



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

Date: April 29, 2014

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

Referral: Honorable John Quincy, Chair Ways and Means Committee

Subject: **Resolution of Pending Special Assessment Appeal, Jeffrey L. Strand and Kim Wm. Jeppesen v. City of Minneapolis; and Reduction of Special Assessments**

Recommendation:

- a. Authorize the City Attorney's Office to execute any documents necessary to effectuate settlement of the special assessment appeal asserted by Jeffrey L. Strand and Kim Wm. Jeppesen and authorize the Director of Public Works to reduce the assessment at 5100 Thomas Av N, PID 11-118-21-21-0146 to \$2600;
- b. Amend Resolution 2014R-088 passed March 7, 2014 to reduce the adopted and assessed special assessments in the total amount \$59,316.25 to \$58,831.30 for the 51st Av N Street Resurfacing Project No 5257 due to the assessment appeal settlement.
- c. Amend Resolution 2014R-089 passed March 7, 2014 to reduce the bond sale request for the 51st Av N Street Resurfacing Project from \$59,320 to \$58,835.

Previous Directives:

- March 7, 2014 – Council Resolution 2014R-088 ordering work to proceed and adopting special assessments
- March 7, 2014 – Council Resolution 2014R-089 – Requesting Board of Estimate and Taxation to sell bonds
- February 25, 2014 – Project approval and assessment public hearing for 51st Av N Street Resurfacing Project No 5257
- January 23, 2014 – Council Action designating the location and streets improved in the 51st Av N Resurfacing Project No 5257

T&PW Department Information:

Prepared by: Suzette Hjermstad, R.E. Investigator II, 673-2401
Don Elwood, P.E. Director, Transportation Planning & Engineering

Approved by: _____

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

Presenters in Committee: Suzette Hjermstad

City Attorney Department Information:

Prepared by: Sara Lathrop, Assistant City Attorney
Suzette Hjermstad, R.E. Investigator II, 673-2401

Approved by: _____

Susan Segal, City Attorney

Presenters in Committee: Susan Segal

Financial Impact

- Other financial impact: Reduction of assessments by \$484.95, from \$59,316.25 to \$58,831.30 for the 51st Av N Street Resurfacing Project No 5257.

Supporting Information

On March 7, 2014, by Resolution 2014R-088, the City Council adopted and assessed the assessments for the 51st Av N Street Resurfacing Project No 5257 in the amount of \$59,316.25 and by Resolution 2014R-089 requested the sale of assessment bonds in the amount of \$59,320. The property located at 5100 Thomas Av N with Property ID 11-118-21-21-0146 is included in the 51st Av N resurfacing project. The property is owned by Jeffrey L. Strand and Kim Wm. Jeppesen.

Messrs. Strand and Jeppesen commenced an appeal from the assessment. The City Attorney’s Office has negotiated a proposed settlement of reducing the assessment amount to \$2,600.00, from \$3,084.95. The reduction in assessments is \$484.95.

The City’s Public Works Department supports the resolution. Therefore, staff recommends approval of the settlement of this matter as described.

T&PW & W&M – Your committees recommend passage and summary publication of the accompanying resolutions:

1. Authorizing the City Attorney to proceed with settlement of the special assessment appeal asserted by Jeffrey L. Strand and Kim Wm. Jeppesen.
2. Authorizing the Public Works Director to reduce the special assessment for property at 5100 Thomas Ave N, PID 11-118-21-21-0146 to \$2,600 and amend Resolution 2014R-088 to reduce the total amount of special assessments to \$58,831.30.
3. Amending Resolution 2014R-089 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 51st Av N Street Resurfacing Project, by reducing the amount to \$58,835.

Riech and Quincy

**Resolution of Special Assessment Appeals,
Jeffrey L. Strand and Kim Wm. Jeppesen
v. City of Minneapolis**

Approving the settlement of the special assessment appeals by authorizing The City Attorney's office to execute necessary documents to effectuate settlement and authorizing the Public Works Director to reduce the special assessments for Public Works street resurfacing improvements described hereinafter.

Whereas, in accordance with Chapter 10 of the Minneapolis City Charter, The City Council of the City of Minneapolis passed Resolution 2014R-088 on March 7, 2014 adopting the assessment rolls as prepared by the City for the 51st Av N Street Resurfacing Project No 5257as stated herein; and

Whereas, an appeal of the special assessments was filed in District Court as Jeffrey L. Strand and Kim Wm. Jeppesen v. City of Minneapolis and a settlement between the parties has been agreed upon.

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

That pursuant to the settlement of the special assessment appeals, the City Attorney's Office is hereby directed to execute the documents necessary to effectuate the settlement that reduces the assessment on property identified as 5100 Thomas Av N, PID 11-118-21-21-0146 from a total of \$3,084.95 by \$484.95 to \$2,600 for the 51st Av N Street Resurfacing Project No 5257.

Reich and Quincy

Amending Resolution 2014R-088 entitled, "Ordering the work to proceed and adopting the special assessments for the 51st Av N Street Resurfacing Project" passed March 7, 2014.

Whereas, a public hearing was held on February 25, 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-012, passed January 23, 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-012, passed January 23, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$59,316.25 and reduced by \$484.95 to \$58,831.30 due to the settlement of an assessment appeal for the 51st Av N Project No 5257 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 which the special assessments of more than \$150 may be paid shall be fixed at five (5), except for the property identified by PID 11-118-21-21-0146 at 5100 Thomas Av N, in the original amount of \$3,084.95, and reduced to \$2,600 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 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

Amending Resolution 2014R-089 entitled "Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of ~~\$59,320~~ \$58,835 for certain purposes other than the purchase of public utilities" passed March 7, 2014.

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 51st Av N Street Resurfacing Project, Special Improvement of Existing Street No. 5257, 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.