

City of Minneapolis
Request for Committee Action

To: Transportation & Public Works
Date: 11/7/2016
From: Public Works Department
Referral to: N/A
Lead Staff: Suzette Hjermstad, Public Works Special Assessment Office
Presented by: Brette Hjelle, Director, Business Administration
File type: Resolution
Subcategory: Assessment

Subject:

Non-governmental Tax Exempt Parcel Street Light Operations Fee Assessment: Public Hearing

Description:

Passage of Resolution adopting the assessments, levying the assessments, and adopting the assessment roll for the 2017 Street Light Operations Assessment, Project 1337L.

Previous Actions:

[16-01388](#) - October 27, 2016 - Set a public hearing for November 7th.

[November 13, 2009](#) - Updated street light operations and street maintenance assessments on nongovernmental tax exempt parcels approved.

Ward/Neighborhood/Address:

All Wards
Various

Background/Analysis:

Minneapolis has been assessing nongovernmental tax exempt parcels for street light operations and street maintenance services since 1974. The assessment is applied to properties via a uniform assessment rate using the influence area method. The influence area method calculates the assessable area and is expressed in terms of square footage. This is the method currently used for street and street light capital construction projects.

Methodology

The assessment is applied to properties via a uniform assessment rate using the influence area method. The influence area method calculates the assessable area and is expressed in terms of square footage. This is the method currently used for street and street light capital construction projects.

The assessment rate is determined by dividing the street lighting operations budget by the citywide assessable square footage.

$\$3,000,000 / 764,437,240/\text{sq. ft.} = \$0.00392/\text{sq. ft.}$

The assessment for a single parcel is calculated by multiplying the parcel's assessable area, rounded to the nearest square foot, by the assessment rate, and rounding the result to the nearest whole dollar amount. The minimum assessment amount is \$1.00/year.

Assessment Results

There are 1,324 eligible parcels on the payable 2017 assessment roll. For street light operations assessments, the median (middle value) assessment for these properties is \$40/year and the mean (average) assessment is \$85/year.

Public Hearing

Public hearing notices were only sent to properties that are either eligible for the assessment for the first time (i.e. the parcel was taxable last year and is tax exempt this year) or the parcel had property line or other changes in the past year that increased the assessable area and therefore increased the assessment. Hennepin County is in the process of remapping parcels using coordinate geometry. This is resulting in the mapping becoming more accurate and has created modest discrepancies from past years assessment rolls.

A total of 111 non-governmental tax exempt parcels received a public hearing notice for the street light operations assessment public hearing.

Financial Review:

No financial impact.

Special assessments against benefited properties