

SPONSOR: ALD. BAUMAN, MURPHY and KOVAC

AMENDMENT 7A

DEPARTMENT	BUDGET EFFECT	TAX LEVY EFFECT	TAX RATE EFFECT PER \$1,000
DCD- Capital City Attorney - Capital	\$-104,040	\$-2,040	\$-0.001

AMENDMENT INTENT

This amendment would increase new borrowing authority for the Department of City Development's Housing Infrastructure Preservation Fund by \$150,000 and reduce new borrowing authority for the City Hall 8th Floor Remodeling project by \$252,000.

BACKGROUND

City Hall 8th Floor

The offices of the City Attorney moved from City Hall in 2006 to accommodate the City Hall restoration project. The City Attorney is currently located on the 7th and 10th floors of the Zeidler Municipal Building. The 8th floor of City Hall is currently vacant. The Fire and Police Commission makes occasional use of the 8th floor space for testing purposes.

Capital funding to upgrade mechanical and electrical systems as well as to reconfigure the offices on the 8th floor has been requested by the City Attorney each year since 2011. For the 2014 request, the project has been staged over 3 years. The original cost estimate was \$4.8 million. The most recent estimate is \$5.5 million.

The Capital Improvements Committee recommended \$1.5 million to begin the upgrade of the HVAC, mechanical and electrical systems.

Housing Infrastructure Preservation Fund

The Housing Infrastructure Preservation (HIP) fund was established by the Common Council in 2010 to provide funds for restoring, rehabilitating or mothballing City-owned properties that have been deemed historic or too valuable to the character of the surrounding neighborhood to demolish, but are unlikely to be restored by private purchasers. Since 2010, \$2.3 million has been budgeted for the HIP fund. The HIP fund has approximately \$400,000 in carryover borrowing authority.

As of September 27, 2013, 23 houses have been improved using funds from this account. Repairs on 18 homes have been completed; 5 are currently under construction. A total of 8 homes have been sold, 3 of them to NIDC. The average expenditure per completed house is \$77,800. The average sale price (excluding the homes sold to NIDC) is \$23,900.

As of August 28, 2013, the total hours worked on HIP projects was 17,284. Of those hours, 9,715 (56%) were performed by certified resident preference program participants.

DISCUSSION

This amendment would transfer a portion of the borrowing authority proposed for the 8th Floor of City Hall to the Housing Infrastructure Preservation fund.

Work proposed for 2014 on the 8th floor includes demolition, electrical work and the installation of HVAC, fire protection, and wall systems. An itemized estimate indicates that \$1,758,000 in funding would be sufficient to do the proposed work and begin design work for the 2015 phase of the project. Transferring \$252,000 from this capital account would not have an impact on the work proposed for 2014.

The total project cost however, would remain unchanged, and the \$252,000 eliminated by this amendment would have to be added to the budget in 2015 or 2016.

This amendment would increase the proposed funding for the Housing Infrastructure Preservation Fund by \$150,000 (50%). Using the average cost for homes completed to date (\$77,800), the amendment would provide funding for approximately 2 additional homes in 2014.

EFFECT

The budget effect of this amendment is \$-104,040.

The tax levy effect of this amendment is \$-0.001.

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OBJECTIVE, OVERALL BUDGET LEVY EFFECT OF THIS POSSIBLE AMENDMENT TO THE 2014 PROPOSED BUDGET

By Ald. Murphy

CAPITAL IMPROVEMENTS, CITY DEBT

Increase new borrowing authority for the DCD Housing Infrastructure Preservation Fund by \$150,000 and reduce the new borrowing authorization for the City Hall 8th Floor Remodel Project by \$252,000.

BUDGET TAX LEVY TAX RATE EFFECT
EFFECT EFFECT (PER \$1,000 A.V.)

Capital Improvements Budget	\$-102,000	\$+0	\$+0.000
City Debt Budget	\$-2,040	\$-2,040	\$-0.001
Total	\$-104,040	\$-2,040	\$-0.001

BMD-2 PAGE AND LINE NUMBER	DETAILED AMENDMENT	CHANGE IN 2014 POSITIONS OR UNITS COLUMN		CHANGE IN 2014 AMOUNT COLUMN	
		NUMBER TO BE CHANGED	AMOUNT OF CHANGE	AMOUNT TO BE CHANGED	AMOUNT OF CHANGE
	SECTION I.C.1. BUDGETS FOR CAPITAL IMPROVEMENTS				
	CITY ATTORNEY				
460.6-4	City Hall - 8th Floor Remodel New Borrowing	--	--	\$2,010,000	\$-252,000
	DEPARTMENT OF CITY DEVELOPMENT				
460.8-18	Housing Infrastructure Preservation Fund New Borrowing	--	--	\$300,000	\$+150,000
	SECTION I.C.2. SOURCE OF FUNDS FOR CAPITAL IMPROVEMENTS BUDGET				
460.34-12	New Authorizations - City Share	--	--	\$85,304,000	\$-102,000
	SECTION I.D.1. BUDGET FOR CITY DEBT				
470.1-7	Bonded Debt (Interest - expense)	--	--	\$40,462,380	\$-2,040
	SECTION II. PROPOSED BORROWING AUTHORIZATIONS				
	B. Renewal and Development Projects				
580.1	Subtotal Renewal and Development Projects.	--	--	\$6,020,000	\$+150,000
	C. Public Improvements				
580.1	1. Public buildings for housing machinery and equipment.	--	--	\$15,085,000	\$-252,000

Change totals, subtotals, and related amounts accordingly.