



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

Date: April 21, 2015

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

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

Subject: **Public Hearing: 2015 Resurfacing Program – 31st St East**

Recommendation:

- A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$220,415.77 for the 31st St E Project No 5276 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 \$220,420 for the 31st St E Street Resurfacing project with the bonds to be paid from special assessments.

Previous Directives:

February 27, 2015 - Council resolution 2015R-095 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 Hjermsstad, 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 April 3, 2015.

Neighborhood Meetings: Pre-public hearing meeting held on April 16, 2015.

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

Supporting Information

Background

On February 27, 2015, the City Council designated the locations, streets and improvements proposed to be made in the 31st St E neighborhood. The cost estimate for this project is \$339,774 and is financed by net debt bonds and special assessments (for finance purposes identified as CPV156131ST).

The locations of the streets that are included in the resurfacing project are described as:

- 31st St E from Bloomington Av S to 21st Av S is MSA Route No. 366. This street segment was last paved in 1961.
- 31st St E from 21st Av S to Hiawatha Av is a local city street. This street segment was last paved in 1961.

The street resurfacing would be a mill and overlay of the street surface with plant mix asphalt and other paving related improvements as needed. This paving project is scheduled to begin in late summer 2015, with curb and gutter work scheduled for June and will be constructed by the City's workforce.

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

The proposed total assessment amount is \$220,415.77 for the 31st St E 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 Alondra Cano, Ward 9
Jack Qvale, Secretary, Board of Estimate and Taxation
Mike Abeln, Director of Capital & Debt Management
Sandy Christensen, Deputy Finance Officer

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 2015 Resurfacing Program, 31st St E Street Resurfacing Project, Special Improvement of Existing Street No. 5276.

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 31st St E Street Resurfacing Project.

Reich

2015 STREET RESURFACING PROGRAM

**31ST ST E STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5276**

Ordering the work to proceed and adopting the special assessments for the 31st St E Street Resurfacing Project.

Whereas, a public hearing was held on April 21, 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 to consider the proposed improvements as designated in Resolution 2015R-095, passed February 27, 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-095, passed February 27, 2015.

Be It Further Resolved that the proposed special assessments in the total amount of \$220,415.77 for the 31st St E Street Resurfacing Project No 5276 as on file in the office of the City Clerk are hereby 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 \$220,420 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 31st St E Street Resurfacing Project, Special Improvement of Existing Street No 5276, 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.