



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

Date: July 15, 2008

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

Referral To: Honorable Paul Ostrow, Chair Ways & Means/Budget Committee

Subject: **Malcolm Av SE (5th St SE to proposed Granary Road) Reconstruction Project No 6728: Project Approval and Assessment Public Hearing**

Recommendation:

1. Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting special assessments in the amount of \$272,997.93 for the Malcolm Av SE (5th St SE to Dead End) Reconstruction Project.

2. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$272,995 for the Malcolm Av SE, Project No 6728, Street Reconstruction Project.

These Resolutions may be authorized for summary publication.

Previous Directives:

June 20, 2008, Council Resolution 2008R-258 project designation.

Prepared by: Suzette R. Hjermstad, R.E. Investigator II 673-2401
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Don Elwood, P.E., Director of Transportation Planning & Engineering

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

Presenters: Jeff Handeland, P.E., Project Engineer, Transportation Planning & Engineering

Reviews

Permanent Review Committee (PRC):	Approval NA Date
Civil Rights Affirmative Action Plan:	Approval NA Date
Policy Review Group (PRG):	Approval NA Date

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
- Business Plan: Action is within the plan. Action requires a change to plan.

Other financial impact: Special Assessments against benefited properties
 Request provided to department's Finance Dept. contact when provided to the
Committee Coordinator

Community Impact

Neighborhood Notification: A Pre-public hearing meeting is scheduled for July 8, 2008.
City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information:

Project/Scope

- Malcolm Av SE is a designated Municipal State Aid Route (MSA 448) from 5th St SE to proposed Granary Rd. Malcolm Av SE was constructed in 1950 as an oiled dirt road. The segment is 572 feet in length with an existing Average Daily Trips (ADT) of 2950 and a future ADT estimated at 3300.

Schedule and Funding

- The construction of this project is scheduled for 2008
- The cost estimate for this project is \$1,004,000, of which approximately \$418,000 will be funded by state DEED bioscience infrastructure grant funds, \$323,000 will be reimbursed by Minnesota State Aid funds. The remaining budget is funded by net debt bonds, assessment bonds, state redevelopment grant funds and City industrial development funds.

On June 20, 2008, the City Council designated the location, streets and improvements proposed to be made in the Malcolm Av SE neighborhood area. The Malcolm Av SE reconstruction project is from 5th St SE north approximately 570 feet to its terminus. The street reconstruction would be paving with plant mix asphalt, concrete curb and gutters, all on a stabilized base and including other street paving related improvements as needed.

The street reconstruction special assessments were determined by applying the 2008 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved street. This project is an MSA route. All of the parcels would be assessed at the 2008 reconstruction assessment rates as follows:

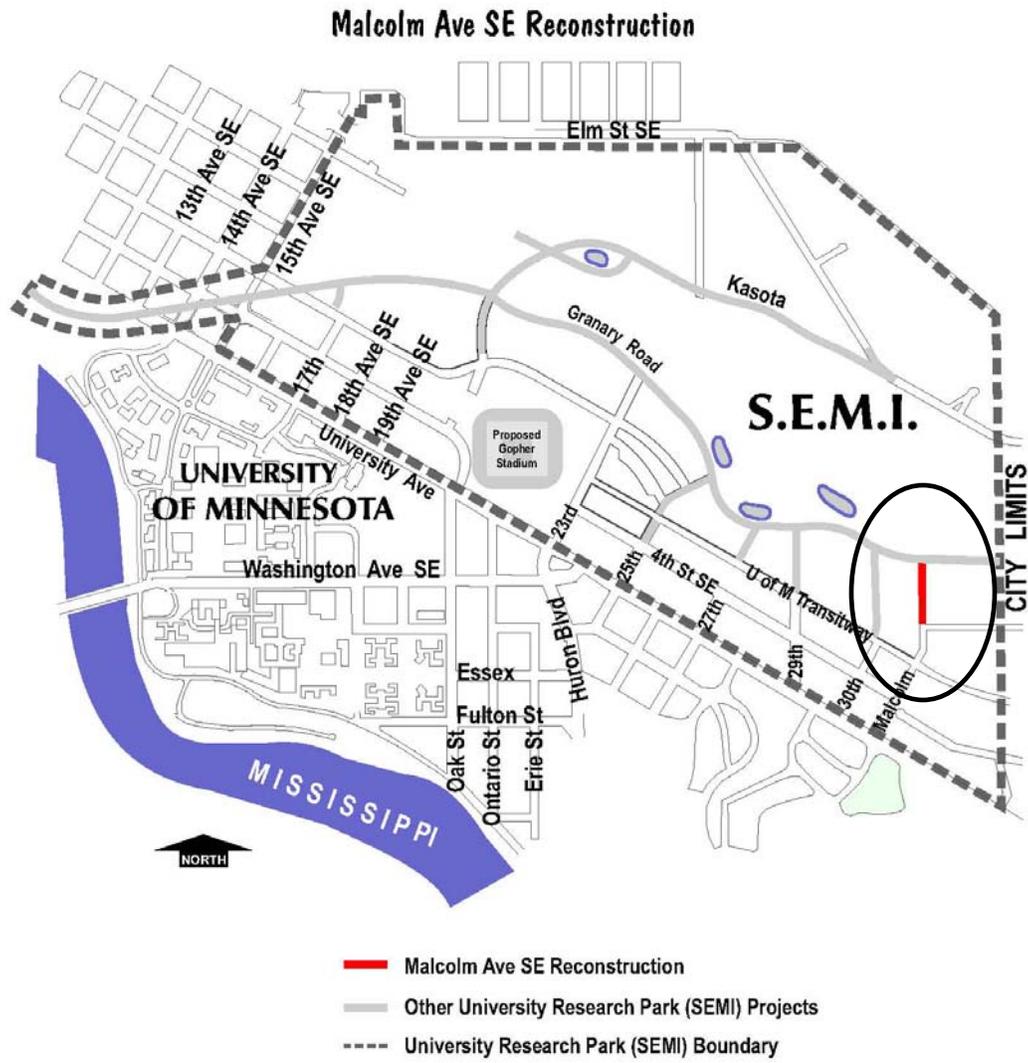
\$1.67/sq ft – (Other) - Non-Residential
\$0.51/sq ft – (Other) – Residential

The proposed total assessment amount for Malcolm Av SE (5th St SE to Dead End) is \$272,997.73. Individual assessments of more than \$150 would be collected over 20 years beginning on the 2009 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2009 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. 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.

The project and assessment informational neighborhood meeting was scheduled for July 8, prior to the project approval and assessment public hearing.

Attachment 1 – Map

Cc: Council Member Cam Gordon, Ward 2
Jack Qvale, Secretary, Board of Estimate and Taxation



T&PW – Your Committee recommends passage and summary publication of the accompanying

Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Malcolm Av SE Reconstruction Project Special Improvement of Existing Street No. 6728.
2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds.

Colvin Roy

**MALCOLM AV SE RECONSTRUCTION PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 6728**

Ordering the work to proceed and adopting the special assessments for the Malcolm Av SE (5th St SE to Dead End) Project.

Whereas, a public hearing was held on July 15, 2008 in accordance with chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2008R-258, passed June 20, 2008, to consider the proposed special assessments as on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

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

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2008R-258, passed June 20, 2008.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at twenty (20) and that the interest charged at the same rate as the assessment bonds are sold for with collection of the special assessments to begin on the 2009 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the assessment bonds are sold for with collection of the special assessments on the 2009 real estate tax statements.

Colvin Roy and Ostrow

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$272,995 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Malcolm Av SE Reconstruction Project, Special Improvement of Existing Street No. 6728, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.