



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

**Date:** November 9, 2010  
**To:** Honorable Sandra Colvin Roy, Chair, Transportation and Public Works Committee

**Subject:** **2010 Levy of Various Public Works Department Special Assessments and Adoption of Assessment Rolls**

**Recommendation:** Adoption of a Committee Report levying the special assessments upon the benefited properties, adopting the assessment rolls and directing the City Clerk to transmit certified copies of the assessment rolls to the Hennepin County Auditor with collection to begin on the 2011 real estate tax statements.

**Previous Directives:** n/a

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Don Elwood, P.E., Director, Transportation, Planning & Engineering

**Approved by:** \_\_\_\_\_  
Steven A. Kotke, P.E., City Engineer, Public Works Director

**Presenters:** Suzette R. Hjernstad, Real Estate Investigator II

Permanent Review Committee (PRC)	Approval _____	Not applicable	<u>  X  </u>
Policy review Group (PRG)	Approval _____	Not applicable	<u>  X  </u>

**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): Special assessments against benefited properties
- Request provided to the Budget Office when provided to the Committee Coordinator

## Background/Supporting Information Attached

The purpose of this letter is to recommend the 2010, payable 2011, levy of various special assessments and to adopt the assessment rolls.

The assessments involve the following projects or charges:

1. Uptown (Hennepin-Lake Area) Streetscape Revitalization Project (including Supplemental), Special Improvement of Existing Street No. 2897. The project and assessment approvals in 1995 provided for 15% of the assessment total to be charged on the basis of land and building valuation, collected over 20 years with interest at 5.3% and recalculated for the properties each of the 20 years to reflect changes in valuation. This requires an annual certification to the County Auditor. The total amount of principal and interest for payable 2011 is \$14,099.12.
2. a. Lyndale Avenue S Street Lighting Project (from 31<sup>st</sup> St W to Minnehaha Pkwy), Special Improvement of Existing Street No. 6729. The total principal amount of the special assessments approved by the City Council on April 4, 2008 is \$482,500.28. The final cost was less than the cost estimate resulting in a reduction to \$339,301.62. Assessments more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.  
  
b. Lyndale Avenue S Street Lighting District No. 1331. The annual maintenance and operation cost for this street lighting district are standard costs that are paid for by the benefited properties through assessments for the properties that are non-governmental and exempt from paying real estate taxes. The rate being used in Street Lighting District No. 1331 is \$0.3654 per square foot, for a total of \$454.34, to be collected yearly starting on the 2011 real estate tax statements without interest.
3. Chicago Avenue S (8<sup>th</sup> St to Franklin Av) Phase III, Reconstruction Project, Special Improvement of Existing Street No. 6382. The total principal amount of the special assessments approved by the City Council on March 12, 2010 is \$556,106.13. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
4. Areaway Abandonment & Removal at 625 2<sup>nd</sup> Av S (in connection with the 2<sup>nd</sup> Av S Reconstruction Project) Project No. 2276. The total principal amount of the special assessments approved by the City Council on November 5, 2010 is \$22,476.50. Assessments are to be collected over 20 years beginning on the 2011 real estate tax statements.
5. Areaway Abandonment & Removal at 250 3<sup>rd</sup> Av N in connection with the 3<sup>rd</sup> Av N (Washington Av to 5<sup>th</sup> St N) Reconstruction Project, Special Improvement of Existing Street No. 9882. The total principal amount of the special assessments approved by the City Council on November 5, 2010 is \$312,175.50. Assessments are to be collected over 20 years beginning on the 2011 real estate tax statements.
6. Areaway Abandonment & Removal at 1000 Marquette Av (in connection with the Marquette Av Reconstruction Project), Project No. 2271. The total principal amount of the special assessments approved by the City Council on November 5, 2010 is \$159,828.90. Assessments are to be collected over 20 years beginning on the 2011 real estate tax statements.

7. Lynnhurst (Phase VI) Street Renovation, Special Improvement of Existing Street No 5211. The total principal amount of the special assessments approved by the City Council on April 30, 2010 is \$642,966.32. Assessments of more than \$150 are to be collected over 10 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
8. Chicago Av S (Lake St to 38<sup>th</sup>) Street Resurfacing, Special Improvement of Existing Street No 5209. The total principal amount of the special assessments approved by the City Council on May 14, 2010 is \$268,759.77. Assessments of more than \$150 are to be collected over 5 years with the exception of an assessment in the amount of \$4,048.25 that is to be collected over 7 years.. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
9. Dowling Av N Street Resurfacing Project, Special Improvement of Existing Street No. 2950. The total principal amount of the special assessments approved by the City Council on June 18, 2010 is \$120,516.33. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
10. Shingle Creek Parkway and 45<sup>th</sup> Av N Street Resurfacing Project, Special Improvement of Existing Street No. 5210. The total principal amount of the special assessments approved by the City Council on June 18, 2010 is \$35,791.59. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
11. Diamond Lake Rd Street Resurfacing Project, Special Improvement of Existing Street No. 5204. The total principal amount of the special assessments approved by the City Council on April 30, 2010 is \$181,201.46. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
12. Nicollet Av S (Minnehaha to 58<sup>th</sup> St) Street Resurfacing Project, Special Improvement of Existing Street No. 5212. The total principal amount of the special assessments approved by the City Council on May 14, 2010 is \$135,724.93. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
13. Broadway St NE Street Resurfacing Project, Special Improvement of Existing Street No. 5197. The total principal amount of the special assessments approved by the City Council on July 2, 2010 is \$505,344.61. Assessments of more than \$150 are to be collected over 5 years beginning on the 2011 real estate tax statements. There are no assessments of \$150 or less.
14. Seventh St N Street Resurfacing Project, Special Improvement of Existing Street No. 5200. The total principal amount of the special assessments approved by the City Council on June 12, 2009 is \$204,072.62. Assessments of more than \$150 are to be collected over 5 years with the exception of an assessment in the amount of \$29,023.48 is to be collected over 7 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.

15. Oak Hill (East) Street Resurfacing Project, Special Improvement of Existing Street No. 5193. The total principal amount of the special assessments approved by the City Council on April 30, 2010 is \$960,129.77. Assessments of more than \$150 are to be collected over 5 years with the exception of an assessment in the amount of \$35,988.30 is to be collected over 9 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
16. Bryn Mawr Street Resurfacing Project, Special Improvement of Existing Street No. 5206. The total principal amount of the special assessments approved by the City Council on April 2, 2010 is \$997,821.97. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
17. Prospect Park Street Resurfacing Project, Special Improvement of Existing Street No. 5207. The total principal amount of the special assessments approved by the City Council on April 30, 2010 is \$737,091.94. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
18. 2010 Alley Resurfacing Program, Special Improvement of Existing Alleys No. FS10#1. The total principal amount of the special assessment approved by the City Council on June 8, 2010 is \$136,722.68. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
19. Project No. 2011, Snow and Ice Removals from Public Sidewalks. The total amount of the special assessments approved by City Council on November 5, 2010 is \$91,961.20. Assessments are to be collected in their entirety on the 2011 real estate tax statements.
20. Project No. 2011, Public Sidewalk Repair and Construction. The total amount of the special assessments approved by City Council on November 5, 2010 is \$830,930.79. Prepayments have been received to further reduce the assessment rolls to \$828,383.54. Assessments of more than \$1500 are to be collected over 10 years. Assessments of more than \$150 up to \$1500 are to be collected over 5 years and assessments of \$150 or less are to be collected in their entirety on the 2011 real estate tax statements.
21. Project No. 2011, Water Service Line Repairs. The total amount of the special assessments approved by City Council on October 8, 2010, is \$293,930 for water service line repairs. Prepayments have been received to further reduce the assessment rolls to \$271,940. Assessments are to be collected in equal annual principal installments over 5 years at an interest rate of 5% starting on the 2011 real estate tax statements.
22. Project No. 2011, Sewer Service Line Repairs. The total amount of the special assessments approved by City Council on October 8, 2010 is \$52,653. Assessments are to be collected in equal annual principal installments over 5 years at an interest rate of 5% starting on the 2011 real estate tax statements.
23. Street Maintenance annual assessments against non-governmental real property exempt from real estate taxes at approved rate of \$0.01305 per square foot. There is no interest charge applied.

24. Street Lighting Operation and Maintenance annual assessment against non-governmental real property exempt from real estate taxes at approved rate of \$0.00392 per square foot. There is no interest charge applied.

There is an Assessment Bond Sale scheduled for November 16, 2010 and the proposed total amount of the assessment bonds (Public Works Improvement Bonds) to be sold is \$5,950,000. An analysis will be made from the interest rates from the Bond Sale. The extracted rates from the Bond Sale, as reported by the Director, Capital & Debt Management, will be used to set the interest rates for the 20-year, 15-year, 10-year, 5-year and 1-year assessments.

State Law requires that special assessments be levied and certified to the County Auditor on or before November 30, 2010 for collection on the 2011 real estate tax statements.

Cc: Jack Qvale, Secretary, Board of Estimate and Taxation