

**City of Minneapolis**  
**Request for Committee Action**

**To:** Transportation & Public Works  
**Date:** 10/27/2015  
**From:** Public Works Department  
**Referral:** Ways & Means  
**Prepared by:** Bill Fellows, P.E., Transportation Engineering & Design  
**Presented by:** Bill Fellows, P.E., Transportation Engineering & Design  
**File type:** Resolution  
**Subcategory:** Assessment

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**Subject:**

8th Street SE Reconstruction Project No 2283 and 2283L: Postpone Levy of Assessments

**Description:**

Amending Resolution 2014R-379 for the 8<sup>th</sup> St SE Reconstruction Project No 2283 to postpone the levy of special assessments until 2016 to begin collection on 2017 property tax statements.

Amending Resolution 2014R-382 for the 8<sup>th</sup> St SE Reconstruction Project No 2283L to postpone the levy of special assessments until 2016 to begin collection on 2017 property tax statements.

**Previous Actions:**

September 19, 2014 - Resolution 2014R-379 ordering the work to proceed and adopting the special assessments for project 2283.

September 19, 2014 - Resolution 2014R-380 requesting the authorization to issue and sell assessment bonds.

September 19, 2014 - Resolution 2014R-382 requesting the authorization to issue and sell assessment bonds.

August 1, 2014 - Resolution 2014R-330 designating the location and streets to be improved in project 2298.

December 13, 2013 - Recommendation adopted to approve the project layout.

June 28, 2013 - Recommendation adopted to authorize City officers to enter in to a Cooperative Agreement with the University of Minnesota.

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**Ward/Neighborhood/Address:**

Ward 2

**Background/Analysis:**

The street proposed to be improved is 8<sup>th</sup> St SE from 15<sup>th</sup> Av SE to approximately 1,100 feet east where the street will end in a cul-de-sac. The proposed improvements are street reconstruction and street lighting.

According to the City Paved Streets Book, 8<sup>th</sup> St SE from 15<sup>th</sup> Av SE to former 16<sup>th</sup> Av SE was paved with asphalt in 1973. The remainder of the street to the east is dirt.

The University of Minnesota approached Public Works in 2013 with the desire to reconstruct the street. In June 2013, a Cooperative Agreement between the City and the University stipulated that the University will reimburse the City for costs above assessments.

Between December 2013 and September 2014, City Council approved the proposed layout, special assessments and a resolution to proceed with the work for the 8th St SE Street Reconstruction Project. The assessments were to begin collection on the 2016 real estate tax statements for a 20-year term.

In July 2015 the University solicited a construction cost estimate from their contractor for the adjacent University Athletes Village project. The cost estimate submitted by the University's contractor exceeded the engineers estimate and the funds the University had allocated for the project. Therefore, the project needed to be postponed.

The University is currently re-programming to account for the new estimated cost. The University and the City are jointly determining next steps, with the goal of completing the project in 2016. It is anticipated that this will require a new agreement whereby the City will complete a re-bid process.

It is the practice of the City not to levy assessments for paving projects until the project has been substantially completed. Public Works staff recommends that the levy of assessments be delayed until the Fall of 2016 to begin collection on the 2017 property tax statements. The assessments and collection terms would remain the same

Notices to the property owners of the delay in levying their assessments will be mailed upon passage of a resolution by the City Council.

**Financial Review:**  
**No financial impact.**

**Attachments:**

1. Project location map



Project



**RESOLUTION 2015R-\_\_\_**  
**By Reich and Quincy**

**8TH ST SE STREET RECONSTRUCTION PROJECT**  
**SPECIAL IMPROVEMENT OF EXISTING STREET NO 2283**

**Amending Resolution 2014R-379 entitled "Ordering the work to proceed and adopting the special assessments for the 8th St SE Street Reconstruction Project," passed September 19, 2014.**

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution be amended to read as follows to postpone the levy of special assessments until 2016, to begin collection on the 2017 property tax statements, due to the majority of the work not being completed until 2016:

Whereas, a public hearing was held on September 9, 2014, in accordance with Chapter 10, Section 8 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-330, passed August 1, 2014, to consider the proposed special assessments 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-330, passed August 1, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$43,970.38, 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 same rate as assessment bonds are sold for, with collection of the special assessments to begin on the ~~2016~~ 2017 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 interest be charged at the same rate as the assessment bonds are sold for, with collection of the special assessments to begin on the ~~2016~~ 2017 real estate tax statements.

**RESOLUTION 2015R-\_\_\_**  
**By Reich and Quincy**

**8TH ST SE STREET LIGHTING PROJECT**  
**SPECIAL IMPROVEMENT OF EXISTING STREET NO 2283L**

**Amending Resolution 2014R-382 entitled "Ordering the work to proceed and adopting the special assessments for the 8th St SE Street Lighting Project," passed September 19, 2014.**

Resolved by The City Council by The City of Minneapolis:

That the above-entitled resolution be amended to read as follows to postpone the levy of special assessments until 2016, to begin collection on the 2017 property tax statements, due to the majority of the work not being completed until 2016:

Whereas, a public hearing was held on September 9, 2014, in accordance with Chapter 10, Section 8 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-331, passed August 1, 2014, to consider the proposed special assessments 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-331, passed August 1, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$36,623.03, 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 same rate as assessment bonds are sold for, with collection of the special assessments to begin on the ~~2016~~ 2017 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 interest be charged at the same rate as the assessment bonds are sold for, with collection of the special assessments to begin on the ~~2016~~ 2017 real estate tax statements.