

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

**To:** Transportation & Public Works  
**Date:** 2/2/2016  
**Referral:** Ways & Means  
**From:** Public Works Department  
**Prepared by:** Kevin G. Anderson, PE, Project Manager  
**Presented by:** Jeff Handeland, PE, Principal Professional Engineer, PW TED  
**File type:** Resolution  
**Subcategory:** Assessment

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**Subject:**

54th Street W (Penn Avenue S to Lyndale Avenue S) Reconstruction Project No. 6735 (PV084);  
Public Hearing and Areaway Abandonment

**Description:**

1. Passing a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$611,110 for the 54<sup>th</sup> Street W Reconstruction Project No. 6735 and reducing the current assessment appropriation from \$640,000 to \$611,110.
2. Passing a resolution requesting the Board of Estimate and Taxation to authorize the City to issue and sell assessment bonds in the amount of \$611,110 for the 54<sup>th</sup> Street W Reconstruction Project No. 6735 with the bonds to be paid for from special assessments.
3. Passing a resolution ordering the City Engineer to abandon and remove the areaways located in the public right-of-way that are in conflict with the 54<sup>th</sup> Street W Reconstruction Project.

**Previous Actions:**

December 11, 2015 – Designation, Cost Estimate, Set Public Hearing, and No Parking Resolution  
January 30, 2015 - Reconstruction Layout Approval.  
December 5, 2014 - Formal Variance Request.

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**Ward/Address:**

Ward 13

**Background/Analysis:**

Scope

The proposed project consists of reconstructing 54<sup>th</sup> Street West from Penn Avenue South to Lyndale Avenue South. 54<sup>th</sup> Street West is a Municipal State Aid route (MSAS 167) and a main corridor through South Minneapolis neighborhoods. The project is programmed for construction in 2016 and 2017. The project will consist of removing the existing road and replacing the paving, base, curb, gutter, signage, striping, storm drains, driveway approaches, sidewalks, boulevards, and landscaping.

### Schedule and Funding

The project is anticipated to be reconstructed in the 2016 and 2017 construction seasons. The reconstruction project cost estimate is \$6,190,500. The budget funding totals \$7,371,110 for the combined project and consists of the following sources:

- \$2,685,000 in net debt bonds
- \$3,795,000 in municipal state aid
- \$611,110 in special assessments
- \$250,000 in stormwater revenue
- \$30,000 in water revenue

After the adjustment for assessments from \$640,000 to \$611,110, the balance of funding for the project will be adjusted as part of the 2017 capital budget request based on current cost estimates.

The final design for the 54<sup>th</sup> Street West reconstruction project is scheduled to be complete in January 2016. The reconstruction work is anticipated to start in May 2016 and conclude in Fall 2017.

### Street Reconstruction Project Assessments

The proposed street reconstruction special assessments were determined by applying the 2016 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2016 reconstruction assessment rates are as follows:

\$2.52/sq ft – Non-Residential

\$0.84/sq ft - Residential

The proposed total assessment amount for the 54<sup>th</sup> Street W Reconstruction Project is \$611,110. Individual assessments over \$150 would begin collection on 2018 real estate tax statements, and assessments of \$150 or less would be collected in their entirety on the 2018 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.

Abandonment and Removal of Conflicting Areaways

Section 95.90 of the Minneapolis Code of Ordinances provides a procedure for dealing with areaway encroachments that would interfere with public improvements being made in the public right-of-way such as street construction. Before the City may abandon and remove conflicting areaways (upon the failure of the abutting property owner to resolve or agree to resolve the conflict) and then later assess the costs, a public hearing must be held. A second public hearing will be held at a later date to consider the proposed special assessments against any affected properties for the cost of areaway abandonment and removals.

**Financial Review:**

**No additional appropriation required, amount included in current budget.**

**Attachments:**

1. Project Map

Project Map

