



Legislation Text

File #: 17-963, **Version:** 1

City Council Meeting Date: August 22, 2017

To: Mayor and City Council
City Administrator

From: David Bennett, P.E., Public Works Director/City Engineer

Subject:

Continued Public Hearing on Assessments for the 2017 Street Reclamation Project - 1900 Sibley View Lane.

Action Requested:

The Northfield City Council holds a continued public hearing on assessments for 1900 Sibley View Lane as part of the 2017 Street Reclamation Project (2017STRT-A36) regarding the proposed assessments.

Staff recommends a [motion](#) to close the public hearing after appropriate discussion has occurred.

Summary Report:

On July 28, 2017, the property owner at 1900 Sibley View Lane submitted a letter of objection to the City Clerk, City Council, Engineering Department, and Administration, objecting to their assessment amount of \$6,206.00. City Council held a public hearing regarding the 2017 Street Reclamation Project (2017STRT-A36) at their August 8, 2017 City Council Meeting. At the meeting, the public hearing was closed for all properties with the exception of 1900 Sibley View Lane.

At the meeting, staff was directed to investigate the assessment amount. Staff has reviewed the assessment and has applied the adopted assessment policy to determine the front footage amount. Due to the shape on the lot in question, this particular lot falls under a *curved lot* standard according to the adopted Motion 2009-0076, “*Standards for Adjusting Front Footage for Special Assessment.*” This adopted policy requires the front footage measurement be taken at the midpoint of the shortest side lot line.

However, in review of the rates on the other properties within the neighborhood and the assessment amounts, it would could be determined reasonable to utilize the front footage at the front property line. Hence, the assessment amount could be reduced from \$6,206 to \$5,220. Staff is not recommending this but would be an alternative action.

Additional information was requested regarding the differing assessment rates for each project area, and how they were calculated. Due to each individual project area not being relatively in close proximity to each other, it was suggested in the proposal from the appraisal firm contracted to do the work, to do four separate benefit appraisals for each individual project area. The properties/property types proposed in each project area were based on a review of the larger group of properties in each project area that appear to be subject to special assessments by the City based on their frontage on the streets to be improved. Again, depending on which type of category each individual lot falls under in the adopted policy, determines where that front footage

measurement is taken (i.e. midpoint, 25' back etc.). The proposed properties/property types reflect a mix of “typical” properties considered generally representative of numerous other similar properties in the project area, together with some specific, relatively unique properties requiring individual valuation.

The actual final “typical” properties included in the appraisals, those judged **to best represent numerous properties in their class**, were selected upon further research and consideration as part of the valuation assignment. Those properties included two properties within the Marvin Lane project area, two properties in the Maple Street, Ninth Street, and Nevada Street project area, two in the Sibley View project area, and three properties in the Professional Drive project area.

Once these “typical” properties were identified, the special benefits appraisal was then based on a before-and-after valuation methodology. This involves developing an opinion of each “typical” property market value, as it exists before the proposed street improvements, and also concluding an opinion of the market value of the “typical” property assuming the improvements are completed. The difference between the before and after values reflects an opinion of special benefit, called out as an “*approximate value benefit*” to the property resulting from the street improvement project in the final appraisal report.

It is noted that not every property potentially benefiting from improvements proposed for streets in the project areas were appraised for special benefits purposes. Rather, this appraisal reflects a benefits analysis in that it provides a “*reasonable value benefits range*” of likely special benefits accruing to those properties belonging to a specific use group. This range provided by the appraiser is a cost range per linear foot of frontage that is used to calculate the assessment based on the appropriate category noted in adopted adjusted front footage policy. The reasonable value benefit range for the “typical” properties were then averaged to find a mean benefit appraisal rate for each project area.

Appraiser Reasonable Value Benefit Range	
Sibley View	\$51 - 64 Per Front Foot (midpoint \$58)
Marvin Lane	\$40 - \$50 Per Front Foot (midpoint \$45)
Maple/Ninth/Nevada	\$43 - \$67 Per Front Foot (midpoint \$55)
Professional Drive	\$83-\$93 Per Front Foot (midpoint \$88)

There was substantial questions related to the assessments at the public hearing last meeting. There is an agenda item later in the agenda related to consideration of adoption that would be an appropriate time for questions and discussion related to the assessments and related assessment policy. The primary purpose of the public hearing is to provide opportunity for public testimony on the issue.

Alternative Options:

City Council could pass a motion to continue the public hearing to August 22nd if additional time is needed for review.

Financial Impacts:

None related to the public hearing.