

5th Street SW Reconstruction Project

City Project 2021-2

**Final Public Hearing
October 25, 2021**

GRAND RAPIDS

IT'S IN MINNESOTA'S NATURE



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5th Street SW Reconstruction Project Final Public Hearing **Project Overview**

Location

5th Street SW





5th Street SW Reconstruction Project Final Public Hearing

Project Overview

Project Consisted of:

- Street reconstruction
- Alley grading / reconstruction
- Storm Sewer Main, Catch Basin/Lead replacement
- Street Light replacement



5th Street SW Reconstruction Project Final Public Hearing

Project Overview - Street

5th Street SW (10th Av to 11th Av)

- Reconstructed to 28 feet wide



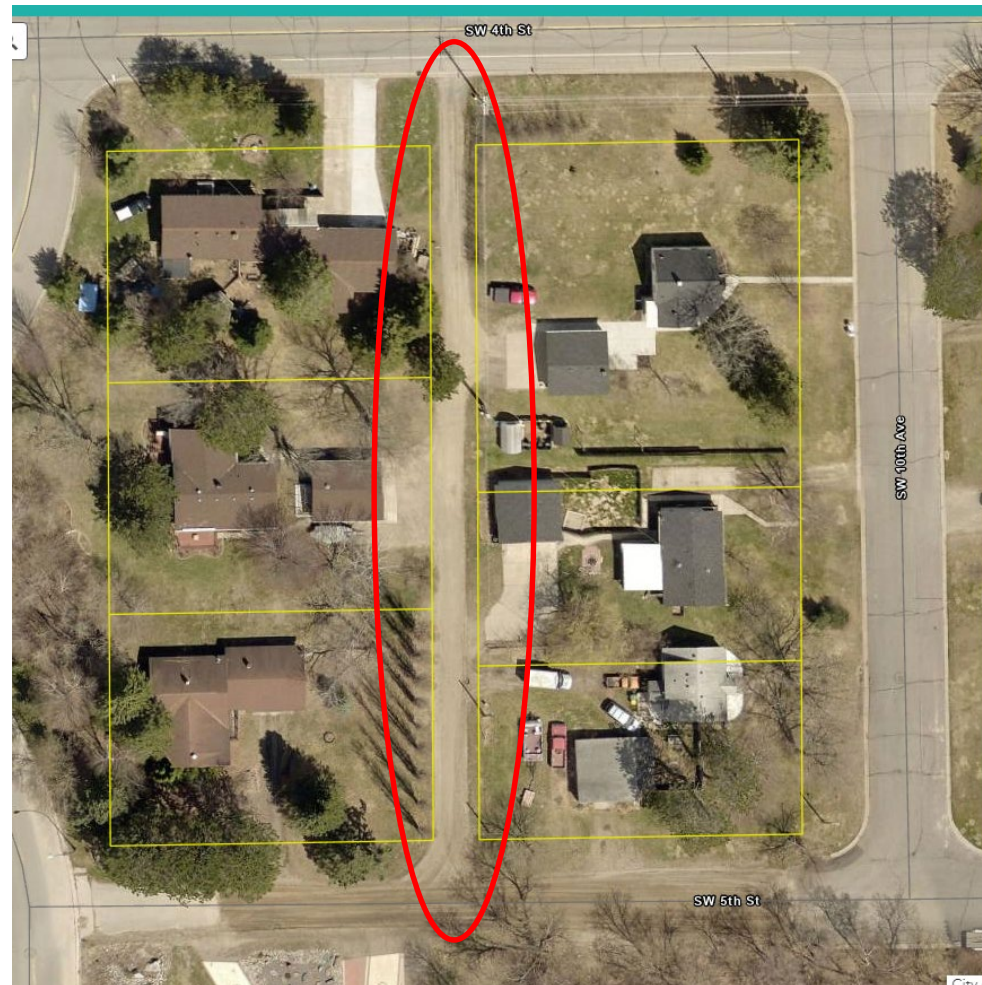


5th Street SW Reconstruction Project Preliminary Public Hearing

Project Overview - Street

Alley

- Existing is 14 feet wide
- Proposed is 14 feet wide with regrading and drainage improvements





5th Street SW Reconstruction Project Preliminary Public Hearing

Project Overview - Storm

5th Street SW (10th Av to 11th Av)

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Project Overview

Costs and Funding Summary

Project Cost						
CONSTRUCTION COST	\$277,800	Street Lighting			Assessments Funding	
10% CONTINGENCY	\$27,780	Construction Cost	\$9,580		Overlay - Residential	\$0
ENGINEERING	\$55,560	Non- Construction	\$3,765		Full Reconstruct - Residential	\$19,666
LEGAL/PUBLISHING/EASE	\$5,000	Total Storm Sewer	\$13,345		Full Reconstruct - Non Res	\$0
ADMINISTRATION	\$5,556				Total	\$19,666
COST OF ISSUANCE	\$11,112	Sanitary Sewer Main				
ARTS AND CULTURE	\$4,167	Construction Cost	\$0			
Total Project Cost	\$386,975	Non- Construction	\$0		City Assessments (not collectable)	\$4,109.40
% Non-Construction	39.30%	Total Sanitary - GRPU	\$0			
		Sanitary Sewer Service			Funding	
		Construction Cost	\$0		Assessments	\$ 15,556
		Non- Construction	\$0		GRPU - Sanitary	\$ -
		Total Sanitary Services	\$0		GRPU - Water	\$ -
		GRPU 60%	\$0		Storm Water Utility	\$ -
		Assessed	\$0		MSA Construction	\$ -
Streets		Number of Services	-		MSA Maintenance	\$ -
Construction Cost	\$190,353	Assessment Rate	\$0		PIR	\$ -
Non- Construction	\$74,808				G.O. Bonding	\$ 371,419
Total Streets	\$265,162				Total	\$386,975
		Water Main				
Storm Sewer		Construction Cost	\$0			
Construction Cost	\$77,867	Non- Construction	\$0			
Non- Construction	\$30,601	Total Water Main	\$0			
Total Storm Sewer	\$108,468					
		Water Services				
		Construction Cost	\$0			
		Non- Construction	\$0			
		Total Water Services	\$0			
		GRPU 60%	\$0			
		Assessed	\$0			
		Number of Services	-			
		Assessment Rate	\$0			





5th Street SW Reconstruction Project Final Public Hearing **Special Assessment Policy**

CITY OF GRAND RAPIDS **SPECIAL ASSESSMENT POLICY**



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

Date:

Adopted: November 11, 1993
Amended: April 26, 2004
Amended: October 24, 2005
Amended: December 8, 2008

The Policy ensures that special assessments are consistently calculated from class to class of property from project to project.

This means that...

- Residential properties must be assessed the same from project to project, and
- Non-residential properties must be assessed the same from project to project.



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When determining the amount assessed, 3 parts are included:

- Benefit Boundary
- Assessment Rates
- Assessment Lengths



5th Street SW Reconstruction Project Final Public Hearing **Special Assessment Policy**

Benefit
Boundary





5th Street SW Reconstruction Project

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Special Assessment Policy

Urban Residential Full Reconstruction - Street Assessment Calculation

Residential TCI

Total Length of Project (feet)	320
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Description	Unit / LF (policy)	Qty / LF (policy)	Total Qty (policy)	Opinion of Cost Unit Price	Total Opinion of Cost
Remove Curb & Gutter	LF	2	640	\$0.00	\$0
Remove Bituminous Pavement	SY	3.22	1030	\$0.00	\$0
Sawcut Bituminous	LS	0.213	68.2	\$0.00	\$0
Common Excavation	CY	0.648	207.4	\$22.00	\$4,562
Aggregate Base Class 5 (road)	CY	0.648	207.4	\$28.12	\$5,830
Concrete Curb & Gutter	LF	2	640	\$18.20	\$11,648
Bituminous Wearing Course (1")	TON	0.185	59.2	\$77.33	\$4,578
Bituminous Non-Wear Course (3")	TON	0.532	170.2	\$75.59	\$12,869
4" Conc. S/W w. Agg. Base	SF	0.556	177.9	\$0.00	\$0
Sod, Type Lawn (includes 3" topsoil)	SY	1.333	426.6	\$4.00	\$1,706
Mobilization	LS	1	1	\$7,280.20	\$7,280
Contractor Staking	LS	1	1	\$1,260.55	\$1,261
Traffic Control	LS	1	1	\$963.95	\$964
				Residential TCI Cost	\$50,698
				Non Construction Cost	\$14,854
				Total Project TCI Cost	\$65,552
				30% Assessed	\$19,666
				Total Assessable Footage	670.1266
				Residential Rate per Foot	\$29.3462

Prelim Rate = \$30.16

Special
Assessment
Policy

Urban
Residential Full
Reconstruction
Rate
Calculations





5th Street SW Reconstruction Project Final Public Hearing **Special Assessment Policy**

Assessment
Length
Determination

Typically the
narrower
dimension of
the parcel





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Special Assessment Policy

How Assessments Get Paid

- When Project is complete you will receive a final assessment notice.
- You have 30 days to prepay all or a portion of your assessment with no interest.
- If you elect to not prepay, assessments are then spread over 15 years and will appear on your 2022 property tax statement.
- In the Fall of 2009 the Council changed the policy to not add 2% on top of bond interest – same interest rate as City gets on bond.
- Terms of 15 years, 2.94% annual interest (approx. rate)

\$500	equals	\$ 41.70 /Year
\$1,250	equals	\$ 104.25 /Year
\$2,500	equals	\$ 208.51 /Year
\$5,000	equals	\$ 417.02 /Year
\$8,000	equals	\$ 667.23 /Year



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Deferral Policy

- **Deferral options:**
 - Senior Citizens and Retired Disabled Homeowners
 - 65 years of age or older
 - Retired by reason of permanent or total disability
 - Members of MN National Guard or other military reserves who are ordered in to active military service



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Deferral Policy

- Deferral Criteria
 - Must meet one of the two deferral options
 - Must show that the assessment is a “hardship”
 - Hardship is determined by the annual gross income of the applicant, which must be equal to or less than 200 percent of the current federal poverty guidelines.

Size of Household	200% Federal Poverty Levels
1	\$25,760
2	\$34,840
3	\$43,920
4	\$53,000
5	\$62,080
6	\$71,160



5th Street SW Reconstruction Project Final Public Hearing

Schedule

Council orders Feasibility Report	August 31, 2020
City staff holds Neighborhood Meeting	Not held due to COVID
Council to accept Feasibility Report and call for Public Hearing	December 7, 2020
Council to hold Public Hearing and order plans	January 25, 2021
Council to consider accepting plans and authorize Ad for Bid	March 8, 2021
Council to consider awarding a construction contract	April 2021
Construction	May – September 2021
Council to consider holding proposed assessment Public Hearing	October 25, 2021
Assessments levied to County for 2022	November 2021



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Questions?

