



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

Date: June 17, 2014

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

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

Subject: **2014 Resurfacing Program – 40th St E & W: 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 \$66,692.76 for the 40th St E & W (Lyndale Av S to Stevens Av S), Project No 5262 Street Resurfacing project.

B. Pass a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$66,695 for the 40th St E & W Street Resurfacing project with the bonds to be paid for from special assessments.

Previous Directives:

- May 23, 2014, Council resolution 2014R-234 amending the resolution designating the project and resetting the public hearing.
- April 25, 2014, Council resolution 2014R-189 designating the project and setting a public hearing for June 3, 2014.
- 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 scheduled for June 10, 2014

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

Supporting Information

Background

On April 25, 2014, the City Council approved the project designation, received a cost estimate and set a public hearing for the 40th St E and W Resurfacing project. On May 23, 2014 the City Council amended the project designation to include one additional block: from 1st Av S to Stevens Av S. The cost estimate for this project was also revised to \$262,456 and is financed by net debt bonds and special assessments (for finance purposes identified as PV145640TH).

Fortieth St from Lyndale to 1st Av S is MSA Route No 257 and was last paved in 1958. Fortieth St from 1st Av S to Stevens Av S is a local city street and was last paved in 1978.

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 mid to late summer, 2014 and will be performed 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 \$66,692.76 for the 40th St E & W 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 – Map

Cc: Council Member Elizabeth Glidden, Ward 8

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, 40th St E & W Street Resurfacing Project, Special Improvement of Existing Street No 5262.

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 40th St E & W Street Resurfacing Project.

Reich

**2014 STREET RESURFACING PROGRAM
FORTIETH ST E & W STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5262**

Ordering the work to proceed and adopting the special assessments for the 40th St E & W (from Lyndale Av S to Stevens Av S) Street Resurfacing Project.

Whereas, a public hearing was held on June 17, 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-189, passed April 25, 2014 and as amended in Resolution 2014R-234, passed May 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-189, passed April 25, 2014 and as amended in Resolution 2014R-234, passed May 23, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$66,692.76 for the 40th St E & W Street Resurfacing Project No 5262 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefitted 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 & Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$66,695 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 40th St E & W Street Resurfacing Project, Special Improvement of Existing Street No 5262, to be assessed against benefitted 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.