

CITY OF
GRAND RAPIDS
IT'S IN MINNESOTA'S NATURE

Feasibility Report

For:

21st Street SW Extension

(Extension of 21st Street SW from Forest Hills Avenue to Horseshoe Lake Road)

City Project 2003-18

December 20, 2021

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EXECUTIVE SUMMARY

City Project 2003-18, 21st Street SW Extension Project, involves the construction of 0.50 miles of roadway, multi-use trail, storm sewer, sanitary sewer, water main, street lights, sidewalks, and associated appurtenances. The improvements are located from the existing Forest Hills Avenue to Horseshoe Lake Road. *The locations and detail associated with the proposed additions are represented on the figures within the body of this report.*

The Engineering Departments opinion of cost for City Project 2003-18 is as follows:

Opinion of Cost

Construction Cost	\$1,892,185
10% Contingency	\$189,218
Engineering	\$378,437
Legal/Publishing/Easement	\$5,000
Easements	\$35,490
Administration	\$37,844
Cost of Issuance	\$75,687
Arts and Culture	\$28,383
Total Project Cost	\$2,642,244

In accordance with the City Special Assessment Policy, this project will be financed as follows:

Proposed Financing

(1) Assessments	\$585,298
GRPU – Sanitary	\$0
GRPU – Water	\$0
LRIP Grant	\$1,250,000
MSA Construction	\$716,695
IRRRB Regional Trails	\$139,500
G.O. Bonding	\$0
Total	\$2,642,244

(1) \$2,395.32 of the assessments are levied against City properties and are not included in this amount. Initially, assessments will be funded with CARES funds until payment is made.

This project is feasible. With the extension of 21st Street SW, there will be an increase in availability for development along 21st Street SW as well as access to city trails and roads. The extension will provide congestion relief to CSAH 23 (Golf Course Rd) as well as provided a benefit to the medical, retail, and education communities. This project has

the opportunity to add sanitary sewer as well as water main to create developable properties within the City.

Regards,

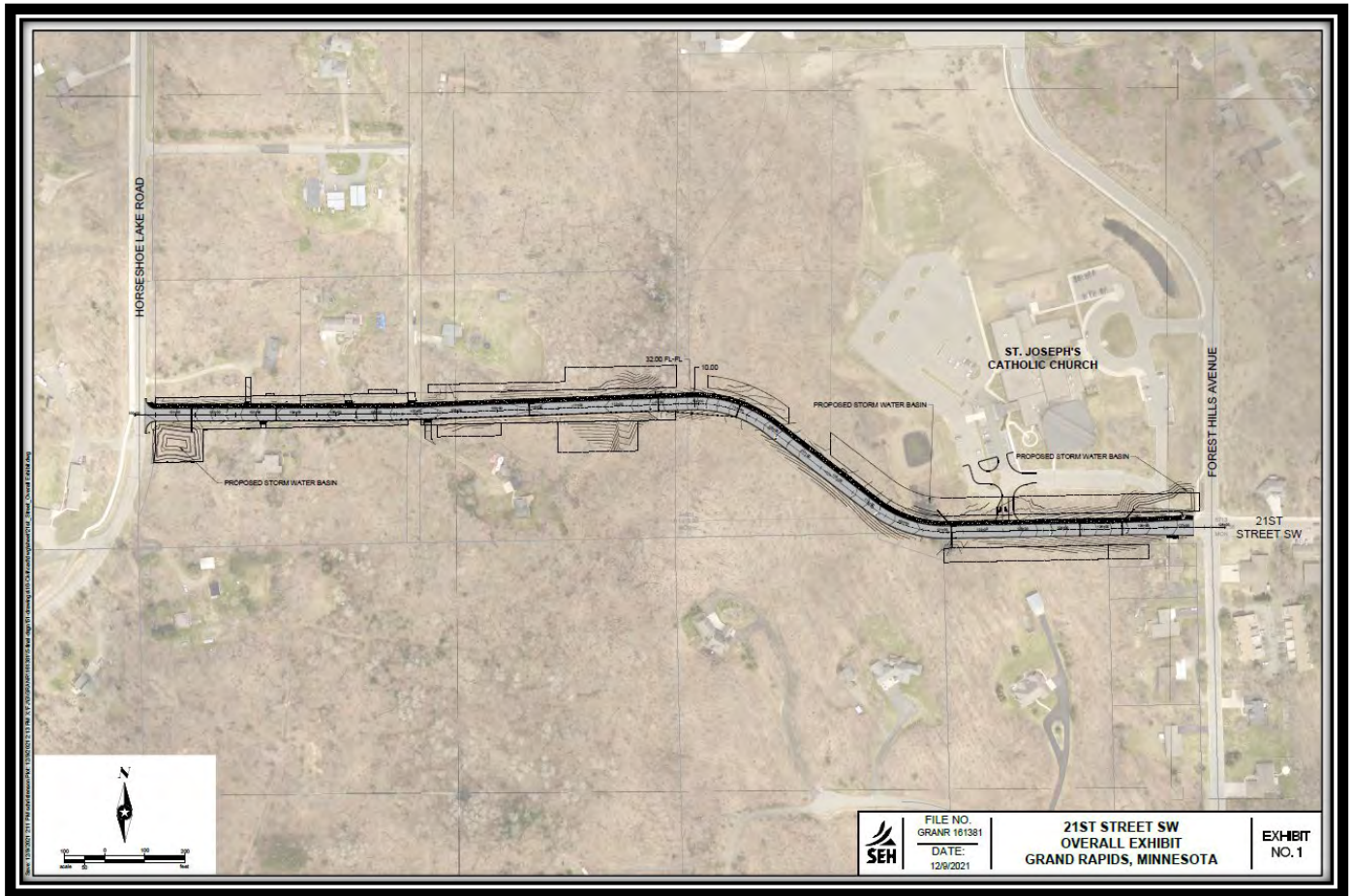


Matt Wegwerth, PE
Public Works Director / City Engineer

Cc: Tom Pagel, City Administrator
Barb Baird, Finance Director
Julie Kennedy, GRPU General Manager
Steve Mattson, Water and Sewer Department Manager

PROJECT BACKGROUND AND SCOPE

The extension of infrastructure related to this project will generally occur from the intersection of Forest Hills Avenue and 21st Street SW expanding west to Horseshoe Lake Road. The project will include the improvements of roadway, multi-use trail, storm sewer, sanitary sewer, water main, street lights, sidewalks, and associated appurtenances. See figure below for general location and extent of work.



PROJECT DESCRIPTION

ROADWAY

21st Street SW, currently begins at the intersection of TH 169 and ends at the intersection of Forest Hills Ave. The construction of 21st Street SW will be extended west to Horseshoe Lake Road. The new roadway will be a width of 32ft flowline to flowline. The following picture displays the location of the existing roadway.



Due to the growing population of Grand Rapids, there has been increase of the number of cars on roads. The extension of 21st Street SW will provide congestion relief to CSAH 23 (Golf Course Road) as well as provide a benefit to the medical, retail, and education communities.

STORM SEWER

21st Street SW, there are various storm sewer crossings, mains, and basins along the extended 21st Street SW which will be constructed. Storm sewer construction will include the addition of mains, leads, catch basins and storm water basins. In some locations on the property of St. Joseph's Church, storm water basins already exist. These will be extended in order to help improve drainage. One of the current storm water basins is shown below.



WATER MAIN AND SANITARY SEWER

Option 1 – 21st St SW

Option 1 would not include the installation of water and sewer along the new roadway. This option would construct only the roadway, multi-use trail, storm sewer, street lights, sidewalks, and associated appurtenances from Forest Hills Avenue to Horseshoe Lake Road. There are advantages and disadvantages with this option. It is very cost effective. The City would not have extra expenses to finance water main and sanitary sewer and property owners would not be assessed. Development in the future could be more difficult without these utilities. This option is feasible especially in cost but not feasible in future development.

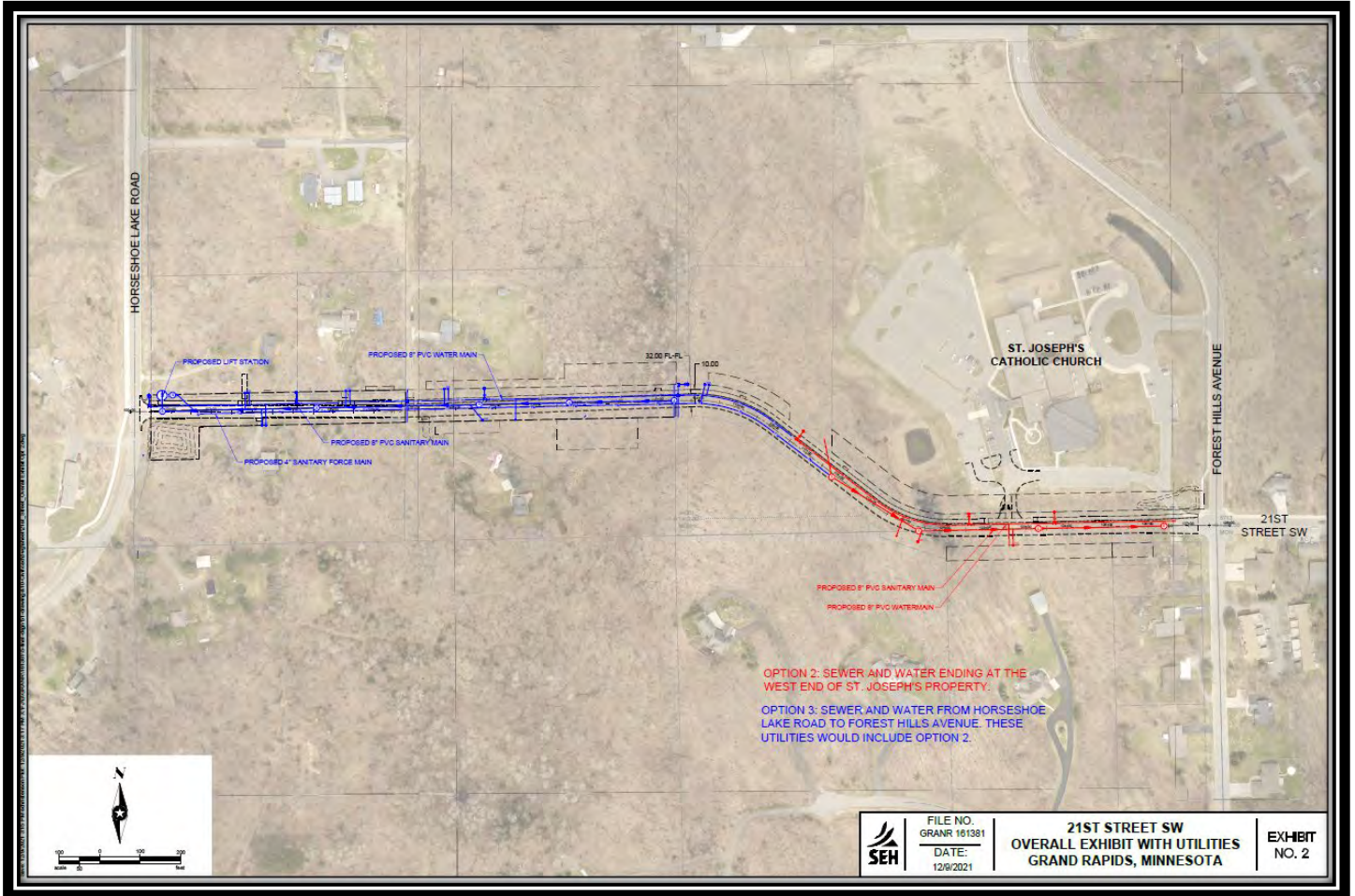
Option 2 – 21st St SW

Option 2 would include the extension of water and sewer for only a portion of the new roadway. Utilities would be extended from Forest Hills Avenue but ending near the West property lines of St. Joseph's Catholic Church. The roadway, multi-use trail, storm sewer, street lights, sidewalks, and associated appurtenances would be extended from Forest Hills Avenue to Horseshoe Lake Road. This option is cost effective as far as what the City can afford and will provide a gateway to future development. Currently, St. Joseph's Catholic Church is in the process of developing a housing plan for the property to the west of the existing church. With this option, the new development funded by the church will be provided with water and sewer. Extending the water and sewer to these properties will also make it easier for development to the west in the future. This option will keep the assessment rates low due to only providing services to St. Joseph's Catholic Church. This option is feasible due to the affordable cost and the ability to develop now and in the future.

Option 3- 21st St SW

Option 3 would install utilities the entire length of the project. Water main and sanitary sewer would be extended from Forest Hills Avenue to Horseshoe Lake Road. The extension of the water main and sanitary sewer would be the same as the roadway, multi-use trail, storm sewer, street lights, sidewalks, and associated appurtenances. There are advantages and disadvantages with this option. It is not the most cost efficient for the residents nor the City. Due to the rural residential zoning and the lots being so large, the number of property owners who would be assessed for the improvements is few therefore the cost is high. This option provides easy access to water and sewer for all adjacent properties, which may make the land more valuable to current/future owners. This option is feasible in regards to the ability to easily develop now and in the future but is not feasible in regards to the cost of the improvements.

The exhibit below shows 21st Street SW with Sewer and Water options. Option 2 (red) is shown with Sewer and Water extending near the west property line of St. Joseph’s Church. Option 3 (blue) is shown with Sewer and Water extending all the way to Horseshoe Lake Rd.



The estimated cost for each of the three options is shown below:

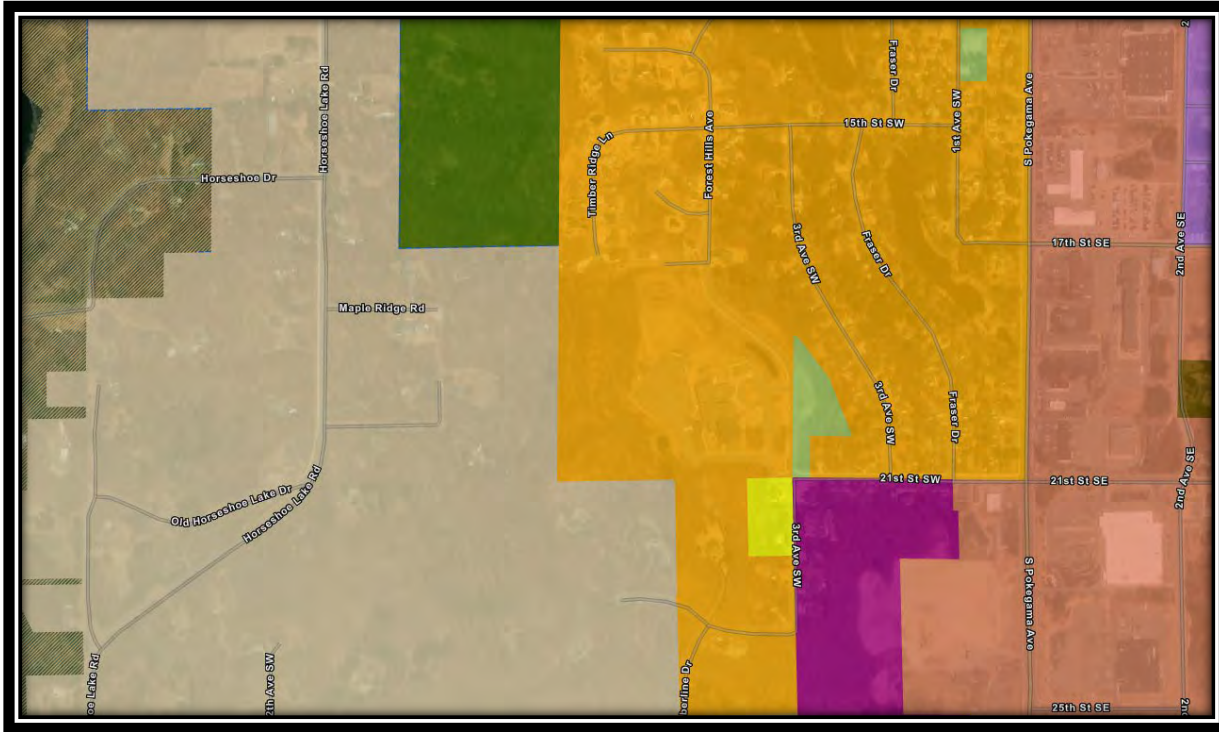
Cost Estimates – Utility Costs












Option 1	\$0.00
Option 2	\$443,202.50
Option 3	\$1,262,953.90

It is the recommendation that Option 2 be selected for utility installation.

ZONING

The zoning within the project area is a mix of One-Family Residence, Multi-Family Residence of high and medium density, One and Two-Family Residence, Rural Residential Area, Shoreland Residential, Urban Overlay, Conservancy, Public Use, Limited Business and General Business. See zoning maps below.



- | | | | |
|---|---|--|----------------------|
|  | Multi-Family Residence (High Density) |  | General Business |
|  | Multi-Family Residence (Medium Density) |  | Public Use |
|  | One and Two-Family Residence |  | One-Family Residence |
|  | Rural Residential |  | Limited Business |
|  | Shoreland Rural Residential |  | Urban Overlay |
|  | Conservancy | | |

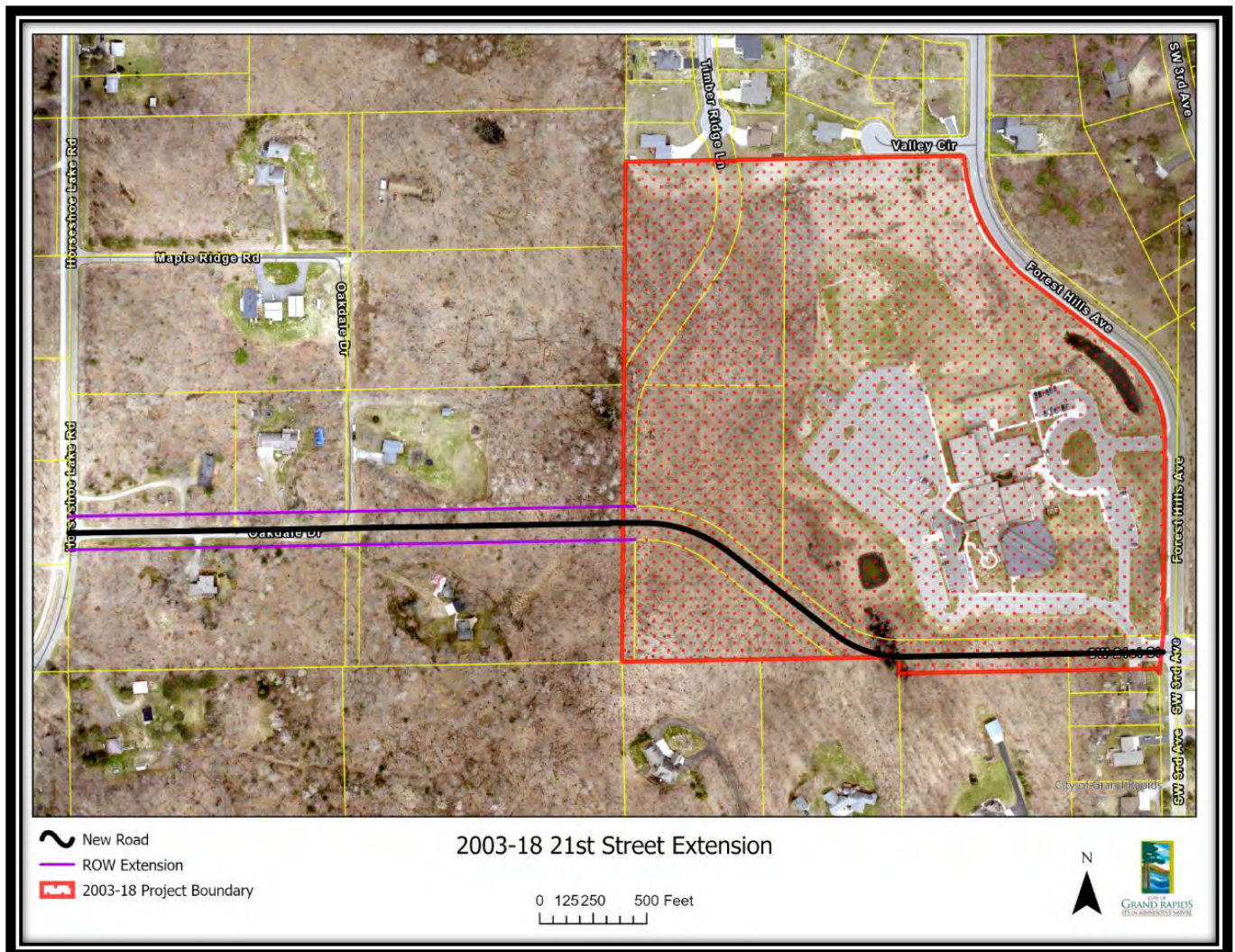
PROJECT INITIATION

On June 28, 2021, the City Council passed a resolution ordering the preparation of this feasibility report. This project must be considered as a City initiated project and would, therefore, require a favorable 4/5th vote of the City Council to advance.

BENEFIT AREA

The benefit area for this project is identified below. The area is consistent with the Special Assessment Policy adopted on November 8, 1993, and most recently amended on December 6, 2021. (For detailed assessment calculations see Appendix B).

Benefit Boundary



Assessment Lengths



PUBLIC MEETINGS

A neighborhood meeting was not held for this project, instead City staff met with all adjacent property owners individually. The purpose of these meetings was to discuss the proposed improvements and gain input on utilities and future development. All residents supported the project.

PROJECT SCHEDULE

The project is tentatively scheduled to advance as follows:

Feasibility Report to council	December 20, 2021
Public Hearing	January 24, 2022
Order Plans & Specifications	January 24, 2022
Approve Plans and Advertise for Bids	February 28, 2022
Open Bids	March 29, 2022
Award Contract	April 11, 2022
Construction Begins	May, 2022
Substantial Completion	August, 2022

PROJECT COST AND FINANCING

The City of Grand Rapids has been awarded two grants for this project. \$1,250,000 was granted from the Local Road Improvement Program (LRIP) as well as \$139,500 from IRRRB Regional Trails program. Assessments will be levied against benefiting properties as appropriate, and the remainder of the project will be funded with Municipal State Aid Construction monies.

The Engineering Departments opinion of cost for City Project 2003-18 follows:

Opinion of Cost

Construction Cost	\$1,892,185
10% Contingency	\$189,218
Engineering	\$378,437
Legal/Publishing/Easement	\$5,000
Easements	\$35,490
Administration	\$37,844
Cost of Issuance	\$75,687
Arts and Culture	\$28,383
Total Project Cost	\$2,642,244

In accordance with the City Special Assessment Policy, this project will be financed as follows:

Proposed Assessments

New Roadway Construction – Urban	\$111,691
New Utility Construction	\$476,067
Total	\$587,758

Proposed Financing

(1) Assessments	\$585,298
GRPU – Sanitary	\$0
GRPU – Water	\$0
LRIP Grant	\$1,250,000
MSA Construction	\$716,695
IRRRB Regional Trails	\$139,500
G.O. Bonding	\$0
Total	\$2,642,244

(1) \$2,395.32 of the assessments are levied against City properties and are not included in this amount. Initially, assessments will be funded with CARES funds until payment is made.

PROJECT NEED

The extension of 21st St SW will provide congestion relief to CSAH 23 (Golf Course Road) as well as provide a benefit to the medical, retail, and education communities. In the future, development will be accessible and easier with the extension of this roadway, multi-use trail storm sewer, sanitary sewer, water main, street lights, sidewalks, and associated appurtenances. The finances from the Minnesota State Aid Grant will help fund the project and therefore make this project on the priority list.

The Engineering Department supports the improvements as described in this report.

COST EFFECTIVENESS

The materials and methods that will be employed to construct these improvements have been proven to be a cost effective means by which to provide adequate pavements and utility mains.

APPENDIX A -Detailed Project Costs

Project Cost			
CONSTRUCTION COST	\$1,892,185	Street Lighting	
10% CONTINGENCY	\$189,218	Construction Cost	\$50,472
ENGINEERING	\$378,437	Non- Construction	\$20,007
LEGAL/PUBLISHING/EASE	\$5,000	Total Storm Sewer	\$70,479
EASEMENTS	\$35,490		
ADMINISTRATION	\$37,844	Sanitary Sewer Main	
COST OF ISSUANCE	\$75,687	Construction Cost	\$124,720
ARTS AND CULTURE	\$28,383	Non- Construction	\$49,439
Total Project Cost	\$2,642,244	Total Sanitary - GRPU	\$174,159
% Non-Construction	39.64%		
		Sanitary Sewer Service	
		Construction Cost	\$15,760
		Non- Construction	\$6,247
Streets		Total Sanitary Services	\$22,007
Construction Cost	\$1,189,807.50		
Non- Construction	\$471,638		
Total Streets	\$1,661,445	Water Main	
		Construction Cost	\$182,185
Storm Sewer		Non- Construction	\$72,218
Construction Cost	\$310,980	Total Water Main	\$254,403
Non- Construction	\$123,272		
Total Storm Sewer	\$434,252	Water Services	
		Construction Cost	\$18,260
		Non- Construction	\$7,238
		Total Water Services	\$25,498

Note: Utility costs shown are for Option 2

APPENDIX B - Preliminary Assessment Calculations

Residential Street TCI Assessment Calculation					
Total Length of Project in feet	1400.00				
Standard 32' Wide Street					
Description	Unit	Quantity Per LF	Total Quantity	Opinion of Cost Unit Price	Total Opinion of Cost
Remove Curb & Gutter	LF	0.00	0.00	\$5.00	\$0
Remove Bituminous Pavement	SY	0.00	0.00	\$3.50	\$0
Sawcut Bituminous	LF/LF	0.21	298.20	\$3.00	\$895
Common Excavation	CY/LF	0.65	907.20	\$4.00	\$3,629
Aggregate Base Class 5 (road)	CY/LF	0.65	907.20	\$32.00	\$29,030
B618 Concrete Curb & Gutter	LF/LF	2.00	2800.00	\$20.00	\$56,000
Type 61 Bituminous Wear (1")	TON/LF	0.19	259.00	\$90.00	\$23,310
Type 31 Bituminous Base (3")	TON/LF	0.53	744.80	\$90.00	\$67,032
4" Concrete Sidewalk w/4" agg base	SF/LF	0.56	778.40	\$4.50	\$3,503
Sod, Type Lawn (includes 3" topsoil)	SY/LF	1.33	1866.20	\$4.00	\$7,465
Mobilization	LS	0.00	1.00	\$14,400.00	\$14,400
Contractor Staking	LS	0.00	1.00	\$2,400.00	\$2,400
Traffic Control	LS	0.00	1.00	\$600.00	\$600
Residential TCI Cost					\$208,263
Non Construction Cost					\$61,729
Total Project TCI Cost					\$269,992
100% Assessed					\$269,992
Total Assessable Footage					4390.00
Assessment Rate per Foot					\$61.5017
Total Reconstruction Assessable Footage					1,776
Total Assessment Rural Reconstruct					109,231

Note: Assessment total does not include amounts levied against City properties

Parcel_Number	NewStr_X	Assessment Type	Assess Length	Assess Rate	Proposed Street Assessment
91-686-2000	1	Urban Residential	192.25	61.50	\$ 11,823.85
91-686-3000	1	Urban Residential	157.31	61.50	\$ 9,674.96
91-686-0110	1	Urban Residential	888.10	61.50	\$ 54,619.61
91-686-4000	1	Urban Residential	334.62	61.50	\$ 20,579.92
91-686-5000	1	Urban Residential	203.78	61.50	\$ 12,532.90
91-032-1167	1	Urban Residential	40.00	61.50	\$ 2,460.05

APPENDIX C - Assessment Legal Opinion

2009-4

DIMICH & STERLE

Attorneys at Law

JOHN P. DIMICH

102 Northeast Third Street, Suite 120

CHAD B. STERLE

Grand Rapids, MN 55744

Telephone: 218/326/9646

Facsimile: 218/326/9647

E-mail: csterle@grandrapidsmn.com

October 7, 2008

Mr. Tom Pagel
City of Grand Rapids
420 North Pokegama Avenue
Grand Rapids, MN 55744

OCT 10 2008

Re: Timberline Drive Deed Restrictions

Dear Mr. Pagel:

I am in receipt of your October 2 request for me to review a "Declaration of Covenants and Restrictions" relative to property located on Timberline Drive in the City of Grand Rapids.

It has come to my attention that at some time in the future you intend to construct 21st Street through property adjacent to Timberline Drive, thereby needing clarification as to how our special assessment policy will apply to these properties. As we both know, these are large tracts of land which would typically lead to higher assessments due to the fact that these properties could be subdivided and sold at a later date for increased value in relation to the infrastructure extended by the City of Grand Rapids. Our special assessment policy allows for a higher assessment upon properties which can be subdivided and later sold. However, in reviewing document no. 500640 entitled "Declaration of Covenants and Restrictions" attached to this letter, I have analyzed this document and make the following conclusions.

As you can see from paragraphs 9 and 10 on the attached document, the lots on Timberline Drive are not allowed to be subdivided. The only exception is that a variance could be granted allowing subdivision if the owners of this common development would agree to allow subdivision by a two-thirds vote. It seems reasonable to assume that such subdivision and deed restriction would not be allowed by the property owners. Therefore, if we specially assess these properties at a higher rate, claiming that they could be subdivided, we could run into issues under Minnesota Statute 469 in showing to a court of law that the special assessments benefited the property in an amount set by the city while considering subdivision as a possibility. Therefore I believe it would be proper not to specially assess these properties with the theory in mind that they would be allowed to subdivide, as I do not believe that would be justifiable in court.

Mr. Tom Pagel

10/7/08

Page 2 of 2

However, if we were to encounter a piece of property which was large in nature, owned by one individual, and that individual were to place a similar deed restriction upon their own property and claim that we could not specially assess based upon subdivision because of said covenant, in my estimation that would not be legal nor reasonable, as that individual property owner could remove that deed restriction at any time, thereby receiving a benefit conferred by the citizens of Grand Rapids and avoid being specially assessed an appropriate amount.

Please take an opportunity to read this letter as well as the Declaration of Covenants and Restrictions attached and contact me with any questions that you may have.

Sincerely,

Chad B. Sterle
Attorney at Law

CBS/bkm
Enc.

- continued -

2. Lot owners may provide for the construction of residential structures which shall have a main living area of not less than 1,000 square feet, and the minimum living area shall be exclusive of any garage, porch, patio or similar appurtenance. Each dwelling shall have a garage which must be able to contain at least two automobiles.
3. No house trailers, mobile homes, prefabricated homes, tent trailers, tents or other mobile or temporary structures shall be kept or maintained on any building lot for the purpose of habitation. This provision shall not be construed to prohibit occasional tenting or storage by owners of said lots but such activity shall not exceed 30 successive days.
4. One outbuilding per lot shall be permitted upon each building site. This shall be of a permanent nature and constructed on a concrete slab and/or concrete or wood foundation of not more than 1250 square feet and must comply with setback requirements of the Itasca County Zoning Ordinances. No metal buildings allowed, must be stick built to match house with a 100 foot setback from road and must be masked from road.
5. No man-made objects other than approved structures, operable land, air and water vehicles and accessories, boats and boat trailers, and usable furniture, fixtures and equipment incidental to a residence, shall be kept on the premises except inside an approved structure or otherwise screened from view from neighboring properties and public streets.
6. Garbage, trash, solid waste and junk shall be removed at reasonable intervals.
7. No animals or livestock shall be kept on the premises except domesticated household pets. No noxious, dangerous, offensive or unduly noisy activity of any nature shall be permitted on the premises. Each building lot and structures thereon shall be kept and maintained in a clean, safe and attractive condition. The storage of any building materials, grass, compost, refuse, garbage, trash, or trailers shall be effectively screened from view.
8. Each building lot owner on the above described premises shall have the right to proceed against any person violating or attempting to violate any provision contained herein, to prevent and abate such violation and to compel compliance with the terms of this instrument.
9. That no lot owner shall be allowed to subdivide any of the above described lots.
10. Variance from the provisions hereof may be granted by a vote of the owners of two-thirds of said lots (each lot being entitled to one vote). A statement of said variance shall be duly acknowledged and filed in the office of the County Recorder for Itasca County, Minnesota, and shall be conclusive and binding upon all owners that the variance is in compliance with the provisions hereof and the deviation shall be waived to the extent thereof.
11. The grantees of deeds conveying land in the above described premises, by the acceptance of such deeds, bind themselves, their respective heirs, devisees, executors, administrators and assigns, that the land and buildings thereon, or to be erected, shall be used and occupied in compliance with the provisions of this instrument.
12. Enforcement of these provisions shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants or restrictions either to restrain violation or to recover damages. The invalidation of any one or more of the covenants, restrictions, conditions or provisions herein contained, or any part or parts thereof, shall in no way affect any of the other provisions hereof and they shall remain in full force and effect.
13. These restrictions shall be in addition to those imposed by the Itasca County Zoning Ordinances.

at their last known address.

57.

Steven A. Gilbertson and
Cynthia Gilbertson, husband
and wife; David M. Hromyak
and Juli A. Hromyak, husband
and wife; Fred S. Meyer and
Lois J. Meyer, husband and
wife; Timothy Felosi and
Jolynn Felosi, husband and
wife; James R. Lewis and
Sharron Lewis, husband and
wife; Gary D. Lemke and
JoAnn Lemke, husband and wife;
and Timothy P. Larson and
Diane R. Larson, husband and
wife; Declarants

to

The Public

right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. 1. The land shall be used for private residential purposes only. No group homes, daycare centers or business or commercial activity shall be permitted within the area of the land described above except home occupations that do not require signs or significant customer traffic.

Declaration of Covenants and Restrictions
Document No. 500640

Dated October 20, 1998

Ackn. October 20 and 23, November 2 and 17
December 4, 1998 and January 19, 1999

Filed January 25, 1999

Declarants are the fee owners of certain
property in Itasca County, Minnesota, more
particularly described as follows:

Tract K (David M. Hromyak & Juli A. Hromyak)
The E½ of the NW¼ of the NE¼ NE¼, Section
32-55-25, Itasca County, Minnesota.

(Document also describes other Tracts of
land NOT abstracted herein.)

Declarants hereby declare that all of the
properties described above shall be held,
sold and conveyed subject to the following
easements, restrictions, covenants, and
conditions, which are for the purpose of
protecting the value and desirability of,
and which shall run with, the real property
and be binding on all parties having any

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APPENDIX D- Preliminary Plans

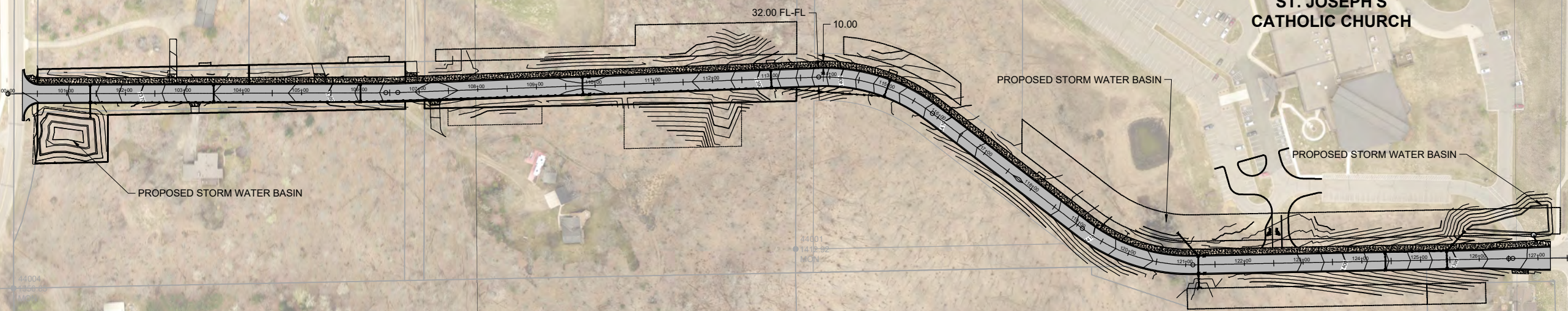
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HORSESHOE LAKE ROAD

FOREST HILLS AVENUE

ST. JOSEPH'S CATHOLIC CHURCH

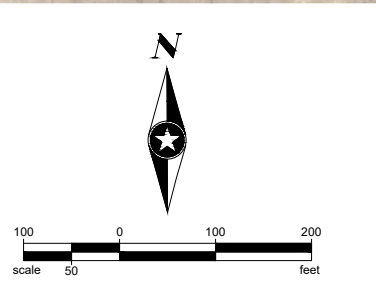
21ST STREET SW



PROPOSED STORM WATER BASIN

PROPOSED STORM WATER BASIN

PROPOSED STORM WATER BASIN



	FILE NO. GRANR 161381	21ST STREET SW OVERALL EXHIBIT GRAND RAPIDS, MINNESOTA	EXHIBIT NO. 1
	DATE: 12/9/2021		

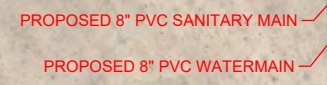
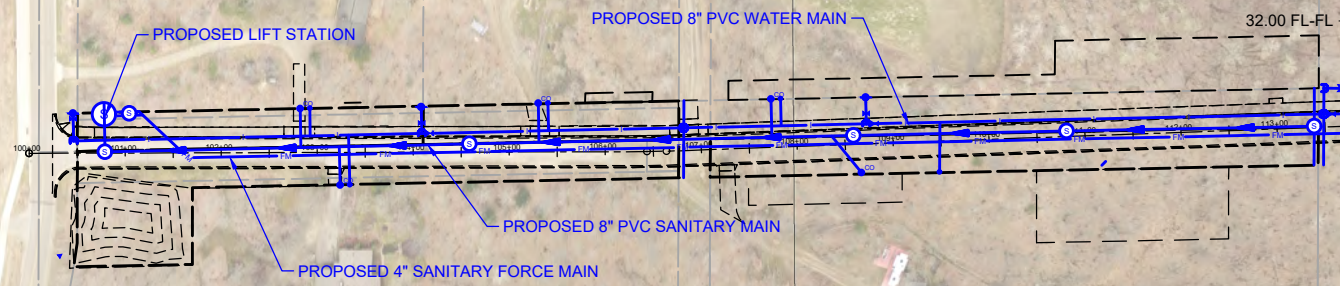
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HORSESHOE LAKE ROAD

FOREST HILLS AVENUE

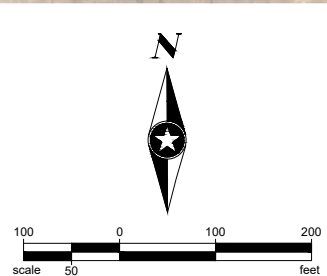
ST. JOSEPH'S CATHOLIC CHURCH

21ST STREET SW



OPTION 2: SEWER AND WATER ENDING AT THE WEST END OF ST. JOSEPH'S PROPERTY.

OPTION 3: SEWER AND WATER FROM HORSESHOE LAKE ROAD TO FOREST HILLS AVENUE. THESE UTILITIES WOULD INCLUDE OPTION 2.



FILE NO.
GRANR 161381

DATE:
12/9/2021

21ST STREET SW
OVERALL EXHIBIT WITH UTILITIES
GRAND RAPIDS, MINNESOTA

EXHIBIT
NO. 2