CHAPTER 56: SPECIAL ASSESSMENTS

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§ 56.01 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

SANITARY SEWER:

(1) *Trunk*: A line being of a size sufficient to collect sewage from lateral sewers for delivery to the treatment facilities.

(2) *Lateral*: A line that has as its main purpose, the collection of sewage from the individual building sites.

(3) *Service*: That portion of the sewer from the lateral to the building which is considered to be privately owned.

(4) *Lift Station*: A pumping station necessary to lift sewage to a point from which it will flow by gravity. This includes the installation of a force main through which the sewage is pumped.

(5) *Treatment Facility*: The facility where the sanitary sewage receives treatment before being discharged into the river.

WATER SYSTEM:

(1) *Trunk*: a line of such size as to serve a large platted or unplatted area with a sufficient water supply.

(2) *Lateral*: A line that has as its main purpose to make water available to individual building sites.

(3) *Service*: That portion of the water system from the main to building which is considered to be privately owned.

(4) *Well*: The source from which the City pumps water for delivery to the entire system.

(5) *Storage*: Those tanks necessary to store a sufficient quantity of water for City use.

CURB AND GUTTER:

(1) *Residential*: Curb and gutter in a residentially zoned area. This may differ if other than residential streets run through a residential area. The present Minnesota Highway Department designation B618 shall be used for concrete curb

and gutter with Minnesota Highway Department specifications for bituminous curb.

(2) *Primary*: Curb and gutter in an area zoned for commercial or industrial use and along those streets in residential areas which act as collector or primary streets. The present Minnesota Highway Department designation is B624.

SIDEWALKS:

(1) *Residential*: Sidewalk in a residentially zoned area. This is normally a 5' sidewalk.

(2) *Commercial*: Sidewalk in a commercially zoned area. It may be up to 15' in width.

STREETS:

(1) *Residential*: The average street running through a residential area that is used by local traffic. Normally of a 5 to 7 ton capacity design.

(2) *Collector*: Streets that carry considerable non-local traffic, normally of 7 ton capacity design.

(3) *Primary*: CSAH highways, State and Federal Highways and the business district streets. Normally a 9 ton capacity design.

STORM SEWERS:

(1) *Trunk*: That storm sewer that not only collects local water but also collects from several smaller storm sewers and delivers the water to its point of discharge.

(2) *Subtrunk*: The average storm sewer used to collect local storm water.

§ 56.02 METHODS OF ASSESSMENT.

(A) *Sanitary Sewer Assessment:*

(1) *Trunk*: A trunk sewer will be assessed at a lateral cost against abutting property if it renders a lateral service. The cost of the trunk over and above the lateral assessment will be assessed on an area basis to all properties to be benefited by the trunk sewer.

(2) *Lateral*: A lateral sewer shall be assessed to benefited property on a front foot basis.

(3) *Service*: The cost of the service, if furnished, shall be included in the

lateral assessment.

(4) *Lift Station*: The cost of a lift station shall be assessed on an area basis against that property actually benefited by the lift station.

(5) *Treatment Facility*: This cost shall be assessed as a sewer service charge.

(B) *Water System Assessments:*

(1) *Trunk Main*: A trunk main will be assessed at a lateral cost against abutting property if it renders a lateral service. The cost of the trunk main over and above the lateral assessment will be assessed on an area basis to all property to be benefited by the trunk main.

(2) *Lateral Main*: A lateral main shall be assessed to benefited property on a front foot basis. This cost will include services, hydrants and valves.

(3) *Service*: The cost of the service, if furnished, shall be included in the lateral assessment.

(4) *Wells and Storage*: This shall be paid for on a use basis.

(C) *Streets, Sidewalk and Curb and Gutter Assessments:*

(1) *Residential*: These assessments will be made on a front foot basis except corner lots which shall be assessed for front footage plus one-half of the side footage, with the other one-half of the side footage being borne by all properties in the improvement.

(a) Sidewalk - for a residential or 5' sidewalk.

(b) Curb and gutter as designated by the Minnesota Highway Department as B618 or bituminous curb as specified in Section- 2535 of the 1964 Minnesota Highway Department Specifications.

(c) Street - for a 5 to 7 ton capacity street.

(2) *Commercial and Industrial*: Commercial and industrial property will be assessed on a front foot basis including corner lots which will be assessed total side footage as well as front footage.

(a) Sidewalk - Assessed for width installed.

(b) Curb and gutter - Assessed for curb and gutter as installed. Normally this will be curb and gutter as designated by Minnesota Highway Department Specifications as 13624.

(c) Street - for a 7 to 9 ton capacity street.

(3) Actual cost of projects not assessed shall be paid out of the construction budget of the project fund.

(D) *Storm Sewer Assessment:*

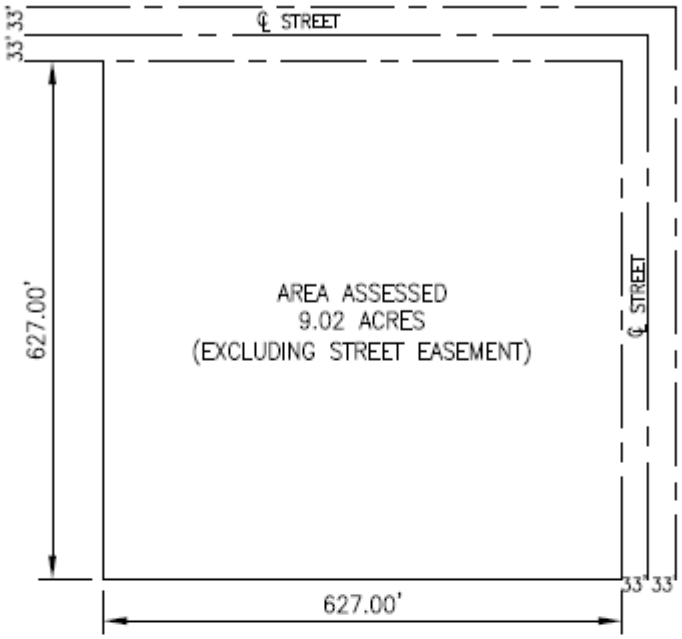
(1) Storm - sewers are designed and constructed to carry runoff into natural drainage courses. The cost shall be borne by the drainage area served and assessed on area basis.

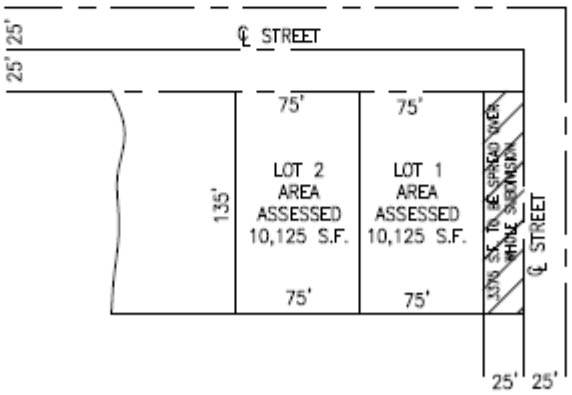
§ 56.03 POLICY AND PROCEDURE.

(A) Improvements benefiting a large area such as sanitary sewer, water and storm sewer trunks and subtrunks will be assessed on an area basis whereby all parcels would be assessed for their entire area at a unit cost per square foot as hereinbefore and hereinafter set forth.

In the event a parcel of land is benefited by the extension of a trunk but cannot actually immediately gain service from the trunk, the area assessment shall be set on a percentage basis of an area gaining immediate service. This area would then be assessed for trunk service when the trunk is again extended. The actual amount to be assessed will be left to the discretion of the Common Council.

If a parcel of land benefits from extensions of either sanitary sewer and/or water improvements prior to its incorporation into the City, in lieu of an area assessment a connection charge of $100 shall be paid for each improvement.





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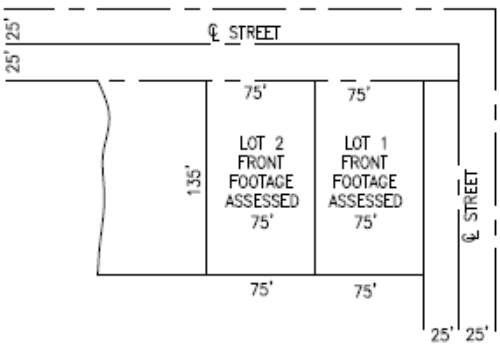
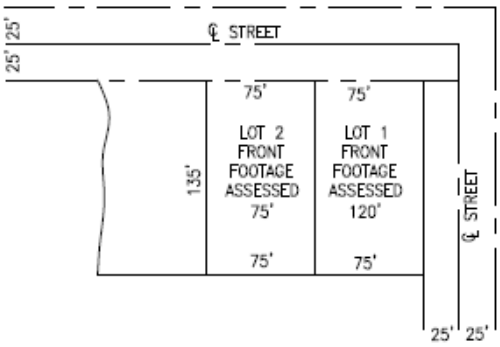
(B) Sanitary sewer and water lateral improvements will be assessed, on a front footage basis in accordance with the rules herein before and hereinafter set forth.

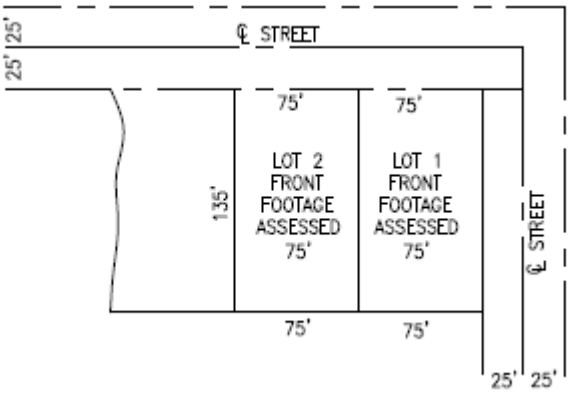
(C) Street improvements including grading, base, surfacing, curb and gutter and sometimes storm sewer laterals as part of a street project will be assessed on a front footage basis plus one-half the side footage for corner lots in accordance with the rules herein before and hereinafter set forth.



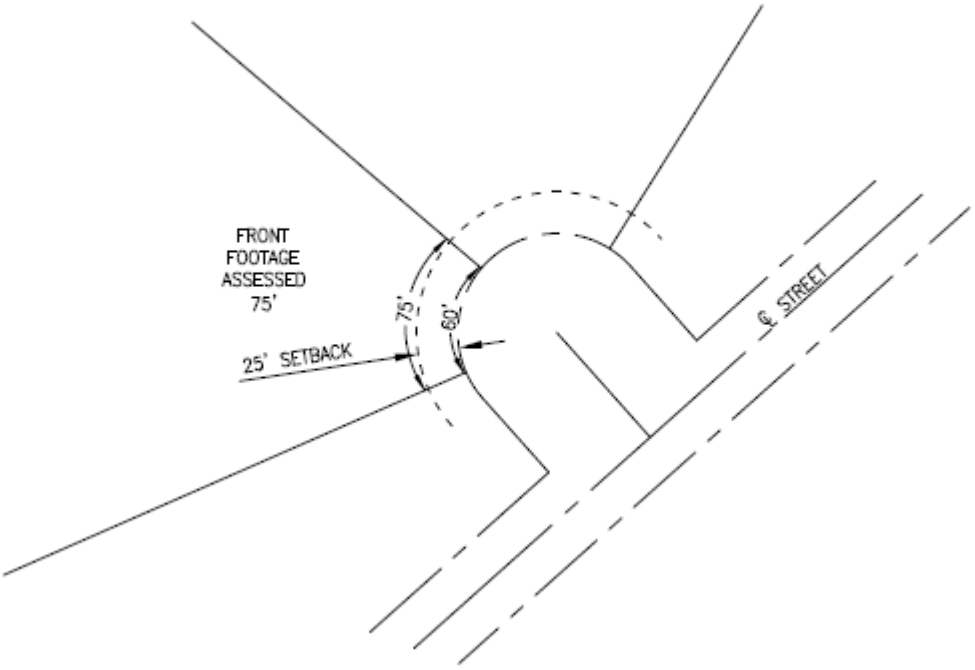


(D) In many cases, the front footage of a lot is not immediately apparent. Therefore, it is necessary to determine an equivalent front footage which will maintain an equitable distribution of costs. An equivalent front foot formula based on the following rules will be used, for sanitary sewer lateral projects.

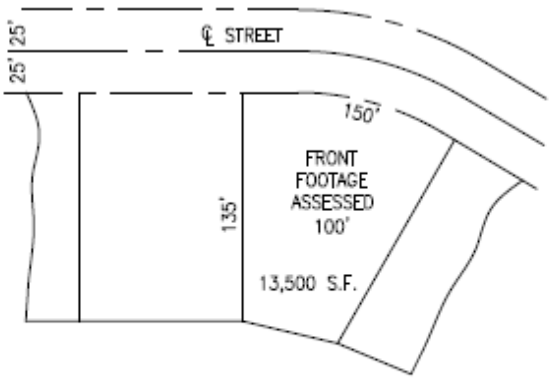
(1) Straight front footage shall be used on all lots of a generally rectangular shape.



(2) Front footage shall be measured at setback on cul-de-sacs and sharply curved streets and irregular sharked lots.

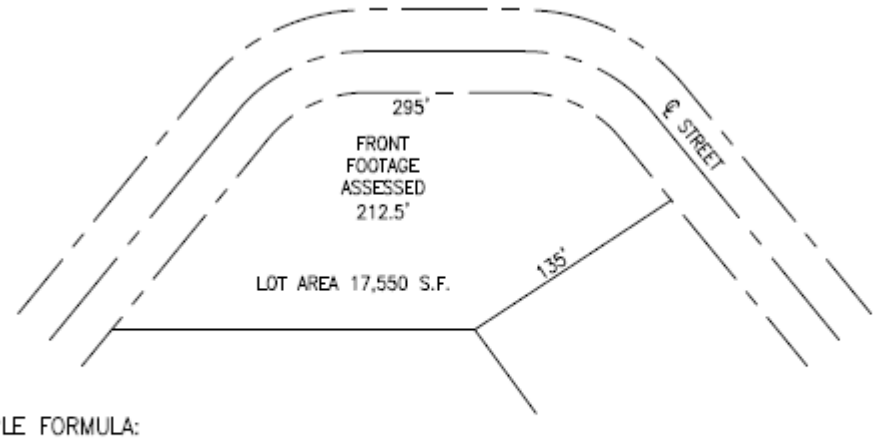


(3) Equivalent front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision for "pie shaped lots" and irregular shaped lots where other rules don't apply.



EXAMPLE FORMULA:
EQUIVALENT FRONT FOOTAGE =
LOT AREA (S.F.) DIVIDED BY GENERAL LOT DEPTH
13,500 S.F./135' = 100'

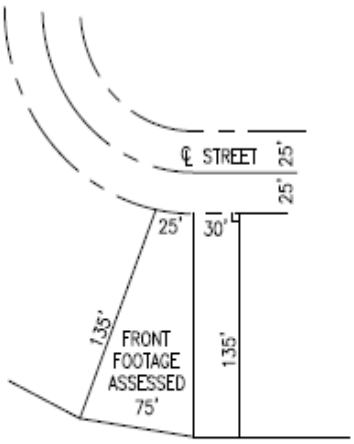
(4) Where frontages curve so greatly as to give a general appearance of a corner, the lot shall be considered a corner lot and equivalent front footage, as well as side footage where required, determined on the basis of an irregular shaped lot.



EXAMPLE FORMULA:

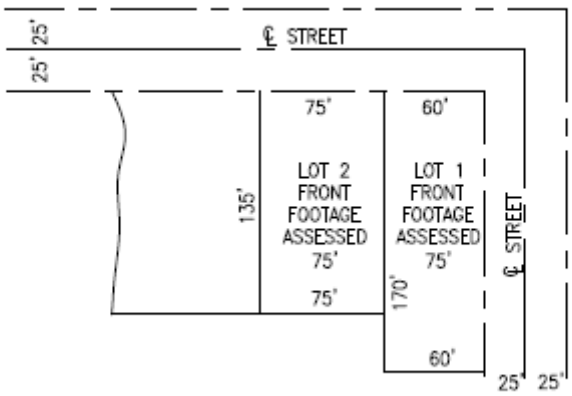
ASSESSED FOOTAGE	= EQUIVALENT FRONT	+ SIDE FOOTAGE (WHERE REQUIRED)
	= AREA / GENERAL LOT DEPTH	+ (TOTAL FRONTAGE – FRONT FOOTAGE)/2
	= 17,550 S.F./135	+ (295–130)/2
	= 130'	+ 165/2
	= 130'	+ 82.5'
	= 212.5'	

(5) Where a lot is comprised of a combination of rectangular and pie or irregular portions, the equivalent front footage shall be determined as the sum of the straight front footage plus the remainder in accordance with applicable rules.



EXAMPLE FORMULA:
FRONT FOOTAGE ASSESSED =
30' + AREA OF PIE DIVDED BY LOT DEPTH
30' + 6075 S.F. / 135' = 75'

(6) A minimum footage shall be set to be not less than the nominal footages for the area.



§ 56.04. DEFERMENT OF ASSESSMENTS FOR SENIOR, DISABLED, AND MILITARY PERSONS.

(A) *Purpose.* The City of Lake City hereby establishes the following standards and guidelines to allow the deferral of all or a portion of the special assessments of qualifying persons under the provisions of Minnesota Statutes Sections 435.193 through 435.195. The City Council may defer the payment of all or a portion of certified special assessments by property owners that qualify under the following standards and guidelines.

(B) *Eligibility.* A person is eligible for a deferment if the person satisfies requirements related to property classification, owner status, and financial hardship.

(1) The property upon which the assessment is deferred must be classified as homestead in the property tax records of the county in which the property is located.

(2) The property must be owned by a person:

(a) Who is at least 65 years of age on January 1st of the year in which payment of the first installment of the subject assessment levy is due; or

(b) Who is retired due to permanent and total disability. For purposes of this section, "permanent and total disability" means a condition that is permanent by nature and that totally incapacitates the person from working at an occupation that would generate income to the person; or

(c) Who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in Minnesota Statutes Section 190.05, subdivision 5b or 5c, as stated in the person's military orders.

(3) The person must have a "financial hardship" defined as:

(a) An annual income for the applicant's household size which is at or below the "Very Low Income" limit established annually by HUD for the county in which the applicant's property is located.

(b) The aggregate total of special assessment installments from previously-existing special assessment levies plus the first year of the current levy will exceed 1.5 percent of the person's annual income.

(C) *Calculation of Amount to be Deferred.*

(1) The portion of the current levy eligible for deferment is that portion of the levy against the applicant's property which requires a first year installment payment

which, when added to the applicant's annual payments from previously existing special assessment levies, would result in an aggregate total of special assessment installments totaling more than 1.5 percent of the applicant's annual household income. The applicant may not defer the portion of the current levy that, when aggregated with annual payments from previously existing special assessment levies, is equal to or less than 1.5 percent of the applicant's annual household income.

(2) Special assessments levied due to the applicant's failure-to-pay charges for City services or failure to comply to City codes (e.g., delinquent utility assessments, assessments for weed removals, assessments for nuisance abatement, etc.) will not be deferred, and installment payments for existing levies for such services will not be included in calculating the maximum 1.5 percent aggregate payment defined in paragraph (C)(1) above.

(D) *Interest.*

Simple interest at the rate of that particular assessment levy will be added to the deferred assessment, calculated from the date interest started to accrue on the original levy (usually the October 1 immediately following the certification date) to the date of payment of the deferred portion of the assessment.

(E) *Termination.*

The option to defer the payment of special assessments will terminate and all amounts accumulated, plus applicable interest, shall become due upon the occurrence of any of the following events:

(1) The death of the owner, provided that the owner's spouse is otherwise not eligible for the benefits;

(2) The sale, transfer, or subdivision of the property or any part thereof;

(3) The loss of the property's homestead status; or

(4) The City Council determines that a hardship no longer exists.

(F) *Application and Approval Process.*

(1) Application for deferral of payment of special assessments must be made on forms prescribed by the City. The applicant must also provide such supplementary documentation as may be required to establish the following:

(a) The legal description and tax parcel number of the property;
(b) The street address of the property;
(c) The status of the homestead classification for the property;

(d) The description or designation of the local improvement for which assessments are to be or have been levied;
(e) The name of the homestead owner-occupant;
(f) The age or disability status of the applicant; and
(g) The applicant's annual household income.

(2) Within 30 days after the application is filed with the City, City staff will review the application for conformance to the standards and guidelines prescribed above and either grant or deny the application. The City must notify the applicant in writing of its decision. If, in the judgment of the City Administrator exceptional or unusual circumstances exist that are not addressed by these standards and guidelines, the City Administrator may report to the City Council, along with a recommendation as to whether the application should be granted or denied.

(3) If the City denies an application, the applicant has the right to have the City Council consider the application. The applicant must request City Council review within 20 days after the mailing date of the City's notice of decision.

(4) When the City Council considers an application, the Council will grant or deny the application by resolution, based on the standards and guidelines set forth above. The City Council also may grant a deferment if it determines that a hardship exists on the basis of exceptional and unusual circumstances not covered by the standards and guidelines set forth above, provided that the determination is made in a nondiscriminatory manner and does not give the applicant an unreasonable preference or advantage over other applicants. The City Council's decision to grant or deny an application is final.

(5) At any time while a special assessment remains deferred and unpaid, the City Administrator may request the applicant to provide current and updated information as set forth at paragraph (F)(1) above, so that the City Administrator may verify and determine whether eligibility for the deferral has ended.

(Chapter 56, Ord. No. 542, *Adopted 1/12/2015*)