

**LRB - FISCAL SECTION ANALYSIS**

**SEPTEMBER 11, 2002**

**ITEM 1, FILE 020731**

**PUBLIC IMPROVEMENTS COMMITTEE**

**JAMES CARROLL**

File #020731 is a communication from the Infrastructure Services Division transmitting the 2003 Assessment Rate Report.

**Background**

1. S. 115-43 of the Milwaukee Code requires the Commissioner of Public Works to annually present updated assessment rate changes to the Common Council in September for information purposes for implementation. The rates are updated based on prior years actual cost experience.
2. The 2001 Adopted Budget included a significant increase in special assessment rates for assessable improvements which increased assessable improvement revenues realized by the city. Two resolutions, one adopted in 1976, the second amending the first in 1977, specify a minimum recovery ratio, based on prior years actual cost experience. For example, for reconstruction projects, a 70 % ratio is specified for sidewalks, and 90% for alleys. The 2001 Budget included design, engineering and indirect costs for the first time with respect to calculation of improvement costs (previously only construction costs were considered). At the time the 2001 Budget was adopted these 2 resolutions were codified as s. 115-43 of the Milwaukee Code.

**Discussion**

1. The cost of assessable improvement levied on a property owner in 2003 is shown in the table below.

<b>IMPACT OF SPECIAL ASSESSMENTS ON RESIDENTIAL HOMEOWNER (40 Foot Lot)</b>				
<b>RECONSTRUCTION/RESURFACING</b>				
<u>PROJECTS</u>	<u>CURRENT 2002 ASSESSMENT FEE</u>	<u>PROPOSED 2003 RATE</u>	<u>CHANGE 2002-2003</u>	<u>% CHANGE 2002-2003</u>
7" CONCRETE PAVEMENT	\$3,530	\$2,905	(\$625)	-17.71%
ASPHALT SURFACING ON CONCRETE	\$1,755	\$1,355	(\$400)	-22.79%
ASPHALT OVERLAY	\$680	\$640	(\$40)	-5.88%
CONCRETE ALLEY	\$2,200	\$2,200	\$0	0.00%
ASPHALT ALLEY	\$840	\$840	\$0	0.00%
SIDEWALK REPLACEMENT	\$900	\$900	\$0	0.00%
WALK/DRIVEWAY	\$840	\$840	\$0	0.00%

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