



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

Date: March 18, 2014

To: The Honorable Kevin Reich, Chair, Transportation & Public Works Committee

Referral To: The Honorable John Quincy, Chair, Ways & Means Committee

Subject: **Public Hearing: 2014 Resurfacing Program – 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Project No. 5258.**

Recommendation:

A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$355,510.80 for the 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project No 5258.

B. Pass a Resolution requesting the Board of Estimate and taxation to issue and sell assessment bonds in the amount of \$355,515.00 for the 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project with the bonds to be paid from special assessments.

Previous Directives:

- February 7, 2014 Council resolution 2014R-034 designating the locations and streets to be improved.
- November 12, 2013 Council resolution 2013R-509 establishing the 2014 Uniform Assessment Rates.

Department Information:

Prepared by: Suzette Hjermstad, Supervisor, PW Special Assessment Office 643-2401
Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

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

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: Public hearing notices mailed to benefited property owners

Neighborhood Meetings: Pre-public hearing meetings held on March 11 and 12, 2014

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Supporting Information

Background

On January 23, 2014, the City Council designated the locations, streets and improvements proposed to be made in the project neighborhoods. The cost estimate for this project is \$569,681 and is financed by net debt bonds and special assessments.

The locations of the street resurfacing projects are:

- Fifth St N from approximately 172 ft. southeasterly of 5th Av N (to the concrete bridge abutment) northwesterly to 10th Av N. Fifth St N at this location is MSA Route No. 218 and was last paved in 1930.
- Eighth Av N is from Oak Lake Av N to 5th St N. Eighth Av N at this location is a local city street and was last paved in 1957.
- Fifth Av N is from 5th St N approximately 194 feet to the northeast. Fifth Av N is being resurfaced in cooperation with the interchange project. The adjacent property owners are being assessed at the resurfacing rate.
- Fifty-eighth St E is from 42nd Av S to 46th Av S. Fifty-eighth St E at this location is a local city street and was last paved in 1967.
- MN-62 frontage road south is from 34th Av S to 46th Av S. The frontage road at this location is a local city street and was last paved in 1967.

The street resurfacing 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 spring, 2014 and will be constructed by the City's workforce.

Special Assessments

The street resurfacing special assessments were determined by applying the 2014 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The approved 2014 resurfacing rates are:

\$0.60/sq. ft. – Non-Residential

\$0.20/sq. ft. – Residential

The proposed total assessment amount is \$355,510.80 for this street resurfacing project. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2015 real estate tax statements with 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 2015 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.

City Council has passed resolutions whereby a deferment of special assessments may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Attachments – Maps

Cc: Council Member Blong Yang, Ward 5

Council Member Andrew Johnson, Ward 12
Jack Qvale, Secretary, Board of Estimate and Taxation

T&PW & W&M – Your Committee recommends passage and summary

publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the 2014 Resurfacing Program, 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project, Special Improvement of Existing Street No. 5257.
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 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project No 5258.

Reich

2014 STREET RESURFACING PROGRAM

**5th ST N, 8th AV N AND 5th AV N ,
58th ST E AND MN-62 FRONTAGE RD S
STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5258**

Ordering the work to proceed and adopting the special assessments for the 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project.

Whereas, a public hearing was held on March 18, 2014 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 2014R-034, passed February 7, 2014 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 2014R-034, passed February 7, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$355,510.80 for the 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Project No. 5258 Street Resurfacing Project 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 with the special assessments of more than \$150 may be paid shall be fixed at five (5) 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 2015 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 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 be on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$355,515 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 5th St N, 8th Av N and 5th Av N and 58th St E and MN-62 Frontage Rd S Street Resurfacing Project, Special Improvement of Existing Street No. 5258, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collected in five (5) successive annual installments, payable in the same manner as real estate taxes.