



STAFF REPORT

DATE: September 3, 2023

CONSENT

AGENDA ITEM: Hudson Boulevard Improvements (Segment A) – Resolution Declaring Costs to be Assessed and Calling for Hearing on Proposed Assessment

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Nicole Miller, City Administrator
Sarah Sonsalla, City Attorney
Marty Powers, Public Works Director
Clarissa Hadler, Finance Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: Should the City Council call a final assessment hearing for the Hudson Boulevard Improvements (Segment A) to be held on October 1, 2024?

BACKGROUND: The City of Lake Elmo awarded a construction contract on June 18, 2024 to Dresel Contracting, Inc. to complete the Hudson Boulevard Improvements (Segment A). The project is scheduled to be completed fall 2024. In accordance with the approved feasibility report, a portion of the project costs are to be assessed to the properties benefitting from the improvements.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429, the Council must declare the amount to be assessed against the benefitting properties and Call the Hearing on the Proposed Assessment for these improvements. The Final Assessment Hearing is proposed for October 1, 2024. The Final Assessment Roll will be certified to the County Auditor by November 15, 2024. Staff has enclosed a proposed Final Assessment Roll which has been calculated in accordance with the approved Feasibility Report and the City's Special Assessment Policy.

The final assessment roll is attached to this Report showing the proposed assessment amount for each of the 10 benefitting properties. Street and drainage improvement assessments for commercial properties are based on assessing 100% of the adjusted street costs (reduced by City contributions for collector oversizing) on a lineal foot basis. With the total improvement frontage of 8,680 feet, the adjusted unit assessment for commercial street frontage is \$132.00 per foot. Assessments for street improvements will be levied over a 15-year period and charged an interest rate of 5.5%.

FISCAL IMPACT: The total post-bid estimated project cost is \$2,615,000. The improvements may be funded through a combination of Municipal State Aid Funds, in the amount of \$1,436,000; Special Assessments, in the estimated amount of \$437,976, and General Tax levy funds in the estimated amount of \$741,024.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the consent agenda*, a Resolution Declaring Costs to be Assessed and Calling for the Hearing on the Proposed Assessment. If removed from the *consent agenda*, the suggested motion to approve this action is as follows:

“Move to approve Resolution No. 2024-096; Declaring Costs to be Assessed and Calling for the Hearing on the Proposed Assessment for the Hudson Boulevard Improvements (Segment A).”

ATTACHMENTS:

1. Resolution Declaring Cost to be Assessed and Calling for Hearing on Proposed Assessment.
2. Notice of Hearing on Proposed Assessment.
3. Final Assessment Roll.

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

**RESOLUTION NO. 2024-096
A RESOLUTION DECLARING COST TO BE ASSESSED AND CALLING
HEARING ON PROPOSED ASSESSMENT FOR THE
HUDSON BOULEVARD IMPROVEMENTS (SEGMENT A)**

WHEREAS, estimated total project costs have been calculated for the Hudson Boulevard Improvements (Segment A) including street improvements; and

WHEREAS, the total cost of the public improvements will be \$2,615,000.

WHEREAS, the City Clerk and City Engineer have prepared the proposed assessment roll and will maintain said assessment roll on file in the City offices for public inspection.

NOW, THEREFORE, BE IT RESOLVED,

1. The portion of the cost of such street improvements to be covered by the City is hereby declared to be \$2,177,024 and the portion of the cost to be assessed against benefited property owners is declared to be \$437,976.
2. The City Clerk, with the assistance of the City Engineer, has calculated the proper amount to be specially assessed for such improvements against every assessable lot, piece or parcel of land to be benefited by the improvements, and the Clerk has filed a copy of such proposed assessment in the City offices for public inspection.
3. Assessments shall be payable in equal annual installments extending over 15 years for street and drainage improvements, the first of the installments to be payable on or before the first Monday in January, 2025 and shall bear interest at the rate of 5.5 percent per annum from the date of the adoption of the assessment resolution.
4. A public hearing shall be held on the 1st day of October, 2024, in the Council Chambers of the City Hall at or approximately after 7:00 P.M. to pass upon such proposed assessment. All persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
5. The City Clerk is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and she shall state in the notice the total cost of the improvement. She shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearings.
6. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the entire assessment on such property, with interest accrued to the date of payment, to the City Clerk. No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment. A property owner 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 succeeding year.

ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE THIRD DAY OF SEPTEMBER, 2024.

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Charles Cadenhead
Mayor

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
HUDSON BOULEVARD IMPROVEMENTS (SEGMENT A)

Notice is hereby given that the City Council of Lake Elmo will conduct a public hearing on **Tuesday October 1, 2024** at, or approximately after, 7:00 P.M. at Lake Elmo City Hall to consider, and possibly adopt, the proposed assessment against abutting properties for the Hudson Boulevard Improvements (Segment A). Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the proposed improvements and area(s) to be assessed:

Street and drainage improvements along Hudson Boulevard North, from Inwood Avenue (CSAH 13) to approximately 1,400 feet east of Jade Trail or approximately 4,340 feet (0.82 miles) in length.

You may at any time prior to certification of the assessment to the county auditor on November 15, 2024, 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 prior to November 1, 2024. 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 (for the assessment to be 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 5.5 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 and drainage improvements, the first of the installments to be payable on or before the first Monday in January 2025 and will bear interest at the rate of 5.5 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, 2024. 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 street improvement amount to be assessed is \$437,976. The City contribution for the overall improvement project is \$2,177,024. 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 3, 2024

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Charles Cadenhead, Mayor

(Published in the Stillwater Gazette on September 6, 2024)

HUDSON BOULEVARD IMPROVEMENTS - SEGMENT A
ASSESSABLE PROPERTIES
FINAL ASSESSMENT ROLL

NO.	NAME	ADDRESS	MAILING ADDRESS	PID	ASSESSABLE COMMERCIAL FRONTAGE (FT)	STREET AND DRAINAGE ASSESSMENT AMOUNT
1	CITY & COUNTY CREDIT UNION	8500 HUDSON BLVD N	144 11TH ST E ST PAUL MN 55101	3302921420010	308	\$40,656
2	HOA HOTELS LLC	8511 HUDSON BLVD N	1501 RIVER DR MOLINE IL 61265	3302921430009	206	\$27,192
3	MACHINE SHED LLC	8515 HUDSON BLVD N	1501 RIVER DR MOLINE IL 61265	3302921430010	206	\$27,192
4	MLL HIGH POINTE LLC	8650 HUDSON BLVD N	155 FEDERAL ST #604 BOSTON MA 02210	3302921440007	616	\$81,312
5	8665 HUDSON BLVD LLC	8665 HUDSON BLVD N	1905 2ND ST N STILLWATER MN 55082	3302921440037	617	\$81,444
6	COLLISION CONSULTING SERVICES LLC	8910 HUDSON BLVD N	3750 VIKING DR PINE SPRINGS MN 55128	3302921440003	176	\$23,232
7	AWESOME WOODBURY LLC	8980 HUDSON BLVD N	7601 WAYTAZA BLVD MINNEAPOLIS MN 55426	3302921440005	200	\$26,400
8	HSRE LAKE ELMO LLC	9200 HUDSON BLVD N	9200 HUDSON BLVD N LAKE ELMO MN 55042	3402921330005	328	\$43,296
9	LAMPERT YARDS INC	9220 HUDSON BLVD N	1850 COMO AVE ST PAUL MN 55108	3402921330004	328	\$43,296
10	GATSBY INV I LLC	9242 HUDSON BLVD N	2550 UNIVERSITY AVE W #3055 ST PAUL MN 55114	3402921340004	333	\$43,956
TOTAL					3318	\$437,976