Wisconsin Department of Transportation

RE1038

**Relocation Incentive Program**

**PUBLIC INTEREST FINDING/COST EFFECTIVENESS ESTIMATE**

This estimate and any additional supporting documentation developed by the regions shall be forwarded to WisDOT/DTSD/Bureau of Technical Services – Real Estate (BTS-RE) for approval by a Real Estate manager.

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| --- | --- |
| Project ID:       | County:       |
| PS&E Date:       | Letting Date:       |
| Estimated Construction Cost: $       |
| Estimated R/W Cost: $       |

1. **Safety concerns and benefits to traveling public from early project completion**.

Review and discuss Concept Definition Report/Design Study Report, Purpose and Need Statement in EIS, and interview WisDOT project manager and regional traffic engineer to determine what safety benefits are necessary and/or recognized by the traveling public from early project completion. Include estimate of what lowering the accident rate or roadway hazard may be in terms of injuries or fatalities avoided or a decrease in traffic accidents from historical data. Enter narrative summary of comments below.

1. **Cost effectiveness of moving up construction of highway project.**

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| Highway Construction Calculation |
| 1. Estimated roadway construction cost (excludes any real estate costs).
 | $       |
| 1. Current annual rate of inflation of construction cost:

 Rate can be obtained for 3R projects from FIIPS; or by contacting WisDOT/DTIM/Project & Systems Analysis; or use the Bureau of Project Development rate of inflation on the seven major bid items. For major projects, apply rate of inflation from cost-estimating workshop. | %       |
| 1. Estimated increase in construction cost if project is delayed one year by R/W acquisitions.
 | A($) x B(%) = estimated increase. | $       |
| 1. Estimated total cost of highway construction delayed one year.
 | A + C = total estimated increased construction costs. | $       |
| 1. Calculation assumes a one year time savings in letting date if condemnations are avoided.
 | A - D = dollar amount of savings from construction moved up one year. | $       |

1. **Available housing/business supply.**

Review and discuss Conceptual Stage Plan and/or Acquisition Stage Plan for this project, if available, or use other sources. Identify housing/businesses to be acquired and type of comparable properties from these plans indicating availability of real estate in the area of highway project. Attach Conceptual or Acquisition Stage Plan, MLS data or other pertinent data to indicate that an available replacement property is obtainable.

1. **Real estate market trends/rate of inflation.**

Review engineer’s reports, build-out estimate, and cost-estimating documents and determine what types of properties will be acquired. Complete grid below for appropriate types of properties on project. Attach sales information. Resources may include MLS or Department of Revenue website.

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| Real Estate Market Trends/Rate of Inflation Grid |
| Property Type on Project | Real Estate Project Cost Estimates | Equalized value change in previous 12 months in county at: <http://www.revenue.wi.gov/equ/county.html>. Or, for specific real estate value change in county or municipality, go to: <http://www.revenue.wi.gov/equ/report2.html>; then, to: <https://ww2.revenue.wi.gov/EqValue2/application> for changes in real estate values for a specific county or municipality. | Apply % increase (decrease) to cost estimate for like properties on incentive project |
| % increase | (%) decrease |
| Residential |       |       |       |       |
| Commercial |       |       |       |       |
| Industrial |       |       |       |       |
| Agricultural |       |       |       |       |
| **Total** = Estimated savings for early completion (1 yr) | $       |

1. **Estimate real estate labor costs for employees and/or consultants reduced or avoided based on project cost-estimating system.** $
2. **Estimated real estate litigation costs avoided based on cost-estimating system.**

Review litigation expense data on previous projects similar in construction and real estate parcel types to estimate probable expenses. Estimate cost savings based on reduced litigation expenses. $

1. **Total cost effectiveness estimate for project:**

*Add (+) real estate (lines 4, 5, & 6) ………………………………….….……. $*

*Add (+) highway construction (line 2) ………………………………….….…. + $*

*Equals (=) estimated savings utilizing Relocation Incentive Program ....... = $*

*Subtract (-) estimated cost of incentive payments on project ……..…..….. - $*

***Net estimated cost savings for Relocation Incentive Program*** ….…… ***= $***

1. **If there is no net cost savings, use of Relocation Incentive Program may still be justified. Provide justification (e.g., safety reasons**)**:**

1. **Discuss any and all other considerations analyzed and the conclusion(s).**

Example: Review whether the inclusion of businesses could derail the abbreviated project timeline; if offering the incentive to landlords is feasible; the controversial nature of the project (if any); etc. Then, provide your reasons to believe that inclusion of incentives would be successful in that those affected will likely be receptive and have both the desire and ability to comply successfully with conditions of the program.

1. **Explain why traditional relocation practices and procedures will not meet project needs:**

1. **Additional supporting documentation attached: Yes [ ]  / No [ ]**

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| **[ ]  BTS-RE Approved.**

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Real Estate Manager Approving Date |