



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

Date: August 23, 2011

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

Subject: **LynLake Municipal Parking Lot – 2011 Assessment Proceedings & 2011 – 2012 Impact Fees – Set Public Hearing**

Recommendation:

- A. Passage of a resolution establishing the special assessment proceedings for payable 2012 assessments in the amount of \$38,141.75.
- B. Set a Public Hearing on September 27, 2011 before the Transportation & Public Works Committee to consider the annual assessment.
- C. Impact fees for the LynLake Lots be established for the period of September 1, 2011 through August 31, 2012 at \$940 per stall for businesses that had licenses, permits to expand their businesses, or approved plans by the City to expand their businesses prior to September 1, 1998, and \$1885 per stall for new businesses.

Previous Directives: None

Prepared by: Anthony Stone, Operations Analyst, 673-3162

Approved by:

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

Presenters: Anthony Stone, Operations Analyst, 673-3162

Reviews

Permanent Review Committee (PRC):	Approval <u>n/a</u>	Date _____
Civil Rights Approval	Approval <u>n/a</u>	Date _____
Policy Review Group (PRG)	Approval <u>n/a</u>	Date _____

Financial Impact

No financial impact

Community Impact

Neighborhood Notification: Send out Public Hearing notifications

City Goals: Streets as Destinations

Comprehensive Plan: Consistent

Background/Supporting Information

Each year businesses located within 300 feet of the LynLake Municipal Parking Lots are assessed for the cost of constructing the two lots. This will be the eleventh year of a 20 year assessment. The annual assessment is adjusted to reflect any operating profit (assessment is lessened) or deficit (assessment is increased) for the lots.

In addition to adjusting the total annual assessment, individual assessments are adjusted to reflect any changes to the data used in the assessment formula. The parameters used to calculate individual assessments include market value, building area, parcel area, and parking deficiency.

Debt Service

The debt-service portion of the 2011 assessment was determined with consideration of the following parameters

- Ensuring that the debt service portion of the assessment remains the same or is lowered in future years.
- Striving to maintain an annual assessment of less than \$170,773 for the duration of the 20 year assessment period, while recognizing that net operating revenues/expensed are unknown.
- Reduction of the assessment to reflect the sale of the Aldrich Parking Lot
- Structuring the assessment revenue so that there is no negative impact to the Parking Fund (7500) in future years.

Operating Revenues/Expenses

All past assessments included estimated operating revenues. The 2011 assessment will include the actual 2009 operating profit of \$90,692.19. Future assessments will continue to apply the net operating revenue/expenses from the most recently completed fiscal year.

Impact Fees

A unique feature of the administration of these lots are the impact fees, which are charged to businesses that wish to fulfill their zoning and licensing parking requirements by buying into the lot rather than constructing parking on their own. The fees are set annually for the period from September 1st through August 31st.

Cc: John Meldahl