



CITY COUNCIL
Special Meeting Agenda
July 8, 2022
10:00am

- 1) Call to Order**
- 2) Special Benefit Appraisal Agreement Consideration**
- 3) Adjourn**

CITY OF MINNETRISTA

BUSINESS ITEM



Subject: Special Benefit Analyses – 2023
Improvement Projects

Prepared By: Jasper Kruggel, City Administrator

Meeting Date: July 8, 2022

Staff was able to secure just one quote for the special benefit analyses related to the 2023 street improvement projects. Three firms were contacted and only one was able to meet the timeline requirements. BRKW was not able to produce a report until the end of 2022/early 2023, and the other firm, CBRE is no longer doing special benefit analyses.

Attached you will see a proposal from Patchin Messner Valuation Counselors that meets the project scope and timeline requirements. Patchin Messner has committed to providing preliminary ranges for the various property types by mid-September, which will be available for review at an October neighborhood meeting. The quote attached has been marked up to reflect a change in total cost for the project from \$15,000 to \$17,000 to \$13,000 to \$16,000.

<p><u>Recommended City Council Action:</u> Approve the special benefit analyses proposal from Patchin Messner Valuation Counselors with an estimated cost of \$13,000 to \$16,000.</p>

Does Recommended Action meet City Mission Statement? ☒ Yes ☐ No

Does Recommended Action meet City Goals/Priorities? ☒ Yes ☐ No

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.



PATCHIN MESSNER

VALUATION COUNSELORS

June 29, 2022

City of Minnetrista
7701 County Road 110 West
Minnetrista, MN 55364

Attn: Jasper Kruggel
City Administrator

RE: Special Benefit Analysis
City of Minnetrista
2023 Infrastructure Improvement Project,
Including Full Reconstruction & Reclamation

Dear Mr. Kruggel:

As a follow-up to your request for a proposal for special benefit analyses of the planned 2023 street improvement project, this letter outlines the potential scope of work to be performed by Patchin Messner Valuation Counselors.

As requested, our firm will investigate and analyze probable special benefit to properties resulting from the 2023 street improvement project. The scope of work will include analyzing special benefit resulting from the following project types:

Reclamation
Reconstruction

As a consultation, we will provide an anticipated range of special benefit for properties affected by the above project types. The function of this analysis is to provide guidance to the City of Minnetrista in determining the feasibility of improving the affected sections of roadway as part of the 2023 street improvement project, by estimating special benefit to affected properties in the project area(s). While no specific property or properties will be appraised, the anticipated value enhancement of the proposed project will be expressed on a per assessable unit/lot basis, which also may be expressed on a per front foot basis.

In order to estimate probable benefit, the following methodology will be employed.

- 1) Research other street reconstruction projects in comparable residential neighborhoods in the Twin Cities metropolitan area.
- 2) Investigate sales that sold before and after similar reconstruction projects occurred, in order to isolate anticipated benefit to residential properties.
- 3) Additional analyses will be employed to determine a range of special benefit to non-residential properties, where applicable.

Finally, two consultation reports will be prepared summarizing the findings of our analyses. Contingent upon receiving necessary information from the City of Minnetrista, the consultations will be completed within 12 to 14 weeks from the returned signed authorization to proceed. A verbal report of anticipated special benefit to all properties will be provided to the client by September 23, 2022, provided the signed authorization to proceed is received in a timely manner.

We are requesting the following information for all projects occurring in Minnetrista from 2010 through 2021:

- Feasibility Report
- Final Assessment Roll, including date assessments were adopted
- Date of public knowledge of project
- Construction start date
- Date construction complete, including year of primary construction if a multi-year project. ^{sh} ^{sh}

The cost of the consultations will likely range from \$13,000 to \$16,000, and will not exceed \$17,000. Professional fees for services rendered will be invoiced at the following hourly rates:

	<u>Valuation/ Analysis</u>	<u>Meetings/ Follow-up Consultation</u>
Sherri Brumm, MAI	\$160.00/Hr.	\$175.00/Hr.
Christine Mackaman, MAI, AI-GRS	\$160.00/Hr.	\$175.00/Hr.
Associate Appraisers	\$85.00 to \$100.00/Hr.	N/A

Retainer Fee to be Paid in Advance: None

The report will be prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Institute Code of Professional Ethics.

If you have any questions or comments regarding this proposal, feel free to contact me at your convenience.

Sincerely,

PATCHIN MESSNER VALUATION COUNSELORS



Sherri L. Brumm, MAI

Authorization to Proceed

Client Name: _____

Individual Responsible: _____

Signature: _____

Date Accepted: _____

RESOLUTION NO. 100

**RESOLUTION APPROVING THE SPECIAL BENEFIT ANALYSES PROPOSAL
FROM PATCHIN MESSNER VALUATION COUNSELORS FOR THE 2023
STREET IMPROVEMENT PROJECTS**

WHEREAS, At the City Council Work Session held on June 20, 2022, staff direction was provided to secure quotes for a special benefit analysis related to the 2023 Street Improvement Projects; and,

WHEREAS, a special benefit analyses will provide guidance to City Council on the benefit received from street improvement projects in Minnetrista.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF MINNETRISTA, that Patchin Messner Valuation Counselors is approved to proceed with the special benefit analysis related to the 2023 Street Improvement Projects with a total project cost not to exceed \$16,000.

This resolution was adopted by the City Council of the City of Minnetrista on the 8th day of July, 2022, by a vote of ____Ayes and ____ Nays.

Mayor Lisa Whalen

ATTEST:

Dawn Motzko, City Clerk

(seal)