



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

Date: January 20, 2015

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral to: Honorable John Quincy, Chair Ways and Means/Budget Committee

Subject: **Project Approval and Assessment Public Hearing for Nawadaha Boulevard and Minnehaha Ave Reconstruction Project 6749 (CPV067); Areaway Abandonment Public Hearing**

Recommendation:

- A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$299,490.16 for the Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project No 6749.
- B. Pass a Resolution requesting the Board of Estimate and Taxation to authorize the City to issue and sell assessment bonds in the amount of \$299,495 for the Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project No 6749 with the bonds to be paid from special assessments.
- C. Pass a resolution ordering the City Engineer to abandon and remove the areaways located in the public right-of-way that are in conflict with the Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project.

Previous Directives:

November 18, 2014 – Designation, Cost Estimate, and Set Public Hearings

November 19, 2013 – Reconstruction Layout Approval

Department Information:

Prepared by: Christopher M. Engelmann, P.E., Project Engineer 673-3274
Suzette Hjermstad, R.E. Investigator II, 673-2401
Don Elwood, P.E., Director of Transportation Planning and Engineering

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Christopher M. Engelmann, Project Engineer, Department of Public Works, Transportation Planning and Engineering

Financial Impact

- Action is within the Business Plan
- Special assessments against benefited properties

Community Impact

- Neighborhood Notification: A stakeholder meeting was held to address questions regarding the assessment process.
- City Goals
 - Living well: Minneapolis is safe and livable and has an active and connected way of life. High-quality and convenient transportation options connect every corner of the city.
 - A hub of economic activity and innovation: Businesses – big and small – start, move, stay and grow here.
 - Great Places: Natural and built spaces work together and our environment is protected.

Supporting Information

Scope

The proposed project consists of full reconstruction of Minnehaha Av from the limits of the adjacent Hennepin County project near 46th St E to Nawadaha Blvd. It also includes full reconstruction of Nawadaha Blvd from Minnehaha Av to approximately 250 feet west of Minnehaha Av. This includes, at minimum, full removal of the existing street surface, subgrade correction, aggregate base, paving, curb and gutter, signage, drive approaches, and pedestrian curb ramps. Street lighting along Minnehaha Av is proposed for this project. The proposed project is currently planned for construction in 2015.

Schedule and Funding

The project is planned to be completed in the 2015 construction season. The project cost estimate is \$2,000,000.

The City of Minneapolis 2014 Adopted Budget appropriated funding for the PV067 Nawadaha Blvd & Minnehaha Ave reconstruction project including:

- \$975,000 in net debt bonds;
- \$640,000 in Municipal State Aid funds;
- \$345,000 in special assessment bonds; and
- \$120,000 in stormwater revenue.

Street Reconstruction Project Assessments

The proposed street reconstruction special assessments were determined by applying the 2015 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2015 reconstruction assessment rates are as follows:

\$2.46/sq ft – Non-Residential

\$0.82/sq ft - Residential

The proposed total assessment amount for the Nawadaha Boulevard and Minnehaha Avenue project is \$299,490.16. Individual assessments over \$150 beginning on 2017 real estate tax statements and assessments of \$150 or less would be collected in their entirety on the 2017 real estate tax statements with interest charged at the rate determined by the City Council for the appropriate assessment collection period.

Information has been provided in the notices as to how property owners may prepay the special assessments in full without interest if they so choose.

City Council has passed resolutions whereby a deferment of 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 a permanent and total disability.

Abandonment and Removal of Conflicting Areaways

Section 95.90 of the Minneapolis Code of Ordinances provides a procedure for dealing with areaway encroachments that would interfere with public improvements being made in the public right-of-way such as street construction. Before the City may abandon and remove conflicting areaways (upon the failure of the abutting property owner to resolve or agree to resolve the conflict) and then later assess the costs, a public hearing must be held. It is our recommendation that this areaway public hearing be held in conjunction with the Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project Approval and Public Hearing. Prior to the areaway public hearing notices being given, the City Engineer will have provided the initial notice required in Section 95.90 of the Minneapolis Code of Ordinances.

Attachment Project Map

cc: CM A. Johnson
Jack Qvale, Board of Estimation and Taxation
Mike Abeln, Director of Capital & Debt Management
Sandy Christensen, Deputy Finance Officer

ATTACHMENT 1

NAWADAHA BOULEVARD AND MINNEHAHA AVE RECONSTRUCTION PROJECT MAP



T&PW and W&M/Budget – Your Committees recommend passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Nawadaha Boulevard and Minnehaha Avenue Project, Special Improvement of Existing Street No 6749.
2. Requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the purpose of paying the assessed cost of street improvements in the Nawadaha Boulevard and Minnehaha Avenue Project.

Reich

**Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project,
Special Improvement of Existing Street No 6749**

**Ordering the work to proceed and adopting the special assessments for the
Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project**

Whereas, a public hearing was held on January 20, 2015 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 2014R- 506 passed December 5, 2014, 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 2014R- 506 passed December 5, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$299,490.16 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 of more than \$150 may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2016 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 City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2016 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and \$299,495 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 Nawadaha Boulevard and Minnehaha Avenue Reconstruction Project, Special Improvement of Existing Street No 6749, to be assessed against benefited 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 – Your Committee recommends passage and summary publication of the accompanying Resolution ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction in the Nawadaha Boulevard and Minnehaha Avenue project area.

Reich

Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction projects in the Nawadaha Boulevard and Minnehaha Avenue project area.

Whereas, the City of Minneapolis has scheduled the reconstruction and street lighting improvements starting in 2015 in the Nawadaha Boulevard and Minnehaha Avenue project area of Minneapolis; and

Whereas, there are areaways located in the public street r/w that are in conflict with said reconstruction; and

Whereas, a public hearing was held on January 20, 2015 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances to consider the proposed abandonment and removal of the above mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

Now Therefore, Be It Resolved by the City Council of the City of Minneapolis;

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street r/w adjoining the properties along both sides of Minnehaha Ave from south of the 46th St S intersection through the Nawadaha Boulevard intersection; Nawadaha Boulevard from Minnehaha Ave west to 250 feet west.