



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

Date: October 26, 2004
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: Assessment Public Hearings for Humboldt Greenway Phase II Public Improvements

Recommendation: Passage of a Resolution adopting the special assessments in the total amount of \$631,771 for the benefited properties in Humboldt Greenway Project No. 9789, Phase II (Humboldt Greenway 5th Addition).

Previous Directives: Committee Report adopted April 21, 2000, authorizing proper City officers to execute an agreement with Hennepin County for the construction of the Humboldt Greenway Project with the understanding the City will assess to recover the expense for public improvements.

Prepared by: Suzette R. Hjermsstad, RE Investigator II, 673-2401

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

Presenter: Suzette R. Hjermsstad, RE Investigator II

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 assessment against benefited property
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

On April 21, 2000, City Council authorized the execution of a Construction Cooperative Agreement (Agreement No. A04310) with Hennepin County designating the location, streets and improvements proposed to be made in the Humboldt Greenway Project area. This project not only consists of reconstruction to improve roads, public infrastructure and parkways, but also housing in North Minneapolis in collaboration with Minneapolis Community Development Agency (MCDA), now CPED. The County prepared an Engineer's estimate of quantities and unit prices for the public infrastructure improvements and the cost was estimated at approximately \$3,400,000.

The agreement stipulated that the County's Contractors would do all road work, storm sewer work and new lighting construction. In addition County's Contractors would also adjust existing sewer and water connection services. City forces would be responsible for constructing the

required new water mains. It was also agreed that the City would assess to recover the expenses for water main, sanitary sewer and lighting construction through a Hennepin County/MCDA land ownership agreement and we would issue assessment bonds to recover the expenditures for infrastructure improvements. Hennepin County and MCDA requested us to assess these costs for improvements.

The locations of the improvements in Phase 2 are Humboldt Avenue N (County Rd No. 57) from 49th Avenue N to 51st Avenue N and 50th Avenue N from Humboldt Lane N to Dupont Avenue N. This is all within the Humboldt Greenway 5th Addition plat.

Water Utility

All the water main work was in 50th Ave N between Humboldt and Dupont Avs N and was done by City forces. The estimated cost was \$175,000. The actual cost proposed to be assessed is \$167, 215.30. Policy for assessing new water main is to assess 100% of the costs by lineal front footage to the benefited parcels. There are 42 benefited parcels with a total of 1,888.6 lineal feet. The assessment rate per front foot calculates to approximately \$88.54

The water services connection work was done by Hennepin County contractors to connect the new platted lots to the water mains in 50th Ave N and Humboldt Lane N. The estimated cost was \$31,000. The actual cost proposed to be assessed is \$139,552.92. Policy for assessing water service line connections is to assess 100% of the cost to the benefited parcels. There are 65 parcels with a total of 2,921.48 lineal feet. The assessment rate per foot calculates to approximately \$47.77.

Sewer Utility

All of the sanitary sewer main work was in 50th Ave N between Humboldt and Dupont Avs N and was done by Hennepin County contractors. The estimated cost was \$150,000. The actual cost proposed to be assessed is \$72,015.28. Policy for assessing new sanitary sewer mains is to assess 100% of the cost by lineal front footage to the benefited parcels. There are 42 benefited parcels (the same as benefited by new water main) with a total of 1,888.6 lineal feet. The assessment rate per front foot calculates to approximately \$38.13.

The sanitary sewer service connection work was done by Hennepin County contractors to connect the new platted lots to the sanitary sewer mains in 50th Ave N and Humboldt Lane N. The estimated cost was \$13,000. The actual cost proposed to be assessed is \$64,480.03. Policy for assessing sanitary sewer service connections is to assess 100% of the cost to the benefited parcels. There are 65 parcels (the same as benefited by new water service connections) with a total of 2,921.48 lineal feet. The assessment rate per foot calculates to approximately \$22.07.

Street Lighting

The street lighting work was on 50th Ave N between Humboldt and Dupont Avs N and along Humboldt Lane N. The work was done by Hennepin County contractors. The estimated cost was \$110,000. The actual cost proposed to be assessed is \$188,507. Policy for assessing street lighting is to assess 100% of the cost to the benefited parcels. The assessment method is the land area located within the street influence zone along the streets receiving improvements, consistent with other lighting assessments throughout the City. There are 65 parcels with a total of 346,585.4 square feet within the street influence zone. The assessment rate per square foot calculates to approximately \$0.54.

The annual maintenance and operation of this street lighting district are not expected to be above standard costs. The street lighting project was built close to City standard (approximately 110 ft between fixtures), therefore we are not proposing an annual maintenance and operation

cost assessment for any non-governmental, tax-exempt properties since there are none within this project.

If approved, the special assessments would be collected over 20 years beginning on the 2005 real estate tax statements with interest charged at the same rate as assessment bonds are sold. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest charges if they so choose.

Attachments: 1. Humboldt Greenway Phase II Property List
2. Humboldt Greenway Public Improvements Revised 8-25-04
3. Map

CC: Council Member Barbara Johnson
Shelley Roe, Assistant City Attorney (CPED)
Kevin Dockry, Project Manager (CPED)
Larry Blackstad, Hennepin County Community Works
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T&PW – Your committee recommends passage of the accompanying Resolution adopting the special assessments for the public improvements in Humboldt Greenway 5th Addition in accordance with the Humboldt Greenway, Project No. 9789.

Your committee further recommends summary publication of the above-described Report.

Colvin Roy

Humboldt Greenway Project No 9789

Phase II

Water Main, Water Service Connections, Sanitary Sewer Main, Sanitary Sewer Connections and Street Lighting

Adopting the special assessments for the Humboldt Greenway

Phase Project.

Whereas, a public hearing was held on October 26, 2004, in accordance with Chapter 10, Section 6, of the Minneapolis City Charter, and Sections 24.180 and 509.465 of the Minneapolis Code of Ordinances to consider the proposed special assessments in accordance with the Construction Cooperative Agreement, Agreement No. A04310, as on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed special assessments;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the proposed special assessments for Water Mains in the total amount of \$167,215.30, Water Service Connections in the total amount of \$139,552.92, Sanitary Sewer Main in the total amount of \$72,015.28, Sanitary Sewer Connections in the total amount of \$64,480 and Street Lighting in the total amount of \$188,507 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as the assessment bonds are sold for with the collection of the special assessments to begin on the 2005 real estate tax statements.

Be It Further Resolved that the assessment rolls as prepared by the City Engineer be and hereby are adopted and that the City Clerk is hereby directed to transmit certified copies of the assessment rolls to the Hennepin County Auditor.