



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

Date: July 29, 2008

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

Referral To: Honorable Paul Ostrow, Chair Ways and Means/Budget Committee

Subject: **2008 Alley Resurfacing Program, No. FS08#1 – Public Hearing**

Recommendation:

1. Passage of a resolution ordering the City Engineer to proceed with the work and adopting the special assessments for the 2008 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS08#1 in the amount of \$47,036.02.

2. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$47,035 for the 2008 Alley Resurfacing Program, Special Improvement of Existing Alley No FS08#1, with the bonds to be paid for from special assessments..

Previous Directives:

July 11, 2008 Council resolution 2008R-284 - project designation

Prepared by: Jeffrey A. Johnson PE, Transportation Maintenance & Repair (612) 673-2836
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Approved by: _____
 Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Michael D. Kennedy, PE, Director, Transportation Maintenance & Repair

Review

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

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
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain): Special assessment to benefited properties.
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: Public Hearing Notices mailed to affected property owners on July 14.

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information:

On July 11, 2008, the City Council designated the alley locations for the improvements to be made. These improvements consist of installing a bituminous overlay on the concrete alleys. The alleys being recommended by Public Works for this year's program are included in a list of alleys submitted to the Council in November 2000 as potential candidates for a bituminous overlay. This work is being done to extend to operational life of the concrete alleys and to facilitate localized drainage.

Under the City's Alley Resurfacing Program, the City will cover 75% of the project cost with approximately 25% being assessed against the benefited properties. The proposed project cost is \$189,515 with \$47,036 being assessed against the benefited properties. The proposed alley improvement special assessments were calculated using a 2008 Alley Uniform Assessment Rate established for this year's resurfacing projects. The rate is \$0.0415 per square foot of abutting properties along the improved alleys.

In calculating the uniform assessment rate to be used for the alley resurfacing projects in 2008, the total cost of the project that is being assessed (\$47,036.02) was divided by the total assessable square footage of all properties abutting the alleys (1,133,396). In the pilot alley resurfacing projects that were done in 2001, the assessment rate per square foot ranged from \$0.03 to \$0.05 per individual alley. The 2008 alley resurfacing rate is still within that range.

Individual assessments of more than \$150 would be collected over 5 years beginning on the 2009 real estate tax statements with interest charged at the same rate as the City pays for selling assessment bonds. Individual assessments of \$150 or less would be collected in their entirety on the 2009 real estate tax statements. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest charges if they so choose. The majority of the assessment amounts are in a price range of \$200 to \$260 in the 2008 alley resurfacing project areas.

Capital funds have been appropriated for this work and are located in Fund 4100, Agency 937, and Org 9372.

Attachment 1 - List of benefited alleys

cc: Council Member Paul Ostrow, Ward 1
Council Member Ralph Remington, Ward 10
Jack Qvale, Secretary, Board of Estimate and Taxation

2008 ALLEY RESURFACING PROGRAM

ALLEY	WARD	ALLEY ID	PROJECT BOUNDARIES
1	11	685401	The alley running from 41st Ave. N. to 42nd Ave. N. between Aldrich Ave. N. and Lyndale Ave. N.
2	4	7577	The alley running from 34th Ave. N. to 35th Ave. N. between Thomas Ave. N. and Sheridan Ave. N.
3	4	6483	The alley running from Hayes St N.E. to 26th Ave N.E. between Brighton Ave N.E. and Hayes St. N.E.
4	1	6919	The "T" shaped alley running from McKinley St N.E. to Stinson Blvd. and 29th Ave N.E. to alley "T" between St. Anthony Pkwy. and 29th Ave. N.E.
5	1	6186	The "L" shaped alley running from 25th St W. to Emerson Ave. S. between Hennepin Ave. and Emerson Ave. S.,
6	10	8205	The dead-end alley running from 28th St E. to approximately 210 feet south of 28th St E. between 5th Ave S. and Portland Ave.
7	6	9123	The alley running from 32nd St E. to 33rd St E. between 40th Ave S. and 41st Ave S.
8	12	6327	The "T" shaped alley running from Lyndale Ave S. to Garfield Ave. and 51st St. W. to alley "T" between W. Minnehaha Pkwy. and 51st St. W.,
9	11	5648	The alley running from 57th St W. to 56th St W. between Wentworth Ave. and Blaisdell Ave.
10	11	8636	The alley running from 57th St E to Woodlawn Blvd. between 20th Ave. S. and 21st Ave. S.

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 2008 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS08#1.

Colvin Roy

2008 ALLEY RESURFACING PROGRAM, SPECIAL IMPROVEMENT OF EXISTING ALLEYS NO FS08#1

Ordering the work to proceed and adopting the special assessments for the 2008 Alley Resurfacing Program.

Whereas, a public hearing was held on July 29, 2008 in accordance with Chapter 10, Section 6 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2008R-284, passed July 11, 2008 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 on the alleys as designated in said Resolution 2008R-284, passed July 11, 2008.

Be It Further Resolved that the proposed special assessments in the total amount of \$47,036.02, 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 for alley resurfacing of more than \$150 may be paid, shall be fixed at five (5) and that the interest charged at the same rate as the assessment bonds are sold for with collection of the special assessments to begin on the 2009 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessment of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the assessment bonds are sold for with collection of the special assessments on the 2009 real estate tax statement.

Colvin Roy and Ostrow

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis Bonds in the amount of \$47,035 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 alley improvements in the 2008 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS08#1, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.