



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

Date: April 21, 2015

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

Subject: Ordinance amendments Title 17, Streets and Sidewalks

Set Public Hearing: Subject matter of ordinances amending Title 17, of the Minneapolis Code of Ordinances relating to Streets and Sidewalks enabling Special Service Districts additional options to address year-end budget surpluses or deficits, changes in certain districts' advisory board composition, and two district name changes:

- a. Chapter 438: Uptown SSD relating to sections 438.70 and 438.90
- b. Chapter 444: Dinkytown SSD relating to sections 444.70 and 444.90
- c. Chapter 446: Central SSD relating to section 446.70
- d. Chapter 448: Nicollet Ave. S. SSD relating to sections 448.70, 448.90 and district name change
- e. Chapter 450: Stadium Village SSD relating to sections 450.70 and 450.90
- f. Chapter 452: 43rd St. W. & Upton Ave. S. SSD relating to section 452.70
- g. Chapter 453: Riverview SSD relating to section 453.70
- h. Chapter 454: S. Hennepin Ave. SSD relating to sections 454.70, 454.90 and district name change
- i. Chapter 456: Franklin Ave. E. SSD relating to section 456.70
- j. Chapter 457: 48th St. E. & Chicago Ave. S. SSD relating to section 457.70
- k. Chapter 458: Hennepin Theater District SSD relating to section 458.70
- l. Chapter 460: Bloomington Lake SSD relating to section 460.80
- m. Chapter 461: Chicago Lake SSD relating to section 461.80
- n. Chapter 462: East Lake SSD relating to section 462.80
- o. Chapter 463: Lyndale Lake SSD relating to section 463.80
- p. Chapter 465: Downtown Business Improvement SSD relating to section 465.80

Recommendation:

Set the public hearing to amend Title 17, of the Minneapolis Code of Ordinances relating to Streets and Sidewalks enabling Special Service Districts additional options to address year-end budget surpluses or deficits, changes in certain districts advisory board composition, and two district name changes. Public hearing to be held before the Transportation and Public Works Committee on May 19, 2015 and direct staff to give notice of the public hearing.

Previous Directives: None

Department Information:

Prepared by: Andrew Carlson, Public Works Project Manager, 612-673-2836

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

Presenter in Committee: Andrew Carlson, Public Works Project Manager

Reviews

Permanent Review Committee (PRC):	Approval _NA_
Civil Rights Approval	Approval _NA_
Policy Review Group (PRG):	Approval _NA_

Financial Impact

No financial impact

Community Impact

Neighborhood Notification: Public hearing notices to be sent out.
City Goals: 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

There are three components to the proposed ordinance changes related to Special Service Districts. The following summary describes each of the recommended changes:

Proposed Budget Surplus and Deficit Flexibility

For many years, Special Service District (SSD) advisory boards have requested the ability to “roll over” surpluses and deficits from the prior year to the current year to help maintain a consistent assessment level from one year to the next, and to avoid major swings in the annual service charges ratepayers see on their tax statements. Currently, existing ordinances limit how the City may address year-end budget surpluses and deficits. If a district has a budget surplus or deficit for a given year, that difference is not known until the ensuing year and the budget cannot be reconciled until the second year following. For example, a budget surplus or deficit in 2015 must wait to be reconciled in 2017. There is a desire for the option to make the adjustment in 2016.

The proposed amendments would allow the current practice to continue, and would provide districts the option to reconcile those differences in the following year rather than wait by amending their operating plan and budget for that year via city council action. This would give advisory boards the ability to access “roll over” funds sooner or make decisions to modify current year service delivery to account for a previous year’s deficit.

If adopted, the ordinances as amended would allow advisory boards to recommend its preferred option to the City each February for that year. If a district wishes to roll over a surplus or deficit, staff would bring forward the proposed budget amendment to City Council in March of that year. If a district chose to apply the surplus or deficit to the next ensuing year, the action would be brought to City Council as part of the standard annual budget setting process in September.

Proposed Advisory Board Composition Changes

While a number of districts have been successful in recruiting property owners to serve on their respective advisory boards, several districts have found it challenging to maintain a full slate of board members. Staff recommends that the advisory boards in several districts be reduced to reflect more realistic participation levels.

District Name Changes

The South Hennepin Avenue SSD and Nicollet Avenue South SSD advisory boards have requested that the city formally change the name of their districts to the "Lowry Hill Special Service District" and "Eat Street Special Service District" respectively to reflect and support their rebranding of those districts.

Implementation

All SSD advisory boards have made formal motions to advise the City Council that they wish these ordinance changes be made. Some will want to take advantage of the flexibility offered by these changes this year. These changes may be made to the respective City Ordinances without the need to change enabling state statutes or laws. Therefore, it is recommended that these subject ordinance amendments be made.