

SPONSOR(S): ALD. MURPHY, KOVAC

AMENDMENT 15B

DEPARTMENT	BUDGET EFFECT	TAX LEVY EFFECT	TAX RATE EFFECT PER \$1,000
PARKING FUND	\$0	\$-175,000*	\$-0.007*

*Provided the revenue is recognized by the Comptroller.

AMENDMENT INTENT

Eliminate \$175,000 payment for the BMO-Harris Bradley Center by reducing funding in the Parking Fund's Professional Services account by \$175,000. Increase the Parking Fund transfer to General Fund by an equivalent amount.

BACKGROUND

1. The 2014 Adopted Budget first provided \$175,000 in funding to the BMO-Harris Bradley Center for maintenance of the facility. As indicated by the Administration during 2014 budget deliberations, it is anticipated that a total of \$875,000 in funding will be allocated for this purpose in equal payments of \$175,000 over 5 years. It was indicated that the original request by the BMO-Harris Bradley Center was for \$350,000 annually.
2. The DOA-BMD estimated in 2013 that events at the BMO-Harris Bradley Center annually generate \$300,000 to \$500,000 in parking revenues for the 4th & Highland parking garage.
3. The Bradley Center first opened on October 1, 1988, and is now considered an unacceptable venue by the National Basketball Association (NBA) because of its small size and lack of amenities.

DISCUSSION

1. The \$175,000 from the Parking Fund's Professional Services account represents the payment from the City to the BMO-Harris Bradley Center to help offset capital costs at that facility. The first annual payment of a 5 year commitment was made in 2014.
2. The deferred capital maintenance at the facility has been estimated to be between \$25 million and \$35 million.
3. The NBA has set a deadline for the construction of a new arena if the Milwaukee Bucks professional basketball team is to remain in Milwaukee. Recent discussions regarding potential sites for the new arena potentially include the demolition of the BMO-Harris Bradley Center.
4. The new owners of the Milwaukee Bucks have publicly stated that they hope to have a site selected by mid-December 2014.

5. This amendment will increase the Parking Fund transfer to the General Fund by \$175,000.
6. Notwithstanding this amendment, the amount of the 2015 Transfer to the General Fund is \$17 million, down \$425,000 (2.5%) from 2014.
7. The annual average amount transferred to the General Fund from the Parking Fund from 2009 to 2013 is \$20.4 million.

EFFECT

1. The total budget effect of this amendment is \$0.
2. Provided the revenue is recognized by the Comptroller, the tax-levy effect of this amendment is \$-175,000, for a tax-rate effect of \$-0.007

Prepared by: Kathleen Brengosz/Richard Pfaff
Legislative Reference Bureau
November 5, 2014

OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2015 PROPOSED BUDGET

By Ald. Murphy, Kovac

PARKING FUND

Reduce funding for the Parking Fund's Professional Services account by \$175,000 and increase the Parking Fund transfer to the General Fund by \$175,000. This amendment will require revenue recognition by the Comptroller. If revenue fails to be recognized, the tax levy effect of this amendment will be as stated. If revenue is recognized, the amendment will reduce the tax levy by \$175,000.

<u>BUDGET</u>	<u>TAX LEVY</u>	<u>TAX RATE EFFECT</u>
<u>EFFECT</u>	<u>EFFECT</u>	<u>(PER \$1,000 A.V.)</u>

Parking Fund Budget

\$+0	\$-175,000	\$-0.007
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BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2015 POSITIONS OR UNITS COLUMN		CHANGE IN 2015 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.G.1. BUDGET FOR PARKING				
	OPERATING & MAINTENANCE EXPENSES				
	OPERATING EXPENDITURES				
480.4-2	Professional Services			\$6,800,000	\$-175,000
480.6-2	TRANSFER TO GENERAL FUND	--	--	\$17,000,000	\$+175,000

