



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

**Date:** October 2, 2008  
**To:** Honorable Sandra Colvin Roy, Chair, Transportation & Public Works Committee  
**Subject:** **New Nicollet Mall (from Washington Avenue South to 11th Street South)  
Reconstruction Project: Adopt Assessment Roll for Service Charges to be  
Collected in 2009 for Special Service District**

**Recommendation:**

Passage and summary publication of a Resolution adopting the assessment roll for the New Nicollet Mall service charges in the amount of \$888,191 for payable 2009 and directing the City Clerk to transmit a certified copy of the assessment roll to the Hennepin County Auditor.

**Prepared by:** Suzette R. Hjermsstad, Real Estate Investigator II, 673-2401  
Don Elwood, P.E., Director, Transportation Planning & Engineering

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

**Presenters:** Suzette R. Hjermsstad, Real Estate Investigator II

**Reviews:**

Permanent Review Committee (PRC):	Approval	<b>NA</b>	Date
Civil Rights Affirmative Action Plan:	Approval	<b>NA</b>	Date
Policy Review Group (PRG):	Approval	<b>NA</b>	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
- Other financial impact (Explain): Revenue for debt service on bonds
- Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact**

**Neighborhood Notification** Not necessary  
**City Goals:** The city's infrastructure will be well-maintained; Streets will be destinations.  
**Comprehensive Plan:** Consistent  
**Zoning Code:** Not Applicable

**Background/Supporting Information**

This is the last year of an on-going 20-year assessment that began in 1989 (payable in 1990). The charge is recalculated each year based on the property's land and building value and redistributed each year within the district to reflect changes that occurred such as new building construction, property classification changes and updated property value appraisals, for example. This requires an annual certification to the County Auditor of the charge to be levied on each property within the district that is subject to a service charge. An assessment public hearing is not needed.

In 1989, the City Council established the Downtown Special Service District for the New Nicollet Mall (from Washington Avenue South to 11th Street South) Reconstruction Project with part of the costs of construction (42.5%) to be funded by service charges over a period of 20 years against properties in the special service district. The amount established in Resolution 89R-412 passed by the City Council on September 29, 1989 to be charged to the district in each of the 20 years was \$888,191 (principal plus interest). This amount of \$888,191 has been charged to the district each year for payable 1990, 1991, 1992 and 1993 (4 years). In July, 1993, refunding bonds were issued for the project and structured with direction from the City Council to bring the interest savings forward. This was accomplished and the district's allocated share of the savings generated by the refunding bonds were used to reduce the amount charged to the district to \$680,000 each year for payable 1994, 1995 and 1996 (3 years). For payable 1997 through 2009 inclusive (13 years), the amount to be charged to the district each year returned to \$888,191.

Attachment 1 - New Nicollet Mall Special Service District Zones Map

cc: Jack Qvale, Secretary, Board of Estimate and Taxation  
Mike Abeln, Minneapolis Finance Department

**T&PW** - Your Committee recommends passage and summary publication of the accompanying Resolution adopting the assessment roll for service charges to be imposed for collection in 2009 in the Downtown Special Service District for the New Nicollet Mall (from Washington Av S to 11th St S) Reconstruction Project.

**By Colvin Roy**

**Adopting the assessment roll for service charges to be imposed for collection in 2009 in the Downtown Special Service District for the New Nicollet Mall (from Washington Av S to 11th St S) Reconstruction Project.**

Whereas, Resolution 89R-412, passed September 29, 1989, established the annual amount of service charges to be charged to properties in the Downtown Special Service District for the New Nicollet Mall (from Washington Av S to 11th St S) Reconstruction Project to be \$888,191; and

Whereas, the annual amount of the service charges for payable 1990, 1991, 1992, and 1993 was \$888,191; and

Whereas, refunding bonds were issued in July 1993 for the New Nicollet Mall Reconstruction Project with the annual amount of service charges to the district being reduced for payable 1994, 1995, and 1996 to \$680,000, said reduced annual amount reflecting the allocated share of the interest savings generated by the said funding bonds, all as recited in Resolution 93R-430, passed November 12, 1993; and

Whereas, the annual amount of the service charges for payable 1997 through payable 2009 inclusive is to be restored to \$888,191; and

Whereas, the service charges have to be certified to the Hennepin County Auditor on an annual basis;

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

That the assessment roll listing the service charges in the amount of \$888,191 to be imposed for collection in 2009 and the affected properties as prepared by the City Engineer be and hereby is adopted and that the City Clerk is hereby directed to transmit a certified copy of said assessment roll to the Hennepin County Auditor.