

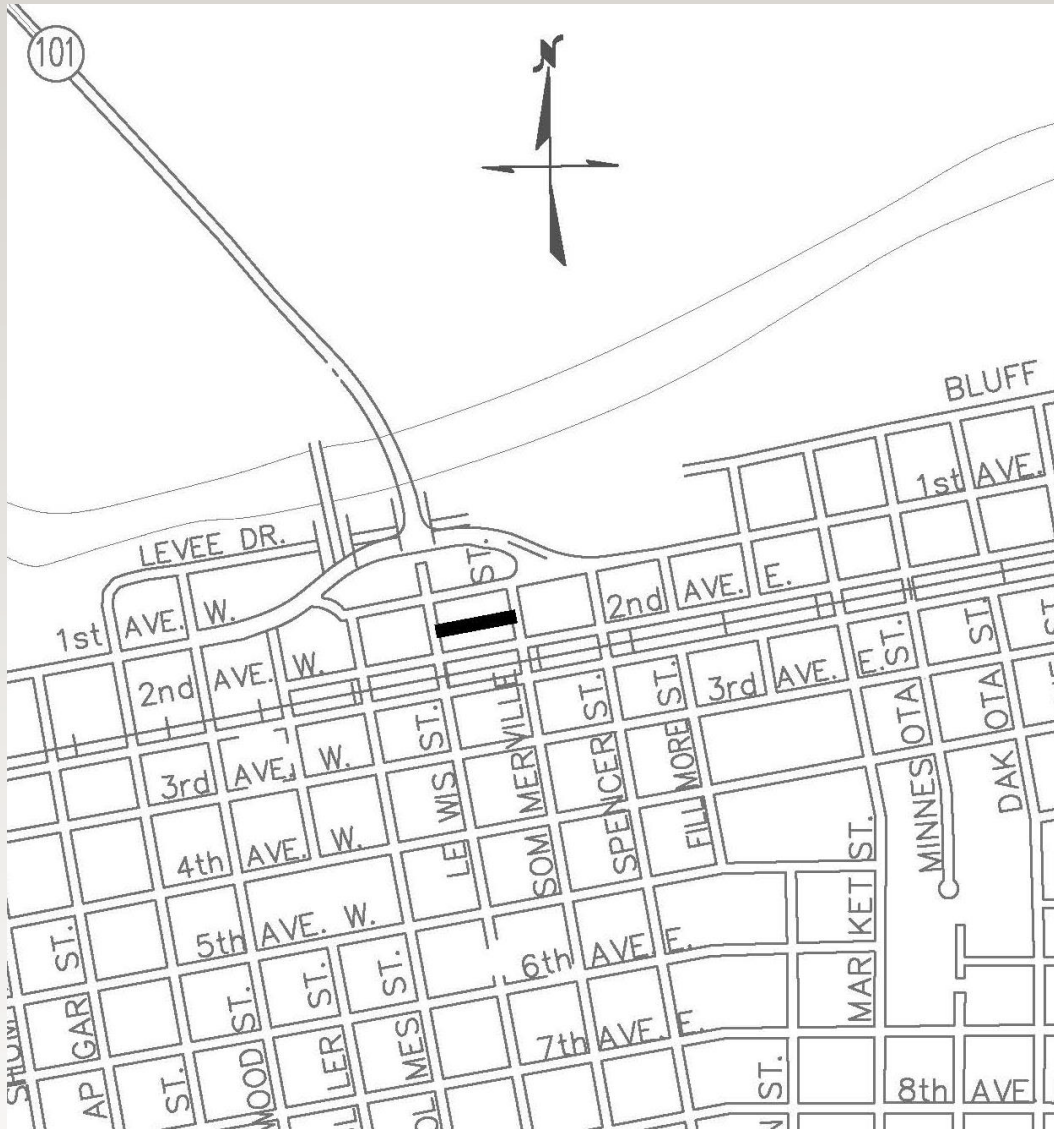
2017 Alley Reconstruction

PUBLIC HEARING FOR SPECIAL ASSESSMENTS

City of Shakopee | (952) 233-9300 | www.ShakopeeMN.gov

Shakopee
Minnesota





2017 Alley Reconstruction

Project Location

- Alley between 1st Avenue and 2nd Avenue & Lewis Street and Sommerville Street

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2017 Alley Reconstruction

Project Timeline

- Received Feasibility Report (April 18, 2017 – Resolution 7861)
- Public Hearing & Order Project (May 16, 2017 – Resolution 7886)
- Award Contract to RJM Construction LLC (July 18, 2017)
- Street and utility construction is completed (September 2018)
- Public Hearing & Adopt Assessments (Nov 20, 2018 – Resolution R2018-132)



2017 Alley Reconstruction Project Photos



Shakopee Avenue – Before Construction



Shakopee Avenue – After Construction



2017 Alley Reconstruction

Project Costs

	Actual	Feasibility
Construction	\$ 140,651.88	\$104,000
Eng/Admin/Legal	<u>\$ 17,899.58</u>	<u>\$ 16,000</u>
Total Costs	\$158,551.46	\$120,000

Funding Sources

	Actual	Feasibility
Assessments	\$ 47,550.00 (30%)	\$ 30,000 (25%)
Storm Sewer Fund	<u>\$111,001.46</u>	<u>\$ 90,000</u>
Total Funding	\$ 158,551.46	\$ 120,000

City Council directed staff to increase alley reconstruction assessments from 25% to 30% to match the assessment rate of similar street reconstruction projects



2017 Alley Reconstruction

Special Assessments

30% of the project costs for the alley and storm sewer improvements are proposed to be assessed to the benefiting properties adjacent to the project area on a front footage basis.

	Actual	Feasibility*
Proposed Assessment Rate	\$79.25 / Front Foot	\$50.00 / Front Foot

The proposed payback period is 10 years.
The proposed interest rate is 5.50%

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2018 Street Reconstruction

Loan Ammortitization

Typical 60-Front Foot Lot

Initial Principal = \$4,755

The proposed payback period is 10 years.

The proposed interest rate is 5.50%

Year	Annual Payment	Principle	Interest	Balance
1	\$780.61	\$475.50	\$305.11	\$4,279.50
2	\$710.87	\$475.50	\$235.37	\$3,804.00
3	\$684.72	\$475.50	\$209.22	\$3,328.50
4	\$658.57	\$475.50	\$183.07	\$2,853.00
5	\$632.42	\$475.50	\$156.92	\$2,377.50
6	\$606.26	\$475.50	\$130.76	\$1,902.00
7	\$580.11	\$475.50	\$104.61	\$1,426.50
8	\$553.96	\$475.50	\$78.46	\$951.00
9	\$527.81	\$475.50	\$52.31	\$475.50
10	\$501.65	\$475.50	\$26.15	\$0.00
Totals:	\$6,236.98	\$4,755.00	\$1,481.98	



2017 Alley Reconstruction

Payment Options

- Pay in full or partial amount with NO interest by December 20, 2018 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 5.5% 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.



2017 Alley Reconstruction

Assessment Appeal Procedure

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.



2017 Alley Reconstruction

Assessment Appeal Procedure

Minnesota Statute Chapter 429

429.061 APPEAL TO CITY COUNCIL

No appeal may be taken as to the amount of any assessment adopted under this section unless written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. All objections to the assessments not received at the assessment hearing in the manner prescribed by this subdivision are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

429.081 APPEAL TO DISTRICT COURT

Within 30 days after the adoption of the assessment, any person aggrieved, who is not precluded by failure to object prior to or at the assessment hearing, or whose failure to so object is due to a reasonable cause, may appeal to the district court by serving a notice upon the mayor or clerk of the municipality. The notice shall be filed with the court administrator of the district court within ten days after its service.



2017 Alley Reconstruction Recommendation

Adopt Resolution R2018-132, a resolution adopting assessments for the 2017 Alley Reconstruction Project 2017-6.

