



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

Date: January 29, 2013

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

Referral: Honorable Betsy Hodges, Chair Ways & Means Committee

Subject: **Project Approval and Assessment Public Hearing for Winter St NE Reconstruction Project No 2226; Areaway Abandonment Public Hearing**

Recommendation:

- A. Passage of a Resolution ordering the City Engineer to proceed with and do the work and adopting special assessments in the amount of \$1,775,857.71 for the Winter St NE Reconstruction Project No 2226.
- B. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$1,775,860 for the Winter St NE Reconstruction Project No 2226 with the bonds to be paid for from special assessments.
- C. Passage of a Resolution ordering the City Engineer to abandon and remove the areaways located in the public right-of-way that are in conflict with the Winter St NE Reconstruction Project.

Previous Directives:

- December 12, 2012 Resolution 2012R-655 adopting the 2013 Capital Budget including the funding of \$5,355,000 for this project.
- November 16, 2012, Council action designating the location and streets to be improved in the Winter St NE Reconstruction Project No 2226.
- February 28, 2012, Council Action approving the layout for the Winter St NE Reconstruction project.

Prepared by: Christopher M. Engelmann, Project Engineer 673-3274
Suzette Hjemstad, R.E. Investigator II, 673-2401

Approved by:

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

Presenters: Christopher M. Engelmann, Project Engineer, Department of Public Works,
Transportation Planning & Engineering

Reviews

Permanent Review Committee (PRC): Approval N/A Date _____
Civil Rights Approval Approval N/A Date _____

Financial Impact

No financial impact

Action is within the Business Plan

Community Impact

Neighborhood Notification: A public meetings was held to answer questions from the surrounding property owners.

City Goals:

Comprehensive Plan:

Zoning Code:

Background/Supporting InformationScope

The proposed project consists of reconstructing the following oiled dirt roadways: Winter St NE from cul-de-sac to 15th Ave SE; Ulysses St NE from Winter St NE to the dead-end; Garfield St NE from E Hennepin Av to Winter St NE; 14th Av SE from E Hennepin Av to dead-end; 15th Av SE from E Hennepin Av to Winter St NE; and 16th Av from E Hennepin Av to dead-end, as shown in the attached map. The project will include full removal of the existing road, and replacing the paving, base, curb, gutter, signage and striping, storm main, storm drains, stormwater management technologies, drives, reconstruction of impacted sidewalks, impacted boulevards, and impacted landscaping.

Street Lighting Petition

Per the City of Minneapolis Street Lighting Policy, a City street lighting system will be installed with all street reconstruction projects, unless 50% of the affected properties petition out the lighting. Petition forms were mailed to all affected property owners. Signatures representing 81.6% of the property in the influence zone were returned by the deadline from property owners who were not in support of the project. Therefore, the lighting project was not designated and no further action regarding the street lighting system was conducted

Schedule and Funding

The project is planned to be constructed in the 2013 construction season. A cost estimate for the project is \$4,930,000. The 2013 adopted Capital Budget funding for the project is \$5,355,000 which includes:

- \$2,455,000 in net debt bonds;
- \$2,155,000 in special assessment bonds;
- \$680,000 in stormwater revenue; and
- \$65,000 in water revenue.

Street Reconstruction Project Assessments

The proposed street reconstruction special assessments were determined by applying the 2013 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2013 reconstruction assessment rates are as follows:

\$2.39/sq ft – Non-Residential
\$0.80/sq ft - Residential

The proposed total assessment amount for the Winter St NE Reconstruction Project is \$1,775,857.71. Assessments of more than \$150 are to be collected in 20 annual principal installments on the real estate tax statements beginning in 2014 with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less are to 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.

Abandonment and Removal of Conflicting Areaways

Section 95.90 of the Minneapolis Code of Ordinances provides a procedure for dealing with areaway encroachments that would interfere with public improvements being made in the public right-of-way such as street construction. Before the City may abandon and remove conflicting areaways (upon the failure of the abutting property owner to resolve or agree to resolve the conflict) and then later assess the costs, a public hearing must be held. It is our recommendation that this areaway public hearing be held in conjunction with the Winter St NE Reconstruction Project Approval and Public Hearing. Prior to the areaway public hearing notices being given, the City Engineer will have provided the initial notice required in Section 95.90 of the Minneapolis Code of Ordinances.

Attachment Project Map

Cc: CM Reich, Ward 1
Jack Qvale, Board of Estimation and Taxation
Craig Troutman, Finance

T&PW and W&M/Budget – Your Committees recommend passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Winter St NE Reconstruction Project, Special Improvement of Existing Street No 2226.
2. Requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the purpose of paying the assessed cost of street improvements in the Winter St NE Reconstruction Project.

Colvin Roy

**Winter St NE Reconstruction Project, Special Improvement of Existing Street No
2226**

**Ordering the work to proceed and adopting the special assessments for the
Winter Street NE Reconstruction Project**

Whereas, a public hearing was held on January 29, 2013 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2012R-607 passed November 16, 2012, to consider the proposed special assessments as 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 2012R-607 passed November 16, 2012.

Be It Further Resolved that the proposed special assessments in the total amount of \$1,775,857.71 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 the City pays in interest for selling assessment bonds 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 assessment of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2014 real estate tax statements.

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$1,775,860 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 Winter Street NE Reconstruction Project, Special Improvement of Existing Street No 2226, 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 – Your Committee recommends passage and summary publication of the accompanying Resolution ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction in the Winter St NE project area.

Colvin Roy

Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction projects in the Winter St NE area.

Whereas, the City of Minneapolis has scheduled the reconstruction and street lighting improvements starting in 2013 in the Winter St NE area of Minneapolis; and

Whereas, there are areaways located in the public street r/w that are in conflict with said reconstruction; and

Whereas, a public hearing was held on January 29, 2013 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances to consider the proposed abandonment and removal of the above mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

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

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street r/w adjoining the properties along both sides of Winter St NE from cul-de-sac to 15th Ave SE; Ulysses St NE from Winter St NE to the dead-end; Garfield St NE from E Hennepin Av to Winter St NE; 14th Av SE from E Hennepin Av to dead-end; 15th Av SE from E Hennepin Av to Winter St NE; and 16th Av from E Hennepin Av to dead-end.