

Reply to Common Council File No. 160965  
From DOA-Budget and Management Division

November 14, 2016

Ref: 16010

Common Council File 160965 contains a resolution to increase the recovery rate for alley reconstruction projects from 30% to 50%. Under the current recovery rate set at 30%, property owners are assessed \$19 per lineal foot for alley reconstruction projects. Under the proposed recovery rate of 50%, property owners would be assessed \$45 per lineal foot. The effect to a property owner on a typical alley reconstruction project would be to increase the property owner's total cost from approximately \$760 to approximately \$1,800. A file to be presented to the Council before the end of 2017 requests approval to increase the timeframe in which property owners may pay their special assessments from the 6 years to 10 years.

Increasing the alley reconstruction recovery rate from 30% to 50% would allow for two to three additional alley reconstruction projects to be completed in 2017 based on the \$700,000 of city funding included in the 2017 adopted budget.

**RECOMMENDATION: ADOPT FILE 160965.**

---

Bill Christianson  
Fiscal Policy Specialist-Senior

BJC:dmr