



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

Date: October 21, 2014

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

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

Subject: **Increase in Special Assessments for Hay Northwest, Franklin Hall and Lyn Park Areas Street Resurfacing Project No 5264**

Recommendation:

A. Amend Resolution 2014R-239 to increase the amount of special assessments by \$27,756.84 to \$1,332,061.79 for the Hay Northwest, Franklin Hall and Lyn Park areas, Project No 5264 Street Resurfacing project.

B. Amend Resolution 2014R-240 to increase the bond sale request to the Board of Estimate and Taxation to issue and sell assessment bonds for \$1,332,065 for the Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing project with the bonds to be paid for from special assessments.

Previous Directives:

- May 23, 2014 Council resolution 2014R-239 ordering the work to proceed and adopting the special assessments.
- May 23, 2014 Council resolution 2014R-240 requesting the sale of assessment bonds.
- March 28, 2014 Council resolution 2014R-102 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

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Don Elwood, P.E., Director, Transportation Planning & Engineering

Financial Impact

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: none

Neighborhood Meetings: n/a

City Goals: A City that works: City government runs well and connects to the community is serves.

Supporting Information

Background

On May 23, 2014, the City Council passed a resolution that ordered the work to proceed and adopted special assessments in the amount of \$1,304,304.86 for the Hay Northwest, Franklin Hall and Lyn Park areas for Street Resurfacing Project No. 5264 (for finance purposes identified as PV1456). Also passed was a resolution requesting the Board of Estimate and Taxation to issue and sell bonds in the amount of \$1,304,305.

The assessment rolls that were produced for this project had an anomaly whereby various parcels were dropped from the summation of the assessment totals that were presented at the Public Hearing. As a result, staff under-reported the total amount to be assessed by \$27,756.84. The correct amount to be assessed is \$1,332,061.70. The error was found and corrections have been made, preventing this error from happening again. Staff have verified that all property owners were given proper public hearing notification with the correct assessment amounts.

Amendments to the resolutions passed by City Council on May 23, 2014 are necessary in order sell assessment bonds to pay for the assessed cost of the street improvements.

cc: 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, Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing Project, Special Improvement of Existing Street No. 5264.

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 Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing Project.

Reich

2014 STREET RESURFACING PROGRAM

**HAY NORTHWEST, FRANKLIN HALL AND LYN PARK AREA
STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5264**

Ordering the work to proceed and adopting the special assessments for the Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing Project.

Whereas, a public hearing was held on May 13, 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-102, passed March 28, 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-102, passed March 28, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$1,304,304.86 for the Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing Project No 5264 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 \$1,304,305 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 Hay Northwest, Franklin Hall and Lyn Park areas Street Resurfacing Project, Special Improvement of Existing Street No 5264, 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.