

| DEPARTMENT(S) | EFFECT | | |
|----------------------|--------|----------|-------------------------|
| | BUDGET | TAX LEVY | TAX RATE PER \$1,000 |
| DPW – INFRASTRUCTURE | \$+0 | \$+0 | \$+0.000 |

AMENDMENT INTENT

This amendment will add \$500,000 to DPW-Infrastructure Services to offset the reduction in special assessment revenue for traffic-calming installations.

The amendment is funded by reallocating \$500,000 of ARPA funds allocated to DPW-Infrastructure Services for signage related to speed reduction.

The amendment assumes using ARPA funds to fund additional traffic-calming expenses in 2023. This will require separate legislation to be adopted by the Common Council allocating ARPA funds for that specific purpose. If separate legislation is not adopted to allocate ARPA funds for these expenses, the additional expenses will be eliminated in 2023.

BACKGROUND

1. The cost of installing traffic-calming features such as speed humps is paid primarily by property owners through special assessment charges. The special assessment rate for traffic calming improvements is established by City ordinance.
2. Common Council File Number 210828, adopted on December 14, 2021 reduced the cost recovery rate for traffic calming projects from 90% of construction and installation costs to 33%. The change in the recovery rate reduced the special assessment rate for speed humps from \$6.50 per linear frontage foot to \$2.00 per linear frontage foot.
3. In September, 2021, the Common Council adopted File Number 210745, allocating funds to the Department of Public Works – Infrastructure Division for a Reckless Driving Initiative as set forth in the City of Milwaukee Stronger Summer Plan. The plan included \$1.2 million for improvements related to speed limit reduction.
4. Common Council action is required to alter speed limits in the City.

DISCUSSION

1. The amendment adds \$500,000 in the DPW-Infrastructure budget for traffic-calming installations. The funding is intended to offset the on-going loss of special

assessment revenue that resulted when the Council reduced the cost recovery rate for traffic-calming projects in 2021.

2. Common Council File Number 220512, which is in committee, proposes to return the cost recovery rate to 90%. If the file passes, the recovery rate will be restored to 90%, and the special assessment rate will increase, eliminating the lost revenue.
3. ARPA funds cannot be reprogrammed through the budget process. A separate resolution will be required.
4. A portion of the funding for speed limit reduction was for the replacement of speed limit signs to reflect lowered speed limits. The Council has not yet taken any action to reduce speed limits.

EFFECT

1. The budget effect of this amendment is \$0.
2. The tax-levy effect of this amendment is \$0, for a tax-rate impact of \$0 per \$1,000 assessed valuation.

Prepared by: Kathleen Brengosz
Legislative Reference Bureau
Revised: November 3, 2022