



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

Date: April 8, 2008

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

Subject: **Assessment for Areaway Abandonment and Removal for property in the East Lake Street (5th Av S to Hiawatha Av S) Reconstruction Project No 6707. Set Public Hearing.**

Recommendation:

Adoption of a Committee Report receiving the final costs, directing the City Engineer to prepare a proposed Areaway Abandonment and Removal Assessment and directing the City Clerk to give notice of an Assessment Public Hearing to be held on May 20, 2008 before the Transportation and Public Works Committee for the benefited property at 1515 E Lake St / 3016 Bloomington Ave S, PID 02-028-24-12-0277, in the amount of \$242,851.88.

Previous Directives:

- April 1, 2005 Council Resolution 2005R-159 – Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the paving and streetscape project in the E Lake Street (5th Av S to Hiawatha Av S) area.
- March 30, 2007 Council Action – Accepting the low bid of Jan Lasserud Construction, Inc. in the amount of \$220,000.00 to furnish all labor, materials, equipment and incidentals necessary to complete the areaway abandonment at 1515 E Lake St.
- January 18, 2008 Council Action – Increasing the contract amount in the amount of \$11,287.50.

Prepared by: Suzette R. Hjermsstad, Public Works Special Assessment Office, 673-2401
Don Elwood, P.E., Director Transportation Planning & Engineering

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

Presenters: Jenifer Loritz, P.E., Life Cycle Project Manager

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 property
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

- Neighborhood Notification: Not Applicable
- Neighborhood Meetings: Not Applicable.
- 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:

On January 14, 2005, the City Council designated the location, streets and improvements proposed to be made in the E Lake Street area. A public hearing was held on February 15, 2005 and continued to March 22, 2005, that included the areaway abandonment and removal of any conflicting areaways within the E Lake Street area street reconstruction and streetscape project in accordance with Section 95.90 of the Minneapolis Code of Ordinances.

As the street reconstruction and streetscape project work proceeded during 2005 and 2006, the City began working with the property manager for the Mercado Central at 1515 E Lake St / 3016 Bloomington Ave S who in turn communicated with the Board in charge of the property. The property owner of record is PPL Mercado LLC, with a mailing address of 1035 Franklin Ave E, Minneapolis MN 55404. Their property at 1515 E Lake St / 3016 Bloomington Ave S is a commercial parcel. The property manager and Board eventually decided to enlist the City's help with accomplishing the areaway abandonment at which point the project manager contacted the structural engineering firm (HGA) and began the process of preparing construction documents for public bid. The project was bid and a contract awarded to Jan Lasserud Construction, Inc. in the amount of \$220,000.00. The project saw a total increase in contract amount of \$11,287.50. These amounts were approved by the property manager. The changes were a result of conditions encountered during construction. The remaining difference makes up a 5% City administrative fee.

The assessment public hearing procedure is in accordance with Section 95.90 of the Minneapolis Code of Ordinances which provides the authority for the City Engineer to abandon and remove an areaway in conflict with capital improvement project in the City's right-of-way and a public hearing for the assessment of the cost of removal to be held at a later date.

CC: Council Member Gary Schiff, Ward 9

T&PW – Your Committee having received final costs for the Areaway Abandonment and Removal at the following property:

1515 E Lake St / 3016 Bloomington Ave S, PID No. 02-028-24-12-0277, final cost of \$242,851.88, legally described as: Lots 1 through 8 inclusive, Block 1, William's Addition to Minneapolis.

in accordance with the Lake St E (5th Av S to Hiawatha Av S) Street Reconstruction and Streetscape Project, Improvement of Existing Street No 6707, as ordered by Resolution 2005R-159, now recommends that the City Engineer be directed to prepare an Areaway Abandonment and Removal Assessment against the benefited properties.

Your Committee further recommends that the City Clerk be directed to give notice of a public hearing to be held by the Transportation and Public Works Committee on May 20, 2008 in accordance with Chapter 8, Sections 12 and 13, of the Minneapolis City Charter, to consider the amount proposed to be assessed to the benefited property.