



Legislation Text

File #: 56835, **Version:** 2

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. (16th 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,

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 2019 Adopted Capital Budget is amended to appropriate an additional \$500,000 to budget of Project #11865 (Dairy Drive) within the adopted 2019 Engineering - Major Streets Capital Budget is increased to use toward land acquisition costs; and,

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.