



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

**Date:** June 3, 2002  
**To:** Ways and Means/Budget Committee  
**Subject:** **Nicollet Mall 2003 Operating Budget**

### Recommendation:

1. Approve the 2003 Nicollet Mall operating budget in the amount of \$1,263,101;
2. Direct the City Engineer to prepare an assessment roll setting forth the amounts to be partially assessed against properties in the district as may be deemed appropriate by the City Council;
3. Passage of the accompanying resolution amending the 2002 General Appropriation Resolution to set the 2002 Nicollet Mall Appropriation to equal the revised budget adopted by the Nicollet Mall Advisory Board;
4. Increase the Streets and Malls – Nicollet Mall Appropriation in the General Fund (0100 607 6130) by \$452,714.

**Previous Directives:** N/A

Prepared by: Michael D. Kennedy, Director of Field Services, 673-3759  
Approved: David J. Sonnenberg, City Engineer - Director of Public Works  
By Michael D. Kennedy, Director of Field Services \_\_\_\_\_

Presenters in Committee: Michael D. Kennedy

### 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

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

### Background/Supporting Information Attached

In connection with the improvement, operation and maintenance of the Nicollet Mall during the ensuing year, a procedure is set forth in Chapter 430, Minnesota Statutes (Elwell Law), whereby

the cost of such improvement, operation and maintenance is to be partially charged against properties within the district and partially charged against the General Funds of the City.

“430.102 PEDESTRIAN MALL ANNUAL COST; ANNUAL IMPROVEMENT ASSESSMENTS”

Subdivision 1. Costs: estimates: categories

- (a) When the plan is submitted and then annually on or before June 15, the city comptroller and city engineer shall, with the assistance of the advisory board, report to the City Council:
  - (1) An estimate of the cost of operating and maintaining and annual improvement costs to each pedestrian mall improvement district in the city for the city’s next fiscal year to be incurred under the plan then in effect; and
  - (2) An estimate of changes in the amounts of those costs that would result from any change in the plan recommended to or under consideration by the City Council.
- (b) The estimate must be reasonably itemized and include a summary of the categories of cost properly chargeable as follows:
  - (1) The amount to be charged against the general funds of the city, which the amount the city would pay from its general funds for street maintenance and operations on a street of similar size and location but not improved as a pedestrian mall;
  - (2) The amount to be charged against benefited properties in the district in proportion to benefits, which is the total of costs of annual improvements to be made in the district during the ensuing year, not exceeding the total benefits to the assessable tracts and parcels of land in the district received from the annual improvements; and
  - (3) The amount, if any, to be specially taxed against properties in the district in proportion to the cash valuation of those properties, which is the net amount of estimated costs remaining after deducting the amount to be charged to the general funds of the city under clause (1), the amount to be specially assessed under clause (2), and rentals to be received for use of the mall by vendors.

Category 1 - Amount to be charged against the General Funds of the City	\$ 69,395
Category 2 - Amount to be charged against benefited properties in proportion to benefits	1,063,539
Library portion to be paid by the City (estimated)	42,052
Peavey Plaza to be paid by the City (estimated)	43,264
Loring Greenway to be paid by the City (estimated)	15,199
Category 3 - Amount to be specially taxed against properties after deductions under Categories 1, 2, and rental fees	0
Rentals received and other use of the Mall	29,652

Credit for prior year balance	<u>0</u>
Amount required for 2002 improvement, operation and maintenance, prior years carry forward of unexpended balance and adjusted costs	\$1,263,101

The Nicollet Mall Advisory Board (NMAB), at its meeting of May 23, 2002, took action approving a 2003 operating budget of \$1,263,101. Of this amount, \$1,122,002 would be assessed against benefiting properties including the City-owned Peavey Plaza and Loring Greenway.

Since 1997, the Council has approved credits against the total maintenance budget for the estimated share of costs related to the Central Library, the Peavey Plaza and the Loring Greenway. The library credit is funded through a reduction in the LGA allocation. The Peavey Plaza and Loring Greenway shares are assessed against the property and paid by the City. The 2003 budget presented assumes continued credit for the Central Library and assessments against Peavey Plaza and Loring Greenway. The 2003 budget also includes a credit which relates to fees collected and costs incurred for the Municipal Market.

- cc: Tom Clairmont, Nicollet Mall Advisory Board  
Tammy Omdal, Budget Director  
Mary Ubl, Budget Office  
Mary Lawson, Public Library  
Jay Heffern, City Attorney  
Council Member Ostrow, 1<sup>st</sup> Ward  
Council Member Goodman, 7<sup>th</sup> Ward