

**City of Minneapolis**  
**Request for Committee Action**

**To:** Transportation & Public Works  
**Date:** 3/22/2016  
**Referral:** Ways & Means  
**From:** Public Works Department  
**Prepared by:** Suzette Hjermstad, Supervisor, Special Assessments  
**Presented by:** Michael Kennedy, Director, Transportation Maintenance & Repair  
**File type:** Resolution  
**Subcategory:** Assessment

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**Subject:**

Diamond Lake Residential (5279E) and Franklin Av SE (5279F): Public Hearing

**Description:**

1. Passage of Resolution ordering the work to proceed and adopting special assessments in the amount of \$905,752.26 for Diamond Lake Residential (5279E) and \$109,177.26 for Franklin Av SE (5279F) in the 2016 Street Resurfacing Program, Project No 5279.
2. Passage of Resolution requesting the Board of Estimate and Taxation to authorize the City's issuance and sale of assessment bonds in the combined amount of \$1,014,930 for the Diamond Lake Residential and Franklin Av SE resurfacing projects in the 2016 Street Resurfacing Program, Project No 5279 with the bonds to be paid for from special assessments.

**Previous Actions:**

January 15, 2016 – Designation, Cost Estimate, Set Public Hearing

November 20, 2015 - Council Resolution establishing 2016 Uniform Assessment Rates

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**Ward/Address:**

Ward 6

Ward 11

**Background/Analysis:**

On January 15, 2016, the City Council designated the location, streets and improvements proposed to be made in the 2016 Street Resurfacing Program, Project No 5279 (PV056). Diamond Lake Residential (5279E) and Franklin Av SE (5279F) were included in the designation.

The locations of the streets that are in these project areas are described as:

- Diamond Lake Area Residential is bounded by Diamond Lake Rd E on the north, Chicago Av on the east, Hwy 62 north frontage road on the south and 2<sup>nd</sup> Av S on the west and are local city streets. Diamond Lake Rd E frontage road from Hampshire Dr. to its terminus west in a cul-de-sac is included in this project area. This area was last paved in 1981.
- Franklin Av SE from 27<sup>th</sup> Av SE to Emerald St SE is an MSA street last paved in 1966. Franklin Av SE from Cecil St SE to Bedford St SE is a local city street and was last paved in 1979.

The Diamond Lake project area will be one of the last projects scheduled in late summer/early fall due to extensive gas line work. Franklin Av SE is scheduled for mid-summer.

The resurfacing program cost estimate total is \$7,795,088. The cost estimate of \$1,291,491 for these 2 projects consist of the following sources:

- \$276,561 in net debt bonds &/or MSA funding
- \$1,014,930 in special assessments

#### Special Assessments

The proposed street resurfacing special assessments were determined by applying the 2016 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2016 resurfacing assessment rates are:

\$0.63/sq ft – Non-Residential  
\$0.21/sq ft - Residential

The proposed total assessment amount for the Diamond Lake Residential and Franklin Av SE Resurfacing Projects is \$1,014,929.52. Individual assessments over \$150 would begin collection on 2017 real estate tax statements with interest charged at 3.6%, and assessments of \$150 or less would be collected in their entirety on the 2017 real estate tax statements with interest charged at 2.5%.

Information has been provided in the notices as to how persons 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.

#### Financial Review:

##### **No additional appropriation required, amount included in current budget.**

For Finance Dept. purposes, these projects are:

- Diamond Lake & Diamond Lake Rd CPV1656DIAM – Levy 01027 Project 5279E (assessments \$150 or less, Project E5279)
- Franklin Av SE CPV1656FRANK – Levy 01027 Project 5279F (assessments \$150 or less, Project F5279)

#### Attachments:

1. Project Maps