



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

Date: April 1, 2014

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

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

Subject: **2014 Resurfacing Program – Johnson St NE, 10th & 11th Aves SE: Public Hearing**

Recommendation:

A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$122,975.27, for the Johnson St NE, 10th & 11th Aves SE, Project No 5261 Street Resurfacing project.

B. Pass a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$122,975, for the Johnson St NE, 10th & 11th Aves SE Street Resurfacing project with the bonds to be paid for from special assessments.

Previous Directives:

- February 21, 2014 Council resolution 2014R-057 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 meeting held on March 26, 2014.

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

Supporting Information

Background

On February 21, 2014, the City Council designated the locations, streets and improvements proposed to be made in the Johnson St NE, 10th & 11th Avs SE neighborhood. The cost estimate for this project is \$202,864 and is financed by net debt bonds and special assessments (for finance purposes identified as PV1461).

The locations of the streets that are included in the Johnson St NE, 10th & 11th Avs SE street resurfacing project are local city streets identified as:

- Johnson St NE from 8th Av SE to E Hennepin Av was last paved in 1972.
- 10th Av SE from 8th St SE to Como Av SE was last paved in 1974.
- 11th Av SE from Como Av SE to E Hennepin Av was last paved in 1974.

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 \$122,975.27 for the Johnson St NE, 10th & 11th Avs SE project. Individual assessments of more than \$150 would be collected over five 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 – Map

Cc: Council Member Cam Gordon, Ward 2

Council Member Jacob Frey, Ward 3

Jack Qvale, Secretary, Board of Estimate and Taxation

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 2014 Resurfacing Program, Johnson St NE, 10th & 11th Avs SE Street Resurfacing Project, Special Improvement of Existing Street No. 5261.

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 Johnson St NE, 10th & 11th Avs SE Street Resurfacing Project.

Reich

2014 STREET RESURFACING PROGRAM

**JOHNSON ST NE, 10TH & 11TH AVS SE
STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5261**

Ordering the work to proceed and adopting the special assessments for the Johnson St NE, 10th & 11th Avs SE Street Resurfacing Project.

Whereas, a public hearing was held on April 1, 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-057, passed February 21, 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-057, passed February 21, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$122,975.27 for the Johnson St NE, 10th & 11th Avs SE Street Resurfacing Project No 5261 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 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 \$122,975 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 Johnson St NE, 10th & 11th Avs SE Street Resurfacing Project, Special Improvement of Existing Street No 5261, 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.