Agenda City Council Meeting City of Edina, Minnesota City Council Chambers Special Meeting Monday, December 10, 2018 7:00 PM

- I. Call To Order
- II. Roll Call
- III. Approval Of Meeting Agenda
- IV. Community Comment

During "Community Comment," the City Council will invite residents to share new issues or concerns that haven't been considered in the past 30 days by the Council or which aren't slated for future consideration. Individuals must limit their comments to three minutes. The Mayor may limit the number of speakers on the same issue in the interest of time and topic. Generally speaking, items that are elsewhere on tonight's agenda may not be addressed during Community Comment. Individuals should not expect the Mayor or Council to respond to their comments tonight. Instead the Council might refer the matter to staff for consideration at a future meeting.

V. Adoption Of Consent Agenda

All agenda items listed on the consent agenda are considered routine and will be enacted by one motion. There will be no separate discussion of such items unless requested to be removed from the Consent Agenda by a Member of the City Council. In such cases the item will be removed from the Consent Agenda and considered immediately following the adoption of the Consent Agenda. (Favorable rollcall vote of majority of Council Members present to approve.)

- A. Request for Purchase: York Avenue Trunk Sanitary Sewer Extension Planning Addendum
- VI. Public Hearings

During "Public Hearings," the Mayor will ask for public testimony after City staff members make their presentations. If you wish to testify on the topic, you are welcome to do so as long as your testimony is relevant to the discussion. To ensure fairness to all speakers and to allow the efficient conduct of a public hearing, speakers must observe the following guidelines:

Individuals must limit their testimony to three minutes. The Mayor may modify times, as deemed necessary. Try not to repeat remarks or points of view made by prior speakers and limit testimony to the matter under consideration.

In order to maintain a respectful environment for all those in attendance, the use of signs, clapping, cheering or booing or any other form of verbal or nonverbal communication is not allowed.

- PUBLIC HEARING: Indian Trails B & C Neighborhood Roadway Reconstruction, Improvement No. BA-452, Resolution No. 2018-131
- PUBLIC HEARING: Indian Hills C Neighborhood Roadway Reconstruction, Improvement No. BA-455, Resolution No. 2018-134
- C. PUBLIC HEARING: Chowen Park A & B Neighborhood Roadway Reconstruction, Improvement No. BA-451 & A-279, Resolution No. 2018-132
- PUBLIC HEARING: Todd Park E Neighborhood Roadway Reconstruction, Improvement No. BA-454, Resolution No. 2018-133

VII. Adjournment

The City of Edina wants all residents to be comfortable being part of the public process. If you need assistance in the way of hearing amplification, an interpreter, large-print documents or something else, please call 952-927-8861 72 hours in advance of the meeting.



CITY OF EDINA

4801 West 50th Street Edina, MN 55424 www.edinamn.gov

Agenda Item #: IV.A.
Item Type:
Request For Purchase
Item Activity:
Action

ACTION REQUESTED:

Approve the attached request for purchase and scope of service.

INTRODUCTION:

The attached request for purchase and scope of service is an addendum to the scope approved by Council, on May 25, 2018, for engineering professional services for the York Avenue trunk sewer line.

ATTACHMENTS:

Request for Purchase Supplemental Letter Agreement



Date: December 10, 2018

To: Mayor and City Council

From: Ross Bintner P.E – Engineering Services Manager

Subject: York Avenue Trunk Sanitary Sewer Extension Planning Addendum

List Quote/Bid **Purchase Subject to:** □State Contract \boxtimes Service Contract

The Recommended ⊠Within Budget Bid is: □Not Within Budget

Date Bid Opened or Quote Received: 5/23/2018

Bid or expiration Date:

Company: SEH, Inc.

Amount of Quote or Bid: \$16,300

Recommended Quote or Bid: SEH, Inc.



Budget Impact

CIP 15-147, includes \$1,000,000 for planning, design and construction. This is an addendum to the May 25, 2018, scope of service. Following this plan, a proposal for design of the first phase will be forwarded to Council for consideration.

Environmental Impact

This is a planning project, but the resulting capital improvements that follow will have impact. The selected combination of options chooses an alignment that avoids the need for lift stations that consume electric power.

Community Impact

The project serves the purpose planning extended trunk sanitary sewer capacity in south east Edina to prepare for growth. The need for the project is described in the City of Edina Comprehensive Plan, Chapter 8 – Water Resource Management and the Southeast Edina Sanitary Sewer preliminary engineering study, Barr Engineering April 2017. The attached proposal from SEH, Inc., proposes to plan a phased alignment for the York Avenue sanitary sewer extension.

Department Director Authorization: _____

Char A. Mille

City Council Authorization Date: ______ (for purchases over \$20,000 only)



SUPPLEMENTAL LETTER AGREEMENT NO. 2

December 4, 2018

RE: City of Edina York Avenue Trunk Sanitary Sewer Extension – Engineering Study Additional Services SEH No. EDINA145878 10.00

Mr. Ross Bintner, PE Engineering Services Manager City of Edina Engineering and Public Works Facility 7450 Metro Boulevard Edina, MN 55439

Dear Ross:

Over the past several months, Short Elliott Hendrickson Inc. (SEH[®]) has worked closely with City of Edina (City) staff on the York Avenue Trunk Sanitary Sewer Extension Engineering Study. Based on discussions with staff, SEH was asked to provide additional engineering services outside of the Scope of Services identified in the original Supplemental Agreement, dated May 23, 2018.

The two (2) Additional Service items that have been requested are:

- Inclusion in the Engineering Study of future trunk sanitary sewer networks on 69th Street and Hazelton Road that will connect to the proposed York Avenue trunk sanitary sewer system. Tasks will include updating our current basemap to include existing utilities and infrastructure, creating plan/profile sheets for each street, evaluating pipe alignments, and completing associated construction cost estimating.
- 2. Coordination with Barr Engineering in order for them to provide a more detailed evaluation of the impact of anticipated redevelopment on sanitary sewer capacity within the Engineering Study corridor. This included attending two (2) meetings, sharing project data including the preferred alternative alignment, basemapping, and existing utilities and reviewing/commenting on two (2) iterations of proposed Barr pipe layouts and profiles.

SEH respectfully requests compensation for the professional services described above. If accepted, we will provide these additional services for a not-to-exceed fee of \$16,300.00 which includes reimbursable expenses. A summary of professional service fees to date is included in the table on the next page.

Mr. Ross Bintner, PE December 4, 2018 Page 2

ltem No.	York Avenue Trunk Sanitary Sewer Extension – Engineering Study	Professional Fees
	Additional Services	
1	Add 69 th Street and Hazelton Road trunk sanitary sewer systems to Engineering Study	\$11,500
2	Coordination with Barr Engineering	\$4,800
	Subtotal of Additional Service Request	\$16,300
	Original York Avenue Trunk Sanitary Sewer Extension – Engineering Study Agreement, dated May 23, 2018	\$49,353
	Total Revised Agreement Amount	\$65,653

Compensation will not exceed \$65,653 without written authorization from the City. We will provide these services in accordance with our Agreement for Professional Engineering Services dated June 4, 2013, herein called the Agreement.

We propose to complete and submit the draft engineering study to the City by December 28, 2018. We anticipate the study can be finalized by the end of January 2019, following City and Hennepin County reviews.

We appreciate the opportunity to offer our professional services to the City and continuing our valuable working relationship. Please contact me at 952.912.2616 or <u>tmuse@sehinc.com</u> with questions regarding this proposal.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.

Toby Muse, PE

Project Manager

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Accepted on this ____day of _____, 2018

City of Edina, Minnesota

By:

Name

Title



CITY OF EDINA

4801 West 50th Street Edina, MN 55424 www.edinamn.gov

Date:	December 10, 2018	Agenda Item #: V.A.
To:	Mayor and City Council	Item Type:
		Report / Recommendation
From:	Aaron T. Ditzler, PE, Assistant City Engineer	
		Item Activity:
Subject:	PUBLIC HEARING: Indian Trails B & C	Action
Ŭ	Neighborhood Roadway Reconstruction,	
	Improvement No. BA-452, Resolution No. 2018-131	

ACTION REQUESTED:

If the Council determines the project to be necessary, cost-effective and feasible, Council shall adopt Resolution No. 2018-131, accepting the engineering study and approving Indian Trails B & C Neighborhood Roadway Reconstruction, Improvement No. BA-452, authorize plans and specifications to be completed and bids taken.

INTRODUCTION:

City staff initiated this project. The project proposes to reconstruct Bello Drive, Comanche Court, Overholt Pass, Paiute Circle, Paiute Drive, Paiute Pass, Sally Lane and Shawnee Circle. It involves pavement reconstruction, new curb and gutter in some areas, supplemental retaining wall construction along some streets, and upgrading utilities.

The overall project cost is estimated at \$2,698,616. Funding will be a combination of special assessments and City Utility funds.

Staff has analyzed the project and feels that the project is necessary, cost-effective, and feasible from an engineering standpoint.

ATTACHMENTS:

Resolution No. 2018-131 Real Estate Consulting Letter Report (Handout) Staff Presentation: Introduction to 2019 Street Recon Public Hearings Staff Presentation: Indian Trails B&C



RESOLUTION NO. 2018-131 ORDERING IMPROVEMENT FOR INDIAN TRAILS B & C NEIGHBORHOOD ROADWAY RECONSTRUCTION IMPROVEMENT NO. BA-452

WHEREAS, a resolution of the City Council, adopted the 7th day of November 2018, fixed a date for a council hearing on Improvement No. BA-452, the proposed improvement of Indian Trails B & C Neighborhood Roadway Reconstruction; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 10th day of December 2018, at which all persons desiring to be heard were given an opportunity to be heard thereon;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EDINA, MINNESOTA:

- 1. Such improvement is necessary, cost-effective, and feasible to update aging infrastructure.
- 2. Such improvement is hereby ordered.
- 3. The city engineer is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
- 4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

Dated: December 10, 2018

Attest:

Sharon Allison, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA) COUNTY OF HENNEPIN)SS CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its regular meeting of December 10, 2018, and as recorded in the Minutes of said Special Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 20___.

City Clerk

Real Estate Consulting Letter Report

Effective Date December 6, 2018

Subject Property

Street Improvement Project Indian Trails B/C Neighborhood Edina, MN 55439



File # V1812001

<u>Prepared By:</u> Ethan Waytas, MAI, Appraiser William R. Waytas, SRA, Appraiser

Nagell Appraisal Incorporated 12805 Highway 55, Suite 300 Plymouth, Minnesota 55441 Tel: 952.544.8966 | Fax: 952.544.8969

Client

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City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

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NAGELL APPRAISAL INCORPORATED

12805 Highway 55 #300 Plymouth, MN 55441 Established in 1968 Minneapolis 952-St. Paul 651-Central Fax 952-

952-544-8966 651-209-6159 952-544-8969

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424 December 10, 2018

To Chad Millner:

Per your request, this is a letter report to assist the city for guidance regarding a street improvement project within Edina (see attached map for the location of the streets in the project). The project is the reconstruction of Sally Lane, Paiute Drive, Paiute Circle, Paiute Pass, Comanche Court, Bello Drive, Shawnee Circle, and Overholt Pass.

This report is <u>not</u> an appraisal, but rather provides a preliminary opinion of a general range of market benefit, if any, for similar properties.

SCOPE OF ASSIGNMENT

In accordance with your request, a drive-by viewing of the properties has been made along with some general market comments regarding benefit (if any) for the proposed street improvement project as it relates to the subject market. As noted in the engagement letter, no specific sales data has been collected for this assignment. The general market comments are based on past appraisals, experience, and market information.

Pictures of the streets were taken on December 6, 2018 by William Waytas. The appraiser also viewed aerial/satellite image on the county GIS website and Google street view images. A project feasibility report was provided; the conclusions and information from the report were a part of the overall consulting letter analysis. The feasibility report is retained in the appraiser's workfile.

PROJECT

The City of Edina is proposing to reconstruct the streets as previously noted.

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

Motivation for the road improvement project stems from deteriorating road surface and/or base. Secondary motivations appear to be to spot repair public utilities.

AREA DESCRIPTION

The City of Edina is a first ring suburban community located approximately 15 minutes south of Downtown Minneapolis. The population was 47,941 as of 2010 census (an increase of 1.1% from the 2000 census). The 2016 estimated population is 51,350 (an increase of 7.1% from 2010).

Commercial and industrial users are scattered throughout the city, however, major commercial (Southdale Center) is located along France Avenue South and major industrial near Highway 100 and I-494. The remainder of the city is mostly made up of single-family residential homes. Edina has a reputation as a stable community. Access to most shopping and surrounding communities is within 5 to 15 minutes. Most existing buildings in the area range from average to good quality.

Single family homes generally range in value between \$300,000 and \$1,000,000+ for the overall city. Within a ½ mile radius of the project area, the average home price over the past three years is around \$700,000 (MLS statistics). Most homes are average to good quality.

SUBJECT PROPERTIES

The project area primarily consists of single-family residential homes.

EXISTING STREETS & UTILITIES

Physical Condition of the Existing Road: The existing road improvements are asphalt with road base and concrete curb and gutter. The road condition, based on the visual inspection of the streets is rated to be poor/fair (although a portion on Sally Lane from Valley View Road to Paiute Pass is rated to be average). There are signs of transverse and alligator cracking, along with some areas of graveling. The streets within the project, per feasibility report, were originally constructed between 1941 and 1991.

There are retaining walls along Shawnee Circle and Overholt Pass that allow the existing road to be passable. The walls, per city, are at the end of their economic life.

Note: The city feasibility report indicates that the PCI rating for the project area is 35 out of 100.

Physical Condition of Existing Utilities: The utilities within the neighborhood are public sanitary sewer and public water. The city is proposing to update the utilities as described on the next page.

Functional Design of the Road: The existing paved road is very dated, in poor/fair condition (excluding the previously noted average area), and does have substantial large cracks. The road condition is rated to be poor to fair, portions average. There are signs of transverse and alligator cracking, along with areas of graveling.

Roads in poor to fair condition do not meet the expectations of typical market participants in this suburban market for re-development, resale price, and/or updating the current uses. Overall, the existing street improvements are in fair/poor condition, are beginning to look dated and reflect likewise on the adjoining and side street properties.

PROPOSED ROAD IMPROVEMENT

The city is proposing to reconstruct the streets within the project area. Per the engineering feasibility report, the existing road and base will be removed. In its place will be 8" of new road base, plus 2.5" of asphalt plus an additional 1.5" asphalt wear course. New concrete curb and gutter will be installed as needed. The report indicates the road requirements will meet a minimum 20-year pavement design life.

The city will also be supplementing the retaining walls along Shawnee Circle and Overholt Pass. It appears the project will result in a new retaining wall that is built in front of the existing structures; this was done at the request of residents.

Public utilities are not a primary part of this project. That said, the city will be putting a cured in-place liner in the sanitary sewer lines. The city will also install new fire hydrants on Overholt, new water services on Shawnee, new fire hydrants on Paiute Circle, as well as a new main and services.

Given the existing condition of the road, the proposed project is logical.

If any of the above descriptions change, the benefit due to the project could differ.

HIGHEST AND BEST USE

The subject project area is located in the western portion of the city. The properties in the project area are single-family residential.

Owners in the subject area appear to update their property as needed when site and building components wear out or become dated. Owners in the overall area commonly pave their driveways or maintain parking lots as needed, recognizing it adds value when done. Therefore, it is logical to update the road to the subject properties as needed, as these are essential property characteristics that are expected in this market.

An informed buyer would consider the condition of the road and traffic flow/management. A wellconstructed and good condition road provides aesthetic appeal to a property and efficient/safe traffic flow. Given a choice, a potential informed buyer would likely prefer a newer road with good traffic flow over a deteriorating road with fair traffic flow.

If replacement of components of real estate near the end of their economic life in a home or building is postponed, it can be costlier in the long run; delays in replacing components can result in incurring higher interim maintenance costs and potential difficulty in marketing the property. Also, it is typical for the cost of the replacement of an improvement to increase over time. That said it is logical and prudent for market participants to update/replace dated components when needed. Therefore, the highest and best use of the surrounding properties in the project area is for the continued residential use with the proposed infrastructure improvements.

DISCUSSION OF MARKET BENEFIT

Listed below are the factors that will be taken into consideration concerning the potential benefit to the properties.

Description	<u>Existing</u> Improvements	Change
1) Road Surface	Poor/Fair, Average in one area	New, paved, good
2) Base Condition	Poor/Fair	New, good
3) Curb	Fair to Average, concrete	Replaced where appropriate
4) Drainage	Average, less effective in some areas	Average, drainage fixed where appropriate
5) Storm Sewer	Yes	Yes
6) City water	Dated/Average	New fire hydrants, main, services, etc. as noted
7) City sewer	Dated	New liner, 100-year life
8) Sidewalk	None	None
9) Street Lights	Average	Average
10) Functional Design of Road	Dated	Good
11) Traffic Management	Average	Average
12) Pedestrian Use (biking, walking, etc.)	Fair	Good
13) Median	n/a	n/a
14) Road Proximity to Properties	n/a	n/a
15) Dust	n/a	n/a
16) Visual Impact on Properties	Fair	Good

Based on the preceding grid, the subject properties will improve in 9 of the 16 categories. Market participants generally recognize that roads need replacing when nearing the end of a long economic life. A typical buyer in the subject market commonly prefers a good condition paved road surface road versus an inferior condition paved road surface. In addition to visual benefit, new street improvements provide better and safer use for pedestrians (biking, walking, stroller, rollerblading, etc.) and drivers. The new streets will enhance potential for re-development and/or updating the current properties. Properties that indirectly/directly abut or have driveways/access that exit on the new street will benefit.

Based on past appraisals, experience, and general market information, it is not uncommon for properties similar to those in the subject market to realize an increase in price for new street improvements.

Discussion of Market Benefit - Continued

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer street improvements could see an average price benefit of:

Single family (street, poor/fair condition)

\$10,000 to \$14,000 per buildable lot \$7,000 to \$10,000 per buildable lot

Single family (street, average condition)

The average condition street is from Valley View Road to Paiute Pass on Sally Lane. This area was repaved in 2015, but has no new road base.

Note: Homes that have frontage on a new street and frontage on a street not within the project (i.e. a corner lot) would have a benefit of half the amount above if the driveway exists onto a project street or 25% of the amount above if no driveway on a project street.

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer retaining wall improvements and streets could see an average price benefit of:

• Single family (street & retaining wall, poor/fair condition) \$12,000 to \$18,000 per buildable lot

The above is for properties that don't have a retaining wall in front, but one across the street. The retaining wall is necessary for the road to function.

Note: Homes that have frontage on a new street and frontage on a street not within the project (i.e. a corner lot) would have a benefit of half the amount above if the driveway exists onto a project street or 25% of the amount above if no driveway on a project street.

The benefit amount noted above should not be construed or relied on as being an appraisal, but are general observations based on the overall market. If an appraisal were made on the individual properties, the actual benefit amount could vary from market observations above.

If you have additional questions, please do not hesitate to contact us.

Sincerely,

Ethan Waytas, MAI Certified General MN 40368613

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William R. Waytas, SRA Certified General MN 4000813

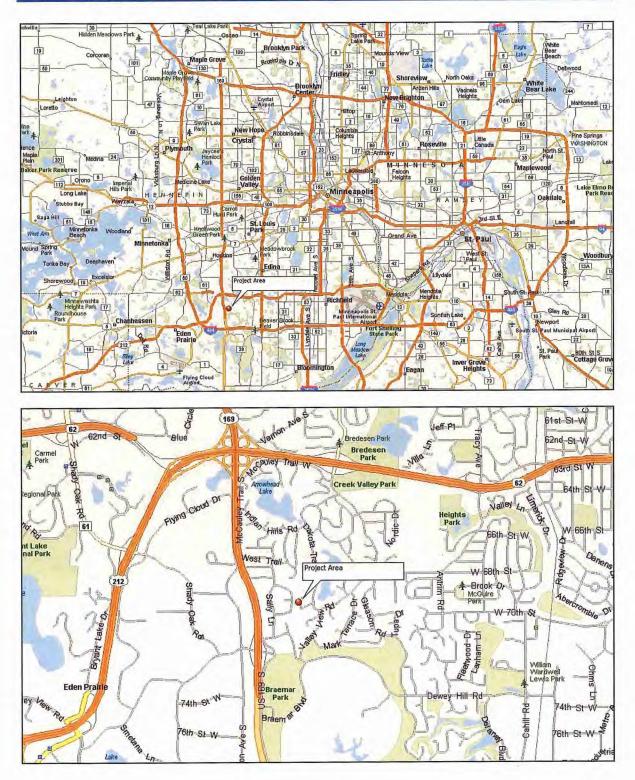
Enclosures: Location Map, Aerial Map View of Project, Subject Photos, Qualifications

www.nagellmn.com

Page 6

LOCATION MAP

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Nagell Appraisal Incorporated | 952.544.8966

Page 7

AERIAL VIEW OF PROJECT MAP



*Red line reflects the project street areas





Street scene

Street scene



Street scene



Street scene



Street scene



Street scene



House within project area



Street scene



House within project area



Street scene



Street scene



Street scene



Street scene



Street scene



Street scene



Street scene

Page 12



House within project area



Street scene



House within project area



Street scene

QUALIFICATIONS

Appraisal Experience

Presently and since 2006, <u>Ethan Waytas, MAI</u> has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

Properties appraised:

- Commercial low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
- **Residential** single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** numerous street improvement and utilities projects for both governmental and private owners.
- Clients served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Testimony

-- Court, commission, mediation testimony, etc. has been given

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #40368613 Holds the MAI designation from the Appraisal Institute

Education

-- Graduate of the University of Minnesota: College of Science and Engineering, Twin Cities Campus

Bachelor of Science in Computer Science, with distinction, 3.86 GPA.

- -- General & Professional Practice Courses & Seminars
- -- Basic Appraisal Procedures
- -- Basic Appraisal Principles
- -- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
- -- General Appraiser Sales Comparison Approach
- General Appraiser Income Approach Part 1
- -- General Appraiser Income Approach Part 2
- -- Advanced Income Capitalization
- -- General Appraiser Report Writing and Case Studies
- -- Real Estate Finance, Statistics and Valuation Modeling
- -- 2014-2015 7-hour National USPAP Update Course
- -- General Appraiser Site Valuation & Cost Approach
- -- Advanced Market Analysis and Highest & Best Use
- -- Advanced Concepts & Case Studies
- -- Quantitative Analysis

Curriculum Vitae -- continued

Appraisal Experience

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Presently and since 1985, William R. Waytas has been employed as a full time real estate appraiser. Currently a partner and President of the Nagell Appraisal & Consulting, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. Mr. Waytas was employed with Iver C. Johnson & Company, Ltd., Phoenix, AZ from 1985 to 1987.

Properties appraised:

- **Commercial** low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, hotel, hotel water park, bed & breakfast, cinema, marina, numerous special use properties, and subdivision analysis.
- **Residential** single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- Eminent Domain extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- Special Assessment numerous street improvement and utilities projects for both governmental and private owners.
- Review residential, commercial and land development.
- Clients served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- Area of Service most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813. Appraisal Institute: SRA, Senior Residential Appraiser Designation, General Associate Member Employee Relocation Council: CRP Certified Relocation Professional Designation. International Right-Of-Way Association: Member HUD/FHA: On Lender Selection Roster and Review Appraiser DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
- -- Chairman of Residential Admissions, Metro/MN Chapter, Al.
- -- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, Al.
- -- Elm Creek Watershed Commission, Medina representative 3 years.
- -- Medina Park Commission, 3 years.

Curriculum Vitae -- continued

Education

- -- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
- During college, summer employment in building trades (residential and commercial).
- -- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.
- -- General & Professional Practice Courses & Seminars
- -- Course 101-Introduction to Appraising Real Property.
- -- Numerous Standards of Professional Practice Seminar.
- -- Fair Lending Seminar.
- -- Eminent Domain & Condemnation Appraising.
- -- Eminent Domain (An In-Depth Analysis)
- -- Property Tax Appeal
- -- Eminent Domain
- -- Business Practices and Ethics
- -- Scope of Work
- -- Construction Disturbances and Temporary Loss of Going Concern
- -- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

Commercial/Industrial/Subdivision Courses & Seminars

- -- Capitalization Theory & Techniques
- -- Highest & Best Use Seminar
- -- General & Residential State Certification Review Seminar
- -- Subdivision Analysis Seminar.
- -- Narrative Report Writing Seminar (general)
- -- Advanced Income Capitalization Seminar
- -- Advanced Industrial Valuation
- -- Appraisal of Local Retail Properties
- -- Appraising Convenience Stores
- -- Analyzing Distressed Real Estate
- -- Evaluating Commercial Construction
- -- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets

Residential Courses & Seminars

- Course 102-Applied Residential Appraising
- -- Narrative Report Writing Seminar (residential)
- -- HUD Training session local office for FHA appraisals
- -- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
- -- Appraiser/Underwriter FHA Training
- -- Residential Property Construction and Inspection
- -- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

- -- Bankers
- -- Auditors
- -- Assessors
- -- Relocation (Panel Discussion)

Publications

- -- Real Estate Appraisal Practice (book): Acknowledgement
- -- Articles for Finance & Commerce and Minnesota Real Estate Journal

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<u>Report Type</u> Real Estate Consulting Letter Report

Effective Date December 6, 2018

Subject Property

Street Improvement Project Indian Hills C Neighborhood Edina, MN 55439



File # V1812002

<u>Prepared By:</u> Ethan Waytas, MAI, Appraiser William R. Waytas, SRA, Appraiser

Nagell Appraisal Incorporated 12805 Highway 55, Suite 300 Plymouth, Minnesota 55441 Tel: 952.544.8966 | Fax: 952.544.8969

Client

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

NAGELL APPRAISAL INCORPORATED

12805 Highway 55 #300 Plymouth, MN 55441 *Established in 1968*
 Minneapolis
 952-544-8966

 St. Paul
 651-209-6159

 Central Fax
 952-544-8969

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December 10, 2018

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

To Chad Millner:

Per your request, this is a letter report to assist the city for guidance regarding a street improvement project within Edina (see attached map for the location of the streets in the project). The project is the reconstruction of Gleason Terrace and Saint Albans Circle.

This report is <u>not</u> an appraisal, but rather provides a preliminary opinion of a general range of market benefit, if any, for similar properties.

SCOPE OF ASSIGNMENT

In accordance with your request, a drive-by viewing of the properties has been made along with some general market comments regarding benefit (if any) for the proposed street improvement project as it relates to the subject market. As noted in the engagement letter, no specific sales data has been collected for this assignment. The general market comments are based on past appraisals, experience, and market information.

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PROJECT

The City of Edina is proposing to reconstruct the streets as previously noted.

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

Motivation for the road improvement project stems from deteriorating road surface and/or base. Secondary motivations appear to be to spot repair public utilities.

AREA DESCRIPTION

The City of Edina is a first ring suburban community located approximately 15 minutes south of Downtown Minneapolis. The population was 47,941 as of 2010 census (an increase of 1.1% from the 2000 census). The 2016 estimated population is 51,350 (an increase of 7.1% from 2010).

Commercial and industrial users are scattered throughout the city, however, major commercial (Southdale Center) is located along France Avenue South and major industrial near Highway 100 and I-494. The remainder of the city is mostly made up of single-family residential homes. Edina has a reputation as a stable community. Access to most shopping and surrounding communities is within 5 to 15 minutes. Most existing buildings in the area range from average to good quality.

Single family homes generally range in value between 300,000 and 1,000,000+ for the overall city. Within a $\frac{1}{2}$ mile radius of the project area, the average home price over the past three years is around 705,000 (MLS statistics). Most homes are average to good quality.

SUBJECT PROPERTIES

The project area primarily consists of single-family residential homes.

EXISTING STREETS & UTILITIES

Physical Condition of the Existing Road: The existing road improvements are asphalt with road base and concrete curb and gutter. The road condition, based on the visual inspection of the streets is rated to be poor/fair. There are signs of transverse and alligator cracking, along with some areas of graveling. The streets within the project, per feasibility report, were originally constructed between 1969 and 1978.

Note: The city feasibility report indicates that the PCI rating for the project area is 14 out of 100.

Physical Condition of Existing Utilities: The utilities within the neighborhood are public sanitary sewer and public water. The city is proposing to update the utilities as described on the next page.

Functional Design of the Road: The existing paved road is very dated, in poor/fair condition, and does have substantial large cracks. The road condition is rated to be poor to fair. There are signs of transverse and alligator cracking, along with areas of graveling.

Roads in poor to fair condition do not meet the expectations of typical market participants in this suburban market for re-development, resale price, and/or updating the current uses. Overall, the existing street improvements are in fair/poor condition, are beginning to look dated and reflect likewise on the adjoining and side street properties.

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Page 2

PROPOSED ROAD IMPROVEMENT

The city is proposing to reconstruct the streets within the project area. Per the engineering feasibility report, the existing road and base will be removed. In its place will be 8" of new road base, plus 2.5" of asphalt plus an additional 1.5" asphalt wear course. New concrete curb and gutter will be installed as needed. The report indicates the road requirements will meet a minimum 20-year pavement design life.

Public utilities are not a primary part of this project. That said, the city will be putting a cured in-place liner in the sanitary sewer lines, as well as installing new fire hydrants and gate valves.

Given the existing condition of the road, the proposed project is logical.

If any of the above descriptions change, the benefit due to the project could differ.

HIGHEST AND BEST USE

The subject project area is located in the western portion of the city. The properties in the project area are single-family residential.

Owners in the subject area appear to update their property as needed when site and building components wear out or become dated. Owners in the overall area commonly pave their driveways or maintain parking lots as needed, recognizing it adds value when done. Therefore, it is logical to update the road to the subject properties as needed, as these are essential property characteristics that are expected in this market.

An informed buyer would consider the condition of the road and traffic flow/management. A wellconstructed and good condition road provides aesthetic appeal to a property and efficient/safe traffic flow. Given a choice, a potential informed buyer would likely prefer a newer road with good traffic flow over a deteriorating road with fair traffic flow.

If replacement of components of real estate near the end of their economic life in a home or building is postponed, it can be costlier in the long run; delays in replacing components can result in incurring higher interim maintenance costs and potential difficulty in marketing the property. Also, it is typical for the cost of the replacement of an improvement to increase over time. That said it is logical and prudent for market participants to update/replace dated components when needed. Therefore, the highest and best use of the surrounding properties in the project area is for the continued residential use with the proposed infrastructure improvements.

DISCUSSION OF MARKET BENEFIT

Listed below are the factors that will be taken into consideration concerning the potential benefit to the properties.

Description	<u>Existing</u> Improvements	Change
1) Road Surface	Poor/Fair	New, paved, good
2) Base Condition	Poor/Fair	New, good
3) Curb	Fair to Average, concrete	Replaced where appropriate
4) Drainage	Average, less effective in some areas	Average, drainage fixed where appropriate
5) Storm Sewer	Yes	Yes
6) City water	Average	New fire hydrants and gate valves
7) City sewer	Dated	New liner, 100-year life
8) Sidewalk	None	None
9) Street Lights	Average	Average
10) Functional Design of Road	Dated	Good
11) Traffic Management	Average	Average
12) Pedestrian Use (biking, walking, etc.)	Fair	Good
13) Median	n/a	n/a
14) Road Proximity to Properties	n/a	n/a
15) Dust	n/a	n/a
16) Visual Impact on Properties	Fair	Good

Based on the preceding grid, the subject properties will improve in 9 of the 16 categories. Market participants generally recognize that roads need replacing when nearing the end of a long economic life. A typical buyer in the subject market commonly prefers a good condition paved road surface road versus an inferior condition paved road surface. In addition to visual benefit, new street improvements provide better and safer use for pedestrians (biking, walking, stroller, rollerblading, etc.) and drivers. The new streets will enhance potential for re-development and/or updating the current properties. Properties that indirectly/directly abut or have driveways/access that exit on the new street will benefit.

Based on past appraisals, experience, and general market information, it is not uncommon for properties similar to those in the subject market to realize an increase in price for new street improvements.

Page 4

Discussion of Market Benefit - Continued

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer street improvements could see an average price benefit of:

Single family (street)

1.

\$11,000 to \$15,000 per buildable lot

Note: Homes that have frontage on a new street and frontage on a street not within the project (i.e. a corner lot) would have a benefit of half the amount above if the driveway exists onto a project street or 25% of the amount above if no driveway on a project street.



The benefit amount noted above should not be construed or relied on as being an appraisal, but are general observations based on the overall market. If an appraisal were made on the individual properties, the actual benefit amount could vary from market observations above.

If you have additional questions, please do not hesitate to contact us.

Sincerely,

Ethan Waytas, MAI Certified General MN 40368613

William R. Waytas, SRA Certified General MN 4000813

Enclosures: Location Map, Aerial Map View of Project, Subject Photos, Qualifications

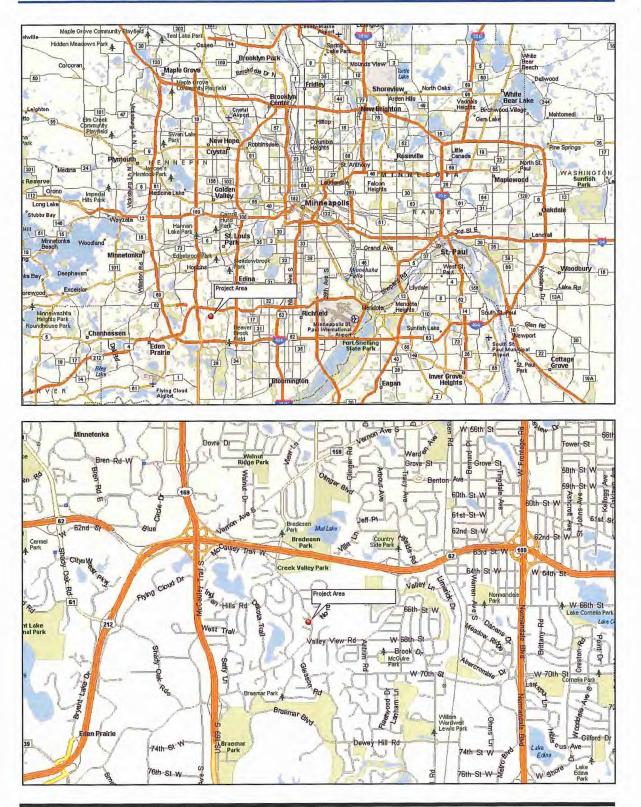
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Page 6

LOCATION MAP

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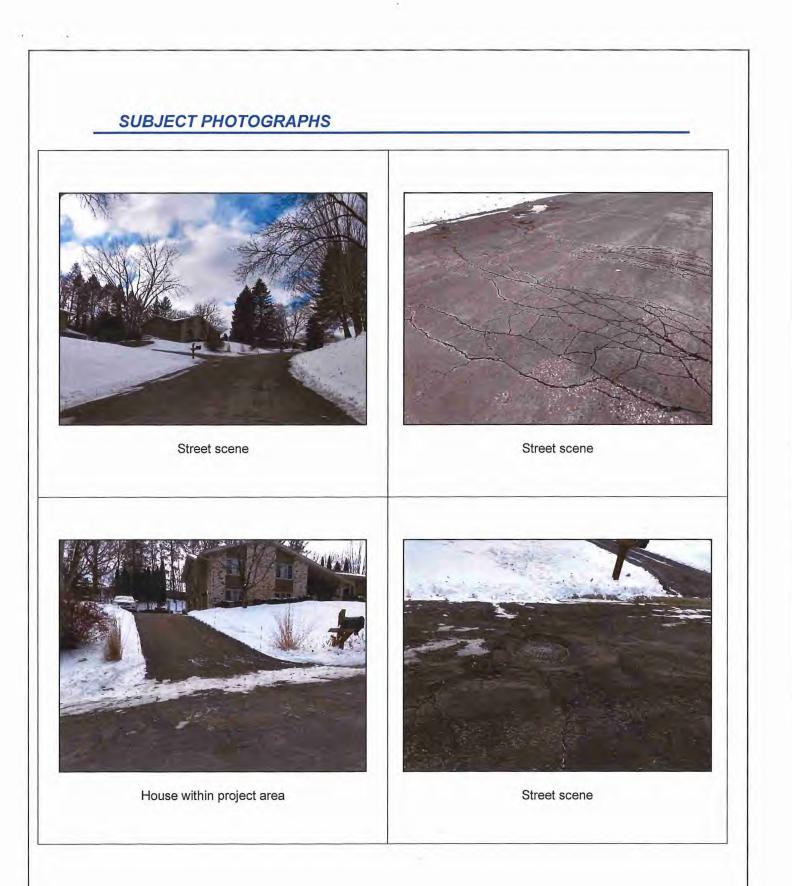
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AERIAL VIEW OF PROJECT MAP



*Red line reflects the project street areas



Subject Photographs - continued



Street scene

Street scene



Street scene



Street scene

Page 10

Subject Photographs - continued





House within project area

House within project area

QUALIFICATIONS

Appraisal Experience

Presently and since 2006, <u>Ethan Waytas, MAI</u> has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

Properties appraised:

- Commercial low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
- **Residential** single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** numerous street improvement and utilities projects for both governmental and private owners.
- Clients served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- Area of Service most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Testimony

-- Court, commission, mediation testimony, etc. has been given

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #40368613 Holds the MAI designation from the Appraisal Institute

Education

-- Graduate of the University of Minnesota: College of Science and Engineering, Twin Cities Campus

Bachelor of Science in Computer Science, with distinction, 3.86 GPA.

- -- General & Professional Practice Courses & Seminars
- -- Basic Appraisal Procedures
- -- Basic Appraisal Principles
- -- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
- -- General Appraiser Sales Comparison Approach
- -- General Appraiser Income Approach Part 1
- -- General Appraiser Income Approach -- Part 2
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- -- Real Estate Finance, Statistics and Valuation Modeling
- -- 2014-2015 7-hour National USPAP Update Course
- -- General Appraiser Site Valuation & Cost Approach
- -- Advanced Market Analysis and Highest & Best Use
- -- Advanced Concepts & Case Studies
- -- Quantitative Analysis

Curriculum Vitae -- continued

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Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813. Appraisal Institute: SRA, Senior Residential Appraiser Designation, General Associate Member Employee Relocation Council: CRP Certified Relocation Professional Designation. International Right-Of-Way Association: Member HUD/FHA: On Lender Selection Roster and Review Appraiser DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

- -- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
- -- Chairman of Residential Admissions, Metro/MN Chapter, Al.
- -- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, Al.
- -- Elm Creek Watershed Commission, Medina representative 3 years.
- -- Medina Park Commission, 3 years.

Curriculum Vitae -- continued

Education

- -- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
- During college, summer employment in building trades (residential and commercial).
- -- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.
- -- General & Professional Practice Courses & Seminars
- -- Course 101-Introduction to Appraising Real Property.
- -- Numerous Standards of Professional Practice Seminar.
- -- Fair Lending Seminar.
- -- Eminent Domain & Condemnation Appraising.
- -- Eminent Domain (An In-Depth Analysis)
- -- Property Tax Appeal
- -- Eminent Domain
- -- Business Practices and Ethics
- -- Scope of Work
- -- Construction Disturbances and Temporary Loss of Going Concern
- -- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)
 - Commercial/Industrial/Subdivision Courses & Seminars
- -- Capitalization Theory & Techniques
- -- Highest & Best Use Seminar
- -- General & Residential State Certification Review Seminar
- -- Subdivision Analysis Seminar.
- -- Narrative Report Writing Seminar (general)
- -- Advanced Income Capitalization Seminar
- -- Advanced Industrial Valuation
- -- Appraisal of Local Retail Properties
- -- Appraising Convenience Stores
- Analyzing Distressed Real Estate
- -- Evaluating Commercial Construction
- -- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets

Residential Courses & Seminars

- -- Course 102-Applied Residential Appraising
- -- Narrative Report Writing Seminar (residential)
- -- HUD Training session local office for FHA appraisals
- -- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
- -- Appraiser/Underwriter FHA Training
- -- Residential Property Construction and Inspection
- -- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

- -- Bankers
- -- Auditors
- -- Assessors
- -- Relocation (Panel Discussion)

Publications

- -- Real Estate Appraisal Practice (book): Acknowledgement
- -- Articles for Finance & Commerce and Minnesota Real Estate Journal

Real Estate Consulting Letter Report

Effective Date December 6, 2018

Subject Property

Street Improvement Project Chowen Park A/B Neighborhood Edina, MN 55410



File # V1812004

Prepared By: Ethan Waytas, MAI, Appraiser William R. Waytas, SRA, Appraiser

Nagell Appraisal Incorporated 12805 Highway 55, Suite 300 Plymouth, Minnesota 55441 Tel: 952.544.8966 | Fax: 952.544.8969

Client

ř 7

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

NAGELL APPRAISAL INCORPORATED

12805 Highway 55 #300 Plymouth, MN 55441 Established in 1968 Minneapolis 95 St. Paul 65 Central Fax 95

952-544-8966 651-209-6159 952-544-8969

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424 December 10, 2018

To Chad Millner:

Per your request, this is a letter report to assist the city for guidance regarding a street improvement project within Edina (see attached map for the location of the streets in the project). The project is the reconstruction or partial reconstruction of Ewing Avenue South, Drew Avenue South, Chowen Avenue South, Beard Avenue South, Abbott Avenue South, Zenith Avenue South, and York Avenue South. Additionally, there will be alley improvements as well.

This report is <u>not</u> an appraisal, but rather provides a preliminary opinion of a general range of market benefit, if any, for similar properties.

SCOPE OF ASSIGNMENT

In accordance with your request, a drive-by viewing of the properties has been made along with some general market comments regarding benefit (if any) for the proposed street improvement project as it relates to the subject market. As noted in the engagement letter, no specific sales data has been collected for this assignment. The general market comments are based on past appraisals, experience, and market information.

Pictures of the streets were taken on December 6, 2018 by William Waytas. The appraiser also viewed aerial/satellite image on the county GIS website and Google street view images. A project feasibility report was provided; the conclusions and information from the report were a part of the overall consulting letter analysis. The feasibility report is retained in the appraiser's workfile.

PROJECT

The City of Edina is proposing to reconstruct the streets as previously noted.

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

Motivation for the road improvement project stems from deteriorating road surface and/or base. Secondary motivations appear to be to improve public sidewalks, as well as spot repairing public utilities.

AREA DESCRIPTION

The City of Edina is a first ring suburban community located approximately 15 minutes south of Downtown Minneapolis. The population was 47,941 as of 2010 census (an increase of 1.1% from the 2000 census). The 2016 estimated population is 51,350 (an increase of 7.1% from 2010).

Commercial and industrial users are scattered throughout the city, however, major commercial (Southdale Center) is located along France Avenue South and major industrial near Highway 100 and I-494. The remainder of the city is mostly made up of single-family residential homes. Edina has a reputation as a stable community. Access to most shopping and surrounding communities is within 5 to 15 minutes. Most existing buildings in the area range from average to good quality.

Single family homes generally range in value between \$300,000 and \$1,000,000+ for the overall city. Within a ½ mile radius of the project area, the average home price over the past three years is around \$490,000 (MLS statistics). Most homes are average to good quality.

SUBJECT PROPERTIES

The project area primarily consists of single-family residential homes.

EXISTING STREETS & UTILITIES

Physical Condition of the Existing Road: The existing road improvements are asphalt with road base. Some of the streets have concrete curb and gutter while others do not. The road condition, based on the visual inspection of the streets is rated to be poor/fair. There are signs of transverse and alligator cracking, along with some areas of graveling. The streets within the project, per feasibility report, were originally constructed between 1925 and 1960.

Also within the project are gravel and concrete alleys.

Note: The city feasibility report indicates that the PCI rating for the project area is 27 out of 100.

Physical Condition of Existing Utilities: The utilities within the neighborhood are public sanitary sewer and public water. The city is proposing to update the utilities as described on the next page.

Functional Design of the Road: The existing paved road is very dated, in poor/fair condition, and does have substantial large cracks. The road condition is rated to be poor to fair. There are signs of transverse and alligator cracking, along with areas of graveling.

Roads in poor to fair condition do not meet the expectations of typical market participants in this suburban market for re-development, resale price, and/or updating the current uses. Overall, the existing street improvements are in fair/poor condition, are beginning to look dated and reflect likewise on the adjoining and side street properties.

In addition, gravel alleys are generally considered to be below market standards. Within the city, and even within the project, there are concrete alleys, which are generally considered to be more appealing.

PROPOSED ROAD IMPROVEMENT

The city is proposing to reconstruct the streets within the project area. Per the engineering feasibility report, the existing road and base will be removed. In its place will be 8" of new road base, plus 2.5" of asphalt plus an additional 1.5" asphalt wear course. New concrete curb and gutter will be installed as well (or replaced as needed on streets with concrete curb and gutter). The report indicates the road requirements will meet a minimum 20-year pavement design life.

The roads will be 27', except for Beard Avenue South, which will be 24'. This is necessary to construct a new sidewalk. The streets within the project are being reduced in width from 28'-30' down to 24' to 27'.

In addition to the streets, some residents requested that the gravel alleys be paved with asphalt. This will improve access and maintenance of the alleys. The city will also make drainage improvements as well.

Note: The concrete alleys are not part of this project.

Public utilities are not a primary part of this project. That said, the city will be putting a cured in-place liner in the sanitary sewer lines, as well as updating all the water mains and services.

Given the existing condition of the road, the proposed project is logical.

If any of the above descriptions change, the benefit due to the project could differ.

HIGHEST AND BEST USE

The subject project area is located in the eastern portion of the city. The properties in the project area are single-family residential.

Owners in the subject area appear to update their property as needed when site and building components wear out or become dated. Owners in the overall area commonly pave their driveways or maintain parking lots as needed, recognizing it adds value when done. Therefore, it is logical to update the road to the subject properties as needed, as these are essential property characteristics that are expected in this market.

An informed buyer would consider the condition of the road and traffic flow/management. A wellconstructed and good condition road provides aesthetic appeal to a property and efficient/safe traffic flow. Given a choice, a potential informed buyer would likely prefer a newer road with good traffic flow over a deteriorating road with fair traffic flow.

If replacement of components of real estate near the end of their economic life in a home or building is postponed, it can be costlier in the long run; delays in replacing components can result in incurring higher interim maintenance costs and potential difficulty in marketing the property. Also, it is typical for the cost of the replacement of an improvement to increase over time. That said it is logical and prudent for market participants to update/replace dated components when needed. Therefore, the highest and best use of the surrounding properties in the project area is for the continued residential use with the proposed infrastructure improvements.

DISCUSSION OF MARKET BENEFIT

Listed below are the factors that will be taken into consideration concerning the potential benefit to the properties.

Description	<u>Existing</u> Improvements	Change
1) Road Surface	Poor/Fair; gravel alleys	New, paved, good; paved alleys
2) Base Condition	Poor/Fair	New, good
3) Curb	None, Fair to Average, concrete	New or replaced where appropriate
4) Drainage	Average, less effective in some areas	Average, drainage fixed where appropriate
5) Storm Sewer	Yes	Yes
6) City water	Dated	New
7) City sewer	Dated	New liner, 100-year life
8) Sidewalk	Concrete in areas, average	Concrete in areas, average
9) Street Lights	Average	Average
10) Functional Design of Road	Dated	Good
11) Traffic Management	Average	Average
12) Pedestrian Use (biking, walking, etc.)	Fair	Good
13) Median	n/a	n/a
14) Road Proximity to Properties	n/a	n/a
15) Dust	n/a	n/a
16) Visual Impact on Properties	Fair	Good

Based on the preceding grid, the subject properties will improve in 9 of the 16 categories. Market participants generally recognize that roads need replacing when nearing the end of a long economic life. A typical buyer in the subject market commonly prefers a good condition paved road surface road versus an inferior condition paved road surface. In addition to visual benefit, new street improvements provide better and safer use for pedestrians (biking, walking, stroller, rollerblading, etc.) and drivers. The new streets will enhance potential for re-development and/or updating the current properties. Properties that indirectly/directly abut or have driveways/access that exit on the new street will benefit.

Based on past appraisals, experience, and general market information, it is not uncommon for properties similar to those in the subject market to realize an increase in price for new street improvements.

Discussion of Market Benefit - Continued

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer street improvements could see an average price benefit of:

Single family (street)

\$7,500 to \$12,000 per buildable lot

Note: Homes that have frontage on a new street and frontage on a street not within the project (i.e. a corner lot) would have a benefit of half the amount above if the driveway exists onto a project street or 25% of the amount above if no driveway on a project street.

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer alley improvements could see an average price benefit of:

Single family (alley)

\$2,500 to \$4,500 per buildable lot

CONCLUSION

The benefit amount noted above should not be construed or relied on as being an appraisal, but are general observations based on the overall market. If an appraisal were made on the individual properties, the actual benefit amount could vary from market observations above.

If you have additional questions, please do not hesitate to contact us.

Sincerely,

Ethan Waytas, MAI Certified General MN 40368613

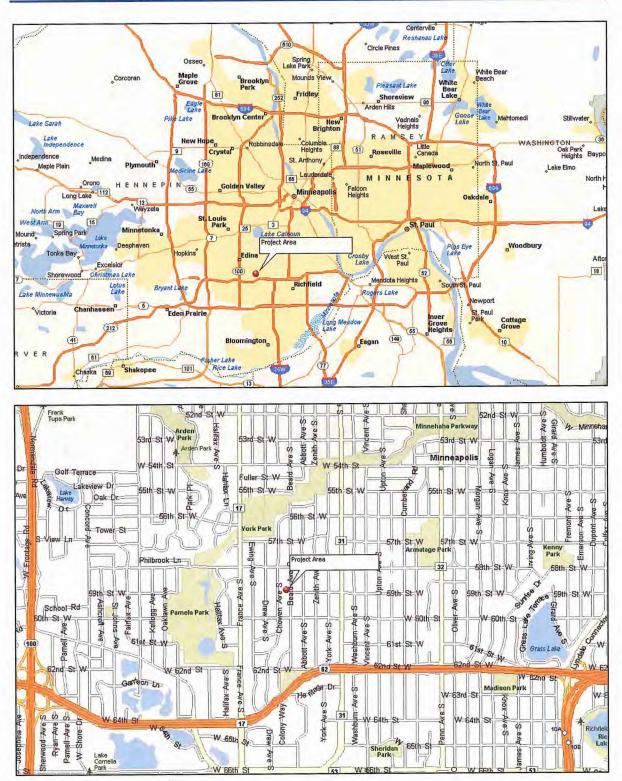
William R. Waytas, SRA Certified General MN 4000813

Enclosures: Location Map, Aerial Map View of Project, Subject Photos, Qualifications

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Page 6



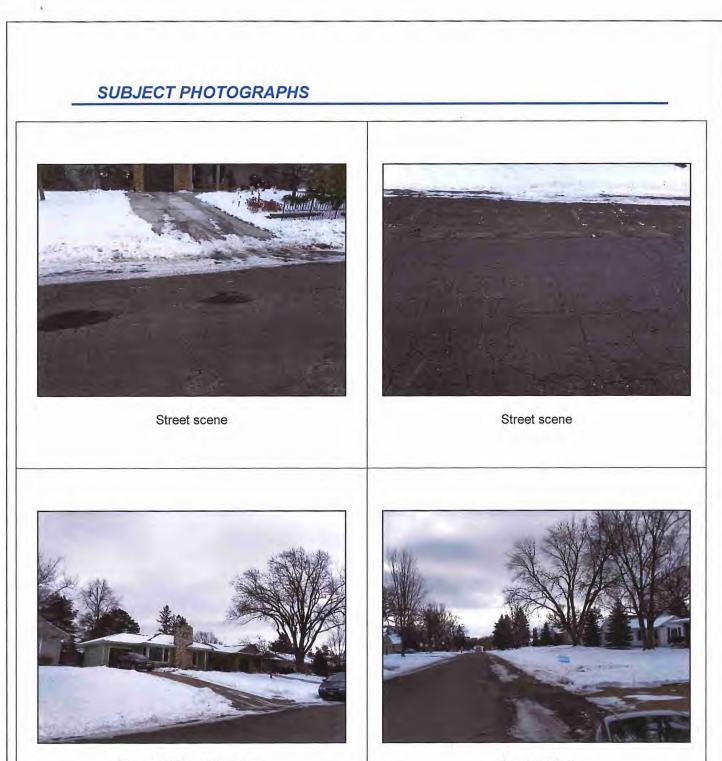


AERIAL VIEW OF PROJECT MAP



*Red line reflects the project street areas

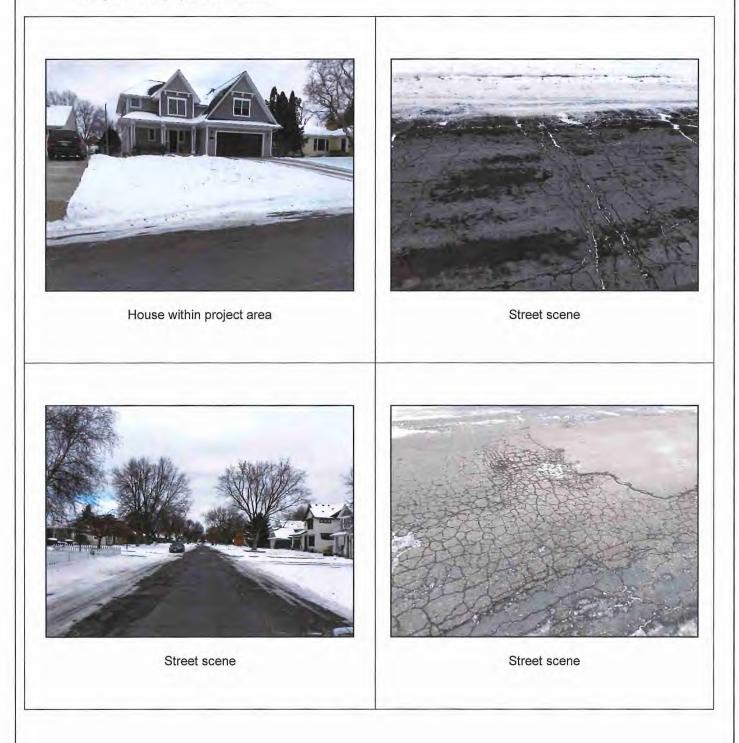
*Yellow line reflects the project alley areas

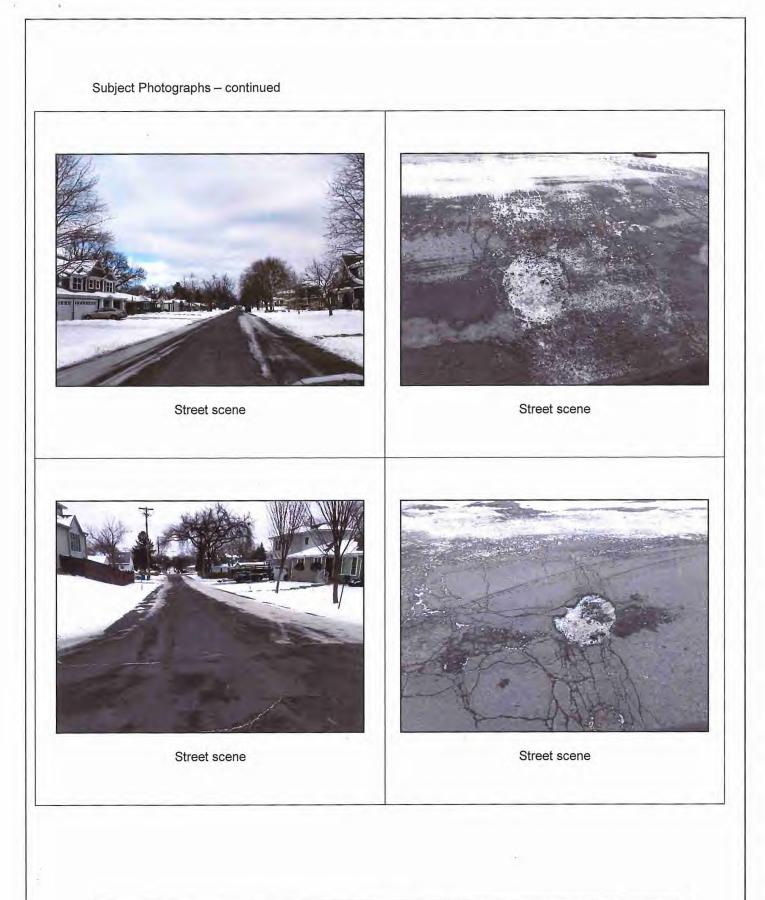


House within project area

Street scene

Subject Photographs - continued





Nagell Appraisal Incorporated | 952.544.8966

QUALIFICATIONS

Appraisal Experience

Presently and since 2006, <u>Ethan Waytas, MAI</u> has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

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- **Commercial** low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
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- -- 2014-2015 7-hour National USPAP Update Course
- -- General Appraiser Site Valuation & Cost Approach
- -- Advanced Market Analysis and Highest & Best Use
- -- Advanced Concepts & Case Studies
- -- Quantitative Analysis

Curriculum Vitae -- continued

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Testimony

Court, deposition, commission, arbitration & administrative testimony given.

Mediator

Court appointed in Wright County.

Committees

- -- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
- -- Chairman of Residential Admissions, Metro/MN Chapter, Al.
- -- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, Al.
- -- Elm Creek Watershed Commission, Medina representative 3 years.
- Medina Park Commission, 3 years.

Curriculum Vitae -- continued

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- -- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

Commercial/Industrial/Subdivision Courses & Seminars

- Capitalization Theory & Techniques
- -- Highest & Best Use Seminar
- -- General & Residential State Certification Review Seminar
- -- Subdivision Analysis Seminar.
- -- Narrative Report Writing Seminar (general)
- -- Advanced Income Capitalization Seminar
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- -- Course 102-Applied Residential Appraising
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- -- HUD Training session local office for FHA appraisals
- -- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
- -- Appraiser/Underwriter FHA Training
- -- Residential Property Construction and Inspection
- -- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

- -- Bankers
- -- Auditors
- -- Assessors
- -- Relocation (Panel Discussion)

Publications

- -- Real Estate Appraisal Practice (book): Acknowledgement
- -- Articles for Finance & Commerce and Minnesota Real Estate Journal

<u>Report Type</u> Real Estate Consulting Letter Report

Effective Date December 6, 2018

Subject Property

Street Improvement Project Todd Park E Neighborhood Edina, MN 55436



File # V1812003

<u>Prepared By:</u> Ethan Waytas, MAI, Appraiser William R. Waytas, SRA, Appraiser

Nagell Appraisal Incorporated 12805 Highway 55, Suite 300 Plymouth, Minnesota 55441 Tel: 952.544.8966 | Fax: 952.544.8969

Client

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

×.

NAGELL APPRAISAL INCORPORATED

12805 Highway 55 #300 Plymouth, MN 55441 *Established in 1968*
 Minneapolis
 952-544-8966

 St. Paul
 651-209-6159

 Central Fax
 952-544-8969

December 10, 2018

City of Edina Attn: Chad Millner, Director of Engineering 4801 West 50th Street Edina, MN 55424

To Chad Millner:

Per your request, this is a letter report to assist the city for guidance regarding a street improvement project within Edina (see attached map for the location of the streets in the project). The project is the reconstruction of Brookside Terrance and Motor Street.

This report is <u>not</u> an appraisal, but rather provides a preliminary opinion of a general range of market benefit, if any, for similar properties.

SCOPE OF ASSIGNMENT

In accordance with your request, a drive-by viewing of the properties has been made along with some general market comments regarding benefit (if any) for the proposed street improvement project as it relates to the subject market. As noted in the engagement letter, no specific sales data has been collected for this assignment. The general market comments are based on past appraisals, experience, and market information.

Pictures of the streets were taken on December 6, 2018 by William Waytas. The appraiser also viewed aerial/satellite image on the county GIS website and Google street view images. A project feasibility report was provided; the conclusions and information from the report were a part of the overall consulting letter analysis. The feasibility report is retained in the appraiser's workfile.

PROJECT

The City of Edina is proposing to reconstruct the streets as previously noted.

Per request, you desire to know the benefit (if any) as it impacts properties in the project area.

Motivation for the road improvement project stems from a desire to convert the last (per report) gravel street in the city to a paved roadway. Secondary motivations appear to be to spot repair public utilities.

AREA DESCRIPTION

The City of Edina is a first ring suburban community located approximately 15 minutes south of Downtown Minneapolis. The population was 47,941 as of 2010 census (an increase of 1.1% from the 2000 census). The 2016 estimated population is 51,350 (an increase of 7.1% from 2010).

Commercial and industrial users are scattered throughout the city, however, major commercial (Southdale Center) is located along France Avenue South and major industrial near Highway 100 and I-494. The remainder of the city is mostly made up of single-family residential homes. Edina has a reputation as a stable community. Access to most shopping and surrounding communities is within 5 to 15 minutes. Most existing buildings in the area range from average to good quality.

Single family homes generally range in value between 300,000 and 1,000,000+ for the overall city. Within a $\frac{1}{2}$ mile radius of the project area, the average home price over the past three years is around 475,000 (MLS statistics). Most homes are average to good quality.

SUBJECT PROPERTIES

The project area primarily consists of single-family residential homes.

EXISTING STREETS & UTILITIES

Physical Condition of the Existing Road: The existing road improvements are gravel with no curb, gutter, or storm sewer. The streets within the project, per feasibility report, were originally constructed between 1910 and 1927.

Note: The city feasibility report indicates that the PCI rating for the project area is 0 out of 100.

Physical Condition of Existing Utilities: The utilities within the neighborhood are public sanitary sewer and public water. The city is proposing to update the utilities as described on the next page.

Functional Design of the Road: The existing road is gravel, very dated, and in poor/fair condition

Roads in poor to fair condition do not meet the expectations of typical market participants in this suburban market for re-development, resale price, and/or updating the current uses. Overall, the existing street improvements are in fair/poor condition, are beginning to look dated and reflect likewise on the adjoining and side street properties.

Note: Per city, this is the last gravel street in Edina. The market clearly excepts paved roadways.

PROPOSED ROAD IMPROVEMENT

The city is proposing to reconstruct the streets within the project area. Per the engineering feasibility report, the existing road and base will be removed. In its place will be 8" of new road base, plus 2.5" of asphalt plus an additional 1.5" asphalt wear course. New concrete curb and gutter will be installed as well, along with new storm sewer. The report indicates the road requirements will meet a minimum 20-year pavement design life.

Note: The road width will be 15' to 20', which is comparable to the before situation.

Public utilities are not a primary part of this project. That said, the city will be putting a cured in-place liner in the sanitary sewer lines, as well as constructing and installing new fire hydrants and gate valves.

Given the existing condition of the road, the proposed project is logical.

If any of the above descriptions change, the benefit due to the project could differ.

HIGHEST AND BEST USE

The subject project area is located in the northern portion of the city. The properties in the project area are single-family residential.

Owners in the subject area appear to update their property as needed when site and building components wear out or become dated. Owners in the overall area commonly pave their driveways or maintain parking lots as needed, recognizing it adds value when done. Therefore, it is logical to update the road to the subject properties as needed, as these are essential property characteristics that are expected in this market.

An informed buyer would consider the condition of the road and traffic flow/management. A wellconstructed and good condition road provides aesthetic appeal to a property and efficient/safe traffic flow. Given a choice, a potential informed buyer would likely prefer a newer road with good traffic flow over a deteriorating road with fair traffic flow.

If replacement of components of real estate near the end of their economic life in a home or building is postponed, it can be costlier in the long run; delays in replacing components can result in incurring higher interim maintenance costs and potential difficulty in marketing the property. Also, it is typical for the cost of the replacement of an improvement to increase over time. That said it is logical and prudent for market participants to update/replace dated components when needed. Therefore, the highest and best use of the surrounding properties in the project area is for the continued residential use with the proposed infrastructure improvements.

DISCUSSION OF MARKET BENEFIT

Listed below are the factors that will be taken into consideration concerning the potential benefit to the properties.

Description	<u>Existing</u> Improvements	Change
1) Road Surface	Gravel	New, paved, good
2) Base Condition	Poor/Fair	New, good
3) Curb	None	New, concrete, good
4) Drainage	Fair to Average	Good
5) Storm Sewer	None	New
6) City water	Average	New hydrants, gate valves
7) City sewer	Dated	New liner, 100-year life
8) Sidewalk	None	None
9) Street Lights	Average	Average
10) Functional Design of Road	Dated	Good
11) Traffic Management	Average	Average
12) Pedestrian Use (biking, walking, etc.)	Fair	Good
13) Median	n/a	n/a
14) Road Proximity to Properties	n/a	n/a
15) Dust	n/a	n/a
16) Visual Impact on Properties	Fair	Good

Based on the preceding grid, the subject properties will improve in 10 of the 16 categories. Market participants generally recognize that roads need replacing when nearing the end of a long economic life. A typical buyer in the subject market commonly prefers a good condition paved road surface road versus an inferior condition paved road surface. In addition to visual benefit, new street improvements provide better and safer use for pedestrians (biking, walking, stroller, rollerblading, etc.) and drivers. The new streets will enhance potential for re-development and/or updating the current properties. Properties that indirectly/directly abut or have driveways/access that exit on the new street will benefit.

Based on past appraisals, experience, and general market information, it is not uncommon for properties similar to those in the subject market to realize an increase in price for new street improvements.

Discussion of Market Benefit - Continued

Given the scope of the project, the age/quality/condition of houses, properties in the area with newer street improvements could see an average price benefit of:

Single family (street)

\$12,000 to \$15,000 per buildable lot

Note: Homes that have frontage on a new street and frontage on a street not within the project (i.e. a corner lot) would have a benefit of half the amount above if the driveway exists onto a project street or 25% of the amount above if no driveway on a project street.

CONCLUSION

The benefit amount noted above should not be construed or relied on as being an appraisal, but are general observations based on the overall market. If an appraisal were made on the individual properties, the actual benefit amount could vary from market observations above.

If you have additional questions, please do not hesitate to contact us.

Sincerely,

Ethan Waytas, MAI Certified General MN 40368613

Well K

William R. Waytas, SRA Certified General MN 4000813

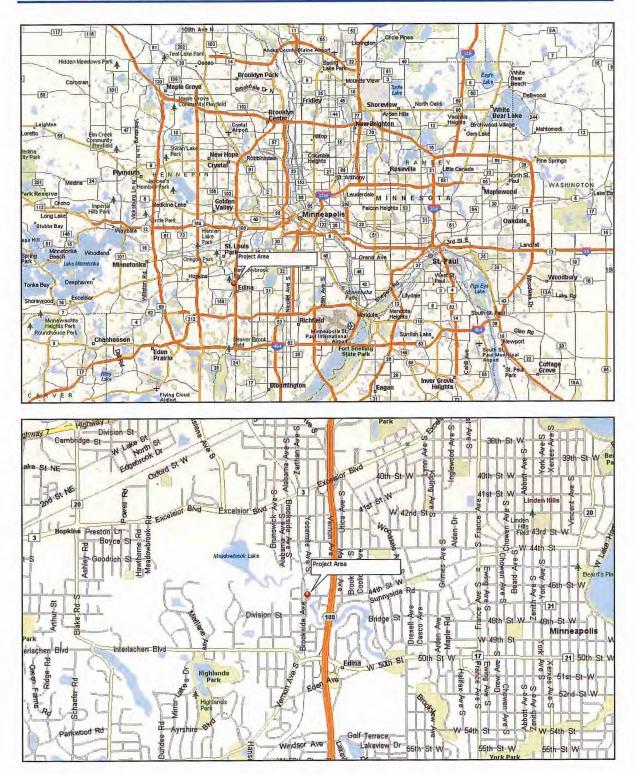
Enclosures: Location Map, Aerial Map View of Project, Subject Photos, Qualifications

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LOCATION MAP

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AERIAL VIEW OF PROJECT MAP



*Red line reflects the project street areas

SUBJECT PHOTOGRAPHS

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Street scene



Street scene



House within project area



Street scene

Subject Photographs - continued



Street scene



House within project area



House within project area

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QUALIFICATIONS

Appraisal Experience

Presently and since 2006, <u>Ethan Waytas, MAI</u> has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. He is currently a full time licensed certified general real estate appraiser, partner, and director of the company's IT department.

Properties appraised:

- Commercial low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, cinema, numerous special use properties, golf courses, and subdivision analysis.
- Residential single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** numerous street improvement and utilities projects for both governmental and private owners.
- Clients served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- **Area of Service** most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Testimony

- Court, commission, mediation testimony, etc. has been given

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #40368613 Holds the MAI designation from the Appraisal Institute

Education

-- Graduate of the University of Minnesota: College of Science and Engineering, Twin Cities Campus

Bachelor of Science in Computer Science, with distinction, 3.86 GPA.

- -- General & Professional Practice Courses & Seminars
- -- Basic Appraisal Procedures
- -- Basic Appraisal Principles
- -- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
- -- General Appraiser Sales Comparison Approach
- -- General Appraiser Income Approach -- Part 1
- -- General Appraiser Income Approach -- Part 2
- -- Advanced Income Capitalization
- -- General Appraiser Report Writing and Case Studies
- -- Real Estate Finance, Statistics and Valuation Modeling
- -- 2014-2015 7-hour National USPAP Update Course
- -- General Appraiser Site Valuation & Cost Approach
- -- Advanced Market Analysis and Highest & Best Use
- -- Advanced Concepts & Case Studies
- -- Quantitative Analysis

Curriculum Vitae -- continued

Appraisal Experience

Presently and since 1985, **William R. Waytas** has been employed as a full time real estate appraiser. Currently a partner and President of the Nagell Appraisal & Consulting, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. Mr. Waytas was employed with Iver C. Johnson & Company, Ltd., Phoenix, AZ from 1985 to 1987.

Properties appraised:

- **Commercial** low and high-density multi-family, retail, office, industrial, restaurant, church, stripmall, fast-food, convenience stores, auto-service and repair, hotel, hotel water park, bed & breakfast, cinema, marina, numerous special use properties, and subdivision analysis.
- **Residential** single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.
- **Eminent Domain** extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.
- **Special Assessment** numerous street improvement and utilities projects for both governmental and private owners.
- Review residential, commercial and land development.
- Clients served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.
- Area of Service most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813. Appraisal Institute: SRA, Senior Residential Appraiser Designation, General Associate Member Employee Relocation Council: CRP Certified Relocation Professional Designation. International Right-Of-Way Association: Member HUD/FHA: On Lender Selection Roster and Review Appraiser DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

- -- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
- -- Chairman of Residential Admissions, Metro/MN Chapter, Al.
- -- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, Al.
- -- Elm Creek Watershed Commission, Medina representative 3 years.
- -- Medina Park Commission, 3 years.

Page 12

Curriculum Vitae -- continued

Education

- -- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
- -- During college, summer employment in building trades (residential and commercial).
- -- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.
- -- General & Professional Practice Courses & Seminars
- -- Course 101-Introduction to Appraising Real Property.
- -- Numerous Standards of Professional Practice Seminar.
- -- Fair Lending Seminar.
- -- Eminent Domain & Condemnation Appraising.
- -- Eminent Domain (An In-Depth Analysis)
- -- Property Tax Appeal
- -- Eminent Domain
- -- Business Practices and Ethics
- -- Scope of Work
- -- Construction Disturbances and Temporary Loss of Going Concern
- -- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

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- -- Highest & Best Use Seminar
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- Course 102-Applied Residential Appraising
- -- Narrative Report Writing Seminar (residential)
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- -- Relocation (Panel Discussion)

Publications

- -- Real Estate Appraisal Practice (book): Acknowledgement
- -- Articles for Finance & Commerce and Minnesota Real Estate Journal

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2019 Street Reconstruction Public Hearings Introduction





Agenda

- Infrastructure Projects
- General Schedule
- Assessment Policy
- MN Statue Chapter 429 Benefit

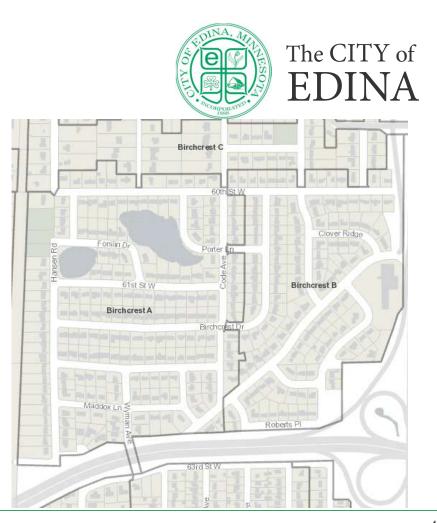


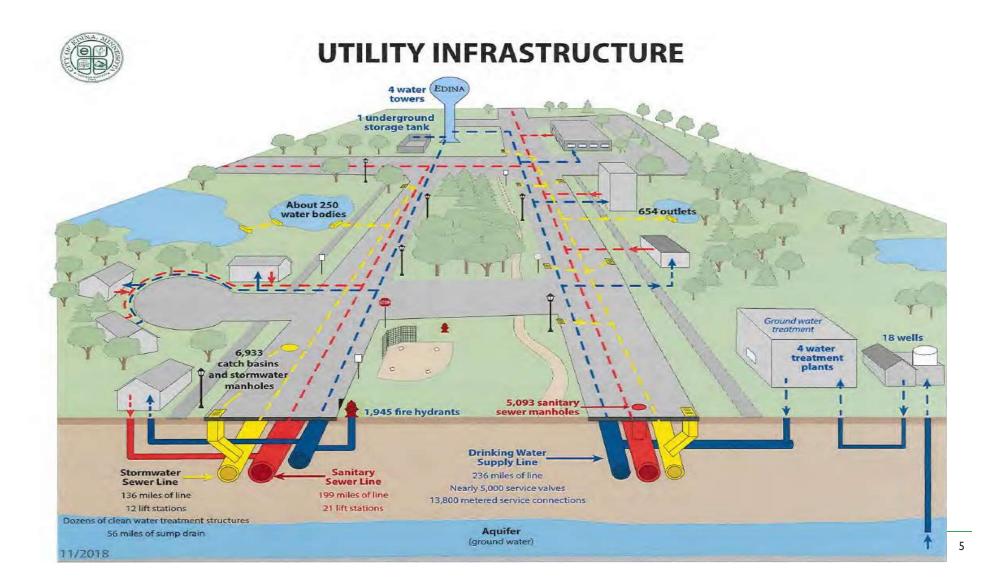
Infrastructure Projects

- Vision Edina "provide effective and valued public services and maintain a sound public infrastructure"
 - Multi-Modal Transportation Network Roads, Sidewalks, Bicycle Facilities
 - Clean & Safe Drinking Water
 - Sanitation
 - Storm Water Flood and Drainage Service, Clean Water

Infrastructure Projects

- Maintenance Groups
 - Divided into groups based on original plat and similar sized lots
 - Used neighborhood naming convention for main label
 - Divided neighborhoods into groups (A,B,C, etc.)





Infrastructure Projects - '12-'18

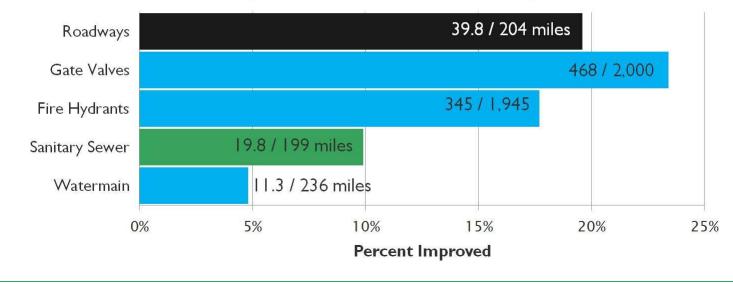


The CITY of

EDINA

Roadway Reconstruction Program Infrastructure Improvements (2012-2018)





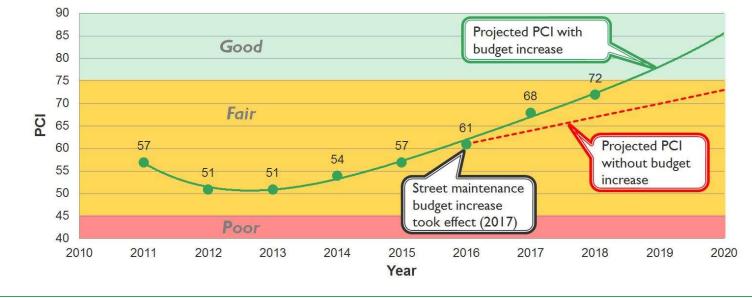
Infrastructure Projects

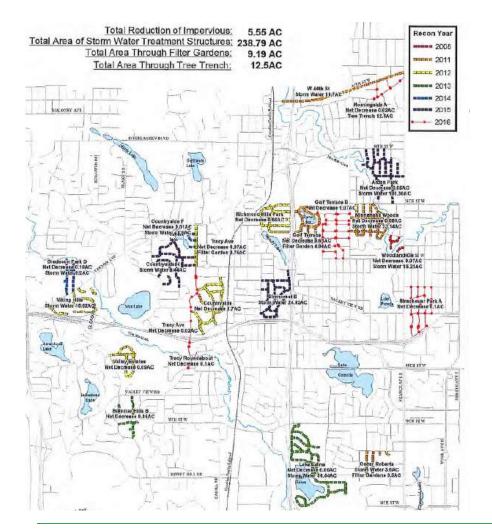


The CITY of EDINA

Network Average Pavement Condition Index











2019 Projects

- Indian Trails B & C
 93 properties
- Indian Hills C
 16 properties
- Chowen Park A & B
 308 properties
- Todd Park E
 7 properties

The CITY of **EDINA** A



General Schedule

- Public Hearing December 2018
- Construction 2019
- Final Assessment Hearing Fall 2020



- Assigned to benefitting properties of the public improvements per State Statute Chapter 429
- Edina's Policy Assessments Cover 100% of roadway
 - Roadway and driveway removals
 - Subgrade materials
 - Asphalt pavement
 - Restoration retaining walls, landscaping, seeding
 - Indirect Costs engineering, finance, soil investigations, mailings



- Assessable costs include all project costs not allocated to other funding sources. (utilities, PACS, MSA)
 - Staff concerns with picking and choosing specific items based on concerns of the assessment amount.
 - Consideration of past and future projects
 - Or difference of opinion on condition of an element.
 - Potential Discussion on the Assessment Policy
 - Options or policy revision to account for variations in projects



- Assessable costs include all project costs not allocated to other funding sources. (utilities, PACS, MSA)
 - Subcuts large variation between projects
 - Birchcrest / Golf Terrace \$2,800 \$3,800 per REU or 22% 32%
 - Lighting
 - Braemar Hills (2010) \$1,000 or 15%
 - Walls, Railings, and Lighting
 - Valley View Road (2015) \$2,600 or 35%
 - Retaining Walls Occur in some scale on almost every project



- Final assessment amount will be set one year after project completion (Fall 2020)
 - Pay entire amount upon receiving bill to avoid future interest charges
 - Pay 25%; balance rolls to property taxes over 15 years
 - Roll entire amount to property taxes over 15 years
 - Defer payment if 65 years of age or older and meet specific income requirements

MN State Statute Chapter 429



- Benefit Question
 - 2018 Day Group Study
 - General Review of Edina's Assessment Policy
 - 3 Different Density Neighborhoods
 - Range \$10,000 \$15,000 and \$15,000 \$20,000
 - Dias Nagell Appraising Completed General Benefit Letters
 - Each Project Area Considered Tonight
 - Range of Benefit Realized from Street Reconstruction
 - Assessment amounts confirmed (exception = retaining walls)



- Infrastructure Projects
- Years 2012 2018
 - Roads: 40 miles or 20% of the network (200 miles)
 - Watermains: 11.3 miles or 5% of the network (236 miles)
 - 345 Fire Hydrants or 18% of the total (1945)
 - 468 Gate Valves or % of the total (
 - Sanitary: 19.8 miles or 10% of the network (199 miles)
 - Sidewalks: 11.6 miles



Indian Trails B & C Neighborhood Roadway Reconstruction BA-452

Public Improvement Hearings

December 10, 2018



Project Details

- 93 properties
- I.0 miles of road
- I6,341 square yards of street pavement
- 9 existing fire hydrants
- 18 existing sanitary manholes







Existing Watermain Condition

- Ductile iron and copper pipes (1.25-2" copper pipes undersized)
- Relatively few breaks
- Original fire hydrants (not current City standard)
- Gate valves nearing end of useful life





Proposed Watermain Improvements

- Replace all gate valves and upgrade hydrants to City standard with Storz connection
- Replace portions of existing main and associated water services
- Verify appropriate hydrant spacing and add hydrants if needed to meet public safety standards







Existing Sanitary Sewer Condition



- Clay, reinforced concrete and ductile iron pipes in fair condition
- Inflow and infiltration (I&I) occurring in system
- Localized sanitary sewer pipe defects
 - -Root intrusion and encrustation account for majority of problems



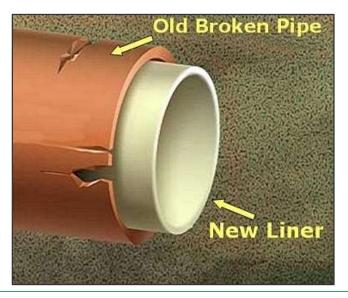
Proposed Sanitary Sewer Improvements



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- Install cured-in-place pipe liners to reduce I&I
- Replace manhole castings and rings





Existing Storm Sewer Condition

- Most street have concrete curb and gutter
- Corrugated metal and reinforced concrete pipes
- Localized surface drainage issues, verified by resident comments





Existing Storm Sewer Condition

- The CWRMP identified multiple areas of modeled flood inundation within the project area
- A number of home structures could be impacted
- Sally Lane 36" storm sewer extension associated with 2015 Valley View Road project







The CITY of EDINA

- Concrete Curb and Gutter:
 - Full installation on
 Shawnee Cir and Overholt
 Pass
 - Full replacement on Bello Dr



Slide 9	
СМЗ	why full replacement on Bello? Chad Millner, 12/6/2018
CM10	60% in poor condition

Chad Millner, 12/6/2018

Slide 0



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• Concrete Curb and Gutter:

- Spot replacement on Comanche Ct, Sally Ln, Paiute Cir/Dr/Pass

- Size adjustment to the Comanche Court Cul-de-Sac. – drainage issues to address



- Modifications to roadway and storm sewer network to improve existing drainage issues
- Install sump drain pipe (where feasible)





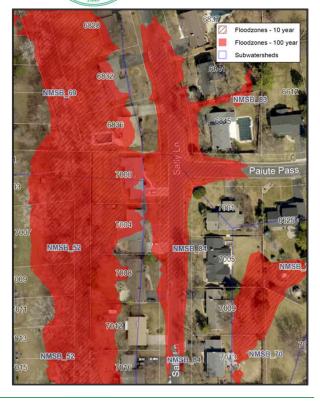
The CITY of **EDINA**



- Barr Engineering to evaluate the feasibility for Sally Lane and Paiute Pass area, as well as other areas of flood inundation identified within the project limits.
- If easements are necessary, staff will communicate and coordinate with property owners prior to selecting an improvement method.







Existing Roadway Condition

- Streets originally constructed in 1960s
 - Bello (1992)
- Street widths vary between 25' and 30'
- Primarily silty sand base material



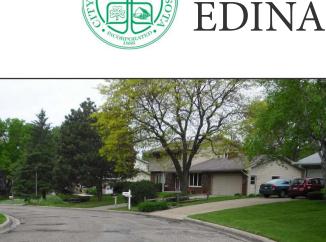
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AS11 **Existing Roadway Condition**

- City of Edina Network Average Pavement Condition Index - 72 Indian Trails B & C – 35 (after patching)
- Sally Lane Pavement repair associated with the 36" storm sewer extension as part of 2015 Valley View Road project



The CITY of



AS11 All streets were surveyed in 2016, after pavement replacement/overlays on Shawnee, Overholt, and Sally. Today's projected average PCI of 35 includes these small sections of relatively new pavement. Andrew Scipioni, 12/6/2018

Proposed Roadway Improvements



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- Recycle existing pavement
 material <u>infeasible</u>
- Subgrade corrections as needed
- Construct new roadway section



Living Streets Plan



- 27' width typically recommended for Local streets
 - Less impervious surface
 - 5.5 acres in 2008
 - Storm water management
 - Traffic calming
 - Reduced life cycle cost





Living Streets Plan

- Narrower proposed street widths: With or without wall construction
 - Shawnee Circle 24'
 - Overholt Pass 21'





Slide 17

CM7	what are widths without wall construction?
	Chad Millner, 12/6/2018

CM12 same with or without for future wall Chad Millner, 12/6/2018

Existing Retaining Wall Condition



The CITY of EDINA

- Natural stone retaining walls along Shawnee Circle and Overholt Pass
- Walls originally constructed
 between 1960 1971
- Range in height from 0.5' to 8', most exceeding 4'
- Erosion and bulging evident



Proposed Retaining Wall Improvements

- Hired a structure engineer to review
 - Structural and City opinion
 - walls nearing the end of useful life
 - should be reconstructed
- Reviewed 4 options
 - 2 options for Precast modular block ("Big Block")
 - 2 options for natural stone walls

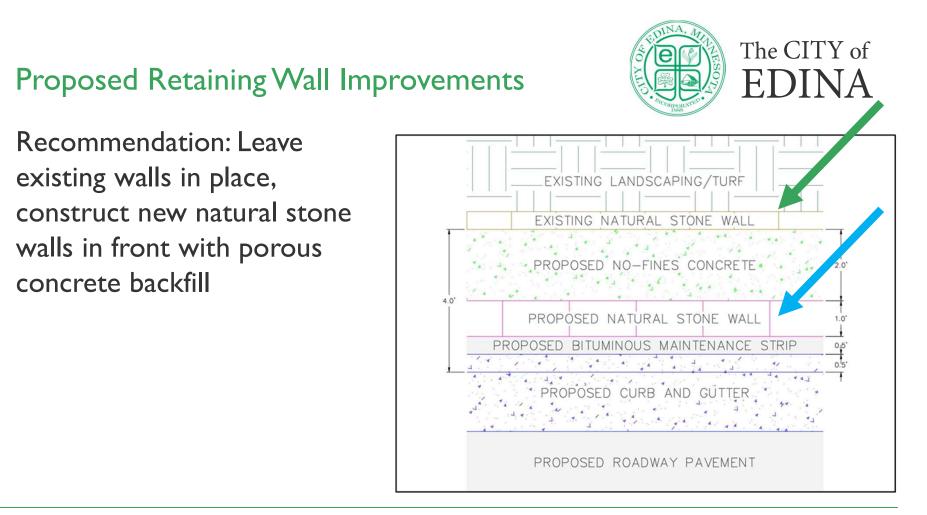


Proposed Retaining Wall Improvements

- Key criteria via resident discussions:
 - Minimize impacts trees, landscaping
 - Wall Materials aesthetics





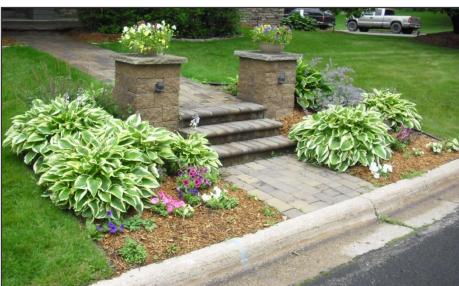


Existing Right-of-Way Conditions

- Landscaping features
 - Irrigation systems

Mailboxes

Pet fences









Estimated Project Costs



ltem	Subtotal		Subtotal Total		Total	Funding Source	
Roadway	\$	1,097,956					
Retaining Walls	\$	275,000					
Roadway:			\$	1,372,956	Special Assessments		
Sanitary Sewer	\$	366,400					
Watermain	\$	1,256,340					
Storm Sewer*	\$	883,790					
Utilities:			\$	1,325,660	City Utility Funds		
Total Project:			\$	2,698,616			

*Includes concrete curb and gutter

Engineering, clerical and finance costs, contingency included

Special Assessments

- Assigned to benefitting properties of public improvements per State Statute 429
- Cover 100% of roadway costs
 - Roadway and driveway removals
 - Subgrade materials
 - Retaining walls road purposes
 - Asphalt pavement
 - Restoration retaining walls, landscaping, seeding
 - Indirect Costs engineering, finance, soil investigations, mailings





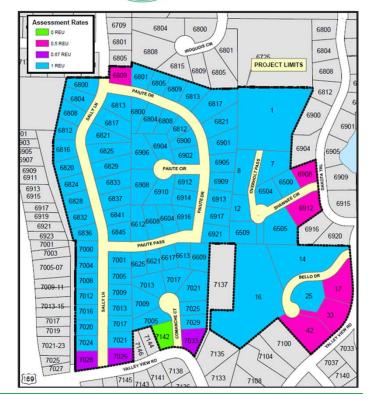


Estimated Assessments

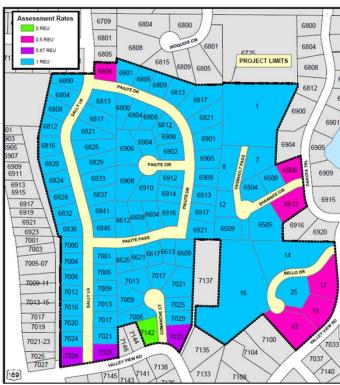
- 93 properties (88.01 REUs)
 - I REU per single-family home
 - 0 0.67 REU for previously assessed properties
 - 0.5 REU for corner properties











Estimated Assessments

\$1,372,956 / 88.01 REUs = \$15,600 per REU

\$12,475 for roadway

- \$3,125 for retaining walls

\$1,097,956 / 88.01 REUs = \$12,475
 per REU



Assessment Policy

- Assessable costs include all project costs not allocated to other funding sources. (utilities, PACS, MSA)
 - Based on Nagell Letters, option to assess only Shawnee and Overholt properties for walls (9-10 REU's)
 - Assessment just based on cost more than \$40,000
 - Assessment based on benefit up to \$18,000
 - Generate ~\$50,000 of the \$275,000
 - Potential Discussion on the Assessment Policy
 - Options or policy revision to account for variations in projects

6520 Belmore Ln (Presidents C)



The CITY of EDINA

- ~8' tall
- ~260' long





The CITY of EDINA

4728 W 70th St

~6' tall
~130' long





6932 Valley View Rd

- ~8' tall
- ~193' long



Assessment Payment Options



- Final assessment amount will be sent one year after project completion (Fall 2020)
 - Pay entire amount upon receiving bill to avoid future interest charges
 - Pay 25%; balance rolls to property taxes over 15 years
 - Roll entire amount to property taxes over 15 years
 - Defer payment if 65 years of age or older and meet specific income requirements

Project Schedule



The CITY of EDINA

Project Open Houses	2016 and 2017	
Neighborhood Informational Meeting	August 13, 2018	
ETC Engineering Study Review	October 25, 2018	
Receive Engineering Report	December 4, 2018	
Public Hearing	December 10, 2018	
Bid Opening	March/April 2019	
Award Contract / Begin Construction	Spring 2019	
Complete Construction	Fall 2019	
Complete Construction	Fall 2017	

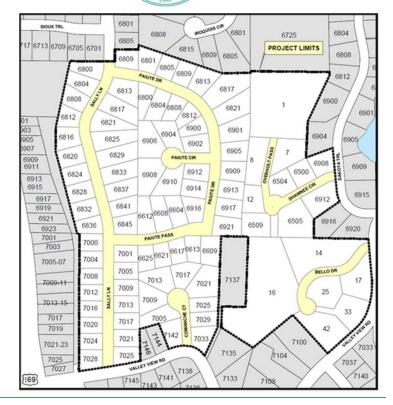
Recommendation

- Staff believes this project is feasible, cost effective and necessary to improve the public infrastructure
- Approve Resolution No. 2018-131

Authorize Indian Trails B & C Neighborhood Roadway Reconstruction (Improvement No. BA-452)







Questions?









Paving per REU

Neighborhood	Estimated Assessment per REU	# of REUs	Square Yards of Paving	Square Yards of Paving per REU
Indian Trails B&C	\$ 15,600	88.01	16,341	185.67
Indian Hills C	\$ 13,300	13.5	2,195	162.61
Todd Park E	\$ 11,700	5.0	992	180.30
Chowen Park A&B (roadway)	\$ 9,000	268.0	32,274	120.43
Chowen Park A&B (alley)	\$ 3,500	62.0	2,953	47.63

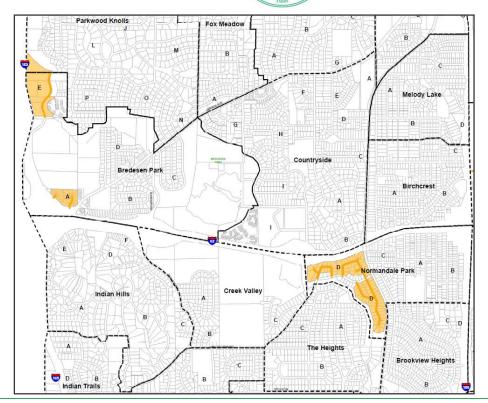


INA

The CITY of EDINA

2018 Projects

- Normandale Park D
 94 properties
- Bredesen Park A
 28 properties
- Bredesen Park E
 6 properties (Industrial)





Assessment Policy

- Assessable costs include all project costs not allocated to other funding sources. (utilities, PACS, MSA)
 - Subcuts large variation between projects
 - Birchcrest / Golf Terrace \$2,800 \$3,800 per REU or 22% 32%
 - Lighting
 - Braemar Hills (2010) \$1,000 or 15%
 - Walls, Railings, and Lighting
 - Valley View Road (2015) \$2,600 or 35%
 - Retaining Walls Occur in some scale on almost every project
 - Indian Trails B/C \$3,125 or 20%

6201 Vernon Ct (Bredesen Park B)



The CITY of **EDINA**

- ~8' tall
- ~200' long



6201 Knoll Dr S (Blake Rd)



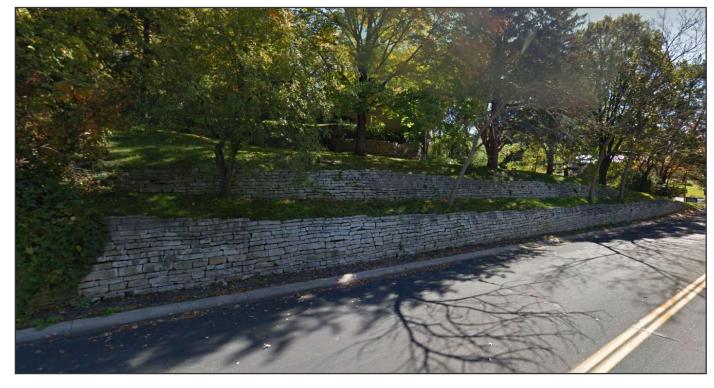
- ~8' tall
- ~167' long



7121 Schey Dr (Gleason Rd)



- ~7' tall
- ~187' long



6791 Brendan Ct (Indian Hills A)



- ~6' tall
- ~116' long

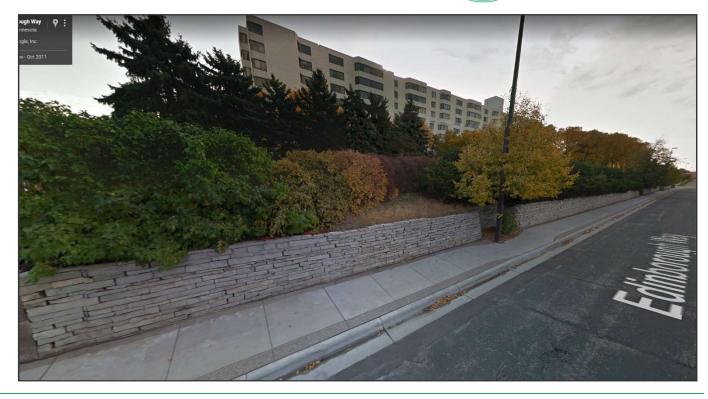


7500 York Ave (Edinborough C)



The CITY of EDINA

- ~5' tall
- ~891' long



Edina Ct (Country Club C)



- 0-4' tall
- ~713' long (total)



4949 Malibu Dr (Parkwood Knolls B)



The CITY of **EDINA**

- ~5' tall
- ~464' long



6421 Mildred Ave (Normandale Park A)



• ~5' tall

• ~180' long

5610 Interlachen Cir (Highlands E)



- ~5' tall
- ~156' long



529 Arthur St (Presidents D)



The CITY of **EDINA**

- ~5' tall
- ~105' long





The CITY of EDINA

5020 W 70th St

- ~5' tall
- ~104' long



Interlachen Blvd (Parkwood Knolls F)



The CITY of EDINA

- ~4' tall
- ~200' long





CITY OF EDINA

4801 West 50th Street Edina, MN 55424 www.edinamn.gov

Date:	December 10, 2018	Agenda Item #: V.B.
To:	Mayor and City Council	Item Type:
		Report / Recommendation, Other
From:	Aaron T. Ditzler, PE, Assistant City Engineer	
		Item Activity:
Subject:	PUBLIC HEARING: Indian Hills C Neighborhood	Action
Ū	Roadway Reconstruction, Improvement No. BA-455,	
	Resolution No. 2018-134	

ACTION REQUESTED:

If the Council determines the project to be necessary, cost-effective and feasible, Council shall adopt Resolution No. 2018-134, accepting the engineering study and approving Indian Hills C Neighborhood Roadway Reconstruction, Improvement No. BA-455, authorize plans and specifications to be completed and bids taken.

INTRODUCTION:

City staff initiated this project. The project proposes to reconstruct Gleason Terrace and Saint Albans Circle. It involves pavement reconstruction, new curb and gutter in some areas, and upgrading utilities.

The overall project cost is estimated at \$379,200. Funding will be a combination of special assessments and City Utility funds.

Staff has analyzed the project and feels that the project is necessary, cost-effective, and feasible from an engineering standpoint.

ATTACHMENTS:

Resolution No. 2018-134 Staff Presentation



RESOLUTION NO. 2018-134 ORDERING IMPROVEMENT FOR INDIAN HILLS C NEIGHBORHOOD ROADWAY RECONSTRUCTION IMPROVEMENT NO. BA-455

WHEREAS, a resolution of the City Council, adopted the 7th day of November 2018, fixed a date for a council hearing on Improvement No. BA-455, the proposed improvement of Indian Hills C Neighborhood Roadway Reconstruction; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 10th day of December 2018, at which all persons desiring to be heard were given an opportunity to be heard thereon;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EDINA, MINNESOTA:

- 1. Such improvement is necessary, cost-effective, and feasible to update aging infrastructure.
- 2. Such improvement is hereby ordered.
- 3. The city engineer is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
- 4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

Dated: December 10, 2018

Attest:

Sharon Allison, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA) COUNTY OF HENNEPIN)SS CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its regular meeting of December 10, 2018, and as recorded in the Minutes of said Special Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 20___.

City Clerk





Indian Hills C Neighborhood Roadway Reconstruction BA-455

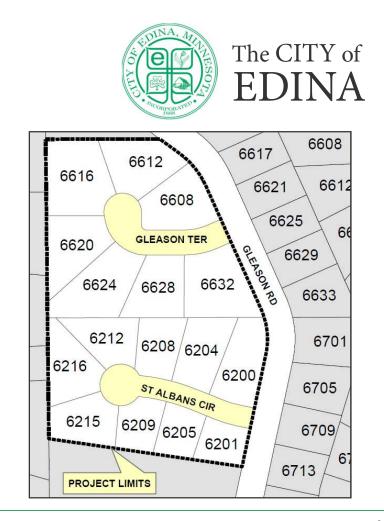
Public Improvement Hearing

December 10, 2018



Project Details

- 16 properties
- 0.15 miles of road
- 2,195 square yards of street pavement
- 2 existing fire hydrants
- 5 existing sanitary manholes



Existing Watermain Condition

- Ductile iron and copper pipes (1.5" copper pipes undersized)
- Original fire hydrants (not current City standard)
- Gate valves nearing end of useful life





Proposed Watermain Improvements

- Replace all gate valves and upgrade hydrants to City standard with Storz connection
- Replace undersized copper main and associated water services
- Verify appropriate hydrant spacing and add hydrants if needed to meet public safety standards





Existing Sanitary Sewer Condition

- Clay and ductile iron pipes in fair condition
- Inflow and infiltration (I&I) occurring in system
- Localized sanitary sewer pipe defects
 - -Root intrusion and encrustation account for majority of problems

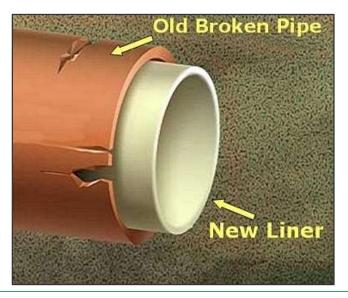




Proposed Sanitary Sewer Improvements



- Install cured-in-place pipe liners to reduce I&I
- Replace manhole castings and rings





Existing Storm Sewer Condition

- All streets have concrete curb and gutter
- Reinforced concrete and plastic pipes
- Localized surface drainage issues, verified by resident comments



The CITY of EDINA



Proposed Storm Sewer Improvements

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- Spot replacement of concrete curb and gutter
- Modifications to roadway and storm sewer network to improve existing drainage issues
- Install sump drain pipe (where feasible)



Curb Replacement Method Selection

- Review existing curb
 - Condition
 - Drainage
- Proposed utility improvements

 Significant vs. basic
- Evaluate curb to remain
- Storm sewer utility fund

 Prioritize drainage over
 - aesthetics





Existing Roadway Condition

- Streets originally constructed 1969-1978
- 30' average width
- Silty sand, clayey sand base





Existing Roadway Condition



- City of Edina Network Average Pavement Condition Index - 72 Indian Hills C - 14
- Pavement reaching end of useful life



Proposed Roadway Improvements



The CITY of EDINA

- Completely reconstructed to the subgrade
- Recycling existing pavement material <u>infeasible</u>
- Subgrade corrections as needed
- No changes in existing widths or parking availability



Existing Right-of-Way Condition



The CITY of **EDINA**

- Landscaping items
- Mailboxes
- Irrigation systems
- Pet fences





Estimated Project Costs

ltem		ubtotal	Total	Funding Source				
Roadway:			\$ 179,550	Special Assessments				
Sanitary Sewer	\$	32,160						
Watermain	\$	72,910						
Storm Sewer*	\$	94,580						
Utilities:			\$ 199,650	City Utility Funds				
Total Project:			\$ 379,200					

*Includes concrete curb and gutter

• Engineering, clerical and finance costs, contingency included

Special Assessments

- Assigned to benefitting properties of public improvements per State Statute 429
- Cover 100% of roadway costs
 - Roadway and driveway removals
 - Subgrade materials
 - Asphalt pavement
 - Restoration
 - Indirect Costs engineering, finance, soil investigations, mailings



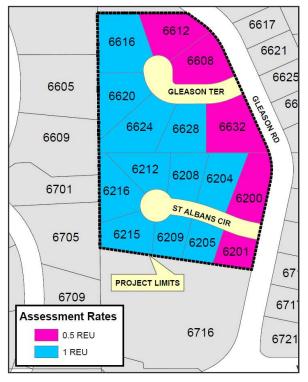


CM2

Proposed Assessments

- 16 properties (13.5 REUs)
 - I REU per single-family home
 - 0.5 REU for corner properties
- \$179,550 / 13.5 REUs = **\$13,300 per REU**





CM2 create SY paving graphic / table for all in case we need to discuss how lot size affects the assessment amount Chad Millner, 12/6/2018

Assessment Payment Options



- Final assessment amount will be sent one year after project completion (Fall 2020)
 - Pay entire amount upon receiving bill to avoid future interest charges
 - Pay 25%; balance rolls to property taxes over 15 years
 - Roll entire amount to property taxes over 15 years
 - Defer payment if 65 years of age or older and meet specific income requirements

Project Schedule



The CITY of EDINA

Project Open Houses	2016 and 2017					
Neighborhood Informational Meeting	August 13, 2018					
ETC Engineering Study Review	October 25, 2018					
Receive Engineering Report	December 4, 2018					
Public Hearing	December 10, 2018					
Bid Opening	March/April 2019					
Award Contract / Begin Construction	Spring 2019					
Complete Construction	Fall 2019					
-						

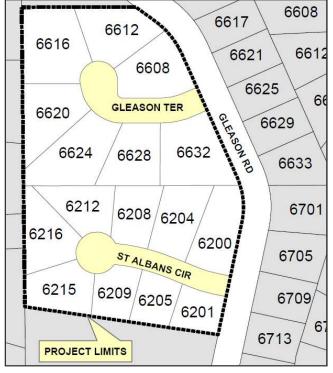
Recommendation

 Staff believes this project is feasible, cost effective and necessary to improve the public infrastructure.

• Approve Resolution No. 2018-134

Authorize Indian Hills C Neighborhood Roadway Reconstruction (Improvement No. BA-455)









CITY OF EDINA

4801 West 50th Street Edina, MN 55424 www.edinamn.gov

Date:	December 10, 2018	Agenda Item #: V.C.
To:	Mayor and City Council	Item Type:
		Report / Recommendation
From:	Aaron T. Ditzler, PE, Assistant City Engineer	
		Item Activity:
Subject:	PUBLIC HEARING: Chowen Park A & B	Action
Ū	Neighborhood Roadway Reconstruction,	
	Improvement No. BA-451 & A-279, Resolution No.	
	2018-132	

ACTION REQUESTED:

If the Council determines the project to be necessary, cost-effective and feasible, Council shall adopt Resolution No. 2018-132, accepting the engineering study and approving Chowen Park A & B Neighborhood Roadway and Alley Reconstruction, Improvement Nos. BA-451 & A-279, authorize plans and specifications to be completed and bids taken.

INTRODUCTION:

City staff initiated this project. The project proposes to reconstruct Abbott Avenue, Beard Avenue, Chowen Avenue, Drew Avenue, Ewing Avenue, York Avenue, Zenith Avenue and West 59th Street. It involves narrowing most roadways, reconstructing the gravel alleys, installing new sidewalk, curb and gutter and upgrading utilities.

The overall project cost is estimated at \$6,427,780. Funding will be a combination of special assessments, Pedestrian and Cyclist Safety Funds and City Utility funds.

Staff has analyzed the project and feels that the project is necessary, cost-effective, and feasible from an engineering standpoint.

ATTACHMENTS:

Resolution No. 2018-132 Staff Presentation



RESOLUTION NO. 2018-132 ORDERING IMPROVEMENT FOR CHOWEN PARK A & B NEIGHBORHOOD ROADWAY AND ALLEY RECONSTRUCTION IMPROVEMENT NOS. BA-451 AND A-279

WHEREAS, a resolution of the City Council, adopted the 7th day of November 2018, fixed a date for a council hearing on Improvement Nos. BA-451 and A-279, the proposed improvement of Chowen Park A & B Neighborhood Roadway and Alley Reconstruction; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 10th day of December 2018, at which all persons desiring to be heard were given an opportunity to be heard thereon;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EDINA, MINNESOTA:

- 1. Such improvement is necessary, cost-effective, and feasible to update aging infrastructure.
- 2. Such improvement is hereby ordered.
- 3. The city engineer is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
- 4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

Dated: December 10, 2018

Attest:

Sharon Allison, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA) COUNTY OF HENNEPIN)SS CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its regular meeting of December 10, 2018, and as recorded in the Minutes of said Special Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 20___.

City Clerk



Chowen Park A & B Neighborhood Roadway and Alley Reconstruction BA-451 & A-279

Public Improvement Hearings

December 10, 2018





The CITY of **EDINA**

Project Details

- 308 properties
- 1.9 miles of road
- 0.4 miles of gravel alleys
- 0.5 miles of concrete alleys
- 32,274 square yards of street pavement
- 26 existing fire hydrants
- 29 existing sanitary manholes

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Existing Watermain Conditions

- Cast iron pipes in poor condition
- Many breaks relatively
- Original fire hydrants (not current City standard)
- Gate valves nearing end of useful life







Proposed Watermain Improvements

- Replace all watermain pipe and services
- Replace all gate valves and upgrade hydrants to City standard with Storz connection
- Verify appropriate hydrant spacing and add hydrants if needed to meet public safety standards





Existing Sanitary Sewer Conditions

- Clay pipes in fair condition
- Inflow and infiltration (I&I) occurring in system
- Localized sanitary sewer pipe defects
 - -Root intrusion and encrustation account for majority of problems

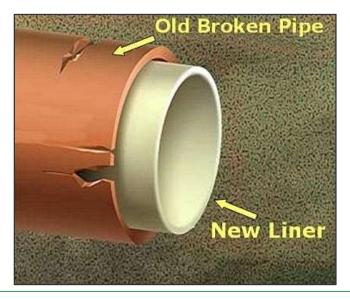




Proposed Sanitary Sewer Improvements



- Spot trunk pipe repairs and cured-in-place pipe liners to reduce I&I
- Replace manhole castings and rings





Existing Storm Sewer Condition

- Most streets in the neighborhood do not have concrete curb and gutter
- Corrugated metal and reinforced concrete pipes, relatively few inlets
- Localized surface drainage issues, verified by resident comment





Existing Storm Sewer Conditions

- The CWRMP identified multiple areas of modeled flood inundation within the project area for both the 10-percent and 1-percent-annual-chance flood event
- A number of home structures could be impacted





Proposed Storm Sewer Improvements

- Modifications to roadway and storm sewer to improve existing drainage issues
- Replace curb and gutter (poor condition, water services, storm sewer, sump drains)
- Install sump drain pipe where feasible





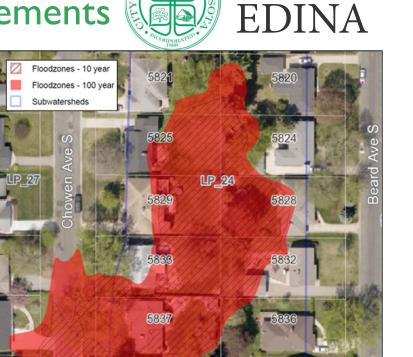






Proposed Storm Sewer Improvements

- Storm sewer extension on Chowen Avenue
- Backyard depression area resident correspondence
- Future backyard storm connection



 $|\mathbf{e}|$

5901

The CITY of

CM1 discuss owner interaction Chad Millner, 12/6/2018

CM3 add slide with backyard zoom. Chad Millner, 12/6/2018

Existing Roadway Condition

- Streets originally constructed in 1920s-1960
- Existing street widths vary between 28' and 30'
- Primarily silty sand base material
- City of Edina Network Average Pavement Condition Index - 72 Chowen Park A&B – 27





Proposed Roadway Improvements



The CITY of EDINA

- Recycle existing pavement
 material <u>infeasible</u>
- Subgrade corrections as needed
- Construct new roadway section
- 27' street widths proposed with the exception of Beard Avenue (24' width)



CM2

Living Streets Plan

- 27' and 24' street widths
 - Less impervious surface
 - Storm water management
 - Traffic calming
 - Reduced life cycle cost
- Parking along sidewalk side
 - Improved line of sight
 - Pedestrian safety



The CITY of

EDINA

CM2 5.5 acres less since 2008

Chad Millner, 12/6/2018

Pedestrian Facilities Plan

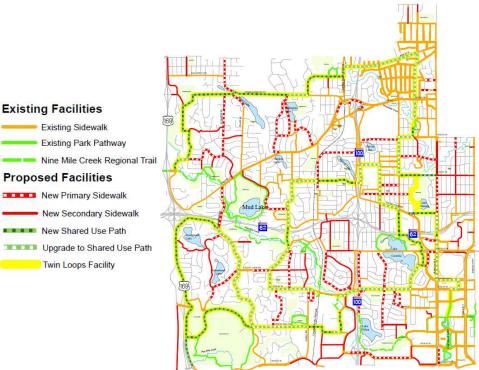
 Plan updated in 2018 with addition of Beard Avenue in the Chowen Park neighborhood.

> -Plan approved at Public Hearing Feb. 13, 2018

- -2 Citywide public meetings
- -3 Pop-up workshops
- -Website and
- questionnaire









The CITY of **EDINA**

Proposed Sidewalk

- Beard Ave (24-foot)
 - 5-foot sidewalk and 5foot boulevard on east side
 - Sidewalk on the east side is continuous with existing walk to the south
 - Future sidewalks adjacent to project area

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W. 58th Street Reconstruction



- Anticipated in 2020
- W. 58th Street and Chowen Park limits
- Municipal State Aid
- Public Participation



Existing Gravel Alley Conditions

- Alleys originally constructed in 1920s-1960
- Existing alley widths vary between 10' and 15'
- Poor gravel alley base indicated by soil borings
- Localized surface drainage issues, verified by resident comments



The CITY of EDINA



Existing Concrete Alley Condition

- Alleys originally constructed in 1920s-1960
- Concrete pavement in fair condition







Proposed Gravel Alley Improvements



- Subgrade corrections as needed
- Construct new section for gravel alleys

2.5" and 1.5" of asphalt base and wear course, respectively

 Petition for paving along one gravel alley



AS1 2014 Alley Improvement project, post-construction Andrew Scipioni, 12/6/2018

Existing Right-of-Way Conditions

Landscaping features
 Outwalks/steps



 Irrigation systems/ pet fences



Estimated Project Costs



ltem	Subtotal	Total	Funding Source
Roadway:		\$ 2,412,000	Special Assessments
Alley:		\$ 217,000	Special Assessments
Sanitary Sewer	\$ 377,180		
Watermain	\$ 1,952,140		
Storm Sewer*	\$ 1,379,860		
Utilities:		\$ 3,709,180	City Utility Funds
Sidewalk:		\$ 89,600	PACS Fund
Total Project:		\$ 6,427,780	

*Includes concrete curb and gutter

Engineering, clerical and finance costs, contingency included

Special Assessments

- Assigned to benefitting properties of public improvements per State Statute 429
- Cover 100% of roadway and alley costs
 - Roadway and driveway removals
 - Subgrade materials
 - Asphalt pavement
 - Restoration
 - Indirect Costs engineering,

finance, soil investigations, mailings





Estimated Roadway Assessments



The CITY of **EDINA**

- 308 properties (268 REUs)
 L PELL por single family
 - I REU per single-family home
 - 0.5 REU for corner properties
- \$2,412,000 / 268 REUs =
 \$9,000 per REU

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Estimated Alley Assessments

- 62 properties (62 REUs)
 I REU per single-family home
- \$217,000 / 62 REUs =
 \$3,500 per REU

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The CITY of

EDINA



Total Estimated Assessments

• \$3,500-\$12,500

\$3,500 – Alley only

\$9,000 - Road only

\$12,500 – Road and Alley

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AS2

AS2 3 properties will recieve no assessment, they are included in the assessment roll and mailing list for the project as they may still be impacted by construction activity Andrew Scipioni, 12/6/2018

Assessment Payment Options



- Final assessment amount will be sent one year after project completion (Fall 2020)
 - Pay entire amount upon receiving bill to avoid future interest charges
 - Pay 25%; balance rolls to property taxes over 15 years
 - 5 years for alleys
 - Roll entire amount to property taxes over 15 years
 - 5 years for alleys
 - Defer payment if 65 years of age or older and meet specific income requirements

Project Schedule



The CITY of EDINA

Project Open Houses	2016 and 2017
Neighborhood Informational Meeting	August 13, 2018
ETC Engineering Study Review	October 25, 2018
Receive Engineering Report	December 4, 2018
Public Hearing	December 10, 2018
Bid Opening	March/April 2019
Award Contract / Begin Construction	Spring 2019
Complete Construction	Fall 2019
Complete Construction	





• Staff believes this project is feasible, cost effective and necessary to improve the public infrastructure

• Approve Resolution No. 2018-132

Authorize Chowen Park A & B Neighborhood Roadway and Alley Reconstruction

(Improvement Nos. BA-451 & A-279)

Questions?









Paving per REU

Neighborhood	Estimated Assessment per REU	# of REUs	Square Yards of Paving	Square Yards of Paving per REU
Indian Trails B&C	\$ 15,600	88.01	16,341	185.67
Indian Hills C	\$ 13,300	13.5	2,195	162.61
Todd Park E	\$ 11,700	5.0	992	180.30
Chowen Park A&B (roadway)	\$ 9,000	268.0	32,274	120.43
Chowen Park A&B (alley)	\$ 3,500	62.0	2,953	47.63



INA



CITY OF EDINA

4801 West 50th Street Edina, MN 55424 www.edinamn.gov

Date:	December 10, 2018	Agenda Item #: V.D.
To:	Mayor and City Council	Item Type:
		Report / Recommendation
From:	Aaron T. Ditzler, PE, Assistant City Engineer	
		Item Activity:
Subject:	PUBLIC HEARING: Todd Park E Neighborhood Roadway Reconstruction, Improvement No. BA-454, Resolution No. 2018-133	Action

ACTION REQUESTED:

If the Council determines the project to be necessary, cost-effective and feasible, Council shall adopt Resolution No. 2018-133, accepting the engineering study and approving Todd Park E Neighborhood Roadway Reconstruction, Improvement No. BA-454, authorize plans and specifications to be completed and bids taken.

INTRODUCTION:

City staff initiated this project. The project proposes to reconstruct Brookside Terrace and Motor Street. It involves asphalt pavement construction of the gravel street, new curb and gutter, creek sediment removal at the storm sewer outlet and upgrading utilities.

The overall project cost is estimated at \$353,240. Funding will be a combination of special assessments and City Utility funds.

Staff has analyzed the project and feels that the project is necessary, cost-effective, and feasible from an engineering standpoint.

ATTACHMENTS:

Resolution No. 2018-133 Staff Presentation



RESOLUTION NO. 2018-133 ORDERING IMPROVEMENT FOR TODD PARK E NEIGHBORHOOD ROADWAY RECONSTRUCTION IMPROVEMENT NO. BA-454

WHEREAS, a resolution of the City Council, adopted the 7th day of November 2018, fixed a date for a council hearing on Improvement No. BA-454, the proposed improvement of Todd Park E Neighborhood Roadway Reconstruction; and

WHEREAS, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 10th day of December 2018, at which all persons desiring to be heard were given an opportunity to be heard thereon;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EDINA, MINNESOTA:

- 1. Such improvement is necessary, cost-effective, and feasible to update aging infrastructure.
- 2. Such improvement is hereby ordered.
- 3. The city engineer is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
- 4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

Dated: December 10, 2018

Attest:

Sharon Allison, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA) COUNTY OF HENNEPIN)SS CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its regular meeting of December 10, 2018, and as recorded in the Minutes of said Special Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 20___.

City Clerk



Todd Park E Neighborhood Roadway Reconstruction BA-454

Public Improvement Hearing

December 10, 2018

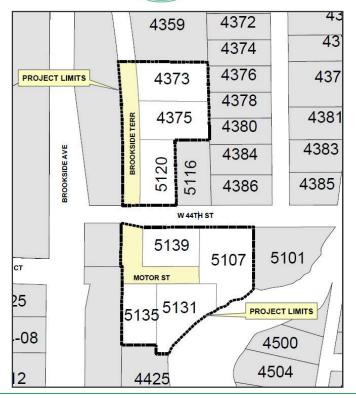


Project Details

- Last gravel road in Edina
- 7 properties
- 0.11 miles of road
- 827 square yards of street pavement
- I existing fire hydrant
- 3 existing sanitary manholes







Existing Watermain Conditions

- Ductile iron and copper pipes (1.5" copper pipes undersized)
- Original fire hydrant (not current City standard)
- Gate valves nearing end of useful life







Proposed Watermain Improvements

- Replace all gate valves and upgrade hydrants to City standard with Storz connection
- Replace undersized copper main and associated water services
- Verify appropriate hydrant spacing and add hydrants if needed to meet public safety standards





Existing Sanitary Sewer Conditions

- Clay and reinforced concrete pipes in fair condition
- Inflow and infiltration (I&I) occurring in system
- Localized sanitary sewer pipe defects
 - -Root intrusion and encrustation account for majority of problems



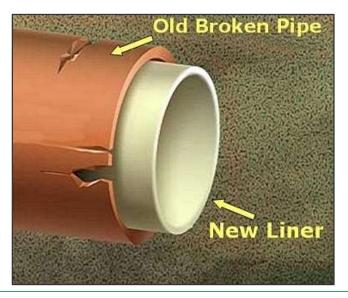
The CITY of

EDINA

Proposed Sanitary Sewer Improvements



- Install cured-in-place pipe liners to reduce I&I
- Replace manhole castings and rings





Existing Storm Sewer Conditions



- Corrugated metal and reinforced concrete pipes, relatively few inlets
- Localized surface drainage issues, verified by resident comments



Existing Storm Sewer Conditions



- Gravel surfaces discharge directly to Minnehaha Creek
- Sediment accumulation in Creek



Proposed Storm Sewer Improvements

- New concrete curb and gutter (combination of bulkhead and surmountable)
- Modifications to roadway and storm sewer network to improve existing drainage issues
- Install sump drain pipe (where feasible)
- Remove sediment from Minnehaha Creek



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Existing Roadway Conditions

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- Streets originally constructed
 1910-1930
- Gravel surfaces with no curb
- Existing street widths vary between 12' and 35'
- 0.8'-1' gravel, substandard base material indicated by soil borings



Existing Right-of-Way Conditions



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- Trees/vegetation
- Boulder, timber walls
- Irrigation systems
- Pet fences





- Recycle existing gravel where feasible, import additional material to construct adequate base layer
- Subgrade corrections as needed
- 2.5" and 1.5" of bituminous base and wear course, respectively



Living Streets Plan



- 27' width typically recommended for Local streets
- Several unique factors to consider;
 - Narrower ROW (40-50' vs. 60')
 - Property impacts (trees, landscaping)
 - Limited vehicle traffic
 - Existing character of neighborhood

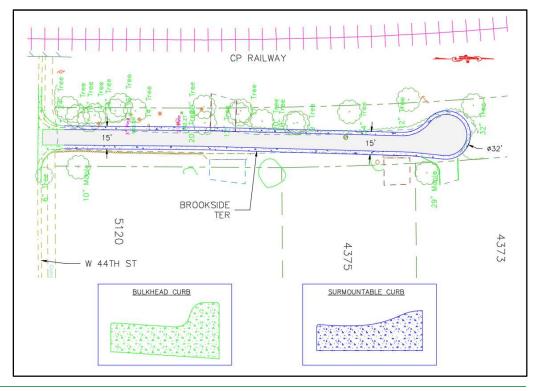


• Narrower street widths are proposed for Todd Park E

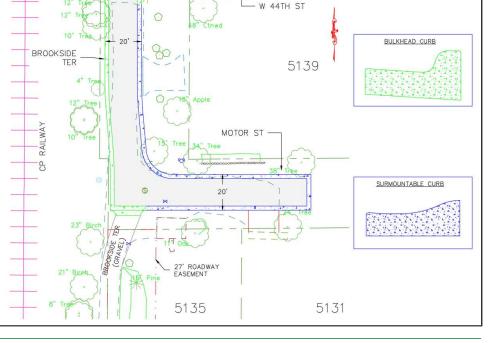


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- Brookside Ter (north of W 44th St)
 - 15' width
 - 32' cul-de-sac
 - One-sided parking (east side only)



- Brookside Ter (south of W 44th St)
 - 20' width
 - One-sided parking
 - (east side only)
 - Apron entrance to gravel
- Motor St
 - 20' width
 - One-sided parking (north side only)



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• Proposed parking restrictions mimic existing conditions





Curb and gutter installation will minimize snowplowing damage





Estimated Project Costs

ltem	Subtotal		Total		Funding Source
Roadway:			\$	58,500	Special Assessments
Sanitary Sewer	\$	56,420			
Watermain	\$	98,960			
Storm Sewer*	\$	139,360			
Utilities:			\$	294,740	City Utility Funds
Total Project:			\$	353,240	

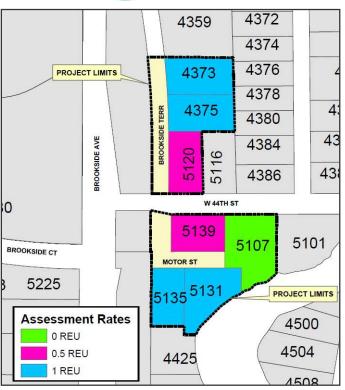
*Includes concrete curb and gutter

• Engineering, clerical and finance costs, contingency included

Estimated Assessments

- 7 properties (5.0 REUs)
 - I REU per single-family home
 - 0.5 REU for corner properties
 - 0 REU for properties with no access to streets
- \$58,500 / 5 REUs = **\$11,700 per REU**





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Assessment Payment Options



- Final assessment amount will be sent one year after project completion (Fall 2020)
 - Pay entire amount upon receiving bill to avoid future interest charges
 - Pay 25%; balance rolls to property taxes over 15 years
 - Roll entire amount to property taxes over 15 years
 - Defer payment if 65 years of age or older and meet specific income requirements

Project Schedule



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Project Open Houses	2016 and 2017
Project Workshop	August 2, 2018
Neighborhood Informational Meeting	August 13, 2018
ETC Engineering Study Review	October 25, 2018
Receive Engineering Report	December 4, 2018
Public Hearing	December 10, 2018
Public Hearing Bid Opening	December 10, 2018 March/April 2019
	,
Bid Opening	March/April 2019

Recommendation

 Staff believes this project is feasible, cost effective and necessary to improve the public infrastructure.

• Approve Resolution No. 2018-133

Authorize Todd Park E Neighborhood Roadway Reconstruction (Improvement No. BA-454)



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