



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

Date: July 15, 2008

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

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

Subject: **2nd Avenue S, Project 6739 and Marquette Avenue, Project 6740 (1st St S to 12th St S) Transit Project - Street Reconstruction: 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 \$900,533.39 for 2nd Avenue S and \$981,945.79 for Marquette Avenue Transit Project – Street Reconstruction Projects.
2. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$900,530 for the 2nd Avenue S, Project No 6739, Street Reconstruction Project.
3. Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$981,945 for Marquette Avenue, Project No 6740, Street Reconstruction Project.

These Resolutions may be authorized for summary publication.

Previous Directives:

- June 6, 2008 – Council Resolution 2008R-221 project designation
- May 16, 2008 – Direct the City Engineer to proceed with formal variance request from State Aid Rules
- May 2, 2008 - Authorize negotiation and approval of a Subrecipient Agreement with the Metropolitan Council, the designated recipient of the Urban Partnership Agreement FTA funds
- April 4, 2008 – Authorized Public Works to negotiate with private property owners to acquire and execute easements
- April 4, 2008 – Passed Resolution designating areaway improvements
- April 4, 2008 – Set a public hearing to be held on May 20 to consider abandonment and removal of areaways in conflict with the project and directing staff to give notice in accordance with Section 95.90 of Minneapolis Code of Ordinances
- April 4, 2008 – Accepted URS proposal for design and construction administration services
- March 21, 2008 – Approved preliminary cross-section and layout
- December 21, 2007 – Authorized negotiation and execution of a Subrecipient application with the Metropolitan Council, the designated recipient of the Urban Partnership Agreement FTA funds

- December 21, 2007 – Authorized Public Works to proceed with the Marquette and Second Avenue Transit Project design work
- December 21, 2007 – Authorized development and issuance of a Request for Proposal (RFP) for a consultant to assist with design and construction management services in support of the Marquette and Second Avenue Transit Project
- June 29, 2007 – Approved Downtown Action Plan

Prepared by: Suzette Hjermstad, Public Works Special Assessments, 673-2401
 Bill Fellows, P.E., Project Engineer, Engineering Services, 673-5661
 Don Elwood, P.E., Director, Transportation Planning & Engineering

Approved by:

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

Presenters: Bill Fellows, Project Manager

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
- Other financial impact (Explain): Special assessment against benefited property owners
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Neighborhood Notification – A public meeting is scheduled for July 8, 2008. A communications plan is being prepared for the final design and construction process.

City Goals – A Safe Place to Call Home
 The city’s infrastructure will be well-maintained
 Connected Communities
 Connected network of transportation options
 Streets will be destinations
 Enriched Environment
 Energy into renewable and alternative energy
 Fully implement the City’s Sustainable Work Plan

Comprehensive Plan – Implements the transportation polices set forth in the city’s comprehensive plan and the actions approved in the Downtown Ten-Year Transportation Action Plan

Background/Supporting Information:

The Downtown Action Plan, which was approved by City Council on June 29, 2007, includes reconstruction of Marquette and 2nd Avenues to incorporate two transit lanes on each street. The plan also calls for wider sidewalks and additional transit passenger waiting facilities.

In April 2007 Mn/DOT and Metropolitan Council submitted an application for Urban Partnership Agreement (UPA) federal funding – a new funding program targeted toward congestion reduction through transit improvements, tolling/congestion pricing, technology and telecommuting. The Marquette and 2nd Avenue Transit Project is included in this grant application. In August 2007 the Twin Cities was selected to receive a UPA grant. This \$133 million grant includes the Marquette and Second Avenue Transit Project with a stipulation that all work must be completed by December 31, 2009.

On June 6, 2008, the City Council designated the location, streets and improvements proposed to be made in the 2nd Avenue S and Marquette Avenue downtown areas. The 2nd Av S and Marquette Av Street reconstruction projects are from 1st St S to 12th St S. The street reconstruction/transit project will be paving with plant mix asphalt, concrete curb and gutters, all on a stabilized base, sidewalk, storm drain, signals, lighting, signing, striping and including related items and work including right-of-way acquisition 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 streets. The 2008 Uniform Assessment Rates are as follows:

Reconstruction – Other – Non Residential \$1.67

Reconstruction – Other – Residential \$0.51

The proposed total assessment amounts for 2nd Av S is \$900,533.39 and the proposed total assessment amount for Marquette Av is \$981,945.79. Individual assessments of more than \$150 would be collected over 20 years beginning on the 2010 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 2010 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.

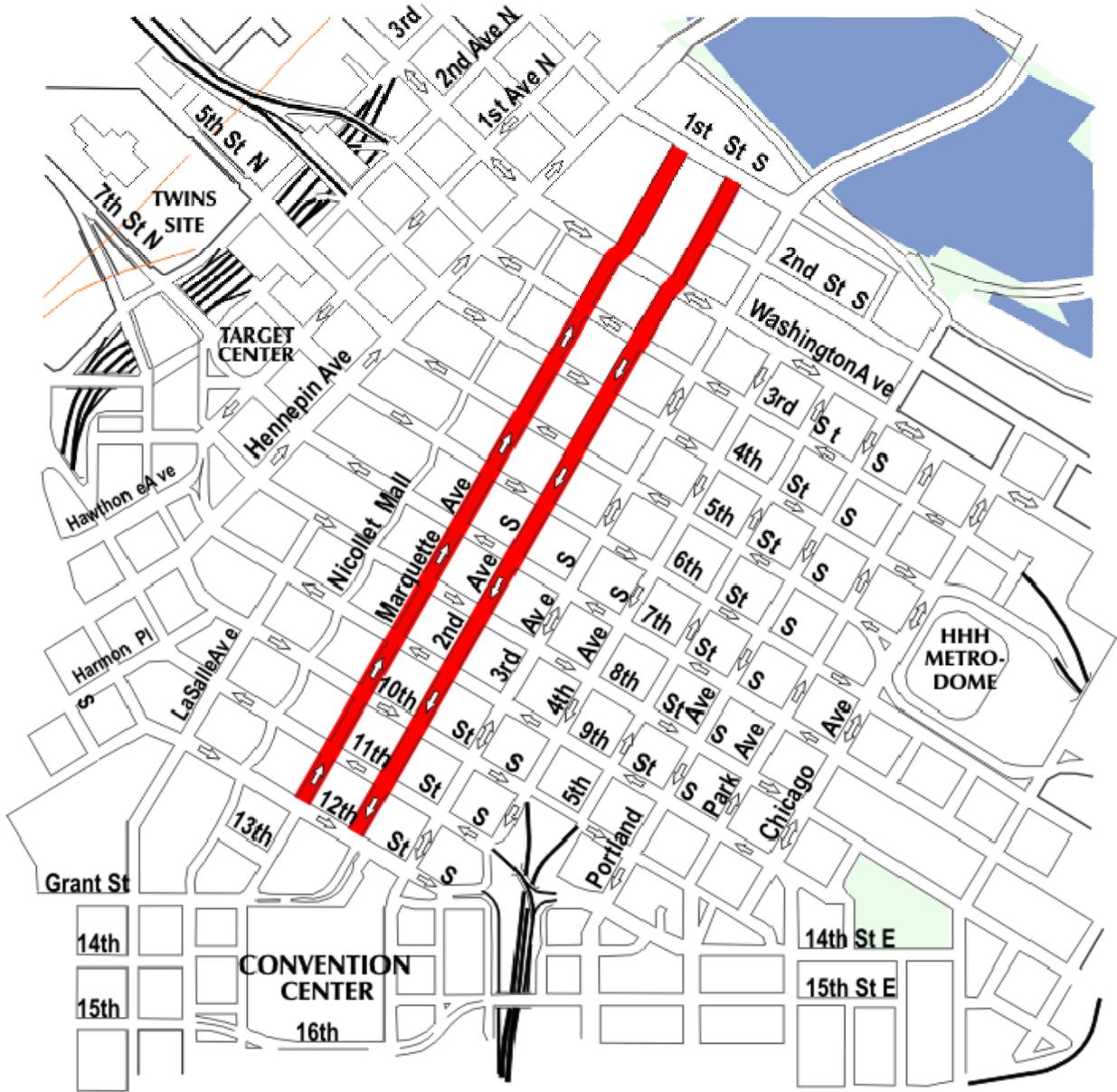
The project and assessment informational meeting is scheduled for July 8, prior to the project approval and assessment public hearing.

Attachment 1 – Project Map

Cc: Council Member Lisa Goodman, Ward 7
Jack Qvale, Secretary, Board of Estimate and Taxation

ATTACHMENT 1

PROJECT MAP
Marquette Avenue S and 2nd Avenue S Transit Project



 Project



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 2nd Avenue S Reconstruction Project, Special Improvement of Existing Street No 6739 and Marquette Avenue Reconstruction Project, Special Improvement of Existing Street No 6740.
2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds.

By Colvin Roy

**2ND AVENUE S RECONSTRUCTION/TRANSIT PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 6739
AND
MARQUETTE AVENUE RECONSTRUCTION/TRANSIT PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 6740**

Ordering the work to proceed and adopting the special assessments for the 2nd Avenue S and Marquette Avenue Projects.

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-221, passed June 6, 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-221, passed June 6, 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 City pays in interest for selling assessment bonds, with collection of the special assessments to begin on the 2010 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 City pays in interest for selling assessment bonds, with collection of the special assessments on the 2010 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 \$900,530 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 2nd Avenue S Reconstruction Project, Special Improvement of Existing Street No 6739, 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.

Colvin Roy and Ostrow

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$981,945 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 Marquette Avenue Reconstruction Project, Special Improvement of Existing Street No 6740, 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.