



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

**Date:** May 22, 2006  
**To:** Honorable Paul Ostrow, Chair, Ways & Means/Budget Committee  
**Subject:** **Nicollet Mall 2007 Operating Budget**

### Recommendation:

1. Approve the 2007 Nicollet Mall operating budget in the amount of \$1,263,101;
2. Direct the City Engineer to prepare an assessment roll setting forth the amounts to be partially assessed against properties in the district as may be deemed appropriate by the City Council;
3. Passage of the accompanying resolution amending the 2006 General Appropriation Resolution to set the 2006 Nicollet Mall Appropriation to equal the revised budget adopted by the Nicollet Mall Advisory Board;
4. Increase the Streets and Malls - Nicollet Mall 2006 Appropriation in the General Fund (0100 607 6130) by \$230,607.

**Previous Directives:** N/A

Prepared by: Michael D. Kennedy, Director of Winter Operations 673-3759  
Approved:

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Steve Kotke, P.E., Acting City Engineer/Director of Public Works

Presenters in Committee: Michael D. Kennedy

### 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):

Request provided to the Budget Office when provided to the Committee Coordinator

### Background/Supporting Information:

In connection with the improvement, operation and maintenance of the Nicollet Mall during the ensuing year, a procedure is set forth in Chapter 430, Minnesota Statutes (Elwell Law), whereby the cost of such improvement, operation and maintenance is to be partially charged against properties within the district and partially charged against the General Funds of the City.

"430.102 PEDESTRIAL MALL ANNUAL COST; ANNUAL IMPROVEMENT ASSESSMENTS"

Subdivision 1. Costs: estimates: categories

- (a) When the plan is submitted and then annually on or before June 15, the city comptroller and city engineer shall, with the assistance of the advisory board, report to the City Council:
  - (1) An estimate of the cost of operating and maintaining and annual improvement costs to each pedestrian mall improvement district in the city for the city's next fiscal year to be incurred under the plan then in effect; and
  - (2) An estimate of changes in the amounts of those costs that would result from any change in the plan recommended to or under consideration by the City Council.
- (b) The estimate must be reasonably itemized and include a summary of the categories of cost properly chargeable as follows:
  - (1) The amount to be charged against the general funds of the city, which the amount the city would pay from its general funds for street maintenance and operations on a street of similar size and location but not improved as a pedestrian mall;
  - (2) The amount to be charged against benefited properties in the district in proportion to benefits, which is the total of costs of annual improvements to be made in the district during the ensuing year, not exceeding the total benefits to the assessable tracts and parcels of land in the district received from the annual improvements; and
  - (3) The amount, if any, to be specially taxed against properties in the district in proportion to the cash valuation of those properties, which is the net amount of estimated costs remaining after deducting the amount to be charged to the general funds of the city under clause (1), the amount to be specially assessed under clause (2), and rentals to be received for use of the mall by vendors.

Category 1 - Amount to be charged against the General Funds of the City	\$ 69,395
Category 2 - Amount to be charged against benefited properties in proportion to benefits (estimated)	1,069,714
Library portion to be paid by the City (estimated)	46,495
Peavey Plaza to be paid by the City (estimated)	39,704
Loring Greenway to be paid by the City (estimated)	16,793
Category 3 - Amount to be specially taxed against properties after deductions under Categories 1, 2 and rental fees	0
Rentals received and other use of the Mall (estimated)	21,000
Credit for prior year balance	0
Amount required for 2006 improvement, operation and maintenance,	

Prior years carry forward of unexpended balance and adjusted costs \$1,263,101

The Nicollet Mall Advisory Board (NMAB), at its meeting of May 11, 2006, took action approving a 2007 operating budget of \$1,263,101. Of this amount, \$1,126,211 would be assessed against benefiting properties including the City-owned Peavey Plaza and Loring Greenway.

Since 1997, the Council has approved credits against the total maintenance budget for the estimated share of costs related to the Central Library, the Peavey Plaza and the Loring Greenway. The library credit is funded through a reduction in the LGA allocation. The Peavey Plaza and Loring Greenway shares are assessed against the property and paid by the City. The 2007 budget presented assumes continued credit for the Central Library and assessments against Peavey Plaza and Loring Greenway. The 2007 budget also includes a credit, which relates to fees collected and costs incurred for the Municipal Market.

Cc:Lisa Goodman, 7<sup>th</sup> Ward Council Member

Heather Johnston, Budget Director

Craig Troutman, Minneapolis Finance Department

Kit Hadley, Director, Minneapolis Public Library

Robert Greenberg, Chair, Nicollet Mall Advisory Board

Michael McLaughlin, Minneapolis Downtown Council/Nicollet Mall Advisory Board

**W&M/Budget** - Your Committee recommends passage of the accompanying resolution approving the 2007 Nicollet Mall Operating Budget, accepting an adjustment to the 2006 budget and appropriating funds based on the revised 2006 budget.

**Ostrow**

**Approving the 2007 Nicollet Mall Operating Budget and accepting adjustments to the 2006 Nicollet Mall Operating Budget.**

Resolved by the City Council of the City of Minneapolis:

That the estimated cost of improving, operating and maintaining the Nicollet Mall for 2007, an adjustment to the 2006 Appropriation to include unexpended balances from 2005 submitted by the City Engineer in accordance with Subd. 1, Section 420.102, Minnesota Statutes, be approved as follows:

Category 1 - Amount to be charged against the General Funds of the City	\$ 69,395
Category 2 - Amount to be charged against benefited properties in Proportion to benefits	\$1,172,706
Category 3 - Amount to be specially taxed against properties after Deductions under categories 1 and 2, and rental fees	\$ 0
Rental received from vendors and other use	\$ 21,000
Total amount required for 2007 improvements, operations and maintenance, prior years carry forward of unexpended balance and adjusted costs	\$1,263,101

Be it Further Resolved that the City Engineer be directed to prepare an assessment roll setting forth separately the amounts to be specially assessed against the benefited properties, in the district in proportion to benefits, descriptions of such properties and the names of the owners of such properties so far as such names are available to the City Engineer, and that the City Engineer confer with the Nicollet Mall Advisory Board in the preparation of such assessment roll.

## **Johnson**

### **Amending The 2006 General Appropriation Resolution.**

Resolved by the City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the Streets and Malls - Nicollet Mall Agency in the General Fund (0100-607-6130) by \$230,607.