

City of Minneapolis

Request for Committee Action

To: Transportation & Public Works
Date: 9/13/2016
Referral: N/A
From: Public Works Department
Lead Staff: Andrew Carlson, Project Manager, Transportation Maintenance & Repair
Presented by: Andrew Carlson, Project Manager, Transportation Maintenance & Repair
File Type: Resolution
Subcategory: Assessment

Subject:

West Broadway Improvement Special Service District: Proposed 2017 services and service charges

Description:

Passage of Resolution for the West Broadway Improvement Special Service District:

1. Approving the special services and the budget cost estimates in the lump sum total amount of \$110,000 for 2017;
2. Approving service charges and the lists of service charges (assessments) in the lump sum total amount of \$105,000 for 2017;
3. Approving the 2017 Operating Plan and Budget for the West Broadway Improvement Special Service District;
4. Directing the City Clerk to transmit certified copies of the lists of service charges to the Hennepin County Auditor; and
5. Directing the City Engineer to proceed with the work.

Previous Actions:

[16-01027](#) - Notice of public hearings.

[16-00509](#) - City Council amendment the 2016 operating plan and budget for the West Broadway Improvement Special Service District to incorporate 2015 year-end surpluses.

Ward/Address:

Not Applicable

Background/Analysis:

The West Broadway Improvement Special Service District (WBID) is a self-managed District. The West Broadway Business and Area Coalition (WBC), a non-profit corporation, serves as the WBID management entity. All services within the district are managed and delivered by the WBC via a contract with the City. Each year, the WBC recommends the services, estimated budgets and the assessment methodology for the coming year. These service charges would be collected on the 2017 real estate taxes in the same manner as special assessments. There is no interest charge applied. Each affected property owner was mailed a notice of public hearing with the service charge amount 10 days in advance of the public hearing.

WEST BROADWAY IMPROVEMENT SPECIAL SERVICE DISTRICT

The proposed WBID 2017 Operating Plan and Budget were developed by the WBC and reviewed by City staff. The WBC Board of Directors recommends the following services and estimated costs for 2017:

1	Cleaning and Maintenance	\$	70,000
2	Landscape Maintenance, Banners and Seasonal Decorations	\$	20,000
3	Communications and Marketing	\$	0
4	Professional Services and Fees	\$	200
5	Program Management	\$	15,000
6	Program Administration	\$	4,800
	Total	\$	110,000

The service charges are set up such that 100% of the cost of these services (\$110,000 estimated for 2017) is recovered from the affected properties. The WBID ended fiscal year 2015 with a budget surplus of \$14,648. As recommended by the WBC, on April 19, 2016 City Council approved the amendment to incorporate the entire \$14,648 surplus into their 2016 operating plan and budget leaving \$0 to be applied to Pay2017. As provided for in Section 434.50 of the Minneapolis Code of Ordinances, the actual amount of service charges to be collected in 2017 is \$105,000. The remaining \$5,000 in revenue is proposed in the form of an in-kind program management contribution from the WBC (\$105,000 in service charges plus \$5,000 in in-kind services equals \$110,000).

The service charges for 2017 have been calculated according to the street frontage (lineal) method for the costs for the streets receiving services. The services are along West Broadway from Stevens Av N to W River Rd N and along the east side of Washington Avenue North from 18th Avenue North to 21st Avenue North.

If approved, the 2017 service charges of \$105,000 would be collected on the 2017 real estate tax statements in the same manner as special assessments. There is no interest charge applied. The amount of \$105,000 to be collected in 2017 is the same amount collected in 2016.

Staff recommends approval of the 2017 Operating Plan and Budget for the West Broadway Improvement Special Service District.

Financial Review:

No financial impact.