



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

Date: November 15, 2011

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

Referral: Honorable Betsy Hodges, Chair Ways & Means Committee

Subject: **Minneapolis Downtown Business Improvement Special Service District; Appropriation Increase for 2011 Contractual Payments to the Minneapolis Downtown Improvement District, Inc.**

Recommendation:

Passage of a Resolution to approve an increase to contract C-26627 in the amount of \$387,605.01 to increase the 2011 payments from \$5,490,416.13 to \$5,878,021.14 for services provided in the Minneapolis Downtown Business Improvement Special Service District. Also increase appropriation in 01100-6070350 in the amount of \$387,605.01.

Previous Directives:

Transportation and Public Works Committee meeting of September 14, 2010: Downtown Business Improvement Special Service District, Proposed Services and Service Charges for 2011: Public Hearing

Prepared by: Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair
Craig Troutman, Finance Department

Approved by: _____
Steven A. Kotke, P. E., City Engineer, Director of Public Works

Presenters: Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair

Reviews: Not Applicable

Financial Impact:

Action will require an increase in appropriation

Community Impact

Neighborhood Notification: N/A

City Goals: The City's infrastructure will be well-maintained; streets will be destinations.

Comprehensive Plan: Consistent

Zoning Code: Not Applicable

Background/Supporting Information:

On September 24, 2010 the City Council passed a resolution approving special services, cost estimates, service charges, and the lists of service charges (assessments) for 2011 in the Downtown Business Improvement Special Service District (DID SSD) and directing the City Engineer to proceed with the work. The action included approval of a proposed list of service charges (assessments) in the amount of \$5,490,416.13. This is the amount that was to be paid to the Minneapolis Downtown Improvement District, Inc. (DID Corporate) via contract C-26627

for services provided within the DID SSD, and recovered by the City through service charges (assessments) to property owners within the DID SSD.

Presently, the City of Minneapolis still holds a balance in the amount of \$387,605.01 from the former Nicollet Mall Special Service District (Nicollet Mall SSD) that is due to the DID Corporate for work done through that organization. This balance had accumulated from assessments paid by the Nicollet Mall DDS through 2009 over and above the following:

- Outlay of expenses for services provided the Nicollet Mall SSD
- Payment of Jun-Dec 2009 DID SSD Service Charges for Nicollet Mall Property owners
- Refunds of 2009 Nicollet Mall SSD assessments paid in 2011 to Nicollet Mall Private Property Owners. These private property owners are exempt from the DID SSD.

This action is to increase the contract amount and payments to the DID Corporate in 2011 by the amount of \$387,605.01 for a new 2011 contract amount of \$5,878,021.14, and increase appropriation in 01100-6070350 in the amount of \$387,605.01.