



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

Date: July 27, 2010

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Set Public Hearing for the LynLake Municipal Parking Lot – 2010 Assessment Proceedings & 2010 – 2011 Impact Fees.**

Recommendation:

- a. Passage of a resolution establishing the special assessment proceedings for payable 2011 assessments in the amount of \$39,493.77.
- b. Set a Public Hearing on September 14, 2010 before the Transportation & Public Works Committee to consider the annual assessment.
- c. Impact fees for the LynLake Lots be established for the period of September 1, 2010 through August 31, 2011 at \$940 per stall for businesses that had licenses, permits to expand their businesses, or approved plans by the City to expand their businesses prior to September 1, 1998, and \$1885 per stall for new businesses.

Previous Directives:

None

Prepared by: Anthony Stone, Operations Analyst, 673-3162

Approved by:

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

Presenters: Anthony Stone, Operations Analyst, 673-3162

Reviews

Permanent Review Committee (PRC): Approval n/a Date _____

Civil Rights Approval Approval n/a Date _____

Policy Review Group (PRG): Approval n/a Date _____

Financial Impact

Special Assessments against benefited properties

Community Impact

Neighborhood Notification: Send out Public Hearing notifications

City Goals: Streets as Destinations

Comprehensive Plan: Consistent

Background/Supporting Information

Each year businesses located within 300 feet of the LynLake Municipal Parking Lots are assessed for the cost of constructing the two lots. This will be the eleventh year of a 20 year assessment. The annual assessment is adjusted to reflect any operating profit (assessment is lessened) or deficit (assessment is increased) for the lots.

In addition to adjusting the total annual assessment, individual assessments are adjusted to reflect any changes to the data used in the assessment formula. The parameters used to calculate individual assessments include market value, building area, parcel area, and parking deficiency.

Debt Service:

The debt-service portion of the 2011 assessment was determined with consideration of the following parameters

- Ensuring that the debt service portion of the assessment remains the same or is lowered in future years.
- Striving to maintain an annual assessment of less than \$170,773 for the duration of the 20 year assessment period, while recognizing that net operating revenues/expensed are unknown.
- Reduction of the assessment to reflect the sale of the Aldrich Parking Lot
- Structuring the assessment revenue so that there is no negative impact to the Parking Fund (7500) in future years.

Operating Revenues/Expenses:

All past assessments included estimated operating revenues. The 2011 assessment will include the actual 2009 operating profit of \$75,976.36. Future assessments will continue to apply the net operating revenue/expenses from the most recently completed fiscal year.

Impact Fees:

A unique feature of the administration of these lots are the impact fees, which are charged to businesses that wish to fulfill their zoning and licensing parking requirements by buying into the lot rather than constructing parking on their own. The fees are set annually for the period from September 1st through August 31st.

Cc: John Meldahl

T&PW – Your Committee, having under consideration the Lyn/Lake Municipal Parking Lots Project and establishment of proceedings for assessment of project costs and expenses and the establishment of impact fees for businesses that have bought into the lots to meet parking requirements, now recommends:

- a) Passage and summary publication of the accompanying Resolution establishing the special assessment proceedings for payable 2011 for the Lyn/Lake Parking Facilities; and
- b) Establishment of impact fees for the Lyn/Lake Lots for the period of September 1, 2010 through August 31, 2011 at \$940.00 per stall for businesses that had licenses/permits to expand their businesses, or approved plans by the City to expand their businesses as of September 1, 1998, and \$1885.00 per stall for new businesses.

Colvin Roy

Establishing the special assessment proceedings for payable 2011 for the Lyn/Lake Parking Facilities.

Whereas, Minnesota Statutes, Section 459.14 (Automobile Parking Facilities) authorizes the City of Minneapolis to acquire property interests, construct parking facilities, operate and maintain parking facilities and finance parking facilities through special assessments levied against benefited properties; and

Whereas, the City of Minneapolis has approved the establishment of parking facilities in the Lyn/Lake area, as more particularly described in Resolutions 98R-129 passed April 24, 1998 and 98R-186 passed May 22, 1998 and in Petn Nos 263708 and 263799 on file in the Office of the City Clerk; and

Whereas, the City Engineer has recommended the amount to be specially assessed for payable 2011 to be \$39,493.77, all as contained in Petn No _____ on file in the Office of the City Clerk;

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

That the proper City Officers are hereby directed to prepare proposed special assessments in the total amount of \$39,493.77 and to give notice of a public hearing to be held by the Transportation and Public Works Committee on September 14, 2010, in accordance with Minnesota Statutes, Section 459.14 and Minnesota Statutes, Chapter 429, to consider the amount proposed to be assessed to each benefited property for payable 2011.