



MAYOR & COUNCIL COMMUNICATION

DATE: October 18, 2016
REGULAR
ITEM # 15

AGENDA ITEM: Old Village Phase 1: Street, Drainage, and Utility Improvements – Assessment Hearing on Improvements and Adopting the Final Assessment Roll

SUBMITTED BY: Jack Griffin, City Engineer

THROUGH: Kristina Handt, City Administrator

REVIEWED BY: Cathy Bendel, Finance Director
Sarah Sonsalla, City Attorney
Chad Isakson, Assistant City Engineer

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Engineer
- Report/Presentation..... City Engineer
- Questions from Council to Staff Mayor Facilitates
- Open Public Improvement Hearing; Public Input Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Engineering/Finance.

FISCAL IMPACT: None. Holding the final assessment hearing follows state statute for assessing benefitting properties for the improvements and adopting the final assessment roll finalizes the special assessments to be levied for the project.

SUMMARY AND ACTION REQUESTED: The City Council is respectfully requested to conduct the Final Assessment Hearing for the Old Village Phase 1 Street, Drainage, and Utility Improvements and to hear upon any objections to the proposed assessment whether presented verbally or in writing. Following the Hearing, the Council is asked to consider adopting the final assessment roll.

LEGISLATIVE HISTORY/BACKGROUND INFORMATION: On September 20, 2016, the City Council approved a Resolution declaring the costs to be assessed, ordering the preparation of the proposed assessment, and calling for the hearing on proposed assessment for the Old Village Phase 1 Street, Drainage and Utility Improvements.

Pursuant to Minnesota Statutes, Section 429 the Council must declare the final amount to be assessed against the benefitting properties and the hearing on the proposed assessment for these improvements must be conducted. Staff has attached a proposed Final Assessment Roll per the unit assessment amounts presented below. Mailed notice has been provided to each assessed property and notice of the public hearing has been published in the local paper in accordance with Minnesota Statutes, Section 429. The Final Assessment Roll must be certified to the County Auditor by November 30, 2016.

The Final Assessment Rolls have been calculated based on the final project costs and in accordance with the City's Special Assessment Policy and the assessment methodologies adopted for this project. The final total project cost is \$6,600,000 with the County cost share contribution of \$1,047,000. The final total cost of the street and landscape improvements is \$1,456,000; sanitary sewer improvements are \$826,000; regional drainage improvements are \$2,719,000; and water system improvements are \$552,000. The watermain replacement and regional storm sewer system are not being assessed.

The final street assessments have been calculated based on the final project costs resulting in a residential per unit assessment of \$8,300, down from the preliminary unit assessment of \$9,200; and a commercial per lineal foot assessment of \$230, down from \$255. The street and landscape improvements are being assessed at 30% of the total costs for residential properties using an average residential front footage, and 100% for commercial properties based upon the actual front footage.

The final per REC unit sanitary sewer assessment is \$11,000 with some commercial properties being assigned multiple REC units, down from \$14,000 per REC unit. The Feasibility Reports for both Old Village sanitary sewer projects presented the preliminary assessment amounts to be based on the total cost for the extension of sanitary sewer for both Phase 1 and Phase 2 of the improvements, divided by the total number of REC's (or SAC's) connecting to the sewer main. The Final Assessment Roll for sanitary sewer improvements have been prepared based on council direction provided at the September 6, 2016 council meeting, to assess for sanitary sewer improvements based on the total cost for the overall extension of sanitary sewer improvements needed to replace all (or substantially all) existing private wastewater systems in the Old Village area, including the Phase 1 and Phase 2 sewer improvement projects and future sewer extension projects planned for the Old Village service area.

Assessments for street improvements are being levied over 15 years (increased from 10 years) while the sanitary sewer improvements will be levied over a 20 year period (increased from 15 years).

RECOMMENDATION: Staff is recommending that the City Council adopt Resolution No. 2016-94; Adopting the Final Assessment Roll for the Old Village Phase 1 Street, Drainage, and Utility Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2016-94, Adopting the Final Assessment Roll for the Old Village Phase 1 Street, Drainage, and Utility Improvements.”

ATTACHMENT(S):

1. Resolution No. 2016-94 Adopting the Final Assessment Roll on Street and Watermain Improvements.
2. Notice of Hearing on Proposed Assessment.
3. Final Sanitary Sewer Assessment Roll.
4. Final Street and Landscaping Assessment Roll.

**CITY OF LAKE ELMO
WASHINGTON COUNTY
STATE OF MINNESOTA**

RESOLUTION NO. 2016-94

**A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR
THE OLD VILLAGE PHASE 1 STREET, DRAINAGE, AND UTILITY
IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment for the Old Village Phase 1 Street, Drainage and Utility Improvements including street drainage and utility improvements of Upper 33rd Street N, 36th Street N from Laverne Ave N to west end, and Laverne Avenue North from CSAH 14 to Upper 33rd Street N.

NOW, THEREFORE, BE IT RESOLVED,

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over 15 years for street, drainage and landscaping and 20 years for sanitary sewer, the first of the installments to be payable on or before the first Monday in January, 2017, and shall bear interest at the rate of 2.68% percent per annum from the date of the adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2016. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to the certification of the assessment to the county auditor, pay the whole of the assessment on such property, with the interest accrued to the date of payment, to the City Clerk, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE EIGHTEENTH DAY OF
OCTOBER, 2016.**

CITY OF LAKE ELMO

By: _____
Mike Pearson
Mayor

(Seal)
ATTEST:

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
OLD VILLAGE PHASE 1: STREET, DRAINAGE, AND UTILITY
IMPROVEMENTS

Notice is hereby given that the City Council of Lake Elmo will meet in the Council Chambers of the City Hall at or approximately after 7:00 P.M. on Tuesday, October 18, 2016, to consider, and possibly adopt, the proposed assessment against abutting property for the Old Village Phase 1: Street, Drainage, and Utility Improvement. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the area proposed to be assessed:

- Street, landscape, and streetscape improvements along Upper 33rd Street from Lake Elmo Avenue to Laverne Avenue, Laverne Avenue from Upper 33rd Street to CSAH 14, 36th Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33rd Street to 36th Street.
- Sanitary sewer improvements along Upper 33rd Street from where it crosses the Union Pacific Railroad Tracks to Lake Elmo Avenue, along Laverne Avenue from Upper 33rd Street to CSAH 14, 36th Street from Lake Elmo Avenue to Laverne Avenue, and the Alley between Laverne Avenue and Lake Elmo Avenue from Upper 33rd Street to 200-feet south of 36th Street.

You may at any time prior to certification of the assessment to the county auditor on November 18, 2016, pay the entire assessment on such property to the City Clerk with interest accrued to the date of payment. No interest shall be charged if the entire assessment is paid to the City Clerk 30 days from the adoption of this assessment. You may at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 (date assessment certified to County Auditor) or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 2.68 percent per year.

Once assessments are certified to the County, the assessments are payable in equal annual installments extending over a period of 15 years for street improvements and 20 years for sanitary sewer improvements, the first of the installments to be payable on or before the first Monday in January 2017, and will bear interest at the rate of 2.68 percent per annum from the date of adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of the assessment resolution until December 31, 2016. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total amount of the proposed street improvement assessment is \$471,460. The total amount of the proposed sanitary sewer improvement assessment is \$561,000. *The City*

contribution for the overall improvement project is \$4,519,898 and Washington County's contribution for the overall improvement project is \$1,047,328. Written or oral objections will be considered at the meeting. No appeal may be taken as to the amount of an assessment unless a 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. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to district court pursuant to Minnesota Statutes, Section 429.081 by serving notice of the appeal upon the Mayor or Clerk within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the Mayor or Clerk.

The City Council is authorized in its discretion to defer the payment of an assessment for any homestead property owned by a person for whom it would be a hardship to make payment if the owner is 65 years of age or older and/or the owner is a person retired by virtue of a permanent and total disability or by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in section 190.05 subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments. The owner must request a deferment of the assessment at or before the public hearing at which the assessment is adopted and make application on forms prescribed by the City Clerk within 30 days after the adoption.

Notwithstanding the standards and guidelines established by the City for determining a hardship, a deferment of an assessment may be obtained pursuant to Minnesota Statutes Section 435.193.

DATED: September 20, 2016

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

(Published in the Oakdale-Lake Elmo Review on September 28, 2016)

OLD VILLAGE PHASE 1: STREET AND UTILITY IMPROVEMENTS
 FINAL SANITARY SEWER
 ASSESSMENT ROLL

NO.	NAME	ADDRESS	MAILING ADDRESS	PID	ASSESSMENT			
					AMOUNT	SAC		
1	AGINCOURT LLC	3459 LAKE ELMO AVE N	8602 NEAL AVE N STILLWATER MN	55082	1302921320041	\$ 33,000.00	3	
2	LENZMEIER JOHN & REHAK VICKY	11178 UPPER 33RD ST N	PO BOX 18 LAKE ELMO MN	55042	1302921320042	\$ 11,000.00	1	
3	CHEEE LLC		7250 HUDSON BLVD N OAKDALE MN	55128	1302921310017	\$ 11,000.00	1	
4	CHEEE LLC	11320 UPPER 33RD ST N	7250 HUDSON BLVD N OAKDALE MN	55128	1302921240024	\$ 22,000.00	2	
5	CITY OF LAKE ELMO		3800 LAVERNE AVE N LAKE ELMO MN	55042	1302921230028	\$ 11,000.00	1	
6	JUDITH I MOHAR TRS	3520 LAVERNE AVE N	299 COUNTY RD C2 W ROSEVILLE MN	55113	1302921230027	\$ 11,000.00	1	
7	SQUADRITO FRANK & BARBARA N	3570 LAVERNE AVE N	PO BOX 74 LAKE ELMO MN	55042	1302921230072	\$ 11,000.00	1	
8	BUETEL BRUCE W & ARLINE V	3590 LAVERNE AVE N	PO BOX 124 LAKE ELMO MN	55042	1302921230073	\$ 11,000.00	1	
9	GERMAN EVANG LUTHERAN CHURCH	11194 36TH ST N	11194 36TH ST N LAKE ELMO MN	55042	1302921230060	\$ 33,000.00	3	
10	BJORKMAN BARBARA E	3650 LAVERNE AVE N	3650 LAVERNE AVE N LAKE ELMO MN	55042	1302921230019	\$ 11,000.00	1	
11	PERLTIER GENE M & ANN E		PO BOX 455 LAKE ELMO MN	55042	1302921230018	\$ 11,000.00	1	
12	TRACY R LACRIOX TRS	11199 STILLWATER BLVD N	7485 GRANADA BAY S COTTAGE GROVE MN	55016	1302921230065	\$ 88,000.00	8	
13	LAKE ELMO CREAMERY BLDG LLC	3481 LAVERNE AVE N	7250 HUDSON BLVD N SUITE 160 OAKDALE MN	55128	1302921310016	\$ 44,000.00	4	
14	CITY OF LAKE ELMO		3800 LAVERNE AVE N LAKE ELMO MN	55042	1302921230030	\$ 11,000.00	1	
15	WACKER WILLIAM G & SALLANN	3603 LAVERNE AVE N	PO BOX 167 LAKE ELMO MN	55042	1302921230017	\$ 11,000.00	1	
16	FAINT DAVID S & KAREN L KOHL	3617 LAVERNE AVE N	3617 LAVERNE AVE N LAKE ELMO MN	55042	1302921230075	\$ 11,000.00	1	
17	BUTLER BRYAN C & MOLLY K BRENDMOEN	3631 LAVERNE AVE N	3631 LAVERNE AVE N LAKE ELMO MN	55042	1302921230014	\$ 11,000.00	1	
18	WIER RICHARD R & ANNE M	3645 LAVERNE AVE N	3645 LAVERNE AVE N LAKE ELMO MN	55042	1302921230013	\$ 11,000.00	1	
19	SELDEN TERI G	3673 LAVERNE AVE N	3673 LAVERNE AVE N LAKE ELMO MN	55042	1302921230012	\$ 11,000.00	1	
20	BUETEL DOUGLAS J	3693 LAVERNE AVE N	3693 LAVERNE AVE N LAKE ELMO MN	55042	1302921230009	\$ 11,000.00	1	
21	GUERIN KRISTLE M	3699 LAVERNE AVE N	1171 MANNING AVE S AFTON MN	55001	1302921230008	\$ 11,000.00	1	
22	KOSMAN RICHARD J & CYNTHIA A	11227 STILLWATER BLVD N	20286 ST CROIX TRL N SCANDIA MN	55073	1302921230007	\$ 22,000.00	2	
23	CHRIST LUTHERAN CHURCH LAKE ELMO	3549 LAKE ELMO AVE N	PO BOX 310 LAKE ELMO MN	55042	1302921230053	\$ 22,000.00	2	
24	CITY OF LAKE ELMO	3537 LAKE ELMO AVE N	3800 LAVERNE AVE N LAKE ELMO MN	55042	1302921230054	\$ 11,000.00	1	
25	DALE AND LINDA QUAST TRS	3251 LAKE ELMO AVE N	14664 57TH ST N STILLWATER MN	55082	1302921230058	\$ 11,000.00	1	
26	KROMSCHROEDER JERRY R	3517 LAKE ELMO AVE N	360 RIVER RD HUDSON WI	54016	1302921230057	\$ 11,000.00	1	
27	LAKE ELMO REAL ESTATE GROUP LLC	3515 LAKE ELMO AVE N	2001 OAK GLEN LN STILLWATER MN	55082	1302921230056	\$ 11,000.00	1	
28	RE HAGSTROM PROP LLC	3511 LAKE ELMO AVE N	15 DELLWOOD AVE WHITE BEAR LAKE MN	55110	1302921230059	\$ 22,000.00	2	
29	RDWAGS LLC	3479 LAKE ELMO AVE N	14 KINNUNEN RD ESKO MN	55733	1302921320026	\$ 22,000.00	2	
30	JRSC LLC	3469 LAKE ELMO AVE N	PO BOX 818 STILLWATER MN	55082	1302921320027	\$ 11,000.00	1	
31	CITY OF LAKE ELMO	11200 UPPER 33RD ST N	3800 LAVERNE AVE N LAKE ELMO MN	55042	1302921320044	\$ 11,000.00	1	
32	PELTIER GENE M & ANN E	11179 STILLWATER BLVD N	PO BOX 455 LAKE ELMO MN	55042	1302921230046	\$ 11,000.00	1	
					TOTAL	\$ 561,000.00		

OLD VILLAGE PHASE 1: STREET AND UTILITY IMPROVEMENTS
 FINAL STREET, DRAINAGE, LANDSCAPE, AND STREETScape
 ASSESSMENT ROLL

NO.	NAME	ADDRESS		MAILING ADDRESS				PID	ASSESSMENT	STREET FRONT
									AMOUNT	FOOTAGE
1	AGINCOURT LLC	3459	LAKE ELMO AVE N	8602	NEAL AVE N		STILLWATER MN	55082 1302921320041	\$ 23,000.00	100
2	GERMAN EVANG LUTHERAN CHURCH	11194	36TH ST N	11194	36TH ST N		LAKE ELMO MN	55042 1302921230060	\$ 91,770.00	399
3	CHRIST LUTHERAN CHURCH			11194	36TH ST N		LAKE ELMO MN	55042 1302921230020	\$ 9,200.00	40
4	CHRIST LUTHERAN CHURCH			11194	36TH ST N		LAKE ELMO MN	55042 1302921230061	\$ 4,600.00	20
5	TRACY R LACRIOX TRS	11199	STILLWATER BLVD N	7485	GRANADA BAY S		COTTAGE GROVE MN	55016 1302921230065	\$ 50,830.00	221
6	LAKE ELMO CREAMERY BLDG LLC	3481	LAVERNE AVE N	7250	HUDSON BLVD N SUITE 160		OAKDALE MN	55128 1302921310016	\$ 23,000.00	100
7	LAKE ELMO CREAMERY BLDG LLC			7250	HUDSON BLVD N SUITE 160		OAKDALE MN	55128 1302921320083	\$ 21,160.00	92
8	KOSMAN RICHARD J & CYNTHIA A	11227	STILLWATER BLVD N	20286	ST CROIX TRL N		SCANDIA MN	55073 1302921230007	\$ 16,790.00	73
9	CHRIST LUTHERAN CHURCH LAKE ELMO	3549	LAKE ELMO AVE N		PO BOX 310		LAKE ELMO MN	55042 1302921230053	\$ 33,810.00	147
10	JUDITH I MOHAR TRS	3520	LAVERNE AVE N	299	COUNTY RD C2 W		ROSEVILLE MN	55113 1302921230027	\$ 13,800.00	60
11	JUDITH I MOHAR TRS			299	COUNTY RD C2 W		ROSEVILLE MN	55113 1302921230026	\$ 9,200.00	40
12	LENZMEIER JOHN & REHAK VICKY	11178	UPPER 33RD ST N		PO BOX 18		LAKE ELMO MN	55042 1302921320042	\$ 8,300.00	100
13	JOHNSON STEPHEN D	11320	UPPER 33RD ST N	2915	LAKE ELMO AVE N		LAKE ELMO MN	55042 1302921320088	\$ 8,300.00	390
14	CITY OF LAKE ELMO			3800	LAVERNE AVE N		LAKE ELMO MN	55042 1302921320044	\$ 16,600.00	50
15	CITY OF LAKE ELMO	3510	LAVERNE AVE N	3800	LAVERNE AVE N		LAKE ELMO MN	55042 1302921320031	\$ 8,300.00	83
16	CITY OF LAKE ELMO			3800	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230025	\$ 8,300.00	80
17	SQUADRITO FRANK & BARBARA N	3570	LAVERNE AVE N		PO BOX 74		LAKE ELMO MN	55042 1302921230072	\$ 8,300.00	125
18	BUETEL BRUCE W & ARLINE V	3590	LAVERNE AVE N		PO BOX 124		LAKE ELMO MN	55042 1302921230073	\$ 8,300.00	205
19	BJORKMAN BARBARA E	3650	LAVERNE AVE N	3650	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230019	\$ 8,300.00	100
20	PERLTIER GENE M & ANN E				PO BOX 455		LAKE ELMO MN	55042 1302921230018	\$ 8,300.00	40
21	CITY OF LAKE ELMO			3800	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230030	\$ 33,200.00	260
22	FAINT DAVID S & KAREN L KOHL	3617	LAVERNE AVE N	3617	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230075	\$ 8,300.00	65
23	BUTLER BRYAN C & MOLLY K BRENDMOE	3631	LAVERNE AVE N	3631	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230014	\$ 8,300.00	95
24	WIER RICHARD R & ANNE M	3645	LAVERNE AVE N	3645	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230013	\$ 8,300.00	120
25	SELDEN TERI G	3673	LAVERNE AVE N	3673	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230012	\$ 8,300.00	90
26	BUETEL DOUGLAS J	3693	LAVERNE AVE N	3693	LAVERNE AVE N		LAKE ELMO MN	55042 1302921230009	\$ 8,300.00	75
27	GUERIN KRISTLE M	3699	LAVERNE AVE N	1171	MANNING AVE S		AFTON MN	55001 1302921230008	\$ 8,300.00	60
28	ALBRECHT ANDREA	3603	LAKE ELMO AVE N	3603	LAKE ELMO AVE N		LAKE ELMO MN	55042 1302921230050	\$ 8,300.00	147
TOTAL									\$ 471,460.00	

*Properties in Red represent Commercial properties.

**Properties in Black represent Residential properties.