

**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:**

26th Avenue N (W Broadway to Lyndale Ave N and 2nd St N to the Mississippi River)  
Reconstruction Project No. 6752 (PV086); 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 \$1,896,615 for the 26th Avenue N Reconstruction Project No. 6752 and reducing the current assessment appropriation from \$2,980,000 to \$2,116,855.
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 \$1,896,615 for the 26th Ave N Reconstruction Project No. 6752 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 26th Ave N Reconstruction Project.

**Previous Actions:**

December 11, 2015 – Designation, Cost Estimate, Set Public Hearing, and No Parking Resolution  
May 1, 2015 – Resolution 2015R-192 authorizing sale of \$220,240 in assessment bonds  
May 1, 2015 – Resolution 2015R-193 adopting the special assessments and ordering the work to proceed for the renovation portion of 26<sup>th</sup> Ave N  
March 20, 2015 – Combining Projects PV073 and PV086 into One Project.  
January 30, 2015 - Layout Approval.

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**Ward/Address:**

Ward 5

**Background/Analysis:**

**Scope**

The proposed project consists of reconstructing 26<sup>th</sup> Avenue North between W. Broadway and Lyndale Avenue and between 2<sup>nd</sup> Street North and the Mississippi River. This project has been previously described as PV073 26<sup>th</sup> Avenue N (W. Broadway to Lyndale Ave). This project represents the second phase of the overall 26<sup>th</sup> Avenue N improvements project. The reconstruction project will include new pavement, curb, gutter, off-street bike path, ADA compliant pedestrian ramps, storm drain, signals, signing, striping, boulevard trees and related items and work.

Construction of the first phase is currently being performed by City forces and includes renovating 26th Avenue North between Theodore Wirth Parkway and West Broadway Avenue and between Lyndale Avenue North and 2<sup>nd</sup> Street North. This project has been previously described as PV086 26<sup>th</sup> Ave N (Wirth Pkwy to Broadway/Lyndale to River). The 26th Avenue North roadway is a Municipal State Aid street (MSA 240 and 301) from North Pacific Street to West Broadway Avenue and a Metro Transit bus route (Route 5E) from Emerson Avenue North to West Broadway Avenue.

#### Schedule and Funding

26<sup>th</sup> Avenue North between W. Broadway and Lyndale Avenue and between 2<sup>nd</sup> Street North and the Mississippi River is anticipated to be reconstructed in the 2016 and 2017 construction seasons. The reconstruction cost estimate is \$9,235,000. The renovation cost estimate was \$2,775,000 resulting in a total project cost estimate of \$12,010,000. The budget funding totals \$12,451,855 and consists of the following sources:

- \$6,060,000 in net debt bonds
- \$3,480,000 in municipal state aid
- \$2,116,855 in special assessments
- \$300,000 in stormwater revenue
- \$495,000 in water revenue

The final design for the 26<sup>th</sup> Avenue North reconstruction between W. Broadway and Lyndale Avenue and between 2<sup>nd</sup> Street North and the Mississippi River is scheduled to be complete in January 2016. The reconstruction work is anticipated to start in May 2016 and conclude in Fall 2017. The renovation work began in June 2015 and is anticipated to be completed in June 2016.

#### Street Reconstruction 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 26<sup>th</sup> Avenue North Reconstruction is \$1,896,615. 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

