



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

Date: June 19, 2007
To: The Honorable Sandra Colvin Roy, Chair Transportation and Public Works
Committee
Referral To: The Honorable Paul Ostrow, Chair Ways & Means/Budget Committee
**Subject: Project Approval and Assessment Public Hearing for the Reconstruction of 27th
Avenue S (E Lake Street to Minnehaha Avenue) Project No 6217**

Recommendation:

- 1a. Passage of a resolution ordering the City Engineer to proceed with and do the work and adopting special assessments in the amount of \$87,020.92 for the 27th Avenue South Reconstruction Project.
- 1b. Passage of a resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$87,020 for 27th Avenue South Reconstruction Project with the bonds to be paid for from special assessments.
- 2a. Passage of a resolution ordering the City Engineer to proceed with and do the work and adopting special assessments in the amount of \$117,600 for the 27th Avenue South Streetscape and Street Lighting Project
- 2b. Passage of a resolution requesting the Board of Estimation and Taxation to issue and sell assessment bonds in the amount of \$117,600 for the 27th Avenue South Streetscape and Street Lighting Project with the bonds to be paid for from special assessments.
3. Adoption of a Committee Report giving preliminary approval to establish the street lighting project area as Street Lighting District Number 1330.
4. Passage of 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 27th Avenue South Reconstruction and Streetscape Projects.

These resolutions may be authorized for summary publication

Previous Directives: May 11, 2007 Council Resolution 2007R-231 and 2007R-232, Project Designation

Prepared by: Suzette R. Hjermstad, R.E. Investigator II 673-2401
Ole Mersinger, P.E., Project Engineer 673-3537
Greg A. Schroeder, P. E., Interim Director Transportation Planning and Engineering

Approved: _____
Steven A. Kotke, P. E., City Engineer, Director of Public Works

Presenters in Committee: Don Elwood, P.E., Principal Engineer, Transportation Planning and Engineering

Permanent Review Committee (PRC)	Approval _____	Not applicable <u> X </u>
Policy review Group (PRG)	Approval _____	Not applicable <u> X </u>

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact: Special Assessments against benefited properties
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Pre-public hearing meeting held June 12, 2007
Neighborhood Meetings: Public meetings held November 29, 2005; December 12, 2005; December 28, 2005; October 17, 2006
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information:

Project/Scope

- 27th Avenue South is a Municipal State Aid Route (MSA 410) from East Lake Street to Minnehaha Avenue. 27th Avenue South was constructed in 1957 and has a PCI (Pavement Condition Index) rating of 57 (in a range of 0 to 100, where 100 is best). The project length is approximately 535 feet long with an existing ADT (average daily traffic) of 2,900 vehicles and a projected future ADT of 3,200.
- The current roadway carries two way traffic (one lane each direction) and parking on both sides of the roadway. The proposed roadway will carry two way traffic (one lane each direction), parallel parking on the southbound side of the 27th Avenue South and 45 degree parking on the northbound side of 27th Avenue South. The street reconstruction will be paved with plant mix asphalt with concrete curb and gutter all on a stabilized base and including other street paving related improvements as needed.

- Public Works has worked with affected property owners and businesses individually and at four public project meetings as part of this project.

Schedule and Funding

- The construction of this project is scheduled for 2007
- The cost estimate for this project is \$837,630, which is comprised of Minnesota State Aid funds, Net Debt Bonds and Assessment Bonds.

The street reconstruction special assessments would be determined by applying the 2007 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2007 reconstruction assessment rates are as follows:

\$1.50/sq ft – Other – Non-Residential
\$0.46/sq ft – Other – Residential

The proposed total assessment amount for 27th Avenue South (East Lake Street to Minnehaha Avenue) is \$87,020.92. Individual assessments of more than \$150 would be collected over 20 years beginning on the 2008 real estate tax statements with interest charged at the same rate as assessment bonds are sold. Assessments of \$150 or less would be collected in their entirety on the 2008 real estate tax statements with interest charged at the same rate as assessment bonds are sold. Information has been provided in the notices as to how persons may prepay the special assessments in full without interest charges if they so choose.

27th Av S Streetscape Project

The proposed streetscape plan includes pedestrian level street lighting, scored sidewalk, trees and tree grates and related items and work. 27th Avenue South property owners consisting of 57% of the linear footage of the road reconstruction project have indicated a desire to have a streetscape project included in the road reconstruction project. This proposed streetscape project will take advantage of the design and ambience of the streetscape project already underway on E Lake Street.

It is important to note that the total streetscape assessment of \$117,600 is the maximum assessment agreed to by the petitioners. The proposed assessment method consists of a lineal measure along the streets receiving improvements, consistent with other streetscape assessments throughout the City. The proposed assessment is based on a maximum cost of \$150 per front foot.

Assessments of more than \$150 would be collected over 15 years beginning on the 2009 (if completed and all costs reported) real estate tax statements with interest charged at the same rate as assessment bonds are sold. Assessments of \$150 or less would be collected in their entirety on the 2009 tax statements with interest charged at the same rate as assessment bonds are sold. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest if they so wish.

Street Lighting District Number 1330

As provided in Chapter 431 (Street Lighting) of the Minneapolis Code of Ordinances, the streetscape project area is proposed to be designated as Street Lighting District Number 1330. An assessment is recommended for the portion of the street lighting system maintenance and operation costs that are in

excess of the standard costs paid for by the City. The amount to be assessed is approximately \$650 per year, estimated. There are 10 assessable parcels with a total front footage of 784 feet. The estimated cost is \$0.83 per front foot. A final assessment amount will be calculated based on the lighting installation. Chapter 431 provides for a lineal frontage method of assessing these costs.

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 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. In an effort to minimize delay and potential delay related costs to the project that conflicting areaways may pose, notices were given by the City Engineer that provided the initial notice required in Section 95.90 of the Minneapolis Code of Ordinances.

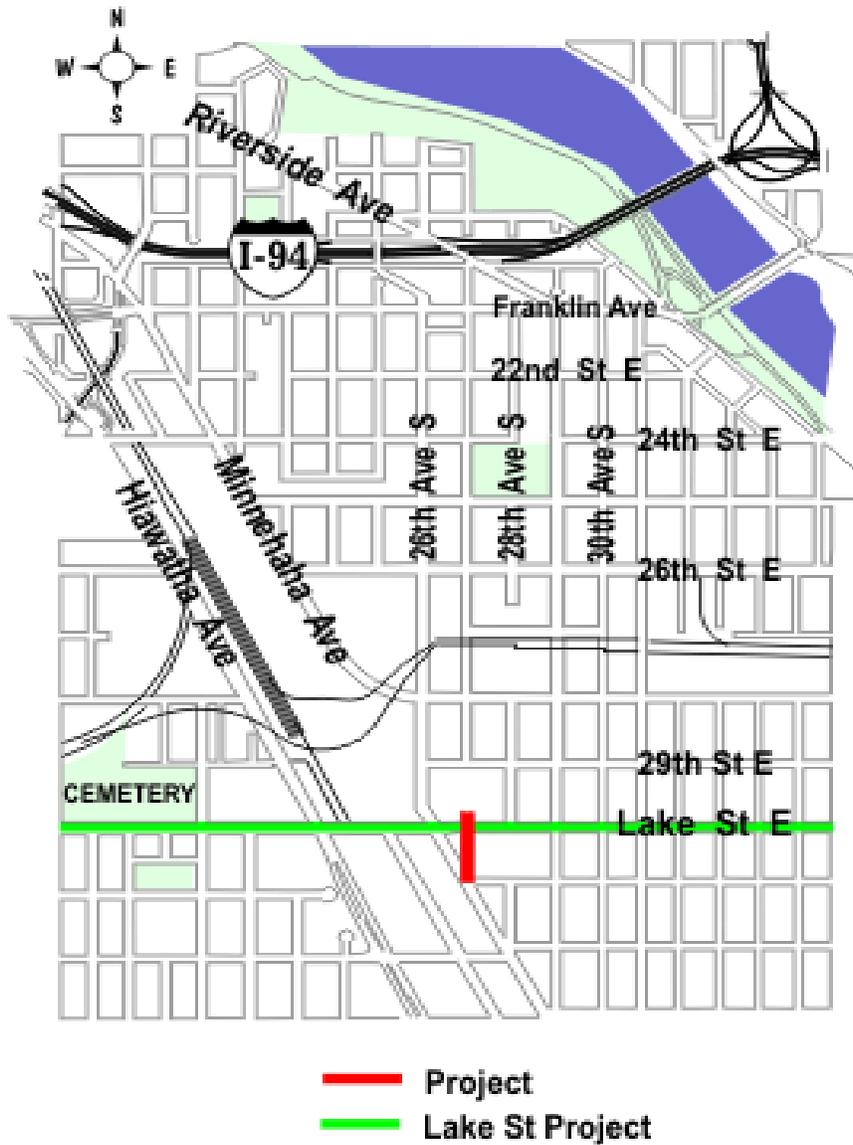
27th Av S (E Lake St to Minnehaha Av) Special Service District

The City Council adopted a policy on July 15, 1988 that requires a means to maintain new streetscape improvements. A special service district is a common and effective vehicle to implement that City Council Policy. The subject matter of an Ordinance to establish such a district for the area may be introduced at a future City Council meeting. This streetscape area could be maintained through either a special service district or by current maintenance methods since this streetscape is comprised of only scored sidewalk, pedestrian level street lighting and trees. 27th Avenue South property owners consisting of 57% of the linear footage of the road reconstruction/streetscape improvement projects have indicated a desire to have a special services district maintain streetscape improvements. It is Public Works intent to have a special service district established at a later date that will be incorporated in the Lake Street special services district.

Attachment 1 – Map

Cc: Council Member Gary Schiff, Ward 9
Jack Qvale, Secretary, Board of Estimate and Taxation

27th Ave S Street Reconstruction and Streetscape Project



T&PW & W&M/Budget - Your Committee, having under consideration the 27th Av S Reconstruction Project (E Lake St to Minnehaha Av), and having held a public hearing thereon, now recommends passage of the accompanying resolutions:

- a) Ordering the work to proceed and adopting the special assessments in the amount of \$87,020.92 for the Street Reconstruction Project; and
- b) Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$87,020 for the project.

By Colvin Roy and Ostrow

**27th Av S (E Lake St to Minnehaha Av) Street Reconstruction Project,
Special Improvement of Existing Street No 6217**

**Ordering the work to proceed and adopting the special assessments for the
27th Av S (E Lake St to Minnehaha Av) Project.**

Whereas, a public hearing was held on June 19, 2007 in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2007R-231 passed May 11, 2007, 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 2007R-231 passed May 11, 2007.

Be It Further Resolved that the proposed special assessments in the total amount of \$87,020.92, 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 the assessment bonds are sold for, with collection of the special assessments to begin on the 2008 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessment 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 on the 2008 real estate tax statements.

By Colvin Roy and Ostrow

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$87,020 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 incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 27th Av S (E Lake St to Minnehaha Av) Street Reconstruction Project, Special Improvement of Existing Street No 6217, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

T&PW & W&M/Budget - Your Committee, having under consideration the 27th Av S Streetscape and Street Lighting Revitalization Project (E Lake St to Minnehaha Av), and having held a public hearing thereon, now recommends passage of the accompanying resolutions:

- a) Ordering the work to proceed and adopting the special assessments in the amount of \$117,600 for the Streetscape and Street Lighting Revitalization Project; and
- b) Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$117,600 for the project.

By Colvin Roy and Ostrow

**27th AV S (E LAKE ST TO MINNEHAHA AV) STREETScape
AND STREET LIGHTING REVITALIZATION PROJECT,
SPECIAL IMPROVEMENT OF EXISTING STREET No 6217**

**Ordering the work to proceed and adopting the special assessments for the
27th Av S (E Lake St to Minnehaha Av) Streetscape and Street Lighting
Revitalization Project.**

Whereas, a public hearing was held on June 19, 2007 in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2007R-232 passed May 11, 2007, 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 Resolution 2007R-232 passed May 11, 2007.

Be It Further Resolved that the proposed special assessments in the total amount of \$117,600, as on file in the office of the City Clerk, are hereby 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 fifteen (15) and that the interest be charged at the same rate as the assessment bonds are sold for, with collection of the special assessments to begin on the 2009 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 same rate as the assessment bonds are sold for, with collection of the special assessments on the 2009 real estate tax statements.

By Colvin Roy and Ostrow

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$117,600 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 incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the 27th Av S (E Lake St to Minnehaha Av) Streetscape and Street Lighting Revitalization Project, Special Improvement of Existing Street No 6217, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in fifteen (15) successive annual installments, payable in the same manner as real estate taxes.

T&PW & W&M/Budget - Your Committee reports that, in accordance with Chapter 431 of the Minneapolis Code of Ordinances relating to the street lighting districts, a public hearing was held on June 19, 2007 to consider the establishment of Street Lighting District No 1330 and to consider all written and oral objections and statements regarding this matter.

Your Committee now recommends that Street Lighting District No 1330 (streets to receive lighting are as designated in the 27th Av S (E Lake St to Minnehaha Av) Streetscape and Street Lighting Revitalization Project, Special Improvement of Existing Street No 6217) as delineated in a report of the Transportation and Public Works Committee passed by the City Council May 11, 2007, be and hereby is given preliminary approval.

Your Committee further recommends that Street Lighting District No 1330 not be considered for final approval until at least two weeks from now in accordance with the provisions of Chapter 431 of the Minneapolis Code of Ordinances.

T&PW & W&M/Budget - Your Committee, having under consideration the 27th Avenue South Reconstruction and Streetscape and Street Lighting Project, and having held a public hearing thereon, now recommends passage of the accompanying resolution ordering the City Engineer to abandon and remove the areaways located in the public street right-of-way that are in conflict with the paving, streetscape, and street lighting projects in the 27th Av S (E Lake St to Minnehaha Av) Streetscape and Street Lighting Revitalization Project, Special Improvement of Existing Street No 6217 area.

By Colvin Roy and Ostrow

Ordering the City Engineer to abandon and remove the areaways located in the public street right-of-way that are in conflict with the street reconstruction, streetscape and street lighting projects in the 27th Av S (E Lake St to Minnehaha Av) Streetscape and Street Lighting Revitalization Project area.

Whereas, the City of Minneapolis has scheduled the reconstruction and streetscape and street lighting improvements starting in 2007 in the 27th Av S (E Lake St to Minnehaha Av) area of Minneapolis; and

Whereas, there are areaways located in the public street right-of-way that are in conflict with said reconstruction and streetscape installation; and

Whereas, a public hearing was held on June 19, 2007 in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances, to consider the proposed abandonment and removal of the above-mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street right-of-way adjoining the properties along 27th Av S (E Lake St to Minnehaha Av).