

CITY OF BIG LAKE

ASSESSMENT POLICY

FOR PUBLIC INITIATED IMPROVEMENTS

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ASSESSMENT POLICY STATEMENT

Table of Contents

	<u>Page</u>
Section I. General Policy Statement.....	3
Section II. Methods of Assessment	4
Section III. Improvement Type Application	8
Section IV. Assessment Conditions	12
Section V. Supplemental Assessment Policy Guidelines	14
Section VI. Definitions	16

City of Big Lake

ASSESSMENT POLICY STATEMENT FOR PUBLIC INITIATED IMPROVEMENTS

SECTION I - General Policy Statement

The purpose of this assessment policy is to establish guidelines to assist the City in determining a fair and equitable manner of recovering and distributing the cost of public improvements. The procedures used by the City of Big Lake for levying special assessments are those specified by Minnesota Statutes, Chapter 429, which provide that all or a part of the cost of improvements may be assessed against benefiting properties.

While establishing the authority by which communities may proceed to construct public facility projects, the statutes provide no guide as to how costs are to be apportioned. Therefore, it is the responsibility of the local legislative body to establish a reasonable method by which properties will be assessed.

Three (3) basic criteria must be satisfied before a particular parcel can be validly assessed. They are:

- A. The land must have received special benefit from the improvement.
- B. The amount of the assessment must not exceed the special benefit.
- C. The assessment must be uniform in relation to the same class of property within the assessment area.

The test for determining the validity of a special assessment is whether the improvement for which the assessment was levied has increased the market value of the property against which the assessment operates in at least the amount of the assessment. It is important to recognize that the actual cost of extending an improvement past a particular parcel is not the determining factor in determining the amount to be assessed. However, in most cases the method for determining the value of the benefit received by the improvement, and therefore the amount to be assessed, shall be the cost of providing the improvement, as long as the cost does not exceed the increase in market value of the property being assessed. The entire project shall be considered as a whole for the purpose of calculating and computing an assessment rate. The project cost shall include, but not be limited to the following:

- A. Construction cost
- B. Engineering Fees
- C. Administrative Fees
- D. Right-of-Way Acquisition/Condemnation Costs
- E. Legal Fees

- F. Capitalized Interest
- G. Signage
- H. Lighting

Initiation of public improvement projects can be undertaken by any of the three (3) following ways:

- A. ***Direct Action of the City Council*** - The City Council may decide an improvement is necessary or desirable for the community.
- B. ***Property Owner Petition*** - The City Council may decide on an improvement after receiving a petition for said improvement by the owners of not less than thirty-five percent (35%) in frontage of the real property abutting on the streets named in the petition as the location of the improvement. In addition, all owners of real property abutting upon any street named as the location of any improvement may petition the City Council to construct the improvement and to assess the entire cost against their property. In the latter case, the City Council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement.
- C. ***Developer Request*** - A developer who is the owner of all the property within the proposed subdivision may petition the City Council to construct the improvement and to assess the entire cost against the developers property pursuant to Minnesota Statutes Chapter 429. In such event, the City may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. However, a developers agreement shall be negotiated and executed prior to said authorization.

The City must recover the expense of installing public improvements, if undertaken, while ensuring that each parcel pays its fair share of a project cost in accordance with these assessment guidelines. While there is no perfect assessment policy, it is important that assessments be implemented in a reasonable, consistent and fair manner. There may be exceptions to the Assessment Policy or unique situations or circumstances which may require special consideration and discretion by City staff and the City Council.

The Assessment Policy statement, in brief summary, consists of five (5) main sections addressing purpose, method of assessment, improvement type and correlating application, assessment conditions and a supplementary guide section. A glossary section, devoted to specialized terms and definitions, is included as an index. The Assessment Policy is intended to serve as a guide to a systematic assessment process for the City of Big Lake.

SECTION II - Methods of Assessment

The nature of an improvement determines the method of assessment. The objective is to choose the assessment method which will arrive at a reasonable, fair and equitable assessment which will be

uniform upon the same class of property within the assessed area. The most frequently recognized assessment methods are: the unit assessment, the front footage assessment and the area assessment. Depending upon the individual project, any one or a combination of these methods may be utilized to arrive at an appropriate cost distribution. City staff will consider all methods and weigh their applicability to the project. A description of each assessment and its corresponding policy application is presented. Separate sections will identify the appropriate matchup of method with a specific type of project and analyze why each is generally used.

A. Unit Assessment. A unit assessment shall be derived by dividing the total project cost by the number of Residential Equivalent Density (RED) units in the project area. A RED unit is defined as a single family residential unit. All platted and unplatted property will be assigned RED unit values equivalent to the underlying zoning. When the existing land use is less than the highest and best permitted use, the Council may consider the current use as well as the full potential of land use in determining the appropriate number of RED units. Otherwise, the following RED chart will apply on a per unit basis, subject to adjustment by the Council for any inequities:

Single Family	1.00 RED
Duplex	1.00 RED
Condominium	0.80 RED
Multifamily	0.80 RED
Townhouse	1.00 RED
Commercial	RED units= SAC units
Industrial	RED units= SAC units

The unit approach has proven to be the best method in those instances whereby the improvement largely benefits everybody to the same degree and the cost of the improvement is not generally effected by parcel size.

B. Area Assessment. The assessable area shall be expressed in terms of the number of acres or the number of square feet subject to assessment. When determining the assessable area, the following considerations will be given:

1. **Ponding Assessment Consideration.** Lakes, ponds and wetlands may be considered part of the assessable area of a parcel. However, the property owner has the option of providing a storm water ponding easement to the City for the land under the lake, pond or wetland if integrated into the storm water management system. If such ponding easement is accepted based upon its functional integration into the storm water management system, a reduction in area equal to the area of the easement for the lake, pond or wetland will be subtracted from the gross acreage assessment of the parcel. Lots utilizing a ponding area for the purpose of density credit shall be charged for that area within the portion of the easement necessary to meet minimum lot standards.

2. **Road Right-of-Way Assessment Consideration.** Up to twenty percent (20%) of the gross acreage may be deducted for street right-of-way purpose within unplatted parcels of five (5) acres or more depending upon the parcel configuration. Parcels less than five (5) acres may not qualify and may be assessed full acreage. The reason for this size restriction is that, in most instances, parcels of less than five (5) acres cannot support an internal road system.
3. **Park Dedication Assessment Consideration.** When park land is dedicated as part of a residential development, as required by the Park Comprehensive Plan, the developer shall not be assessed an acreage charge on the portion of land dedicated.

C. Front Footage Assessment - Residential. The actual physical dimension of a residential parcel abutting an improvement (i.e., street, sewer, water, etc.) shall NOT be construed as the frontage utilized to calculate the assessment for a particular parcel except for side lot calculations of corner lots or unbuildable lakeshore lots. Rather, an adjusted front footage will be determined. The purpose of this method is to equalize assessment calculations for lots of similar size. Individual parcels by their very nature, differ considerably in shape and area. The following procedures will apply when calculating adjusted front footages. The selection of the appropriate procedure will be determined by the specific configuration of the parcel. All measurements will be scaled from available plat and section maps and will be rounded down to the nearest foot dimension with any excess fraction deleted. Categorical type descriptions are as follows:

1. Standard Lots
2. Rectangular Variation Lots
3. Triangular Lots
4. Cul-de-sac Lots
5. Curved Lots
6. Irregularly Shaped Lots
7. Corner Lots
8. Flag Lots
9. Double Frontage Lots
10. Large Tracts
11. Non-Buildable Lakeshore Lots

The ultimate objective of these procedures is to arrive at a fair and equitable distribution of cost whereby consideration is given to lot size and all parcels are comparably assessed.

1. **Standard Lots.** In this instance, the adjusted front footage for rectangular lots will be the actual frontage of the lot. The frontage measured shall be the lot width at the front lot line.
2. **Rectangular Variation Lots.** For a lot which is approximately rectangular and uniform in shape, the adjusted front footage is computed by averaging the front and back sides of the lot. This method is used only where the divergence between front and rear lot lines is twenty feet (20') or less.
3. **Triangular Lots.** For a triangular shaped lot, the adjusted front footage is computed by averaging the front and back lot lines. The measurement at the back lot width shall not exceed a maximum distance in depth of one hundred fifty feet (150'). Another method may be deemed appropriate based upon the individual parcel or general project area.
4. **Cul-de-sac Lots.** The adjusted front footage for those lots that exist on cul-de-sacs will be calculated at the midsection of the lot at the most reasonably defined and determinable position. This line will be computed by connecting the midpoints of the two side lot lines. Or, if the lots are similar in nature and configuration, a common lot width may be assigned based upon an evaluation of typical lots within the subdivision.
5. **Curved Lots.** In certain situations such as those where lots are located along meandering trail system streets, road patterns create curvilinear frontages. In such instances, the adjusted front footage will be the width of the lot measured at the midpoint of the shortest side lot line or such other method deemed appropriate based upon the individual parcel or general project area.
6. **Irregularly Shaped Lots.** In many cases, unplatted parcels that are legally described by a metes and bounds description, are irregular and odd shaped. The adjusted front footage will be calculated by measuring the lot width at the thirty (30) foot building setback line or such other method deemed appropriate based upon the individual parcel or general project area.
7. **Corner Lots.** In the event an improvement project abuts a corner lot, the adjusted front footage will be assessed on the short side. A one hundred fifty (150) foot side lot allowance credit will apply along the adjacent side street. Any remaining frontage will constitute an additional assessment.

To ensure a corner lot is assessed only one time for improvement projects, when an

improvement project abuts just one side of a parcel, the parcel will be assessed when the improvement project abuts the *addressed* side of the parcel. The calculation (noted in the paragraph above) will be the same whether a project abuts both sides, or just one side of a corner lot.

8. **Flag Lots.** Properties which utilize a narrow private easement or maintain ownership of such access to their property exceeding a minimum length of one hundred twenty-five (125) feet, thereby having a small frontage on a street, will be assigned an adjusted front footage of eighty six (86) feet. This dimension is consistent with the subdivision ordinance which prescribes such length as a minimum lot frontage along a public roadway. The adjusted front footage for flag lots whose driveway access is under one hundred twenty-five (125) feet will be measured at the building setback line from the access terminus.
 9. **Double Frontage Lots.** If a parcel, other than a corner lot, comprises frontage on two (2) streets and is eligible for subdivision, then an adjusted front footage assessment will be charged along each street. For double frontage lots lacking the necessary depth for subdivision, a single adjusted front footage only will be computed.
 10. **Large Tracts.** Oversized residential parcels will not be assessed for more than a total frontage of one hundred fifty (150) feet. If the parcel is large enough to be subdivided, the remaining assessment will be deferred until the property develops, at which time the entire deferred assessment and accumulated interest shall be paid in full. Interest will accrue at the rate established at the project assessment hearing.
 11. **Unbuildable Lakeshore Lots.** Unbuildable lakeshore parcels shall be assessed at fifty percent (50%) of its actual frontage when owned in common with the lot directly across the street.
- D. Front Footage Assessment – Commercial and Industrial Zoned Lots. Front footage assessments for lots that are zoned or used for commercial or industrial purposes shall be based upon the actual front footage of the side abutting the improvement.

SECTION III - Improvement Type Application

- A. New Sidewalk Installation. Although construction normally occurs only on one (1) side of the street, channelization and safety of pedestrian traffic is regarded as an overall neighborhood benefit. Therefore it shall be the policy of the City to pay for such improvements from the Street Improvement Fund.
- B. New Bike Path Installation. Although construction normally occurs only on one (1) side of the street, channelization and safety of pedestrian traffic is regarded as an overall neighborhood

benefit. Therefore it shall be the policy of the City to pay for such improvements from the Street Improvement Fund or the Park Dedication Fund.

- C. New Street, Curb and Gutter. The entire cost of the original installation of street, curb and gutter shall be recovered by the adjusted front footage method. The front footage rate shall be determined by dividing the project costs, which shall include: aggregate base, edger or surmountable curbs and bituminous or concrete surfacing as well as any grading, geotextiles, associated subdrain systems and other appurtenances integral to the roadway, by the total number of adjusted front feet in the project area. Assessable costs in addition to the construction work and materials include surveying, legal, engineering, administration, finance, material testing and inspection services to deliver the project.

- D. Street Reconstruction. Street reconstruction is best defined as rebuilding of an already existing paved roadway that may be rural or urban in nature. Street reconstruction includes all costs to recondition or replace the foundational soils, sub-drain system, aggregate base, curbing, pavement, boulevard restoration (grading, turf, driveways, retaining walls, trees, etc), sidewalks, bike paths and other appurtenances integral to the roadway, by the total number of adjusted front feet in the project area. Assessable costs in addition to the construction work and materials, surveying, legal, engineering, administrative, finance, material testing and inspection services to deliver the project.

Street Resurfacing. Street resurfacing is commonly known and referred to as street overlaying whereby a new bed of road material such as bituminous is installed over an existing paved road to specific thickness or in the case where the bituminous pavement has deteriorated to such a condition that complete reconstruction is necessary. (If street construction is done over a non-bituminous surface, i.e., gravel, sand, etc., then the assessment shall be for one hundred percent (100%) of the total project cost.)

Regardless of the age of the street, street overlay and curb improvements of presently paved streets in the City of Big Lake shall be assessed at sixty percent (60%) to property owner/forty percent (40%) to City of the total project cost. The City portion shall be covered by means of the general ad valorem property tax paid by the entire community and other sources. Assessments shall be determined by the adjusted front footage method. All assessments shall be on a current basis and shall not be subject to a maximum footage or deferred classification. Assessable costs include but not limited to the construction work and materials, surveying, legal, engineering, administration, finance, material testing and inspection services to deliver the project.

- E. Sealcoating and Crack Filling Street Improvements. Sealcoating and crack filling shall be treated as a general maintenance expense which shall be one hundred percent (100%) supported by general ad valorem property taxes. No assessments will be associated with sealcoating.

- F. Sanitary Sewer and Water Lateral Improvements. All water and sewer lines, regardless of size or designation, are considered as laterals to adjacent property. Lateral lines are normally not larger than eight (8) inches in diameter in most residential areas. For purpose of special benefit

determination, the lateral cost of sewer and water improvements will be assessed on an adjusted front footage basis.

- G. Sanitary Sewer and Water Trunk Improvements. Trunk sewer and water mains are usually larger than eight (8) inches in diameter and are designed to carry larger volumes of flow than are necessary within an immediate property area in order to serve additional service areas in the City. The difference between a normal sized lateral and the actual sized trunk represents “trunk oversizing”. The cost in extra pipe sizing and depth shall be paid from the City’s Enterprise Funds. Based upon calculations and past experience, a charge shall be set per unit to finance the City’s Enterprise Funds. The rate of Trunk System fees shall be adjusted annually by the City Council in connection with the City Fee Schedule.
- H. Storm Sewer Improvements. Storm sewer improvements will continue to be a required portion of all new residential, commercial and industrial developments. Storm water associated with road redevelopment projects shall be on a case by case basis, based on the appropriate engineering reports.

Ponds are considered an amenity to the development and must conform to the intent of the Storm Water Management Guide Plan. A Storm Water Trunk fee will not be collected for the ponding areas which are dedicated to the City. The City Engineer will determine if the ponding areas meet the intent of the Storm Water Management Plan. The rate for Storm Water Trunk fees shall be adjusted annually according to the Engineering News Record Index.

Road redevelopment or reconstruction projects typically require drainage system expansion in terms of conveyance and capacity. Conveyance includes adding catch basin inlets or pipe. Capacity would include construction or expansion of required facilities such as, but not limited to water quality facilities, infiltration basins, ponds, ditches, or increasing pipe size. Mandates from local, State and Federal agencies requiring additional storm water measures beyond existing facilities and not described above shall be subject to assessment against benefitting properties. Benefitting properties include those draining to the improvement, benefit from flood protection (emergency over flow), or property adjacent to a street improvement where conveyance infrastructure (piping or curbing) is installed as determined by the City Engineer.

Benefitting properties shall share 100% of the improvement costs. The special assessment for benefitting properties shall be based on square footage of property and adjacent right of way contributing to the drainage area and prorate the costs respectively. In instances where the City Engineer determines the assessment is minimal and cost to assess is prohibitive, the City may waive the assessment and assume the cost.

The City’s storm water utility fees paid by properties is directed to the maintenance and rehabilitation of existing sewer infrastructure. This money is not intended to be used for expansion of conveyance, capacity or water quality.

- I. Collector Street Improvements. Until eligible for MSA funds, all collector street projects will be negotiated between the City and the developer. The developer shall dedicate up to a maximum of one hundred (100) feet of right-of-way. The developer shall be responsible for the construction of up to a maximum of a thirty-two (32) foot road with a ten (10) ton design.

When eligible for MSA funds, the City shall designate MSA routes and expand this policy as necessary.

- J. Unpaid Special Service Charges. The city may, through an ordinance, requiring that property owners perform certain property-related special services, or the ordinance can allow that the city performs the special services and sends a bill to property owner for the work. If the property owner fails to pay, the City may assess for all or any part of the unpaid charges as a special assessment against the property benefitted. Unpaid charges collected as special assessments are subject to the same notice, hearing, and appeal requirements; however, they are not subject to the special benefit test. Following is the special services list:

1. Snow, ice and rubbish removal from sidewalks.
2. Weed elimination from streets and private property.
3. Removal or elimination of public health or safety hazards from private property, excluding any hazardous or substandard buildings.
4. Installation and repair of water service lines, and sprinkling and dust treatments.
5. Trimming and care of trees, and removal of unsound trees.
6. Treatment and removal of insect-infested or diseased trees on private property and the repair of sidewalks and alleys.
7. Operation of a street lighting system.
8. Operation and maintenance of a fire protection or pedestrian skyway system.
9. Inspections related to a municipal housing maintenance code violation.
10. Recovery of payment to rehabilitate and/or maintain safe and habitable housing conditions over the useful life of a house or land – including payment of utility bills and other services, even if provided by a third party in rental situations.
11. The recovery of delinquent vacant building registration fees under a municipal program designed to identify and register vacant buildings.
12. Garbage collection and disposal.

SECTION IV - Assessment Conditions

A. Terms of Assessments. Special assessments shall be collected in equal annual installments of principal for a period of years as indicated for the following types of improvements:

1. Sidewalk Improvements - 10 years
2. New Street, Curb and Gutter - 15 years
3. Street Resurfacing/Street Reconstruction - 10 years
4. Sanitary Sewer and Water Laterals - 15 years
5. Trunk Acreage Charge - 5 years
6. Storm Sewer Improvements- 15 years
7. Storm Sewer Improvements with Street Resurfacing/Street Reconstruction Project – 10 years
8. Nuisance Abatements - 1 year
9. Delinquent Connection Fees, Utilities - 1 year
10. Unpaid Special Service Charges – 1 year

Note: The Finance Director may adjust the terms in the event of unforeseen circumstances.

B. Interest Rate. The interest rate charged on assessments for all projects financed by debt issuance shall be one and a half percent (1.5%) greater than the net interest rate of the bond issue. The interest rate charged on assessments for all projects not financed by debt issuance shall be determined by City Council. This is necessary in order to insure adequate cash flow when the City is unable to reinvest assessment prepayments at an interest rate sufficient to meet the interest cost of debt or when the City experiences problems of payment collection delinquencies. Interest on initial special assessment installments shall begin to accrue from the date of the resolution adopting the assessment. Owners must be notified by mail of any changes adopted by the City Council regarding interest rates or prepayment requirements which differ from those contained in the notice of the proposed assessment.

C. Payment Procedures. The property owner has five (5) available options when considering payment of assessments:

1. **Tax Payment** - If no action is undertaken by the property owner, then special assessment installments will appear annually on the individual's property tax statement for the duration of the assessment term.

2. **Full Payment** - No interest will be charged if the entire assessment is paid off within thirty (30) days from the date of adoption of the assessment roll.
 3. **Partial Payment** - The property owner has a one time opportunity to make a partial payment reduction of any amount against his/her assessment. This option may only be exercised within the thirty (30) day period immediately following adoption of the assessment roll.
 4. **Prepayment** - The property owner may, at any time prior to December 15 of the initial year, prepay the balance of the assessment with interest accrued to December 31 of that year. The property owner may also choose to pay the remaining assessment balance at any time, with the exception of the current year's installment of principal and interest.
 5. **Senior Citizen Deferment** - Any individual who is sixty-five (65) years of age or older and can satisfy the property ownership classification and federal low income guideline as specified in the City of Big Lake Ordinance #99-12 may have their assessments deferred.
- D. Appeal Procedures. No appeal may be taken as to the amount of any assessment adopted unless a written objection signed by the affected property owner is filed with the City Administrators office prior to the assessment hearing or presented to the presiding officer at the hearing. The property owner may appeal the assessment to District Court by serving notice of the appeal upon the Mayor or City Administrator within thirty (30) days after the adoption of the assessment and filing such notice with the District Court within ten (10) days after service of the appeal upon the Mayor or City Administrator.
- E. Reapportionment Upon Land Division. When a tract of land against which a special assessment has been levied is subsequently divided or subdivided by plat or otherwise, the City Council may, on application of the owner of any part of the tract or on its own motion, equitably apportion among the various lots or parcels in the tract all the installments of the assessment against the tract remaining unpaid and not then due if it determines that such apportionment will not materially impair collection of the unpaid balance of the original assessment against the tract. The City Council may require furnishing of a satisfactory surety bond in certain cases as specified in Minnesota Statutes Section 429.071, Subd. 3. Notice of the apportionment and of the right to appeal shall be mailed to or personally served upon all owners of any part of the tract. In most cases, dividing the assessment balance evenly on a unit or lot basis would result in an equitable apportionment. The practice of unit assessment redistribution and recertification to the Sherburne County Auditor's Office will be followed when the amount of the unit assessment exceeds \$1,000.00. In those instances when the property subdivision would result in smaller increments, the entire assessment shall be paid at the time the developer's agreement is approved.
- F. Assessment Cost. All such improvements described under Section IV (A) with the exception of #3 (Street Resurfacing/Street Reconstruction) shall be assessed one hundred percent (100%) of the cost. Replacement of such utility improvements will also be subject to one hundred percent (100%) assessment with the exception of #3 (Street Resurfacing/Street Reconstruction).

SECTION V - Supplemental Assessment Policy Guidelines

- A. Areas Partially Served By Utilities. Any tract of land, lot or parcel whereby a project improvement such as a sewer or water lateral or ending street terminus does not extend fully past or beyond the property shall be considered served, benefited and assessed accordingly. The current special assessment shall be subject to an adjusted front footage not to exceed one hundred fifty feet (150') and a maximum current acreage of two and a half (2.5) acres, provided said assessment does not exceed the special benefit conferred upon the affected property. If an improvement benefits non-abutting properties which may be served by the improvement when later extensions or improvements are made but are not initially assessed, the City may reimburse itself for all or part of the costs incurred by assessing those non-abutting properties at the time of the later extensions or improvements. However, proper notice must be given of the fact at the time of making the extensions or improvements to the previously unassessed non-abutting properties.
- B. Preliminary Plat Consideration. Land could be considered for assessment based on preliminary plat consideration. This consideration will occur only when the following scenarios exist: (1) the City Council has approved a preliminary plat; and (2) a public hearing ordering the improvement project has not yet occurred. In the event this exists, assessment frontages may be calculated based upon the proposed lot configuration within the preliminary plat. Road right-of-way within the proposed street alignments will not be subject to assessments.
- C. Tax Exempt Property. Other than land under City ownership, there are three (3) categories of tax exempt properties. Said properties shall be assessed as follows:
1. **Church and School Property.** Shall be assessed in the same manner as commercial and industrial zoned property, as long as the assessments do not exceed the special benefits conferred. Acreage assessments shall be based upon the gross acreage of the site.
 2. **State Land.** Is normally exempt from assessment unless otherwise negotiated or agreed upon by the affected State agency.
 3. **County Land.** Is subject to assessment and shall be assessed in the same manner as commercial and industrial zoned property, as long as the assessments do not exceed the special benefits conferred.
- D. Municipal Property Assessments. City owned property is divided into three (3) classifications for the purpose of determining assessment participation. They are:
1. Public Facility Land
 2. Public Right-of-Way
 3. Park Land

Public Facility property is defined as land utilized for public buildings such as city halls, fire halls, libraries, maintenance garages, municipal parking lots, etc. Public facility property within a project area will participate in the total assessable cost of an improvement and will be treated in the same manner as any other benefited parcel.

Public right-of-way property consisting of all City acquired easements, subject to fee title, for the specific purpose of utility placement or street construction will be exempt from assessment.

Park Land assessment eligibility is further categorized according to the following descriptions:

1. **“Community Parks”** are characterized by a higher degree of intense public use and are relatively large in area size. They are normally associated with athletic events and sporting activities (i.e., softball, football, baseball, hockey, etc.). Park lands of this nature will be subject to assessments. Because community parks provide citywide benefit, the cost of these assessments shall be recovered by a special levy upon the ad valorem taxes.
 2. **“Neighborhood Parks”** accommodate open space objectives within residential development and are passive in use as indicated by such features as playground structures. Because neighborhood parks are commonly used by the immediate residents of the area, such park land will not be assessed if it comprises less than twenty-five percent (25%) of the aggregate project area. Larger parks representing an area greater than twenty-five percent (25%) of the aggregate project area shall participate in the assessment process in the same manner as community parks.
 3. **“Parkland Dedication”** is required either in the form of cash in lieu of land or a land grant. The developer shall be responsible for the payment of all special assessments existing at the time of dedication. Depending upon the amount of land involved, the development shall not be assessed trunk acreage for that portion exceeding the minimum percentage dedication requirement for park purposes.
- E. Tax Forfeiture Assessments. When a parcel of tax forfeited land is returned to private ownership and the parcel is benefited by an improvement for which special assessments were canceled because of the forfeiture, the City may, upon notice and hearing as provided for the original assessment, make a reassessment or a new assessment as to the parcel in an amount equal to the amount remaining unpaid on the original assessment.
- F. First Serve Situations. If the plans of the City and a developer coincide in regard to utility installations on certain properties, the plans of the City shall receive first consideration. In that event, the City may, upon notice and hearing, assess all unplatted parcels according to this Policy if the improvements are approved prior to hardshell consent of the unplatted properties.

- G. State Aid Participation. Residential lots abutting and having access to collector streets (streets which are designated as part of the City’s Municipal State Aid System and qualify for state aid funding) shall be assessed the residential equivalent of a standard City street, normally consisting of a thirty-two foot (32’) paved roadway within a sixty foot (60’) right-of-way. This cost shall be determined by the City Engineer during the preparation of the feasibility report. The difference in cost shall be reimbursed by applicable state aid funds or other available city funding sources.
- H. Assessment Review Committee. Before any assessment hearing, a review committee will be established by the City Council to assist staff in its evaluation of all properties in accordance with this Policy and review the staff prepared proposed assessment rolls. This committee shall consist of the City Administrator, City Engineer, Finance Director and two (2) members of the City Council appointed at the Council’s annual January meeting.
- I. Residential lots abutting and having access to county roads (that will be assessed by the City based on County’s cost participation plan) shall be assessed the residential equivalent of a standard City street, normally consisting of a thirty-two foot (paved roadway) within a sixty foot (60’) right-of-way. The City street equivalent cost is to be determined by the City Engineer during the preparation of a feasibility report. The difference in cost shall be reimbursed by available city funding resources (Street Improvement Fund).
- J. Upon turn-back of state and county roads, an engineer’s estimate of remaining useful life will be determined for assessment calculation. All funding provided on a turn-back will be deposited to the Street Improvement Fund for offsetting the city participation for road improvements. If determined by the City Council that it should be used for a particular project, it shall be so.
- K. Cemeteries within a project area will be exempt from assessment.

SECTION VI - Definitions

ADJUSTED FRONT FOOTAGE	The number of feet actually utilized in calculating an assessment for a particular property. This may differ from the actual front footage of the property.
ASSESSMENT	A dollar amount charged against a property receiving an improvement benefit.
CONDOMINIUM	Individual ownership of a unit in a multi-unit structure (similar to an apartment building). A spacial relationship exists whereby the individual owns the actual air space within the physical confines of the unit but not the barrier walls themselves.

DRAINAGE DISTRICT	An area defined by the City Engineer which shall form the physical boundaries where benefit exists within a district shall be all land serving as a collector basin for storing such water. Natural geographical features normally form these boundaries.
LATERAL	A lateral sewer is designed to collect the sewage from a project area for conveyance to a trunk facility. A water lateral is sized to provide water in sufficient volumes and pressure as required to serve a defined project area.
MULTI-FAMILY	A structure of more than two (2) units, the primary purpose of which is to provide rental or leased living space to the general public. Building characteristics include common hallways for access purposes and a common parking lot.
NUISANCE ABATEMENTS	The elimination of a nuisance whereby the City acts on behalf of the property owner as authorized by ordinance to eliminate problems such as junk, weeds, dead trees, etc. The City may collect the charges for all or any part of the cost of eliminating any such nuisance by levying a special assessment against the property benefited.
OVERSIZING	A pipe which is designated and constructed larger and/or deeper than necessary to serve a specific project area.
PUBLIC IMPROVEMENT	A project undertaken by the City under the authority granted in M.S.A. 429.021 for the purpose of installation of improvements such as street, curb and gutter, sewer, water, etc. A public hearing shall be conducted to determine the necessity and common good of the project as it affects the community. Upon authorization, the City will proceed with construction and administration of the project.
TOWNHOUSE	Single family attached units in structures housing three (3) or more contiguous dwelling units, sharing a common wall, individual front and rear entrances; the structure is that of a row-type house as distinguished from multiple-swinging apartment buildings.

TRUNK

Water and sewer lines that are large mains requiring greater size capacity and deeper pipe construction than the immediate surrounding area requires. However, trunk lines may also be used to provide lateral service as well. Trunk sewer and water pipes are determined to be pipes **greater** than eight inches (8") in diameter.

UTILITY IMPROVEMENT AREA

A defined area within which all area properties are deemed to have been served by an improvement project and are considered to receive benefit.