

2018 Proposed Common Council Amendments: Capital Budget Overview									
Identifying Information					Amendment Amount				
					2018 CIP*		2018 Capital Budget		
Number	Agency	Project	Sponsor	Co-Sponsor(s)	GO Borrowing	Other Funds	2018 GO Impact	Debt Service	TOAH Impact
Capital-1	Capital Budget Policy	Special Assessment Budget Language	Mayor Soglin	Alder DeMarb, Alder Clear	0	0	0	0	0.00
Capital-2	Community Development Division	Park Edge/Park Ridge Employment Center	Alder McKinney	Alder Carter	400,000	0	400,000	46,892	0.51
Capital-3	Economic Development Division	TID 37 Union Corners: Stone House Development	Alder Rummel	Mayor Soglin	343,000	0	343,000	40,210	0.43
Capital-4	Economic Development Division	Public Market	Alder Ahrens	Alder Eskrich, Alder Bidar-Sielaff, Alder Carter, Alder Clear	0	0	0	0	0.00
Capital-5	Engineering-Major Streets	Reconstruction Streets-Winnebago Street	Alder Rummel	Alder Verveer	502,000	0	502,000	58,850	0.63
Capital-6	Fleet	GPS/AVL	Mayor Soglin	Alder DeMarb, Alder Clear	280,000	0	280,000	32,825	0.35
Capital-7	Parks Division	Annie C. Stewart Memorial Fountain	Alder Eskrich	Alder Carter	40,000	20,000	40,000	4,689	0.05
Capital-8	Parks Division	Park Land Impr-Meadowood Park Shelter	Alder Phair	Alder Cheeks	35,000	45,000	35,000	4,103	0.04
Capital-9	Police Department	Police Body Worn Camera Pilot	Alder Bidar-Sielaff	Alder DeMarb, Alder Eskrich, Alder Martin, Alder Kemble	(123,000)	0	(123,000)	(14,419)	(0.16)
Total Proposed					\$ 1,477,000	\$ 65,000	\$ 1,477,000	\$ 173,149	\$1.86

*Amounts shown in the 2018 CIP column reflects the amendment impact for the full CIP (2018-2023), reference the amendments for specific years.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-1

Agency: Capital Budget Policy
Project Name: Special Assessment Budget Language **Project #:**
Sponsors: Mayor Soglin
Co-Sponsor(s): Alder DeMarb, Alder Clear

Amendment

Amendment Narrative

Add language to the City's Capital Budget Policies to allow for administrative adjustments to the budgeted amounts for special assessments within various capital projects. City staff will be allowed to administratively increase the special assessment budget for projects where the final assessment exceeds the amount assumed in the budget, including movement across major projects, without seeking Common Council approval.

Amendment Amount

GO Borrowing	0
<u>Other Funding</u>	<u>0</u>
Total:	\$0

Amendment Impact

Debt Service	\$0
TOAH Impact	\$0.00

Discussion

Analysis

Under the City's current policies budget amendments exceeding \$5,000 and movements across majors must receive supermajority support from the Common Council. If adopted, the proposed policy change will allow adjustments to the Special Assessment portion of capital projects to be handled administratively. At the time of Capital Budget adoption, budgeted special assessment amounts are estimates that often precede the full project design. Upon project completion and final special assessment calculation, assessment receipts may be realized in excess of the budgeted assessment funding. This policy change will allow staff to make the necessary updates with the necessary approvals from the Finance Department. The policy change does not allow for increases to other funding sources within projects, including GO Borrowing.

Operating Impact

Annual Impact: \$ -

The proposed amendment has no operating budget impact.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-2

Agency: Community Development Division
Project Name: Park Edge/Park Ridge Employment Center **Project #:** NEW
Sponsors: Alder McKinney
Co-Sponsor(s): Alder Carter

Amendment

Amendment Narrative

Transfer the Park Edge/Park Ridge Employment Center, and the balance of available funding, out of the Neighborhood Center program to create a standalone project; and, appropriate an additional \$400,000 in GO Borrowing for construction costs associated with the project. If approved, this amendment would bring the total allocated funding for this project to \$1.6 million.

Amendment Amount

GO Borrowing	400,000
<u>Other Funding</u>	<u>0</u>
Total:	\$400,000

Amendment Impact

Debt Service	\$46,892
TOAH Impact	\$0.51

Discussion

Analysis

The 2016 Adopted Capital Budget authorized \$1.0 million in GO borrowing to fund renovation of the former Griff's restaurant located at 1233 McKenna Boulevard to serve as the Park Edge/Park Ridge Employment Center. This project is budgeted within the Neighborhood Center program in CDD's capital budget. The proposed amendment establishes Park Edge/Park Ridge Employment Center as a standalone project.

Council adopted RES-17-00652 (Legistar 48040) appropriated an additional \$200,000 based on projected construction estimates provided by architectural estimates. The project was put out for bid earlier this fall, the City received three proposals ranging from \$1.4 to \$1.6 million. All three bids have been rejected due to lack of sufficient funding. City staff have reviewed bids and identified design changes that could reduce construction costs by \$250-300,000 without affecting functionality. After these reductions the estimated project cost is \$1.6 million.

Based on the current timeline the new facility will open in the 4th Quarter of 2018. Under this timeline the Urban League will continue to operate out of temporary leased space.

Operating Impact

Annual Impact:

This amendment has no operating budget impact; however, the 2018 Executive Operating Budget increases funding for the Urban League by \$100,000 for Center operations. The increased amount for 2018 assumes a partial year; the annualization of the increase is \$200,000. Based on the actual opening date the full increase may not be required in 2018.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-3

Agency: Economic Development Division
Project Name: TID 37 Union Corners: Stone House Development **Project #:** NEW
Sponsors: Alder Rummel
Co-Sponsor(s): Mayor Soglin

Amendment

Amendment Narrative

Appropriate \$343,000 in TIF supported GO Borrowing for a developer loan to Stone House Development, Inc. for Fair Oaks Apartments. The proposed development will include an 80-unit rental housing development with 68 units affordable to households with incomes at or below 30%, 50% or 60% of the County Median Income (CMI). Borrowing associated with the project will be repaid by future increment in TID 37.

Amendment Amount

GO Borrowing	343,000
<u>Other Funding</u>	<u>0</u>
Total:	\$343,000

Amendment Impact

Debt Service	\$40,210
TOAH Impact	\$0.43

Discussion

Analysis

The proposed developer loan will be funded by GO Borrowing, which will be paid back by future year increment in TID 37. This action will be followed with subsequent underwriting and a resolution with recommended loan amount being introduced at the following Common Council meeting on November 21, 2017. Final action will need to be taken at the December 5th Council meeting for the developer to meet the Wisconsin Housing and Economic Development Authority (WHEDA) application deadline of December 8, 2017.

The annual estimated increment generated by TID 37 is \$1,435,458, the district is projected to have a \$2.0 million cash deficit at the close of 2018. The Executive Budget included two projects funded by TID 37 totaling \$32,000. The Finance Committee, through adopting Amendment 9, transferred funding (\$957,000) for the Winnebago Street reconstruction from GO Borrowing to TID 37 proceeds. With this action the Capital Budget, as amended by the Finance Committee, currently authorizes \$989,000 for TID 37 funded projects. Two amendments proposed by Council (capital amendments 6 and 7) propose authorizing an additional \$845,000 in GO Borrowing to be paid back by future increment within the District. If both actions are passed projects funded by TID 37 in 2018 will total \$1.8 million.

Operating Impact

Annual Impact: \$ -

The proposed amendment has no operating budget impact.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-4

Agency: Economic Development Division
Project Name: Public Market **Project #:** 10069
Sponsors: Alder Ahrens
Co-Sponsor(s): Alder Eskrich, Alder Bidar-Sielaff, Alder Carter, Alder Clear

Amendment

Amendment Narrative

Reduce the local share funding by \$3.0 million (transfer in from General Fund) and increase federal funding for the project by \$3.0 million. The remaining local funds for the project cannot be accessed until the anticipated federal and private contributions totaling \$8.75 million have been received. Reduce the transfer to capital budgeted in the General Fund by \$3.0 million and increase General Fund share debt service by \$3.0 million.

Amendment Amount

GO Borrowing	0
<u>Other Funding</u>	<u>0</u>
Total:	\$0

Amendment Impact

Debt Service	\$0
TOAH Impact	\$0.00

Discussion

Analysis

The project was first included in the Capital Improvement Plan in 2008. The project, in its current form, has been included in the CIP since 2013. Starting in 2014, the CIP included funding for costs associated with the land acquisition, planning, design, site preparation and construction for a Madison Public Market. A business plan was authorized in 2013 and approved by Council in October of 2015. A project Implementation Strategy was subsequently completed and approved by Council in March of 2016. Currently the authorized expenditure items are: consultants for fundraising and tax credits, an architect for site planning and architectural design services, and a program to provide assistance to prospective public market small businesses. Current project costs are being funded through previous federal Urban Development Action Grant (UDAG) awards.

The 2018 Executive CIP replaced \$3.0 million of federal funds that did not have an identified source with local funding. This amendment returns the project's funding breakdown to be consistent with the CIP from prior years. If adopted, the funding split for the project will be as follows:

Local: 33%
Federal: 48%
Private Contributions: 19%

The amendment also updates the operating budget to reflect the reduced amount transferred from the General Fund to capital. Reducing the transfer to capital will increase the General Fund share of debt service by \$3.0 million. This is consistent with MGO 4.17 that prohibits the use proceeds from the debt service for operating expenses.

Operating Impact

Annual Impact: \$ -

The proposed amendment has no operating budget impact.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-5

Agency: Engineering-Major Streets
Project Name: Reconstruction Streets-Winnebago Street **Project #:** 10226
Sponsors: Alder Rummel
Co-Sponsor(s): Alder Verveer

Amendment

Amendment Narrative

Appropriate \$502,000 TIF supported GO Borrowing for the undergrounding of utilities on Winnebago Street from Sutherland Court to Linden Avenue in 2018. Borrowing associated with this project will be repaid by increment from TID 37.

Amendment Amount

GO Borrowing	502,000
<u>Other Funding</u>	<u>0</u>
Total:	\$502,000

Amendment Impact

Debt Service	\$58,850
TOAH Impact	\$0.63

Discussion

Analysis

The proposed amendment adds funding to include utility undergrounding in the project scope for the Winnebago Street reconstruction in 2018. Within the new project scope, the reconstruction of Winnebago Street will include undergrounding overhead utility wires from Sutherland Court to Linden Avenue and on Sutherland Court from Winnebago Street to the northwest end. If adopted, the total budget for the project will be \$1,459,000.

The annual estimated increment generated by TID 37 is \$1,435,458, the district is projected to have a \$2.0 million cash deficit at the close of 2018. The Executive Budget included two projects funded by TID 37 totaling \$32,000. The Finance Committee, through adopting Amendment 9, transferred funding (\$957,000) for the Winnebago Street reconstruction from GO Borrowing to TID 37 proceeds. With this action the Capital Budget, as amended by the Finance Committee, currently authorizes \$989,000 for TID 37 funded projects. Two amendments proposed by Council (capital amendments 6 and 7) propose authorizing an additional \$845,000 in GO Borrowing to be paid back by future increment within the District. If both actions are passed projects funded by TID 37 in 2018 will total \$1.8 million.

Operating Impact

Annual Impact: \$ -

No operating budget impact is anticipated.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-6

Agency: Fleet
Project Name: GPS/AVL **Project #:** 17061
Sponsors: Mayor Soglin
Co-Sponsor(s): Alder DeMarb, Alder Clear

Amendment

Amendment Narrative

Advance the Fleet Service GPS/AVL project to 2018 and add an additional \$280,000 GO Borrowing to the project to install GPS equipment on the Public Works and Transportation fleet over a two-year period.

Amendment Amount

GO Borrowing	280,000
<u>Other Funding</u>	<u>0</u>
Total:	\$280,000

Amendment Impact

Debt Service	\$32,825
TOAH Impact	\$0.35

Discussion

Analysis

The proposed amendment advances the project to 2018 and adds \$280,000 in GO Borrowing to the project for installing Automatic Vehicle Location (AVL) and Global Positioning System (GPS) technology to the Public Works fleet over a two-year period. The Executive Budget includes \$275,000 for the project 2019; if adopted the total funding for the project will be \$570,000. The need for increased funding is the result of additional scoping and analysis regarding the full cost of completing the project. When complete the software will be installed on all pieces of the Public Works fleet.

Operating Impact

Annual Impact: \$ 170,000

After installation of the AVL/GPS units to the Public Works and Transportation fleet is completed in 2019, it is estimated that annual software maintenance and contracting will cost \$170,000 annually.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-7

Agency: Parks Division

Project Name: Annie C. Stewart Memorial Fountain

Project #: New

Sponsors: Alder Eskrich

Co-Sponsor(s): Alder Carter

Amendment

Amendment Narrative

Appropriate \$40,000 in GO Borrowing and \$20,000 from Park Impact Fees for restoration and preservation work on the Annie C. Stewart Memorial Fountain located in Vilas Park.

Amendment Amount

GO Borrowing	40,000
<u>Other Funding</u>	<u>20,000</u>
Total:	\$60,000

Amendment Impact

Debt Service	\$4,689
TOAH Impact	\$0.05

Discussion

Analysis

The Annie C. Stewart Memorial Fountain was constructed in 1917. The proposed amendment appropriates funds to restore the fountain due to damage caused by weather and vandalism. The Executive Budget includes \$20,000 within the Municipal Art Fund (Planning Division) for the project. Capital funds budgeted in 2018 will be used for a specialist to prepare alternative approaches for potential restoration plans and specifications for the deconstruction and reconstruction of the fountain. This phase of work will also include restoration and preservation of the marble figurine. A future phase of the project will re-create the fountain base and basin and provide for the development of a management plan for the fountain. The estimate for this future phase of work is approximately \$425,000; funding for this portion of the project is not included in the 2018 CIP.

Operating Impact

Annual Impact: \$ 2,500

There will be maintenance and operational costs, depending on the approach chosen. The fountain will have to be winterized in some fashion and there will be routine cleaning. Annual operating costs are anticipated to be approximately \$2,500 per year and can be absorbed within the Parks Division operating budget.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-8

Agency: Parks Division
Project Name: Park Land Impr-Meadowood Park Shelter **Project #:** 17421
Sponsors: Alder Phair
Co-Sponsor(s): Alder Cheeks

Amendment

Amendment Narrative

Advance funding for the Meadowood Park shelter replacement project currently budgeted in the 2019 Park Land Improvements CIP to 2018; \$35,000 GO Borrowing and \$45,000 Impact Fees.

Amendment Amount

GO Borrowing	35,000
<u>Other Funding</u>	<u>45,000</u>
Total:	\$80,000

Amendment Impact

Debt Service	\$4,103
TOAH Impact	\$0.04

Discussion

Analysis

The 2019 CIP includes \$80,000 (\$35,000 GO Borrowing and \$45,000 Impact Fees) in the Park Land Improvement project for the replacement of the Meadowood Park shelter. This amendment moves the project to 2018 with the same funding sources and amounts. The plan for the replacement shelter is an open air shelter without utilities (electricity and water).

Finance Committee Operating Budget Amendment #17 added a Landscape Architect position to the Parks Division Operating budget. With the addition of this position, the Division has indicated that there will be sufficient staff resources available for the 2018 projects, including this additional project.

Operating Impact

Annual Impact: \$ -

No additional operating costs are anticipated.

2018 Capital Budget: Proposed Common Council Amendments

Amendment # Capital-9

Agency: Police Department
Project Name: Police Body Worn Camera Pilot
Sponsors: Alder Bidar-Sielaff
Co-Sponsor(s): Alder DeMarb, Alder Eskrich, Alder Martin, Alder Kemble

Project #: New

Amendment

Amendment Narrative

Remove \$123,000 in GO Borrowing for approximately 47 body worn cameras, related equipment, training, and overtime for processing video and camera system maintenance. The project funds a one-year pilot program in the North District for patrol, Community Policing Team, and Traffic Enforcement Safety Team officers and Sergeants.

Amendment Amount

GO Borrowing	-123,000
<u>Other Funding</u>	<u>0</u>
Total:	-\$123,000

Amendment Impact

Debt Service	-\$14,419
TOAH Impact	-\$0.16

Discussion

Analysis

In 2014, the Police Department was asked to provide a report to Council providing an overview of the use of body worn video cameras and the costs for a potential pilot program; the report was delivered in December 2014. As a result, a committee was formed to solicit community input on the subject. The committee did not recommend the use of body worn video cameras at that time. The committee's work lead to the development of an effort to study policies and procedures within the Police Department; this analysis has been carried out by an outside vendor. The final report is anticipated to be completed by the close of 2017.

Prior to the acceptance of the aforementioned committee recommendations, the 2015 CIP included \$75,000 for a potential body camera pilot. Following the committee recommendations this funding was canceled as part of the 2016 Capital Budget. Funding for the project was not included as part of the 2018 Executive Capital Improvement Plan.

Amendment 19 adopted by the Finance Committee added \$123,000 for a one-year body worn camera pilot program in one Police district. The Department estimates implementing the program citywide would cost approximately \$1.0 million (\$754,000 for equipment and \$240,000 for 3 new positions to administer the program).

Operating Impact

Annual Impact: \$ -

While there is no operating impact for the pilot program, scaling the program citywide would require 3 additional positions and ongoing software and maintenance costs. The estimated annual cost of implementing the program citywide is \$250,000.