

**COUNCIL ACTION FORM****SUBJECT:** GRANT AVENUE PAVING ASSESSMENT**BACKGROUND:**

The City fronted the costs for paving the gravel portion of Grant Avenue (now Hyde Avenue) from Hyde Avenue north to West 190<sup>th</sup> Street. Street construction costs were to be shared among the three developers and the City and recovered through the special assessment process. The Pre-Annexation Agreements approved by the City Council on December 30, 2013, and signed by the three developers (Rose Prairie, Quarry Estates, and Hunziker Land Development Co.) confirmed that financing arrangement. Each Pre-Annexation Agreement included a Special Assessment Contract and Waiver executed by the respective developers.

The Paving Project was bid on May 6, 2015, and a contract with Manatt's, Inc., of Brooklyn, Iowa, was approved on May 26, 2015. On January 24, 2017, the City Council accepted the roadway construction as complete in the amount of \$2,690,709.35. Engineering, Administration, and Acquisition costs were \$338,340.44, which brought the total roadway costs to \$3,029,049.79. The project assessment also included installation of street lighting, which had final costs of \$79,544.20. **The final assessment costs totaled \$3,108,593.99.**

The Developer's Agreement called out for the Project is to be split as shown below:

Rose Prairie	37%	\$1,150,179.77
Hunziker	23%	\$ 714,976.62
City	23%	\$ 714,976.62
Quarry Estates	<u>17%</u>	<u>\$ 528,460.98</u>
	100%	\$3,108,593.99

On May 9, 2017, the City Council adopted Resolution No. 17-298 adopting the Final Assessment Schedule and Levying Assessments; however, the wrong Schedule was attached. Therefore, that Resolution needs to be rescinded and a new Resolution adopted with the correct Schedule attached.

In addition, despite the waivers contained in the Special Assessment Contracts, it has been determined that in order for the City to collect the unpaid assessments, *Iowa Code* Section 384.60 must be followed. This will allow the City Clerk to certify the unpaid amounts to the County Treasurer and file the Schedule spreading the assessments to be collected through property taxes.

**ALTERNATIVES:**

1. Rescind Resolution No. 17-298 and adopt a new Resolution adopting the Final Assessment Schedule and Amending, Confirming, and Levying Assessments with the correct Schedule attached with the Grant Avenue (now known as Hyde Avenue) Paving Project.
2. Take no action.

**MANAGER'S RECOMMENDED ACTION:**

By approving Alternative No. 1, staff can take the actions required in Iowa Code Section 384.60 to collect the assessments. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.