



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

Date: June 4, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: Public Hearing: Tyler St. NE Resurfacing

Recommendation:

- A. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting special assessments in the amount of \$100,099.08 for the Tyler St NE Project No 5256 Street Resurfacing Project.
- B. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$100,100 with the bonds to be paid for from special assessments.

Previous Directives:

- Nov. 16, 2012 – Council resolution 2012R-605, establishing the 2013 Uniform Assessment Rates
- May 10, 2013 – Council resolution 2013R-202 designating the streets and improvements to be made, and accepting the East 7th Street POS, LLC Petition and Assessment Appeal Waiver.

Department Information:

Prepared by: Suzette Hjermstad, RE Investigator II, 673-2401

Approved by: _____

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

Presenters in Committee: Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Financial Impact

- Action is within the Business Plan
- Other financial impact: Special assessments against benefited properties

Community Impact

- Neighborhood Notification: Meetings held with property owners proposed to be assessed and public hearing notices sent.
- City Goal: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Supporting Information

On May 10, 2013, the City Council designated the street location for the improvements to be made in the Tyler St NE area. The cost estimate for this project is \$122,240 and is financed by net debt bonds and special assessments. East 7th Street POS, LLC, property owner on Tyler St NE, petitioned that this street be improved and is willing to waive its assessment appeal rights for this work to be performed. This was memorialized in a Petition and Assessment Appeal Waiver submitted to the City by East 7th Street POS, LLC.

The location of the Tyler St NE street project is from 13th Av NE to 14th Av NE. This street is a local City street that is oiled dirt.

The street would be a mill and overlay of the street surface with plant mix asphalt and other paving related improvements as needed. This paving project is scheduled to begin in June, 2013 and will be constructed by the City's workforce.

The street special assessments were determined by applying the 2013 Uniform Assessment Rates to the land area of the petitioner's parcels located within the street influence zone along the improved street. The approved 2013 resurfacing rates are:

\$0.60 /sq. ft. – Non-Residential

\$0.20 /sq. ft. – Residential

The proposed total assessment amount is \$100,099.08 for this project and constitutes an estimated benefit to the property owner, East 7th St POS, LLC. The assessment term stipulated in the Petition and Assessment Appeal Waiver, would be over 7 years beginning 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. The assessment balances may be paid off at any time during their term.

Attachments: Map

CC: Jack Qvale, Secretary, Board of Estimate and Taxation

T&PW & 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 Tyler St NE Project, Special Improvement of Existing Street No. 5256.
2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Tyler St NE Project.

Colvin Roy

**TYLER ST NE PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5256**

Ordering the work to proceed and adopting the special assessments for the Tyler St NE Project.

Whereas a public hearing was held on June 4, 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 2013R-202, passed May 10, 2013 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 2013R-202, passed on May 10, 2013.

Be It Further Resolved that the proposed special assessments in the total amount of \$100,099.08 for the Tyler St NE Street Project No 5256 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 success equal annual principal installments by which the special assessments shall be paid shall be fixed at seven (7) 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.

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$100,100 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 costs of street improvements in the Tyler St NE Project, Special Improvement of Existing Street No 5256, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collected in seven (7) successive annual installments, payable in the same manner as real estate taxes.