



REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 7/15/2025
Agenda Section: Consent Agenda

Department Origination: Finance

Agenda Item: Adopt Resolution 2025-061 Amending Assessments of Certain Properties for the 2018 Cypress Drive Improvements Project, City Project 4027

Approval Required: Simple Majority Vote

BACKGROUND

As part of the 2018 Cypress Drive Improvements project, parcels were assessed for the abutting improvements and a portion of the roundabout intersection improvements at College Road and Excelsior Road. After the special assessment hearing and certification of the special assessments to the county, MnDOT determined their state-owned parcels did not receive any benefit. Reviewing MnDOT's assessments on the project with the city attorney, it was concluded state agencies may determine whether there is benefit of local assessments to state-owned parcels under MN Statute 435.19 Subdivision 2 and the assessments are not collectible. Attached is a resolution to amend the assessment roll to remove the assessment from MnDOT affected parcels.

FINANCIAL IMPLICATIONS

The levied assessments for the three state-owned parcels total \$42,586.53. The entire assessments are proposed to be removed from parcels. The project was financed by the 2018 G.O. Improvement Bonds being repaid in part by the project's special assessments. To the extent necessary, a higher debt service levy in the future or funding from another city revenue source will be utilized to cover the lost special assessments.

STAFF RECOMMENDATIONS

Based upon the city attorney's recommendation that the state-owned parcels cannot be collected, it is recommended to adopt the attached resolution to remove the assessments from the assessment roll for the project.

COUNCIL ACTION REQUESTED

Adopt Resolution 2025-061 to amend the assessment roll for Parcels 40080768, 40080767, and 40080759 of the 2018 Cypress Drive Improvements Project, City Project No. 4027