



Legislation Text

File #: 48245, **Version:** 1

Fiscal Note

The proposed resolution authorizes a sole source purchase of services contract, not to exceed \$450,000, with CORRE, Inc. for relocation assistance and property management services for the tenants and improvements remaining on land purchased for the expansion of Central Park, located at 202 S. Baldwin Street, 212 S. Baldwin Street, and 1130 E. Wilson Street. The Parks Division capital budget includes funding for Central Park (Munis Project 10646). Funds are available in this project for the contract.

Title

Authorizing the City of Madison to enter into a sole source purchase of services contract with CORRE, Inc. for relocation assistance and property management services for the tenants and improvements remaining on land purchased for the expansion of Central Park, located at 202 S. Baldwin Street, 212 S. Baldwin Street, and 1130 E. Wilson Street.

Body

WHEREAS, the City of Madison (the "City") will be acquiring the properties located at 202 S. Baldwin Street, 212 S. Baldwin Street, and 1130 E. Wilson Street (the "Property") by Award of Compensation on July 31, 2017, as authorized by City Resolution File ID #43720, Enactment No. RES-16-00621, adopted on September 6, 2016 for a Relocation Order to acquire property for the expansion of Central Park in accordance with Section 32 and 62.22 of Wisconsin Statutes; and

WHEREAS, the acquisition will include three parcels totaling 2.08 acres of land improved with a cell tower and five buildings. The buildings are used for both warehouse/storage and office space, with all tenants, other than the cell tower, being month-to-month tenants; and

WHEREAS, when a property to be acquired under Section 32 Eminent Domain statutes has tenant-occupied improvements eligible for relocation benefits, an Acquisition Stage Relocation Plan (the "Plan") is required to be prepared and subsequently approved by the State of Wisconsin Department of Administration. Such a Plan provides extensive fact specific details regarding relocation assistance and potential project management services for the project, including but not limited to the following: displacement numbers, project cost estimate, anticipated project schedule, appeals process, property management costs and needs, eviction policy, claims policy, relocation assistance services, tenant inventory, notification methods, payment summary for every tenant, available comparable properties for tenants and anticipated relocation payments for each tenant. The Plan for this acquisition project was completed by CORRE, Inc. and approved by the Department of Administration; and

WHEREAS, upon the City's acquisition of the Property, all 97 existing leases for the tenant-owned improvements and the cell tower lease will expire. Each lease will need to be re-drafted and executed for the interim of up to two years, possibly longer, until the improvements, other than the cell tower, are razed to make way for the purpose stated above; and

WHEREAS, each tenant of the property is eligible for relocation benefits as set forth by Section 32 and Wisconsin Administrative Code Ch. Adm 92, and will receive a relocation benefit package setting forth their eligibility for reimbursements, with all tenants eligible for moving costs, and certain others potentially eligible for additional business relocation benefits. Eligibility is determined by interviews and review of financial statements for the on-site businesses; and

WHEREAS, the estimated timeframe for relocation assistance and property management services is through December 2019; however, the displaced tenants are eligible for relocation payments and services for a period of up to two years after they vacate their respective units. As a result, the City will need to provide property management services through December 2019, but relocation services to the hold over tenants of the Property through December 2021; and

WHEREAS, the Office of Real Estate Services does not have current staffing in place to perform and manage the required relocation assistance and property management needs for the Property after acquisition by the City. Services of this complexity and time period require a vendor that is familiar with the Property, the existing tenants/leases, the needs of the City, as well as thorough knowledge of Chapter 32 of the Wisconsin Statutes, Wisconsin Administrative Code Ch. Adm. 92, and 49 CFR Part 24; and

WHEREAS, the City has received a proposal from CORRE, Inc. to provide the required relocation assistance and property management services and is available for the required timeframe; and

WHEREAS, CORRE, Inc., has extensive experience providing relocation services in the State of Wisconsin, is familiar with the statutes, code and regulations set forth by the State of Wisconsin, and has performed recent work specific to the City's Central Park acquisition project by virtue of the Plan that was prepared for the project; and

WHEREAS, under sec. 4.26(4)(b), of the Madison General Ordinances if the aggregate amount of the fee for services exceeds \$25,000 and the contract was not subject to a competitive bidding process, the contract shall meet one of the other requirements of sec. 4.26(4)(a) and be approved by the Common Council; and

WHEREAS, the proposed contract with CORRE, Inc. meets the exception to the bidding process in section 4.26(4)(a)7. which states "A particular consultant has provided services to the City on a similar or continuing project in the recent past, and it would be economical to the City on the basis of time and money to retain the same consultant"; and

WHEREAS, City Resolution File ID #45975, Enactment No. RES-17-00131, adopted February 28, 2017 amended the Parks Division 2017 Capital Budget to increase the budget authority in consideration of the increased cost of the fee acquisition, relocation costs, and other associated costs for the Central Park Improvements project (MUNIS No. 10646); therefore, there is no additional fiscal impact contemplated by the purchase of services contract with CORRE, Inc.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a contract for purchase and services not to exceed \$450,000.00 with CORRE, Inc. for the above described services.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute, deliver and record such documents and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution.