



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

**Date:** October 7, 2014

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

**Subject:** **Public Hearing for the 2015 proposed services and service charges for the Uptown (Hennepin-Lake), Dinkytown, Central Avenue, Stadium Village, Nicollet Avenue South, South Hennepin Avenue, 48<sup>th</sup> Street East and Chicago Avenue South and 43<sup>rd</sup> St W and Upton Avenue South (Linden Hills) Special Service Districts.**

### Recommendation:

- A. Passage and summary publication of a Resolution for the Uptown, Dinkytown, Central Avenue, Stadium Village, Nicollet Avenue South, South Hennepin Avenue, 48<sup>th</sup> Street East and Chicago Avenue South, and 43<sup>rd</sup> St W and Upton Avenue South Special Service Districts;
- B. Approve the special services and the budget cost estimates in the lump sum total amount of \$1,133,500 for 2015;
- C. Approve the special service charges and the lists of service charges (assessments) in the lump sum total amount of \$1,076,560 for 2015;
- D. Direct the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; and
- E. Direct the City Engineer to proceed with the work.

### Previous Directives:

- September 9, 2014 – The Transportation & Public Works Committee directed staff to give notice of public hearing.

### Department Information:

**Prepared by:** Andrew Carlson, Project Manager for Special Service Districts

**Approved by:** \_\_\_\_\_  
Steven A. Kotke, P.E., Director of Public Works

**Presenter in Committee:** Andrew Carlson, Project Manager for Special Service Districts

## Reviews

- N/A

## Financial Impact

This action will identify special assessments against benefited properties.

## Community Impact

- Neighborhood Notification: All property owners subject to the service charges within each district received notice of the public hearing including the proposed assessment amount for 2015 services.
- City Goals: A hub of economic activity and innovation: Businesses – big and small – start, move, stay and grow here.

## Supporting Information

Each year the Special Service District Advisory Boards recommend the services, estimated budgets and assessment methodology for the coming year for their respective Special Service District. These service charges would be collected on the 2015 real estate taxes in the same manner as special assessments. There is no interest charge applied. Each affected property owner was mailed a notice of public hearing with the service charge amount 10 days in advance of the public hearing.

### UPTOWN SPECIAL SERVICE DISTRICT

The Uptown Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                       |                  |
|---------------------------------------|------------------|
| 1. Sidewalk Snow Services             | \$190,000        |
| 2. Sidewalk Sweeping & Cleaning       | \$ 40,000        |
| 3. Trash Receptacle Servicing         | \$ 30,000        |
| 4. Seasonal Lighting                  | \$ 66,000        |
| 5. Streetscape Maintenance and Repair | <u>\$ 90,000</u> |
| TOTAL                                 | \$416,000        |

The service charges are set up such that 100% of the cost of these services (\$416,000 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were less than the service charges revenues through 2013 by \$56,922. As provided for in Section 438.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$359,078 (\$416,000 minus \$56,922).

The service charges for 2015 have been calculated according to the methods recommended by the Advisory Board which are a combination of abutting property frontage (lineal) method and land and building value method for the Sidewalk Snow Services, Trash, Lighting, and Streetscape services.

If approved, the 2015 service charges of \$359,078 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$359,078 to be collected in 2015 is \$4,894 less than the amount of \$363,972 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the Uptown Special Service District.

## DINKYTOWN SPECIAL SERVICE DISTRICT

The Dinkytown Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                     |                 |
|-------------------------------------|-----------------|
| 1. Sidewalk Snow Services           | \$ 75,000       |
| 2. Seasonal Lighting                | \$ 40,000       |
| 3. Litter Management                | \$ 35,000       |
| 4. Banners                          | \$ 2,000        |
| 5. Streetscape Maintenance & Repair | <u>\$ 8,000</u> |
| TOTAL                               | \$160,000       |

The service charges are set up such that 100% of the cost of these services (\$160,000 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were less than the service charges revenues through 2013 by \$1,521. As provided for in Section 444.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$158,479 (\$160,000 minus \$1,521).

The service charges for 2015 have been calculated according to the method recommended by the Advisory Board which is an abutting property frontage (lineal) method for the properties receiving services.

If approved, the 2015 service charges of \$158,479 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$158,479 to be collected in 2015 is \$30,619 more than the amount of \$127,860 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the Dinkytown Special Service District.

## CENTRAL AVENUE SPECIAL SERVICE DISTRICT

The Central Avenue Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|   |                  |
|---|------------------|
| 1. Sidewalk Snow Services                 | \$ 65,000        |
| 2. Landscape Maintenance & Beautification | \$ 6,000         |
| 3. Streetscape Maintenance & Repair       | \$ 6,500         |
| 4. Decorative Lighting                    | <u>\$ 22,000</u> |
| TOTAL                                     | \$ 99,500        |

The service charges are set up such that 100% of the cost of these services (\$99,500 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were more than the service charges revenues through 2013 by \$17,756. As provided for in Section 446.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$117,256 (\$99,500 plus \$17,756).

The service charges for 2015 have been calculated according to the method recommended by the Advisory Board which is an abutting property frontage (lineal) method.

Minneapolis Police Department Precinct Number 2 at 1911 Central Avenue Northeast is located within the Central Avenue Special Service District. This property's allocated share of the service charges for 2015 is \$8,227.72.

If approved, the 2015 service charges of \$117,256 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest

charge applied. The amount of \$117,256 to be collected in 2015 is \$1,529 more than the amount of \$115,727 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the Central Avenue Special Service District.

#### NICOLLET AVENUE SOUTH SPECIAL SERVICE DISTRICT

The Nicollet Avenue South Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                     |                  |
|-------------------------------------|------------------|
| 1. Seasonal Tree Lighting           | \$ 60,000        |
| 2. Landscape Repair & Maintenance   | \$ 31,000        |
| 3. Streetscape Maintenance & Repair | \$ 22,500        |
| 4. Spring/Fall Clean-up             | \$ 2,500         |
| 5. Banner Replacement & Maintenance | \$ 2,000         |
| 6. Trash Receptacle Servicing       | \$ 14,000        |
| 7. Sidewalk Snow Clearing at Corner | <u>\$ 40,000</u> |
| TOTAL                               | \$172,000        |

The service charges are set up such that 100% of the cost of these services (\$172,000 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were more than the service charges revenues through 2013 by \$15,579. As provided for in Section 448.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$187,579 (\$172,000 plus \$15,579).

The service charges for 2015 have been calculated according to the method recommended by the Advisory Board that is a land area strip method (50 foot strip along the streets receiving the services).

If approved, the 2015 service charges of \$187,579 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$187,579 to be collected in 2015 is \$7,551 more than the amount of \$180,028 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the Nicollet Avenue South Special Service District.

## STADIUM VILLAGE SPECIAL SERVICE DISTRICT

The Stadium Village Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|  |                 |
|--|-----------------|
| 1. Sidewalk Snow Services                          | \$ 57,000       |
| 2. Trash Receptacle Servicing                      | \$ 32,000       |
| 3. Streetscape, and Landscape Maintenance & Repair | \$ 18,000       |
| 4. District Identity                               | <u>\$ 3,000</u> |
| TOTAL  | \$110,000       |

The service charges are set up such that 100% of the cost of these services (\$110,000 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were more than the service charges revenues through 2013 by \$12,119. As provided for in Section 450.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$122,119 (\$110,000 plus \$12,119).

The service charges for 2015 have been calculated according to the methods recommended by the Advisory Board which are: Each tax parcel is charged \$250 with the remaining costs being charged by using an abutting property frontage (lineal) method.

Minneapolis Fire Department Station Number 19 at 200 Ontario Street Southeast is located within the Stadium Village Special Service District. This property's allocated share of the service charges for 2015 is \$5,781.06.

If approved, the 2015 service charges of \$122,119 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$122,119 to be collected in 2015 is \$58,508 more than the amount of \$63,611 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the Stadium Village Special Service District.

## SOUTH HENNEPIN AVENUE SPECIAL SERVICE DISTRICT

The South Hennepin Avenue Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                       |                 |
|---------------------------------------|-----------------|
| 1. Sidewalk Snow Services             | \$ 42,000       |
| 2. Seasonal Lighting                  | \$ 16,000       |
| 3. Landscape Maintenance and Repair   | \$ 48,500       |
| 4. Streetscape Maintenance and Repair | \$ 31,000       |
| 5. District Identity                  | \$ 1,000        |
| 6. Trash Receptacle Servicing         | <u>\$ 1,500</u> |
| TOTAL                                 | \$140,000       |

The service charges are set up such that 100% of the cost of these services (\$140,000 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were less than the service charges revenues through 2013 by \$20,426. As provided for in Section 454.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$119,574 (\$140,000 minus \$20,426).

The service charges for 2015 have been calculated according to the method recommended by the Advisory Board that are: Each tax parcel is charged equally for Holiday Lighting, Planter Maintenance, Retaining Wall Maintenance, Tree and Shrub Replacement, and Trash Removal, with the remaining costs being charged by using an abutting property frontage (lineal) method. The services are along Hennepin Avenue South from approximately Franklin Avenue West to 28th Street West.

If approved, the 2015 service charges of \$119,574 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$119,574 to be collected in 2015 is \$2,667 more than the amount of \$116,907 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the South Hennepin Avenue Special Service District.

#### 48<sup>th</sup> STREET EAST AND CHICAGO AVENUE SOUTH SPECIAL SERVICE DISTRICT

The 48<sup>th</sup> Street East and Chicago Avenue South Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                       |               |
|---------------------------------------|---------------|
| 1. Sidewalk Snow Services             | \$15,000      |
| 2. Streetscape Maintenance and Repair | \$ 2,000      |
| 3. Parking                            | \$ 500        |
| 4. Litter Container Pick-up           | \$ 2,000      |
| 5. Seasonal Lighting                  | \$ 4,500      |
| 6. Security                           | <u>\$ 500</u> |
| TOTAL                                 | \$24,500      |

The service charges are set up such that 100% of the cost of these services (\$24,500 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were less than the service charges revenues through 2013 by \$16,458. As provided for in Section 457.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$8,042 (\$24,500 minus \$16,458).

The service charges for 2015 have been calculated according to the method recommended by the Advisory Board that is the street frontage (lineal) method for the streets receiving services. The services are along Chicago Avenue South from 47<sup>th</sup> Street East to approximately mid-block between 48<sup>th</sup> and 49<sup>th</sup> Streets East.

If approved, the 2015 service charges of \$8,042 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$8,042 to be collected in 2015 is \$4,556 more than the amount of \$3,486 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the 48<sup>th</sup> Street East and Chicago Avenue South Special Service District.

43<sup>rd</sup> STREET WEST & UPTON AVENUE SOUTH (LINDEN HILLS) SPECIAL SERVICE DISTRICT

The 43<sup>rd</sup> Street West and Upton Avenue South Special Service District Advisory Board has recommended the services and the estimated costs for 2015 as follows:

|                                       |                 |
|---------------------------------------|-----------------|
| 1. Streetscape Maintenance and Repair | \$ 500          |
| 2. Landscape Maintenance & Repair     | \$ 5,000        |
| 3. Decorative Lighting                | \$ 5,000        |
| 4. Trash Receptacle Servicing         | <u>\$ 1,000</u> |
| TOTAL                                 | \$11,500        |

The service charges are set up such that 100% of the cost of these services (\$11,500 estimated for 2015) is recovered from the affected properties. However, the expenditures for services through 2013 were less than the service charges revenues by \$7,067. As provided for in Section 452.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2015 is \$4,433 (\$11,500 minus \$7,067).

The service charges for 2015 have been calculated according to the same method as the original streetscape assessments that is: the street frontage (lineal) method for 33.33% of the cost, parcel area (square foot) method for 33.33% of the cost and land and building market value method for 33.33% of the costs for the streets receiving services. The services are along Upton and Sheridan Avenues S from approximately mid-block between 42<sup>nd</sup> St W and 43<sup>rd</sup> St W to approximately 170 feet South of 44<sup>th</sup> St W, 43<sup>rd</sup> St W from Vincent Ave S to approximately 300 feet east of Sheridan Ave S and 44<sup>th</sup> St W from Sheridan Ave S to approximately 135 feet West of Sheridan Ave S.

If approved, the 2015 service charges of \$4,433 would be collected on the 2015 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$4,433 to be collected in 2015 is \$12,354 less than the amount of \$16,787 collected in 2014.

Staff recommends approval of the services and service charges for 2015 in the 43<sup>rd</sup> Street West and Upton Avenue South Special Service District.

T&PW - Your Committee, having under consideration the Uptown, Dinkytown, Central Av, Nicollet Av S, Stadium Village, S Hennepin Av, 48th St E and Chicago Av S and 43rd St W and Upton Av S (Linden Hills) Special Service Districts, now recommends passage and summary publication of the accompanying Resolution approving special services, the cost estimates, service charges and the lists of service charges for 2015 in the Uptown, Dinkytown, Central Av, Nicollet Av S, Stadium Village, S Hennepin Av, 48th St E and Chicago Av S and 43rd St W and Upton Av S (Linden Hills) Service Districts and directing the City Engineer to proceed with the work.

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Approving special services, the cost estimates, service charges and the lists of service charges for 2015 in the Uptown, Dinkytown, Central Av, Nicollet Av S, Stadium Village, S Hennepin Av, 48th St E and Chicago Av S and 43rd St W and Upton Av S Special Service Districts and directing the City Engineer to proceed with the work.

Whereas, public hearings were held on October 7, 2014 in accordance with Laws of Minnesota, 1985, Chapter 302, Laws of Minnesota, 1993, Chapter 375, Article 5, Sections 35 through 38, Laws of Minnesota, 1995, Chapter 264, Article 3, Section 28, Laws of Minnesota, 1996, Chapter 471, Article 8, Section 44 and Chapters 438, 444, 446, 450, 452, 454, and 457 of the Minneapolis Code of Ordinances to consider the proposed special services, the proposed service charges and the proposed lists of service charges as on file in the Office of the City Clerk and with the City Engineer's Special Assessment Office and to consider all written and oral objections and statements regarding this matter;

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

That the proposed special services, the proposed cost estimate in the total amount of \$416,000 for 2015 and the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$359,078 (amount remaining after adjusting the cost estimate of \$416,000 for previous years' unexpended balances and additional costs as provided for in Section 438.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the Uptown Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$160,000 for 2015 and the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$158,479 (amount remaining after adjusting the cost estimate of \$160,000 for previous years' unexpended balances and additional costs as provided for in Section 444.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the Dinkytown Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$99,500 for 2015 and the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$117,256 (amount remaining after adjusting the cost estimate of \$99,500 for previous years' unexpended balances and additional costs as provided for in Section 446.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the Central Avenue Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$172,000 for 2015 and the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$187,579 (amount remaining after adjusting the cost estimate of \$172,000 for previous years' unexpended balances and additional costs as provided for in Section 448.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the Nicollet Avenue South Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$110,000 for 2015 and the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$122,119 (amount remaining after adjusting the cost estimate of \$110,000 for previous years' unexpended balances and additional costs as provided for in Section 450.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the Stadium Village Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$140,000 for 2015 and that the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$119,574 (amount remaining after adjusting the cost estimate of \$140,000 for previous years' unexpended balances and additional costs as provided for in Section 454.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the South Hennepin Avenue Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$24,500 for 2015 and that the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$8,042 (amount remaining after adjusting the cost estimate of \$24,500 for previous years' unexpended balances and additional costs as provided for in Section 457.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the 48th Street East and Chicago Avenue South Special Service District.

Be It Further Resolved that the proposed special services, the proposed cost estimate in the total amount of \$11,500 for 2015 and that the proposed service charges and the proposed list of service charges (special assessments) for 2015 in the total amount of \$4,433 (amount remaining after adjusting the cost estimate of \$11,500 for previous years' unexpended balances and additional costs as provided for in Section 452.70 of the Minneapolis Code of Ordinances) as prepared by the City Engineer and on file in the Office of the City Clerk be and hereby are approved for the 43rd Street West and Upton Avenue South Special Service District.

Be It Further Resolved that the City Engineer is hereby directed to proceed with the work.

Be It Further Resolved that the service charges be collected in one (1) installment on the 2015 real estate tax statements in the same manner as special assessments without interest charges and that the City Clerk is hereby directed to transmit certified copies of said lists of service charges to the Hennepin County Auditor.