



**To:** Mayor and Council

**Agenda Item #:** VI. D. 4

**From:** Brian E. Olson, Director of Public Works *BEO*

**Action**

**Discussion**

**Date:** October 21, 2014

**Information**

**Subject:** 50<sup>th</sup> & France Maintenance Improvement No. M-14 – Resolution No. 2014-121

**Action Requested:**

Approve assessments as proposed for Improvements M-14.

**Information / Background:**

Attached you will find a Resolution, Analysis of Assessment, Final Assessment Roll, and Certificate of Mailing including the Notice of Public Hearing, and other supporting documentation for each proposed assessment. All properties were notified per Minnesota State Statute – Chapter 429 for special assessments. Staff included in the Notice of Public Hearing an invoice for each assessment.

As you recall there was significant discussion about the methodology for assessing the maintenance expenses for the 50<sup>th</sup> France business district at the June 3<sup>rd</sup>, 2014 work session.

Along with the change to methodology there was a concerted effort from the assessing department to measure the assessable area for each of the businesses. This resulted in an increase to the adjusted assessable area to 416,768 square feet. As you can see from the assessment history, the 2013 expenses were \$1,535 more than the 2012 expenses and \$547 less than 2011 expenses. With these changes, the 50<sup>th</sup> & France maintenance assessment changed from 69.06 cents in 2012 to 58.85 cents in 2013.

As of this writing of this report there has been one property owner, 5034 France Avenue, that has expressed concern about the change in assessment methodology.

**RESOLUTION NO. 2014- 121**  
**A RESOLUTION LEVYING SPECIAL ASSESSMENTS**  
**FOR PUBLIC IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the Edina City Council has met and heard and passed upon all written and oral objections to the proposed special assessments for the improvement listed below:

50<sup>th</sup> and France Business District – Improvement No. M-14

BE IT RESOLVED by the City Council of the City of Edina, Minnesota as follows:

1. Each special assessment as set forth in the special assessment roll on file in the office of the City Clerk for each aforementioned improvement is hereby accepted and shall constitute the special assessments against the lands named therein, and each tract of land therein included in herein found to be benefited by the improvement in the amount of the special assessments levied against it.
2. The special assessments shall be payable in equal installments, the first of said installments together with interest at a rate of 6.5% per annum, on the entire special assessments from the date hereof to December 31, 2015. To each subsequent installment shall be added interest at the above rate for one year on all unpaid installments. The number of such annual installments shall be as follows:

<u>NAME OF IMPROVEMENT</u>		<u>NUMBER OF INSTALLMENTS</u>
50 <sup>th</sup> and France Business District	Levy No. 18883	1

3. The owner of the property so assessed may, at any time prior to certification of special assessment to the County Auditor, partially prepay an amount not less than 25% of the whole assessment to the City Treasurer and no interest shall be charged on the portion of the assessment prepaid; or pay the whole of the special assessments on such property, to the City Treasurer, except that no interest shall be charged if the entire special assessment is paid before November 25 following the adoption of this resolution and they may, at any time thereafter, pay to the City Treasurer the entire amount of the special assessments remaining unpaid. Such payment must be made before November 15, 2014.
4. The Clerk shall forthwith transmit a certified supplicate of these special assessments to the County Auditor to be extended on the property tax lists of the County. Such special assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted this **21<sup>st</sup>** day of October, 2014.

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

STATE OF MINNESOTA    )  
COUNTY OF HENNEPIN   )  
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 **October 21, 2014**, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
City Clerk

# CITY OF EDINA



FOR:	<b>MAINTENANCE IMPROVEMENT NO. M-14</b>		
LOCATION:	<b>50TH &amp; FRANCE BUSINESS DISTRICT</b>		
CONTRACTOR:	CITY OF EDINA (LARRY DIEKMAN)		\$ 65,521.45
	EMPLOYER'S SHARE OF PERA		\$ 5,596.46
	EMPLOYER'S SHARE OF SOCIAL SECURITY & WORK COMP		\$ 10,204.35
	EMPLOYER'S SHARE OF MEDICAL INSURANCE		\$ 11,106.56
	PUBLIC WORKS CREW AND 1/2 PARKING MONITOR		\$ 10,986.78
	PROFESSIONAL SERVICES		\$ 689.44
	CONTRACTUAL SERVICES		\$ 1,252.50
	LAWN IRRIGATION - CITY OF EDINA UTILITIES		\$ 716.43
	GENERAL SUPPLIES		\$ 64,132.49
	LIABILITY INSURANCE		\$ 1,489.20
	PARKING RAMP MAINTENANCE (375)		\$ 69,000.00
	EQUIPMENT		\$ 4,589.48
TOTAL COST			\$ 245,285.14
ASSESSABLE UNITS:	416,768	SQUARE FEET	
ASSESSABLE COST:	\$ 0.5885	PER SQUARE FOOT	
LENGTH OF ASSESSMENT:	1 YEAR		



## M-14 Assessment Role

Map No.	Parcel I.D. No.	Primary Tenant or Building Name	Parcel Address	Tax Payer of Record	Gross Building Area (SF)	On-site parking stalls	200 SF reduction per stall	Assessed Area (SF)	Percent of Total Area	Estimated Annual Operations & Maintenance Cost Assessment	Notes
1	18-028-24-14-0016	Walgreens Drug	4916 France Ave, Edina MN 55410	William C Knapp	11,138	15	3,000	8,138	1.95%	\$4,789.55	8,120 SF Bmnt-unfin; 15 on-site parking stalls
2	18-028-24-14-0024	BeSpoke Salon & former Thrivent	3918 W. 49-1/2 St, Edina MN 55424	49.5 LLC	5,441	7	1,400	4,041	0.97%	\$2,378.30	7 on-site stalls
3	18-028-24-14-0035	former Hooten Cleaners	3944 W. 49-1/2 St, Edina, MN 55424	Soon Yong Park/ Jung Ja Park	5,061	13	2,600	2,461	0.59%	\$1,448.40	807 SF bmnt mechanical; 13 on-site stalls
4	18-028-24-14-0108	U.S. Post Office	3948 W. 49-1/2 St, Edina, MN 55424	L8 49th 1/2 Street LLC	7,682	25	5,000	2,682	0.64%	\$1,578.47	1,656 SF Partial basement is employee lounge, locker rooms and two toilet rooms; 25 on-site stalls
5	18-028-24-14-0135	Spalon Montage	3909 W. 49-1/2 St, Edina MN 55424	Frank Holdings LLC	11,493	0	0	11,493	2.76%	\$6,764.10	1,738 SF bmnt-finished office space
5	18-028-24-14-0134	former house	4924 France Ave, Edina, MN 55424	Frank Holdings LLC	2,304	0	0	2,304	0.55%	\$1,356.00	884 SF bmnt-finished hair salon
5	18-028-24-14-0136	Fashion Avenue	4936 France Ave, Edina, MN 55424	4936 France Avenue LLC	4,880	0	0	4,880	1.17%	\$2,872.08	1,586 SF bmnt; Spalon split into 3 parcels in 2014; sale pending; assessment to be split among parcels
6	18-028-24-14-0118	Gretchen House	4930 France Ave, Edina, MN 55410	OMG Properties LLC	4,567	0	0	4,567	1.10%	\$2,687.87	1,172 SF bmnt- storage
7	18-028-24-14-0020	dp Hue,	4948 France Ave, Edina, MN 55410	France Avenue Partnership	6,519	0	0	6,519	1.56%	\$3,836.70	2,851 SF bmnt- storage and tenant restrooms
8	18-028-24-14-0021	Beaujos, Papersource	3902 W. 50th St, Edina, MN 55424	France Avenue Partnership	11,394	0	0	11,394	2.73%	\$6,705.84	4,239 SF Bmnt - mainly storage and tenant restrooms, except for restaurant, which uses the basement for a kitchen, with dumb waiter to main floor
9	18-028-24-14-0022	Mozza mia / Hot Mama	3906 W. 50th St, Edina, MN 55424	Edina Properties Inc.	31,471	0	0	31,471	7.55%	\$18,521.98	4,446 SF restaurant; 19,151 SF retail; bmnt-15,756sf is mostly finished and used with retail on 1st fl
10	18-028-24-14-0122	Al Johnson Clothing, etal	3922 W. 50th St, Edina, MN 55424	Property Administration Co	14,070	0	0	14,070	3.38%	\$8,280.77	3,901 SF retail/service; 4,844 SF prof office; 5,325 SF bmnt-storage
11	18-028-24-14-0121	AT Home Designs / Praha	3924 W. 50th St, Edina, MN 55424	JSG Company LLP	12,960	0	0	12,960	3.11%	\$7,627.49	3,480 SF bmnt-retail, yoga studio, shower, restrooms and storage
12	18-028-24-14-0126	Edina 5-0 Mall	3930 W. 50th St, Edina, MN 55424	LA Real Estate Group, Et Al	80,265	0	0	80,265	19.26%	\$47,239.26	5,692 SF restaurant; 32,045 SF retail/service; remainder is prof office; 25,790 SF bmnt-used for office and storage
13	18-028-24-14-0046	US Bank	4100 W. 50th St, Edina, MN 55424	First Building Corporation	44,420	116	23,200	21,220	5.09%	\$12,488.84	15,314 SF bmnt-used for office and storage; 116 on-site stalls (on all parcels)
13	18-028-24-14-0044	US Bank parking	4100 W. 50th St, Edina, MN 55424	First Building Corporation	0	0	0	0	0.00%	\$0.00	
13	18-028-24-14-0045	US Bank drive thru	4100 W. 50th St, Edina, MN 55424	First Building Corporation	3,352	0	0	3,352	0.80%	\$1,972.79	1,676 SF bmnt-breakroom and rest rooms
13	18-028-24-14-0047	US Bank parking	4100 W. 50th St, Edina, MN 55424	First Building Corporation	0	0	0	0	0.00%	\$0.00	
13	18-028-24-14-0109	US Bank parking	4100 W. 50th St, Edina, MN 55424	First Building Corporation	0	0	0	0	0.00%	\$0.00	
14	18-028-24-41-0178	Lund's Foods	3945 W. 50th St, Edina, MN 55424	Lund Real Estate Holdings LLC	32,204	69	13,800	18,404	4.42%	\$10,831.51	8,242 SF bmnt
14	18-028-24-41-0175	Lund's Foods Parking	3945 W. 50th St, Edina, MN 55424	Lund Real Estate Holdings LLC	0	0	0	0	0.00%	\$0.00	89 on-site stalls (including both parcels)
15	18-028-24-41-0182	50th and France Office Building	3939 W. 50th St, Edina, MN 55424	A K Larson Family LLC	39,685	0	0	39,685	9.52%	\$23,356.26	3,796 SF restaurant; 7,551 SF retail/service; remainder is professional office; 11,642 SF basement is mostly storage with two semi-finished tenant spaces.
16	18-028-24-41-0050	3925 Building	3917 W. 50th St, Edina, MN 55424	Edina Properties Inc.	11,826	0	0	11,826	2.84%	\$6,960.09	3,942 SF retail/service on 1st floor; 3,942 SF prof office on 2nd floor; 3,942 SF bmnt-unfin
16	18-028-24-41-0049	3925 Building	3917 W. 50th St, Edina, MN 55424	Edina Properties Inc.	24,730	0	0	24,730	5.93%	\$14,554.62	10,702 SF retail on 1st floor with 10,975 SF office above; 3,053 SF bmnt-small minimally fin office, mostly storage
17	18-028-24-41-0052	Edina Theater	3911 W. 50th St, Edina, MN 55424	JSG Company LLP	32,424	0	0	32,424	7.78%	\$19,082.86	2,136 SF retail/service with 1,943 equip mezz and remainder occupied theater spaces
18	18-028-24-41-0383	RF Moeller, Edina Grill, TCF Bank, Cos Bar	3907 W. 50th St, Edina, MN 55424	5000 France Company	22,233	0	0	22,233	5.33%	\$13,085.04	4,383 SF restaurant; remainder retail/service; residential areas above & below excluded
19	18-028-24-41-0055	Salut Bistro / Oliver & Taylor	5034 France Ave, Edina, MN 55410	France at 50th LLC	16,368	0	0	16,368	3.93%	\$9,633.24	Est. 7,436 SF restaurant; 748 SF retail/service; 8,184 SF bmnt fully finished offices
20	18-028-24-41-0066	Cocina Del Barrio	5036 France Ave, Edina, MN 55410	5036 France Property LLC	7,407	0	0	7,407	1.78%	\$4,359.32	2,560 SF bmnt- food prep; office and storage
21	18-028-24-41-0237	BMO Harris	5050 France Ave, Edina, MN 55410	Americana Bank of Edina	19,102	29	5,800	13,302	3.19%	\$7,828.78	3,200 SF bmnt-office, employee lounge, fin storage; 29 on-site parking stalls
22	18-028-24-41-0181	Edina Liquor	3943 W. 50th St, Edina, MN 55424	City of Edina	8,572	0	0	8,572	2.06%	\$5,044.98	4,286 SF basement storage
	18-028-24-14-0026	former Edina Realty	3930 W. 49-1/2 St, Edina, MN 55424	City of Edina	0	0	0	0	0.00%	\$0.00	34 on-site stalls
					<b>471,568</b>	<b>274</b>		<b>416,768</b>	<b>100.00%</b>	<b>\$245,285.14</b>	



# Assessment History:

YEAR	COST	SQ FTG	ASSESSMENT
2004	\$ 148,423.25	339,561	\$0.4371
2005	\$ 149,257.31	339,561	\$0.4396
2006	\$ 167,140.62	339,561	\$0.4922
2007	\$ 159,859.98	339,561	\$0.4708
2008	\$ 203,504.44	355,953	\$0.5717
2009	\$ 309,747.20	355,953	\$0.8702
2010	\$ 278,552.76	355,953	\$0.7826
2011	\$ 220,793.77	355,953	\$0.6203
2012	\$ 245,832.69	355,953	\$0.6906
2013	\$ 243,749.31	355,953	\$0.6848
2014	\$ 245,285.14	416,768	\$0.5885

\* Methodology change per City Council direction on June 3, 2014

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

CERTIFICATE OF MAILING NOTICE

I, the undersigned, being the duly qualified acting City Clerk of the City of Edina, Minnesota, hereby certify that on the following date **September 26, 2014**, acting on behalf of said City, I deposited in the United States mail copies of the attached **Notice of Public Hearing for the 50<sup>th</sup> & France Business District, Improvement and Maintenance No. M-14** (Exhibit A), enclosed in sealed envelopes, with postage thereon duly prepaid, addressed to the persons at the addresses as shown on the mailing list (Exhibit B), attached to the original hereof, which list is on file in my office, said persons being those appearing on the records of the County Auditor as owners of the property listed opposite their respective names, as of a date **24 days** prior to the date of the hearing.

WITNESS my hand and the seal of said City this 27th day of September, 2014.

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Edina City Clerk



# NOTICE OF PUBLIC HEARING ON PROPOSED SPECIAL ASSESSMENT IMPROVEMENT NO. M-14

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The Edina City Council will meet at **7 p.m. Oct. 21, 2014**, at City Hall, 4801 W. 50<sup>th</sup> St., Edina, MN, to approve and adopt the listed special assessments against the described property, which is part of the 50<sup>th</sup> & France Business District area:

## **IMPROVEMENT AND MAINTENANCE NO. M-14: 50<sup>th</sup> & France**

### **Property Identification No. «PID»**

The special assessment to this property for improvement and maintenance is «ASSESSMENT». The total amount of the proposed special assessment is \$245,285.14. The proposed assessment roll is on file with the City Clerk.

**No invoices will be mailed. This is the only notice you will receive regarding payment.**

### **PAYMENT**

Following the assessment hearing, the owner of any property assessed may pay the whole of the assessment, without interest, to the City, on or before November 25, 2014. If not prepaid by that date, the proposed assessment will be payable together with real estate taxes payable in 2015 with interest on the entire assessment at the rate of 6.5% per annum from October 21, 2014 to December 31, 2015. Partial prepayment of the assessment in excess of 25 percent of the total assessment has been authorized by ordinance.

### **APPEAL**

Any owner may appeal the assessment to the District Court pursuant to Minnesota Statutes 429.081, by serving notice of the appeal upon the Mayor or Clerk of the City of Edina within thirty (30) days after adoption of the assessment by the City Council, and by filing such notice with the District Court within ten (10) days after service upon the Mayor or Clerk. However, no appeal may be taken as to an assessment unless a written objection signed by the affected property owner is filed with the Clerk of the City of Edina prior to the hearing or presented to the presiding officer at the hearing.

### **DEFERRAL ON HOMESTEADS OWNED BY PERSONS 65 YEARS OF AGE OR OLDER**

Under provisions of Minnesota Statutes Section 435.193 to 435.195 the City may, at its discretion, defer the payment of assessments for any homestead property owned by a person 65 years of age or older for whom it would be a hardship to make the payments. The procedures to apply for such deferment are available from the Assessor's office. Deferment applications must be filed with the Assessor's office by November 15, 2014.

### **BY ORDER OF THE EDINA CITY COUNCIL**

September 26, 2014  
Debra A. Mangen  
City Clerk

WILLIAM C KNAPP  
4949 WESTOWN PKWAY #200  
WEST DES MOINES IA 50266

49.5 LLC  
4520 ARDEN AVE  
EDINA MN 55424

LB 49 1/2 Street LLC  
4100 W. 50th Street  
Edina MN 55425

PROPERTY ADMIN.CO.  
3922 50TH ST W  
EDINA MN 55424

4936 France Avenue LLC  
4999 France Ave.  
EDINA MN 55410

FRANCE AT 50TH LLC  
7800 METRO PKWY, STE. 300  
BLOOMINGTON MN 55425

CITY OF EDINA  
4801 50TH ST W  
EDINA MN 55424

5000 FRANCE COMPANY  
5850 OPUS PARKWAY, #108  
MINNETONKA MN 55343

FRANCE AVE PARTNERSHIP  
8100 12TH AVE S #200  
BLOOMINGTON MN 55425

SOON YONG & JUNG JA PARK  
5275 GRANDVIEW SQ. #3308  
EDINA MN 55436

OMG PROPERTIES LLC  
4930 FRANCE AVE S  
EDINA MN 55410

L.A. Real Estate Group ETAL  
4100 50TH ST W, #2100  
EDINA MN 55424

EDINA PROPERTIES INC  
4100 50TH ST W, #2100  
EDINA MN 55424

5036 FRANCE PROP. LLC  
5036 FRANCE AVE S  
EDINA MN 55410

A K LARSON FAMILY LLC  
3939 50TH ST W #200  
EDINA MN 55424

EDINA PROPERTIES INC  
4100 50TH ST W, #2100  
EDINA MN 55424

FIRST BUILDING CORP.  
2800 E. LAKE ST.  
MINNEAPOLIS MN 55406

JSG COMPANY LLP  
5850 OPUS PKWAY, SUITE 108  
MINNETONKA MN 55343

FRANK HOLDINGS LLC  
5223 EDINA INDUSTRIAL BLVD  
EDINA MN 55439

JSG COMPANY LLP  
5805 OPUS PKWAY, SUITE 108  
MINNETONKA MN 55343

Lund Real Estate Holdings LLC  
4100 50TH ST W #2100  
EDINA MN 55424

AMERICANA BANK OF EDINA  
P.O. BOX 1509  
MINNEAPOLIS MN 55480