Burger, Kathryn (CI-StPaul)

From: Engelbrekt, Bruce (CI-StPaul)

Sent: Friday, April 17, 2020 4:12 PM

To: John Purdy; Assessments (CI-StPaul)

Cc: Brendmoen, Amy (CI-StPaul); #CI-StPaul_Ward4; Noecker, Rebecca (CI-StPaul); Moser,

Lynn (CI-StPaul)

Subject: RE: RES PH 20-77 Project 19235 - Assessment no. 205201

Attachments: Saint Paul Streets Program Assessment Policies - February 2018.attached to RES 18-395

aprvd 03142018.pdf

Mr. Purdy,

It is my understanding that you are not an owner of property within the Como Avenue project area or an attorney or agent representing a property owner, but that you are inquiring about the preliminary assessments for this project in your role as a volunteer for the Fair Streets St. Paul organization. Based on your inquiry, I offer the following:

The frontage amounts listed by the City in its preliminary assessment roll for the two properties you cited are correct:

<u>2554 Como</u> – As you note, the front dimension along the street is 175 feet. But the frontage used for calculating the assessment is adjusted because the property is irregularly shaped. Per the St. Paul Streets Program policies (attached), Sec. V.A. Exception 1, Example 2 (p.4), an adjustment calculation is applied to properties with different front and rear dimensions. The 225-foot rear dimension is wider than the front. According to the policy, the adjusted frontage is the street frontage (175 feet) plus 20% of the rear frontage (225 feet) minus the front frontage, or 175 + (0.2 X (225-175), or 175 + (0.2 X 50), or 175 + 10, or 185. That is the frontage listed in the City's preliminary assessment roll.

<u>2600 Como</u> – The calculation for this property is similar to the calculation for 2554 Como. This is also an irregularly shaped property per the same city policy. The street frontage is adjusted for assessment purposes due to the larger rear property line dimension. I'm not sure where you obtained a copy of the plat for this property, but it doesn't seem to match the dimensions shown in the County's online mapping system. Perhaps the street frontage is 219.61 as you suggest, but even if that is true, the adjusted frontage, based on the policy formula, would produce an adjusted frontage of 273 feet given a rear frontage of 489 feet as measured in the county system. Given that the City's frontage for calculating the assessment is 270 feet, we would be willing to continue to use the lower amount.

Given all of the above, there is no need to revise the frontage amounts for either of these parcels.

As to your request to enter your message into the public record, I believe you did that already by including the "Assessments" email address. My reply to you also includes that email address.

Sincerely,

Bruce Engelbrekt
Real Estate Manager
Office of Financial Services – Real Estate Section
City of Saint Paul
25 W. 4th St., 10th Flr.
Saint Paul, MN 55102
651-266-8854 (voice direct)
bruce.engelbrekt@ci.stpaul.mn.us

From: John Purdy <jpmn0101@gmail.com> Sent: Thursday, April 16, 2020 12:34 PM

To: Engelbrekt, Bruce (CI-StPaul) <bru>
cengelbrekt@ci.stpaul.mn.us>;
Assessments (CI-StPaul)

<Assessments@ci.stpaul.mn.us>

Cc: Brendmoen, Amy (CI-StPaul) <amy.brendmoen@ci.stpaul.mn.us>; #CI-StPaul_Ward4 <Ward4@ci.stpaul.mn.us>;

Noecker, Rebecca (CI-StPaul) < Rebecca. Noecker@ci.stpaul.mn.us> **Subject:** RES PH 20-77 Project 19235 - Assessment no. 205201

Think Before You Click: This email originated outside our organization

Mr. Bruce Engelbrekt - Real Estate Manager Office of Financial Services - Real Estate Department City of Saint Paul - Annex Building 25 W 4th St Room 1000 St Paul, MN 55107

RE: Assessment for PIN 20-29-23-23-0001 - 2600 Como Ave Assessment for PIN 20-29-23-23-0002 - 2554 Como Ave

Dear Mr. Engelbrekt,

It appears that the 270' frontage assessment for the property at 2600 Como Ave is overstated by 50.4' for an overcharge of \$12,106 on the preliminary assessment (please see attached Torrens Plat Survey showing 219.61' Como Ave Ramsey Co. frontage).

It appears that the 185' frontage assessment for the property at 2554 Como Ave is overstated by 10' for an overcharge of \$1,400 on the preliminary assessment. (please see attached MapRamsey Como Ave Frontage map).

Can you confirm if these appearances are correct and if so, can you also update the record?

Also, kindly enter this comment into the public record for consideration by City Council at the April 22, 2020 continuation of the resolution.

Council President Brendmoen has allowed for the continuance of public comments on this matter until April 22, by her directive at the April 15 public hearing.

Thank you,

John Purdy 10 W Delos St St Paul, MN 55107 651-292-9651

City of Saint Paul – Office of Financial Services

Saint Paul Streets Program Policies Updated February 2018

I. Financing Street Projects

In the City of Saint Paul, street reconstruction projects within the Saint Paul Streets program are generally financed using multiple funding sources. Each year, these sources can include:

- General obligation tax-exempt bonds issued by the City
- Funds from other government agencies (federal, state, county)
- Other non-bonded city funds (water or sewer revenues)

Beginning in 2018, the City will use Street Reconstruction Bonds as the primary funding source for street reconstruction projects.

II. Cost of Street Projects

The City's cost of undertaking a street reconstruction project – the "Project Cost" – depends on the type of project and the extent of the improvements made. The Department of Public Works calculates all costs for street projects.

The "City Cost" of a street project is a component of the total Project Cost. The City Cost is the amount of the Project Cost that the City will pay for the street work only. The City Cost is often less than the Project Cost because other non-street construction funding sources are applied to the project (e.g., sewer utility, water utility). The City Cost is generally financed with city-issued bonds, but also may include Municipal State Aid, other city funds, or outside government agency funds.

Repayment of the bonds issued by the City for street projects is typically funded with a mix of property tax revenue and special assessments on property owners benefiting from the project.

III. Street Project Procedures

St. Paul Streets projects are initiated by the Department of Public Works based on a 5-year plan prepared by the department. When the City chooses to use street reconstruction bonds as financing source, this 5-year plan must be approved by the City Council annually (Minn. Stat § 475.58, subd. 3b (a)(1). The 5-year plan must describe the street reconstruction or overlay to be financed, the estimated costs, and any planned reconstruction or overlay of other streets in the City over the next 5 years.

A project begins with a Summary of Engineering Recommendations submitted to the Office of Financial Services-Real Estate Section. Real Estate prepares a Preliminary Order assessment resolution for City Council approval to set the date of a public hearing on the Final Order for project assessments. These resolutions are considered each year for each project.

Property owners will be notified by mail and notice will be published at least 10 but not more than 28 days before the public hearing to approve the 5-year plan. Property owners will also be notified of the public hearing to consider the Final Order for assessments. Property owners may offer testimony at the public hearings. The City Council resolution authorizing the sale of street reconstruction bonds and approving the 5-year plan (following a public hearing) will be approved by the City Council around the time that the Final Order is considered.

When the Final Order is adopted and the 5-year plan is approved, the project is authorized to commence.

IV. Work Included in Street Projects

A. Classification of Projects

There are three kinds of street projects that can be completed as part of the Saint Paul Streets program.

- Street Reconstruction / Paving and Lighting on residential, arterial/commercial and downtown streets
- Street Reconstruction / Paving Only on residential, arterial/commercial and downtown streets
- New Street Construction / Paving and Lighting on new residential, arterial/commercial or downtown streets

B. Project Improvements

The types of improvements that can be made within a Saint Paul Streets project include:

- Constructing new bituminous surfaced streets with concrete curb and gutter, concrete driveway aprons and outwalks, and boulevards landscaped with sod and trees
- Replacing existing wood pole lights with a lantern style street lighting system
- Repairing or replacing storm and sanitary sewer mains and water mains, as needed
- Replacing lead water services in the right-of-way, as needed

- Repairing or replacing sanitary sewer service lines and water service, at the request of property owners
- Bringing existing pedestrian ramps up to current ADA standards
- Installing and improving sidewalks
- Improvements to bike trails, pavement markings and signage
- Installing public art (1.0% of eligible project costs) per the City's Public Art Ordinance

V. Methods of Assessment

The special assessments levied against benefiting properties for street projects are calculated by multiplying a property's <u>street frontage</u> by a <u>per-foot assessment rate</u>.

A. Street Frontage

Street frontage used in the assessment calculation is generally defined as a property's actual lineal footage that borders a street reconstruction project. This applies to all properties being assessed through the SPS program. For condominium and townhome associations, the frontage assigned to each unit is the total association street frontage divided by the number of dwelling units.

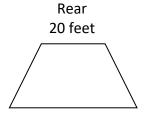
Generally, a property's frontage will be equal to the actual lineal frontage of the property. There are a few exceptions to using actual lineal footage to calculate a property's assessment, as noted below:

Exception 1: Irregularly-Shaped Properties

Irregularly-shaped properties present a special challenge for determining how to fairly assess. The measured frontage of an irregularly-shaped property could differ significantly from the measured frontage of a rectangular-shaped property that is identical in area. Irregular-shaped properties will be mathematically "adjusted" to determine the comparable frontage for a more rectangular-shaped property. The following formulas adjust frontages for the most common types of irregularly-shaped properties, and will apply to all property types. These formulas are intended to establish as much uniformity as possible among property types.

1. Properties with wider front than rear

Policy: Measure rear lot dimension plus 60% of difference between street frontage and rear dimension



Front 40 feet (Street)

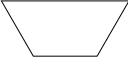
Example: $20 + (40 \text{ feet} - 20 \text{ feet}) \times .60 =$

20 + 12 = 32 feet of frontage

2. Properties with wider rear than front

Policy: Measure street frontage plus 20% of difference between front and rear

lot dimension Rear
40 feet

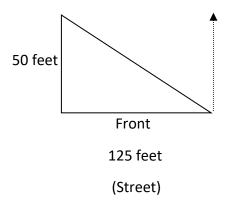


Front 20 feet (Street)

Example: $20 + (40 \text{ feet} - 20 \text{ feet}) \times .20 =$ 20 feet + 4 feet = 24 feet of frontage

3. <u>Properties with right-angled triangular shape</u>

Policy: Extend lot lines to a square corner and use corner lot policy (short side plus 0% of first 150' of long side).

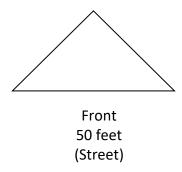


Example:

Short side = 50 feet of frontage

4. Properties with acute-angled triangular shape

Policy: Multiply street frontage by 60% of same frontage

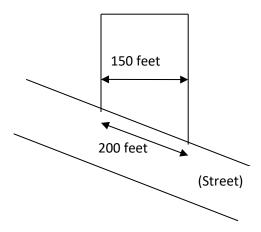


Example:

50 feet x .60 = 30 feet of frontage

5. <u>Properties with slanted street frontage at least 10% greater than lot width measured perpendicular to the property sides</u>

Policy: Assessment calculated based on perpendicular lot width.



Example:

Slanted street frontage = 200 feet Perpendicular lot width = 150 feet Perpendicular lot width $+ 10\% = 150 \text{ ft} + (150 \text{ ft} \times 0.1) = 150 \text{ ft} + 15 \text{ ft} = 165 \text{ ft}$ 200 feet > 165 feet; therefore

Assessment = 150 feet of frontage

<u>Note</u>: In a special circumstance where an irregularly-shaped property or a multi-ownership property does not conform to one of the above policies, the city Real Estate Manager may determine an appropriate assessment. If, from time to time, policy changes or additions are needed, the Office of Financial Services must submit policy recommendations to the Mayor for review and approval.

Exception 2: Residential Properties with Multiple Frontages

Exception 3: Previously-assessed ("20-year rule")

For residential properties 1-4 units with multiple street frontages, if a previous street reconstruction project improved one of the abutting streets and the property was assessed for that improvement, the property will not be assessed again under a later project that improves a different abutting street if the new assessment occurs within 20 years after approval of the previous assessment.

Beginning in 2018, Public Works will plan Saint Paul Streets projects such that no property will be part of a Saint Paul Streets project area more than once within a 20-year period.

Properties with a split residential/ commercial use are not eligible for the above exceptions.

B. Assessed Costs

Each year, the City will identify the portion of the City Cost of each Saint Paul Streets project that will be assessed to benefiting properties within each project area. The portion to be assessed will be finalized after considering a variety of factors including inflation, growth in City project costs, project specific factors, benefit

received by properties, the current construction environment, feasibility and affordability.

To allocate the assessed costs to each property within each Saint Paul Streets project, a per-foot assessment rate will be annually established by dividing the assessed costs by the property frontage in the project area. This rate will be used to determine the assessment cost for each individual benefiting property, and will be applied uniformly by class to all properties within the project area. A property's identified frontage (either actual frontage or mathematically adjusted frontage) will be multiplied by the rate to determine each property's assessment.

Rates will be set by project, and the annual growth in assessed costs will be reviewed each year by Public Works, the City Attorney's Office, and the Office of Financial Services. Final assessed amounts will be subject to Council approval.

VI. Properties NOT Assessed for SPS Projects

Certain properties abutting streets within SPS project areas are <u>not</u> assessed based on their property type, proximity and accessibility to the street, and status as a "legally-exempt" property:

A. Property Type

- 1. Storage units associated with condominiums or town homes
- 2. Garage units associated with condominiums or town homes
- 3. Platted outlots

B. Proximity

- Land-locked parcels (not abutting street right-of-way) with no physical access to street
- 2. Parcels abutting unimproved right-of-way, if the right-of-way is not used to access abutting properties

C. Accessibility

Properties abutting either improved or unimproved right-of-way where the grade difference between property and right-of-way is so substantial that the right-of-way can provide no practical access are not subject to the SPS assessments. If the right-of-way is still reasonably accessible but property owners choose not to use it to access their properties, the frontage abutting the right-of-way is still subject to the SPS assessment.

D. Legally Exempt

Properties owned by the federal government are generally exempt by federal law from paying local assessments. Certain other properties under public ownership and certain cemeteries are also exempt by state law from paying local assessments; these are evaluated on a case-by-case basis in consultation with the city attorney.

VII. Payment of Assessments

When the City Council approves a street assessment, property owners are allowed 30 days to pay the charge in full without interest. Any unpaid balance will be collected with the owner's property taxes over 20 years, plus interest and a flat fee for administration.

VIII. Assessment Appeals

As authorized by the Saint Paul City Charter, property owners may appeal City Council-adopted assessments in Ramsey County District Court. Property owners must file a notice stating the grounds for the appeal with the City Clerk within 20 days after the order adopting the assessment. Property owners must file the same notice with the Clerk of District Court within 10 days after filing with the City Clerk.

(Note: Please refer to Sec. 14.01.4 of the Charter for full details.)

IX. Deferment of Assessments

As authorized by city ordinance, homesteading property owners at least 65 years old or permanently disabled may qualify for deferred payment of special assessments for SPS projects after the assessments are ratified by the City Council. This is not a forgiveness of payment. It is a deferred payment plan in which interest continues to accrue. The deferment may not exceed the term of the assessment.

(Note: Please refer to Sec. 64.07 of the Saint Paul Administrative Code for full details.)

X. Reassessments

As authorized by the Saint Paul City Charter, if the City Council finds an assessment or part of an assessment to be defective, inadequate or invalid, the Council may notify the affected property owner(s) and, upon a subsequent public hearing, make a reassessment or a new assessment or a supplemental assessment.

(Note: Please refer to Sec. 14.01.3 of the Charter for full details.)