



# THE SOUTHWEST ANGLE

## An Annual Report for Residents of the 13th Ward

### Looking Forward

#### Inside

Taxes	1
Property Tax Levy	3
Lyndale Avenue	4
Crime	5
50th Street	5
Richfield Road	6
35W/Crosstown	6
Calls	7
Neighborhoods	8
Thank You	8
Contact Us	8

2003 brought both challenges and opportunities to the City of Minneapolis. We had to contend with drastic cuts of \$28 million over two years to our local government aid (LGA) from the State. Due to the five-year planning model and comprehensive levy policy set by the Mayor and Council in 2002, we had the policy foundation to manage the impact of these cuts without raising taxes beyond the eight percent levy policy – although the State would have allowed it. We were also able to resolve funding issues related to the Neighborhood Revitalization Program, but at a significantly reduced level. This ensured the future of

Phase II of NRP.

As we look forward to 2004 and beyond, we need to commit ourselves again to a government rooted in policy as well as politics. As property tax pressures increase, government will need to focus more on outcomes rather than inputs. Government will need to demonstrate its effective and efficient use of public dollars. Government will need to be more agile to deal with more volatility in both demand for services and availability of resources. All this implies a significant amount of change. I am convinced that, as citizens, we will support changes that will enhance the City's long-term vitality and success.

I hope that this annual report provides you with a window into your city government. I recommend that you check our Ward website for information on city and neighborhood issues.

Finally, I invite you to take one night every month to attend your neighborhood association's regular meeting. It is an opportunity to meet your neighbors, learn more about the issues which are important to all of us, and find out what projects are going on in your community.

#### Email or US Mail— It's Your Call.

Frequently in this newsletter, we mention websites where you can obtain updates and further information on a range of ward issues. The Ward website is the referenced source or provides a link to another site. The Ward website can be found at [www.ci.minneapolis.mn.us/council/ward13](http://www.ci.minneapolis.mn.us/council/ward13).

But, don't worry if you don't use the internet. We will happily mail residents hard copies of anything on the referenced sites. Just call us at 612/673-2213!

### What Happened to My Taxes? - Part II

For the second year, residents have called about the double digit percentage increases they have been seeing in their property taxes.

In last year's *Southwest Angle*, we briefly discussed how changes in classification rates and the phase-out of the limited market value provision were changing tax bills. This year, we will revisit some of these issues and illustrate how they are

affecting tax bills in percentage and real dollars.

#### 2001 Revisited

In 2001, the Legislature changed the maximum market value that could qualify for the homestead classification rate from \$76,000 to \$500,000. As a result, for one year, residents with taxable market values above \$100,000 saw their property tax bills de-

crease. The Legislature also continued to reduce classification rates for commercial and industrial properties, which lowered those properties' tax burdens – but shifted it to residential properties.

At the same time, the Legislature authorized a phase out of "limited market value" – a law which limited how much a prop-

(Continued on page 2)

# What Happened to My Taxes? - cont.

(Continued from page 1)  
erty's taxable value could increase each year. The impact of the law was to create a gap between taxable and appraised or estimated real market value. Between 2002 and 2007, the taxable property value of a residential property will catch up to its estimated market value. As a result, in 2002 (payable 2003), residents began to see property tax bills increase, which continued in 2003—payable 2004.

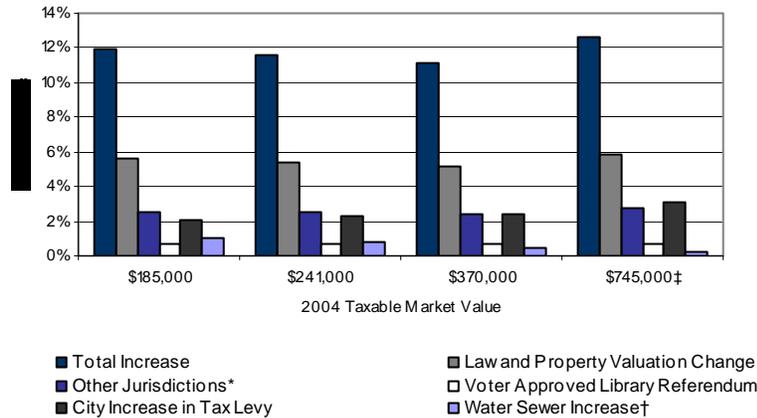
## City Five-Year Plan

In 2002, the City Council and Mayor set a five-year financial planning model for the City. The goal was to pay off some of the debt accumulated during the 1990s and put the City on a responsible fiscal track. One part of the plan includes ongoing cuts to the City's budget. The second part acknowledges that taxes may have to be raised. Any increase, however, is limited to a 8% maximum increase over the previous year's levy. This applies to the combined levy of the City, Park Board, and Library Board. Half of any levy increase will pay off debt; the other half will be applied to the increased cost of providing City services.

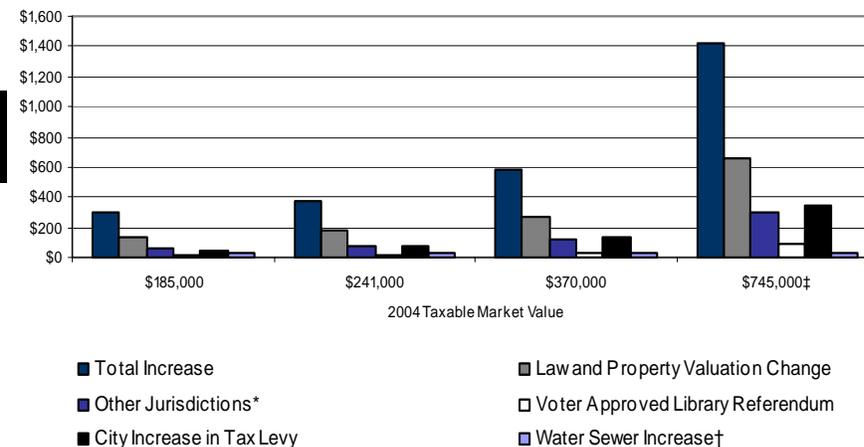
## Uneven Increases

Independently, each of these

Property Tax Change, by Percentage Increase, 2003-2004



Property Tax Increase, by Value Increase, 2003-2004



changes—State law and the five-year plan—was bound to affect property taxes, although not in even amounts. However, together they have contributed to double digit increases.

On one hand, if the City had not made any changes to its annual levy and left it where it was, residential property taxes on average would still have increased by 9.8%. Why? Changes in State law—classification changes and the limited market value phase-out—as well as spending by other government entities that receive property tax would have triggered increases.

On the other hand, if the State had not changed the law, but the City had

increased the levy, as it did 8%, the average change in a Minneapolis property tax bill would have been 2.2%.

Combined, these changes have contributed to a city-wide average increase of 12.7%. How does the increase break down? On average, changes in state law and market value account for close to half of the change, while City levy increases account for about 2%. The charts break this out for a range of taxable home values.

Meanwhile, on average, apartment and commercial/industrial property taxes are increasing slightly or decreasing depending on market value—due to changes in classification rates.

## The Future

The City remains committed to the five-year plan to restore the City to financial health. But, it is also cognizant of the burden increasing property taxes place on homeowners. So, the City continues to cut the budget more than it increases taxes. It keeps looking for new ways to reduce the budget, limit growth, or develop new

(Continued on page 3)

## A Word about the Property Tax Levy

As mentioned on page 1, the Ward office frequently receives calls from residents trying to understand why the percentage increase in their property taxes is greater than the 8% they read about in the newspaper. To help better understand some of the changes in State law and property taxes that we discussed in the previous article, we have outlined how the City's annual levy translates into property tax bills.

### Classification Rates and Assessed Market Value

Three factors go into property taxes. The first is a property's classification rate. The classification rate relates to a property's use – residential, commercial etc. — and is assigned a rate as determined by the Legislature. The **classification rate** for homestead residential is 1% up to \$500,000 in value and 1.25% in excess of \$500,000; 1.25% for apartments; and 1.5% up to \$150,000 in value and 2% above \$150,000 for commercial/industrial properties.

## Taxes—cont.

*(Continued from page 2)*

revenue sources to support City services.

To learn more about some of the issues in this article, residents can review last year's newsletter article on the Ward website in the "Speeches and Publications" page. They can also learn about the budget process in site's the "Resources" section.

Source for the Article and Charts:  
Minneapolis Finance Department

\* Estimates for County, School, and other jurisdictions' tax increases.

† Utility fees are billed monthly and based on usage—\$26 per household is an estimate.

‡ A property of this value (over \$500,00) has a different classification rate than the other examples.

Second, each year, the City Assessor assigns an estimated market value to every property in the city. For tax purposes, the market value on residential properties of one to three units may be limited by limited market value. In the past, the increase in taxable market value was limited to 8.5% per year. With the phase-out (see previous article), for taxes payable in 2004 (tax year 2003) the limit is an increase of 12% or 20% of the difference between last year's taxable or limited value and the estimated real market value – whichever is greater. By 2007 (taxes payable in 2008), the phase-out will be complete and taxable and current market value for residential properties will be the same.

### Annual Tax Levy

Third, the City Council sets the annual levy – the amount of money it will collect in property taxes. Since 2002, the City has maintained a policy of not increasing the levy more than 8%. For example, if the City levied \$10 million in 2003 (it is actually much higher), it would levy no more than \$10.8 million in 2004.

The City forwards the levy amount to the County Auditor, as do all the other jurisdictions that collect property tax, such as Hennepin County. He then apportions all eligible levies among Minneapolis property owners after setting that year's **tax rate**. The tax rate is determined by dividing the sum of all levies by the total tax capacity of the City (the combined value of all taxable properties).

### Individual Tax Bills

Once the levy is set, the rate determined, and the market values finalized, the County Auditor determines each property's taxes by using this equation:

Taxable Market Value x Classification Rate x Tax Rate – Credits (if applicable) = **Taxes**

The taxes plus any fees and/or assessments equal a property's total tax bill. The percent change in this number over a property's previous year's tax bill is often different than the percent change in the City tax levy.

### Double-Digit Growth

So, how does this explain double digit increases? First, residential values have increased just as the elimination of limited market value requires taxable value to equal real market value; higher values lead to higher taxes. Thus, even though the 1% classification rate is applied to more homes (before 2001, the 1% homestead rate was restricted to homes up to \$76,000, now it is \$500,000), residents are paying taxes on greater market value.

Second, changes in income producing property classification rates are pushing more responsibility onto residential owners. How? In the 1990s, income producing property rates ran as high as almost 5%. Now, they are at most 2% while the values of some of these properties have fallen. As a result, taxes on many of these properties are down. Plus, 26% of the taxes paid by these properties are sent to the State – not the City -- to offset the 2001 shift in school funding from cities to the State.

As a result, between 2001 and 2008, income producing properties will go from paying 63% of the City's property taxes to 44%, while residents will go from paying 37% to 56%.

Thus, in property tax, as the burden on income producing properties goes down, the burden on residential properties grows.

Source: Minneapolis City Assessor

## Lyndale Avenue Update

Lyndale Avenue continues to be a focus of attention in the 13<sup>th</sup> Ward. The City, County, and the citizen group, LASR-CC, are all working to improve this important corridor south of Minnehaha Creek.

### Redesign and Reconstruction

Hennepin County will reconstruct Lyndale Avenue from Lake Street to 56th Street. This plan includes complete road replacement, medians, and expanded sidewalks. Construction north of 50th Street will begin in 2006 and south of 50th in 2007.

In May, the County and Wards 10, 11, and 13 hosted three community meetings for residents and businesses. County staff discussed the plans and how they evolved. Attendees were able to review preliminary maps of the construction plans. They were also able to ask questions about the design and implementation plans.

Later this year, Hennepin County will begin the formal design process. This stage entails finalizing the design with all its engineering details. Additional information on this phase will probably be available later in 2004.

As this project progresses and construction approaches, the County and City will continue to notify residents and businesses about the latest developments. We encourage everyone to stay informed.

### LASR-CC

Lyndale Avenue South Renewal-Creek to Crosstown (LASR-CC), the four neighborhood collaboration of Kenny, Lynnhurst, Tangletown, and Windom has continued its work to develop a community-based vision for the future of Lyndale Avenue. In 2003, it undertook four main efforts.

### Name the Corridor

To help grow the corridor's sense of identity and community — in the same way people think of Uptown or Grand Avenue — LASR-CC pro-

posed selecting a name for the Lyndale corridor.

Last spring, LASR-CC asked residents from all four neighborhoods to submit their ideas. Over 50 names were received. Attendees to the Borton Volvo Music Festival in August had an opportunity to vote for their favorite from among all the entries. The vote was widely scattered among the many options, so LASR-CC is reviewing the vote to determine if any common themes emerged among the many votes. Once that review process is complete, it will announce plans for selecting a new name.

### Business Association

Over the last year, members of LASR-CC have been working to form a business association for corridor businesses. The association is intended to help local businesses become informed on issues and to discuss common ideas and concerns.

A number of businesses have become involved and over the next few months the association will take on a more formal structure by electing officers and outlining plans for this year's activities.

### Streetscape Plan

Over the summer, LASR-CC distributed a request for proposals (RFP) to local landscape architects and land use planning firms. They were invited to submit their proposals for developing a streetscape plan for the Lyndale corridor.

Each proposal had to include strategies for developing a streetscape plan for public areas, such as lighting, benches, and plantings. It also had to include a plan for developing design guidelines that commercial property owners could use when planning exterior improvements to their properties.

SEH, a land use planning firm, was selected. The firm is currently at work on developing its report and recommendations.

Last fall, the firm met with commercial property owners to get their ideas and answer questions. A meeting for residents to provide input is currently being scheduled. It will be announced by mail and on the ward website.

In the spring, SEH will submit its final plan and recommendations.

### Market Survey and Land Use Planning

The final activity LASR-CC undertook last year is planning for a land use study and market analysis of the Lyndale corridor.

This effort will examine the current commercial environment as well as its future potential. This will help businesses plan for their own growth or help them understand their properties' potential should they ever decide to sell.

The land use analysis will outline the corridor's current zoning. This will help the community better understand the current land use and how that use can be maintained or how it may change in the future.

LASR-CC will draft a second RFP for this effort. The RFP will invite land use planning firms to submit proposals for conducting the market study and land use analysis.

Once the RFP is released and a firm is selected more information on the process will be announced. Part of the process will include resident involvement — so please consider taking part in community meetings and other opportunities that will invite you to contribute your ideas.

To learn more about the Lyndale reconstruction or LASR-CC's work, visit "Current Ward Issues" on the Ward 13 website.

## Keeping the Neighborhoods Safe

Despite many changes in the Minneapolis Police Department last year, crime remained level in the 13th Ward.

Due to LGA cuts, the department faced budget cuts and saw a number of officers retire, although none were laid off.

The 13th Ward saw these changes mostly through its CCP/SAFE teams. The number of teams that serve the 5<sup>th</sup> Precinct was reduced from five to three. Both of the ward's crime prevention specialists (CPS), Robin North and Jennifer Nesemeier, left the department, and one SAFE office, Officer Scott Shephard returned to patrol duty. They worked hard on behalf of the ward and we were sorry to see them go.

Officer Jabra Kawas remained with the unit and continues to serve Armatage, Fulton, Kenny, and Lynnhurst. His new partner is CPS Jennifer Neale. Linden Hills and West Calhoun are now served by Officer Catherine Casey and CPS Karen Abrahamson. Ms. Neale, Officer Casey, and Ms. Abrahamson are all experienced CCP/SAFE members and have hit the ground running to get to know the ward. Please join us in welcoming them to the 13<sup>th</sup> Ward.

The CCP/SAFE teams are happy to work with residents to discuss crime issues, set up block clubs, and conduct home security checks. Please contact them if you have any questions about crime and safety.

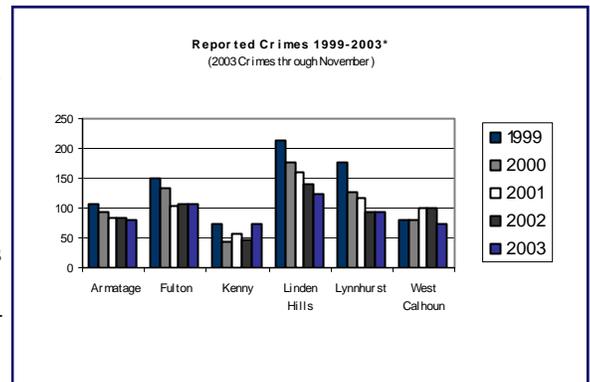
Despite the budget and departmental changes, crime decreased 3% in the ward. In Armatage, Fulton, Linden Hills, Lynnhurst, and West Calhoun, crime decreased or remained level. Crime increased in Kenny, mostly due to several burglaries late in the year.

The crime rate in the ward is continuing a positive trend that we have seen since 1999. However, CCP/SAFE would like to remind residents about simple steps they can take to avoid crime.

- Lock your doors and do not leave attractive items such as purses and keys near open windows or windows that can be opened.
- Keep your garage door closed if you are not personally monitoring it. Snow blowers can be stolen in 30 seconds.
- Do not leave bags, cd's, or other attractive items on your car seat when at the park or running errands. If you plan to

**Ward 13 CCP/SAFE Teams**  
Armatage, Fulton, Kenny, Lynnhurst  
 Off. Jabra Kawas and CPS Jennifer Neale  
 612/673-2819

Linden Hills and West Calhoun  
 Off. Catherine Casey and CPS Karen Abrahamson  
 612/673-2824



leave a purse or bag in your car put it in the trunk before you leave home, not at the park or mall.

- Call 911 if you witness a crime or see suspicious behavior. Call 673-2090 to report graffiti.
- Participate in your block club and keep an eye out for your neighbors. Contact CCP/SAFE for help in setting up or planning activities for your block club.

## 50th Street—The Final Chapter

Last spring, the future engineering of 50th Street was a topic of keen interest to residents in every ward neighborhood. Some looked forward to changes that would reduce speeding and passing on 50th Street. Other were concerned that such changes would not support the traffic on 50th and cause further congestion. Many were also concerned about the impact of parking changes on local businesses operating on 50th Street.

After many meetings of a work group of residents and businesses and a May community meeting, Hennepin County engineers made a new proposal that would permit parking on both sides of the street in business nodes. This plan has been reviewed by local businesses and is their preferred option.

Therefore, in the spring, the County and City will collaborate to restripe the street with a modified ver-

sion of the three-lane concept and new parking west of Dupont Avenue. The City will install turn signals at Penn and Xerxes Avenues. Any changes between Lyndale and Dupont will be delayed and coordinated with the Lyndale reconstruction plans for 50th and Lyndale.

To learn more about the final plan for 50th Street, visit the "Current Ward Issues" on the Ward website.

## Richfield Road Reconstruction

Next summer, much to the relief of many victims of its potholes, Richfield Road will be reconstructed.

The existing road will be removed down to the underlying dirt surface and replaced. The project will run from 39<sup>th</sup> and Sheridan to 36<sup>th</sup> and Richfield Road.

The new road will remain within the boundaries of the current road, but a bike lane will be added to each of the two drive lanes. At 39th and Richfield, the intersection will be improved to reduce its sharp angle. This will improve maneuverability and safety. The advisory speed limit will be raised from 10

mph to 25 mph. Sight lines will also be improved and a safer pedestrian crossing to the park will be achieved. At William Berry Parkway, the crosswalks will be upgraded to facilitate the large volume of pedestrians and bikers who cross there.

Since Richfield Road is an important connection between southwest Minneapolis and the rest of the city, it is designated as a Municipal State Aid route. The City receives State funding to operate and maintain the road. Therefore, the State is providing \$1.2 million in funding for this project. The Federal government is providing \$2.0

million since the project supports its transportation goals. Any remaining costs will be born by the City, and those costs will be funded through bonding and assessments.

The parts of the project that will be most visible and have the largest impact on traffic are scheduled to last three to five months. But, some work may begin in the spring with additional clean up and landscaping performed in the fall of 2004.

The project's first phase will run from William Berry Parkway to 36<sup>th</sup> Street. During this period, the road will be closed entirely for about

*(Continued on page 7)*



### STOP BY FOR THE FOOD . . . OR CONVERSATION

Have you ever wanted to discuss or learn more about an issue? Or, just wanted to know what your neighbors are thinking?

If yes, then come to the monthly Ward 13 breakfast.

Each month, I host a breakfast for residents to discuss whatever is on their minds. Residents from all parts of the ward come and participate in a lively discussion about City issues.

So, next time something is on your mind—join us!

We meet the 3rd Wednesday of each month, at Pearson's Restaurant, 50th and Ewing. We begin at 8:00 am.

## 35W/Crosstown Redesign

In 2001, the Legislature halted plans to reconstruct the 35W/Highway 62 Commons. It instructed MnDOT to develop new plans to increase capacity to a greater extent than the plans that were halted and reduce the length of road closures during construction.

In 2002, MnDOT presented revised plans that increased the number of lanes, added a high occupancy vehicle (HOV) lane, and did not require extended road closures. These plans were presented to the Legislature during the 2002 session.

Since then, MnDOT has been refining the plans and discussing them with representatives of the municipalities that will be affected by the reconstruction. Next, it will

seek municipal consent from each city. Each affected community's city council will vote to approve or disapprove the plan after reviewing it.

Minneapolis' municipal consent process is expected to begin with a submittal of a packet of material including the proposed layout in February 2004. As part of the process, each affected city is required to hold a public hearing to receive comments from the community. The hearing will be scheduled and held within 60 days after MnDOT submits its packet. However, prior to the hearing, ward offices are scheduling meetings with affected neighborhoods. MnDOT staff will attend these meetings to present the plans and

answer questions.

The two Ward neighborhoods most affected by this project will be Kenny and Armatage. A meeting for Kenny and Windom residents was held on Tuesday, January 13 at the Windom Community Center. A presentation for Armatage residents will be at the Armatage Neighborhood Association annual meeting on March 16 at Armatage Park. MnDOT's presentation will begin at 7:00 pm but residents can arrive early to view the design plans.

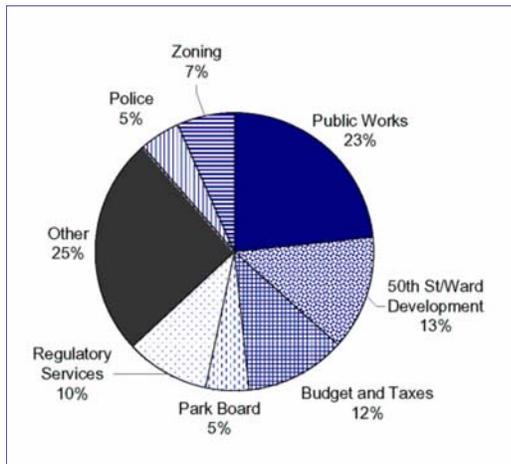
To learn keep up to date on this project and link to the MnDOT project website, visit the "Current Ward Issues" page of the ward website.

## Either by Phone, Email, or US Mail

Residents continue to contact the 13<sup>th</sup> Ward office about those issues most important to them. Each year, we receive over 1200 letters, phone calls, or emails from residents. Whether expressing an opinion about a new housing development or seeking help in resolving a water bill problem, these calls and messages are important to us.

These contacts help us understand what is on the mind of constituents and help us detect emerging issues in the ward. The chart outlines the main issues of interest to our residents. The chart includes all calls from mid-December 2002 through mid-December 2003.

As in previous years, the largest topic people called about was Public Works.



This includes issues such as snow plowing and street cleaning, requests for stop

signs or speed humps, and sidewalk replacement.

The second most frequent topic of interest is the re-engineering of 50<sup>th</sup> Street and other development issues in the ward. Most of the calls that did not concern 50<sup>th</sup> Street were about the new building at the corner

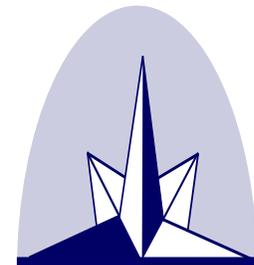
of 50<sup>th</sup> and Xerxes.

For the first time, calls about the city budget and taxes were among the most popular topics. These calls involved questions about property taxes or items in the budget, or to express opinions about particular budget items.

Regulatory services includes all calls that involve inspections, licensing, animal control, illegally parked vehicles, or permits. We receive a lot of these calls during the spring and summer when residents have

questions about construction in the neighborhood or are concerned about the uncut grass next door.

So next time you need help resolving an issue or just want to express your opinion, feel free to contact us!



### COMMISSION APPOINTMENTS!

Have you ever wondered how your neighbor got on an advisory committee or the guy at your child's school got on the City Planning Commission.

They were appointed.

The City appoints residents to dozens of advisory boards, task forces, and decision making bodies. To find out if there might be a body you would like to serve on—check out the Ward website. In the “Resources” section, you can find a list of all bodies accepting applications for appointment. You can also link to each body's webpage and learn more about what's involved.

The City is always looking for applicants—so think about whether you would like to be one!

## Richfield Road Reconstruction—cont.

*(Continued from page 6)*  
two months. Traffic will be diverted down 39<sup>th</sup> Street to France Avenue, up to Excelsior Boulevard, and on to Lake Street. The City considered leaving the road open to traffic, but that would have extended this phase of the project to six months.

The second phase will run from 39<sup>th</sup> and Sheridan to William Berry Parkway. The road will also be closed during construction, but only for

about a month and a half. During this phase, traffic will be diverted to West Calhoun Parkway between Sheridan and William Berry.

City staff has worked closely with the Park Board throughout this project to ensure a minimal impact on the surrounding park land. Staff is also working with Metro Transit to plan detours and amend bus routes.

In the spring, please keep an eye out for signs alerting

residents and commuters to the beginning of construction. The fewer drivers that run into road closures, the less congestion and frustration experienced by everyone. You can keep up to date by visiting the web pages our office and Public Works maintain on this project. You can visit both sites by going to the “Current Ward Issues” section of the Ward 13 website.

# THE SOUTHWEST ANGLE

An Annual Report for Residents of the  
13th Ward

**Barret W.S. Lane**  
Council Member, 13th Ward

**City Hall, Room 307**  
**350 South 5th Street**  
**Minneapolis, MN 55415**

**Phone: 612/673-2213**

**Fax: 612/673-3940**

**Email: [www.ci.minneapolis.mn.us/contact/  
email-form-lane.asp](http://www.ci.minneapolis.mn.us/contact/email-form-lane.asp)**

**Website: [www.ci.minneapolis.mn.us/council/  
ward13](http://www.ci.minneapolis.mn.us/council/ward13)**

## Drop by the Neighborhood!

Neighborhood associations are a great way to find out what's going on in your neighborhood and to learn how you can get involved. Your association looks forward to meeting you.

### **Armatage Neighborhood Association**

Armatage Park  
3rd Tuesday, every other month, 7:00 pm  
For information: 612/668-3206

### **Fulton Neighborhood Association**

Pershing Park  
2nd Wednesday of the month, 7:00 pm  
For information: 612/922-3106

### **Kenny Neighborhood Association**

Coldwell Banker, 55th and Lyndale  
3rd Tuesday of the month, 7:00 pm  
For information: 612/392-4477

### **Linden Hills Neighborhood Council**

Linden Hills Park  
1st Tuesday of the month, 7:00 pm  
For information: 612/926-2906

### **Lynnhurst Neighborhood Association**

Lynnhurst Community Center  
2nd Thursday of the month, 7:00 pm  
For information: 612/822-7466

### **West Calhoun Neighborhood Council**

Coldwell Banker, Lake Calhoun Executive Center  
2nd Tuesday of the month, 7:00 pm  
For information: 612/928-3511

## Thank You

We would like to thank the many residents and organizations who supported the ward in 2003 by participating on special task forces or providing time, space, or contributions to meetings and events.

### Community Task Forces

50th Street Working Group  
Lyndale Ave South Renewal-  
Creek to Crosstown  
Lyndale Avenue Task Force  
Southwest High Parking Task  
Force

### Organizations and Businesses

Broder's Southside Pasta Bar  
Coldwell Banker Burnet —  
Calhoun Isles Office  
Lyndale Avenue Office  
Kowalski's Market

Lutheran Church of the Good  
Shepard  
Minneapolis Park and  
Recreation Board  
Armatage Park  
Kenny Park  
Linden Hills  
Lynnhurst Community  
Center  
Pershing Park  
Windom Community Center  
Mt. Olivet Care Center  
Pearson's Restaurant  
Southwest High School

---

We would also like to thank the staff at the City of Minneapolis who assisted us in preparing this newsletter. Their help in providing and clarifying important information was essential to our ability to help Ward residents better understand their city.

Department of Finance — Budget Office  
City Assessor  
Public Works — Engineering Services  
Police Department — CCP/SAFE