

## **CITY OF VALLEY CITY SPECIAL ASSESSMENT GUIDELINES**

Special Assessments are used by the City of Valley City to help defray the cost of infrastructure improvements that affect benefiting properties. The costs of the improvement are allocated to the properties that benefit from these improvements. Notification letters are sent to property owners included in a special assessment district. The letters identify the proposed improvement project and provide an estimated cost of the property assessment. The City of Valley City follows special assessment procedures in accordance with North Dakota Century Code, Title 40, which relates to municipal government. A municipality may adopt any method to apportion the benefits of the special assessments so long as it is fair, just and equitable. Valley City uses street frontage. While the City is not required to adopt and publish a written special assessment policy, these guidelines are intended to inform City officials and the general public how the assessments are calculated. These guidelines are subject to change at any time. Note: unless the context clearly suggests otherwise, *street* means a publicly maintained right of way.

### **Special Assessment Projects/Districts:**

#### **Street Improvement**

Types of paving projects include: New Construction, Reconstruction, Mill & Overlay, Patchwork, Seal Coat, Parking Lots and Alley Improvements.

- Cost is based on frontage feet of the parcel that has frontage along the street that is receiving the improvement.
  - Parcel on a corner- Assess 50% of the frontage feet when improvement is on the long side of a lot and Assess 100% of frontage feet when improvement is on the short side.
  - Square Corner Parcel – Assess 100% on “Avenue” Side and 50% on the “Street” Side
  - Parcel with street on 3 Sides - Assess longest side at 50%, second longest side at 100%, and no assessment on shortest side.
  - Parcels with a street along both the front lot line and rear lot line of the property-- Assess 100% frontage feet on the front lot line and 50% frontage feet on the rear lot line. *Front lot line* means the lot line abutting the street used for addressing the lot. *Rear lot line* means a lot line that is opposite a front lot line
  - A parcel with no frontage feet other than an access road or driveway will be assessed based on lot line parallel to the street where parcel is addressed. If assessment results in duplication of frontage with parcels abutting street, assessment will be split equally between properties sharing frontage.
  - Parcels with frontage along cul-de-sacs and loops will be assessed equally with other parcels along the same cul-de-sac or loop. Irregularly shaped parcels will be assessed equally with adjacent regular shaped parcels.

- The first seal coat following a paving reconstruction will not be special assessed to property owners.
- A minimum of 33% of costs are paid with Renew & Replacement funds for Mill & Overlay, Patchwork, and Seal Coat projects. Reconstruction Projects are capped at \$150 a linear foot for streets with a width of 40 feet or less, with a 5% increase on streets with a width between 40 to 48 feet, and 10% increase on streets with a width greater than 48 feet.
- 100% cost of new development paving costs are paid by property owners.
- Alley paving costs are paid 100% by benefitting property owners who petition to have alley paved.

### **Water Main and Sanitary Sewer Mains:**

Types of projects include Water Main Replacement, Sanitary Sewer Main Replacement, and Sanitary Sewer Relining. As used in this section, *service line* means the City-owned water or sewer pipe extending from the main to the curb stop or property line, as applicable.

- Cost is based on having a hookup to the main getting improved.
  - Residential Property Hookups are assessed at \$5,000 per hookup, when a hookup is in conjunction with a street reconstruction project the assessment is capped at \$4,000 per hookup. *Residential Property* includes single-family dwellings and multi-dwelling structures with three or fewer units.
  - Commercial Property Hookups are assessed at \$7,500 per hookup, when a hookup is in conjunction with a street reconstruction project the assessment is capped at \$6,500 per hookup. *Commercial Property* includes business, industrial and government facilities and multi-dwelling structures with four or more units.
  - Two Residential homes sharing one hookup – during the project each residence will receive and be assessed for one full residential hookup. The property owner is responsible for connecting their private plumbing to the curb stop or service line, as applicable.
  - Formula used for assessing Multi-Dwelling Structures:  
The Cost or Cap of a Hookup, whichever is less, for the first unit, 10% of that assessment for each unit from units 2 through 10, 5% of the assessment for each unit greater than 10.

Example 1: 18-unit Commercial Apartment Building:

<b>18 Plex Apartments</b>	
Unit #s	Hook-ups
1	1.00
2-10	0.90
11-18	0.40
	2.30

Assessment would be  $\$7,500 \times 2.3 = \$17,250$

Example 2: Residential Duplex

<b>Duplex</b>	
Unit #s	Hook-ups
1	1.00
2	0.10
	1.10

Assessment would be  $\$5,000 \times 1.1 = \$5,500$

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- Sanitary Sewer Reline projects are assessed at 50% of the cost or the cap of \$3,000 for Residential Hookups and \$4,500 for Commercial Hookups, whichever is less.
- Service lines replaced within a sewer or water main project is assessed at 50% of the cost or the cap of \$3,000 for Residential Hookups and \$4,500 for Commercial Hookups, whichever is less.

**Storm Sewer**

- Cost is based on square footage of the parcel included in the drainage district. The drainage district is based on contributing drainage area as determined by the City Engineers.
- A minimum of 33% of the cost is paid with Renew & Replacement Funds.

**Sidewalks, Curb & Gutter, Driveway Aprons**

- Property owners pay for sidewalk repairs and replacement. When sidewalks are repaired/replaced through a City Sidewalk Project 25% of the cost is paid with Renew & Replacement Funds. When sidewalks are replaced in conjunction with a street project

the cost is included with the paving special assessment. At all other times, if sidewalk repair is deemed necessary by the City and the property owner obtains prior written approval from the City, the property owner may hire a contractor to repair the sidewalk. The property owner is eligible for reimbursement of 25% of the cost if the work is performed in accordance with City engineering standards and a final inspection is performed by the City. If damage to a sidewalk is due to property owner actions, renew and replacement funds will not be used.

**Tree Removals**

- The cost to remove trees that are identified by the City forester in the "Notice to Remove Trees" can be paid by special assessments for residential properties when the cost of the removal bears a financial hardship to the property owner. Commercial properties and income properties (rentals and etc.) do not qualify for this option.
  - Property Owner must sign a waiver
  - Assessments will be assessed over a period of 1-10 years based on cost.

1 Year	\$500 - \$1,000
2 Years	\$1,001 - \$2,000
3 Years	\$2,001 - \$3,000
4 Years	\$3,001 - \$4,000
5 Years	\$4,001 - \$5,000
6 Years	\$5,001 - \$6,000
7 Years	\$6,001 - \$7,000
8 Years	\$7,001 - \$8,000
9 Years	\$8,001 - \$9,000
10 Years	\$9,001 or More

**Special Assessment Payment Schedule:**

Once final special assessments are approved by the Special Assessment Commission and City Commission, letters are mailed to property owners. Property owners then have the opportunity to pay their special assessments in full with no interest charged. Special assessments are certified to the County Auditor by November 1<sup>st</sup> of each year and added to annual property tax statements. Assessments are spread over a number of years based on the type of project:

- Paving Seal Coat and Patchwork: 10 Years
- Paving Mill & Overlay: 15 Years
- Paving Reconstruction and New Development: 20 Years
- Watermains, Sanitary Sewer, Storm Sewer: 20 Years
- Sidewalk Replacements: 8 Years
- Sidewalk Repairs/Shavings: 3 Years

- All other miscellaneous Assessments allowed by city ordinance when a property owner fails to make payment for a city service or comply with a city order (ie. Grass Mowing, Snow Removal, Unpaid Utility Bills): 1 Year or Determined by City Administrator and City Auditor

Property owners can make additional payments towards their special assessment balances or pay them off in full at any time during the payment schedule. This is done at City Hall in the City Auditor's office. Annual installments are paid with your property taxes to the Barnes County Treasurer.

### **Protests**

Property owners must be given an opportunity to file written protests for a city street improvement project when special assessments are to be levied. Protests by the owners of a majority of the area of the property included within the improvement district shall be a bar against proceeding with the special assessments.

If the City contracts with another agency or governmental entity for improvement of streets, sewers, water mains, flood control projects, or of any of such facilities, and the other entity lets the bids and contracts for the work to be done, property owners must be given an opportunity to file written protests against any special assessments to be levied by the City. Protests by the owners of a majority of the area of the property included within the improvement district shall be a bar against proceeding with the special assessments. However, if the portion of the cost of the project to be assessed upon benefited property does not exceed twenty-five percent of the total cost of the project, written protests by the owners of seventy-five percent of the property liable to be assessed for the improvement shall be required to bar the special assessments.

Special assessments for the construction of a water supply system, or a sewerage system, or both, or any part thereof, or any improvement thereto or extension or replacement thereof, are not subject to protest.

Improvement of sidewalks, curbs and boulevards not included in a street project are generally not subject to protest.