



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

Date: September 28, 2010

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

Referral To: Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

Subject: **14th Ave N Cul-de-sac Construction Project No 9895: Public Hearing, Create Budget & Appropriation**

Recommendation:

- A. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting the special assessments in the total amount of \$110,742.55 for the 14th Ave N Cul-de-sac street improvement project.
- B. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$110,740 with bonds to be paid for from special assessments. These Resolutions may be authorized for summary publication.
- C. Amend capital appropriated budget 2009R-587 to include (PV071) 14th Ave N Cul-de-sac street improvement project funded by the following revenue sources:
 - i. Increase appropriation by \$110,742.55 assessments revenue to Source Fund/Dept: 04100-9010937-3846
 - ii. Transfer \$160,000 appropriation from SW002 to PV071 in fund 07300-9010932-3455.

Previous Directives:

Continued the Public Hearing set for 08/17/2010 to 09/28/2010
2010R-353 Project Designation adopted July 23, 2010 & set Public Hearing for 8/17/10

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Approved by:

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

Presenters: Christopher M. Engelmann, P.E., Project Engineer

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact

Special Assessments against benefited properties
Action requires an appropriation increase to the Capital Budget

Community Impact

Neighborhood Notification:
City Goals: A SAFE PLACE TO CALL HOME: the city's infrastructure will be well-maintained, people will feel safe in the city.
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

14th Ave N is a dead-end block that extends approximately 300 feet east from 2nd St N to railroad property. The street is oiled dirt construction of an indeterminate age and effectively operates as a dirt road.

In 2009, Standard Heating and Air Conditioning redeveloped a four-parcel site that included two parcels adjacent to 14th Ave N. The property redevelopment included two egresses to 14th Ave N. 14th Ave N will be utilized by the business as the primary entrance for its employees and its fleet of service/delivery vehicles.

The construction project will consist of approximately 300 feet of asphalt road surface ending in a cul-de-sac, curb, gutter, signage, lighting, storm drains, a stormwater infiltration system, concrete drives, sidewalks, turf establishment and trees. A cost estimate for the project is \$435,000.

The Standard Heating and Air Conditioning property was redeveloped with cooperation with Community Planning and Economic Development (CPED). CPED approached the Department of Public Works to determine if construction of this project could be managed through the Five Year Capital Improvement Program (CIP). Due to the number of existing projects on the CIP, the timing for the project did not meet the timing desired for effective use of the property. Therefore, alternative funding sources were pursued. CPED applied for and was awarded a Minnesota Department of Employment and Economic Development (DEED) grant to fund a portion of the project.

The Surface Water & Sewers Division (SWS) reviewed the project and determined it was an appropriate location for use as pilot stormwater infiltration project. The project will include alternative stormwater infiltration technologies such as porous pavers, wider boulevards, and a green catch basin.

The project will be designed by City of Minneapolis Public Works personnel. The project will be publicly bid and managed through construction by City of Minneapolis personnel. We will return to Council after letting the project with a recommendation on acceptance of the lowest responsible bidder. The interagency coordination of the project will be managed under the existing grant agreement with DEED.

Construction is scheduled to begin next spring.

Assessments

The proposed street construction special assessments were determined by applying the 2010 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2010 reconstruction assessment rates are as follows:

\$1.96/sq ft – Non-Residential
\$0.75/sq ft – Residential

The proposed total assessment amount for the 14th Ave N Cul-de-sac street improvement project is \$110,742.55. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2011 real estate tax statements with the interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2011 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 City Council has passed Resolutions whereby a deferment of the special assessments 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 permanent and total disability.

Funding

CPED appropriated a \$170,000 DEED grant on June 26, 2009 (Resolution 2009R-280). The funds were appropriated in Fund 01600 – Other Grants State & Local (01600-8900320). CPED has agreed that the grant can be used to fund the 14th Ave N Cul-de-sac project

SWS is also providing funding for a portion of the project as a pilot stormwater infiltration project. Transferring SW002 to PV071 preserves the funding for the match for the paving project.

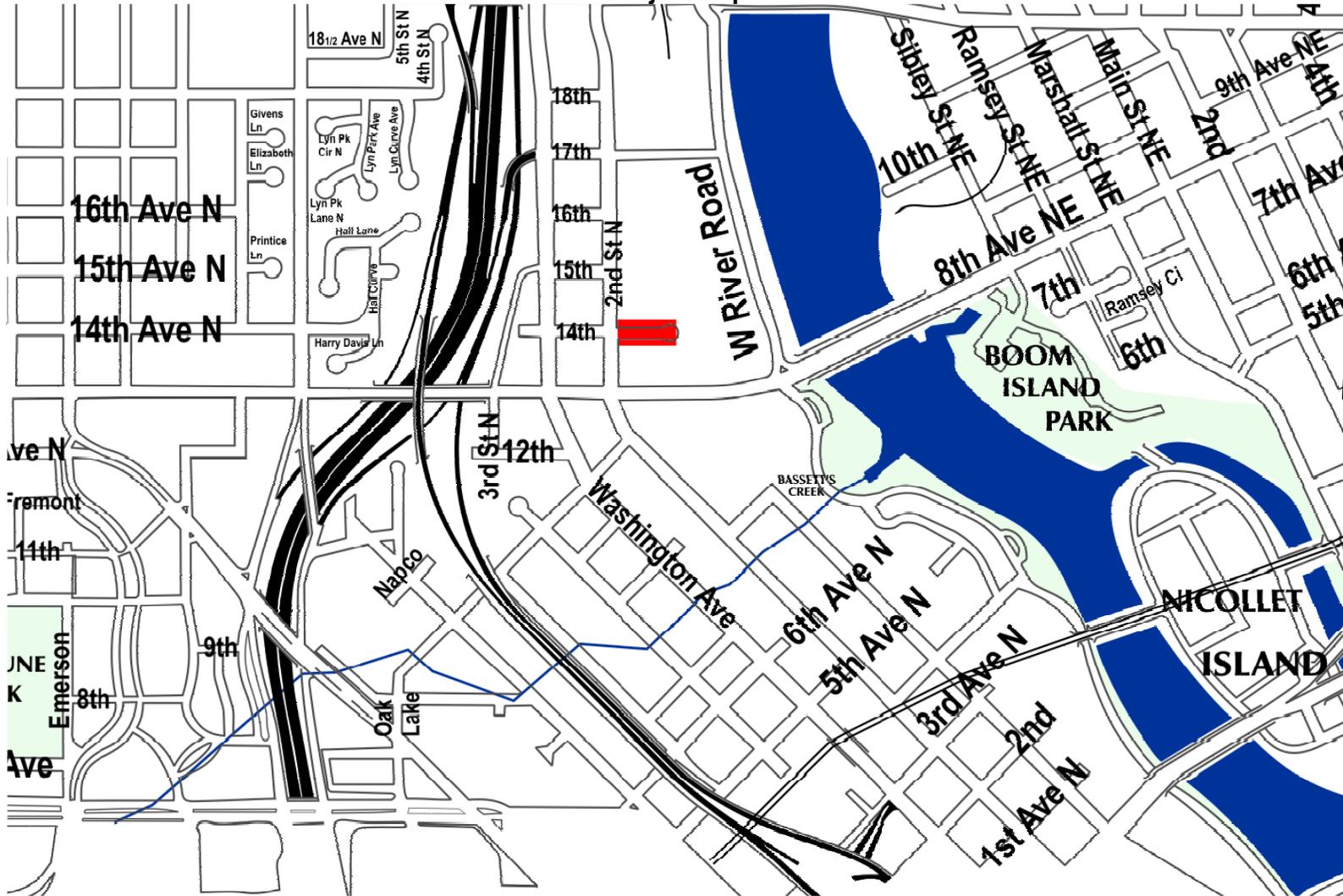
The total funding for the project is summarized below:

Current Project Funding	
Assessments	\$110,743
SWS Funds	\$160,000
DEED Grant through CPED	\$170,000
Total	\$440,743

Attachments: *Project Map*

Cc: Council Member Don Samuels, Ward 5
Lisa Cerney, Director of Surface Water & Sewers
Jack Qvale, Board of Estimation and Taxation
Craig Troutman, Finance
Bishow Dhungana, Finance
Bill Schroeder, Finance
Paula Mazzacano, Finance

14th Ave N Cul-de-sac
Project Map



 Project

T&PW – Your Committee recommends passage and summary publication of the accompanying Resolution ordering the work to proceed and adopting the special assessments for the 14th Ave N Cul-de-sac Street Construction Project, Special Improvement of Existing Street No. 9895.

Resolution 2010R-

Colvin Roy

**FOURTEENTH AV N CUL-DE-SAC STREET CONSTRUCTION PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO. 9895**

Ordering the work to proceed and adopting the special assessments for the 14th Av N Cul-de-sac Project.

Whereas, a public hearing was held on August 17, 2010 and continued to September 28, 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-353, passed July 23, 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-353, passed July 23, 2010;

Be It Further Resolved that the proposed special assessments in the total amount of \$110,742.55 as on file in the office of the City clerk be and hereby are adopted and assessed against the benefitted 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 assessment bonds are sold for with collection of the special assessments to begin on the 2011 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 2011 real estate tax statements.

T&PW and W&M/Budget – Your Committees recommend passage and summary publication of the accompanying Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the 14th Av N Street Construction Project Special Improvement of Existing Street No. 9895.

Resolution 2010R-

Colvin Roy and Hodges

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$110,740 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 14th Av N Street Construction Project, Special Improvement of Existing Street No. 9895, to be assessed against benefitted 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 and W&M/Budget – Your Committees recommends passage of the accompanying resolution to include PV071- 14th Ave N Cul-de-sac, increase the budget by \$110,742.55 funded by assessments revenue, and transfer \$160,000 appropriation in SWS fund to PV071.

Resolution 2010R-
By Colvin Roy and Hodges

Amending the 2010 Capital Improvement Appropriation Resolution

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by including PV071 – 14th Ave N Cul-de-sac, increase the appropriation for the PW-Capital Improvements Fund (04100-9010937-CPV071) by \$110,742.55 and increasing the revenue source (04100-9010937-3455) by \$110,742.55, and transfer \$160,000 in appropriation from SW002 to PV071 in Fund 07300-9010932-3455.