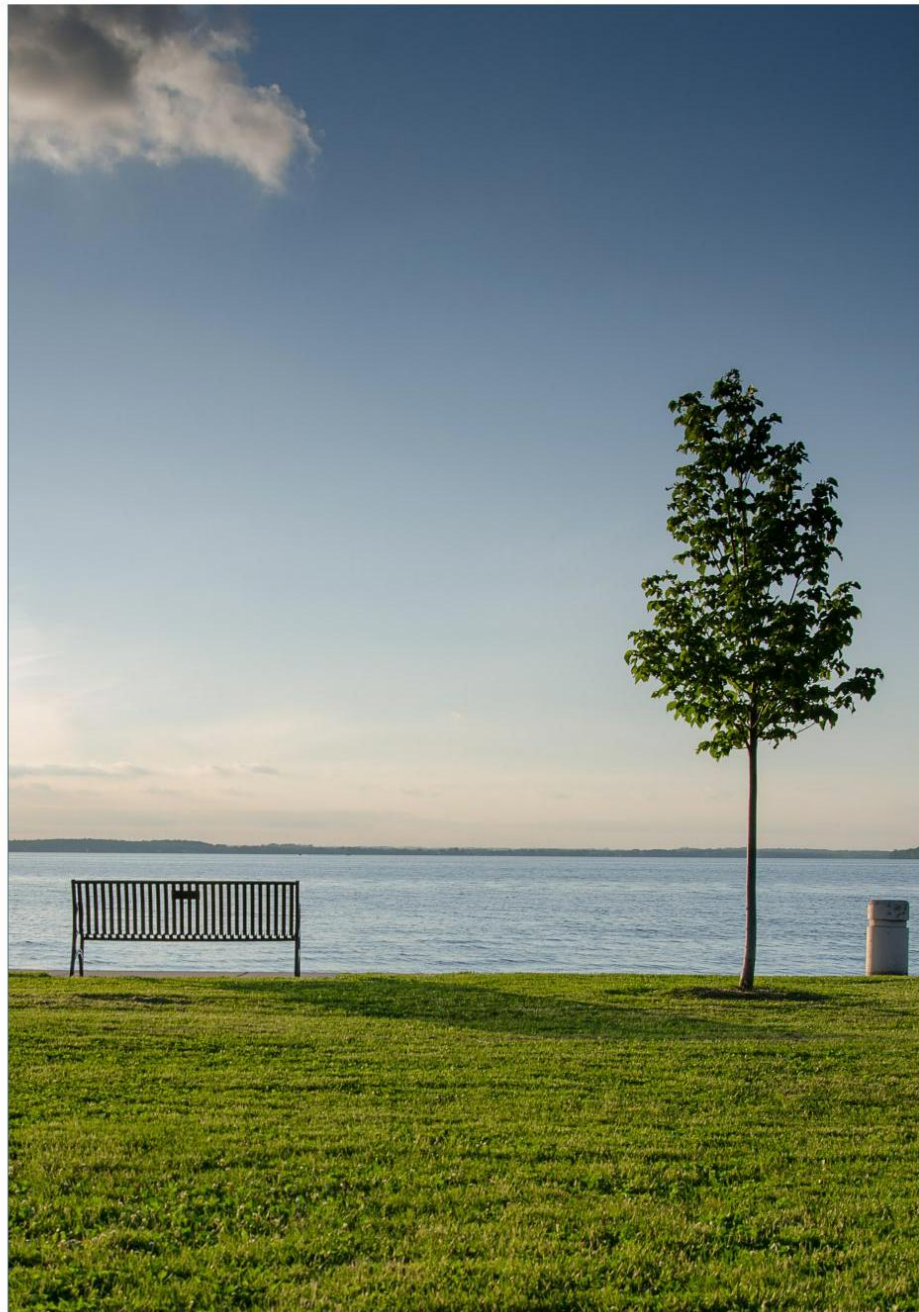


City of Madison

2017 Capital Improvement Plan



Executive Budget:
Summary



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For Immediate Release

2017 Executive Capital Budget Mayor Paul Soglin

Recently, *Governing Magazine* published the Angelou Economics Community Progress Index, to look beyond basic views of rankings and try to identify measures that capture the entire human experience in a city. Madison was at the top of the list, ahead of Seattle, San Francisco, Austin and Portland. After sifting through measures of health and wellness; education and opportunity; sustainability; economic vitality; and environmental responsibility, Madison had the highest overall score. This comprehensive recognition is both validating and challenging – it says we are prudent and forward-thinking. We have worked hard to find balance and create a great place to live, work and play. The challenge is to continue to improve, to ensure that all residents are successful, and to do it in a financially responsible and affordable way.

The 2017 Executive Capital Budget and 2018-2022 Capital Improvement Plan [CIP] reflects the continuing need to replace aging infrastructure while investing limited financial resources in affordable housing, economic growth, and services to the City's diverse population. The increasing capital investment needs have been identified in previous capital improvement plans and are coming due over the next five years.

Agency requests for new general obligation borrowing for 2017 totaled over \$127 million, consistent with my goal of limiting the capital budget to already planned amounts. Nevertheless, even with the hard work of City agencies to reprioritize projects, keeping the property tax as affordable as possible meant reducing these requests by over \$20 million with a focus on a few key criteria – projects that are in or near the construction phase, projects that are using federal matching funds, critical infrastructure rehabilitation needs, and investments in improving racial equity and social justice in allocation of City resources. Many projects have to be rescheduled or delayed, including public safety facilities and reconstruction of Monroe Street. These projects are important, but must be balanced against all City priorities, including the debt service impacts on the overall City budget.

We continually strive to make Madison a place where all can live, work, and play. The 2017 executive capital budget makes investments toward that vision in four key theme areas:

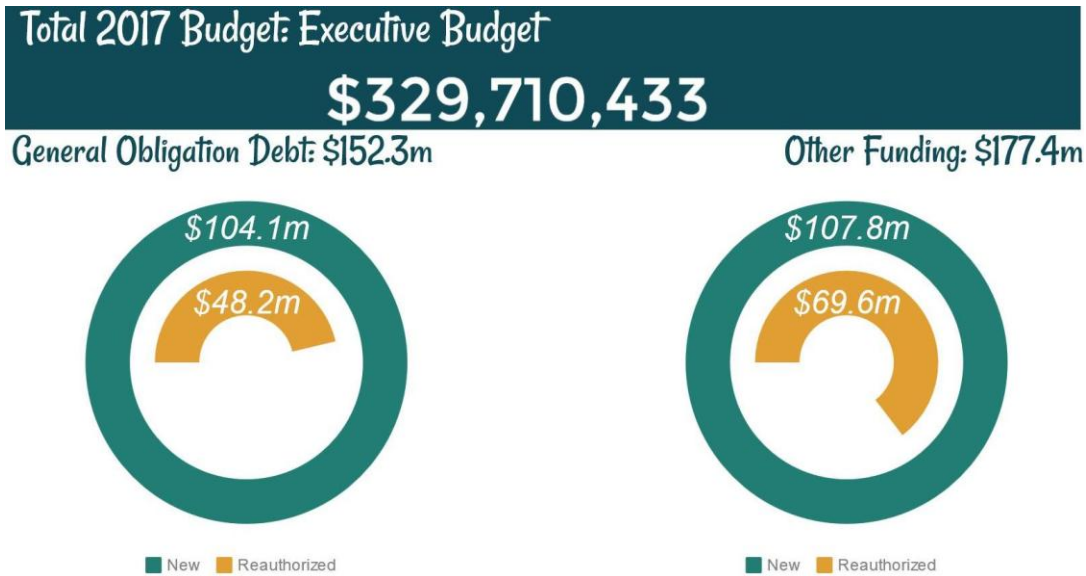
Affordability – balancing the need for prudent investments to continue key services in a growing City and replace aging infrastructure within the limitations placed on City revenues, while ensuring a reasonable rate of growth in property taxes.

Livability – investing in our parks, bike paths, and sustainability efforts to help preserve and promote Madison's quality of life.

Equity – working toward our City’s central goal of upward mobility for all through focused investments in libraries, transit, affordable housing, public housing, and food access.

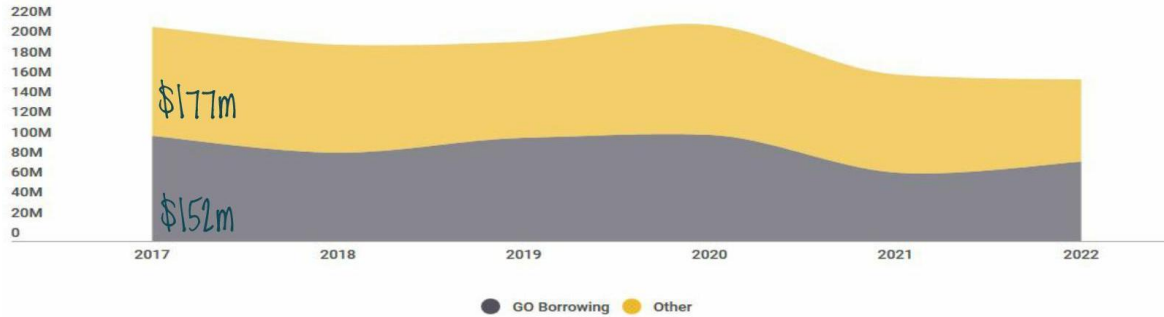
Jobs – ensuring efficient transportation facilities and a diverse economy in support of job creation and retention and a strong local and regional economy.

These investments will increase the annual funding level for capital projects over the next few years. The executive capital budget includes the following overall amounts for 2017. Additional funding information can be found in the attached tables and graphs.

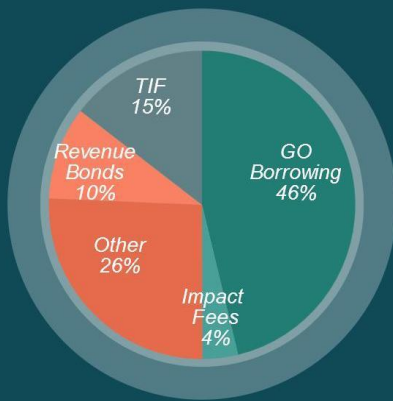


2017 CIP: By the Numbers

2017 CIP by the Numbers

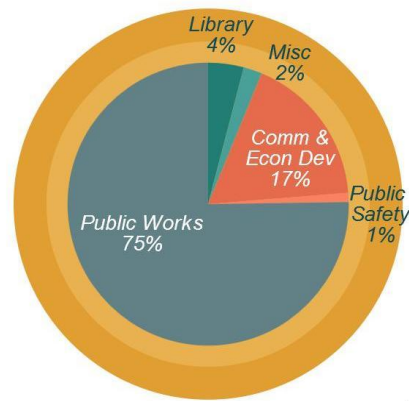


Where the Money Comes From

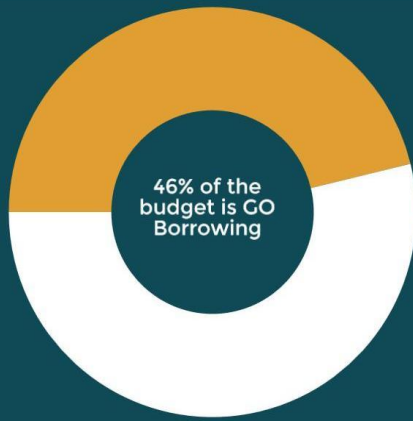


56% of the recommended funding will continue projects currently underway

How the Money is Spent



The 2017 CIP provides funding for 195 capital projects slated for 2017



\$329,710,433
will be invested in Madison's infrastructure

GO Borrowing is repaid through annual debt service that is part of the property tax levy

2017 CIP: Strategic Investments

The Executive Budget seeks to strike a balance between making strategic investments in Madison's infrastructure in a manner that is affordable over the long-term.

the 2017 Executive CIP makes Strategic Investments to ensure Madison a place for all to Live, Work, and Play

Livability

Investments in parks, bike paths, & sustainability to promote Madison's quality of life



\$8m

invested in bike paths; spread across 4 trails



\$11m

invested in Madison's parks; including improvements to Olbrich & a new downtown park



\$30m

invested in updating Madison's roads

Equity

Investments to ensure the Madison of the future is one where all residents live in an environment that fosters upward mobility



\$2.0m

for the Bridge Lake Point Neighborhood Center



\$10.0m

to build a new Pinney Branch Library



\$31.0m

for Affordable Housing over the next 5 years

Affordability

Strikes a balance with the need for prudent investments while ensuring a reasonable property tax level



\$20m

The Executive Budget reduces agency requests by over \$20m



\$61m

utilizes long-term debt for major infrastructure projects

Jobs

Investments in key infrastructure to foster a diverse economy focused on job creation & retention



\$13.0m

for the construction of the Public Market



\$31.0m

to begin planning for Bus Rapid Transit



\$50.0m

for County Hwy M improvements

Affordability

The 2017 Executive Capital Budget balances the need for prudent investments to continue key services in a growing City and replace aging infrastructure within the limitations placed on City revenues, while ensuring a reasonable rate of growth in property taxes:

- Reduces GO borrowing from agency requests by over \$20 million.
- Protects tax payers by resetting project timetables to reflect actual time to construction and by deferring projects to reflect fiscal priorities. Key affected projects include the Midtown Police District facility, which will be designed in 2017 with construction beginning in the first quarter of 2018, the Fire Training and Southeast Fire Station, which is deferred two years, a new facility to consolidate Fleet, Fire Equipment Maintenance and Radio Shop functions, which is deferred two years consistent with evolving plans for the Public Market, and reconstruction of Monroe Street and Atwood Avenue at Schenk's Corners, which are rescheduled to follow major streets projects that are nearing the construction phase.
- Uses longer-term debt in a prudent manner for long-term infrastructure investments such as the \$30 million rehabilitation of the 80 year old Madison Municipal Building, a new \$31 million consolidated facility for Fleet Service, Fire Maintenance and Radio Shop activities and the new Pinney Branch Library.

Livability

The 2017 Executive Capital Budget invests in our parks, bike paths, and sustainability efforts to help preserve and promote Madison's quality of life.

- Provides over \$11 million GO in 2017 for Parks Division projects, including \$1.955 million for the Garver redevelopment project and \$500,000 for a major renovation of Olbrich Botanical Gardens. The City's contribution toward the Olbrich project will total \$5 million over the next two years. Impact fee funding of \$7.6 million for a new downtown park is also included.
- Provides over \$14.6 million over the next six years for mitigation of Emerald Ash Borer impacts, including tree removal, chemical treatment in place and chipping of removed trees.
- Allocates nearly \$8 million GO in 2017 for bicycle and pedestrian projects, including \$2.4 million for a new Ice Age Junction path in conjunction with the County Highway M project. Funding is also provided for a connection to the Ice Age Junction path along the West Beltline Highway near West Towne Mall, continued development of the Goodman Path between the Capital City Trail and State Highway 30 on the East Side, and extension of the Capital City Trail from Buckeye Road to Interstate 39/90.
- Continues \$750,000 annually for implementation of the Madison Sustainability Plan in support of solar installations and energy efficient upgrades throughout the City.

Equity

The 2017 Executive Capital Budget works toward our City's central goal of upward mobility for all through focused investments in libraries, transit, affordable housing, public housing, and food access.

- Provides over \$31 million from City, TIF and anticipated state resources from 2017 through 2022 for affordable housing projects, with the goal of 200 new housing units annually for homeless and low income individuals and families. These resources will be used in conjunction with WHEDA tax credits and other funding.
- Plans for nearly \$50 million of Federal and City resources toward future implementation of Bus Rapid Transit, to help improve transportation access to jobs and neighborhoods for all City residents. Federal funding will be pursued through a Small Starts transit grant through the Federal Transit Administration. The City will also pursue nearly \$27 million of Federal TIGER grant funding for a satellite bus facility in support of Bus Rapid Transit, matched with over \$6 million of City GO proceeds.
- Provides \$10 million for a new Pinney Branch Library.
- Provides \$1.4 million for a new shelter and other improvements at Penn Park.
- Allocates \$1.6 million over the next six years for the Healthy Retail Access program to improve access to healthy food in underserved neighborhoods of the City.
- Invests \$3 million over the next six years for the Cooperative Enterprise Development and Entrepreneurship and Small Business Development Resources programs to help grow new and diverse business enterprises in the City.
- Allocates over \$900,000 for pedestrian improvements along McKenna Boulevard near the new Park Edge/Park Ridge Community Center.
- Provides \$1 million over the next five years for capital improvements in City-owned public housing facilities.
- Invests \$2 million in a new neighborhood center in the Bridge Lake Point neighborhood.
- Provides \$1 million in 2019 for improved street connections in the Darbo-Worthington Neighborhood.

Jobs

The 2017 Executive Capital Budget ensures efficient transportation facilities and a diverse economy in support of job creation and retention and a strong local and regional economy.

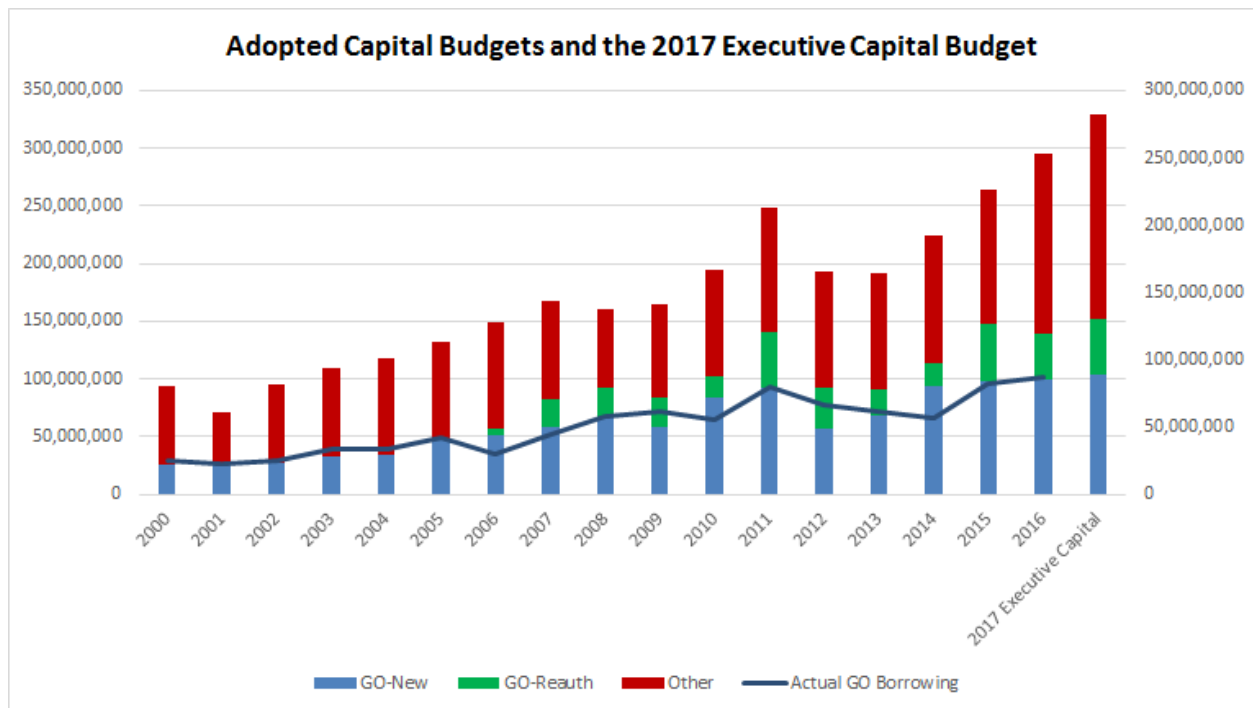
- Provides over \$50 million from City, County, State and Federal sources for transportation improvements along County Highway M to improve vehicular, bicycle and pedestrian access and traffic flow. Funding includes \$10 million from City GO proceeds.
- Invests \$13 million for a new Public Market on East Washington Avenue at First Street, with planning in 2017 and construction in 2018. The project includes \$4.2 million from City GO proceeds, \$6.25 million from federal sources, and \$2.5 million from private and other sources.

- Provides \$26 million over the next three years to completely renovate and upgrade the Madison Municipal Building. This funding will also support the cost of temporary lease space for City offices and functions.
- Invests \$13 million for a new 600 stall City parking facility in the Capitol East district in support of new private business investment, including Starting Block. The ramp will be funded from GO debt repaid from TID 36 and the General Fund.
- Provides \$39 million for a new underground City parking facility to replace the aging Government East parking structure as part of the Judge Doyle development. Over 600 parking stalls will be constructed, including spaces for City fleet vehicles. A Bike Center is also envisioned as part of the development. Private development above ground includes a new convention center hotel and apartments on Block 105 and apartments and retail space on Block 88. Privately funded accessory above ground parking will serve the development. Total private and public investment is estimated at \$170 million. Public funding includes \$24 million from TID 25, \$13 million from Parking Utility Reserves and \$2 million from City GO proceeds.

2017 CIP: Borrowing Trends and Debt Projections

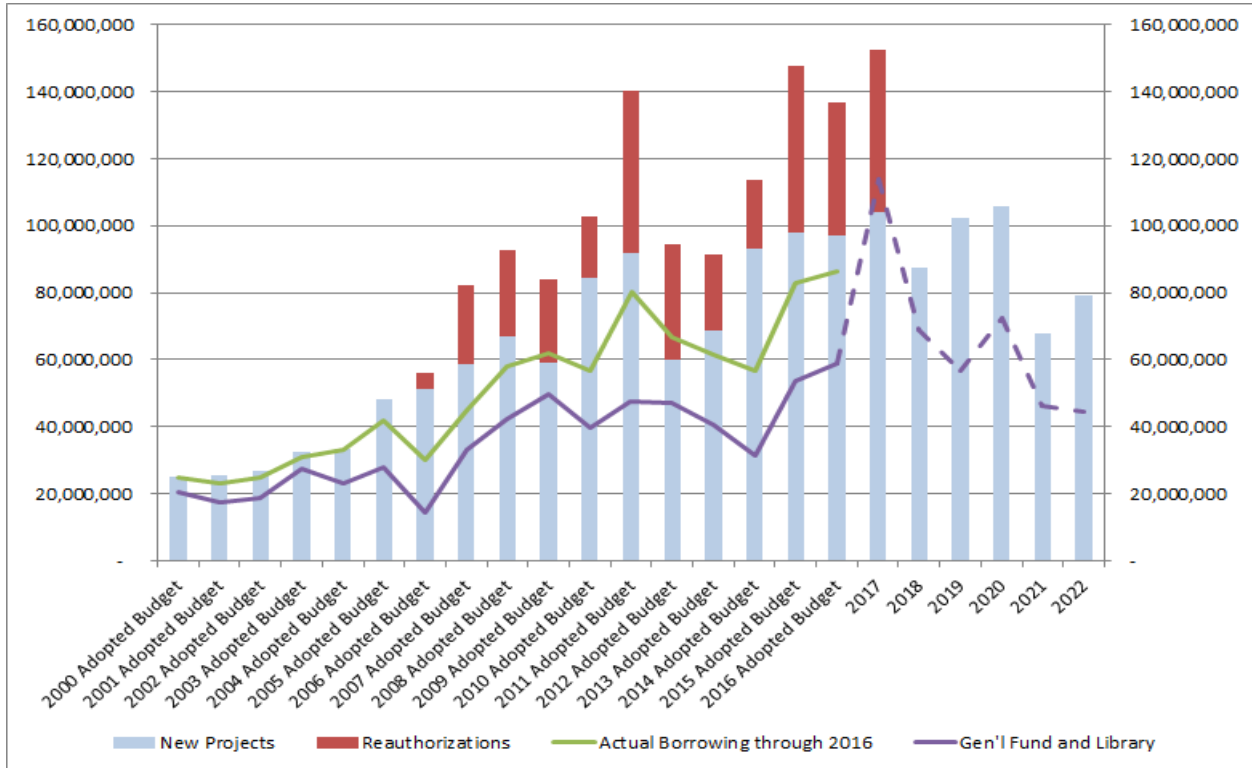
2000-2022 General Obligation Borrowing

In the 2017 debt service will be 15.8% of the total General Fund budget. Annual borrowing amounts are adjusted based on the actual timing of projects. The annual debt service of newly authorized projects included in the 2017 Executive Budget will be \$13.5 million.



New Projects versus Reauthorizations

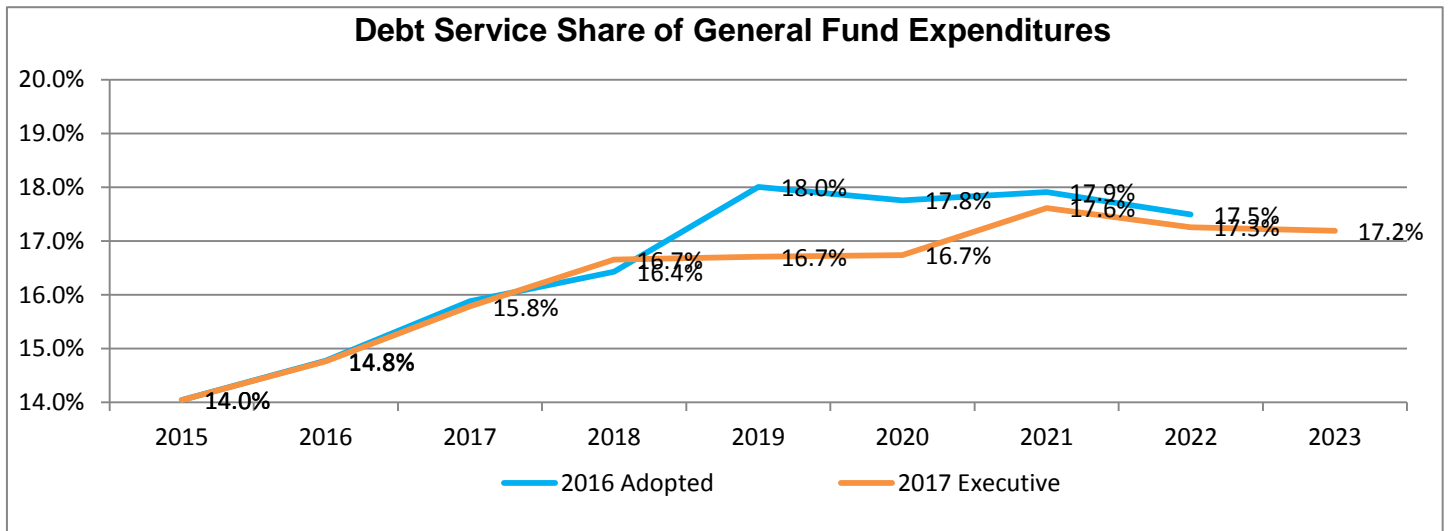
56% of the authorized funding in the 2017 Executive CIP is reauthorized for projects currently underway but not complete. The level of reauthorized funding has grown in recent years as the size of the capital budget has grown; this is largely due to the capacity to complete projects within the initially anticipated timeline.



Debt Service Projections

As Madison has accelerated the pace of its capital program, the share of debt service in the context of the operating budget has grown. Based on the 2017 Executive CIP debt service will reach 16% in 2018 and remain between 16 and 17% between 2018 and 2023. The timing of projects in the 2017 plan slows the rate of growth when compared to the 2016 CIP.

The projections outlined below assume two-thirds of authorized GO borrowing is issued in 2017 and 2018, with unissued amounts reauthorized to subsequent year. The projections also assume 20 year debt for eligible capital projects equivalent to the amounts borrowed for MMB.



City of Madison: 2017 Capital Budget Budget by Phase

Executive Budget

Agency	Reauthorizations			2017 New Projects			2017 Executive		
	GO	Other	Total	GO	Other	Total	GO	Other	Total
CDA Redevelopment	300,000	190,000	490,000	800,000	1,300,000	2,100,000	1,100,000	1,490,000	2,590,000
Community Development Division	4,770,293	-	4,770,293	4,500,000	-	4,500,000	9,270,293	-	9,270,293
Economic Development Division	10,930,000	24,100,000	35,030,000	7,335,000	2,882,000	10,217,000	18,265,000	26,982,000	45,247,000
Engineering - Bicycle and Pedestrian	1,661,600	-	1,661,600	6,212,000	2,026,000	8,238,000	7,873,600	2,026,000	9,899,600
Engineering - Facilities Management	5,428,420	-	5,428,420	26,545,000	20,000	26,565,000	31,973,420	20,000	31,993,420
Engineering - Major Streets	4,507,483	4,939,935	9,447,418	23,075,476	41,014,623	64,090,099	27,582,959	45,954,558	73,537,517
Engineering - Other Projects	63,000	5,146	68,146	5,146	1,924,529	1,929,675	68,146	1,929,675	1,997,821
Fire Department	140,245	-	140,245	1,220,100	-	1,220,100	1,360,345	-	1,360,345
Fleet Service	50,000	-	50,000	10,039,468	928,020	10,967,488	10,089,468	928,020	11,017,488
Henry Vilas Zoo	-	-	-	-	75,000	75,000	-	75,000	75,000
Information Technology	1,929,499	25,399	1,954,898	2,225,399	1,094,601	3,320,000	4,154,898	1,120,000	5,274,898
Library	5,805,000	-	5,805,000	6,675,000	1,000,000	7,675,000	12,480,000	1,000,000	13,480,000
Metro Transit	247,000	-	247,000	2,213,983	6,539,933	8,753,916	2,460,983	6,539,933	9,000,916
Monona Terrace	-	-	-	500,000	475,000	975,000	500,000	475,000	975,000
Parking Utility	-	24,660,000	24,660,000	-	7,665,000	7,665,000	-	32,325,000	32,325,000
Parks Division	5,455,830	9,597,000	15,052,830	5,763,000	7,912,000	13,675,000	11,218,830	17,509,000	28,727,830
Planning Division	-	-	-	-	500,000	500,000	-	500,000	500,000
Police Department	812,148	-	812,148	991,500	310,600	1,302,100	1,803,648	310,600	2,114,248
Public Health	-	-	-	765,000	-	765,000	765,000	-	765,000
Sewer Utility	-	350,000	350,000	-	4,244,755	4,244,755	-	4,594,755	4,594,755
Stormwater Utility	4,604,077	820,000	5,424,077	1,982,500	1,737,500	3,720,000	6,586,577	2,557,500	9,144,077
Streets Division	371,467	-	371,467	2,246,500	-	2,246,500	2,617,967	-	2,617,967
Traffic Engineering	1,093,568	435,000	1,528,568	1,057,000	688,200	1,745,200	2,150,568	1,123,200	3,273,768
Water Utility	-	4,444,000	4,444,000	-	25,484,500	25,484,500	-	29,928,500	29,928,500
Total	\$48,169,630	\$69,566,480	\$117,736,110	\$104,152,072	\$107,822,261	\$211,974,333	\$152,321,702	\$177,388,741	\$329,710,443

**City of Madison: 2017 Capital Budget
Comparison Schedule**

Executive Budget

Agency	2016 Adopted		2017 Executive		
	GO	Total	GO	Other	Total
CDA Redevelopment	190,000	490,000	1,100,000	1,490,000	2,590,000
Community Development Division	6,000,000	7,500,000	9,270,293	-	9,270,293
Economic Development Division	26,045,000	63,751,700	18,265,000	26,982,000	45,247,000
Engineering - Bicycle and Pedestrian	4,784,000	7,403,000	7,873,600	2,026,000	9,899,600
Engineering - Facilities Management	11,496,600	12,836,600	31,973,420	20,000	31,993,420
Engineering - Major Streets	20,076,000	33,938,315	27,582,959	45,954,558	73,537,517
Engineering - Other Projects	219,250	397,700	68,146	1,929,675	1,997,821
Fire Department	9,429,800	9,429,800	1,360,345	-	1,360,345
Fleet Service	9,798,216	9,922,686	10,089,468	928,020	11,017,488
Henry Vilas Zoo	-	75,000	-	75,000	75,000
Information Technology	5,580,031	7,284,031	4,154,898	1,120,000	5,274,898
Library	5,605,000	7,105,000	12,480,000	1,000,000	13,480,000
Metro Transit	2,987,440	8,792,200	2,460,983	6,539,933	9,000,916
Monona Terrace	-	556,000	500,000	475,000	975,000
Parking Utility	-	31,439,000	-	32,325,000	32,325,000
Parks Division	9,747,000	20,298,000	11,218,830	17,509,000	28,727,830
Planning Division	-	350,000	-	500,000	500,000
Police Department	8,509,400	8,509,400	1,803,648	310,600	2,114,248
Public Health	-	-	765,000	-	765,000
Sewer Utility	-	13,033,100	-	4,594,755	4,594,755
Stormwater Utility	7,960,800	11,972,500	6,586,577	2,557,500	9,144,077
Streets Division	2,770,635	2,770,635	2,617,967	-	2,617,967
Traffic Engineering	7,390,000	8,318,000	2,150,568	1,123,200	3,273,768
Water Utility	-	29,675,000	-	29,928,500	29,928,500
TOTAL	\$ 138,589,172	\$ 295,847,667	\$ 152,321,702	\$ 177,388,741	\$ 329,710,443

**City of Madison: 2017 Capital Budget
Variances from 2016 CIP**

Executive Budget

Agency	Project	Change
CDA Redevelopment		
	2230 Broadway	Project transferred from CDD Budget for construction of Bridge Lake Point Neighborhood Center
	CDA Red. - Village on Park	Project budget increased
Community Development Division		
	Neighborhood Centers	Funding for Bridge Lake Point Neighborhood Center transferred to CDA Redevelopment budget
Economic Development Division		
	TID 32 State Street	District budget updated to anticipate district closure in 2018
	TID 25 Judge Doyle Project	Reauthorizing amount for approved development project
Engineering - Facilities Management		
	CCB Improvements	Program increased budget for projects in 2017 and 2018
	MMB Renovation	Project fully appropriated in 2017 for contractual purposes
	Sayle Street Facility Remodel	Project deferred 1 year
Engineering-Major Streets		
	Atwood Ave: Schenks Corners	Project deferred 1 year
	Bridge Repair	Program funding increased
	Cottage Grove Rd (I39 To Sprecher)	Project funding decreased
	Darbo Webb Connection	Project funding increased
	Gammon Road, North	Project eliminated from CIP
	Gammon Road, South	Project deferred 2 years, funding decreased
	Jeffy Trail	Project deferred 2 years
	Mckee Rd (CTH PD) Improvements	Project funding increased (County Sources)
	Monroe St	Project deferred 2 years
	Outer Capitol Loop Southeast	Project deferred 2 years
	Park St, S (Olin To RR)	Project deferred 2 years
	Park St, S (W Wash-Olin, Rr-Badger)	Project extended spread over 2 years
	Pleasant View Road	Project extended 2 years; funding increased
	Reconstruction Streets	Program funding increased to reflect TIF funded projects
	Treetops/Feather Edge Drive	Project added to CIP
	Wilson St (Hamilton to MLK)	Project added to CIP
	Wilson St (MLK to King)	Project added to CIP
	Wilson/Williamson St (Frnk-Blnt)	Project advanced 1 year
Engineering - Other Projects		
	Radio System Digital Conversion	Project added to CIP
Engineering - Bicycle and Pedestrian		
	Cap City Trail	Project funding reduced
	Goodman Path	Out-year funding eliminated from CIP.
	West Towne Path	Phase 2 of project deferred 1 year
Fire Department		
	Employee Development Center & EMS	Project deferred 2 years; design in 2019, construction in 2020

Agency	Project	Change
Fleet Service		
	Fleet Service Relocation	Project deferred 2 years; design in 2017, construction in 2019
Information Technology		
	Residential Internet Access Assistance	Project added to 2017 and 2018 CIP
	Tax System Replacement	Project deferred 1 year
Library		
	Central Library Improvements	Project eliminated from CIP
	Relocate Pinney Neighborhood Library	Project funding increased for purchase of land
	Maintenance Support Center	Project funding increased to reflect revised construction estimates
Metro Transit		
	Bus Rapid Transit	Project added to CIP
	Facilities Repairs and Improvement	Program budget increased
	Metro Satellite Facility	Project deferred from 2017 to 2018 as a result of federal funding
	Transit System Upgrades	Primary upgrade expenditures deferred 1 year to 2018
Monona Terrace		
	Monona Terrace Bike Path	Project advanced 1 year; funding shifted from Room Tax to GO Borrowing
	Building and Building Improvements	Portion of project costs (\$200k) shifted from Room Tax to GO Borrowing
Parking Utility		
	Garage Lighting Replacement	Project funding reduced
	Garage Wayfinding Signs	Project funding increased
	Intelligent Transportation System	Project eliminated from CIP
	Overture Center Garage Elevator	Project added to CIP
	Overture Ceter Customer Service CTR	Project added to CIP
	Parking Garage Repairs	Program funding increased
	Single Space Meter Replacement	Project funding increased
	Vehicle Replacement	Program added to CIP
Parks Division		
	Breese Stevens Improvements	Project budget increased
	Central Park Improvements	Project budget decreased
	Dog Park Improvements	Program budget increased
	Elver Park Improvements	Project deferred 1 year, budget increased
	Emerald Ash Borer Mitigation	Project budget increased
	Forest Hill Cemetery Improvements	Project advanced 1 year, budget increased
	James Madison Park Improvements	Project deferred 1 year, budget increased
	Olbrich Botanical Complex	GO Borrowing for project deferred to 2018
	Reindahl Park Improvements	Project eliminated from CIP
	Street Tree Replacement	Program budget decreased
	Vilas Park Improvements	Project deferred 2 years, budget decreased
	Warner Park Community Center	Projects combined, budget increased
	Yahara River Parkway Improvements	Project deferred 2 years
Public Health		
	Remodel of Office Space	Project funding increased
	Replacement of Laboratory Equipment	Project funding for 2017 eliminated from CIP
Planning Division		

Agency	Project	Change
	Inter-City Intermodal Bus Terminal	Project deferred 2 years
Police Department		
	Digital Forensic Lab Replacement	Project deferred 1 year
	Forensic Server Replacement	Project deferred 1 year
	In Car Video Storage	Project funding increased
	Investigative Software/Hardware Upg.	Project 2017 funding eliminated; 2019 deferred to 2020
	Light Bar Replacement Project	Project deferred 1 year
	Midtown District Station	Construction deferred 1 year from 2017 to 2018
Sewer Utility		
	Felland Area Sewer Impact Fee Dist	Project deferred 1 year
Stormwater Utility		
	CIPP Lining Storm Sewer	Program budget decreased
	Lower Badger Mill Creek Watershed	Project deferred 3 years
	Madison Beaches Water Quality Mgmt	Project deferred 1 year
	TMDL Compliance	Project budget increased in 2019 for a TMDL mandated project
	Upper Badger Mill Creek Watershed	Project deferred 2 years
	Willow Creek Storm Sewer	Project deferred 3 years
	Wingra Creek Corridor	Project deferred 4 years
Streets Division		
	Streets Emerald Ash Borer	Program budget decreased
Traffic Engineering		
	Public Safety Radio System	Program funding increased in 2020 and 2022
	Traffic Signal Installation	Program funding reduced
	Utility Undergrounding	Program funding increased
Water Utility		
	Booster Pump Station 109 (Spaanem Ave)	Project added to CIP
	Booster Station #106 Reconstruction	Project budget decreased
	BPS 129 Reconstruction	Project added to CIP
	Far West Elevated Reservoir	Project completion deferred 1 year
	Lakeview Reservoir Reconstruction	Project construction deferred 2 years
	Pump Station Improvements	Program budget increased
	Unit Well No. 8 Reconstruction	Project deferred 2 years; beyond 2017 CIP
	Water Mains Replace Rehab Improve	Program budget decreased
	Water Utility Facility Improvements	Program budget decreased
	Well 19 Iron/Manganese Filter	Project deferred 2 years
	Well 28 Iron and Manganese Filter	Project added to CIP
	Well 29 Filter Capacity Expansion	Project eliminated from CIP
	Well 30 Iron and Manganese Filter	Project added to CIP
	Well 7 Area Hydraulic Improvements	Project added to CIP
	Zone 4 Fire Flow Supply Augment	Project deferred 1 year and total cost increased
	Zones 7 & 8 Supply: Whitney Way	Project deferred 1 year and total cost reduced



City of Madison
Finance Department
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Madison WI