



Request for City Council Committee Action From the Departments of Public Works

Date: January 17, 2012

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral To: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: **Nicollet Avenue (Lake Street to 40th Street) Reconstruction and Street Lighting Project No 6713 (PV057): Public Hearing**

Recommendation:

- A. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting the special assessments in the total amount of \$1,695,433.90 for the Nicollet Avenue (Lake Street to 40th Street) Reconstruction Project.
- B. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$1,695,435, with the bonds to be paid for from special assessments.
- C. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting the special assessments in the total amount of \$324,000 for the Nicollet Avenue (Lake Street to 36th Street) Street Lighting Project.
- D. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$324,000, with the bonds to be paid for from special assessments.
- E. These Resolutions may be authorized for summary publication.

Previous Directives:

- September 2, 2011- Nicollet Avenue (Lake St to 40th St) Approved Layout, Authorized Public Works to negotiate to acquire easements and additional right of way if needed, and Set a public hearing for areaway abandonment
- December 9, 2011- City Council Resolution 2011R-648, Project Designation-Reconstruction
- December 9, 2011- City Council Resolution 2011R-649, Project Designation-Street Lighting
- December 9, 2011- City Council Resolution 2011R-650, Order for conflicting areaways abandonment and removal

Prepared by: Beverly Jo Warmka, P.E., Project Engineer, 673-3762
Suzette Hjermstad, R.E. Investigator II, 673-2401
Don Elwood, P.E., Director, Transportation Planning & Engineering, 673-3622

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Beverly Jo Warmka, P.E., Project Engineer
Suzette Hjermstad, R.E. Investigator II

Reviews:

Permanent Review Committee (PRC):	Not Applicable
Civil Rights Affirmative Action Plan:	Not Applicable
Policy review Group (PRG):	Not Applicable

Financial Impact

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: Public Hearing notices mailed on December 30, 2011
Neighborhood Meetings: Pre-public hearing meeting scheduled for January 10, 2012
Numerous meetings with a task force and stakeholders throughout
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe City
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

Approximately 1.25 miles of Nicollet Ave from Lake Street to 40th Street is proposed for reconstruction. This project is included in the City's 2012 and 2013 Capital Improvement Program (CIP).

Nicollet Avenue is Municipal State Aid route (MSA 430) and is classified as a community corridor in Access Minneapolis. The existing roadway was constructed in 1954 with a mill and overlay occurring in 1977. The street is generally 50 feet wide, carries two-way traffic, and allows for parking on both sides.

The proposed reconstruction of Nicollet Ave includes new asphalt roadway surface, concrete curb and gutter, sidewalks, turf boulevards, and trees. The reconstructed street will generally be 44 feet wide and carry 2-way motorized traffic with parking on both sides of the street. The roadway will widen between Lake Street and 31st St as well as around the intersections with 36th St and 38th St to accommodate current or future turn lanes. The reduction in width from 50 feet to 44 feet results in less impervious pavement and allows for wider green space. The boulevards provide space for tree planting, streetscape amenities, light poles, and signs out of the pedestrian sidewalk area.

There have been many meetings over the past two years with the affected stakeholders to discuss the project and gather feedback. Feedback from the stakeholders and balancing the needs from the multiple users of the corridor led Public Works to the final design.

Schedule and Funding

The project is scheduled for construction to start in April 2012 with completion by fall of 2013. The project will be constructed by a contractor through a competitive bid process.

A cost estimate for the project is \$12,460,000. The project will be funded by Minnesota State Aid funds, sewer and water revenue, net debt bonds and assessments.

Street Reconstruction Assessments

The proposed street reconstruction special assessments were determined by applying the 2012 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved street. The 2012 reconstruction rates are as follows:

\$2.21 / sq ft – Non-Residential
\$0.77 / sq ft – Residential

The proposed total assessment amount for the Nicollet Avenue Reconstruction Project is \$1,695,433.90. Individual assessments of more than \$150 would be collected over 20 years

beginning on the 2014 real estate tax statements with the interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2014 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest if they so choose.

Street Lighting Assessments

Street Lighting will also be installed with the reconstruction project from Lake Street to 36th Street. The total estimated cost of the street lighting is \$324,000. The cost would be assessed to the benefiting properties. The area was petitioned in November 2011 and the percentage of petitions returned by the deadline not supporting the lighting installation was 18% (petitions returned by the deadline supporting the lighting installation totaled 26%). Per the City of Minneapolis Street Lighting Policy, lighting will be installed unless 70% or more opt-out. The total estimated cost of the street lighting is \$324,000. The final cost will be assessed to the benefiting properties and payable over 20 years. (Street lighting for the segment of Nicollet between 36th St and 40th St was recently installed and those property owners are currently paying assessments.)

The proposed assessment method consists of calculation of land area of benefited parcels located within the street influence zone along the improved streets. The street lighting assessment rate is \$0.43 per sq ft.

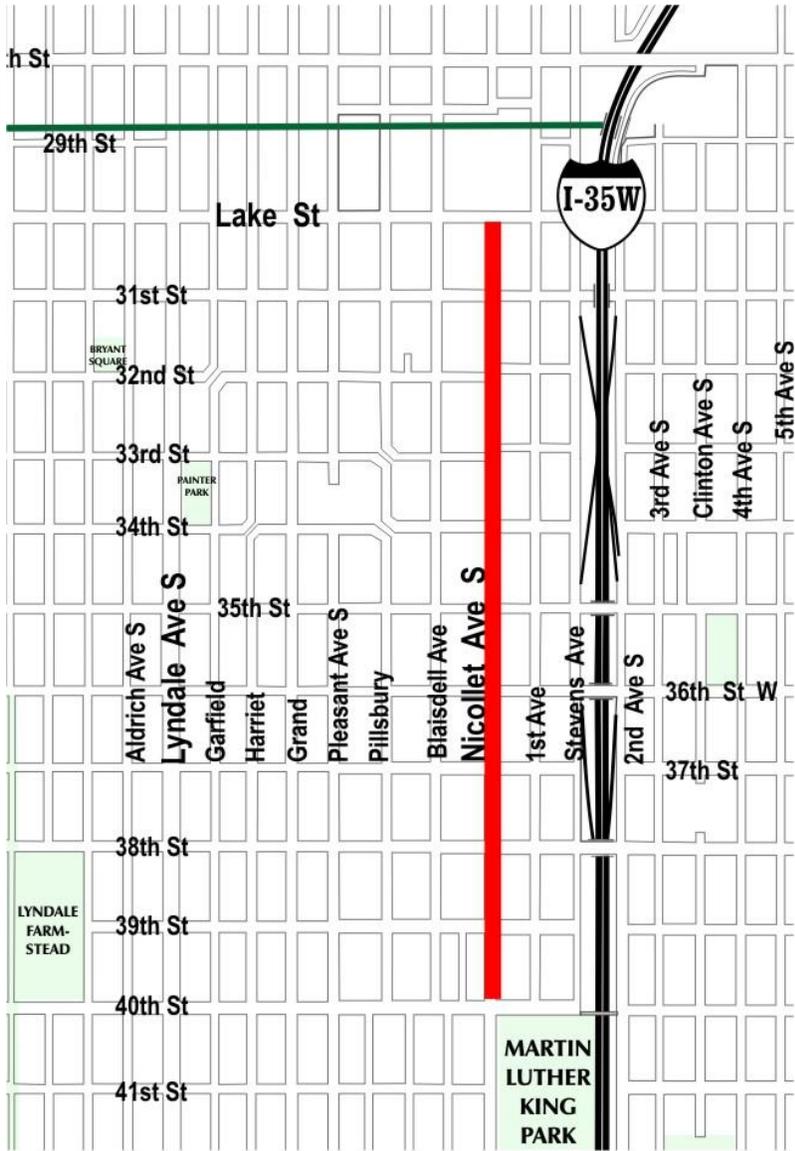
The lighting levels for this proposed project are classified as standard. The annual maintenance and operation costs are to be paid by property tax revenue and the city-wide street lighting fee which is assessed to non-governmental, tax-exempt properties.

The proposed total street lighting assessment amount for the Nicollet Avenue Street Lighting Project is \$324,000. Individual assessments of more than \$150 would be collected over 20 years beginning on the 2014 real estate tax statements with the interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2014 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest if they so choose.

Attachment: Project Location Map

Cc: Council Member Elizabeth Glidden, Ward 8
Council Member Meg Tuthill, Ward 10
Jack Qvale, Secretary, Board of Estimation and Taxation
Craig Troutman, Finance

Nicollet Ave Reconstruction Project Map



 Project



T&PW - Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments; for the Nicollet Avenue (Lake Street to 40th Street) Reconstruction and Street Lighting Project, Special Improvement of Existing Street No. 6713 and 6713L.

By Colvin Roy

**NICOLLET AVE (LAKE STREET TO 40TH STREET) RECONSTRUCTION PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET No 6713**

Ordering the work to proceed and adopting the special assessments for the Nicollet Avenue (Lake Street to 40th Street) Project.

Whereas, a public hearing was held on January 17, 2012 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinance to consider the proposed improvements as designated in Resolution 2011R-648, passed December 9, 2011, to consider the proposed special assessments on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2011R-648, passed December 9, 2011.

Be It Further Resolved that the proposed special assessments in the total amount of \$1,695,433.90 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as assessment bonds are sold for with collection of the special assessments to begin on the 2014 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that interest be

charged at the same rate as the assessment bonds are sold for with collection of the special assessments to begin on the 2014 real estate tax statements.

By Colvin Roy

**NICOLLET AVENUE (LAKE STREET TO 40TH STREET) STREET LIGHTING
PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET No 6713L**

Ordering the work to proceed and adopting the special assessments for the Nicollet Avenue (Lake Street to 36th Street) Street Lighting Project.

Whereas, a public hearing was held on January 17, 2012 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinance to consider the proposed improvements as designated in Resolution 2011R-649, passed December 9, 2011, to consider the proposed special assessments on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2011R-649, passed December 9, 2011.

Be It Further Resolved that the proposed special assessments in the total amount of \$324,000 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as assessment bonds are sold for with collection of the special assessments to begin on the 2013 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that interest be

charged at the same rate as the assessment bonds are sold for with collection of the special assessments to begin on the 2014 real estate tax statements.

T&PW and W&M/Budget – Your Committee recommends passage and summary publication of the accompanying Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the Nicollet Ave (Lake St to 40th St) Reconstruction Project, Special Improvement of Existing Street No 6713.

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$1,695,435 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Nicollet Ave (Lake St to 40th St) Reconstruction Project, Special Improvement of Existing Street No 6713, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

T&PW and W&M/Budget – Your Committee recommends passage and summary publication of the accompanying Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the Nicollet Ave (Lake St to 40th St) Street Lighting Project, Special Improvement of Existing Street No 6713L.

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$324,000 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Nicollet Ave (Lake St to 36th St) Street Lighting Project, Special Improvement of Existing Street No 6713L, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.