

Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue

Special Assessment Public Hearing
November 7, 2023



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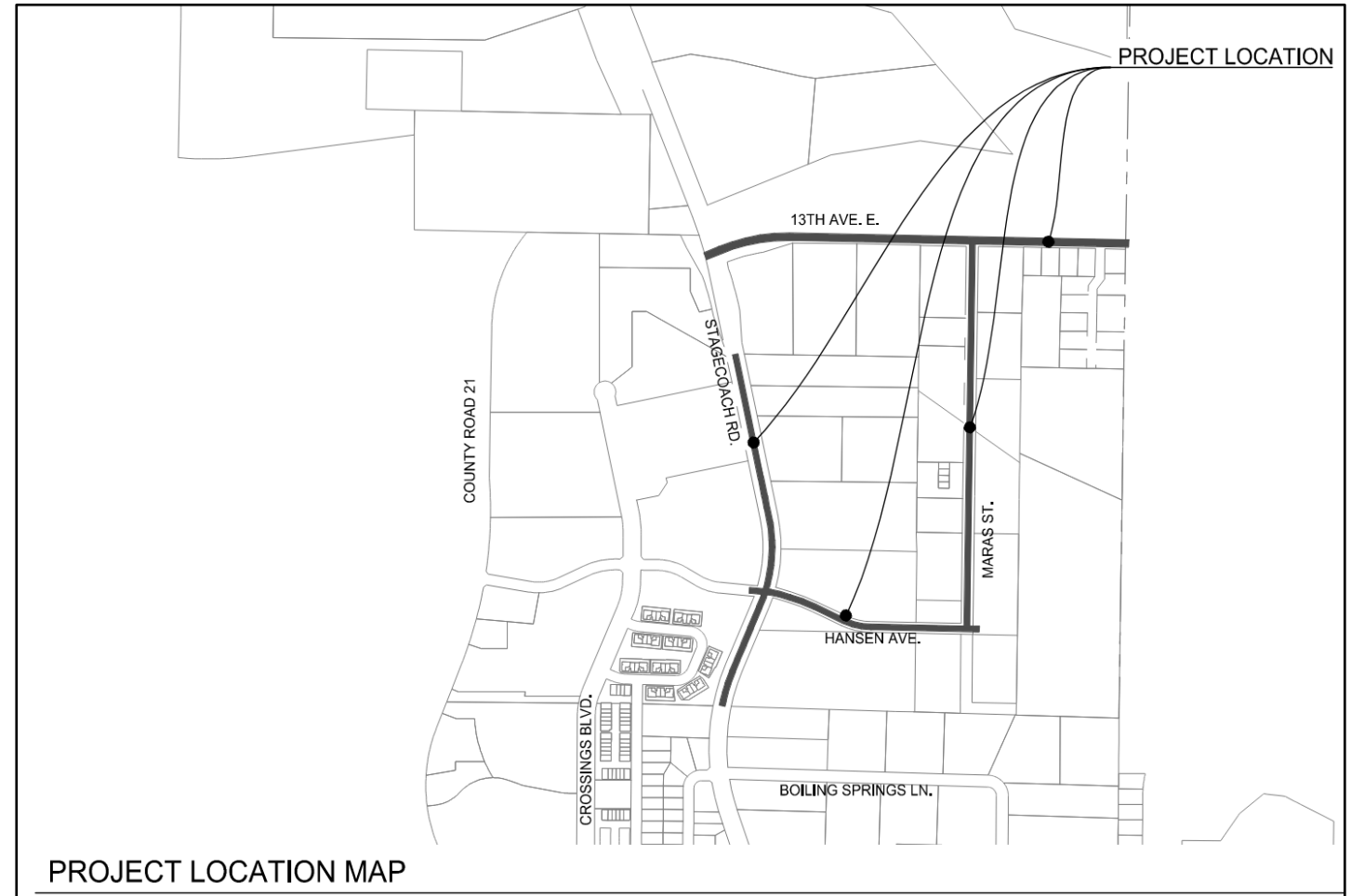
City of Shakopee | 485 Gorman St., Shakopee MN 55379 | 952-233-9300 | www.ShakopeeMN.gov

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Project Location

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

- 13th Avenue
- Maras Street
- Hansen Avenue



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Project Timeline

- Received Feasibility Report (March 16, 2021 – Resolution R2021-031)
- Public Hearing & Order Project (April 20, 2021 – Resolution R2021-053)
- Award Contract to Northwest Asphalt (March 15, 2022 - Resolution R2022-037)
- Street and utility construction is completed (September 30, 2023)
- Declare Costs/Set Public Hearing (October 17, 2023 – Resolution R2023-118)
- Public Hearing & Adopt Assessments (November 7, 2023 – Resolution R2023-126)

Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue

Project Photos



Maras Street
Before Construction



Maras Street
After Reconstruction



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Project Photos



13th Avenue
Before Construction



13th Avenue
After Reconstruction



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Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue

Project Photos



Hansen Avenue
Before Construction



Hansen Avenue
After Reconstruction



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Project Costs

	Estimated (Contract Award)	Actual (Final Costs)
Construction	\$ 4,617,231.96	\$ 4,452,686.07
Street Lighting	\$ 64,000.00	\$ 79,137.23
Contingency Const. Contract	\$ 144,000.00	\$ 0.00
Eng/Admin/Legal	\$ 924,000.00	\$ 849,669.57
Total Costs	\$ 5,749,231.96	\$ 5,381,492.87

Funding Sources

	Estimated (Contract Award)	Actual (Final Costs)
Assessments	\$ 778,885.43	\$ 733,467.14
Capital Improvement Fund	\$ 1,817,399.35	\$ 1,709,640.89
Sanitary Sewer Fund	\$ 1,193,229.97	\$ 1,169,379.82
Storm Sewer Fund	\$ 248,904.50	\$ 196,768.81
Shakopee Public Utilities	\$ 1,710,812.71	\$ 1,572,236.21
Total Funding	\$ 5,749,231.96	\$ 5,381,492.87



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Special Assessments – Street

Determined per City of Shakopee Assessment Policy

- The project area will be assessed based on the actual cost of the street improvements on a cost per acre basis
- Street improvement costs assessed 30%
- The new sidewalk installed along Hansen Avenue and Maras Street assessed 100%.
- The developable area is defined as the total area of the property, less areas of outlots, ROW, lakes, wetlands, easements encompassing the 100-year high water levels of storm water basins, conservation easements and parks.

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Street Assessment Map



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Special Assessments – Street Assessments

Proposed Assessment Rate	Contract Award	Actual
13 th Avenue	\$ 9,738.33 /Developable Acre	\$ 8,072.34 /Developable Acre
Maras Street and Hansen Avenue	\$ 9,738.33 /Developable Acre	\$ 9,761.42 /Developable Acre

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

Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue

Special Assessments

Amortization Schedule

13th Avenue

Assessment Amount		\$40,603.87		
Assessment Interest Rate		4.50%		
Assessment Term		10 Years		
Year	Annual Payment	Principle	Interest	Balance
1	\$6,192.09	\$4,060.39	\$2,131.70	\$36,543.48
2	\$5,704.84	\$4,060.39	\$1,644.46	\$32,483.10
3	\$5,522.13	\$4,060.39	\$1,461.74	\$28,422.71
4	\$5,339.41	\$4,060.39	\$1,279.02	\$24,362.32
5	\$5,156.69	\$4,060.39	\$1,096.30	\$20,301.94
6	\$4,973.97	\$4,060.39	\$913.59	\$16,241.55
7	\$4,791.26	\$4,060.39	\$730.87	\$12,181.16
8	\$4,608.54	\$4,060.39	\$548.15	\$8,120.77
9	\$4,425.82	\$4,060.39	\$365.43	\$4,060.39
10	\$4,243.10	\$4,060.39	\$182.72	\$0.00
Totals:	\$50,957.86	\$40,603.87	\$10,353.99	

Maras Street and Hansen Avenue

Assessment Amount		\$42,657.41		
Assessment Interest Rate		4.50%		
Assessment Term		10 Years		
Year	Annual Payment	Principle	Interest	Balance
1	\$6,505.26	\$4,265.74	\$2,239.51	\$38,391.67
2	\$5,993.37	\$4,265.74	\$1,727.63	\$34,125.93
3	\$5,801.41	\$4,265.74	\$1,535.67	\$29,860.19
4	\$5,609.45	\$4,265.74	\$1,343.71	\$25,594.45
5	\$5,417.49	\$4,265.74	\$1,151.75	\$21,328.71
6	\$5,225.53	\$4,265.74	\$959.79	\$17,062.96
7	\$5,033.57	\$4,265.74	\$767.83	\$12,797.22
8	\$4,841.62	\$4,265.74	\$575.88	\$8,531.48
9	\$4,649.66	\$4,265.74	\$383.92	\$4,265.74
10	\$4,457.70	\$4,265.74	\$191.96	\$0.00
Totals:	\$53,535.05	\$42,657.41	\$10,877.64	

*These are only example amortization schedules. Assessment amounts vary per lot.

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Payment Options

- Pay in full or partial amount with No Interest by December 7, 2023 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 due with taxes payable in 2024, subject to interest rate of 4.50% 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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Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue Recommendation

Adopt Resolution R2023-126, adopting assessments for the
Utility Extension – Maras Street, 13th Avenue, and Hansen Avenue
Project SEWER-21-001.

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.



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