



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

**Date:** October 14, 2008

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

**Referral to:** The Honorable Paul Ostrow, Chair, Ways & Means/Budget Committee

**Subject:** **Nicollet Mall Improvement, Maintenance and Operation Assessments Payable in 2009: Assessment Public Hearing**

**Recommendation:**

- a. Adoption of a Committee Report adopting and levying assessments in the amount of \$1,171,706.
- b. Adopting an assessment roll and directing the City Clerk to transmit a certified copy of the adopted assessment roll to the Hennepin County Auditor.

**Previous Directives:**

- Approval of Nicollet Mall Improvement, Maintenance & Operation budget, Resolution 2008R-234, passed June 6, 2008

**Prepared by:** Suzette R. Hjermsstad, Real Estate Investigator II, 673-2401  
Michael D. Kennedy, Director, Transportation Maintenance & Repair

**Approved:** \_\_\_\_\_  
Steven A. Kotke, P.E., City Engineer, Director of Public Works

**Presenters:** Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair

**Reviews**

|                                       |          |           |      |
|---------------------------------------|----------|-----------|------|
| Permanent Review Committee (PRC):     | Approval | <b>NA</b> | Date |
| Civil Rights Affirmative Action Plan: | Approval | <b>NA</b> | Date |
| Policy Review Group (PRG):            | Approval | <b>NA</b> | 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
- Other financial impact (Explain): Special assessment against benefited properties
- Request provided to the Budget Office when provided to the Committee Coordinator

## **Community Impact**

**Neighborhood Notification** Public hearing notices sent out.

**City Goals:** The city's infrastructure will be well-maintained; Streets will be destinations.

**Comprehensive Plan:** Consistent

**Zoning Code:** Not Applicable

## **Background/Supporting Information:**

The Nicollet Mall Advisory Board recommended approval of a 2009 Nicollet Mall Operating Budget following its April 10, 2008 meeting. On June 2, 2008, the City Council approved a 2009 Nicollet Mall Operating Budget in the total amount of \$1,263,101. Of this amount, \$1,171,706 would be assessed against benefiting properties including the Library, City-owned Peavey Plaza and Loring Greenway.

The Central Library is exempt from paying special assessments, however, Hennepin County has agreed to be assessed for receiving Mall services.

The Peavey Plaza and Loring Greenway shares are assessed against the property and paid by the City.

The 2009 approved budget assumes continued assessments against the Central Library, Peavey Plaza and Loring Greenway, as well as the annual City General Fund contribution. The 2009 budget also includes a credit, which relates to fees collected and costs incurred for the Municipal Market. The total amount of the 2008 budget was also \$1,263,101.

The amount proposed to be specially assessed for payable 2009 is \$1,171,706. This compares with special assessments approved in 2007 for payable 2008 in the amount of \$1,172,706. The decrease in the proposed assessment is due to an increase in rental income received from vendors and other use from \$21,000 to \$22,000.

At its September meeting, the Nicollet Mall Advisory Board also reviewed and recommended approval of the proposed assessment spread as prepared by the City Engineer for payable 2009. This proposed assessment spread is in compliance with what had been previously recommended by the Advisory Board.

Public hearing notices with the proposed assessment amounts were mailed to individual property owners 2 weeks prior to today's meeting.

Cc: Council Member Lisa Goodman  
Heather Johnston, Budget Director  
Craig Troutman, Minneapolis Finance Department  
Marcia Wilda, Hennepin County Community Works & Transit  
Michael McLaughlin, Minneapolis Downtown Council/Nicollet Mall Advisory Board

October 14, 2008

**ANNUAL NICOLLET MALL IMPROVEMENT, MAINTENANCE AND OPERATION**

| <b><u>DESCRIPTION</u></b>        | <b><u>2007 BUDGET</u></b> | <b><u>2008 BUDGET</u></b> | <b><u>2009 BUDGET</u></b> |
|----------------------------------|---------------------------|---------------------------|---------------------------|
| City General Fund                | \$ 69,395                 | \$ 69,395                 | \$ 69,395                 |
| Central Library (assessed)       | \$ 46,495                 | \$ 49,889                 | \$ 49,846                 |
| Special Assessments (all others) | \$ 1,120,730              | \$ 1,122,817              | \$ 1,121,860              |
| Rental Income                    | \$ 26,481                 | \$ 21,000                 | \$ 22,000                 |
| Credit for Prior Year Balance    | <u>\$ 0</u>               | <u>\$ 0</u>               | <u>\$ 0</u>               |
| <b>TOTALS</b>                    | <b>\$ 1,263,101</b>       | <b>\$ 1,263,101</b>       | <b>\$ 1,263,101</b>       |

October 23, 2007

**NICOLLET MALL FROM WASHINGTON AVENUE SOUTH TO GRANT STREET**  
**HISTORY OF IMPROVEMENT, MAINTENANCE AND OPERATION ASSESSMENTS**

| <b><u>YEAR PAYABLE</u></b> | <b><u>AMOUNT ASSESSED</u></b>                                   |
|----------------------------|---|
| 2009                       | \$ 1,171,706 (Subject to approval at Fall, 2008 Public Hearing) |
| 2008                       | \$ 1,172,706  |
| 2007                       | \$ 1,122,817  |
| 2006                       | \$ 1,120,730  |
| 2005                       | \$ 1,126,945  |
| 2004                       | \$ 1,131,702  |
| 2003                       | \$ 1,117,825  |
| 2002                       | \$ 1,124,705  |
| 2001                       | \$ 1,130,175  |
| 2000                       | \$ 1,112,506  |
| 1999                       | \$ 1,093,245 (amount initially proposed was \$1,100,370)        |
| 1998                       | \$ 1,056,367  |
| 1997                       | \$ 1,064,494  |
| 1996                       | \$ 1,093,137  |
| 1995                       | \$ 1,134,903  |
| 1994                       | \$ 996,047  |
| 1993                       | \$ 1,057,089  |
| 1992                       | \$ 1,105,372  |
| 1991                       | \$ 221,090 (amount initially proposed was \$966,090)            |
| 1990                       | \$ 859,253  |
| 1989                       | \$ 768,959  |
| 1988                       | \$ 1,000,141  |
| 1987                       | \$ 1,003,839  |
| 1986                       | \$ 1,015,844  |
| 1985                       | \$ 1,248,916  |
| 1984                       | \$ 985,790  |
| 1983                       | \$ 940,180  |
| 1982                       | \$ 887,001  |

**T&PW & W&M/Budget** – Your Committee, having under consideration the Nicollet Mall improvement, maintenance and operation assessments for payable 2009 and all written and oral objections and statements regarding the assessments and having held a public hearing on October 14, 2008 in accordance with the provisions of Minnesota Statutes, Section 430.102, now recommends that the proposed assessments in the amount of \$1,171,706 be adopted and levied, that the assessment roll filed by the City Engineer with the City Clerk (Petn No \_\_\_\_\_) be adopted and that the City Clerk be directed to transmit a certified copy of said assessment roll to the Hennepin County Auditor.