

Public Assessment Hearing Snelling Avenue North Street & Utility Improvements

Council Meeting

May 9, 2022

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Total Project Costs

Low Bid from T.A. Schifsky & Sons, Inc.: \$1,277,585.49 (Construction Costs)
Construction Costs plus \$345,000 in Expenses (Approximately 27% of Construction Costs)

Project Improvements	Project Costs
Snelling Ave N Improvements (Reclamation)	\$858,055
Cummings Ln Improvements (Reclamation)	\$78,967
Bussard Ct (Reconstruction)	\$51,857
Trail Improvements (Not Assessed)	\$175,479
Water Main Improvements	\$290,291
Sanitary Sewer Improvements	\$23,064
Storm Sewer Drainage Improvements	\$144,872
Total	\$1,622,585

CIP Budget: \$1,497,000



Project Funding

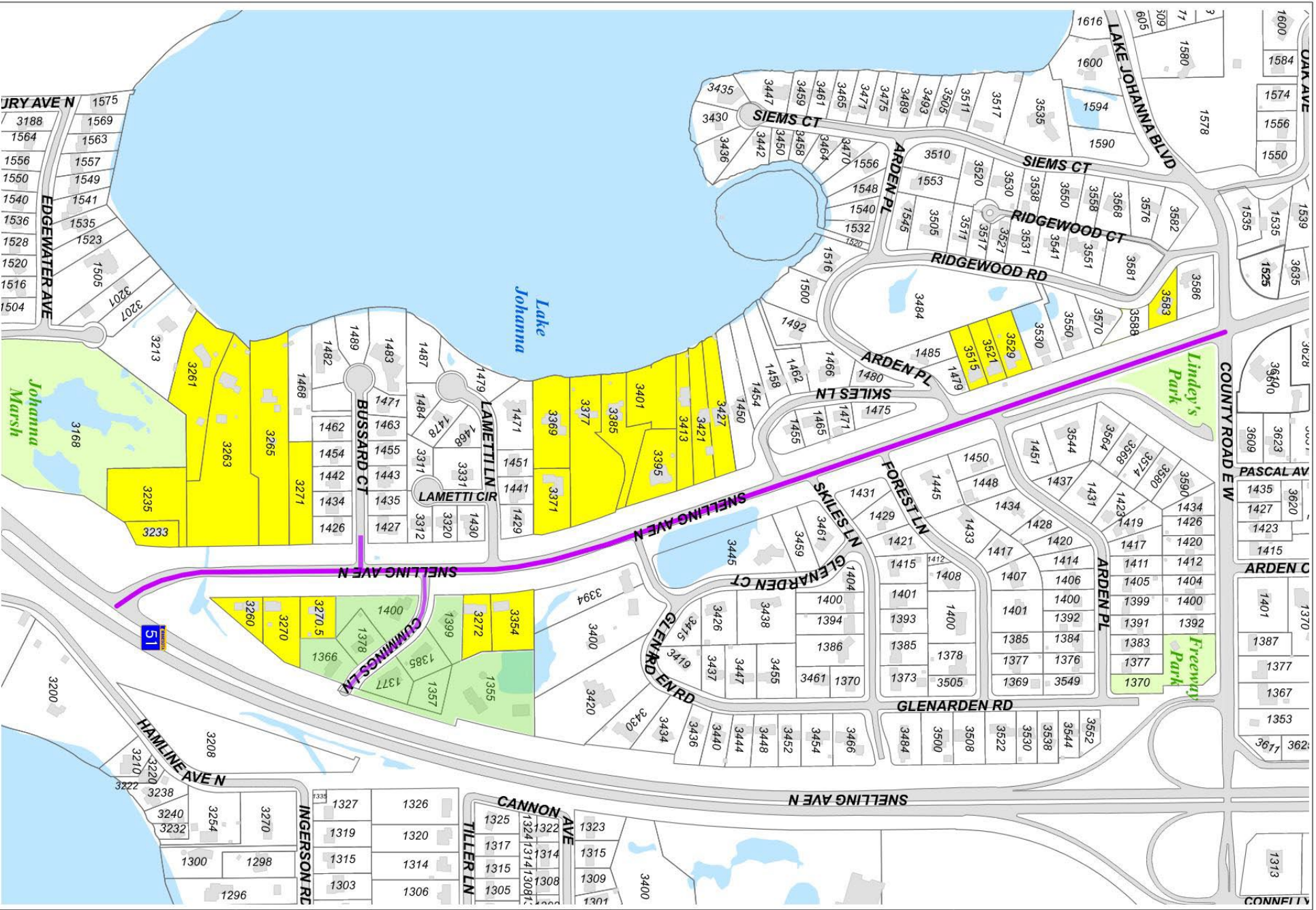
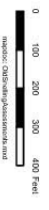
Funding Source	Amount
PIR Fund	\$250,827
Special Assessments	\$178,281
Municipal State Aid Funds	\$847,553
Water Utility	\$290,291
Sanitary Sewer Utility	\$23,064
Surface Water Utility	\$32,569
Total	\$1,622,585





Snelling Avenue Rehabilitation Assessments

- Parcels with Potential
- Assessments
- Rehabilitation Segment



Assessment Rates

Cummings Lane Assessment Calculation:

- Street Project Costs = \$78,967
- 50% of the Street Project Costs = \$39,483.50
- Divided by the Number of Lots (8 Units) = \$4,935

Snelling Avenue N Assessment Calculation:

- Street Project Costs = \$858,055
- 50% of the Street Project Costs = \$429,027.50
- Divided by the Total Length of Roadway Frontage (8,220 LF) = \$52.19
- The Cost per Foot is Multiplied by the Minimum Lot Frontage for an R1 Zoned Property (95 LF) = \$4,958

Project Area	Proposed Final Unit Rate	Feasibility Unit Rate
Snelling Avenue N	\$4,958	\$4,524
Cummings Lane	\$4,935	\$4,071

The Council sets the Interest Rate on Assessments.

The Assessment can be payable over a 10-year period.

Assessment Payment

Option 1 – Prior to November 15, 2022

- A property owner may at any time prior to certification of the assessment to the county auditor on November 15, 2022, pay the entire assessment on such property to the City of Arden Hills, with interest accrued to the date of payment.
- No interest shall be charged if the entire assessment is paid within 30 days from the adoption of this assessment (30 days from tonight, June 8, 2022).

Option 2 – After November 15, 2022

- The assessment is proposed to be payable in equal annual installments extending over a period of 10 years, the first of the installments to be payable with property taxes in 2023.
- Balance will bear interest at a rate set by the City Council. The City's assessment policy states that the interest rate used for assessment shall be designated at the prime rate plus two (2) percentage points. Our current assumed bond interest rate is 2.90% and the prime rate is 3.50%. Staff would recommend following the City's assessment policy and setting the assessment rate at 5.50%.
- After November 15, 2022, a property owner may pay the total outstanding balance of the assessment against their property with accrued interest at any time during the life of the project assessment period to Ramsey County.

Next Steps

Public Information Meeting #2. May 2022

Begin Construction (Contractor Dependent). . . . May 2022

Substantial Completion October 2022

Certify Assessments to County November 2022



QUESTIONS

