

# Assessment Hearing & Construction Contract Award

## 2024 Central Avenues Improvements

City of Hopkins  
March 19, 2024



# Project Area



## Legend

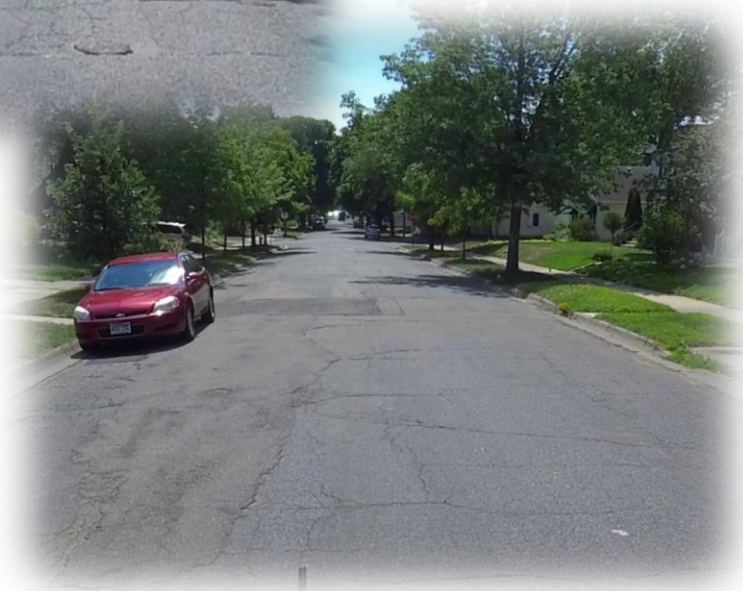


### Project Locations

-  Street & Utility Reconstruction Project Area
-  Pavement Resurfacing Project Area



# Street Improvements



Existing & Proposed Street Widths		
Street Segment	Existing Width	Proposed Width
8 <sup>th</sup> Ave N, 2 <sup>nd</sup> St N to Mtka Mills Rd	31'	28'
7 <sup>th</sup> Ave N, HCRRA Alley to 1 <sup>st</sup> St N	35.4'	35'
7 <sup>th</sup> Ave N, 1 <sup>st</sup> St N to Mtka Mills Rd	35' - 36'	32'
3 <sup>rd</sup> St N, 5 <sup>th</sup> Ave N to 8 <sup>th</sup> Ave N	29.5'	28'
6 <sup>th</sup> Ave N, Mainstreet to 1 <sup>st</sup> St N	Reclaim & Resurface	
1 <sup>st</sup> St N, 5 <sup>th</sup> Ave N to 8 <sup>th</sup> Ave N	Mill & Overlay	
2 <sup>nd</sup> St N, 5 <sup>th</sup> Ave N to 8 <sup>th</sup> Ave N	Mill & Overlay	



# Utility Improvements



# Boulevard Trees

Trees may be removed for one of the following reasons:

- Susceptible to disease or invasive species – Ash trees
- Poor condition – Dead, dying, leaning, etc.
- Conflict with utilities (Sewer and Water lines)
- Conflict with road construction or grading

**Trees that are removed will be replaced with a tree at the end of the project**



Source: [extension.umn.edu/tree-and-shrub-insects/emerald-ash-borers](https://extension.umn.edu/tree-and-shrub-insects/emerald-ash-borers)



# Project Budget & Assessments

## Total Estimated Project Cost

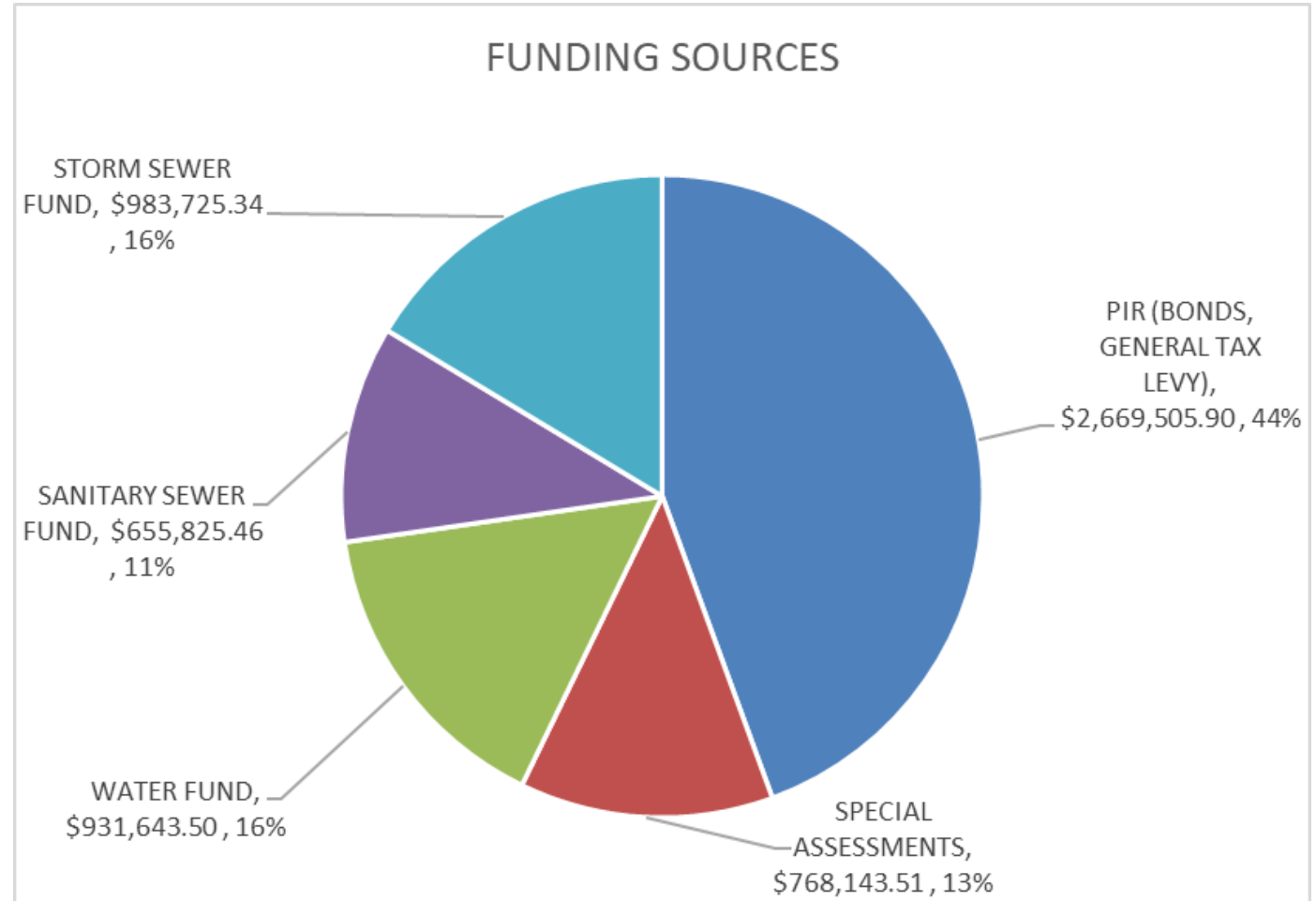
- \$6,000,000
  - \$5,000,000 Construction
    - GMH Low Bid - \$4,768,923.58
    - 5% Contingencies
  - 20% Engineering & Administration

## # of Properties to be Assessed

- 148 Properties
  - 147 Single Family Homes
    - 44 Properties have Lower Assessments due to Previous Assessments in 2012
  - 1 Commercial Property

## Total Special Assessment Amount

- \$768,000



# Special Assessment Policies

- Assessments are proposed for all reconstructed streets (7<sup>th</sup> Ave N, 8<sup>th</sup> Ave N, and 3<sup>rd</sup> St N)
  - No assessments for pavement resurfacing/maintenance work (6<sup>th</sup> Ave N, 1<sup>st</sup> St N, 2<sup>nd</sup> St N)
- Streets (**Street Assessment**)
  - 70% of the total street improvement cost
  - Varies for each property based on front footage
    - Front foot rate subject to cap
  - Streets with no adjacent property addresses (3<sup>rd</sup> St N) will be distributed one block north and south
- Utility Mains
  - No Assessments
- Utility Services (**Utility Assessment**)
  - 50% of as-bid, actual service costs for residential properties
  - 100% of as-bid, actual service costs for commercial properties
- **Total Assessment = Utility Assessment + Street Assessment**



# Assessment Map

## Legend



- 8th Ave N Street Frontage Assessment
- 7th Ave N Street Frontage Assessment
- 3rd St N Side Street Unit Assessment
- Assessed for the 2012 Streets Project
- Parcels





# Special Assessment Caps

- 2024 Front Foot Rate Cap (Single Family Residential Properties)
  - **\$106.14 / front foot**
- Front Footage Cap (Single Family Residential Properties)
  - Front footage counted up to **125 feet**
- Caps do not apply to commercial properties
  - Benefit Appraisals for these properties – lower amount used (appraisal vs. policy)
- Final Assessment amounts have been mailed to each property receiving an assessment for the project
  - **Assessment for typical 50' lot on 7<sup>th</sup> or 8<sup>th</sup> Ave = \$6,977.75** (\$5,307 Street; \$836.50 Water; \$834.25 Sewer)
  - **Reduction from Preliminary Assessments of about \$1600 for most properties on 7<sup>th</sup> and 8<sup>th</sup> Ave**
    - Lower utility bid prices than estimated
  - **Assessments did not increase for any property due to favorable bid prices**



# Assessment Calculation Example 1

- 210 7<sup>th</sup> Ave N
  - Street Assessment per cap
    - \$106.14 / foot @ 50' frontage
    - $\$106.14 \times 50' = \mathbf{\$5,307.00}$
  - Water Service replacement? - Yes
    - $\$1673.00 \times 50\% = \mathbf{\$836.50}$
  - Sewer Service replacement? - Yes
    - $\$1668.50 \times 50\% = \mathbf{\$834.25}$
- **Total Assessment** =  $\$5,307.00 + \$836.50 + \$834.25$   
=  $\mathbf{\$6,977.75}$



# Assessment Calculation Example 2

- 110 7<sup>th</sup> Ave N
  - Street Assessment per cap
    - \$106.14 / foot @ 50' frontage
    - $\$106.14 \times 50' = \$5,307.00$
  - Water Service replacement? - Yes
    - $\$1673.00 \times 50\% = \$836.50$
  - Sewer Service replacement? - No
- **Total Assessment** =  $\$5,307.00 + \$836.50$   
= **\$6,143.50**



# Assessment Calculation Example 3

- 315 8<sup>th</sup> Ave N
  - Street Assessment per cap
    - \$106.14 / foot @ 55' frontage
    - $\$106.14 \times 55' = \$5,837.70$
    - Mtkka Mills Rd Unit Assessment paid in 2012 = \$2,242.57
    - Assessment cap at 2012 rate (\$74.45 / foot) = \$4,094.75
    - Percentage of cap paid in 2012 = 54.767%
    - Remaining percentage owed on 2024 cap = 45.233%
    - Street Assessment =  $\$5,837.70 \times 45.233\% = \$2,640.57$
  - Water Service replacement? - Yes
    - $\$1673.00 \times 50\% = \$836.50$
  - Sewer Service replacement? - Yes
    - $\$1668.50 \times 50\% = \$834.25$
- **Total Assessment** =  $\$2,640.57 + \$836.50 + \$834.25$   
= **\$4,311.32**



# Assessment Calculation Example 4

- 242 6<sup>th</sup> Ave N
  - Street Assessment per unit
    - 3<sup>rd</sup> Street N project costs = \$506,156.23
    - Amount assessed to properties
      - $\$506,156.23 \times 70\% = \$354,309.36$
      - 97 properties one block north and south of 3<sup>rd</sup> St N
        - $\$354,309.36 / 97 = \$3,652.67$
      - Water Service replacement? - No
      - Sewer Service replacement? - No
  - **Total Assessment = \$3,652.67**



# Assessments: Summary of Payment Options

1. **Prepay in full or part without interest until July 31, 2024**
2. **Prepay in full or part with interest until Nov. 15, 2024**
3. **Do nothing -- Remaining balance put on taxes after Nov. 15, 2024**
  - Paid annually over 15 years, interest rate of about 6.5%\*
  - Will impact escrow payments included in mortgage
4. **Deferred Assessments – Pay at a later date**
  - Homestead property, income limit of \$46,831
  - Owner 65 years or more, active military, or disability

**\*Interest rate is tentative/assumed; to be confirmed soon and mailed to residents this Spring**



# Example Payment Schedule

**\$6,977.75**  
**Assessment**  
**at 6.5%**  
**Interest**

Tax Year	Principal Balance	Annual Principal	Annual Interest	Service Charge	Total Amount*
2024	\$6,977.75	\$0.00	\$0.00	\$0.00	\$0.00
2025	\$6,512.57	\$465.18	\$642.53	\$2.50	\$1,110.21
2026	\$6,047.39	\$465.18	\$423.32	\$2.50	\$891.00
2027	\$5,582.21	\$465.18	\$393.08	\$2.50	\$860.76
2028	\$5,117.03	\$465.18	\$362.84	\$2.50	\$830.52
2029	\$4,651.85	\$465.18	\$332.61	\$2.50	\$800.29
2030	\$4,186.67	\$465.18	\$302.37	\$2.50	\$770.05
2031	\$3,721.49	\$465.18	\$272.13	\$2.50	\$739.81
2032	\$3,256.31	\$465.18	\$241.90	\$2.50	\$709.58
2033	\$2,791.13	\$465.18	\$211.66	\$2.50	\$679.34
2034	\$2,325.95	\$465.18	\$181.42	\$2.50	\$649.10
2035	\$1,860.77	\$465.18	\$151.19	\$2.50	\$618.87
2036	\$1,395.59	\$465.18	\$120.95	\$2.50	\$588.63
2037	\$930.41	\$465.18	\$90.71	\$2.50	\$558.39
2038	\$465.23	\$465.18	\$60.48	\$2.50	\$528.16
2039	\$0.00	\$465.23	\$30.24	\$2.50	\$497.97
		<b>Principal</b>	<b>Interest</b>		<b>Total</b>
	<b>Totals</b>	\$6,977.75	\$3,817.43		\$10,832.68

\*Actual amounts may be different due to rounding and interest rates

# Project Schedule

## **March 13 – Neighborhood Meeting 3**

- Reviewed final assessments and plans, discussed construction process, collected input from residents

## **March 19 – City Council Meeting**

- Conduct public hearing on assessments and consider adopting assessments; Award contract

## **April to October – Construction**

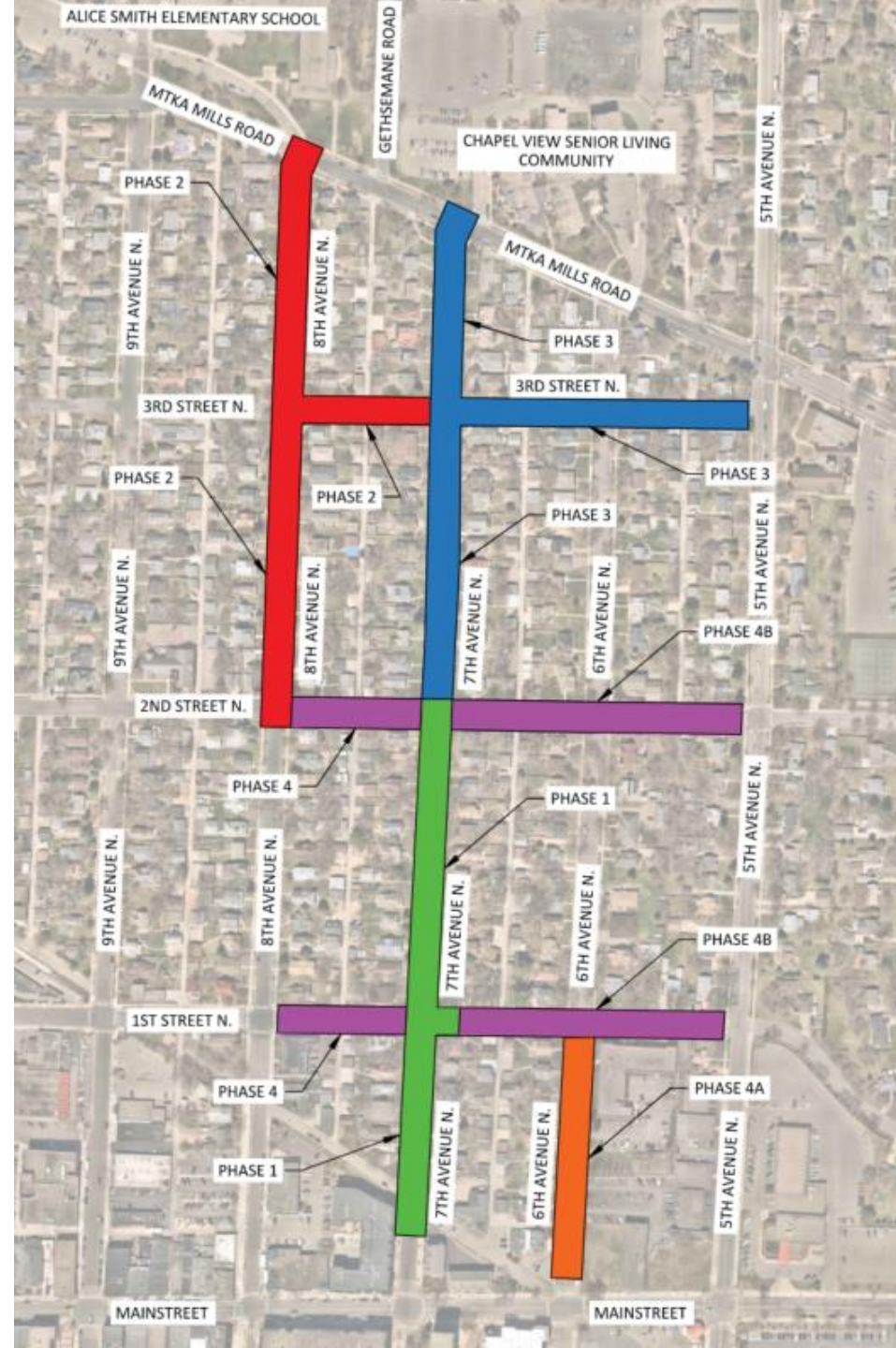
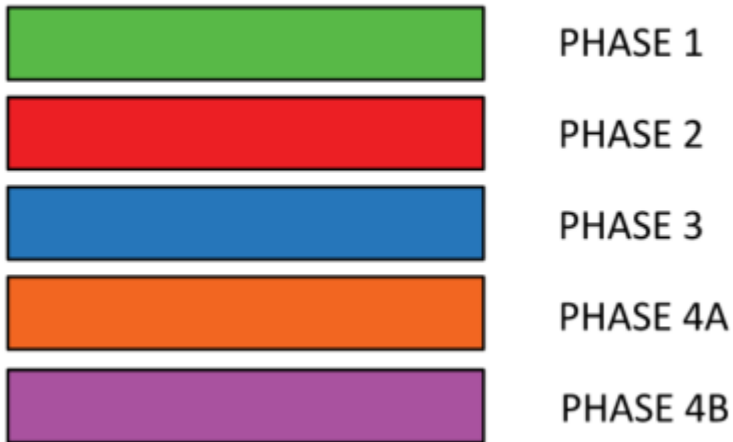
- Final punch list and cleanup items may go into November and Spring of 2025





# Preliminary Construction Phasing Plan

## LEGEND



# Construction Process

- 4 weeks of pavement removals and utility construction
- 3 weeks of street reconstruction
- 3 weeks of boulevard restoration
- 2 to 4 weeks of final cleanup and paving



# Project Communication

- Website (Weekly) [www.Hopkins-2024.com](http://www.Hopkins-2024.com)
- Newsletters (Monthly) & Notices (As Needed)
- Project Help Line: **952-236-3998**
- Construction Manager: Josh Hrabe
  - 612-965-2473; [joshhr@bolton-menk.com](mailto:joshhr@bolton-menk.com)
- Construction Inspector: Jamie Hand
  - 612-394-3747; [jamie.hand@bolton-menk.com](mailto:jamie.hand@bolton-menk.com)



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### CONSTRUCTION NEWSLETTER

 Assessments Project Schedule Construction Access & Parking Private Utilities Safety Contact Map & Phasing

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#### SPECIAL ASSESSMENTS

The City has received bids for the project and final assessment amounts have been determined. Property owners will receive a separate letter with the final assessment total.

A neighborhood meeting has been scheduled to discuss final assessments, the construction process, and take questions on anything related to the project. There will be two meetings that will review this content. Information presented will be the same at both meetings scheduled for:

**5:00 PM, Hopkins City Hall  
Thursday, February 23<sup>rd</sup>**  
**OR**  
**Wednesday, March 1<sup>st</sup>**

Property owners will receive a separate invitation with their proposed final assessments.

#### PROJECT SCHEDULE

A phased construction schedule is proposed as shown in the map on the last page of this newsletter. The following is an overview of the project schedule. More detailed start dates will be provided as construction nears:

**Week of February 13** – Equipment will be moved in and stored to the east of Park Valley Playground (shown on map on the last page) well in advance of construction. The contractor will bring in this heavy equipment prior to spring load restrictions on streets, and store the equipment until construction begins.

**February 23** – Option 1 Neighborhood Meeting at Hopkins City Hall (5:00 PM)

**March 1** – Option 2 Neighborhood Meeting at Hopkins City Hall (5:00 PM)

**March 7** – Public Hearing on Special Assessments at City Hall, Award Construction Contract (7:00 PM City Council Meeting)

**Late March/Early April** – Begin Phase 1 Construction (Weather Dependent)

**May/June** – Phase 1 Streets Paved (1<sup>st</sup> layer), Begin Phase 2 Construction

**July/August** – Phase 2 Streets Paved (1<sup>st</sup> layer), Begin Phase 3 Construction

**October** – Phase 3 Streets Paved (1<sup>st</sup> layer), Begin Phase 4 Construction

**Late October/Early November** – Work Complete, final layer of pavement installation



# Thank You!

## Any Questions?

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