



Legislation Text

File #: 19-931, **Version:** 1

City Council Meeting Date: June 18, 2019

To: Mayor and City Council
City Administrator

From: Sean Simonson, Engineering Manager
David Bennett, P.E., Public Works Director/City Engineer

Subject:
Public Hearing on Assessments for the 2019 Street Reclamation Project.

Action Requested:

The Northfield City Council holds a public hearing on assessments for the 2019 Street Reclamation Project (2019STRT-A42).

Summary Report:

Process Background

The City Council is being asked to consider holding a public hearing regarding the assessments for the 2019 Street Reclamation Project (2019STRT-A42). The purpose of the hearing is to provide an opportunity for public comment on the assessments associated with the project. A required 14-day notice for the assessment hearing was published in the Northfield News on May 29, 2019 and notices (Attachment 1) were sent to property owners abutting the project. Along with the hearing notice, a copy of the proposed assessment roll (Attachment 2) and a Financial Assistance Letter (Attachment 3) were also included in the mailing.

The actions requested are required by Minnesota Statutes Chapter 429, which specifies the actions that must be taken to assess property owners for the cost of local improvements. The City Council has moved this project forward to this point with the actions shown in Attachment 4.

Originally, the Public Hearing was noticed and scheduled to occur on May 21, 2019. However, an error was discovered in the original assessment roll, and the hearing was re-noticed, and rescheduled for June 18, 2019. Assessments are also scheduled for adoption at the same City Council meeting.

The following outlines the public hearing procedures as outlined in the current City Council Rules of Business (January 22, 2019):

Public Hearing Procedure:

A Public Hearing is used by the City Council to solicit the public's comments on various projects or City operation procedures.

- A. The Chair will open the hearing by identifying the subject.
- B. Staff Presentation- staff will give a presentation on the subject.

- C. Applicant's Presentation- if needed.
- D. Public Input- The public will have the opportunity to speak for or against the issue. The public may ask questions, make comments, voice support, agree or disagree with the issue.
 - 1. The Chair will recognize a speaker at the podium and comments/conversation will be between the Chair and speaker; and between the Chair and Council Members.
 - 2. At the podium the speaker must give their name, address, and if representing a business, must give the name of the business or corporation. If an Attorney or consultant is representing a client, the client must be identified for the record.
 - 3. Speakers will be allowed to speak a maximum of two (2) minutes per item (not including interpreter's time).
 - 4. Speakers who have material to be handed out to the City Council Members will pass the material to the City Administrator. The City Administrator will then pass the information to the appropriate people. A minimum of twelve (12) copies are needed.
- E. Questions or Clarifications from City Council - After the public input of the public hearing is completed, the City Council may request questions or clarifications prior to closing the public hearing. This section will be used when there are questions related to the topic on which the public hearing is being held. Questions should be succinct and avoid being rhetorical or leading in nature. Subsequent actions of the City Council provide for opportunities for further questions or clarifications from the City Council.
- F. Any material to be entered into the record shall be noted. Any written communication presented to the City Council during a City Council meeting shall be read into the record or summarized for the record or simply delivered to the City Council, as the City Council may determine. They shall then be recorded in the minutes by title and filed with the minutes in the office of the City Clerk.
- G. Motion to Close Hearing- The Chair will state if there is an extension of time for public input into the hearing. If not, the City Council will make a motion, second, and vote on closing the public hearing.

Assessment Hearing Procedures:

Assessment Hearings are similar to the Public Hearing procedure except written notice of objection pertaining to assessments is required prior to adjournment of the public hearing.

No appeal may be taken as to the amount of any assessment adopted by the City Council unless written objection signed by the affected property owner is filed with the City Clerk prior to the assessment hearing or presented to the Mayor at the assessment hearing. All objections to the assessments not received by the City Clerk or the Mayor prior to or at the assessment hearing are waived. A property owner making a properly filed objection may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the Mayor or City Clerk within 30 days after the adoption of the assessment by the City Council.

Assessment Background

The City of Northfield contracted with BRKW Real Estate Valuation Services to complete special benefit appraisals for the 2019 Street Reclamation Project, to assist Staff and City Council in levying in an equitable manner, special assessments to properties benefited by the improvement project. It should be noted that not every property potentially benefiting from the improvements proposed for streets in the project area were appraised for special benefits purposes. Rather, for most properties, these appraisals reflect a preliminary benefits analysis in that it provides an approximation of likely special benefits accruing to those properties belonging to a special use group. Due to the multitude of unique properties and property types, two separate benefit appraisals were completed on the project, and are described below:

John North Park Area and Blue Stem Court (Attachment 5)

The project area contains a mix of residential uses, including single-family detached and twin home properties. There were four subject properties in this appraisal (Attachment 4):

1. Typical Standard Single-Family Lot - John North Park Area
2. Typical Twin Home Lot - John North Park Area
3. Typical Standard Single-Family Lot - Blue Stem Court
4. Typical Cul-De-Sac Single-Family Lot - Blue Stem Court

North of TH 19, South of Second Street West, West of Soo Line Corridor (Attachment 6)

The project area is mixed-use in nature, comprising a mix of residential, public/institutional and commercial/industrial properties. There were seven subject properties in this appraisal (Attachment 4):

1. Typical Single-Family Lot Property
2. Multifamily Property
3. Typical Commercial Lot Property
4. Longfellow School
5. St. John's Lutheran Church
6. Malt-O-Meal Plant
7. Odd Fellows Campus

Staff held a discussion item with City Council at the April 9, 2019 City Council Work session. Staff brought forth the following recommended changes to the Assessment roll, which are reflected in the attached assessment roll. Staff received no additional feedback from City Council on the recommended Staff changes to the assessment roll noted below:

Typical Standard Lot - John North Park Area (Attachment 7)

Staff recommended deviating from Method 4 Cul-de-Sac Lots from the *Standards for Adjusting Front Footage for Special Assessment Purposes* Motion 2009-0076 (Attachment 8). This method suggests adjusting the front footage for Cul-de-sac lots by taking the front footage measurement at the midpoint of one side lot line to the midpoint of the other side lot line. Attachment 7 shows where the measurement should be taken according to the approved method. Staff adjusted the measurement to the midpoint of the shortest side of the lot, and measuring perpendicular to the remaining side lot line as shown in Attachment 7.

Typical Twin Home Lot - John North Park Area (Attachment 9)

The Benefit Appraisal calculated a \$2,900 approximate value benefit for the Typical Twin Home Lot in the John North Park Area. Staff recommended utilizing the "Per Lot" method for all similar properties within the townhome complex, with the exception of the eight lots that have back frontage on Meldahl Lane. These eight lots were assessed as part of the 2012 Street Reconstruction Project when Meldahl Lane was improved. Staff adjusted these assessment amounts to a total of \$2,900 for all parcels for the two projects combined.

Typical Cul-de-sac Single Family Lot - Blue Stem Court (Attachment 10)

The Benefit Appraisal calculated a \$6,300 approximate value benefit, or \$100/Front Foot for the Typical Cul-de-sac Single Family lot. Using Method 4 in the *Standards for Adjusting Front Footage for Special Assessment Purposes*, Cul-de-sac lots, this measurement is to be taken from midpoint to midpoint on the side lot lines. Using this method, would increase the assessment amount well above the approximate value benefit calculated in the benefit appraisal. Staff utilized the "per lot method" for these parcels, and assess them all at \$6,300 as shown in Attachment 9.

Typical Single Family Lot - Third Street Area (Attachment 11)

The Benefit Appraisal calculated a \$3,800 approximate value benefit, or \$58 Front/Foot assessment cost for a Typical Single Family Lot in the Third Area of the project. There is an access road off Third Street that the properties served do not have direct frontage on Third Street. Staff recommended calculating the frontage the lots cumulatively occupy times the \$58 Front/Front and divide the assessment amount equally to the four properties served as shown in Attachment 10. This change adjusted the assessment amount from \$3,800 per parcel to \$2,900 per parcel.

Alternative Options:

None at this time.

Financial Impacts:

A summary of the project costs based on the Awarded Bid Price is shown in Attachment 12. The project will be financed through a combination of Municipal State-Aid (MSA) funds, enterprise funds, bonding and special assessments.

The proposed street and utility improvements are eligible for assessment according to the City of Northfield's Assessment Policy. All abutting properties are proposed to be assessed accordingly. A benefit appraisal was prepared as part of this reclamation project, and it took into account zoning and land use within the project area.

The proposed assessment roll shows the assessment for each of the abutting properties. The estimated assessment revenue is \$806,152. The individual assessments range from a low of \$200.00 to a high of \$16,200.00.

Following the process required by Minnesota Statute Chapter 429 will allow the benefits of this project to be assessed to the property owners, which aids in establishing overall project funding.

Tentative Timelines:

The attached project process (attachment 4) details the actions taken to date as well as the upcoming actions that will be requested of Council.