City of Blaine

PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

Adopted May 2, 1991, by Blaine City Council

Amended as follows:

09/05/91	-	Paragraph III.6.C, Page 6
02/02/95	-	Resolution No. 95-28, Exhibit V
04/01/99	-	Paragraph IV.6.B, Page 9
10/07/10	-	Added methods and rules for assessing street improvement projects initiated under the Pavement Management Policy. Miscellaneous language changes and clarifications.
05/03/12	-	Paragraph II.5.d, page 4, Remove paragraph III.9.b, Miscellaneous language changes and clarifications.
08/16/12	-	Amended Resolution No. 78-28 – A Resolution Authorizing Deferrals Of Special Assessments for Certain Senior Citizens.

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I. GENERAL

Minnesota State Law, Chapter 429 provides a municipality the authority "to levy and collect assessments for local improvements upon property benefited thereby" for public improvements such as sanitary sewer; storm drainage; water source, storage, and distribution facilities; street improvements including grading, curb and gutter, and surfacing; sidewalks; trails; sound barriers; street lighting; recreational facilities; etc. To ensure full protection for property owners, state law and courts applying the law insist on following a strict set of procedural requirements when assessing a local improvement project. This policy statement summarizes Chapter 429 special assessment procedures and also details project cost apportionment procedures.

1. The Theory of Special Assessments

Special assessments are a compulsory charge for a particular improvement or service which benefits the owners of certain properties and which are also undertaken in the interest of the public. Special assessments have three distinct characteristics:

a) They are a compulsory levy used to finance or partially finance a particular public improvement program.

b) The levy is charged only against those particular parcels of property deemed to receive a special benefit from the program.

c) The amount of the charge bears a direct relationship to the value of the benefits the property receives.

Special assessments are imposed only on real estate. They are never levied against personal or movable property. In theory, special assessments are frequently regarded as more equitable than property taxes because those who pay them obtain direct benefits from the improvements undertaken and because they are not a function of the relative value of homes or buildings.

2. Special Assessment Uses

Special assessments have three important applications:

a) The first and most popular use is for financing new public improvements, particularly when new tracts of land are being converted to urban use. In this application, they are frequently used to pay for sanitary sewer, storm drainage, water source, storage, and distribution facilities, street improvements including grading, curb and gutter, and surfacing, sidewalks, trails, street lighting, recreational facilities, etc.

b) Special assessments may also be used to finance the cost of major public reconstruction programs. Large-scale repairs and maintenance operations on streets, sidewalks, trails, water mains, sanitary sewers, storm drainage, and similar facilities can and often should be financed with special assessments.

c) Special assessments can also be utilized in the redevelopment of existing neighborhoods when areas are confronted with progressive deterioration, or even when presently sound, neighborhoods can be made more desirable through the development of parks,

playgrounds, tree plantings, and new street patterns, the City can utilize special assessments to good advantage.

3. Summary of Steps in Special Assessment Proceedings

a) ***Initiation of Proceedings:*** This may be done either by the Council on its own initiative or by the Council accepting a petition submitted by affected property owners. If the petition is used, it must be signed by the owners representing at least 35% in frontage of the property bordering on the proposed improvements. If the Council acts originally on its own initiative, a simple majority is needed to initiate the proceedings. In initiating proceedings, or in accepting a petition requesting such proceedings, the Council may simultaneously order a Feasibility Report on the proposed improvement.

b) ***Preparation of a Report:*** The law requires a report on the feasibility of the proposal be prepared by the City Engineer or by some other competent person selected by the Council. It must cover such factors as the need for the project, an estimate of cost, and any other information thought pertinent and necessary for complete Council consideration.

c) ***Public Hearing:*** A hearing is held (see exception below) after notice of the hearing is published in the official newspaper and mailed to each property owner proposed to be assessed. The notice states the time and place of the hearing, the general nature of the improvement, the estimated cost, and the area proposed to be assessed. All interested persons should have a chance to be heard at the hearing. This public hearing step may be omitted when a petition requesting the improvement has been signed by 100% of the affected landowners.

d) ***Ordering the Improvement and Preparation of Plans:*** The resolution ordering the improvement may be passed by a simple majority of the Council if proceedings were originally initiated by petition. If not, the resolution must be adopted by an affirmative vote by at least four-fifths (6 of 7) of the Council.

e) ***Preparation of Plans, Awarding Bids:*** Upon completion, the plans and specifications must be approved by the Council prior to ordering advertisement for bids. Upon taking bids, the Council then awards a contract and construction proceeds.

f) ***Preparation of Proposed Assessment Rolls:*** Assessment rolls are lists of benefited properties prepared for each assessment project. They should contain an identification of each parcel of property, and the amount of the proposed assessment apportioned to each parcel.

g) ***Public Hearing on the Proposed Assessment:*** The purpose of this hearing, normally conducted after an improvement project is substantially completed, is to give affected property owners an opportunity to be heard on the matter of the actual assessments proposed to be levied. Notice must be published in the official newspaper and mailed to each property owner prior to the hearing date. This assessment hearing may also be held prior to awarding the contract, with the understanding that the adopted assessment roll may not be varied to reflect higher than estimated actual project costs.

h) ***Approval and Certification of Assessment Rolls:*** After the assessment hearing, the roll must be officially adopted by a Council resolution and then certified to the County Auditor for levy and collection.

i) ***Financing the Improvement:*** Most special assessments may be paid over a period of several years. Consequently, necessary funds are generally obtained through bonds issued at the time the improvement is made. The bonds are then paid as funds become available through collection of the assessments and any taxes levied for the purpose of paying the bonded debt. The bonds are guaranteed by the pledge of a property tax levy to cover any shortfall in funding.

II. POLICY STATEMENT

It is the overriding policy that development shall occur, whenever practical and reasonable, in a planned and contiguous fashion. "Leap frogging" development leading to community sprawl and associated higher infrastructure and operation costs is to be avoided.

It is further the policy that all properties shall pay a fair share of the cost of local improvements as those properties benefit. It is intended that no property shall be provided the benefits of improvements without paying for them.

III. POLICIES RELATING TO SPECIAL ASSESSMENTS

1. Assessment Limitations

The total of assessments cannot exceed the project cost and must be apportioned equally within properties having the same general land use (residential and institutional, multiple family, and commercial, or industrial), based on benefit. Total assessment against any particular property may not exceed benefit to that property with benefit being defined as the increase in market value of the property because of the improvement. Project cost may include part or all of the cost of previously installed projects not previously assessed.

2. Assessment Period

Improvements installed to serve a new residential subdivision and petitioned for by the Developer shall be assessed for a period up to five years. Improvements to serve new commercial and industrial subdivisions petitioned for by the Developer shall be assessed for a period up to ten years. Assessments for improvements not included as part of a Developer's development shall be assessed for a ten-year period. Assessments for street improvement projects shall be assessed for a ten-year period except for bituminous overlays which shall be assessed for a five-year period.

3. Interest Rate

The interest rate will be calculated annually by the Blaine Finance Department.

4. Indexes

A construction cost index may be used in the special assessment process. The construction cost index is a number computed by "Engineering News Record" (ENR index) derived from prices of construction materials, labor, and equipment for the Minneapolis area.

5. Properties Not Assessed

Special assessments will not be levied against properties described as follows:

a) Lands deemed unbuildable by virtue of laws, lawful regulations, or economic analysis relating to soil characteristics and/or lying within the flood plain of major drainage channels and/or wetlands.

b) Drainage basins (defined by public easements) and major drainage ditch easements such as Sand Creek, Coon Creek, Pleasure Creek, Spring Brook, and Rice Creek.

c) All right-of-way of U.S. and State highways, County roads, and City streets.

d) All City owned property that is maintained and operated out of the City's General Fund Budget.

e) Railroad right-of-ways and other major transportation right-of-ways (i.e., rapid transit).

6. Methods of Assessment

Past practice in Blaine reflects use of three methods of assessments. Any of the three methods or combination of methods may be used for a particular project.

The special assessment method and policies summarized herein cannot be considered as all-inclusive; unusual circumstances may at times justify special considerations. Also, any fixed cost data and rates may be adjusted from year to year by the ENR Construction Index. Decisions to assess costs will be evaluated against costs to administer.

a) ***Area Method:*** The area to be assessed is the total land area, including easements, in acres of a property lying within a utility service district or project area, and including rights-of-way within a plat, but otherwise excluding those areas as described under "Properties Not Assessed". The types of improvements generally assessed on this basis are:

- Sanitary Sewer Trunk/Subtrunk:
  - Residential: Sanitary Sewer 10" and larger or 12' depth or greater.
  - Commercial/Industrial: Sanitary Sewer 12" and larger or 12' depth and greater.
- Sewer Lift Stations and Forcemains
- Storm Drainage

If the City Council elects to assess a particular improvement on the basis of acreage, the acreage assessment shall be calculated as follows:

i. The Assessment Cost of the improvement shall be divided by the total assessable acreage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

ii. The Calculated Assessment Rate shall then be multiplied by each parcel's total assessable acreage and the product will be each parcel's assessment for the improvement.

b) ***Unit Method (Lot, Building Site):*** Unit is a building site or lot in a residential, commercial, or industrial zone that cannot be further subdivided, i.e., in single family, zoned R-1, the minimum lot is 80' x 125'. The types of improvements generally assessed on this basis are lateral water, lateral sanitary sewer, street and storm drainage improvements for individual subdivisions of residential, industrial, and commercial properties.

Equivalent Unit/Lot: Parcels larger than the minimum allowable unit/lot will be assessed a cost equivalent to the whole number of minimum allowable lots they would yield if subdivided. The location of principal buildings on parcels shall be factored into the determination of equivalent units.

If the City Council elects to assess a particular improvement on the basis of the unit method, the unit/lot assessment shall be calculated as follows:

i. The Assessment Cost of the improvement shall be divided by the total front footage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

ii. The Calculated Assessment Rate shall be multiplied by the total assessable footage for the improvement and the resulting product will be the Total Assessment.

iii. The Total Assessment will then be divided by the number of assessable lots/units and the quotient will be the lot/unit assessment for each lot/unit.

c) ***Front Footage Method:*** Lateral water, lateral sanitary sewer, street, and storm drainage improvements for subdivision of residential, industrial, and commercial properties may be assessed on the front footage (width) of the parcel. In addition, corner Industrial and Commercial properties, multi-family residential properties of 5 units/acre or greater density (i.e. apartments), and manufactured home parks will be assessed for any improvement on each side abutting the property. A 150 foot corner lot credit will be given on the long side of the property. This method would generally be utilized when the lot unit basis is determined to be inappropriate.

i. Generally the front footage of the parcel is considered the lot width at the right of way line with the exception of irregularly shaped lots. Irregularly shaped lots will be considered on an individual basis. Such lots will be measured and assessed on their average width, with the lot width at the set back line taken into consideration where appropriate.

ii. The Assessment Cost of the improvement shall be divided by the total front footage for the improvement, as determined under this policy. The quotient of this shall be the Calculated Assessment Rate.

iii. The Calculated Assessment Rate shall be multiplied by the assessable footage for each individual parcel and the resulting product will be the parcel's assessment.

7. Methods of Assessment for Street Improvement Projects

For the purposes of this policy, Street Improvement Projects are defined as improvement projects to repair, replace, or upgrade existing City streets and the associated infrastructure such as associated storm water treatment systems. Street Improvement Projects do not include construction of new streets, sanitary sewer, water main, or trunk utility projects. The four types of Street Improvements Projects and a general description of work involved are as follows:

Complete Reconstruction – includes installation of new storm sewer, grade changes, major subgrade and base corrections, installation of curb and gutter and installation of new bituminous pavement.

Partial Reconstruction – includes repair and minor upgrades to existing storm sewer, subgrade and base corrections, replacement of damaged curb and gutter and installation of new bituminous pavement.

Bituminous Replacement – includes removal or in place full depth recycling of existing pavement, minor base corrections, replacement of damaged curb and gutter and installation of new bituminous pavement.

Bituminous Overlay – includes milling of existing bituminous pavement surface, localized minor pothole and base layer repair and installation of new bituminous pavement.

Street Improvement Projects will be assessed based on the methods of assessment identified under **Section III.6 - Methods of Assessment** with the following exceptions:

a) The Assessment Cost shall be one-fourth (25%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement for all benefitting properties unless otherwise specified below.

   i. For multi-family residential properties with greater than 5 units/acre density, manufactured home parks and commercial/industrial properties the Assessment Cost shall be one-half (50%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement.

   ii. All single family residential properties along Municipal State Aid streets, collector streets and county roads will be assessed for one-fourth (25%) of the total cost of the project minus oversizing costs. Oversizing costs are defined as costs incurred in excess of what would be required for a City standard 29-foot wide residential roadway.

   iii. Bituminous overlay projects will be assessed a flat rate of $500 per residential lot unit for parcels zoned single family residential. Parcels larger than the minimum allowable unit/lot will be assessed a cost equivalent to the whole number of minimum allowable lots they would yield if subdivided. The location of principal buildings on parcels shall be factored into the determination of equivalent units. An assessment rate of $10 per front foot will be used for all multi-family residential properties with greater than 5 units/acre density, manufactured home parks, commercial/industrial properties and properties not zoned single family residential. The rates are based on

2011 construction costs and will be indexed for inflation as identified in **Section III.4 – Indexes** and published yearly as an Exhibit to this Policy.

8. Assessment Cost

The assessment cost is the total cost of the improvement project and includes the following:

a) ***Contract Cost:*** Amount paid to contractors for constructing the improvement.

b) ***Financing Costs:*** Amounts paid for bond counsel, bond sales costs, and interest, starting with payment to the contractor until the assessment roll is approved by the City Council. The interest rate will be set by the Finance Director.

c) ***Other Costs:*** Project costs such as advertising, administration, engineering, legal, and right-of-way acquisition.

9. Assessment Deferrals:

a) ***Senior Citizen Deferrals:*** A determination by the Council allows a senior citizen property owner to defer special assessments if the property owners meet the criteria as established by Council resolution (see Exhibit III).

IV. PROCEDURES RELATING TO APPORTIONMENT

1. Sanitary Sewer Trunk

Sanitary sewer trunk costs are apportioned throughout the gross area that is served by the trunk facility (see Area Method in Section III.6). The costs are uniformly apportioned to each parcel in proportion to parcel area. In a residential plat, the gross area of the plat is multiplied by the assessment cost/acre and that amount divided by the number of unit/lots and equivalent unit/lots in the plat.

2. Sanitary Sewer Lateral

Sanitary sewer lateral costs are apportioned to the properties served by the lateral sanitary sewer by dividing the assessment cost by the front footage of the benefiting properties or by dividing the assessment cost by the number of benefiting unit/lots (including equivalent unit/lots).

Where lateral service is also provided by a trunk, the properties so served are assessed a "typical" lateral cost similar to other properties served by a lateral. Credit for such "typical" lateral assessments shall be deducted from the cost of the sanitary sewer trunk.

3. Water Main Trunk, Source, and Storage

Water main trunk, source, storage, and oversizing costs are paid from the Utility Fund. The Utility Fund receives moneys collected from connection charges called Water Access Charges (WAC) levied whenever a building is connected to the City water system. The rate of the WAC is established by the City Council.

4. Water Lateral

Water lateral costs are apportioned to the properties served by the lateral water main by dividing the assessment costs by the front footage of the benefiting properties or by dividing the assessment cost by the number of benefiting unit/lots (including equivalent unit/lots).

Where lateral service is provided by a trunk, the properties so served are assessed a "typical" lateral cost similar to other properties served by a lateral.

NOTE: Reconstruction of sanitary sewer and water main utility systems is to be paid by the Utility Fund, however, should funds not be sufficient, the above procedures would be utilized.

5. Storm Drainage Area Improvements

New or reconstructed storm drainage area improvement costs are apportioned throughout the gross area that is served by the storm drainage improvement. The costs are uniformly apportioned to each parcel in proportion to parcel area. In a residential plat, the gross area of the plat is multiplied by the assessment cost/acre and that amount divided by the number of unit/lots and equivalent unit/lots in the plat.

6. Streets

a) New street costs are apportioned to the properties served by the street improvement by dividing the entire cost of the street improvement by the front footage of the benefiting properties (including equivalent unit/lots) or by dividing the cost of the street improvement by the number of benefiting unit/lots (including equivalent unit/lots).

b) Reconstructed street costs for projects are apportioned to the properties served by the street improvement as defined in **Section III.7.**

c) Residential zoned properties are considered to be served by a street, and thus eligible for being assessed for an improvement project based on the following qualifications:

- The property has a driveway connection to the street.
- If multiple driveways connect to multiple streets, the address of the property will determine which street serves the property for assessment eligibility purposes.

d) Commercial and Industrial zoned properties, multi-family residential properties with greater than 5 units/acre density and manufactured home parks are considered served by a street, and thus eligible for assessment based on the following qualifications:

- The property has a driveway connection to a street.
- Corner lots will be assessed for each street abutting the property. A 150 foot corner lot credit will be given on the long side of the property.

e) The life expectancies of various street pavement procedures differ. If an additional improvement is needed to a street that has had a previously assessed street

improvement, the new assessments shall be prorated by the percentage of years the previous improvement has lasted when compared to the life expectancies shown below.

PAVEMENT PROCEDURE	EXPECTED LIFE (YEARS)
Complete Reconstruction	20
Partial Reconstruction	20
Bituminous Replacement	15
Bituminous Overlay	10

7. Sidewalks and Trails

The costs of sidewalks and trails constructed along Municipal State Aid streets, county highways, or state highways shall be paid from Municipal State Aid Funds or other funding source. The cost of all other sidewalks and trails may be assessed against the benefiting property on a unit/lot basis or front footage basis. Costs for repair or replacement of existing sidewalks or trails as a part of a street improvement project will be included as a part of the street improvement project assessment.

EXHIBIT I

SPECIAL ASSESSMENT PAYMENT OPTIONS

1. Payment in full to the City of Blaine within thirty (30) days from the date the assessment roll is approved.

2. Partial prepayment in the amount of at least ten percent (10%) of the total assessment made to the City of Blaine within thirty (30) days from the date the assessment roll is approved.

3. Payment with tax statement to the Anoka County Treasurer in annual installments extending over a period of years determined at the assessment hearing with interest on the unpaid balance at the rate adopted at the assessment hearing.

4. Payment prior to November 15 of any year to the City of Blaine of the remaining principal after payment of the current installment, with no further interest charged on the remaining principal.

EXHIBIT II

1990 TYPICAL ASSESSMENT RATES

1.	Residential Street	$1,834 / Lot
2.	Commercial/Industrial Street	$39.18 / Front Foot
3.	Sanitary Trunk	$1,500 / Acre
4.	Sanitary Lateral	$1,769 / Lot
5.	Sanitary Service 4 inch	$343 / Lot -
	Sanitary Service 6 inch	$604 / Lot
6.	Water Lateral	$1,560 / Lot
7.	Water Service 1-inch	$422 / Lot
	Water Service 2-inch	$891 / Lot
	Water Service 6-inch	$1,316 / Lot
8.	Storm Sewer	$2,648 / Acre

EXHIBIT III

RESOLUTION NO. 12-112
Amending Resolution No. 78-28 – A Resolution Authorizing Deferrals of Special Assessments for Certain Senior Citizens

City of Blaine
Anoka County, Minnesota
Signature Copy

Resolution: RES 12-112

10801 Town Square Dr.
Blaine MN 55449

File Number: RES 12-112

AMENDING RESOLUTION NO. 78-28 - A RESOLUTION AUTHORIZING DEFERRALS OF SPECIAL ASSESSMENTS FOR CERTAIN SENIOR CITIZENS

WHEREAS, Minnesota Statutes authorize cities to defer special assessment payments for certain senior citizens; and

WHEREAS, said deferment of assessments may be permitted at the discretion of the City Council; and

WHEREAS, the City Council of the City of Blaine finds and determines that deferral of special assessments for certain senior citizens is in the public interest; and

WHEREAS, it is necessary and proper that the City Council set forth its general policies and guidelines for granting said defer-rals of special assessments for senior citizens; and

WHEREAS, a Resolution Authorizing Deferrals of Special Assessments for Certain Senior Citizens, Resolution No. 78-28 was adopted by the City Council on March 2, 1978; and

WHEREAS, the City Council finds it necessary to amend the Resolution Authorizing Deferrals of Special Assessments for Certain Senior Citizens, Resolution No. 78-28, to allow deferments when an owner of unplatted property is 70 years of age or older.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Blaine does endorse the principle of deferment of special assessments for senior citizens where the payment of said special assessments constitute a hardship.

BE IT FURTHER RESOLVED that the City Council's policy and procedures for granting said senior citizen special assessment deferments shall be based upon the following factors:

1. The property must be homestead property.
2. The owner must be at least 65 years of age or older and in the case of husband and wife, one member must meet this age requirement.
3. The owner will make application for deferred payments on forms prescribed by the Anoka County Auditor and will make application to the City of Blaine on forms provided by the City.
4. The application for said deferral should be made at the time the project is authorized and in all cases it must be made before the final assessment rolls are approved by the City Council.
5. The City Council will consider each application on an individual basis; however, the Council's general policy is to grant senior citizen hardship special assessment deferrals when the annual payment for the special assessment exceeds 2% of the adjusted gross income of the owner as determined by the most recent Federal income tax or when an owner of unplatted property is 70 years of age or older.
6. The deferral will be terminated when any of the following happen:
   a. The death of the owner provided that the surviving spouse is not otherwise eligible for the benefits.
   b. The sale, transfer or subdivision of the property or any part thereof.
   c. Loss of homestead status.
   d. The City Council determines that the further deferments are not in the public interest.
7. The City Manager has the responsibility and authority to administer and interpret this Resolution within the guidelines set forth herein.

PASSED by the City Council of the City of Blaine this 16th day of August, 2012.

Signed by Tom Ryan, Mayor **Date** 8-16-12

Attest by Jane M. Cross, CMC, City Clerk **Date** 8-16-12

COUNCIL ACTION: 12-223

EXHIBIT IV

RESOLUTION NO. 91-53
Resolution Approving Public Improvement Special Assessment Policies

REVISED 10.3

CITY OF BLAINE

RESOLUTION NO. 91-53

RESOLUTION APPROVING PUBLIC IMPROVEMENT
SPECIAL ASSESSMENT POLICIES

WHEREAS, the City Council is cognizant of the need for a written policy to determine special assessments of city improvements, and

WHEREAS, the City Council has directed a policy be written to provide for uniform and consistent assessments to properties, and

WHEREAS, it is the overriding policy of the City Council, to be more completely expressed through adoption of the Blaine 2010 Comprehensive Plan, that development and growth of the City shall occur in a logical, planned process managed by the City Council for the benefit of the entire community, rather than driven by the economic interests of a few, and

WHEREAS, the City Council, within such overriding policy, determines generally that non-contiguous development of land by developers, popularly known as "leapfrogging," shall be discouraged, subject to reasonable examination of any alleged extenuating circumstances.

NOW, THEREFORE, BE IT RESOLVED, in the context of the foregoing, that the Blaine City Council hereby adopts the Special Assessment Manual entitled "Public Improvement Special Assessment Policies" dated May 2, 1991.

PASSED by the Blaine City Council this 2nd day of May, 1991.

Elwyn Tinklenberg, Mayor

ATTEST:

Joyce Twistol, CMC, City Clerk

Council Action 91-175

EXHIBIT V

RESOLUTION NO. 95-28
Resolution Amending Special Assessment Policy

CITY OF BLAINE

RESOLUTION NO. 95-28

RESOLUTION AMENDING SPECIAL ASSESSMENT POLICY

WHEREAS, the City Council on May 2, 1991 adopted and on September 5, 1991 amended a special assessment policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, following considerable study the City Council throughout early 1994 determined to modify and amend the adopted special assessment policy for residentially zoned properties abutting certain existing streets referred to as the "street framework system" located in the area bounded by Interstate 35W on the east, 85th Avenue on the south, Metropolitan Airport property on the west, and 95th Avenue on the north; and

WHEREAS, the "street framework system" consists of the following existing and proposed streets:

a. 95th Avenue from Xylite Street to I-35W frontage road
b. 93rd Avenue from MAC property to I-35W frontage road
c. 91st Avenue from MAC property to Flanders Street
d. Xylite Street from 85th Avenue to 95th Avenue (except industrial property westerly of Xylite Street)
e. Bataan Street from 90th Lane to 95th Avenue
f. Flanders Street from 91st Avenue to 95th Avenue
g. Jamestown Street from 93rd Avenue to 95th Avenue
h. Coral Sea Street from 85th Avenue to Judicial Ditch 1
i. Edison Street form 85th Avenue to Judicial Ditch 1
j. 89th Avenue/Flanders Street from Xylite Street to 91st Avenue
k. Zumbrota Street from 90th Lane to 91st Avenue
l. 90th Lane from Zumbrota Street to Bataan Street; and

WHEREAS, the Council has determined that it is in the public interest to subsidize the costs of sanitary sewer trunk and lateral and services, watermain lateral and services, storm sewer and drainage systems including requirements for storage and quality control, and street surface improvements for residential lot units abutting the "street framework system".

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine to amend the adopted special assessment policy as follows:

1. The cost of public improvements for residential lot units abutting the "street framework system" shall be subsidized to the extent that the total assessment for public improvements serving each such lot unit shall be set at $11,000 in calendar year 1994 and indexed annually thereafter based on the Construction Price Index.

2. A non-subdividable property abutting the "street framework system" will be assessed no more than 1.3 lot units. If, as a result of purchase of additional land, razing of structures, or other circumstance, an additional lot or lots are created, such newly created lots will be assessed at the indexed special assessment rate.

3. Residentially zoned properties abutting the "street framework system" having land in excess of that required for a minimum lot size per city ordinance (except such properties in the SE ¼ of the NW ¼ of Section 34 and the N ½ of the SW ¼ of Section 34) will not be assessed indexed trunk sanitary sewer charges or indexed storm sewer charges until such excess land is further subdivided.

4. Any previously assessed lot unit abutting the "street framework system" needed for public access to the interior of the "street framework system" shall be reimbursed at the indexed special assessment rate in effect at the time such lot unit is conveyed for public purposes.

PASSED by the City Council of the City of Blaine this 2nd day of February, 1995.

Elwyn Tinklenberg, Mayor

ATTEST:

Joyce Twistol, CMC, City Clerk

Council Action: 95-39

EXHIBIT VI

RESOLUTION NO. 10-88
Resolution Amending Special Assessment Policy

CITY OF BLAINE

RESOLUTION NO. 10-88

AMENDING PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

WHEREAS, on May 2, 1991, City Council approved Resolution No. 91-53 adopting a Public Improvement Special Assessment Policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, subsequent amendments were adopted in September 1991, February 1995 and April 1999 which were incorporated into the adopted policy; and

WHEREAS, the City Council has determined that it is in the public interest to implement a Pavement Management Policy to maintain City streets in a cost-efficient manner and provide the public with functional, safe and efficient travel; and

WHEREAS, three public open house meetings were held to receive citizen feedback on the Pavement Management Program, Pavement Management Policy and revised Special Assessment Policy; and

WHEREAS, the implementation of a Pavement Management Policy will require changes and updates to the existing Public Improvement Special Assessment Policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine to amend the adopted Public Improvement Special Assessment Policy as follows:

1. The Assessment Cost shall be one-fourth (25%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement for all benefitting properties unless otherwise specified below.

   a. For Multi-family residential properties with greater than 5 units/acre density, manufactured home parks and commercial/industrial properties the Assessment Cost shall be one-half (50%) of the total cost of the improvement project for projects identified as Complete Reconstruction, Partial Reconstruction and Bituminous Replacement.

   b. All single family residential properties along Municipal State Aid streets, collector streets and county roads will be assessed for one-fourth (25%) of the total cost of the project minus oversizing costs. Oversizing costs, which are costs incurred in excess of what is required for a City standard 29-foot wide residential roadway, will not be assessed to single family residential properties.

c. Bituminous overlay projects will be assessed a flat rate of $500 per residential lot unit for parcels zoned residential and a rate of $10 per front foot for all properties not zoned residential. The rates are based on 2011 construction and will be indexed yearly for inflation as defined in the Special Assessment Policy.

PASSED by the City Council of the City of Blaine this 7th day of October, 2010.

Tom Ryan, Mayor

ATTEST:

Jane M. Cross, CMC, City Clerk
COUNCIL ACTION: 10-245

EXHIBIT VI

RESOLUTION NO. 12-057
Resolution Amending Special Assessment Policy

City of Blaine
Anoka County, Minnesota
Signature Copy
Resolution: RES 12-057

10801 Town Square Dr.
Blaine MN 55449

File Number: RES 12-057

AMENDING PUBLIC IMPROVEMENT SPECIAL ASSESSMENT POLICY

WHEREAS, on May 2, 1991, City Council approved Resolution No. 91-53 adopting a Public Improvement Special Assessment Policy in order to standardize procedures for determining special assessments for City Council authorized public improvement projects; and

WHEREAS, subsequent amendments were adopted in September 1991, February 1995, April 1999, and October 2010 which were incorporated into the adopted policy; and

WHEREAS, the City Council has determined that it is in the public interest to operate a Pavement Management Policy to maintain City streets in a cost-efficient manner and provide the public with functional, safe and efficient travel; and

WHEREAS, the continued operation of a Pavement Management Policy requires changes and updates to the existing Public Improvement Special Assessment Policy.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine to amend the adopted Public Improvement Special Assessment Policy as follows:

1. Remove "Most State and County owned properties and Metropolitan Airports Commission Properties" from Section III.5 - Properties Not Assessed.

2. Add "All City owned property that is maintained and operated out of the City's General Fund Budget" to Section III.5 - Properties Not Assessed.

3. Delete Section III.9.b relating to assessment deferrals for Non-Petitioning Parcels Outside of the Development Area.

PASSED by the City Council of the City of Blaine this 3rd day of May, 2012.

Signed by _____ **Date** 5-3-12
Tom Ryan, Mayor

Attest by _____ **Date** 5-3-12
Jane M. Cross