



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

Date: May 18, 2010
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee
Subject: **Chicago Avenue S (8th Street S to 28th Street E) Lighting Project No 6382:
Public Hearing**

Recommendation:

- a. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting special assessments in the amount of \$425,488.68 for the Chicago Av S (8th St S to 28th St E) Street Lighting Project.
- b. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$425,480 for the Chicago Av S (8th St S to 28th St E) Street Lighting Project No. 6382, with the bonds to be paid for from special assessments.

These Resolutions may be authorized for summary publication.

Previous Directives:

- April 30, 2010 Council Resolution 2010R-203 designating the improvements.

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Approved by:

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

Presenters: Jeff Handeland, P.E., Project Engineer

Reviews

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| Permanent Review Committee (PRC) | Approval <input type="checkbox"/> | Not applicable <input checked="" type="checkbox"/> |
| Civil Rights | Approval <input type="checkbox"/> | Not applicable <input checked="" type="checkbox"/> |
| Policy review Group (PRG) | Approval <input type="checkbox"/> | Not applicable <input checked="" type="checkbox"/> |

Financial Impact

Special Assessments against benefited properties

Background/Supporting Information:

Chicago Avenue Street Lighting Project

On April 30, 2010, the City Council designated the streets proposed to receive low-level pedestrian scale street lighting and high level lights at selected locations. Capital cost of the lighting system is to be funded by special assessments to the property owners within the influence area of the lighting.

Two versions of a petition were circulated for advisory purposes. Each version included an estimated special assessment calculation and amount. Version 1 was circulated to properties in the influence area from 8th Street S to 28th Street E. Response to version 1 indicated 43% approval for the lighting project. Version 2 was circulated to properties in the influence zone from 8th Street to 17th Street. Response to version 2 indicated 65% approval for the lighting project.

Based on the results of the advisory petition, input from Council Members of the impacted wards, and the existing lighting configuration on Chicago Avenue, Public Works staff requested that a street lighting project be designated to install low-level pedestrian scale street lighting and high level lights at selected locations within the following three sets of boundaries:

1. Both sides of Chicago Avenue between 8th Street S and 17th Street E.
2. The east side of Chicago Avenue between 24th Street E and 25th Street E.
3. The east side of Chicago Avenue between 26th Street E and 28th Street E.

The project would be funded by special assessments totaling either the final cost of the project or \$425,489, whichever is less. If the final cost of the project is equal to or greater than \$425,489, an assessment rate of approximately \$0.93 per square foot with the street influence area method would be used to calculate the actual assessments to the benefitted properties. If the final cost of the project is less than \$425,489, the final assessment will be adjusted downward. The proposed assessment method consists of applying the influence area method along the sets of boundaries receiving low-level pedestrian scale street lighting and high level lights.

The special assessments of more than \$150 would be collected over 20 years beginning on the 2012 real estate tax statements with interest charged at the same rate at which the assessment bonds are sold. Assessments of \$150 or less would be collected in their entirety on the 2012 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest if they so choose.

The lighting levels for this proposed project are classified as standard. The annual maintenance and operation costs are to be paid by the city's general fund.

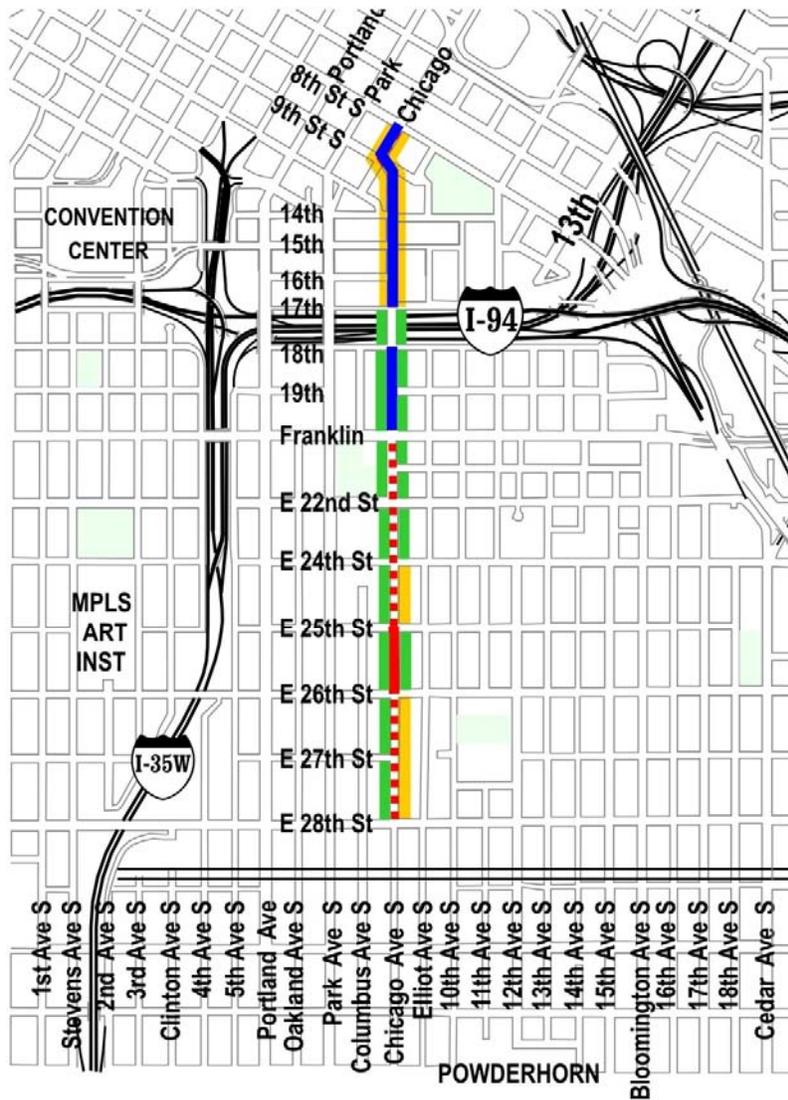
City Council has passed resolutions whereby a deferment of a special assessment may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Attachment 1 – Project Map

Cc: Jack Qvale, Secretary, Board of Estimate and Taxation

ATTACHMENT 1

Project Map



-  2008 Reconstruction
 -  2009 Reconstruction
 -  2010 Reconstruction
 -  2010 Lighting Project
 -  Existing Lighting or Other New Lighting
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T&PW and W&M/Budget - Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Chicago Avenue S (8th Street S to 28th Street E) Street Lighting Project, Special Improvement of Existing Street No. 6382.
2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Chicago Avenue S (8th Street S to 28th Street E) Street Lighting Project.

By Colvin Roy

**CHICAGO AVENUE S (8TH STREET S TO 28TH STREET E)
STREET LIGHTING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 6382**

Ordering the work to proceed and adopting the special assessments for the Chicago Avenue S Street Lighting Project.

Whereas, a public hearing was held on May 18, 2010 in accordance with Chapter 10, Section 8 of the Minneapolis City charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2010R-203, passed April 30, 2010 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 2010R-203, passed April 30, 2010.

Be It Further Resolved that the proposed special assessments in the total amount of \$425,488.68 for the Chicago Av S (8th St S to 28th St E) Street Lighting Project 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 City pays in

interest for selling assessment bonds with collection of the special assessment to begin on the 2012 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 interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2012 real estate tax statements.

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$425,480 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 Chicago Av S (8th St S to 28th St E) Street Lighting Project, Special Improvement of Existing Street No. 6382, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, to begin on the 2012 real estate tax statements and payable in the same manner as real estate taxes.