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ORDINANCE 700 LOCAL IMPROVEMENTS AND SPECIAL ASSESSMENTS

Section 700.01: CUT-OFF DATE FOR PETITIONS. No petition for construction of public improvement projects requiring indebtedness of the City shall be accepted or acted upon by the Council unless it has been filed with the City Clerk on or before April 1 of the year of requested construction.

Section 700.02: CLASSIFICATION OF PROJECTS. Public improvements are divided into the three classes specified in the following subdivisions according to their respective benefit to the whole City, to property specially served by the improvement, and taking into account past City practice.

Subd. 1. Class A. Class A improvements are those which are of general benefit to the City at large, including (1) public buildings, except a building which is part of an improvement described in one of the following subdivisions; (2) any public park, playground or recreational facility; (3) the installation and maintenance of street lighting systems; and (4) any improvement not described in Minn. Stat., Sec. 429.021, Subd. 1. Any such improvement shall be financed from general City funds and not from special assessments.

Subd. 2. Class B. Class B improvements are those which are of both general benefit to the City and special benefit to abutting or nearby property. Class B improvements include: (1) trunk water mains larger than 6 inches; (2) trunk sanitary sewer mains larger than 8 inches; (3) storm sewers; (4) permanent surfacing of arterial streets; and (5) construction of off-street parking facilities.

Subd. 3. Class C. Class C improvements are those which are primarily of benefit to property abutting or near the improvement, including: (1) maintenance, construction, repair, or reconstruction of sidewalks; (2) construction of water mains no larger than 6 inches in diameter; (3) construction of sanitary sewer mains no larger than 8 inches in diameter; (4) construction of curbs and gutters; (5) grading, graveling, oiling and applying nonpermanent surfacing to streets; (6) permanent surfacing of residential streets; and (7) abatement of nuisances and draining and filling of swamps, marshes and ponds on public or private property. Class C improvements may be done by the affected property owner(s), provided that installation shall conform to City requirements and the appropriate permits are obtained.

Section 700.03: FINANCING CLASS B AND C IMPROVEMENTS. The City shall finance Class B and C improvements by the methods prescribed in Sections 700.04, 700.05 and 700.06 of this code. The apportionment of the cost between benefited property and the City at large, and the method of levying assessments prescribed in those subsections, shall be followed in each case unless the Council, by resolution, finds that because of special circumstances stated in the resolution, a different policy is necessary or desirable in the particular case. Any local improvement described in Minn. Stat. Sec. 429.021 and not placed in Class A, B or C by section 700.02 of this code shall be financed as the Council determines to be most feasible and equitable in each case.

Section 700.04: ASSESSMENT REGULATIONS FOR CLASS B IMPROVEMENTS.

Subd. 1. Trunk Water Mains and Sanitary Sewers. When a trunk water or sewer main is laid on or adjacent to unplatted property, the City shall make the assessment at the time the assessment

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against other property is made, apportioning the assessment against the unplatted property on the basis of area. When a trunk water sewer main is constructed and is intended to serve also as a lateral sewer or water main for abutting property, the abutting property shall be assessed for the cost of a lateral water sewer main of 6 inches in diameter plus its proportionate share of the cost of the excess capacity. The cost of the trunk water sewer main in excess of the lateral assessment shall be assessed on the basis of area against all properties benefited. The cost of a lift station shall be assessed on the basis of area against all property benefited by the lift station.

Subd. 2. Storm Sewers. The cost of constructing storm sewers shall be assessed against the property in the area served by the storm sewer on the basis of the area. The property to be assessed shall be determined by the City Engineer on the basis of topographic maps and other pertinent data.

Subd. 3. Arterial Street Surfacing. The following are designated as arterial streets: Main Street (Trunk Highway 15); and Hazel Avenue (County Road 44) from the east City limit to Elm Street. When an arterial street is paved with concrete, bituminous mat or other permanent surface, the cost of such pavement on a 36-foot wide roadway shall be assessed against the benefited property on the basis of frontage on the abutting street. If the construction standards for arterial street paving are higher than those the City would use for a residential street, the cost to be assessed to the abutting properties shall be based on the cost of paving a residential street of the same width. The rest of the cost shall be paid from general funds or from a city-wide special assessment.

Subd. 4. Parking. The cost of construction of parking lots shall be paid by the benefited property owner.

Section 700.05: ASSESSMENT RULES FOR CLASS C IMPROVEMENTS.

Subd. 1. Sidewalks. The cost of the construction of sidewalks shall be assessed against property abutting the side of the street on which the sidewalk is located on the basis of frontage. "Sidewalk Districts" map is to be established by Council order. Where a "Sidewalk District" is established, costs of installation of sidewalks shall be assessed to property located within the "sidewalk district" on a square foot basis. The cost of all repairs and maintenance shall be borne by abutting property owners.

Subd. 2. Water and Sewer. The cost of lateral water mains not exceeding 6 inches in diameter, and of lateral sanitary sewer mains not exceeding 8 inches in diameter, shall be assessed against abutting property on the basis of frontage. The cost of water or sewer mains to be assessed includes the service lines if furnished, hydrants and valves. The Water Access Charge (hook-up fee) to a water main or sewer shall be as set forth in Section 215 of this Code.

Subd. 3. Streets. The cost of construction of curbs and gutters on any street; of grading, graveling, oiling and applying non-permanent surfacing to any street; or of applying permanent surfaces to residential streets; shall be assessed against abutting property on the basis of frontage.

Subd. 4. Nuisances. The cost of abating nuisances on public or private property; and the cost of draining swamps, marshes and ponds and filling the same; shall be assessed in a manner determined by the Council. In each case, the Council shall attempt to measure most equitably the benefit received by the property to be assessed. The assessment in any such case may be made against non-abutting property to the extent the property is benefited by the improvement.

Section 700.06: SPECIAL RULES.

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Subd. 1. Corner Lots. In any assessment made on the basis of frontage, except one for water or sanitary sewer, corner lots shall be assessed for full footage along the front of the lot plus one-third of the side footage; the other two-thirds of the side footage shall be spread evenly among all other assessed properties. For unimproved lots, the front shall be the shortest side abutting a street. For improved lots, the front shall be the side which has the house numbers. In the case of an assessment for a Class C lateral water or sewer main, corner lots shall be assessed for the full footage along the front of the street abutting the lot. If the corner lot is large enough to accommodate another building which would be benefited by construction of a second main, the corner lot shall be assessed for the full frontage on both streets.

Subd. 2. Intersections. The cost of water and sewer improvements in street intersections shall be included as part of the total assessable cost. In the case of any kind of street improvement, intersection costs shall be paid by the City.

Subd. 3. Adjusted Frontage. When the amount of an assessment is determined by frontage, an equivalent front footage shall be determined according to the following rules when an irregular lot requires such an adjustment to maintain fairness in the assessment:

- (a) Front footage shall be measured at setback on cul-de-sacs, sharply curved streets, and irregularly shaped lots;
- (b) Equivalent front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision for pie-shaped lots and irregular shaped lots where other rules do not apply.
- (c) Where frontage curves so greatly as to give a general appearance of a corner, the lot shall be considered a corner lot and equivalent front footage, as well as side footage where required, shall be determined on the basis of an irregularly shaped lot.

Section 700.07: FEDERAL, STATE AND COUNTY AID USE. If the City receives financial assistance from the federal government, the state, or the county to defray a portion of the cost of a street improvement project, such aid shall be used first to reduce the share of the project costs which would be met from general City funds according to the assessment formula contained in this Section. If such aid is more than the amount of the improvement cost to be borne by the City, the remainder of the aid so received shall be used proportionately to reduce each individual assessment.

Section 700.08: DEFERMENT OF SPECIAL ASSESSMENTS FOR SENIOR CITIZENS, PEOPLE WITH DISABILITIES, AND MEMBERS OF THE MILITARY. The Council may defer the payment of any special assessment on homestead property owned by a person who is:

- (a) 65 years of age or older and applying for deferral based on income,
- (b) permanently disabled and applying for deferral based on income/disability, or
- (c) a member of the Minnesota National Guard or other military reserves who are ordered into active military service, as defined in Minn. Stat. §190.05 subd. 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments

Subd. 1. Application. The deferment shall be granted upon a certification by the owner on a form prescribed by the City to establish the qualification of the owner for such deferment. Application for the deferment shall be made within 30 days after the adoption of the assessment roll by the Council and shall be renewed each following year upon the filing of a similar application not later than September 30. If the Council grants the deferment, it may require the payment of the interest

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due each year. The Clerk shall notify the County Auditor and the County Assessor who shall, in accordance with Minn. Stat. Sec. 435.194, record a notice of the deferment with the County Recorder setting forth the amount of the deferred assessment.

Subd. 2. Termination of Deferment. The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due immediately payable upon the occurrence of any one of the following events:

- (a) death of the owner when there is no spouse who is eligible for deferment; or
- (b) the sale, transfer, or subdivision of all or any part of a property; or
- (c) loss of homestead status on the property; or
- (d) determination by the Council for any reason at any time that there would be no hardship to require immediate or partial payment; or
- (e) If deferred because of military service, the deferral would be for a period of no more than three years from the start of active duty
- (f) failure to file an initial application or a renewal application within the time prescribed by Subd. 1.

Subd. 3. Termination Procedure. Upon the occurrence of one of the events specified in Subd. 2, the Council shall terminate the deferment. Thereupon, the City Clerk shall notify the County Assessor and the County Auditor of the termination, including the amounts accumulated on unpaid installments plus applicable interest which shall become due and payable as a result of the termination.

Section 700.09: SERVICE LINES. Water and sewer lines shall be installed from the main to the front property line of property to be served before any permanent street surfacing is constructed in the street. If any property owner fails to install such water and sewer service lines connecting the water and sewer mains to the household water or sewer systems, within 30 days after notice from the City, the City shall have water and sewer service from the main to the household water and sewer system installed and shall assess the cost against the property.

Section 700.10: PARTIAL PREPAYMENT. After the adoption by the Council of the assessment roll in any local improvement proceeding, the owner of any property specially assessed in the proceeding may, prior to the certification of the assessment or the first installment to the County Auditor, pay to the City Treasurer any portion of the assessment. The remaining unpaid balance and accumulated interest shall be spread over the period of time established by the Council for installment payment of the assessment.

Section 700.11: CERTIFICATION OF ASSESSMENTS. After the adoption of any special assessment by the Council, the Clerk shall transmit a certified duplicate of the assessment roll with each installment, including interest, set forth separately to the County Auditor to be extended on the proper tax lists of the County.

Section 700.12: PERMANENT IMPROVEMENT REVOLVING FUND.

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Subd. 1. Establishment. The Council may establish a Permanent Improvement Revolving Fund of the City to be held and administered by the City, separate and apart from all other funds of the City, for the purpose of financing local improvements.

Subd. 2. Source of Funds. The fund shall be a permanent fund of the City and the moneys necessary for its maintenance shall be provided by taxation, by the appropriation of available moneys from other funds of the City, and/or by the issuance and sale of Permanent Improvement Revolving Fund bonds of the City as deemed necessary from time to time by the Council.

Subd. 3. Disposition of Funds. Moneys in the fund shall be used only as directed by resolution of the Council for the purpose of advancing to local improvement funds the cost of improvements for which assessments are to be levied. All such moneys so advanced to an improvement fund shall be restored as soon as sufficient moneys are received in the improvement fund, together with interest at a rate fixed by the Council during the time for which such moneys have been so furnished.

Subd. 4. Investment. Whenever there are moneys in the Permanent Improvement Revolving Fund not immediately needed for local improvements, such moneys shall be invested by the City Clerk under the direction of the Council in any securities authorized by law for investment of municipal sinking funds.

Subd. 5. Transfer of Surplus. When the Permanent Improvement Revolving Fund accumulates moneys in excess of any amounts reasonably anticipated to be needed for local improvement fund advances, the Council may by resolution adopted by a four-fifths roll call vote, declare any part of such excess to be surplus and transfer it to the general fund.

Section 700.13: SPECIAL ASSESSMENT PROCEDURE. In making special assessments, the City shall follow all procedures required by state law.