

**Mayor**  
John T. Keis

**Council Members**  
Tom Fischer  
Michael McGraw  
Christian Torkelson  
Teresa Miller



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Little Canada, MN 55117

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**City Administrator**  
Chris Heineman

**Workshop Meeting of the  
Little Canada City Council**

*Wednesday, April 14, 2021*

*6:00 p.m.*

Virtual Meeting

**AGENDA**

1. CALL TO ORDER - Workshop Meeting - 6:00 P.m.
2. Roll Call
3. Workshop Topics

- A. Review Proposed Zoning Code Updates

Documents:

[ZONING CODE UPDATE.PDF](#)

- B. Discuss Assessment Policy Revisions

Documents:

[PROPOSED ASSESSMENT POLICY REVISIONS.PDF](#)

4. Adjourn

*This agenda is subject to change by additions and deletions.*



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**Date:** 14 April 2021

**To:** Members of the Little Canada City Council

**From:** Corrin Wendell, Director of Community Development  
William Weber, Zoning Consultant

**Subject:** Zoning Code Amendments – Highlights to-Date

Here are the highlights to-date about our effort to update the zoning code, along with a few questions for the Council. We will provide additional briefings during the year.

#### **OBJECTIVES**

- **User-Friendly:** Make the zoning code easier to navigate and understand
- **Diet:** Trim the dead wood, the districts that aren't even used or which seem duplicative
- **Contemporary:** Remove outdated material and introduce contemporary practices
- **Rice Street:** Create a regulatory environment that fosters proud new investment along Rice Street
- **Conditions:** Provide clear, written conditions for those land uses that sometimes have negative off-site effects
- **Standards:** Establish standards for all types of development that will contribute to an attractive and functional city
- **Administration:** Streamline the application review process
- **Retention:** Keep the desirable features of the present code; minimize creating non-conforming land uses.

#### **PROCESS**

- **Diagnosis:** Started with an analysis of the present code last year
- **Planning Commission:** Work with the Planning Commission as the primary source of public review and comment; conduct monthly review sessions; provide explanatory memos
- **Outreach:** Meet with major landowners and the business community
- **Website:** When the Planning Commission approves, post a draft of the entire code, chapter-by-chapter, for the public to review, along with a summary memo
- **City Staff:** Review every word with the City planning and engineering staff
- **Comments:** Collect and present public comments; respond to every comment
- **One Year:** Aim for a 12-month process

**MAJOR CHANGES**

**Commercial Districts to be Deleted:**

- B-2, Auto-Oriented Business District. This district exists in the text of the code but not on the map.
- B-4, Comprehensive Business District. There is only one location zoned B-4, Comprehensive Business District; it is along Rice Street south of County Road C.

These changes would leave only the B-3, General Business District plus one district to be added.

**District to Be Added:** It is proposed that the City create a new district, Corridor Mixed, and apply it along Rice Street and portions of Little Canada Road west of the freeway. That district would allow a variety of retail and service businesses, vertically mixed commercial and residential buildings, and residential buildings with more than 8 units apiece. The intention is to allow more market flexibility in the pattern of land uses while improving or retaining high standards for site design. Improved market choice should encourage new investment and more efficient land use.

<b>Current Commercial Zoning Districts</b>	<b>Proposed Commercial Zoning Districts</b>
B-2, Automotive Business	
B-3, General Business	C-1, General Commercial
B-4, Comprehensive Business	
R-B, Residential / Business	C-2, Corridor Mixed

**Industrial Districts to Be Deleted:** The Business-Warehouse, Business-Industrial and the General Industrial Districts should be deleted because they are each mapped in only one or two small locations. They could all be replaced by the amended I-1, Light Industrial District. The Business-Industrial District is mapped in one, small location along County Road D and occupied by a self-storage building. That site could be rezoned as either the new I-1, Light Industrial District, or one of the residential districts.

**Industrial Districts to Be Created:** Create a new, I-1, Limited Industrial District and allow a wide range of activities such as manufacturing, office-warehouse buildings, office-showroom buildings, office buildings, contractors’ yards, motor vehicle sales, restaurants and adult businesses. Use this district in place of the several northern locations currently zoned I-1, Light Industry, I-P, Industrial Park, B-1, Business-Industrial, and B-W, Business-Warehouse.

<b>Current Industrial Zoning Districts</b>	<b>Proposed Industrial Zoning Districts</b>
I-1, Light Industrial	
B-I, Business / Industrial	I-1, Limited Industrial
B-W, Business / Warehouse	
I-2, General Industrial	
I-P, Industrial Park	I-2, Industrial-Office Park

**Districts to Be Used without Changes:** The floodplain, shoreland and public districts would be incorporated without change, as would the 2020 planned-unit district. The wetland district would be made consistent with the 1991 Minnesota Wetland Conservation Act. No changes are proposed for manufactured housing, signs or adult businesses.

**Conditional Uses:** Many of the Conditional Uses in the commercial and the residential districts would become Permitted Uses with certain conditions stated in the code. That would allow more buildings to be approved by City staff without having to go through the Planning Commission and

City Council, which is time-consuming. It would also ensure that the conditions are clearly stated before a site plan is drawn. Those conditions will be shown in Chapter 914, Specific Development Requirements, which we will describe to the Council in a future memo.

**Structure of the Code:** The lists of Permitted, Conditional and Accessory land uses would be consolidated into three tables, one each for the residential, commercial and industrial districts. Presently, such lists are shown in paragraph form in each separate district, making comparison more difficult.

**Tables of Dimensional Regulations:** Dimensional regulations such as setbacks or minimum lot area would be shown in tables rather than sentences for easier understanding.

**Tables of Contents:** There would be an overall table of contents and one at the beginning of each chapter.

**New vs. Existing Regulations:** Existing regulations would be re-used whenever it seems appropriate but replacements will be proposed as judged necessary. There would not be change just for the sake of change. So, the future code will seem both familiar and new. It is apparent that some regulations were adopted for specific local conditions and that others were given quite a bit of recent thought.

**Setback Dimensions:** Many of the minimum setbacks in the residential, commercial and industrial districts would be reduced slightly. A few new setbacks will be specified where the present code is silent.

**Two-Family Units in the R-1 District:** Two-family houses would be Permitted in the R-1 district, with the conditions that the location is a corner lot, the parcel meets the minimum size for a corner lot, and that the building is architecturally compatible with others in the immediate vicinity.

**Accessory Dwelling Units:** Accessory dwelling units may be either attached or detached. Either type would be a Conditional Use in the R-1 zoning district but Permitted with conditions in the R-2, R-3 and R-B districts.

Fairly large lots would be required to accommodate an ADU: 15,000 square feet in the R-1 district, 12,000 in the R-2 and 11,000 in the R-3.

Other requirements address maximum floor area, setbacks, total lot coverage, building height, exterior appearance, short term rental, parking, owner-occupancy of the principal dwelling and prohibition of separate sale. These regulations will be re-visited when we get to Chapter 914, Specific Development Requirements.

**Garage Regulations:** These changes are proposed to reduce the visual impact of the garage door relative to the house entry.

The front setback for an attached garage is proposed to be 4 feet further from the street than the primary façade of the house for new plats only. Alternatively, the garage door may be flush with the primary façade of the house if there is a covered porch along at least 10 feet of the house façade. Note also that the maximum height of a detached garage is proposed to be 18 feet to the peak and the height of the exterior side wall is proposed to be 9 feet. The current code is silent on the maximum height of a detached garage.

**Table 904-6: Garage Dimensions for 1- or 2-Family Buildings, Maximum Attached Garages: Applies only to future plats, not lot splits, that result in parcels wider than 65 feet.**

Front Setback	Side Yard Setback	Rear Yard Setback	Width	Area	Height of Detached Garage	Exterior Wall Height	Driveway width at curb
4' behind primary façade.  Flush with the primary façade if there is a covered porch along at least 10 feet of the front façade of the house. <sup>1</sup>	5 <i>10</i>	5	32 or 50% of the width of the entire building	768	—	--	20

1. If the garage is three stalls wide, the third stall must be set back an additional 2 feet.
2. If the garage is turned or angled, the garage may be even with the primary façade if the side facing the street has windows or other features that mimic the living portion of the house. The garage may be forward of the primary façade if a variance is granted.

**Detached Garages**

Front Setback	Side Yard Setback	Rear Yard Setback	Width	Area	Height of Detached Garage	Exterior Wall Height	Driveway width at curb
Same as front setback	Same as the house	5	32	768	18 feet to peak	9	20

**Land Area Per Unit for Attached Housing:** The allowable density for attached housing units in the R-2 and R-3 districts would be increased slightly, as shown by the table on the next page. These changes would bring the Little Canada regulations closer to those of Roseville.

**Current and Proposed Lot Area per Unit (and units per acre)**

	R-1		R-2		R-3		R-3-2
	Current	Proposed	Current	Proposed	Current	R-3-1	
Detached house	11,000	11,000	10,000	7,000			
Units per Acre (approximate)	4	4	4.4	4.4			
Two-Family building		6,250	7,500	4,500			
Units per Acre (approximate)		7	5.8	9.5			
Attached dwellings other than a central corridor apartment building (2- to 8-unit building; townhouses)			4,000	4,000	4,000	3,500	
Units per Acre (approximate)			11.0	11.0	11.0	12.5	
Apartment building							
Efficiency unit					1,500	1,500	29
One-bedroom unit					1,500	1,500	29
Two-bedroom unit					2,000	2,000	22
Three bedroom unit					2,500	2,500	17
Seniors' apartment building						1,200	
Units per Acre (approximate)						36	

## QUESTIONS FOR THE CITY COUNCIL

### 1. **Minimum lot size in the R-1 district**

Should the minimum lot size for a detached house in the R-1 district be rolled back to what it was previously? It is presently at 11,000 square feet but until 2008 it was 10,000 square feet.

### 2. **Minimum lot width for detached houses in the R-1 and R-2 districts:**

Should the minimum lot width for a new detached house in the R-1 and R-2 zoning districts be reduced? In the R-1 district, it was 75 feet until 2008 when it was increased to 85 feet. Likewise, the minimum lot width in the R-2 district is 75 feet.

We raise this question because a recent preliminary plat for the Sculley property showed most of the lot widths in the 65 to 70-foot range even through the lot sizes were well above the minimum.

### 3. **Two-family dwellings in the R-1 zoning district**

The new code would allow two-family dwellings as Conditional Uses on corner lots in the R-1 district. The minimum lot size for an R-1 corner lot is 11,000 square feet. The building would have to be judged to be architecturally compatible with others in the immediate vicinity.

### 4. **Increased density for two-family dwellings in the R-2 district**

In the table shown on the previous page, we have proposed to allow higher densities for two-family buildings in the R-2 district. This change would require a 9,000 square foot lot for a two-unit building; presently, a 15,000 square foot lot is needed.

This change is proposed in order to promote this housing type as recommended in the comprehensive plan and to be more in line with the density regulations of neighboring cities and contemporary practices.

### 5. **Accessory dwelling units in the R-1 district**

Is the Council comfortable with the idea of allowing detached accessory dwelling units in the R-1 zoning district? The minimum lot size for the existing house would be 15,000 square feet, and there would be regulations addressing maximum floor area, setbacks, total lot coverage, building height, exterior appearance, short term rental, parking, owner-occupancy of the principal dwelling and prohibition of separate sale. There are only a few lots in the City that are at least 15,000 square feet in size, and they are almost all north of LaBore Road.

### 6. **Garage setbacks for attached housing**

Is the Council comfortable with the proposed setback regulations for garages for new plats only?

### 7. **Less Planning Commission and Council involvement in site plan review**

Is the Council accepting of the idea that certain site development applications will be reviewed and approved by City staff without going through the Planning Commission and City Council?

Under the new code, the only site plans that would be reviewed by those two bodies would be those involving some judgment, namely Conditional Uses, variances, rezonings or plats. If there is no discretion involved, the site plan would be reviewed only by staff. This would save some applicants seven or eight weeks of time. Public notice and comment would still be allowed.



## STAFF REPORT

TO: Mayor Keis and Members of City Council

FROM: Chris Heineman, City Administrator  
Brenda Malinowski, Finance Director  
Bill Dircks, Public Works Director

DATE: April 14, 2021

RE: Assessment Policy Revisions

The City last updated its assessment policy in 1995. A base rate was set at that time and the new rate is calculated using the Consumer Price Index each year. There have also been some questions regarding the application of the policy during the past couple of years so staff has decided it is a good time to take a close look at the policy and update it to fit the current best practices in the area. A number of changes/edits are proposed and the highlights are as follows:

- The proposed updated policy removes a number of unnecessary definitions of street types as well as the entire section regarding street construction standards. The standards do not need to be published with the policy as they are addressed and updated each year.
- The numbering in the basis of assessment section was eliminated in favor of bullets so that it does not appear that the City applies the different methods in any particular order. The “per lot” assessment method was moved up in the list and language was added to describe when it is most often used.
- There was no language in the policy addressing sanitary sewer and water main assessments. This language will make it easier to assess for these improvements in future projects.
- The existing policy states that the City bears the entire cost of storm sewer improvements. Staff has reviewed numerous policies from other cities and determined that this language should be removed and storm sewer costs should be assessable as it is necessary to serve the roadway. As an example, the 2020 Allen Avenue project had \$66,500 in storm sewer costs. If those costs would have been assessed at 50% like the street repairs were each property would have been assessed an additional \$300 raising the total assessment from \$2400 to \$2700.
- Staff is recommending that the Assessment Policy include a benefits appraisal for each street during the feasibility study so that the estimated increase in value is known prior to the public hearing. The City of Maplewood has used this practice for ten years and it has been a very good tool for them to have when speaking with property owners. It also allows the City to check its assessment rate each year to make sure it is in the ballpark with the expected property value increase and also not too high. A representative from Maplewood said they pay between \$5000

and \$10,000 each year for the benefits appraisal depending on the type of lots on the street. This language has been added to the Basis of Assessment section of the policy. The preliminary appraisal has been eliminated as an assessment method since a benefit appraisal will be conducted. City Attorney Patrick Kelly has also recommended this method.

- Language related to members of the military having the ability to defer their assessment was added to the deferral section to match the State's language.

These changes should make the assessment process smoother and easier to apply to each street. There are seven streets remaining in the City that have not been fully reconstructed to an urban standard (curb and gutter, storm sewer, etc.). Once those streets have been reconstructed the City will be completing only rehabilitations of streets for the foreseeable future. There may be some exceptions that will require a full reconstruction for some reason, but generally, all streets will have been upgraded to urban standards.

Another topic that may be considered to be added to the policy include a section on irrigation and other items in the right-of-way. In the past, the City has had the street contractor or an irrigation contractor handle irrigation repairs or other repairs to items in the right-of-way such as invisible fencing or landscaping. There generally haven't been very many issues over the years. However, last year, the Pitrina Park association's irrigation repair cost \$28,000. If it is the Council's preference to make property owners responsible for their own repairs in the right-of-way staff can address it in the assessment policy or create a new standalone policy to cover right-of-way issues during street projects.

Staff is open to discussion on any of the recommended changes to the policy as well as any other ideas. Following the discussion at the Workshop, staff will put together the final updated policy and have it on a future City Council agenda.



**CITY OF LITTLE CANADA**

**ASSESSMENT POLICY GOVERNING  
STREET RECONSTRUCTION/REHABILITATION  
Amended ~~10/2010~~ 4/2021**

**PURPOSE:**

This document sets forth the methods and policies relating to local street improvements and special assessments practiced in the City of Little Canada. The procedures used by the City of Little Canada for levying special assessments are those specified by Minnesota Statutes, Chapter 429 which provides that all or a part of the cost of public improvements may be assessed against benefiting properties.

It is emphasized that this document has been prepared based on circumstances and factors known today. Without the opportunity to apply these policies to a wide variety of projects such as commercial, industrial, multiple family, etc., it is recognized that modifications may be necessary from time to time to ensure equitable treatment of affected properties and the taxpayers in general. These adjustments could take the form of City Council discretionary adjustments or formal amendment. Amendments to this policy will be made by majority vote of the entire City Council.

It is the intent and purpose of this policy to create a permanent program to manage, finance and implement the reconstruction or rehabilitation of the streets within the City of Little Canada. This policy is intended to equip the City to adequately plan for the major capital costs that will ultimately occur as the City's existing streets age and deteriorate. It is also the intent of this policy to create a financing and payment system that will be fair and equitable to all property owners within the City during the future years as it becomes necessary to reconstruct or rehabilitate the City's street system.

~~No street improvement project shall be initiated under this policy until all underground utilities that are or will be located within the street area have been inspected and determined to be adequate, or have been repaired and rehabilitated to a condition that will provide a projected useful life of the utility in excess of the anticipated useful life of the new or rehabilitated street. In addition, all future underground utility systems that will be required for the ultimate development and service of the project area must be installed prior to the implementation of street improvements under this policy.~~

The City Council shall also review proposed street projects relative to the need for sidewalks/trails/bike paths when the project proposed is within a residential area, ~~and involved an arterial street.~~

## SECTION I

### DEFINITIONS

1. ~~ACCESS STREET~~—Residential street that carries less than 250 ADT. Minimum construction width is 28 feet from face of curb to face of curb.
2. ~~ACCESS STREET LIMITED~~—Cul de sac residential street with 15 lots or less and no more than 150 ADT. Minimum construction width is 26 feet from face of curb to face of curb.
3. ~~ARTERIAL/MSA STREET~~—Street which carries over 3,000 ADT. Minimum construction width is 32 feet from face of curb to face of curb. This street will typically be constructed to 9 ton standards.
4. 1. ASSESSABLE COSTS – Project costs minus any City and/or County share as well as any other special credits which may apply.
5. ~~AVERAGE DAILY TRIPS (ADT)~~—Standard residential trip generation rates as compiled by the Institute of Transportation Engineers (appendix A).
6. ~~COLLECTOR STREET~~—Street which has between 1,000 and 3,000 ADT. Minimum construction width is 32 feet from face of curb to face of curb.
7. 2. CORNER LOT – A lot with frontages on two streets which are perpendicular to each other.
8. 3. MAXIMUM ASSESSMENT RATE – In no case will the assessable cost per lineal foot exceed \$45.00 80.26 for an urban, residential street or that amount adjusted by the Consumer Price Index (CPI) for the Twin City Metropolitan Area with ~~1995~~ 2021 serving as the base year.
9. 4. PREVENTATIVE MAINTENANCE – Work that involves a level of effort less than that involved in reconstruction or rehabilitation, the extent of which is to extend the life of the existing improvement. Preventative maintenance will include but not be limited to crack filling, patching, and seal coating.
10. 5. PROJECT COSTS – The cost of all necessary construction work required to accomplish the improvement, plus engineering, legal, administration, financing, capitalized interest, easement acquisition, and contingency costs.
11. 6. RECONSTRUCTION – A project whereby many or all meaningful elements of an existing street are being removed and replaced. This would include curb and gutter, sidewalks, bituminous or concrete pavement, granular base and items appurtenant to these elements.

- ~~12.~~ 7. REHABILITATION – A project in which curb and gutter, sidewalks, bituminous or concrete pavement, granular base or items appurtenant to these elements is are modified or supplemented in-place, to restore the serviceability of the existing street (i.e. bituminous overlays, cold-in-place recycling, etc.).
- ~~13.~~ 8. RURAL STREET – Any street that has no curb and gutter and/or storm sewer, or does not otherwise meet current City design standards.
- ~~14.~~ SUBCOLLECTOR STREET – Residential street which carries between 250 and 1,000 ADT. ~~Minimum construction width is 30 feet from face of curb to face of curb.~~
- ~~15.~~ 9. URBAN STREET – A street that has curb and gutter, storm sewer, and is constructed to current City design standards.
- ~~16.~~ 8”/3” URBAN SECTION – The basic street design section used by the City for urban, residential streets. It consists of eight inches (8”) of Class V base and three inches (3”) of bituminous surface for the roadway, concrete curb and gutter, as well as all incidentals normally associated with the street construction project. In some cases, this section will not be adequate due to soil conditions, traffic loading, drainage factors, etc. When a street is upgraded from this basic section in residential areas, the added costs associated with any upgrades will be borne by the City.

## SECTION II

### GENERAL POLICIES AND PROCEDURES

The following are general principles, policies and procedures applicable to all types of improvements:

1. Non-municipal funding sources such as Municipal State Aid (MSA) or grant funds will not be credited to offset assessments as they will be utilized in a revenue pool fund to offset total reconstruction program costs.
2. Special assessments will be levied as soon as practical. Normally this will be within one year after substantial completion of the project.
3. Special assessments are intended to reflect the influence of a specific local improvement upon the value of the property. Where the results of applying the foregoing rules appear to result in an inequitable assessment, the comparative market values of the lots in the area shall be considered with the ultimate test being the increase in the market value of an affected parcel by at least the amount of the proposed assessment. (Special Benefit Principle.)

4. Publicly owned properties, including, but not limited to, municipal building sites, schools, parks, County, State, and Federal building sites, but not including public streets and alleys, are regarded as being assessable on the same basis as if such property were privately owned. The rate of assessment will be calculated utilizing the commercial formula.
5. Revenue sources for these types of improvements will be many, including, but not limited to assessments, MSA Funds, infrastructure replacement funds, bonded indebtedness and general tax levies.
6. Special Cases. It is recognized that these rules cannot be applied indiscriminately and variations shall be permitted or encouraged when strict adherence to the rules obviously violates the Special Benefit Principle as specified in Section II, Item 3.

### SECTION III

#### SPECIFIC POLICIES

##### Project Initiation and Hearing Process

This section described the initiation of improvement projects and the administration required to receive final City Council action, pursuant to the requirements of Minnesota Statutes Chapter 429.

##### A. Project Initiation

1. By Petition: Citizen petition forms for initiating a street improvement will be provided by City staff upon request of property owner(s). Such petitions circulated by the affected property owners shall bear the signatures of property owners of not less than 35% of the affected frontage as measured on a lineal footage basis.

When projects are initiated through this process, the costs of doing engineering feasibility studies and associated project consideration costs may be borne by the property owner(s) so petitioning. A deposit may be required of the petitioners prior to commencement of the study to cover the costs of same if construction does not proceed. If the project proceeds through construction and assessment, those costs will be considered project costs and any deposit made would be credited accordingly to the depositors.

2. By Council Action: If the Council determines that an improvement is in the best interests of the City, it can, without petition, initiate the improvement with a ~~four-fifths~~ majority vote of the Council.

Generally, initiation will be based upon an inspection of City street conditions conducted by staff. Staff's evaluation shall then be used to determine the priority of street improvements in the City's Five Year Street Improvement Plan. The City will typically improve streets that have the highest priority first. However, circumstances may exist which would require deviation from this objective.

#### B. Neighborhood Meeting and Hearing Process

1. Neighborhood Meeting: After a petition is filed and its adequacy determined or the Council initiates the project, the City Engineer will prepare a preliminary feasibility study. Staff will then hold a neighborhood meeting with the owners of the properties that would be benefited by the improvement. Once neighborhood input is obtained and reported to the Council, the Council will decide whether or not to order a Feasibility Report for the proposed project.
2. Improvement Hearing: If after reviewing the results of the neighborhood meeting, the Council feels the project may be feasible, the City Engineer will be directed to study and report as to the feasibility of the improvement. If after reviewing the feasibility report, the Council feels the project is feasible, a public improvement hearing will be scheduled, notice will be published, and persons benefited by the project will be notified in writing in accordance with applicable State Statutes. (At its discretion, the City Council may choose to hold the assessment hearing simultaneous with the improvement hearing.)

If after the improvement hearing, at which all persons are heard, the Council feels that the project is feasible, then the Council may authorize the preparation of necessary plans and specifications. Upon receipt and acceptance of those plans, the Council will authorize the advertisement for bids for the construction of the project. Following award of a contract, construction of the improvement will commence.

#### C. Basis of Assessment

Streets – General: The City will evaluate each potential project and will determine the best method of assessment to use based on numerous factors. The methods of assessment are listed below. For each public improvement project a “benefits appraisal” shall be conducted to determine the actual special assessment based on the benefit received by the subject property.

- 1. Front Foot Basis. Generally, assessments will be against the benefiting property on a front foot basis subject to modifications necessary to provide for a minimum and maximum assessment for residential lots.
- 4. Per Lot Assessment. The City reserves the right at its sole discretion to utilize a “per lot” assessment methodology when it appears to result in more equitable treatment of affected properties with similar characteristics in a project area. A “per lot” assessment will calculate assessable costs in the same manner as the “front foot” method. This amount will then be divided by the number of assessable lots within a project area to yield the assessment rate per lot. The ability to subdivide a parcel consistent with City zoning regulations will result in corresponding number of “per lot” assessable units.

The per lot assessment method is the most commonly used method for assessing improvements in single family residential neighborhoods where the improvements largely benefit each property to the same degree and the cost of the improvement is not generally affected by parcel size.

- 2. Residential or Commercial Formulas. Two basic assessment formulas will be used, one for residential property (hereinafter referred to as “residential rate” or “residential property” and the second rate for commercial, industrial, school, church, nursing home property and other publicly owned property (hereinafter referred to as “commercial rate” or “commercial property”).
- 3. Single Frontage Project. When an improvement takes place along a street with entirely single frontage on one side, the City will only assess 50% of the project costs, subject to the appropriate formulas. The other 50% of the project costs attributable to the side of the street without developable frontage shall be borne by the City. In the event the application of this formula results in an assessment that is lower than the “norm” based on comparisons with other improvements, the City reserves the right to adjust the assessment in order to create a more equitable situation.
- 5. Preliminary Appraisal. ~~The City may, when it determines appropriate, consult with a qualified appraiser to prepare a preliminary appraisal. The purpose of this appraisal is to assist the City in determining whether the proposed improvement will result in an increase in market value of the property which equals or exceeds the assessment levied against the property.~~

D. Division of Cost Between City and Affected Property Owners

1. City-Owned Property. The City will pay its share of a street project in the amount of a sum equal to the abutting footage.
2. Cost of Intersections. The cost for intersections of streets and similar parts of public improvements not immediately fronting on private or publicly-owned property shall be distributed over the benefited property within the assessment district.

E. Amount of Assessments

1. Rehabilitated/Reconstructed Rural Streets: The costs of rural streets that are rehabilitated or are reconstructed as a rural section shall be financed 100% through assessments to the benefiting properties.
2. Upgraded Rural Streets: It is the City's desire to upgrade rural street sections where possible. Therefore, when a rural street is scheduled for an improvement, upgrading to urban design will be the objective unless otherwise determined by the City Council. In making such a determination, the City Council may consider a petition from property owners to perpetuate a rural street.

Residential – The affected property owners will be assessed at the residential assessment capped rate for an urban section street of up to 30 feet in width as determined by the City Council. Costs associated with providing ~~subsurface drainage and/or a~~ heavier section will be borne by the City.

Commercial – the commercial formula shall be determined on an 80/20 allocation of total project costs associated with street construction (~~less storm sewer~~) between the property owners and the City. ~~The costs of storm sewer improvements will be borne 100% by the City.~~ The costs of a new curb and gutter will be assessed 100% to the affected property owner.

Commercial Property Abutting A Residential Street – Where a commercial property abuts a residential street and there is not access by the commercial property said street, that property shall be assessed the residential rate for the full length of property along the residential street.

Commercial Properties with Multiple Frontages – Where a commercial property has multiple frontages, frontages without direct access to the street may be assessed at the residential assessment rate if, in the City's opinion, the assessment results in an equitable treatment of all properties being assessed.

3. Rehabilitated Urban Streets:

Residential and Commercial – The costs of rehabilitated streets shall be assessed 50% to the benefited properties, including any cost associated with installation or repair of curb and gutter. In allocating the 50% assessed cost between residential and commercial properties, assessments to commercial properties will be double the assessment of residential properties. ~~Any costs associated with improvements to the storm sewer system will be borne by the City.~~

4. Reconstructed Urban Streets:

Residential – When an urban street is reconstructed, the affected property owners will be assessed at the residential assessment capped rate for an urban section street of up to 30 feet in width as determined by the City Council. Costs associated with providing ~~subsurface drainage and/or~~ a heavier section will be borne by the City.

5. Preventative Maintenance: The City shall perform routine and regular preventative maintenance to the extent practical on all streets in the City, until such time as the street has aged or deteriorated to the extent that such maintenance is no longer cost effective.

When the City has determined a street has surpassed its useful life, no additional preventative maintenance shall be performed. The only work performed will be the minimum amount necessary to keep the street reasonably safe for vehicular traffic.

All preventative maintenance shall be funded by the City for streets where preventative maintenance is cost effective. On deteriorated streets, no preventative maintenance shall be performed except at the sole expense and request of the adjoining property owners.

6. Sanitary Sewer Assessments: Assessments for sanitary sewer improvements are based upon the cost of constructing an 8-inch diameter sewer at minimum depth to maintain 10-foot deep services at the property line. Eight-inch pipe is the smallest size new sewer allowed to be constructed as City-owned main.

Normally, sanitary sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or front foot method may be utilized at the City Council's discretion.



Lateral benefit from trunk sewers or interceptors is assessed to the properties benefited by the sewer. Lateral sewer system assessments are based on the costs for an equivalent 8-inch diameter sewer and appurtenances.

Lateral sewer main or individual service lines installed directly to specific properties are fully assessed directly to the benefited properties. Properties not currently served by a mainline sewer adjacent, across, or up to their property lines pay 100% of the assessment rate for the new mainline sanitary sewer as well as 100% of the cost associated with a new or replacement service line.

The regular maintenance and rehabilitation of existing sanitary sewer systems and appurtenances are paid for by the Utility Funds and are not assessed. The City reserves the right to assess at the rate of 100% for reconstructing existing sanitary sewer system and services.

Any defective existing service lines that are replaced as part of a public improvement or street reconstruction project may be 100% assessed directly to the benefiting property.

7. Water Main Assessments: Assessments for water main in public improvements are based upon the cost of constructing an 8-inch diameter main at a minimum depth of 7-1/2 feet. Eight-inch pipe is the smallest size new water main allowed to be considered as City-owned main. Lateral benefit from trunk water mains is assessed to properties benefited by the water main. Lateral water main assessments are based on the costs for an equivalent 8-inch diameter water main and appurtenances.

Individual service lines installed directly to specified properties are fully assessed to the benefited properties. Properties that have existing water services, but do not have lateral water mains adjacent, across, or up to their property lines pay 100% of the assessment rate for the new water main as well as 100% of the cost associated with replacing the service lines.

The regular maintenance and rehabilitation of existing water main systems and appurtenances are paid for by the Utility Funds and are not assessed. The City reserves the right to assess 100% for reconstructing existing water main system and services.

Any defective existing service lines that are replaced as part of a public improvement or street reconstruction project may be 100% assessed directly to the benefiting property.

6. Assessment rates: Assessment rates will be determined on an annual basis by the City Council for each cycle of projects. The rates may be based on factors such as assessment formulas contained in this policy, appraisal recommendation, construction costs, construction cost indexes, and advice of City staff. The interest rate will be determined by using the prime rate plus one or two points and is at the discretion of the City Council.
  7. Trunk Storm Sewer Improvements: In the event trunk line improvements for storm drainage are made as part of a street improvement project, the City's determination of the portion of costs attributable to an undeveloped parcel may be assessed to that parcel in order to avoid a City subsidy to the development.
- F. Residential Lots (Single Family, Doubles/Duplexes, or Townhome Projects up to four units in size each unit having a separate PID number)
1. Residential Lot Guidelines. A residential lot shall only be assessed for its frontage as determined in accordance with the rules set forth below:
    - a. Minimum/Maximum. The street improvements will be assessed on a front footage basis for the footage abutting the street surface, with a 75-foot minimum and a 125-foot maximum applying. In the event a lot exceeds 150 feet in width and can be subdivided pursuant to zoning and subdivision requirements and existing site conditions, the property will be assessed on the basis for each individual lot which could be created. Access to a street will, at a minimum, generate a 75-foot frontage for assessable purposes. (See Appendix B)
    - b. Odd-Shaped and Rectangular Lots. For odd-shaped lots (such as exist on cul-de-sacs, triangular intersections, curved streets, flag lots) or rectangular lots, or a lot where an improvement does not extend across the entire frontage of a parcel, such as an "L" intersection, etc., the adjusted front footage is computed by dividing the square footage (area) of the lot by 10,000 square feet to determine the equivalent number of 75 front footage units in the parcel. The equivalent unit figure multiplied by 75 feet will give the adjusted front footage. Minimums and maximums set forth in F.1.a. above will apply in this case. (See Appendix C and Appendix D)
    - c. Approximately Rectangular Lots. For a lot which is approximately rectangular, the adjusted front footage is computed by averaging the front and rear sides of the lot. If the lot is deeper than 150 feet, the width at the 150-foot depth is used for the rear line dimension. This method is used only where the divergence between the front

and rear lot lines is ten (10) feet or less. Where divergence is greater than ten (10) feet, the “odd shaped lot” formula should be applied. Minimums and maximums set forth in F.1.a. apply. (See Appendix E)

- d. Interior Lots. Interior lots benefiting by an improvement shall be assessed at 100% of the front footage subject to the minimums and maximums set forth in F.1.a.
- e. Corner Lots. Frontage for corner lots is to be determined by City Staff utilizing factors such as orientation of neighboring houses, lot configuration, and driveway access in order that the affected parcel will be treated in an equitable manner with other properties to be assessed as a result of a project, unless stated otherwise in this policy.
  - (1) Corner lots bordered by two City streets. Corner lots having a City street on both sides shall be assessed at 100% of the front footage if the improvement is of the front street and at 20% of the side footage if the improvement is of the side street, except that any footage on the side deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100%. The 20% factor to be applied only to the point of the potential lot split. (See Appendix F)
  - (2) Corner lots bordered by a non-City street on one side and a City street on the other side. (See Appendix G)
    - i. If the house fronts on the City street with frontage determined by primary driveway access, then the property will be assessed for 100% of the affected frontage, subject to the minimums and maximums in F.1.a.
    - ii. If the house fronts on a non-City street and there is no access to the City street being improved, then the City street frontage (side yard) shall be assessed at 20% of the actual footage, except that any footage on that side deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100% of the actual footage subject to the minimums and maximums in F.1.a.
- f. Streets Front and Back. If a lot faces on one street and backs onto another, it shall be assessed 100% of the front footage if the

improvement is in the front and at 20% of the rear footage if the improvement is to the rear street; except that any footage to the rear deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100% of the footage. This provision is subject to the minimums and maximums set forth in F.1.a. (See Appendix H)

g. Triple Frontage Lots. For a lot which has streets on three sides of its boundaries, primary driveway access frontage will be assessed at 100%, with one side assessed at 20% (same as a corner lot), and the third side will not be assessed. (See Appendix H)

2. Unusual Cases. Lots with unusual circumstances involving residential uses on a non-residentially zoned property and residentially zoned lots.

a. Higher Use Zoning. If a residential home is located on property zoned for a higher use, the property will be assessed at the residential rate. The City may choose to assess at the commercial rate and defer the difference between the higher rate and the residential rate with the deferred amount to become payable when the property use intensifies pursuant to the zoning classification.

G. Multiple Residential (Other Than Single Family, Double/Duplexes, or Townhome Projects up to four units in size each unit having a separate PID number)

1. General Guidelines. Any resident property other than single, two-family residences, or townhome projects up to four units in size each unit having a separate PID number will be assessed as follows:

Multiple residential units are to be assessed at 100% of actual frontage for all sides of a property affected by a project. The assessment rate will be determined on an 80/20 allocation of total project costs associated with street construction (exclusive of storm sewer) between the property owners and the City. The costs of new curb and gutter will be assessed 100% to the affected property owner. Maximum assessment rate, and 30' width ~~and 8<sup>2</sup>/<sub>3</sub>" urban section factors~~ do not apply.

Extra street width attributable to these units shall also be included in the allocation of project costs between the City and the property owners. For example, in the case of a collector (32' wide) street fronted by multiple residential units on one side and single family units on the other side, the multiple residential units would be responsible for 17' of street width as opposed to 50% of 32', if the street would fall under the sub-collector category (30' wide) assuming single family units on both sides. In any event, the

maximum width to be assessed to one side is 21' on a street with only two lanes of traffic. For multiple lane streets (in addition to two lanes), the maximum assessment will be ½ of the street width. In no event will an assessment exceed .594 x assessment cost for a single-family residential lot of 75 feet in width multiplied by the total number of units.

In the case where multiple residential units are existing on commercially designated roads, they shall be subject to their share of project costs in a manner equal to the other affected parcels.

2. Unusual Cases. A deviation might be required should there be a condition where access to an abutting street is specifically restricted by public conveyance or by law or ordinance.
- H. Church, School, Nursing Home, Commercial, Industrial, and Publicly-Owned Property (All Property Other Than Residential)
1. All Abutting Footage. The facilities listed above are classified as other than residential, and will be assessed for all benefiting footage at the commercial formula. No corner lot or other allowance shall apply to these properties.
  2. Unusual Cases. A deviation in the assessment policy may be required should there be a condition where access to an abutting street is specifically restricted by public conveyance or by law or ordinance.

## SECTION IV

### ASSESSMENT DEFERRAL POLICY

#### Deferral of Special Assessments

- A. Purpose – To indicate in certain instances the City may allow deferral of special assessments levied under this policy.
- B. Conditions of Deferral – Application for deferral of special assessments under these provisions must be filed within thirty (30) days from the date the assessment roll is adopted. Applications granted shall continue in effect for subsequent years until the property no longer qualifies. Applications shall be filed with the City.
- C. Situations of Discretionary Deferral

1. Senior citizen/low income deferral. Pursuant to City ordinance, the City may defer assessments against any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability and for whom it would be a hardship to make the assessment payments. The standards and guidelines governing what constitutes hardship are established by City ordinance, Chapter 2901.020.
2. Military. A member of the National Guard or other military reserve called into active duty for whom it would be a hardship to make the payments.
3. Unimproved property deferral. The City may also defer the assessments for improvements with respect to property which is not directly and immediately affected by the improvement for which the assessment is levied. If applicable, at such time as extensions or connections regarding the improvement directly benefit such unimproved property, the City may require payment of the deferred assessment as well as those relating to the connection or extension.

In a case such as this, the property owner may, at the discretion of the City Council, be given the option of having a deferred assessment placed against a “subdividable” piece of property or executing a recordable deed restriction which would prohibit the further subdivision of the parcel in question in return for the elimination of a potential assessment against the splitable portion.

Any such deferral shall be subject to such other items and conditions including accrual of interest, and shall be subject to termination, all as determined by City Council. (See City Ordinance No. 372)

## SECTION V

### CONSTRUCTION STANDARDS

#### Minimum Design Standards

~~The following are minimum design standards applied to the design and construction of improvements in the City of Little Canada and are for reference to this policy.~~

#### A. — Streets

~~Streets shall be classified pursuant to the hierarchy listed under definitions in Section I. Urban streets shall be constructed to a minimum seven (7) ton design based on characteristics of the underlying subsoils. Curb and gutter on City~~

streets shall typically be B618. Arterial/MSA streets shall be nine (9) ton design and shall normally be constructed to Municipal State Aid (MSA) standards.

~~Rural streets are not desirable. Therefore, for any rural street reconstruction project the City shall proceed as if the rural street is to be upgraded to urban design. Rural streets that are not upgraded will generally be rehabilitated via a bituminous overlay of 1.5"–2" subject to the condition of the existing street.~~

#### ~~B. Storm Sewer~~

~~Storm sewer improvements are considered to be an integral part of the street reconstruction. The Minnesota Department of Transportation uses a storm frequency of ten (10) years in designing highway drainage systems. The City of Little Canada uses a five (5) year storm for design of storm sewer systems. A storm frequency of 50 or 100 years is used if extensive damage would result from an inadequate storm sewer. A lesser storm frequency may be used for design purposes if an adequate overflow drainageway is present.~~

#### ~~C. Sidewalks, Trail, and Bikeways~~

~~Concrete 4" thick, 5' wide, w/4" Class 5, 100% crushed rock.~~

~~Bituminous 2" thick, 8' wide, w/6" class 6, 100% crushed rock~~

~~Sidewalks and trails are to be located 1' off the property line where possible. Pedestrian ramps and curb drops will be installed according to MN/DOT Standards and Americans with Disabilities Act (ADA) requirements.~~

## APPENDIX A

### Residential Trip Generation Rates

	Vehicle Trips		Number Of Studies
	Per Dwelling Unit	Weekly	
		Peak Hour	
Single Family			
Detached	10.1	1.0	320
Apartments			
All	6.1	.7	120
Low Rise	6.6	.7	22
High Rise	4.2	.4	9
Townhomes & Single Family Condos			
	5.9	.6	53

Source: Institute of Transportation Engineers, 1987. (Note: These are not recommended design standards, but a compilation of observations.)



## CITY OF LITTLE CANADA

### ASSESSMENT POLICY GOVERNING STREET RECONSTRUCTION/REHABILITATION Amended 4/2021

#### PURPOSE:

This document sets forth the methods and policies relating to local street improvements and special assessments practiced in the City of Little Canada. The procedures used by the City of Little Canada for levying special assessments are those specified by Minnesota Statutes, Chapter 429 which provides that all or a part of the cost of public improvements may be assessed against benefiting properties.

It is emphasized that this document has been prepared based on circumstances and factors known today. Without the opportunity to apply these policies to a wide variety of projects such as commercial, industrial, multiple family, etc., it is recognized that modifications may be necessary from time to time to ensure equitable treatment of affected properties and the taxpayers in general. These adjustments could take the form of City Council discretionary adjustments or formal amendment. Amendments to this policy will be made by majority vote of the entire City Council.

It is the intent and purpose of this policy to create a permanent program to manage, finance and implement the reconstruction or rehabilitation of the streets within the City of Little Canada. This policy is intended to equip the City to adequately plan for the major capital costs that will ultimately occur as the City's existing streets age and deteriorate. It is also the intent of this policy to create a financing and payment system that will be fair and equitable to all property owners within the City during the future years as it becomes necessary to reconstruct or rehabilitate the City's street system.

The City Council shall also review proposed street projects relative to the need for sidewalks/trails/bike paths when the project proposed is within a residential area.

#### SECTION I

#### DEFINITIONS

1. ASSESSABLE COSTS – Project costs minus any City and/or County share as well as any other special credits which may apply.
2. CORNER LOT – A lot with frontages on two streets which are perpendicular to each other.

3. MAXIMUM ASSESSMENT RATE – In no case will the assessable cost per lineal foot exceed \$80.26 for an urban, residential street or that amount adjusted by the Consumer Price Index (CPI) for the Twin City Metropolitan Area with 2021 serving as the base year.
4. PREVENTATIVE MAINTENANCE – Work that involves a level of effort less than that involved in reconstruction or rehabilitation, the extent of which is to extend the life of the existing improvement. Preventative maintenance will include but not be limited to crack filling, patching, and seal coating.
5. PROJECT COSTS – The cost of all necessary construction work required to accomplish the improvement, plus engineering, legal, administration, financing, capitalized interest, easement acquisition, and contingency costs.
6. RECONSTRUCTION – A project whereby many or all meaningful elements of an existing street are being removed and replaced. This would include curb and gutter, sidewalks, bituminous or concrete pavement, granular base and items appurtenant to these elements.
7. REHABILITATION – A project in which curb and gutter, sidewalks, bituminous or concrete pavement, granular base or items appurtenant to these elements are modified or supplemented in-place, to restore the serviceability of the existing street (i.e. bituminous overlays, cold-in-place recycling, etc.).
8. RURAL STREET – Any street that has no curb and gutter and/or storm sewer, or does not otherwise meet current City design standards.
15. URBAN STREET – A street that has curb and gutter, storm sewer, and is constructed to current City design standards.

## SECTION II

### GENERAL POLICIES AND PROCEDURES

The following are general principles, policies and procedures applicable to all types of improvements:

1. Non-municipal funding sources such as Municipal State Aid (MSA) or grant funds will not be credited to offset assessments as they will be utilized in a revenue pool fund to offset total reconstruction program costs.
2. Special assessments will be levied as soon as practical. Normally this will be within one year after substantial completion of the project.

3. Special assessments are intended to reflect the influence of a specific local improvement upon the value of the property. Where the results of applying the foregoing rules appear to result in an inequitable assessment, the comparative market values of the lots in the area shall be considered with the ultimate test being the increase in the market value of an affected parcel by at least the amount of the proposed assessment. (Special Benefit Principle.)
4. Publicly owned properties, including, but not limited to, municipal building sites, schools, parks, County, State, and Federal building sites, but not including public streets and alleys, are regarded as being assessable on the same basis as if such property were privately owned. The rate of assessment will be calculated utilizing the commercial formula.
5. Revenue sources for these types of improvements will be many, including, but not limited to assessments, MSA Funds, infrastructure replacement funds, bonded indebtedness and general tax levies.
6. Special Cases. It is recognized that these rules cannot be applied indiscriminately and variations shall be permitted or encouraged when strict adherence to the rules obviously violates the Special Benefit Principle as specified in Section II, Item 3.

### SECTION III

#### SPECIFIC POLICIES

##### Project Initiation and Hearing Process

This section described the initiation of improvement projects and the administration required to receive final City Council action, pursuant to the requirements of Minnesota Statutes Chapter 429.

##### A. Project Initiation

1. By Petition: Citizen petition forms for initiating a street improvement will be provided by City staff upon request of property owner(s). Such petitions circulated by the affected property owners shall bear the signatures of property owners of not less than 35% of the affected frontage as measured on a lineal footage basis.

When projects are initiated through this process, the costs of doing engineering feasibility studies and associated project consideration costs may be borne by the property owner(s) so petitioning. A deposit may be required of the petitioners prior to commencement of the study to cover the costs of same if construction does not proceed. If the project proceeds

through construction and assessment, those costs will be considered project costs and any deposit made would be credited accordingly to the depositors.

2. **By Council Action:** If the Council determines that an improvement is in the best interests of the City, it can, without petition, initiate the improvement with a majority vote of the Council.

Generally, initiation will be based upon an inspection of City street conditions conducted by staff. Staff's evaluation shall then be used to determine the priority of street improvements in the City's Five Year Street Improvement Plan. The City will typically improve streets that have the highest priority first. However, circumstances may exist which would require deviation from this objective.

#### B. Neighborhood Meeting and Hearing Process

1. **Neighborhood Meeting:** After a petition is filed and its adequacy determined or the Council initiates the project, the City Engineer will prepare a preliminary feasibility study. Staff will then hold a neighborhood meeting with the owners of the properties that would be benefited by the improvement. Once neighborhood input is obtained and reported to the Council, the Council will decide whether or not to order a Feasibility Report for the proposed project.
2. **Improvement Hearing:** If after reviewing the results of the neighborhood meeting, the Council feels the project may be feasible, the City Engineer will be directed to study and report as to the feasibility of the improvement. If after reviewing the feasibility report, the Council feels the project is feasible, a public improvement hearing will be scheduled, notice will be published, and persons benefited by the project will be notified in writing in accordance with applicable State Statutes. (At its discretion, the City Council may choose to hold the assessment hearing simultaneous with the improvement hearing.)

If after the improvement hearing, at which all persons are heard, the Council feels that the project is feasible, then the Council may authorize the preparation of necessary plans and specifications. Upon receipt and acceptance of those plans, the Council will authorize the advertisement for bids for the construction of the project. Following award of a contract, construction of the improvement will commence.

#### C. Basis of Assessment

**Streets – General:** The City will evaluate each potential project and will determine the best method of assessment to use based on numerous factors. The methods of

assessment are listed below. For each public improvement project a “benefits appraisal” shall be conducted to determine the actual special assessment based on the benefit received by the subject property.

- 1. Front Foot Basis. Generally, assessments will be against the benefiting property on a front foot basis subject to modifications necessary to provide for a minimum and maximum assessment for residential lots.
- 4. Per Lot Assessment. The City reserves the right at its sole discretion to utilize a “per lot” assessment methodology when it appears to result in more equitable treatment of affected properties with similar characteristics in a project area. A “per lot” assessment will calculate assessable costs in the same manner as the “front foot” method. This amount will then be divided by the number of assessable lots within a project area to yield the assessment rate per lot. The ability to subdivide a parcel consistent with City zoning regulations will result in corresponding number of “per lot” assessable units.

The per lot assessment method is the most commonly used method for assessing improvements in single family residential neighborhoods where the improvements largely benefit each property to the same degree and the cost of the improvement is not generally affected by parcel size.

- 2. Residential or Commercial Formulas. Two basic assessment formulas will be used, one for residential property (hereinafter referred to as “residential rate” or “residential property” and the second rate for commercial, industrial, school, church, nursing home property and other publicly owned property (hereinafter referred to as “commercial rate” or “commercial property”).
- 3. Single Frontage Project. When an improvement takes place along a street with entirely single frontage on one side, the City will only assess 50% of the project costs, subject to the appropriate formulas. The other 50% of the project costs attributable to the side of the street without developable frontage shall be borne by the City. In the event the application of this formula results in an assessment that is lower than the “norm” based on comparisons with other improvements, the City reserves the right to adjust the assessment in order to create a more equitable situation.

D. Division of Cost Between City and Affected Property Owners

- 1. City-Owned Property. The City will pay its share of a street project in the

amount of a sum equal to the abutting footage.

2. Cost of Intersections. The cost for intersections of streets and similar parts of public improvements not immediately fronting on private or publicly-owned property shall be distributed over the benefited property within the assessment district.

E. Amount of Assessments

1. Rehabilitated/Reconstructed Rural Streets: The costs of rural streets that are rehabilitated or are reconstructed as a rural section shall be financed 100% through assessments to the benefiting properties.
2. Upgraded Rural Streets: It is the City's desire to upgrade rural street sections where possible. Therefore, when a rural street is scheduled for an improvement, upgrading to urban design will be the objective unless otherwise determined by the City Council. In making such a determination, the City Council may consider a petition from property owners to perpetuate a rural street.

Residential – The affected property owners will be assessed at the residential assessment capped rate for an urban section street of up to 30 feet in width as determined by the City Council. Costs associated with providing a heavier section will be borne by the City.

Commercial – the commercial formula shall be determined on an 80/20 allocation of total project costs associated with street construction between the property owners and the City. The costs of a new curb and gutter will be assessed 100% to the affected property owner.

Commercial Property Abutting A Residential Street – Where a commercial property abuts a residential street and there is not access by the commercial property said street, that property shall be assessed the residential rate for the full length of property along the residential street.

Commercial Properties with Multiple Frontages – Where a commercial property has multiple frontages, frontages without direct access to the street may be assessed at the residential assessment rate if, in the City's opinion, the assessment results in an equitable treatment of all properties being assessed.

3. Rehabilitated Urban Streets:

Residential and Commercial – The costs of rehabilitated streets shall be assessed 50% to the benefited properties, including any cost associated with installation or repair of curb and gutter. In allocating the 50% assessed cost between residential and commercial properties, assessments to commercial properties will be double the assessment of residential properties.

4. Reconstructed Urban Streets:

Residential – When an urban street is reconstructed, the affected property owners will be assessed at the residential assessment capped rate for an urban section street of up to 30 feet in width as determined by the City Council. Costs associated with providing a heavier section will be borne by the City.

5. Preventative Maintenance: The City shall perform routine and regular preventative maintenance to the extent practical on all streets in the City, until such time as the street has aged or deteriorated to the extent that such maintenance is no longer cost effective.

When the City has determined a street has surpassed its useful life, no additional preventative maintenance shall be performed. The only work performed will be the minimum amount necessary to keep the street reasonably safe for vehicular traffic.

All preventative maintenance shall be funded by the City for streets where preventative maintenance is cost effective. On deteriorated streets, no preventative maintenance shall be performed except at the sole expense and request of the adjoining property owners.

6. Sanitary Sewer Assessments: Assessments for sanitary sewer improvements are based upon the cost of constructing an 8-inch diameter sewer at minimum depth to maintain 10-foot deep services at the property line. Eight-inch pipe is the smallest size new sewer allowed to be constructed as City-owned main.

Normally, sanitary sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or front foot method may be utilized at the City Council's discretion.

Lateral benefit from trunk sewers or interceptors is assessed to the properties benefited by the sewer. Lateral sewer system assessments are based on the costs for an equivalent 8-inch diameter sewer and appurtenances.

Lateral sewer main or individual service lines installed directly to specific properties are fully assessed directly to the benefited properties. Properties not currently served by a mainline sewer adjacent, across, or up to their property lines pay 100% of the assessment rate for the new mainline sanitary sewer as well as 100% of the cost associated with a new or replacement service line.

The regular maintenance and rehabilitation of existing sanitary sewer systems and appurtenances are paid for by the Utility Funds and are not assessed. The City reserves the right to assess at the rate of 100% for reconstructing existing sanitary sewer system and services.

Any defective existing service lines that are replaced as part of a public improvement or street reconstruction project may be 100% assessed directly to the benefiting property.

7. **Water Main Assessments:** Assessments for water main in public improvements are based upon the cost of constructing an 8-inch diameter main at a minimum depth of 7-1/2 feet. Eight-inch pipe is the smallest size new water main allowed to be considered as City-owned main. Lateral benefit from trunk water mains is assessed to properties benefited by the water main. Lateral water main assessments are based on the costs for an equivalent 8-inch diameter water main and appurtenances.

Individual service lines installed directly to specified properties are fully assessed to the benefited properties. Properties that have existing water services, but do not have lateral water mains adjacent, across, or up to their property lines pay 100% of the assessment rate for the new water main as well as 100% of the cost associated with replacing the service lines.

The regular maintenance and rehabilitation of existing water main systems and appurtenances are paid for by the Utility Funds and are not assessed. The City reserves the right to assess 100% for reconstructing existing water main system and services.

Any defective existing service lines that are replaced as part of a public improvement or street reconstruction project may be 100% assessed directly to the benefiting property.

6. Assessment rates: Assessment rates will be determined on an annual basis by the City Council for each cycle of projects. The rates may be based on factors such as assessment formulas contained in this policy, appraisal recommendation, construction costs, construction cost indexes, and advice of City staff. The interest rate will be determined by using the prime rate plus one or two points and is at the discretion of the City Council.



7. Trunk Storm Sewer Improvements: In the event trunk line improvements for storm drainage are made as part of a street improvement project, the City's determination of the portion of costs attributable to an undeveloped parcel may be assessed to that parcel in order to avoid a City subsidy to the development.
- F. Residential Lots (Single Family, Doubles/Duplexes, or Townhome Projects up to four units in size each unit having a separate PID number)
1. Residential Lot Guidelines. A residential lot shall only be assessed for its frontage as determined in accordance with the rules set forth below:
    - a. Minimum/Maximum. The street improvements will be assessed on a front footage basis for the footage abutting the street surface, with a 75-foot minimum and a 125-foot maximum applying. In the event a lot exceeds 150 feet in width and can be subdivided pursuant to zoning and subdivision requirements and existing site conditions, the property will be assessed on the basis for each individual lot which could be created. Access to a street will, at a minimum, generate a 75-foot frontage for assessable purposes. (See Appendix B)
    - b. Odd-Shaped and Rectangular Lots. For odd-shaped lots (such as exist on cul-de-sacs, triangular intersections, curved streets, flag lots) or rectangular lots, or a lot where an improvement does not extend across the entire frontage of a parcel, such as an "L" intersection, etc., the adjusted front footage is computed by dividing the square footage (area) of the lot by 10,000 square feet to determine the equivalent number of 75 front footage units in the parcel. The equivalent unit figure multiplied by 75 feet will give the adjusted front footage. Minimums and maximums set forth in F.1.a. above will apply in this case. (See Appendix C and Appendix D)
    - c. Approximately Rectangular Lots. For a lot which is approximately rectangular, the adjusted front footage is computed by averaging the front and rear sides of the lot. If the lot is deeper than 150 feet, the width at the 150-foot depth is used for the rear line dimension. This method is used only where the divergence between the front and rear lot lines is ten (10) feet or less. Where divergence is greater than ten (10) feet, the "odd shaped lot" formula should be applied. Minimums and maximums set forth in F.1.a. apply. (See Appendix E)

- d. Interior Lots. Interior lots benefiting by an improvement shall be assessed at 100% of the front footage subject to the minimums and maximums set forth in F.1.a.
- e. Corner Lots. Frontage for corner lots is to be determined by City Staff utilizing factors such as orientation of neighboring houses, lot configuration, and driveway access in order that the affected parcel will be treated in an equitable manner with other properties to be assessed as a result of a project, unless stated otherwise in this policy.
  - (1) Corner lots bordered by two City streets. Corner lots having a City street on both sides shall be assessed at 100% of the front footage if the improvement is of the front street and at 20% of the side footage if the improvement is of the side street, except that any footage on the side deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100%. The 20% factor to be applied only to the point of the potential lot split. (See Appendix F)
  - (2) Corner lots bordered by a non-City street on one side and a City street on the other side. (See Appendix G)
    - i. If the house fronts on the City street with frontage determined by primary driveway access, then the property will be assessed for 100% of the affected frontage, subject to the minimums and maximums in F.1.a.
    - ii. If the house fronts on a non-City street and there is no access to the City street being improved, then the City street frontage (side yard) shall be assessed at 20% of the actual footage, except that any footage on that side deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100% of the actual footage subject to the minimums and maximums in F.1.a.
- f. Streets Front and Back. If a lot faces on one street and backs onto another, it shall be assessed 100% of the front footage if the improvement is in the front and at 20% of the rear footage if the improvement is to the rear street; except that any footage to the rear deemed subdividable pursuant to zoning and subdivision code requirements will be assessed at 100% of the footage. This

provision is subject to the minimums and maximums set forth in F.1.a. (See Appendix H)

- g. Triple Frontage Lots. For a lot which has streets on three sides of its boundaries, primary driveway access frontage will be assessed at 100%, with one side assessed at 20% (same as a corner lot), and the third side will not be assessed. (See Appendix H)

2. Unusual Cases. Lots with unusual circumstances involving residential uses on a non-residentially zoned property and residentially zoned lots.

- a. Higher Use Zoning. If a residential home is located on property zoned for a higher use, the property will be assessed at the residential rate. The City may choose to assess at the commercial rate and defer the difference between the higher rate and the residential rate with the deferred amount to become payable when the property use intensifies pursuant to the zoning classification.

G. Multiple Residential (Other Than Single Family, Double/Duplexes, or Townhome Projects up to four units in size each unit having a separate PID number)

- 1. General Guidelines. Any resident property other than single, two-family residences, or townhome projects up to four units in size each unit having a separate PID number will be assessed as follows:

Multiple residential units are to be assessed at 100% of actual frontage for all sides of a property affected by a project. The assessment rate will be determined on an 80/20 allocation of total project costs associated with street construction (exclusive of storm sewer) between the property owners and the City. The costs of new curb and gutter will be assessed 100% to the affected property owner. Maximum assessment rate; and 30' width do not apply.

Extra street width attributable to these units shall also be included in the allocation of project costs between the City and the property owners. For example, in the case of a collector (32' wide) street fronted by multiple residential units on one side and single family units on the other side, the multiple residential units would be responsible for 17' of street width as opposed to 50% of 32', if the street would fall under the sub-collector category (30' wide) assuming single family units on both sides. In any event, the maximum width to be assessed to one side is 21' on a street with only two lanes of traffic. For multiple lane streets (in addition to two lanes), the maximum assessment will be ½ of the street width. In no event will an assessment exceed .594 x assessment cost for a

single-family residential lot of 75 feet in width multiplied by the total number of units.

In the case where multiple residential units are existing on commercially designated roads, they shall be subject to their share of project costs in a manner equal to the other affected parcels.

2. Unusual Cases. A deviation might be required should there be a condition where access to an abutting street is specifically restricted by public conveyance or by law or ordinance.
- H. Church, School, Nursing Home, Commercial, Industrial, and Publicly-Owned Property (All Property Other Than Residential)
1. All Abutting Footage. The facilities listed above are classified as other than residential, and will be assessed for all benefiting footage at the commercial formula. No corner lot or other allowance shall apply to these properties.
  2. Unusual Cases. A deviation in the assessment policy may be required should there be a condition where access to an abutting street is specifically restricted by public conveyance or by law or ordinance.

## SECTION IV

### ASSESSMENT DEFERRAL POLICY

#### Deferral of Special Assessments

- A. Purpose – To indicate in certain instances the City may allow deferral of special assessments levied under this policy.
- B. Conditions of Deferral – Application for deferral of special assessments under these provisions must be filed within thirty (30) days from the date the assessment roll is adopted. Applications granted shall continue in effect for subsequent years until the property no longer qualifies. Applications shall be filed with the City.
- C. Situations of Discretionary Deferral
  1. Senior citizen/low income deferral. Pursuant to City ordinance, the City may defer assessments against any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability and for whom it would be a hardship to make the assessment

payments. The standards and guidelines governing what constitutes hardship are established by City ordinance, Chapter 2901.020.

2. Military. A member of the National Guard or other military reserve called into active duty for whom it would be a hardship to make the payments.
3. Unimproved property deferral. The City may also defer the assessments for improvements with respect to property which is not directly and immediately affected by the improvement for which the assessment is levied. If applicable, at such time as extensions or connections regarding the improvement directly benefit such unimproved property, the City may require payment of the deferred assessment as well as those relating to the connection or extension.

In a case such as this, the property owner may, at the discretion of the City Council, be given the option of having a deferred assessment placed against a “subdividable” piece of property or executing a recordable deed restriction which would prohibit the further subdivision of the parcel in question in return for the elimination of a potential assessment against the splitable portion.

Any such deferral shall be subject to such other items and conditions including accrual of interest, and shall be subject to termination, all as determined by City Council. (See City Ordinance No. 372)