

# City of Madison

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# Legislation Details (With Text)

File #: 56835 Version: 2 Name: 11700 Dairy Drive Acquisition 2019 Budget

Amendment

Type: Resolution Status: Passed

File created: 7/30/2019 In control: Economic Development Division

On agenda: 9/3/2019 Final action: 9/3/2019

Enactment date: 9/6/2019 Enactment #: RES-19-00623

Title: SUBSTITUTE - Amending the 2019 Adopted Budget for Engineering - Major Streets and Tax

Increment District (TID) #39 to increase the Dairy Drive capital project (#11865) budget by \$500,000

for land acquisition and to fund the increase with TID #39 (16th A.D.) incremental revenues.

Amending the 2019 adopted Engineering - Major Streets Budget with a \$500,000 increase to Dairy Drive Project #11865 to accommodate land acquisition costs, to be paid through TID #39. (16th A.D.)

**Sponsors:** Michael J. Tierney, Satya V. Rhodes-Conway

Indexes:

Code sections:

Attachments: 1. File ID 55071 Relo Order adopt 4-16-19 Binder.pdf, 2. 56835 Version 1.pdf

Date	Ver.	Action By	Action	Result
9/3/2019	2	COMMON COUNCIL	Adopt Substitute - 15 Votes Required	Pass
8/12/2019	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER	Pass
8/6/2019	1	COMMON COUNCIL	Referred	
7/30/2019	1	Economic Development Division	Referred for Introduction	

# **Fiscal Note**

The proposed resolution authorizes increasing Engineering - Major Streets 2019 adopted capital budget by \$500,000 to pay for land acquisition costs associated with the Dairy Drive capital project (#11865), which increases the project budget to approximately \$2.5 million. The proposed increase will be funded by incremental revenues in Tax Increment District (TID) #39. The 2019 adopted operating budget for TID #39 includes \$1.9 million of incremental revenues and a year-end cash balance of \$2.57 million. The unrecovered costs in TID #39 are budgeted at approximately \$540,000.

#### **Title**

SUBSTITUTE - Amending the 2019 Adopted Budget for Engineering - Major Streets and Tax Increment District (TID) #39 to increase the Dairy Drive capital project (#11865) budget by \$500,000 for land acquisition and to fund the increase with TID #39 (16th A.D.) incremental revenues. Amending the 2019 adopted Engineering - Major Streets Budget with a \$500,000 increase to Dairy Drive Project #11865 to accommodate land acquisition costs, to be paid through TID #39. (16<sup>th</sup> A.D.)

# **Body**

WHEREAS, the 2019 Engineering - Major Streets Capital Budget includes the construction of an extension of Dairy Drive from Broadway Avenue to Femrite Drive (Project # 11865); and,

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WHEREAS, the City issued a Relocation Order to acquire land and easements to complete the project (RES-19-00287, Legistar # 55071); and,

WHEREAS, the Relocation Order estimated the cost of land and easement acquisitions to be \$708,000; and,

WHEREAS, the City's collective appraised values for the affected properties indicate just compensation to property owners in the amount of \$1,044,140 for all the land and easement interests required for the project; and,

WHEREAS, when adding miscellaneous relocation costs to the offering price of \$1,044,140, the total cost of land and easement acquisition could be closer to \$1.2 million, or about \$500,000 more than the originally budgeted amount of \$708,000; and,

WHEREAS, the land acquisition costs for this project will be paid through TID #39, and TID #39 has the capacity to cover this additional cost; and,

WHEREAS, enhancing street connectivity in the neighborhood was identified as a goal of the 2008 Stoughton Road Revitalization Project Plan; and,

WHEREAS, the extension of Dairy Drive will improve the circulation of traffic throughout this neighborhood and make adjacent properties more suitable for development; and,

WHEREAS, adjacent property owners will be assessed for the cost of Dairy Drive construction, but not the cost of land and easement acquisition; and,

WHEREAS, on balance, the increased connectivity and development potential of surrounding properties will likely outweigh the added cost of land acquisition over time.

NOW THEREFORE BE IT RESOLVED that the <u>2019 Adopted Capital Budget is amended to appropriate an additional \$500,000 to budget of Project #11865 (Dairy Drive) within the <del>adopted 2019</del> Engineering - Major Streets Capital Budget is increased to use toward land acquisition costs; and,</u>

BE IT FINALLY RESOLVED that the 2019 Adopted Operating Budget is amended to appropriate \$500,000 of incremental revenues from Tax Increment District #39 to fund the land acquisition costs associated with the Engineering - Major Streets Dairy Drive capital project. TID #39 funds shall be used to pay for the \$500,000 increase.