



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

Date: July 24, 2007
To: Honorable Sandra Colvin Roy, Chair Transportation and Public Works Committee
Referral to: Honorable Paul Ostrow, Chair Ways and Means/Budget Committee
Subject: **2007 Alley Resurfacing Program, No. FS07#1 Public Hearing**

Recommendation:

- Passage of a Resolution ordering the City Engineer to proceed with the work and adopting the special assessments for the 2007 Alley Resurfacing Program, Special Improvement of Existing Alleys No. FS07#1 in the amount of \$45,211.52. The work encompassed within Improvement Project FS07#1 is scheduled for completion during the 2007 construction season.

- Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$45,211 for the 2007 Alley Resurfacing Program, Special Improvement of Existing Alleys No. FS07#1, with the bonds to be paid for from special assessments.

Previous Directives: Designation Resolution 2007R-322 passed June 29, 2007

Prepared by: Jeffrey A. Johnson, Field Services, 673-2836
Approved by:

Steve Kotke, PE, City Engineer, Director of Public Works

Presenters: Jeffrey A. Johnson, PE, Field Services
Michael Kennedy, PE, Director of Transportation Maintenance and Repair

Permanent Review Committee (PRC)	Approval _____	Not applicable	<u> X </u>
Policy Review Group	Approval _____	Not applicable	<u> X </u>

<p>Financial Impact (Check those that apply)</p> <p><u> X </u> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p>___ Action requires an appropriation increase to the Capital Budget</p> <p>___ Action requires an appropriation increase to the Operating Budget</p> <p>___ Action provides increased revenue for appropriation increase</p> <p>___ Action requires use of contingency or reserves</p> <p><u> X </u> Other financial impact (Explain): Special assessment against benefited properties</p> <p>___ Request provided to the Budget Office when provided to the Committee Coordinator</p>

Community Impact

Neighborhood Notification: Public Hearing Notices were mailed to affected property owners.

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

Comprehensive Plan: Consistent

Zoning Code: Not Applicable

Background/Supporting Information

On June 29, 2007, 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 list of alleys submitted to the council in November of 2000 as potential candidates for a bituminous overlay. This work is being done to extend the 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 original project cost estimate was \$198,171, with \$49,543 to be assessed against the benefited properties. One of the alleys (No. 3 on the attached list – Alley from 34th Av N to 33rd Av N between Oliver Av N and Newton Av N) has been removed from this year's project due to lack of proper public hearing notification. This reduces the project cost to \$180,846 with \$45,212 being assessed against the benefited properties. The proposed alley improvement special assessments were calculated using a 2007 Alley Uniform Assessment Rate established for this year's resurfacing projects. The rate is \$0.03 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 2007, the total cost of the project that is being assessed (\$45,212) was divided by the total assessable square footage of all properties abutting the alleys (1,507,051). In the pilot alley resurfacing projects that were done in 2001, the assessment rate per square foot ranged from \$.03 to \$.05 per individual alley. The 2006 uniform alley resurfacing rate was \$.03 per square foot also.

Individual assessments of more than \$150 would be collected over 5 years beginning on the 2008 real estate tax statements with interest charged at the same rate as assessment bonds are sold. Individual assessments of \$150 or less would be collected in their entirety on the 2008 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 \$140 to \$190 in the 2007 alley resurfacing project areas.

Capital Funds have been appropriated for this work in Fund 4100-Agency 937-Org 9374.

Attachment 1 - Alley Location Chart

cc: Council Member Paul Ostrow, Ward 1
Council Member Diane Hofstede, Ward 3
Council Member Ralph Remington, Ward 10
Jack Qvale, Secretary, Board of Estimate and Taxation

2007 ALLEY RESURFACING PROGRAM

1. The alley running from 28th St. W to James Ave. S between James Ave S - East Lake of the Isles Pkwy and Irving Ave. S (Ward 10)
2. The alley running from 31st Ave N to 30th Ave N between Lyndale Ave N and 6th St. N (Ward 3)
3. The alley running from 34th Ave N to 33rd Ave N between Oliver Ave N and Newton Ave N (Ward 4) **Removed from project.**
4. The alley running from 35th Ave N to 34th Ave N between Logan Ave N and Knox Ave. N (Ward 4)
5. The alley running from Dowling Ave N to 37th Ave N between Newton Ave N and Morgan Ave N (Ward 4)
6. The alley running from 48th St E to 49th St E between 12th Ave S and 13th Ave S (Ward 11)
7. The alley running from 42nd St. W to 43rd St W between Wentworth Ave and Blaisdell Ave (Ward 11)
8. The alley running from 45 St W to 46th St W between Blaisdell Ave and Nicollet Ave (Ward 11)
9. The alley running from Diamond Lake Ln to 60th St. E between Diamond Lake Ln and Portland Ave (Ward 11)
10. The alley running from 30th Ave NE to 29th Ave NE between Taylor St NE and Fillmore St NE (Ward 1)
11. The alley running from St Anthony Pkwy Service Rd to 30th Ave NE between Pierce St NE and Buchanan St (Ward 1)

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 2007 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS07#1.

Colvin Roy

2007 ALLEY RESURFACING PROGRAM, SPECIAL IMPROVEMENT OF
EXISTING ALLEYS NO FS07#1.

Ordering the work to proceed and adopting the special assessments for the 2007
Alley Resurfacing Program.

Whereas, a public hearing was held on July 24, 2007 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 2007R-322, passed June 29, 2007 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 alley running from 34th Av N to 33rd Av N between Oliver Av N and
Newton Av N is hereby deleted from the 2007 Alley Resurfacing Program.

Be It Further Resolved that the City Engineer is hereby ordered to proceed and
do the work on the remaining alleys as designated in said Resolution 2007R-322,
passed June 29, 2007.

Be It Further Resolved that the proposed special assessments in the total amount of \$45,211.52, reduced from \$49,542.83 by \$4,331.31 due to the deletion of the alley between Oliver and Newton Aves N and 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 2008 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 2008 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 \$45,211 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 2007 Alley Resurfacing Program, Special Improvement of Existing Alleys No FS07#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.