CITY OF STOUGHTON
FINANCE DEPARTMENT
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Date: June 19, 2020

To: Finance Committee

From: Jamin Friedl, CPA
Director of Finance/Comptroller

Subject: Chorus House Alley Purchase

City Staff has been in discussion with the owners of the Chorus House, located at 154 W. Main Street regarding the potential purchase of the alley property that is currently owned by the Chorus House property owners and is not believed to be dedicated to the public at this time. While making improvements to the building, the owners discovered the ceiling of the old coal vault in the alley was deteriorating and was not structurally sound enough to accommodate vehicular traffic. When the basement ceiling under the alley was found to be defective, the City closed the alley to all traffic due to safety concerns. To make this portion of the property under the alley safe, the owners closed off the under-alley vaults with concrete, excavated and filled the rooms below the property with road-worthy materials.

In order to make this alley a public right-of-way property, the owners are offering to sell the alley property to the City of Stoughton for $31,000. This amount reflects the expense incurred to re-fortify and stabilize the foundation below the alley spanning the width of the property.

By purchasing this property, the City can dedicate the entire alley to the public for general use. Without this purchase, the owner could not allow the public to use this portion of the alley. Directors Hebert and Scheel believe the owners have demonstrated a good faith effort to work with the City to shore up the vault under the alley with the proper materials and recommend purchasing the property for $31,000. It is worth noting this alley had historically been open to traffic and public use. Should the City determine that the alley was originally dedicated to the City and purchasing the property is not necessary, reimbursing the owners $31,000 for the work completed to make the alley accessible to vehicular traffic will be the most prudent course of action.

The table below is a breakdown of the 2020 CIP budget for Downtown Improvements including the $31,000 discussed above.

Total Budget	Contract 2-2020 Including Contingency	Total Engineering Services & Rep Services	Other Projects	Project Total	Remaining Budget
$975,000	$801,633	$50,000	$108,885	$960,518	$14,482

The remaining budget of $14,482 will be more than sufficient to cover any additional title work and legal costs we may incur because of this transaction.

We are requesting the following from the Finance Committee:

- Direct City Staff and the City Attorney to complete the necessary title work and background research related to this transaction utilizing funds from the 2020 Downtown Improvements budget
- If necessary, approve drafting a purchase and sale agreement utilizing $31,000 from the 2020 Downtown Improvements budget for presentation to the Council at a later date
- If a purchase and sale agreement is not deemed necessary, we are requesting approval to utilize $31,000 from the 2020 Downtown Improvements budget to reimburse the Chorus House owners for the work completed

Respectfully submitted,
Jamin Friedl, CPA
Director of Finance