



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

**Date:** January 20, 2015

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

**Referral to:** Honorable John Quincy, Chair Ways and Means Committee

**Subject:** **Project Approval and Assessment Public Hearing for Minnehaha Avenue (CSAH 48) Reconstruction Project 9664; Areaway Abandonment 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 \$2,289,493.73 for the Minnehaha Avenue (CSAH 48) Reconstruction Project No 9664.
- B. Pass a Resolution requesting the Board of Estimate and Taxation to authorize the City to issue and sell assessment bonds in the amount of \$2,289,495 for the Minnehaha Avenue (CSAH 48) Reconstruction Project No 9664 with the bonds to be paid from special assessments.
- C. Pass a resolution ordering the City Engineer to abandon and remove the areaways located in the public right-of-way that are in conflict with the Minnehaha Avenue (CSAH 48) Reconstruction Project.

### Previous Directives:

November 18, 2014 – Designation, Cost Estimate, and Set Public Hearings

November 19, 2013 – Reconstruction Layout Approval and statement of support for Hennepin County variance request

### Department Information:

Prepared by: Christopher M. Engelmann, P.E., Project Engineer 673-3274  
Suzette Hjermstad, R.E. Investigator II, 673-2401  
Don Elwood, P.E., Director of Transportation Planning and Engineering

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

Presenters in Committee: Christopher M. Engelmann, Project Engineer, Department of Public Works, Transportation Planning and Engineering

## **Financial Impact**

- Action is within the Business Plan
- Special assessments against benefited properties

## **Community Impact**

- Neighborhood Notification: A stakeholder meeting was held to address questions regarding the assessment process.
- City Goals
  - Living well: Minneapolis is safe and livable and has an active and connected way of life. High-quality and convenient transportation options connect every corner of the city.
  - A hub of economic activity and innovation: Businesses – big and small – start, move, stay and grow here. Infrastructure, public services and community assets support businesses and commerce.
  - Great Places: Natural and built spaces work together and our environment is protected. We manage and improve the city's infrastructure for current and future needs.

## **Supporting Information**

### Scope

The proposed project is a reconstruction of County State Aid Highway (CSAH) 48. The county is the lead agency on the project and has requested the City's financial participation. The proposed project consists of reconstructing Minnehaha Ave from Lake St to 46<sup>th</sup> St E and approximately 450 feet of 46<sup>th</sup> St E at the intersection with Minnehaha Ave. The project will include full removal of the existing road, and replacement of the paving, base, curb, gutter, signage and striping, storm drains, drives, street lighting, sidewalks and boulevards when impacted by the project, and urban trees.

### Schedule and Funding

The project is planned to be constructed in the 2015 and 2016 construction seasons. The project cost estimate is \$14,400,000 of which approximately \$3,200,000 is the City's share. The City of Minneapolis funding is in PV074 "CSAH & MnDOT Cooperative Projects" capital program.

### Street Reconstruction Project Assessments

The proposed street reconstruction special assessments were determined by applying the 2015 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2015 reconstruction assessment rates are as follows:

\$2.46/sq ft – Non-Residential

\$0.82/sq ft - Residential

The proposed total assessment amount for the Minnehaha Avenue (CSAH 48) reconstruction project is \$2,289,493.73. Individual assessments over \$150 beginning on 2017 real estate tax statements and assessments of \$150 or less would be collected in their entirety on 2017 real estate tax statements, with interest charged at the rate determined by the City Council for the appropriate assessment collection period.

Information has been provided in the notices as to how property owners 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.

## Abandonment and Removal of Conflicting Areaways

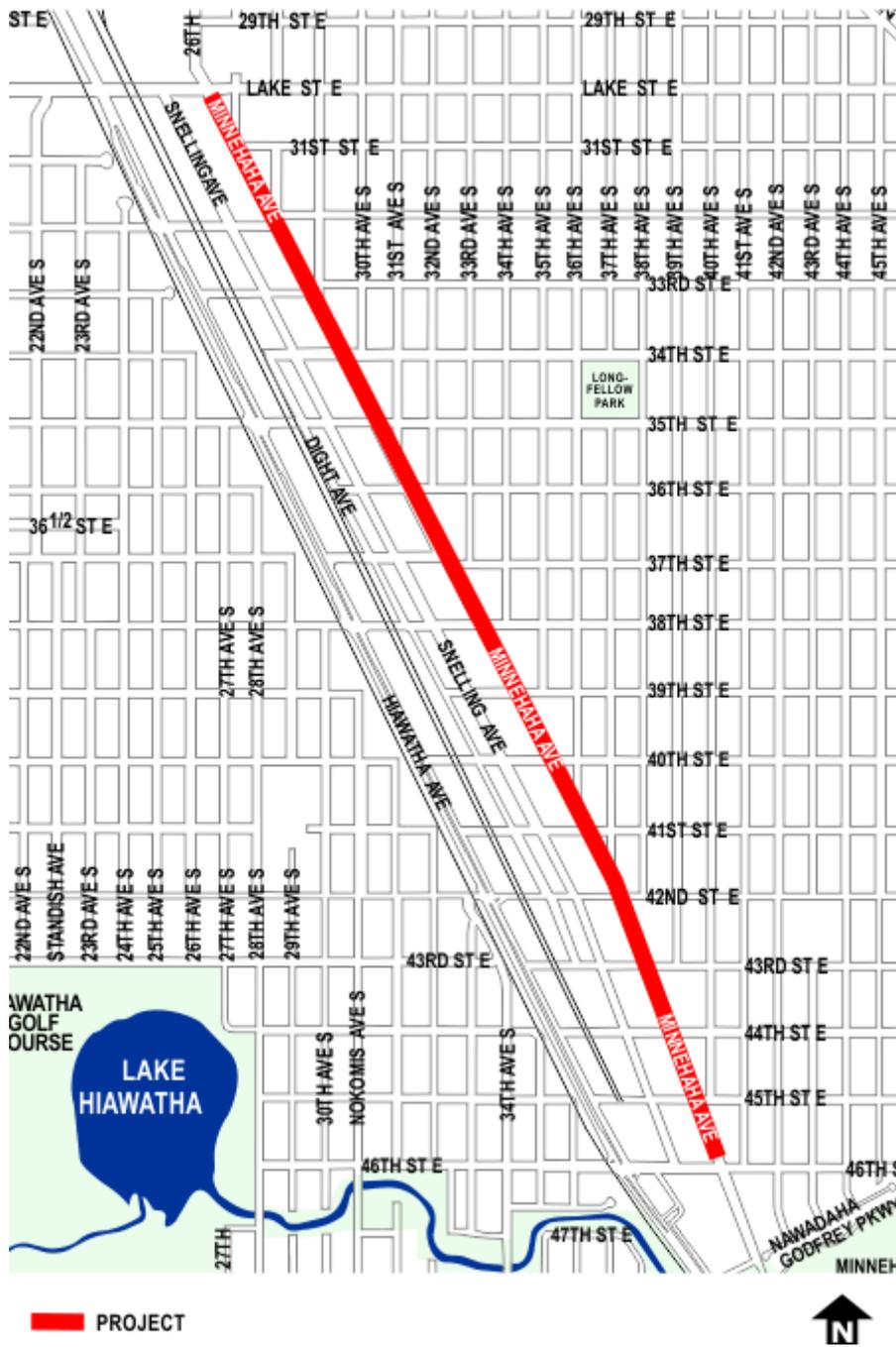
Section 95.90 of the Minneapolis Code of Ordinances provides a procedure for dealing with areaway encroachments that would interfere with public improvements being made in the public right-of-way such as street construction. Before the City may abandon and remove conflicting areaways (upon the failure of the abutting property owner to resolve or agree to resolve the conflict) and then later assess the costs, a public hearing must be held. It is our recommendation that this areaway public hearing be held in conjunction with the Minnehaha Avenue (CSAH 48) Reconstruction Project Approval and Public Hearing. Prior to the areaway public hearing notices being given, the City Engineer will have provided the initial notice required in Section 95.90 of the Minneapolis Code of Ordinances.

Attachment Project Map

cc: CM A. Johnson  
CM Gordon  
CM Cano  
Mike Abeln, Director of Capital & Debt Management  
Sandy Christensen, Deputy Finance Officer  
Jack Qvale, Board of Estimation and Taxation

ATTACHMENT 1

MINNEHAHA AVE (CSAH 48) RECONSTRUCTION PROJECT MAP



**T&PW and W&M/Budget** – Your Committees recommend passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Minnehaha Avenue County State Aide Highway (CSAH) 48 Project, Special Improvement of Existing Street No 9664.
2. Requesting the Board of Estimate and Taxation to authorize and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Minnehaha Avenue (CSAH 48) Project.

**Reich**

**Minnehaha Avenue (CSAH 48) Reconstruction Project,  
Special Improvement of Existing Street No 9664**

**Ordering the work to proceed and adopting the special assessments for the  
Minnehaha Avenue (CSAH 48) Reconstruction Project**

Whereas, a public hearing was held on January 20, 2015 in accordance with Article IX, Section 9.6 (c) 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- 505 passed December 5, 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- 505 passed December 5, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$2,289,493.73 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 twenty (20) and that the interest be charged at the rate determined by the City Council for assessments collected over the aforementioned time period with collection of the special assessments to begin on the 2017 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessment of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the rate determined by the City Council for assessments collected over the aforementioned time period with collection of the special assessments to begin on the 2017 real estate tax statements.

## **Reich and Quincy**

**Requesting the Board of Estimate and Taxation authorize the City to issue and sell City of Minneapolis bonds in the amount of \$2,289,495 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 authorize the City to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Minnehaha Avenue (CSAH 48) Reconstruction Project, Special Improvement of Existing Street No 9664, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

**T&PW** – Your Committee recommends passage and summary publication of the accompanying Resolution ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction in the Minnehaha Avenue (CSAH 48) project area.

## Reich

**Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that is in conflict with the street reconstruction project in the Minnehaha Avenue (CSAH 48) project area.**

Whereas, the City of Minneapolis has scheduled the reconstruction and street lighting improvements starting in 2015 in the Minnehaha Avenue (CSAH 48) project area of Minneapolis; and

Whereas, there are areaways located in the public street r/w that are in conflict with said reconstruction; and

Whereas, a public hearing was held on January 20, 2015 in accordance with Article IX, Section 9.6 (c) of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances to consider the proposed abandonment and removal of the above mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

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

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street r/w adjoining the properties along both sides of Minnehaha Ave from the Lake St E intersection through the 46<sup>th</sup> St E intersection.