

2021 Alley Reconstruction

CIF-20-009

Special Assessment Public Hearing

November 16, 2021



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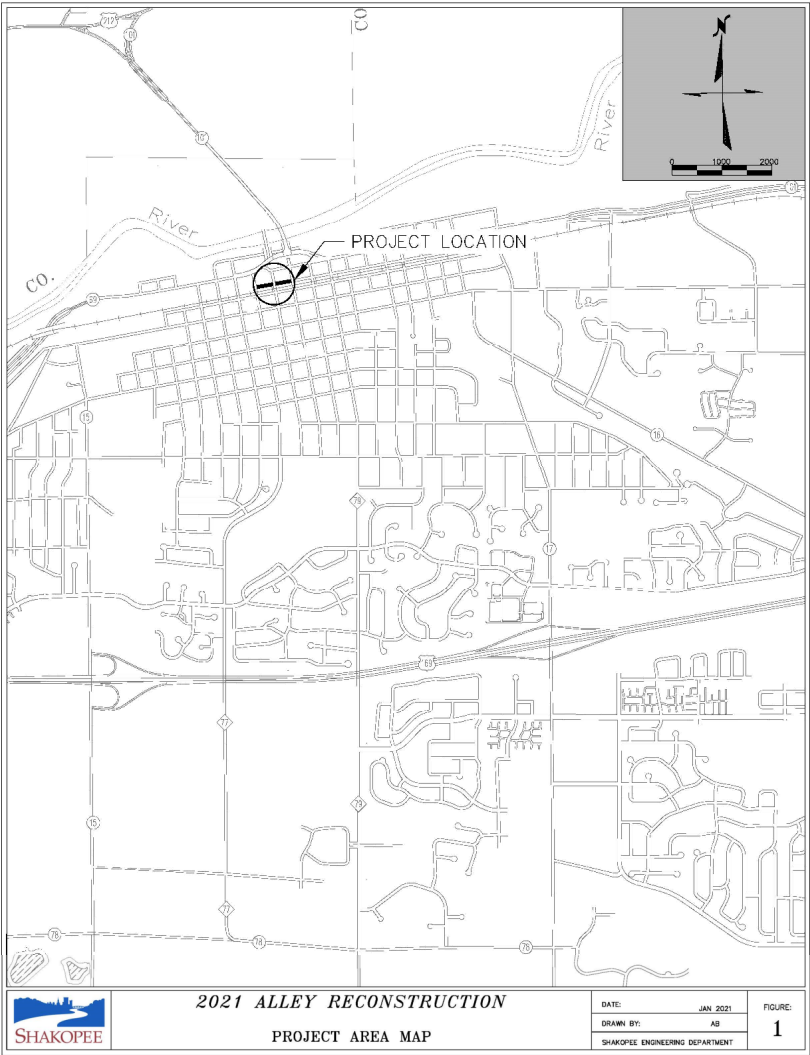
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2021 Alley Reconstruction

Project Location

Local public improvements to the city's infrastructure based on Minnesota State Statute 429

- Alleys between Fuller Street and Lewis Street between 1st Avenue and 2nd Avenue



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2021 Alley Reconstruction Project Timeline

- Received Feasibility Report (February 16, 2021 – Resolution R2021-019)
- Public Hearing & Order Project (March 2, 2021 – Resolution R2021-024)
- Award Contract to BKJ Land Company (May 4, 2021 – Resolution R2021-074)
- Alley construction is completed (September 14, 2021)
- Public Hearing & Adopt Assessments (November 16, 2021 – Resolution R2021-164)



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2021 Alley Reconstruction Project Photos



East Alley
Before Construction



East Alley
After Construction



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2021 Alley Reconstruction Project Photos



West Alley
Before Construction



West Alley
After Construction



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Project Costs

	Estimated (Contract Award)	Actual (Final Costs)
Construction	\$ 138,143.00	\$ 131,834.03
Contingency Const. Contract	\$ 14,000.00	\$ 22,561.14
Eng/Admin/Legal	\$ 19,000.00	\$ 21,540.72
Total Costs	\$ 171,143.00	\$ 175,935.89

Funding Sources

	Estimated (Contract Award)	Actual (Final Costs)
Assessments	\$ 51,342.90	\$ 52,780.77
Storm Drainage Fund	\$ 119,800.10	\$ 123,155.12
Total Funding	\$ 171,143.00	\$ 175,935.89



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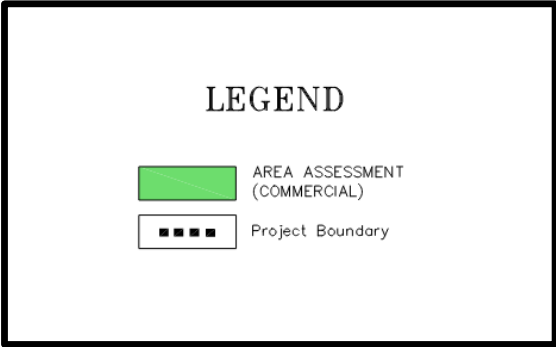
Special Assessments

Determined per City of Shakopee Assessment Policy

- 30% of the assessable street improvements will be used to determine total assessable street improvements.
- Cost per Acre Basis
 - Assessment rate = 30 percent of assessable street improvements / number of acres benefitting from the improvement
 - Corner lot adjustments made

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Special Assessments



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Special Assessments

Proposed Assessment Rate	Actual	Feasibility
Project Area	\$40,538.22 / Acre	\$40,322.58 / Acre

The proposed payback period is 10 years.
The proposed interest rate is 4.50%

2021 Alley Reconstruction

Special Assessments

Amortization Schedule

Assessment Amount			\$2,634.99	
Assessment Interest Rate			4.5%	
Assessment Term			10 Years	
Year	Annual Payment	Principal	Interest	Balance
1	\$401.84	\$263.50	\$138.34	\$2,371.49
2	\$370.22	\$263.50	\$106.72	\$2,107.99
3	\$358.36	\$263.50	\$94.86	\$1,844.49
4	\$346.50	\$263.50	\$83.00	\$1,580.99
5	\$334.64	\$263.50	\$71.14	\$1,317.50
6	\$322.79	\$263.50	\$59.29	\$1,054.00
7	\$310.93	\$263.50	\$47.43	\$790.50
8	\$299.07	\$263.50	\$35.57	\$527.00
9	\$287.21	\$263.50	\$23.71	\$263.50
10	\$275.36	\$263.50	\$11.86	\$0.00
Totals:	\$3,306.91	\$2,634.99	\$671.92	



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Payment Options

- Pay in full or partial amount with No Interest by December 16, 2021 to Finance Department at Shakopee City Hall. A notice will be mailed to residents.
- Assessment certified to County property taxes and paid over a 10-year period, subject to interest rate of 4.5% annum from the date the assessments are adopted.
- Pay off remaining special assessment any time during 10-year repayment period to City of Shakopee Finance Department.



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2021 Alley Reconstruction Recommendation

Adopt Resolution R2021-164, a resolution adopting
assessments for the
2021 Alley Reconstruction Project CIF-20-009.

Note: Property owners wishing to preserve their right to appeal their assessment must file a written objection to the assessment prior to the close of the public hearing.