

CLAREMONT ASSESSMENT POLICY

1. **Improvements Eligible for Special Assessment.** The following public improvements and related acquisition, construction, extension, and maintenance of such improvements, authorized by Minnesota Statutes Sections 429.021 and 459.14, are eligible for special assessment within the City:

- a. Streets, sidewalks, pavement, curbs and gutters.
- b. Water works.
- c. Sanitary sewer.
- d. Storm sewer.
- e. Street boulevard trees.
- f. Street lights.

2. **Method of Assessment.** Assessment shall be based upon the number of square feet or acres within the boundaries of the appropriate property lines of the areas benefitting from the project. The assessment rate (i.e., cost per square foot) shall be calculated by dividing the total assessable cost by the total assessable area. On large lots, the City may determine that only a portion of the lots receives the benefit and may select a lot depth for the calculations equal to the benefit received.

All properties included in the benefitted area, including other governmental areas, churches, etc., shall be assessable. The following items may not be included in area calculations: public right-of-ways, and natural waterways, swamps and lakes and other wetlands designated by the MN/DNR or City. The City Engineer will make a recommendation on the boundaries or parameters of the benefitted area in the feasibility report.

3. **Computation of Assessments.** General assessable costs shall be for the following categories and calculated using not only the estimated construction costs, but also the applicable portion of the engineering, legal and financing costs to construct those improvements. Assessments generally fall into these categories:

- A. New Subdivisions. All costs incurred for the development of new infrastructure are assessable against the benefitted property 100%. These costs include all costs for the engineering, legal, construction and financing of the actual improvements installed. These assessable costs include all costs for the streets, water, sanitary sewer, storm sewer, and electrical distribution systems. These assessments may be financed through the annual payments of principal and interest.

- B. Street Improvements.
 - 1. New Construction. New streets shall be assessed 100% to the abutting benefitted properties. Cost of construction of streets shall be assessed based on the minimum design of 7-ton axle load in residential areas and 9-ton axle load in commercial and industrial areas. Oversizing costs which are incurred in excess of the above may be paid by: State Funds, larger assessment rates to other benefitted properties, general obligation funds, or any other method or combination of methods authorized by the City Council.
 - 2. Reconstruction and Overlays. Street reconstructions and overlays shall be assessed 30% to the abutting benefitted properties. New curb and gutter shall be 100% assessed.
 - 3. Gravel streets. Upgrading existing gravel streets by adding pavement, curb or gutter shall be considered new construction and all costs shall be assessed at 100%.
 - 4. Seal Coats. Sealcoats shall not be assessed.
 - 5. Alleys. Upgrading existing gravel alleys by adding pavement shall be assessed at 100% to all lots abutting on the alley.

- C. Sidewalks and Trails.
 - 1. New Construction. New sidewalks shall be assessed 100% to the abutting property on which the sidewalk is located.
 - 2. Reconstruction. Replacement sidewalks shall be assessed 30% to the abutting property owner.

D. Storm Sewer Improvements.

1. New Construction. Storm sewers in new subdivisions shall be assessed 100% to the developer. New storm sewers in existing subdivisions shall be assessed 100% to benefitted properties.
2. Reconstruction. Reconstructed storm sewer shall be assessed 30% to benefitted properties.

D. Sanitary Sewer Improvements. Assessments for sanitary sewer in residential areas shall be based upon the cost of construction of 8 inch mains. Assessments for sanitary sewers in commercial and industrial areas shall be based upon 12 inch mains.

1. New Construction. Sanitary sewers in new subdivisions shall be assessed 100% to the developer. New sanitary sewers in existing subdivisions shall be assessed 100% to benefitted properties.
2. Reconstruction. The replacement of existing sanitary sewers shall be assessed 30% to benefitted properties.
3. Service Lines. Individual service lines installed directly to specified properties shall be fully assessed directly to the benefitted properties. Any existing service lines found to be defective as part of a street reconstruction shall be replaced as part of the project and 100% assessed directly to the property.

E. Watermain Assessments. Assessments for watermains in residential areas shall be based upon the cost of construction of 8 inch mains. Assessments for watermains in commercial and industrial areas shall be based upon 12 inch mains.

1. New Construction. Watermains in new subdivisions shall be assessed 100% to the developer. New watermains in existing subdivisions shall be assessed 100% to benefitted properties.
2. Reconstruction. The replacement of existing watermains shall be assessed 30% to benefitted properties.

3. Service Lines. Individual service lines installed directly to specified properties shall be fully assessed directly to the benefitted properties. Any existing service lines found to be defective as part of a street reconstruction shall be replaced as part of the project and 100% assessed directly to the property.
 - F. Street Boulevard Trees. All street boulevard trees installed as part of new street constructions or in reconstructing existing streets shall be included as part of the overall project costs included in the assessment calculations.
 - G. Street Lights. All costs for new street lights installed as part of constructing new streets or street lights relocated as part of reconstructing streets shall be included in the overall project costs and included in the assessment calculations. In new subdivisions, the city may require the developer to finance street light improvements rather than assessing the cost.
 - H. Other Improvements. Based on the City Council determination, any other improvements may be fully assessed or assessed in part.
4. **Financing of Assessments**. The City Council may direct the certification of the assessment role for payment in annual installments of principal and interest in either substantially equal payments of principal and interest or a fixed amount of principal per year. Interest on the assessments shall be determined on a project by project basis, but will typically be one (1) to two (2) percent above the average coupon on the bonds issued to finance the improvements for which the assessments are certified. Assessments shall typically be financed over fifteen (15) to twenty (20) years.
- A. Deferred Assessments. The Council may defer any assessments against a benefitted property by resolution. This deferment applies to homestead property owned by persons 65 years of age or older, or who is retired by virtue of permanent and total disability, for whom it would be a hardship to make payment. To apply for a deferment, interested applicants shall submit a form available from the City Clerk along with other information that the City Clerk may request in order to allow the City Council to make the determination that the applicant qualifies for this deferment. If the City Council grants deferment, the Clerk shall notify the County Auditor and County Assessor who shall in accordance with Minnesota Statutes Section 435.194 record a notice of the deferment with

Dodge County setting forth the amount of the assessment. Interest shall accrue during the period of deferment.

Said deferment shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following:

1. The death of the owner provided that the spouse is not eligible for the deferment;
2. The sale, transfer, or subdivision of all or any part of the property;
3. The loss of homestead status on the property; or
4. The determination by the Council that payment or partial payment would not constitute undue hardship.

B. Partial Pre-Payment. After the adoption of the assessment role by the City Council, the owner of any property specially assessed in the proceeding may, prior to the certification of the assessment to the County Auditor, pay to the City Treasurer any portion of the assessment and the remaining unpaid balance shall be spread over the period of time established by the City Council for the payment of the assessment in installments.