



Legislation Text

File #: 36235, **Version:** 1

Fiscal Note

This resolution amends the 2015 adopted capital budget and capital improvement plan (CIP) to delete and reschedule various capital projects. The net effect in 2015 is a reduction in general obligation borrowing of \$1,725,000, with an estimated debt service reduction of \$202,000. Total authorized 2015 general obligation borrowing would be \$146,176,732.

The resolution reduces funding in the six-year CIP by \$21.1 million in general obligation borrowing and \$41.8 million all funds.

Title

Amending the 2015 Adopted City Capital Budget to reschedule and defer specific capital projects in the Capital Improvement Plan related to the Fire, Police, Streets and Planning and Community and Economic Development departments.

Body

WHEREAS, the Common Council adopted the 2015 City Capital Budget and Capital Improvement Plan (CIP) at its budget meeting that convened on November 11, 2014; and

WHEREAS, the CIP includes projects funded through general obligation debt of the City that must be repaid with City property taxes; and

WHEREAS, estimated debt service costs associated with implementing projects on the timetable in the CIP may have detrimental effects on the ability to fund the on-going costs of day-to-day City services; and

WHEREAS, the CIP includes projects for a new Midtown Police District facility, Fire Station 14, a Fire Department employee training facility, new neighborhood centers, and a biodigester facility; and

WHEREAS, these facilities are expected to add operating costs of at least \$3 million annually to future City budgets; and

WHEREAS, state levy limits and constraints on City revenue options present challenges for financing the operating costs of these facilities while addressing on-going City services; and

WHEREAS, delaying and deferring these projects will help provide more time to plan for and accommodate associated operating costs; and

WHEREAS, the Fire Department employee training center was initially identified as a more immediate need in the department capital improvement plan; and

WHEREAS, the timetable for construction of a biodigester may be advanced if significant federal or other grant funding becomes available;

NOW, THEREFORE, BE IT RESOLVED, that the 2015 adopted City capital budget is amended to do the following:

1. Move \$2,125,000 in GO borrowing in 2015 and \$6,895,000 in GO borrowing in 2016 associated with

the Midtown Police District facility project to 2017 and 2018, respectively.

2. Move \$500,000 in GO borrowing in 2016 and \$7,660,000 in GO borrowing in 2017 associated with the Fire Station 14 project to 2018 and 2019, respectively.
3. Move \$400,000 in GO borrowing in 2019 and \$2,350,000 in GO borrowing in 2020 for construction of a new Fire Department exercise building and multi-use technical training tower to 2015 and 2016, respectively.
4. Delete all funding in the CIP for neighborhood centers after 2016 (\$24 million all funds; 50 percent GO borrowing and 50 percent other funding).
5. Move \$500,000 in GO borrowing in 2016 for detailed planning and site acquisition/preparation for a biodigester facility to 2021; move \$17,278,500 (50 percent GO borrowing and 50 percent other funding) from 2017 to 2022. Both of these years are outside of the six-year horizon of the CIP. Future capital budgets may consider moving the project up if significant federal or other grant funding becomes available.

BE IT FURTHER RESOLVED, these amendments will be included in the reported 2015 adopted City capital budget and that the City budget resolution that establishes the 2014 property tax levy and sets the maximum principal amount of general obligation indebtedness expected to be issued will be amended to reflect these changes.