



REALTORS® Association of South Central Wisconsin, Inc.

The Voice for Real Estate in South Central Wisconsin Since 1914

To: Mayor Paul Soglin
Members, Madison Common Council
From: Phil Salkin, Government Affairs Director
REALTORS® Association of South Central Wisconsin
Date: October 2nd, 2014
RE: File 35038 – Creating Section 4.095 – Establishing an Urban Forestry Special Charge

Dear Mayor Soglin and Members of the Madison Common Council:

This memo is to express our concern with the proposed new urban forestry special charge. We understand that the proposal is the result of a review of potential sources of additional revenue for the city. We understand the challenges that Madison faces in providing quality services within the restrictions of the state revenue caps. As an Association concerned with real estate and homeownership, we appreciate the importance of quality services and that they have to be funded. However, we also appreciate the impact of increasing taxes and fees on the ability of people to afford homeownership in Madison.

Our concerns with the proposed ordinance are as follows:

Lack of Outreach:

The ordinance is based on the recommendation of the ad hoc committee which produced the “Alternative Revenue and the City of Madison Proposal for an Urban Forestry Charge.” The document is dated August, 2014 and was introduced and assigned to committees by later that month. There is no indication that there was any outreach to groups, such as our Association, with an interest in real estate and the impact of taxes and fees on property owners. As with other issues such as energy bench-marking and the fire sprinkler ordinance, this lack of outreach has caused problems and those proposed ordinances have been delayed until stakeholder groups could be formed.

We have appreciated the opportunity to address the ordinance in several committees. However, a 3-5 minute testimony is not a substitute for a substantial discussion with other interested parties. Such discussions, with different points of view represented, can produce useful information and ideas to the benefit of all. We believe that our Association has a record of working cooperatively with the city of Madison and would enter into any discussions with a spirit of cooperation.



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Lack of Specificity:

We understand that File 35038 is a piece of enabling legislation and that the details would be presented in a later resolution. This, however, poses a significant problem. The proposed ordinance states in 4.095 (4) that "The City Forester shall prepare an urban forestry special charge policy that establishes the method calculating and apportioning the charge." Thus, there is no specific information on how the fee will be determined and administered.

The "Alternative Revenue and the City of Madison Proposal for an Urban Forestry Charge" does provide various models for how the fee would be apportioned. We understand that there may be a preference to assessing the fee based on linear feet of frontage. However, other models have been presented, at least one not in the document. We believe that even if the details will be included in a subsequent resolution, they should be determined and presented to the public prior to the adoption of the enabling legislation: how will the charge be assessed, who will pay it and approximately how much. Further, the public should understand whether the fee might result in a decrease in the overall levy, or whether some or all of the resulting cap space will be spent on other services.

Precedent:

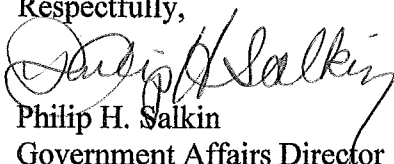
Finally, we believe that there needs to be a more public conversation as to whether the city's policy will be to move other services from the levy to fees. Whether a tax, or a fee, this may (and probably will) result in an increase in the cost of owning a home or business in Madison. Any additional burden will negatively impact economic development and the residential housing market (which provides about 70% of the municipal tax base). Specifically it will impact senior citizens on fixed incomes and young families hoping to become Madison homeowners.

Request:

We are asking the city to delay this ordinance until a stakeholders' group has been formed and allowed to meet. Hopefully, this group can offer recommendations as to whether the city should assess an urban forestry fee and if so, how it can be implemented so the city receives the maximum benefit with the least impact on property owners.

As always, we stand ready to work with the city in a productive manner to address this issue.

Respectfully,



Philip H. Salkin

Government Affairs Director

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