



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 62434

File ID: 62434

File Type: Resolution

Status: Items Referred

Version: 1

Reference:

Controlling Body: FINANCE
COMMITTEE

File Created Date : 09/30/2020

File Name: Amending the apportionment policy for the State Street Mall/Capitol Concourse Special Charge to approve the schedule of Special Charges for the State Street Mall/Capitol Concourse for 2019/20 Maintenance Charges.

Final Action:

Title: Amending the apportionment policy for the State Street Mall/Capitol Concourse Special Charge to approve the schedule of Special Charges for the State Street Mall/Capitol Concourse for 2019/20 Maintenance Charges.

Notes:

Sponsors: Satya V. Rhodes-Conway

Effective Date:

Attachments: Schedule A-1 Parcel Calculations for Mall Special Charges.pdf, 2020 Notice to Property Owner & Special Charges Map, Notice of Special Charges 2020.pdf, SUBorALT Verveer 10.15.20.pdf

Enactment Number:

Author: January Vang

Hearing Date:

Entered by: nmiller@cityofmadison.com

Published Date:

Approval History

Version	Date	Approver	Action
1		Stephanie Mabrey	Approve

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Parks Division	09/30/2020	Referred for Introduction				
	Action Text:		This Resolution was Referred for Introduction				
	Notes:		Finance Committee, Downtown Coordinating Committee				
1	COMMON COUNCIL	10/06/2020	Refer	FINANCE COMMITTEE			Pass

Action Text: A motion was made by Carter, seconded by Abbas, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Notes: Additional referral to Downtown Coordinating Committee.

1	FINANCE COMMITTEE	10/06/2020	Refer	DOWNTOWN COORDINATING COMMITTEE	10/15/2020
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Action Text: This Resolution was Refer to the DOWNTOWN COORDINATING COMMITTEE

Notes:

1	FINANCE COMMITTEE	10/12/2020	Refer	FINANCE COMMITTEE	Pass
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Action Text: A motion was made by Verveer, seconded by Carter, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Notes:

1	DOWNTOWN COORDINATING COMMITTEE	10/15/2020	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	Pass
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Action Text: A motion was made by Verveer, seconded by Crabb, to Return to Lead with the Recommendation for Approval of the proposed Substitute to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Notes: *Tiffany Kenney, registered neither in support or opposition and wishing to speak.*

Tiffany Kenney, BID Executive Director, thanked Mall staff for all that they have done in this extremely difficult year to help the downtown. Mark and his staff have been such great partners and willing to go the extra mile on just about everything during these unprecedented times. Kenney appreciates the substitute resolution that mitigates the increases that would have normally occurred this year. Kenney said that she is worried about the future, and as the cost share fully increases to a 50/50 split, Downtown property owners wish that they could be part of the discussion on how maintenance and other services are rendered. Property owners are worried about potential cuts to the program even as their share increases. They would like to figure out a way to be a part of those discussions and decisions moving forward.

Eric Knepp, City Parks Superintendent gave an overview of the changes to the Special Charges and noted that the change in the billing cycle this year both helps mitigate the need for an increase in the charges and also gets the billing cycle on a better schedule for the future. The final bills that will go out this year will have a 2.42% decrease from last year's billing. Knepp said that the Committee has been given a new substitute resolution that should be considered this evening.

Frank thanks the Mall Staff for their amazing dedication and work over the last year. He is worried about budget cuts in the future that would decrease important services. Crabb said that potential future cuts are a central issue for this committee and would like the DCC to be a part of those discussions. Harrington-McKinney has spent some time downtown and has been hearing about how many business owners feel like they have been abandoned by the City.

Text of Legislative File 62434

Fiscal Note

Mall charges are assessed to properties within the Mall/Capitol Concourse District. These charges are assessed to support the additional level of services provided to this high-traffic area, including operation of water fountains, maintenance of flower planters, and frequent trash and snow removal. This charge does not cover any expenses related to emergency public services, such as those services provided during the protests in the summer of 2020. Previously, this work was funded 63% by the City, and 37% by property owners. The 2020 Adopted Operating Budget increased the portion paid by property owners to 50%. With this increase, the property owner share was estimated at a total of \$762,000 in 2020.

The proposed resolution amends the time period upon which mall maintenance charges are assessed. The current billing cycle is September 1 to August 30, and the proposed billing cycle is July 1 to June 30. For 2019-2020, the billing time period would include 10 months from September 1, 2019 to June 30, 2020.

The Parks Division has incurred lower-than-anticipated expenditures in the past year for mall maintenance. This decline is due to certain reductions in service associated with the COVID-19 pandemic, such as not opening the water fountain. Because of these reductions in expenditures, no change is required to the General Fund share of mall maintenance costs in the 2020 Adopted Budget Parks Operating Budget.

The following table shows the 2019 actual mall maintenance charges, as well as the budgeted and projected 2020 charges under the current billing cycle and the proposed 10-month billing cycle. Under the proposed billing cycle, the special charge would only increase 6.53% in 2019-2020, as opposed to the 22.33% increase projected based on current year expenditures.

	2019		2020	
	Actual	Budgeted (12 mo)	Projected (12 mo)	Proposed (10 mo)
Property Owner Share		\$536,273	\$762,000	\$656,003
City Share	\$898,406	\$762,000	\$656,003	\$571,282
Total Chargeable Expenses		\$1,434,679	\$1,524,000	\$1,312,006

Title

Amending the apportionment policy for the State Street Mall/Capitol Concourse Special Charge to approve the schedule of Special Charges for the State Street Mall/Capitol Concourse for 2019/20 Maintenance Charges.

Body

WHEREAS, the State Street Mall and Capitol Concourse area (the Mall Concourse) serves as the heart of downtown Madison, and is a treasured part of the community. In recognition of the importance of this area, and in the interest of supporting continued economic development downtown and maintaining the quality of life in the area and the City itself, the City has a dedicated maintenance team (Mall Maintenance) that is responsible for providing additional services to this heavily used area, including, but not limited to, daily trash collection, snow removal, sidewalk cleaning, landscaping services, and other general maintenance needs; and,

WHEREAS, on Nov. 26, 1974, the Common Council received and approved the final report of the Citizens Advisory Committee on State Street Mall Capitol Concourse Special Assessments, which report recommended, among other things, that the maintenance costs of the as-yet-to-be-built Mall-Concourse improvements should be shared by the City as a whole and the benefitting properties within the State Street Mall and Capitol Concourse area (the Mall-Concourse),

WHEREAS, Resolution No. 32,274 dated November 29, 1977 and Resolution No. 35,075 dated October 23, 1979, mandated that a portion of the City's annual maintenance costs be specially charged to properties within the Mall-Concourse area; and,

WHEREAS, Resolution No. 35,075 dated October 23, 1979, mandated that a portion of the City's annual maintenance costs be specially charged to properties within the State Street Mall/Capitol Concourse District; and,

WHEREAS, Resolution No. 37,401 dated September 29, 1981, adopted a policy for calculating such special charges as current services rendered at the conclusion of the service year, pursuant to Section 66.0627, Wisconsin Statutes; and,

WHEREAS, since 1982, a portion of these extra costs incurred by the City to maintain the Mall Concourse area have been recovered by imposing special charges against the properties within the Mall Concourse area served by the City's Mall Concourse program. The costs are recovered on an annual basis based upon the actual services provided in the preceding period; and,

WHEREAS, Resolution No. RES-08-00931 dated October 10, 2008, adopted a policy for determining such charges based upon a combination of parcel square footage and effective service frontage length; and,

WHEREAS, the 2015 Adopted Operating Budget Resolution included an expansion of the State Street Mall / Capitol Concourse service area; and,

WHEREAS, the 2019 Adopted Operating Budget Resolution included the addition of services of the 1) Mall Concourse Flower Planter Program and 2) Mall Concourse Fountains and Amenity Improvements, which is an increase to the expenses funded by the special charges; and,

WHEREAS, the size and scope of the Mall Maintenance Area and corresponding of administration of the special charge process has grown significantly over the years; and,

WHEREAS, the administrative burden of the special charge process has increased significantly over the decades on with a multitude of incremental changes creating inefficiencies and lack of clarity; and,

WHEREAS, simplifying the process and policy regarding the billing to a 50% City and 50% Property Owner will establish a transparent and understandable process to apportion special charges to the benefiting properties; and,

WHEREAS, the 2020 Adopted Operating Budget included a modification to the cost share between the City and property owner from an 63% City /37% Property Owner effective 2019 to 50% Property Owner/50% City in 2020; and,

WHEREAS, this resolution authorizes a modification to the timeframe of charges captured from September 1, 2019 to August 1, 2020 to only include charges from September 1, 2019 to June 30, 2020 modifying the timeframe of charges going forward to accommodate a July 1 to June 30 timeframe for 2021; and,

WHEREAS, modification of the billing cycle will provide significant process improvements and increase the effectiveness of the Parks Division in management of the special charges; and,

WHEREAS, the 2019/2020 special charges apportioned through this resolution do not include costs attributable to emergency services related to riots and public property damage; and,

WHEREAS, the City Attorney has determined that the provisions of Wisconsin Statute 66.0627 shall be followed in the imposition of special charges for said maintenance costs.

NOW, THEREFORE, BE IT RESOLVED that the Mall Maintenance Special Charge

apportionment policy is hereby amended to apportion eligible service costs 50% to the property owners and 50% to the City as a whole; and,

BE IT FURHTER RESOLVED that the apportionment to individual properties will remain a combination of parcel square footage and effective service frontage length; and,

BE IT FURTHER RESOLVED that this apportionment policy will take effect with the 2019/2020 special charges and the billing cycle for the 2019/2020 special charges will be from September 1, 2019 through June 30, 2020; and,

BE IT FURTHER RESOLVED that future billing cycles will be on a July 1st to June 30th annual basis; and,

BE IT FURTHER RESOLVED that the 2019/2020 Special Charges for the State Street Mall and Capitol Concourse provided in Schedule A are hereby adopted in accordance with Sections 4.09(13) of the Madison General Ordinances and Wis. Stat. Sec. 66.0627; and,

BE IT FURTHER RESOLVED that such Special Charges shall not be payable in installments and shall be paid in full by January 31, 2021; and,

BE IT FINALLY RESOLVED that these Special Charges shall represent an exercise of the police power of the City of Madison.