



CITY OF MOORHEAD
 ENGINEERING DEPT.
 PO BOX 779
 MOORHEAD, MN 56561-0779

THIS IS NOT A BILL
 This is a notification of the proposed improvement hearing and estimated special assessment.
 A final assessment hearing will be held at a later date.

April 28, 2022

PF MOORHEAD MN LLC
 1921 PREMIER DR
 MANKATO MN 56001

PARCEL NO. 584170100

 PARCEL ADDRESS 4111 30TH AVE S
 MOORHEAD MN 56560

Project No. 811880

Eng#. 22-A2-5

Project Description & Location: 22-A2-5 - Mill & Overlay - McCara Industrial Park

Assessment/Benefiting Area

29 Av S—420' W of 41 ½ St S and E of 41 ½ St S to future 43 St S; 30 Av S—between 41 St S and future 43 St S; 32 Av S—between 41 and 42nd St S; 41 St S—399' N of 30 Av S and S of 30 Av to 32 Av S; 41 ½ St S—between 29 and 30 Av S; 42 St S—between 30 and 32 Av S; Along with all parcels in McCara 1st and 2nd Adds and part of NE ¼ E of RR less Ditch and 4 Acres and Less r/w Sec 22, TS 139, R 48 which is parcel 589001706.

Notice is hereby given that the City Council of Moorhead, Minnesota will meet at the Hjemkomst Center, 202 1st Ave. N., Moorhead, MN at **5:45 pm on Monday, May 9, 2022** to consider the making of improvements on the above referenced project.

The estimated total cost that would be assessed against your property for this project is \$34,261.04 and would be assessed over a 20 year period at an estimated interest rate of 3.75 %.

Below is an example of your estimated special assessment cost.

Principal Amount = \$34,261.04 / 20 years =	First year principal	\$1,713.05
	Plus 3.75% interest	\$1,284.79
	First Year payment	\$2,997.84
NOTE: Interest is charged each year on the unpaid balance		

Written or oral objections will be heard and considered at said hearing. *Written responses must be received prior to 4:30 pm on the hearing date.*

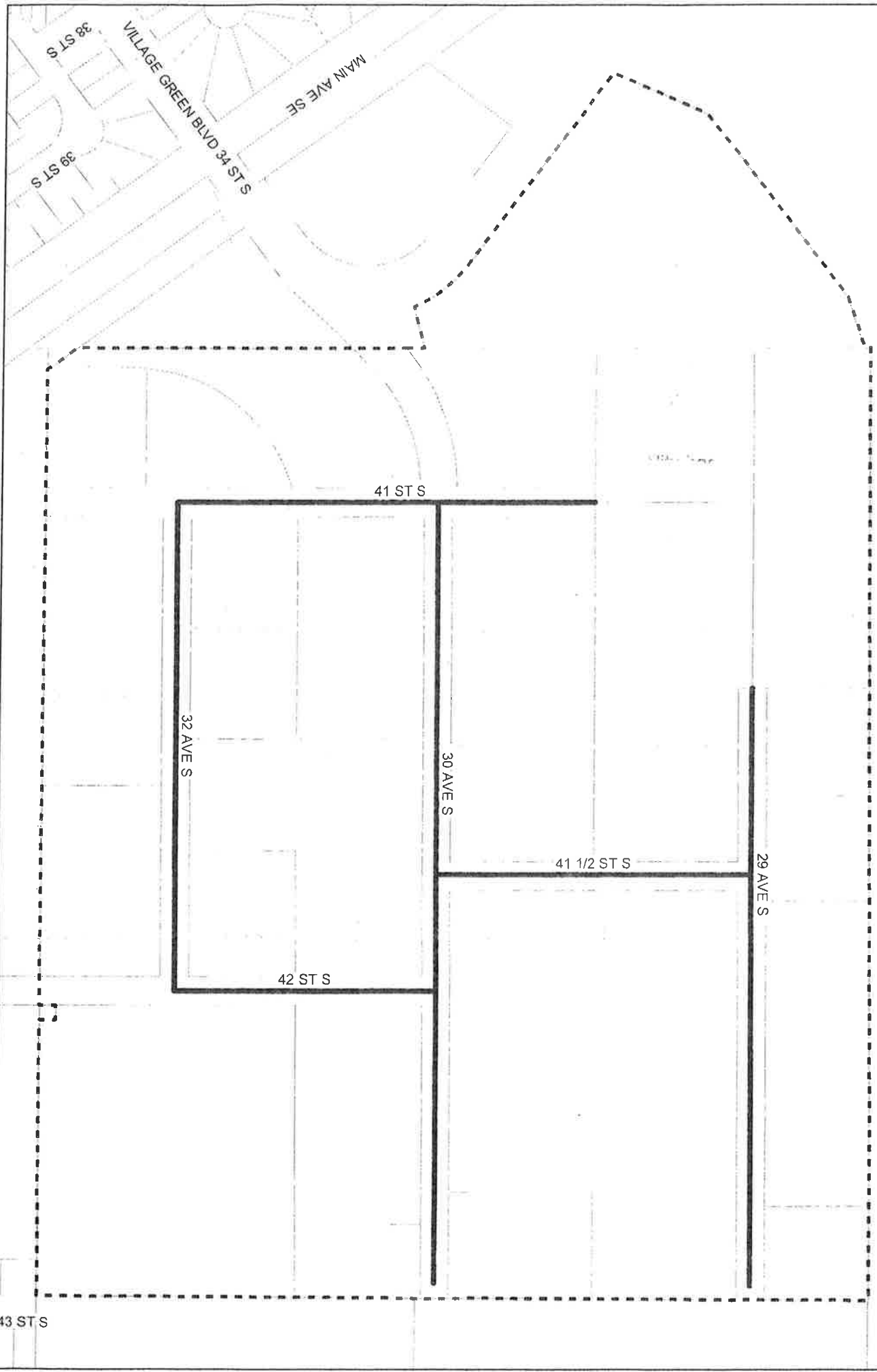
If you have any questions regarding this letter, please call the Engineering Office at 218-299-5427 or email assessments@cityofmoorhead.com.

Please contact the City Clerk's Office 218-299-5166 if auxiliary aids or services are required (ten hours notice is required). TDD/TTY (for hearing and speech impaired only) dial 711.

Project 22-A2-5, Mill & Overlay in MCCARA 1st & 2nd Additions

— Mill & Overlay \$32/FF

- - - - - Areawide Assessment \$530/ Unit (14,520 sqft = 1 Unit)



PROJECT/ASSESSMENT INFORMATION - ENGINEERING NO. 22-A2-5 (811880)

PROPOSED WORK: - Mill & Overlay – McCara Industrial Park

PROJECT ENGINEER: Mike Aamodt, Civil Engineer Ph: 218-299-5389 Email: Michael.aamodt@ci.moorhead.mn.us

STREET CLASSIFICATION: 30th Ave is classified as a "Collector" street. All other roads in this project are classified as "Local" streets.

Local streets are the street network within a subdivision that is intended to provide access to the directly abutting properties and primarily serves local traffic. Typically, about 1/3 of the cost for local streets is assessed to the directly abutting lots within the subdivision. The city pays the rest of the cost through the general property tax levy.

Arterial/collector streets connect local streets to other major corridors. Direct driveway access is typically restricted to balance needs of local and through traffic. Benefitting area typically spans ½ the distance to next arterial/collector street.

PROJECT DETAILS: These improvements were included in City's 2022-2026 Pavement Management and Transportation Improvement Plan and were scheduled for construction in 2022.

On Dec. 13, 2021, Council ordered preparation of the Engineer's Report, to consider making improvements to these streets. The report was completed by City staff under direction of the City Engineer and received by the Council on Mar. 28, 2022. The report evaluated existing street and utility systems, considered how they were constructed and maintained, their age and current condition, and information obtained from soil borings and sewer televising. The report recommended completing a street rehabilitation of a 200-foot long segment of 30th Ave S and milling and overlay the rest of the streets. The report further recommended no sidewalk improvements were necessary. The report found that the above-described improvements were necessary, cost-effective and feasible; were of a sufficient size to achieve a desirable economy of scale and may be constructed as a stand-alone project or in connection with some other improvement. Following receipt of the report, Council ordered preparation of plans and specifications for the making of the recommended improvements as proposed in the report.

During the week of April 4, 2022, a letter was mailed out to abutting property owners notifying them of the upcoming project, project details, and how to contact staff to ask questions regarding the proposed design or financial considerations.

City Engineering Department prepared plans and specifications for the proposed improvements under the direction of the City Engineer and bids are scheduled to be received on May 4, 2022.

A map showing the proposed improvements and assessment boundaries is included on the back of your notice.

FINANCIAL: Total estimated project cost, including contingencies and fees, is \$816,000.

PUBLIC HEARING: Monday, May 9, 2022 at 5:45 pm at the Heritage Hjemkomst Center, 202 1st Av N., Moorhead, MN.

ASSESSMENT INFO/CALCULATIONS: City assessment policy establishes a flat rate for street repair projects to keep things equitable among all properties in Moorhead. This policy has been in place since 2005. To account for variability in construction costs from year to year, and for the amount of front footage an assessment is based on (side lot footage is not assessed), the City established flat assessment rates per front foot for the various types of projects. Rates are set by the Council in its fee schedule, and is intended, on average, to generate between 30% and 40% of the total project cost. The remaining cost is paid by the City through general tax levy proceeds. The policy provides certainty to residents that their assessment won't go higher, regardless of the final project cost. If the project cost goes up, the City pays the additional cost, if it goes down, City share is reduced.

Current rates are as follows: Mill & Overlay is \$32/Front Foot
Arterial/Collector Area Wide \$530/Unit (One unit is 14,520/SF – Minimum 1 unit)

As per City's assessment policy every parcel owner pays for one north/south and one east/west arterial/collector road. If you don't abut any of the streets being improved, your assessment will be a minimum of \$530 as 30th Ave is your east/west collector road. If you abut any of the streets being improved, you will have two assessments. A front foot assessment, of \$32/FF for the street you abut and a minimum areawide assessment of \$530, as 30th Ave is also your east/west collector road.

ASSESSMENT EXAMPLES: A property in the assessment district that is one acre, with no frontage on any of the streets to be improved, would be assessed \$1,590 as 30th Ave is your east/west collector/arterial road. Areawide is calculated at 3 units per acre and one unit is assessed \$530. (1acre x 3 = 3 units. 3 units x \$530 = \$1,590).

A property abutting any of the streets to be improved, that is one acre with 100' of frontage, would be assessed a total of \$4,790. Areawide is calculated at 3 units per acre and one unit is assessed \$530. (1acre x 3 = 3 units. 3 units x \$530 = \$1,590 for areawide. Front footage rate is \$32/FF. 100' x \$32 = \$3,200. Areawide of \$1,590 + Front Foot assessment of \$3,200 = \$4,790 total.)

***Alternate assessment calculation methods are used to determine front footage for irregular shaped, cul-de-sacs and lots on curves, and first 150 feet of side lot footage is exempted from corner lots to keep special assessments equitable.*

ASSESSMENT SCHEDULE: Final assessment notices are sent out in Sept/Oct and are then certified to the County on Nov. 15. If you choose to do so, after final assessment has been adopted by council, you will have an opportunity to pay off, or buy down, the assessment, without interest, before it's certified to County and added to your 2023 property taxes.

This project will be spread over 20 years at an **estimated** interest rate of 3.75%. Actual interest rate will be determined after the City has bonded for the project. Below are two examples of projected amortization of the assessment, if paid over the 20-year duration. **Note: Assessments can be paid off and paid down at any time without penalty.**

EXAMPLE 1

SPECIAL ASSESSMENT AMORTIZATION SCHEDULE

Special Assmt	
Principal	\$ 12,700
Rate	3.75%
Principal	\$ 635
Total Interest	\$ 5,001
Years	20

Year	Pymt #	Balance	Principal	Interest	Yearly Total	Monthly Budget
2023	1	12,700.00	635.00	476.25	1,111.25	92.60
2024	2	12,065.00	635.00	452.44	1,087.44	90.62
2025	3	11,430.00	635.00	428.63	1,063.63	88.64
2026	4	10,795.00	635.00	404.81	1,039.81	86.65
2027	5	10,160.00	635.00	381.00	1,016.00	84.67
2028	6	9,525.00	635.00	357.19	992.19	82.68
2029	7	8,890.00	635.00	333.38	968.38	80.70
2030	8	8,255.00	635.00	309.56	944.56	78.71
2031	9	7,620.00	635.00	285.75	920.75	76.73
2032	10	6,985.00	635.00	261.94	896.94	74.75
2033	11	6,350.00	635.00	238.13	873.13	72.76
2034	12	5,715.00	635.00	214.31	849.31	70.78
2035	13	5,080.00	635.00	190.50	825.50	68.79
2036	14	4,445.00	635.00	166.69	801.69	66.81
2037	15	3,810.00	635.00	142.88	777.88	64.82
2038	16	3,175.00	635.00	119.06	754.06	62.84
2039	17	2,540.00	635.00	95.25	730.25	60.85
2040	18	1,905.00	635.00	71.44	706.44	58.87
2041	19	1,270.00	635.00	47.63	682.63	56.89
2042	20	635.00	635.00	23.81	658.81	54.90
			12,700.00	5,000.65	17,700.65	

EXAMPLE 2

SPECIAL ASSESSMENT AMORTIZATION SCHEDULE

Special Assmt	
Principal	\$ 33,000
Rate	3.75%
Principal	\$ 1,650
Total Interest	\$ 12,994
Years	20

Year	Pymt #	Balance	Principal	Interest	Yearly Total	Monthly Budget
2023	1	33,000.00	1,650.00	1,237.50	2,887.50	240.63
2024	2	31,350.00	1,650.00	1,175.63	2,825.63	235.47
2025	3	29,700.00	1,650.00	1,113.75	2,763.75	230.31
2026	4	28,050.00	1,650.00	1,051.88	2,701.88	225.16
2027	5	26,400.00	1,650.00	990.00	2,640.00	220.00
2028	6	24,750.00	1,650.00	928.13	2,578.13	214.84
2029	7	23,100.00	1,650.00	866.25	2,516.25	209.69
2030	8	21,450.00	1,650.00	804.38	2,454.38	204.53
2031	9	19,800.00	1,650.00	742.50	2,392.50	199.38
2032	10	18,150.00	1,650.00	680.63	2,330.63	194.22
2033	11	16,500.00	1,650.00	618.75	2,268.75	189.06
2034	12	14,850.00	1,650.00	556.88	2,206.88	183.91
2035	13	13,200.00	1,650.00	495.00	2,145.00	178.75
2036	14	11,550.00	1,650.00	433.13	2,083.13	173.59
2037	15	9,900.00	1,650.00	371.25	2,021.25	168.44
2038	16	8,250.00	1,650.00	309.38	1,959.38	163.28
2039	17	6,600.00	1,650.00	247.50	1,897.50	158.13
2040	18	4,950.00	1,650.00	185.63	1,835.63	152.97
2041	19	3,300.00	1,650.00	123.75	1,773.75	147.81
2042	20	1,650.00	1,650.00	61.88	1,711.88	142.66
			33,000.00	12,993.80	45,993.80	

CONSTRUCTION SCHEDULE: Anticipated work schedule is between May–Oct., 2022. During construction, City will maintain project info on its website through an interactive map, which you can find by doing the following.

1. Go to www.cityofmoorhead.com and click on **Departments**
2. Go to **Engineering** and click on the link for **Current Projects**
3. Click on the **Current Project Map**
4. Click on the project you are interested in
5. An information box will pop up. - Click on the Project Information link in that box and this will bring up a status update.

Occasionally the City may distribute printed door hangers when there is important project information to communicate to property owners such as temporary parking restrictions or driveway access limitations.

You can also sign up for electronic notifications to receive periodic updates regarding this specific project. Please see the enclosed instructions on how to sign up for electronic notifications.

To request this information in a different language, please contact: 218.299.5427

Para solicitar esta información en otro idioma, comuníquese con: 218.299.5427

Ji bo daxwaza vê agahdariyê bi zimanekî din, ji kerema xwe re têkiliyê pêve bikin: 218.299.5427

218.299.5427: طلب هذه المعلومات بلغة مختلفة، يرجى الاتصال بـ

Si aad u codsato macluumaadkan oo ku qoran luqad kale, fadlan la xiriir: 218.299.5427