



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

Date: March 3, 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 – 9th St S, 11th St N-S, 12th St N-S and 7th Av N, Project No 5273**

Recommendation:

- A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$666,841.82 for the 9th St S, 11th St N-S, 12th St N-S and 7th Av N, Project No 5273 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 \$666,845 for the 9th St S, 11th St N-S, 12th St N-S and 7th Av N, Project No 5273 Street Resurfacing project with the bonds to be paid from special assessments.

Previous Directives:

January 30, 2015 - Council resolution 2015R-039 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 13th, 2015.

Neighborhood Meetings: Pre-public hearing meeting held on February 23, 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 9th St S, 11th St N-S, 12th St N-S and 7th Av N neighborhoods. The cost estimate for this project is \$1,214,761 and is financed by net debt bonds and special assessments (for finance purposes identified as CPV15619TH).

The locations of the streets that are included in the 9th St S, 11th St N-S, 12th St N-S and 7th Av N area resurfacing project are described as:

- 9th St S is from Hennepin Av to Chicago Av and at this location is MSA Route No 222. Segments of this street section were last paved in 1959 and 1962.
- 11th St N-S is from I-394 bridge approach to Hawthorne and from Hennepin Av to LaSalle Av and is MSA Route No 224. Segments of this street section were last paved in 1959 and 1985.
- 12th St N-S is from Glenwood Av to 3rd Av S and is MSA Route No 225. Segments of this street section were last paved in 1969, 1971 and 1985.
- 7th Av N is from 5th St N to its terminus west of 5th St N and is a local city street. This street segment was last paved in 1939.

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 \$666,841.82 for the 9th St S, 11th St N-S, 12th St N-S and 7th Av N 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 Lisa Goodman, Ward 7
Council Member Blong Yang, Ward 5
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, 9th St S, 11th St N-S, 12th St N-S and 7th Av N Street Resurfacing Project, Special Improvement of Existing Street No. 5273.

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 9th St S, 11th St N-S, 12th St N-S and 7th Av N Street Resurfacing Project.

Reich

2015 STREET RESURFACING PROGRAM

**9TH ST S, 11TH ST N-S, 12TH ST N-S AND 7TH AV N
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5273**

**Ordering the work to proceed and adopting the special assessments for the
9TH St S, 11TH St N-S, 12TH St N-S And 7TH Av N 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 to consider the proposed improvements as designated in Resolution 2015R-039, passed January 30, 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-039, passed January 30, 2015.

Be It Further Resolved that the proposed special assessments in the total amount of \$666,841.82 for the 9th St S, 11th St N-S, 12th St N-S and 7th Av N Street Resurfacing Project No 5273 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 \$666,845 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 9th St S, 11th St N-S, 12th St N-S and 7th Av N Street Resurfacing Project, Special Improvement of Existing Street No 5273, 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.