

FREQUENTLY ASKED QUESTIONS ABOUT THIS PROJECT

- **If the assessment area is so large, why isn't the whole city paying for this?**
 - The total project cost is approximately \$76,500,000.
 - After all other funding sources are considered, the City of Moorhead's responsibility is \$7,500,000. The City will issue a bond (in essence, borrow) this amount to be repaid over 20 years. However, in order to issue a bond, State statute requires that at least 20% of the bond amount be special assessed to benefiting property (Note: The only exception to this requirement would have been to place the issue on a ballot for a citywide vote prior to awarding the bid). The City is proposing to special assess the 20% minimum (\$1,500,000) to qualify to bond for the project. The remaining 80% of the bonded amount will be paid by all property taxpayers in the City through the general property tax levy.
- **I live a long distance from the underpass, why am I in the assessment area?**
 - In preparation for the project in 2018, the City Council directed staff to establish a benefiting area as large as allowed by State statute to keep the amount assessed to individual properties as low as possible. In addition to providing benefit to properties in the general vicinity of the project, two features of the project will result in benefits relatively far away.
 - A new wye track will allow trains traveling on the tracks along 20 St and SE Main Ave to make direct northbound to eastbound and westbound to southbound movements. This eliminates the need for trains to back into the downtown area to make these movements which block downtown crossings for extended periods of time. The elimination of this movement, and the associated traffic delay, provides benefit to properties all the way to the river.
 - The grade separation also enables an expansion of the City's Quiet Zone to include a portion of the track along 20 St S. Currently, train horns can be heard from a long distance away.
- **I'm closer to the 11 St underpass than SE Main. Will I also be assessed for 11 St?**
 - MnDOT is the lead agency for the 11 St underpass project. The State (through MnDOT), City, County, and BNSF will pay cost-shares. The City is working cooperatively with MnDOT to fully fund the project without the use of area-wide special assessments. In addition to State grant funds already secured through legislative advocacy and support from our State legislators, MnDOT and the City are applying for Federal grants. In 2022, joint applications have been submitted for 5 programs funded through the Federal Bipartisan Infrastructure Law. In addition, the City has already allocated over \$6,325,000 in Federal grants and Municipal State Aid funds toward the project. The project is currently in the design phase. The total project cost, and the City's cost-share, will not be known until design is complete. However, the City is actively pursuing every possible resource to reduce the City cost-share and avoid the use of area-wide special assessments.
 - In the next few years, there will be other local street projects in the general area of the 11 St underpass project that will be partially funded with special assessments. These projects would be proposed notwithstanding the underpass construction.
- **Do the construction issues and delays affect my special assessment?**
 - No. The project contractor has filed a construction claim for additional compensation and that claim is being processed in accordance with the construction contract. The proposed final assessment does not include any funds for the claim and once adopted, the final assessment cannot be changed. The City has not agreed to pay any additional compensation.
- **The amount of the special assessment shown in the notice is different than the notice for the previous public hearing? Why?**
 - The City and its contractor worked cooperatively during the project to identify and implement construction cost saving measures. These savings reduced the proposed assessment amounts from those included in the project hearing notices sent in May 2018. The changes are shown below.

Parcel Size	Original Estimate	Final Assessment
1 acre or less	\$775.00	\$439.60
1.01 to 5 acres	\$1,162.50	\$659.40
More than 5 acres	\$1,550.00	\$863.77