PRO/PRS			
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		\$345,000	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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