

50TH AND FRANCE SPECIAL SERVICE DISTRICT PROPOSED 2016 OPERATING PLAN & BUDGET

Introduction

In 2014 a steering committee of local business and property owners began working with the Ward 13 City Council office and Public Works staff to explore various options to enhance the public streetscape on the Minneapolis side of the 50th and France business district. As envisioned, the enhancements and service improvement on the Minneapolis side of the district were intended to complement efforts already taking place on the Edina side. These local business and property owners also expressed an interest in having greater influence over the maintenance and operation of the City-owned public parking lot on Ewing Avenue which serves area businesses.

With an emphasis on creating a mechanism to realize both near-term as well as long-term benefits for the area, the decision was made to pursue the establishment of a Special Service District that would encompass the Minneapolis portion of the business district. A Special Service District (SSD) allows property owners in a commercial district to collectively assess themselves to fund special amenities and enhanced services. Special amenities can include, but are not limited to, distinctive streetscape fixtures and street furniture. Enhanced services typically include cleaning, snow removal, and maintenance of public spaces. These special amenities and enhanced services are over and above what the City ordinarily provides. There are currently 16 service districts within Minneapolis. After receiving a petition earlier this year from a majority of property owners within the District requesting that a SSD be established, the City Council formally approved the establishment of the 50th and France SSD in June.



Advisory Board

The 50th and France Special Service District is guided by a five-member Advisory Board appointed by the City Council. The purpose of the Advisory Board is to advise the City of Minneapolis Public Works Department in the following areas:

1. Identifying the most desired services;
2. Determining the desired level of those services;
3. Developing an annual work plan and budget;
4. Determining a service charge assessment methodology; and
5. Working with district property and business owners to share information on the district's activities and respond to any concerns.

Current Advisory Board Members

1. Jeffery Peterson, Property Owner
2. Luke Shimp, Red Cow, Business and Property Owner
3. Laura Steffes, Pinehurst Building, Property Manager
4. Robert Sykes, Kalsybro Company, Property Owner
5. Steve Young, Arbor Group, Property Owner

Proposed Service Activities and Budget

The Advisory Board is recommending the following services and budget for 2016.

Budget Item	Amount	Method Assessed <i>(See Below)</i>	Service Description
<u>SOURCES (REVENUE)</u>			
1. Service Charges	\$97,550		Service charge assessments paid via annual property tax statements (included as part of the Special Assessments" line item).
2. Parking Permits	\$750		Revenue from parking permits for employee parking in Ewing Parking Lot.
	\$98,300		
<u>USES (EXPENDITURES)</u>			
1. Sidewalk Snow Services	\$64,800	Part A	For each snowfall event, snow will be cleared from of all public sidewalks and pedestrian crossings (see map of service areas on last page). Snow will be temporarily stored in windrows along curb line. Snow windrows will then be removed (hailed away) completely leaving the full sidewalk available to patrons and visitors throughout the winter months.
2. Ewing Parking Lot Operations and Maintenance	\$24,800	Part B	Includes year-round services for the public parking lot, including snow clearing and removal, sweeping and re-striping, landscape maintenance, irrigation system operation and maintenance, electrical system maintenance and repairs, utilities (water and electric), etc.
3. Sidewalk Litter and Debris Management	\$6,500	Part A	Includes weekly pan and broom litter and weed removal from all sidewalks (see map of service areas on last page) April through October.
4. Streetscape Maintenance and Repair	\$2,200	Part A	Includes removal of graffiti and snipe advertising on fixtures in the right of way by cleaning or repainting. (Does not include graffiti removal from private property or buildings.) Also includes repair, replacement and maintenance of fixtures in the right of way including utility cabinets, bike racks, etc. (Does not include bus stop shelters or benches.)
2016 Budget Amount	\$98,300		

Proposed Method for Prorating Costs (Service Charge Assessment Methodology)

It is proposed that all costs of the 50th and France Special Service District shall be prorated to all eligible parcels based on a two-part method with the total service charge for an individual parcel being the sum of Part A and B as follows:

Part A: Snow services, sidewalk litter and debris maintenance services, and streetscape maintenance and repair costs shall be assessed on a prorated lineal footage basis for each eligible parcel that is proposed to be serviced. This includes lineal footage fronting along France Avenue and 50th Street as well as any additional lineal footage along side streets that is proposed to be serviced.

Part B: Parking lot operations and maintenance costs shall be assessed on a prorated adjusted gross building area basis for each eligible parcel within the District. The adjusted gross building area shall be the gross building area square footage on the parcel (as determined by Assessor's records) less a deduction of 200 square feet per stall for each legal parking stall located on the property.

Note: Minnesota law limits eligible parcels within Special Service Districts to commercial property. Mixed-use properties can be assessed a service charge for the portion of property that is deemed commercial. Residential and otherwise tax-exempt parcels cannot be assessed a service charge in a compulsory manner but can opt-in voluntary.

Implementation of Services

The City of Minneapolis Public Works Department will implement the services provided within the Service District, though most often, the City contracts with third-party vendors to perform the actual services. The City provides all procurement services, contract management and vendor performance monitoring at no cost to the District. The Advisory Board also monitors service delivery throughout the year to ensure services are meeting expectations of property owners within the District. Services for the newly created 50th and France SSD are proposed to begin in early 2016.



Further Information

Please contact Andrew Carlson for further information about proposed 50th and France Special Service District.

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50TH AND FRANCE SPECIAL SERVICE DISTRICT

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