



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

Date: October 26, 2004

To: Honorable Sandra Colvin Roy, Chair, Transportation and Public Works Committee

Subject: Uptown, Dinkytown, Central Avenue, Nicollet Avenue South, Stadium Village, South Hennepin Avenue and 48th Street East and Chicago Avenue South Special Service Districts, Proposed Services and Service Charges for 2005: Public Hearings

Recommendation: Passage and summary publication of a Resolution for the Uptown, Dinkytown, Central Avenue, Nicollet Avenue South, Stadium Village, South Hennepin Avenue and 48th Street East and Chicago Avenue South Special Service Districts:

1. Approving the special services and the cost estimates in the lump sum total amount of \$558,858 for 2005;
2. Approving service charges and the lists of service charges in the lump sum total amount of \$592,715 for 2005;
3. Directing the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; and
4. Directing the City Engineer to proceed with the work.

Previous Directives: Transportation and Public Works Committee meeting of September 14, 2004 directing staff to give notice of public hearings to be held on October 26, 2004.

Prepared by: Suzette R. Hjermstad, Real Estate Investigator II, 673-2401

Approved by: _____
Klara A. Fabry, P.E. City Engineer, Director of Public Works

Presenters: Michael Kennedy, P.E., Director of Winter Operations

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): Requires appropriation in 2005 Operating Budget.

____Request provided to the Budget Office when provided to the Committee
Coordinator

Background/Supporting Information Attached

Each year, the Special Service District Advisory Boards recommend the services for the coming year for their business district along with the estimated costs for the elected services. The service charges are calculated according to the methods recommended by each Advisory Board. These service charges would be collected on the 2005 real estate taxes in the same manner as special assessments. There is no interest charge applied. Each affected property owner was mailed a notice of public hearing with the service charge amount 2 weeks in advance of the public hearing.

1. UPTOWN SPECIAL SERVICE DISTRICT

The Uptown Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1.	Sidewalk Snow Shoveling, Sidewalk Ice Melt Application and Snow Removal.	\$80,000
2.	Trash Removal.	\$14,000
3.	Holiday Lighting	\$13,500
4.	Streetscape Maintenance and Improvements.	\$ 1,500
5.	Security.	\$ 1,000
6.	City Administration costs.	<u>\$ 1,500</u>
	TOTAL	\$111,500

The service charges are set up such that 100% of the cost of these services (\$111,500 estimated for 2005) are recovered from the affected properties. However, the service charges revenues through 2003 are deficient of the expenditures for services through 2003 by \$25,815. As provided for in Section 438.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$137,315 (\$111,500 plus \$25,815).

The service charges for 2005 have been calculated according to the methods recommended by the Advisory Board which are: (1) a combination of abutting property frontage (lineal) method and land and building value method for the Snow and Ice, Trash, Lighting, Streetscape and Security Services and (2) a land and building value method for City Administration costs.

If approved, the 2005 service charges of \$137,315 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$137,315 to be collected in 2005 is \$48,459 more than the amount of \$88,856 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the Uptown Special Service District.

2. DINKYTOWN SPECIAL SERVICE DISTRICT

The Dinkytown Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1. Sidewalk Snow Shoveling, Sidewalk Ice Melt Application, Snow Removal, Sweeping, Cleaning and Poster Removal.	\$52,000
2. Dinkytown Area Promotional Services through use of the Varsity Theater marquee.	\$ 5,000
3. Tree Lighting.	\$12,000
4. Banners.	\$ 2,000
5. Trash Removal and Miscellaneous Landscape.	\$ 8,000
6. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$80,500

The service charges are set up such that 100% of the cost of these services (\$80,500 estimated for 2005) are recovered from the affected properties. However, the expenditures for services through 2003 are deficient of the service charges revenues through 2003 by \$370. As provided for in Section 444.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$80,870 (\$80,500 plus \$370).

The service charges for 2005 have been calculated according to the methods recommended by the Advisory Board which are: (1) There is a \$200 charge to each tax parcel receiving Snow and Ice, Cleaning, Trash and Landscape Services. The remaining costs for City Administration, Snow & Ice, Cleaning, Trash and Landscape Services are charged to these tax parcels using an abutting property frontage (lineal) method. (2) The Dinkytown Area Promotional Services, Tree Lighting and Banners are charged on a lineal method to all parcels receiving Snow and Ice, Cleaning, Trash and Landscape Services plus two additional parcels (UTEC and Chateau Cooperative for the commercial unit in the cooperative).

If approved, the 2005 service charges of \$80,870 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$80,870 to be collected in 2005 is \$5,050 more than the amount of \$75,820 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the Dinkytown Special Service District.

3. CENTRAL AVENUE SPECIAL SERVICE DISTRICT

The Central Avenue Special Service District Advisory Board has recommended the services for 2004 which along with the estimated costs for 2004 are as follows:

1. Sidewalk Snow Shoveling, Sidewalk Ice Melt Application, Snow Removal, Sweeping, Cleaning and Poster Removal.	\$50,000
2. Miscellaneous Landscape, Maintenance, Repair and Beautification.	\$15,000
3. Decorative Lighting	\$15,000
4. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$81,500

The service charges are set up such that 100% of the cost of these services (\$81,500 estimated for 2005) are recovered from the affected properties. However, the expenditures for services through 2003 are less than the service charges revenues through 2003 by \$6,685. As provided for in Section 446.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$88,185 (\$81,500 plus \$6,685).

The service charges for 2005 have been calculated according to the method recommended by the Advisory Board which is an abutting property frontage (lineal) method.

Minneapolis Police Department Precinct Number 2 at 1911 Central Avenue Northeast is located within the Central Avenue Special Service District. This property's allocated share of the service charges for 2005 is \$6,189.

If approved, the 2005 service charges of \$88,185 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$88,185 to be collected in 2005 is \$29,409 more than the amount of \$58,776 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the Central Avenue Special Service District.

4. NICOLLET AVENUE SOUTH SPECIAL SERVICE DISTRICT

The Nicollet Avenue South Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1. Banners.	\$ 2,000
2. Decorative Lighting.	\$ 13,000
3. Streetscape Landscape Features Repair and Plantings.	\$ 20,000
4. Maintenance, Cleaning & Snow Removal.	\$ 25,000
5. Trash Removal.	\$ 11,000
6. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$72,500

The service charges are set up such that 100% of the cost of these services (\$72,500 estimated for 2005) are recovered from the affected properties. However, the service charges revenues through 2003 are less than the expenditures for services through 2003 by \$20,711. As provided for in Section 448.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$93,211 (\$75,500 plus \$20,711).

The service charges for 2005 have been calculated according to the method recommended by the Advisory Board that is a land area strip method (50 foot strip along the streets receiving the services).

If approved, the 2005 service charges of \$93,211 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$93,211 to be collected in 2005 is \$4,227 more than the amount of \$88,984 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the Nicollet Avenue South Special Service District.

5. STADIUM VILLAGE SPECIAL SERVICE DISTRICT

The Stadium Village Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1, Sidewalk Snow Shoveling, Sidewalk Ice Melt Application and Snow Removal.	\$52,750
2. Banners.	\$11,935
3. Trash Removal.	\$10,080
4. Miscellaneous Landscape, Maintenance, Repair and Improvements.	\$ 500
5. City Administration costs.	<u>\$ 1,500</u>
TOTAL	\$76,765

The service charges are set up such that 100% of the cost of these services (\$76,765 estimated for 2005) are recovered from the affected properties. However, the expenditures for services through 2003 are less than the service charges revenues through 2003 by \$5,623. As provided for in Section 450.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$71,142 (\$76,765 minus \$5,623).

The service charges for 2005 have been calculated according to the methods recommended by the Advisory Board which are: Each tax parcel is charged \$250 with the remaining costs being charged by using an abutting property frontage (lineal) method. Lineal dimensions for driveways and bus shelters along a property are excluded from the calculation of service charges for the property. The lineal dimensions to use for the exclusions were provided to us by the Advisory Board.

Minneapolis Fire Department Station Number 19 at 200 Ontario Street Southeast is located within the Stadium Village Special Service District. This property's allocated share of the service charges for 2005 is \$2339.26.

If approved, the 2005 service charges of \$71,142 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$71,142 to be collected in 2005 is \$15,365 more than the amount of \$55,777 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the Stadium Village Special Service District.

6. SOUTH HENNEPIN AVENUE SPECIAL SERVICE DISTRICT

The South Hennepin Avenue Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1. Sidewalk Snow Shoveling		\$60,000
2. Holiday Lighting Decorations, Installation and Removal		\$ 7,500
3. Miscellaneous Landscape, Maintenance and Repair.		\$54,425
Boulevard maintenance	\$13,500	
Sidewalk litter pick-up	\$10,200	
Landscape watering	\$10,125	
Planter maintenance	\$ 3,600	
Retaining Wall maintenance	\$ 1,000	
Tree & Shrub replacement	\$16,000	
8. Trash Removal.		\$ 3,168
9. City Administration costs.		<u>\$ 1,500</u>
TOTAL		\$126,593

The service charges are set up such that 100% of the cost of these services (\$126,593 estimated for 2005) are recovered from the affected properties. However, the expenditures for services through 2003 are less than the service charges revenues through 2003 by \$15,070. As provided for in Section 454.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$111,523 (\$126,593 minus \$15,070).

The service charges for 2005 have been calculated according to the method recommended by the Advisory Board that are: Each tax parcel is charged equally for Holiday Lighting, Planter Maintenance, Retaining Wall Maintenance, Tree and Shrub Replacement, Trash Removal and City Administration Costs, with the remaining costs being charged by using an abutting property frontage (lineal) method. The services are along Hennepin Avenue South from approximately Franklin Avenue West to 28th Street West.

If approved, the 2005 service charges of \$111,523 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$111,523 to be collected in 2005 is \$71,142 more than the amount of \$57,640 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the South Hennepin Avenue Special Service District.

7. 48th STREET EAST AND CHICAGO AVENUE SOUTH SPECIAL SERVICE DISTRICT

The 48th Street East and Chicago Avenue South Special Service District Advisory Board has recommended the services for 2005 which along with the estimated costs for 2005 are as follows:

1. Sidewalk Snow Removal	\$5,000
2. Electricity for Decorative Lighting	\$ 400
7. Miscellaneous Landscape, Maintenance and Repair.	\$ 600
8. Parking	\$ 200
9. Trash Removal.	\$1,600
10. Security	\$ 200
9. City Administration costs.	<u>\$1,500</u>
TOTAL	\$9,500

The service charges are set up such that 100% of the cost of these services (\$9,500 estimated for 2005) are recovered from the affected properties. However, since there were no service charges revenues through 2003 (being a newly implemented special service district with services revenues beginning in 2004), there were expenditures for services through 2003 in the amount of \$969. As provided for in Section 457.70 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2005 is \$10,469 (\$9,500 plus \$969).

The service charges for 2005 have been calculated according to the method recommended by the Advisory Board that is the street frontage (lineal) method for the streets receiving services. The services are along Chicago Avenue South from 47th Street East to approximately mid-block between 48th and 49th Streets East.

If approved, the 2005 service charges of \$10,469 would be collected on the 2005 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$10,469 to be collected in 2005 is \$531 less than the amount of \$11,000 collected in 2004.

Staff recommends approval of the services and service charges for 2005 in the 48th Street East and Chicago Avenue South Special Service District.

cc: Council Member Paul Ostrow
Council Member Paul Zerby
Council Member Don Samuels
Council Member Dean Zimmermann
Council Member Lisa Goodman
Council Member Robert Lilligren
Council Member Dan Niziolek
Heather Johnston, Budget Director
William P. McManus, Minneapolis Police Chief
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