



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

Date: November 18, 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, NearCo IV, LLC v. City of Minneapolis; and Reduction of Special Assessments**

Recommendation:

- A. Approve the settlement and authorize the City Attorney's Office to execute any documents necessary to effectuate settlement of the special assessment appeal asserted by NearCo IV, LLC and authorize the Director of Public Works to reduce the assessment at 409 W Broadway, PID 15-029-24-32-0173 to \$5,250 and at 1912 4th St N, PID 15-029-24-23-0175 to \$1,750;
- B. Amend Resolution 2014R-239 passed May 23, 2014 as amended October 31, 2014, to reduce the adopted and assessed special assessments in the total amount \$1,332,061.79 to \$1,317,618.68 for the Hay NW, Franklin Hall and Lyn Park Areas Street Resurfacing Project No 5264 due to the assessment appeal settlement;
- C. Amend Resolution 2014R-240 passed May 23, 2014 to reduce the bond sale request for the Hay NW, Franklin Hall and Lyn Park Areas Street Resurfacing Project from \$1,332,065 to \$1,317,618.

Previous Directives:

October 31, 2014 Council action amending Resolutions 2014R-239 and 2014R-240 by increasing the special assessment and bond sale request amounts

May 23, 2014 – Council Resolution 2014R-239 ordering work to proceed and adopting special assessments

May 23, 2014 – Council Resolution 2014R-240 – Requesting Board of Estimate and Taxation to sell bonds

May 13, 2014 – project approval and assessment public hearing

March 28, 2014 – Council Action designating the location and streets improved in the Hay NW, Franklin Hall and Lyn Park Areas Resurfacing Project No 5264

T&PW Department Information:

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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: Tracey N. Fussy, 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 \$14,443.11, from \$1,332,061.79 to \$1,317,618.68 for the Hay NW, Franklin Hall and Lyn Park Areas Street Resurfacing Project No 526451st Av N Street Resurfacing Project No 5257.

Supporting Information

On May 23, 2014, by Resolution 2014R-239, as amended on October 31, 2014, the City Council adopted and assessed the assessments for the Hay NW, Franklin Hall and Lyn Park Areas Street Resurfacing Project No 5264 in the amount of \$1,332,061.79 and by Resolution 2014R-240, as amended on October 31, 2014, requested the sale of assessment bonds in the amount of \$1,317,618. The properties located at 409 W Broadway with Property ID 15-029-24-32-0173 and 1912 4th St N, Property ID 15-029-24-23-0175 are included in the street resurfacing project. The properties are owned by NearCo IV, LLC.

NearCo IV, LLC commenced an appeal from the assessment. The City Attorney's Office has negotiated a proposed settlement of reducing the assessments from a combined total of \$21,443.11 for both parcels to a combined total of \$7,000 for both parcels.

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