



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

**Date:** March 24, 2015

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

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

**Subject:** **Public Hearing continued: 2015 Resurfacing Program – 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd, Project No 5274**

### Recommendation:

- A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$1,162,624.83 for the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd, Project No 5274 Street Resurfacing project.
- 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 \$1,162,625 for the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd, Project No 5274 Street Resurfacing project with the bonds to be paid from special assessments.

### Previous Directives:

March 20, 2015 – Council resolution amending resolution 2015R-040 deleting 2<sup>nd</sup> St N from 24<sup>th</sup> to 26<sup>th</sup> Avs N from project.

March 3, 2015 – T&PW Committee continue public hearing to March 24.

January 30, 2015 - Council resolution 2015R-040 designating the locations and streets to be improved.

December 5, 2014 - Council resolution 2014R-503 establishing the 2015 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

Presenter 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 February 13, 2015. Notice of continued public hearing with revised assessments mailed to property owners on March 10, 2015 for 2<sup>nd</sup> St North project.

Neighborhood Meetings: Pre-public hearing meeting held on February 24 & 25, 2015.

City Goals: Great Places - Natural and built spaces work together and our environment is protected.

## **Supporting Information**

### Background

On January 30, 2015, the City Council designated the locations, streets and improvements proposed to be made in the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd neighborhoods. On March 20, 2015, the City Council amended the project designation by deleting the segment of 2<sup>nd</sup> St N from 24<sup>th</sup> Av N to 26<sup>th</sup> Av N. The revised cost estimate for this project is \$1,485,830 reduced from \$1,661,692 (due to the removal of part of 2<sup>nd</sup> St N) and is financed by net debt bonds and special assessments (for finance purposes identified as CPV15612ND, CPV156142ND & CPV1561BLOOM).

The locations of the streets that are included in the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd area resurfacing projects are described as:

- 2<sup>nd</sup> St N is from Plymouth Av to 24<sup>th</sup> Av N, and 26<sup>th</sup> Av N to Washington Av N and at these locations is MSA Route No 215. Segments of this street were last paved in 1967, 1969 and 1973.
- 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Avs N from Washington Av N to 2<sup>nd</sup> St N are local city streets and were last paved in 1980.
- 42<sup>nd</sup> Av S is from Hiawatha Av frontage road to 58<sup>th</sup> St E. The segment from 50<sup>th</sup> St E to 56<sup>th</sup> St E is MSA Route No 259 and the remaining segments being local city streets. Segments of this street were last paved in 1956 and 1987.
- Bloomington Av is from 62<sup>nd</sup> St E to MN-62 frontage road N (60<sup>th</sup> St E) and includes the N-S segment from 62<sup>nd</sup> St E to MN-62 frontage road S. Bloomington Av at this location is MSA Route No 438 and was last paved in 1967.
- MN-62 frontage road N from Bloomington Av to 58<sup>th</sup> St E is MSA Route No 271. The paving history is unknown for this segment.

On March 3, 2015, the Transportation & Public Works Committee recommended that City Council amend the designation resolution to remove 2<sup>nd</sup> St N from 24<sup>th</sup> Av N to 26<sup>th</sup> Av N from the resurfacing project. As part of the CenterPoint Beltline Pipeline Upgrade Project in 2014, a significant amount of pavement was removed and restored within those limits.

### Special Assessments

The street resurfacing 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 approved 2015 resurfacing rates are:

\$0.62/sq. ft. – Non-Residential

\$0.21/sq. ft. – Residential

- **2<sup>nd</sup> Street N; Plymouth to Washington Avenues, except 24<sup>th</sup> to 26<sup>th</sup> Avenues:** Partial resurfacing work will be completed so assessments are based on a proportion of the Uniform Assessment rate that is equal to the percentage of roadway surface that will be resurfaced. The adjustment is 83% of the 2015 UAR:

\$0.51/sq. ft. – Non Residential

\$0.17/sq. ft. – Residential

The revised proposed total assessment amount is \$1,162,624.93 (reduced from \$1,477,026.67 due to the removal of part of 2<sup>nd</sup> St N) for the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd project. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2016 real estate tax statements and assessments of \$150 or less would be collected in their entirety on the 2016 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 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.

Attachment – Map

cc: Council Member Barbara Johnson, Ward 4  
Council Member Blong Yang, Ward 5  
Council Member Andrew Johnson, Ward 12  
Council Member John Quincy, Ward 11  
Jack Qvale, Secretary, Board of Estimate and Taxation  
Mike Abeln, Director of Capital & Debt Management  
Sandy Christensen, Deputy Finance Officer

**T&PW & W&M** – Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the 2015 Resurfacing Program, 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd Street Resurfacing Project, Special Improvement of Existing Street No. 5274.

2. Requesting the Board of Estimate and Taxation to authorize the City to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd Street Resurfacing Project.

Reich

**2015 STREET RESURFACING PROGRAM**

**2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S,  
BLOOMINGTON AV S & MN-62 FRONTAGE RD,  
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5274**

**Ordering the work to proceed and adopting the special assessments for the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd Street Resurfacing Project.**

Whereas, a public hearing was held on March 3, 2015 in accordance with Article IX, Section 9.6 (c) of the Minneapolis City Charter and Section 24.110 of the Minneapolis Code of Ordinances and continued to March 24, 2015 to consider the proposed improvements as designated in Resolution 2015R-040, passed January 30, 2015 and amended by Resolution 2015R-\_\_\_\_, passed March 20, 2015 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 2015R-040, passed January 30, 2015 and amended by Resolution 2015R-\_\_\_\_, passed March 20, 2015.

Be It Further Resolved that the proposed special assessments in the total amount of \$1,162,624.93 for the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd Street Resurfacing Project No 5274 as on file in the office of the City Clerk 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 rate determined by the City Council for assessments collected over the aforementioned time period with collection of the special assessments to begin on the 2016 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 rate determined by the City Council for assessments collected over the  
aforementioned time period with collection of the special assessments to be on the 2016  
real estate tax statements.

## **Reich and Quincy**

**Requesting the Board of Estimate and Taxation to authorize the City to issue and sell City of Minneapolis bonds in the amount of \$1,162,625 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 costs of street improvements in the 2<sup>nd</sup> St N, 21<sup>st</sup>, 30<sup>th</sup> & 33<sup>rd</sup> Av N, 42<sup>nd</sup> Av S, Bloomington Av S & MN-62 Frontage Rd Street Resurfacing Project, Special Improvement of Existing Street No 5274, 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.