City of Cloquet Minnesota

CLOQUET Policy for Financing and Assessment of **Public Improvements**

Table of Contents

Section 1	Gener	General Policy				
Section 2	Applicable State Statutes					
Section 3	Method of Initiation					
	3.1	Petition				
	3.2	Initiation of Improvements Without Petitions				
Section 4	Minin	linimum Project Assessable Cost.				
Section 5	Establishment of Assessment Districts for Street Improvements					
	5.1	Urban Assessment District				
	5.2	Rural Assessment District				
Section 6	Classification of Street Improvement Projects					
	6.1	Construction or Reconstruction				
	6.2	Full Depth Reclamation				
	6.3	Bituminous Rehabilitation				
Section 7	Impro	Improvement or Reconstruction of streets within the "Urban Assessment District"				
	7.1	In General				
	7.2	Curb and Gutter				
	7.3	Sidewalks				
	7.4	Construction or Reconstruction of Pavement				
	7.5	Full Depth Reclamation				
	7.6	Bituminous Rehabilitation Projects				
	7.7	Grading and Base Construction				
	7.8	Storm Sewers				
	7.9	Driveway Culverts				
	7.10	Alleys				
	7.11	Project Development, Design and Administrative Fees				
	7.12	Corner Lots				
	7.13	Double Frontage Lots				
	7.14	Adjusted Frontage - Irregular Shaped Lots				
	7.15	Special Cases				
	7.16	Federal, State and County Aid Use				
Section 8	Improvement or reconstruction of streets within the "Rural Assessment District"					
	8.1	In General				
	8.2	Curb and Gutter				
	8.3	Sidewalks				
	8.4	Construction or Reconstruction of Pavement				
	8.5	Full Depth Reclamation				
	8.6	Bituminous Rehabilitation				
	8.7	Grading and Base Construction				

	8.8	Storm Sewers		
	8.9	Driveway Culverts		
	8.10	Alleys		
	8.11	Project Development, Design and Administrative Fees		
	8.12	Maximum Assessed Frontage		
	8.13	Corner Lots		
	8.14	Double Frontage Lots		
	8.15	Adjusted Frontage - Irregular Shaped Lots		
	8.16	Special Cases		
	8.17	Federal, State and County Aid Use		
Section 9	Establ	ishment and Construction of Streets Within Newly Established Subdivisions		
	9.1	In General		
	9.2	Developer's Agreement Required		
	9.3	Storm Water Drainage and Erosion Control Plans		
	9.4	Street Grading and Base Construction		
	9.5	Street Signage		
	9.6	Other Applicable Rules, Regulations and Ordinances		
Section 10				
	10.1	General		
	10.2	Intersections		
	10.3	New Sanitary Sewer Lift Station Installations		
	10.4	Corner Lots		
	10.5	Double Frontage Lots		
	10.6	Adjusted Frontage - Irregular Shaped Lots		
	10.7	Project Development, Design and Administrative Fees		
	10.8	Special Cases		
	10.9	Federal, State and County Aid Use		
Section 11		ry Sewer and Water Main Reconstruction Projects.		
	11.1	Typical Design Assessment Formula		
	11.2	Trunk Sanitary Sewer and Water Mains in Excess of Eight Inches		
	11.3	Corner Lots		
	11.4	S .		
	11.5	Sewer and Water Service Line Replacement		
	11.6	Sanitary Sewer Lift Station Replacement or Reconstruction		
	11.7	Adjusted Frontage - Irregular Shaped Lots		
	11.8	Project Development, Design and Administrative Fees		
	11.9	Special Cases		
Section 12		ral of Special Assessments for Seniors and Retired, Disabled Homeowners.		
	12.1	Legislative Authority		
	12.2	Eligibility for Deferral		
	12.3	Interest on Deferred Assessments		
	12.4	Termination of Deferral Status		
	12.5	Disability		
Annondiy A	Acces	rmant Tabla		
Appendix A	Assess	sment Table		

Section 1 - General Policy

It shall be the policy of the City to finance certain street and utility improvements by the methods prescribed in the City's Assessment Policy as adopted and periodically updated. The apportionment of the cost between benefited property and the City at large and the method of levying assessments prescribed in the Assessment Policy shall be followed in each case unless the Council, by resolution, finds that because of special circumstances, as provided for by Statute, a different policy shall be necessary or desirable. Any local improvement described in Minn. Stat., Chapter 429 and not specifically addressed by this Section shall be financed as the Council determines to be most feasible and equitable in each case.

Section 2 - Applicable State Statutes

All procedures for the construction and financing of local improvements, when at least part of the cost shall be defrayed by special assessments against benefited property, shall conform with the applicable regulations of this policy and Minn. Stat., Chapter 429 and the definitions as set forth in the statutes.

Section 3 - Method of Initiation

- **3.1 Petition.** When a project is initiated by petition the abutting and otherwise benefiting properties shall be assessed no less than 50% of the total cost of the project. Other sections of this policy may dictate a higher portion of the cost to be assessed, see each section for additional information. It shall be required that all petitions are to be signed by more than 75% of abutting and otherwise benefiting property owners. No petition for construction of sidewalks, curb and gutter, sanitary sewer main, water main, or permanent street surfacing filed in compliance with State law shall be required to be accepted or acted upon by the Council unless it shall be filed with the City Administrator on or before August 1 of the year prior to the year of requested construction.
- **3.2 Initiation of Improvements Without Petitions.** The City may initiate improvements covered by this Section without first receiving a petition from affected property owners, however, in order to do so, a 6/7ths vote of the City Council shall be required.
- **Section 4 Minimum Project Assessable Cost.** There shall be no minimum project assessable cost unless; the source of funding requires it as stated in Minn. Stat. Chapter 429.091, or if the project was initiated by a petition, as described in section 3.

Section 5 - Establishment of Assessment Districts for Street Improvements

For the purpose of determining special assessments associated with various street and utility improvements covered by this policy, the City shall be divided into two separate assessment districts. These assessment districts are defined by Carlton Counties use of "Service Taxing Districts" as noted in Section 5.1 and 5.2. To determine which Service Taxing District a property belongs to, please refer to the Carlton County Assessors department.

- **5.1 Urban Assessment District.** The Urban Assessment District shall be defined as properties that are located in Service Taxing Districts 2,3,4 or 5, as identified by Carlton County.
- **5.2 Rural Assessment District.** The Rural Assessment District shall be defined by properties in Service Taxing District 1, as identified by Carlton County.

- **Section 6 Classification of Street Improvement Projects.** Street improvement projects shall be categorized based upon the type of project and the scope of work involved.
 - **6.1 Construction or Reconstruction Project**
 - **6.2 Full depth Reclamation Project**
 - **6.3 Bituminous Rehabilitation Projects** Bituminous rehabilitation projects shall include overlay projects, and mill and overlay projects.

Section 7 - Improvement or reconstruction of streets within the "Urban Assessment District"

- **7.1 In General.** The regulations and requirements of this Section shall apply to the improvement or reconstruction of all streets established for public travel, within the Urban Assessment district.
- **7.2 Curb and Gutter.** When curb and gutter shall be installed as either new construction or reconstruction, 50% of its cost shall be assessed to the adjacent property on the basis of frontage.
- **7.3 Sidewalks.** The cost of sidewalk construction or reconstruction shall be paid for by the City.
- **7.4 Construction or Reconstruction of Pavement.** When a street shall be constructed or reconstructed, the abutting and or benefiting properties shall be assessed on the basis of frontage, for the cost of a ten foot wide strip of bituminous surface constructed to a three inch thickness. The cost of the pavement in excess of the assessed twenty foot width shall be paid for by the City. If the street shall be paved with concrete or to standards higher than those the City would use for a typical residential street, all costs in excess of the three inch bituminous design shall be paid for by the City.
- **7.5 Full Depth Reclamation.** Properties that are abutting and or benefiting from Full Depth Reclamation projects, shall be assessed on the basis of frontage, for a ten foot wide strip of bituminous surface constructed to a thickness of two inches.
- **7.6 Bituminous Rehabilitation Projects.** For streets within the Urban Assessment District, the cost of all bituminous rehabilitation projects shall be paid for by the City.
- **7.7 Grading and Base Construction.** All grading and gravel base construction or reconstruction costs shall be paid for by the City.
- **7.8 Storm Sewers.** All storm sewer construction or reconstruction costs shall be paid for by the City.
- **7.9 Driveway Culverts.** All required driveway culverts for newly constructed driveways or new homes shall be furnished, installed, and paid for by either the developer or property owner.
- **7.10 Alleys.** In the case of alley construction or reconstruction, the cost of all grading and gravel base construction shall be paid for by the City. When an alley shall be paved, or repaved, the abutting and or benefiting properties shall be assessed, proportionally on the basis of frontage, for 100% of the cost of construction.

- **7.11 Project Development, Design and Administrative Fees.** The city may assess the cost of applicable project development, design and administrative fees associated with any assessed improvements.
- **7.12 Corner Lots.** In any assessment made on the basis of frontage for curbs, sidewalks and pavement installations, where these improvements are installed on both sides of a platted corner lot, these corner lots shall be assessed for the frontage of their short side plus 1/3rd the frontage of their long side. This adjustment shall not apply to lots, where because of their size could be subdivided into two or more buildable lots.
- **7.13 Double Frontage Lots.** In the case of double frontage lots where assessable street improvements are made along both the front and backyards of a single lot, double-frontage lots shall be assessed for one side only. This adjustment shall not apply to lots whose backyards front on an alley, or to lots where because of their size and lot depth could be subdivided into two separate buildable lots.
- **7.14** Adjusted Frontage Irregular Shaped Lots. When the amount of an assessment shall be determined by frontage, in the case of pie-shaped or irregular shaped lots, an equivalent assessable front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision.
- **7.15 Special Cases.** In special cases, the City Council may, by resolution, exempt certain properties from special assessments if the property shall be considered unsuitable for residential, commercial or industrial development, or would otherwise not be benefited or improved by the installation of sanitary sewer or water utilities.
- **7.16 Federal, State And County Aid Use.** If the City shall receive financial assistance from the federal government, the State, or the County to defray a portion of the cost of a particular street improvement, the aid shall be used first to reduce the share of the project cost which would be met from general City funds according to the assessment formulas contained in this Section. If such aid shall be more than the amount of the improvement cost to be borne by the City, the remainder of the aid so received shall be credited to the City's Permanent Improvement Fund.

Section 8 - Improvement or reconstruction of streets within the "Rural Assessment District"

- **8.1** In General. The regulations and requirements of this Section shall apply to the improvement or reconstruction of routes established for public travel within the Rural Assessment District as described in Section 5.
- **8.2 Curb and Gutter.** When curb and gutter shall be installed as either new construction or reconstruction, in the Rural Assessment District 100% of its cost shall be assessed to the adjacent property on the basis of frontage.
- **8.3 Sidewalks.** The cost of sidewalk construction or reconstruction shall be paid for by the City.

- **8.4 Construction or Reconstruction of Pavement.** When a street shall be constructed or reconstructed in the Rural Assessment District, the abutting and or benefiting properties shall be assessed for the cost of a twelve foot wide strip of bituminous surface constructed to a three inch thickness. The cost of the pavement in excess of the assessed widths shall be paid for by the City. If the street shall be paved with concrete or to standards higher than those the City would use for a typical residential street, all costs in excess of the three inch bituminous design shall be paid for by the City.
- **8.5 Full Depth Reclamation.** Full depth reclamation projects in the Rural Assessment District shall be assessed to the abutting and or benefiting properties, on the basis of frontage, for a twelve foot wide strip of bituminous surface constructed to a two inch thickness.
- **8.6 Bituminous Rehabilitation Projects in the Rural Assessment District.** In the Rural Assessment District, the cost of all bituminous rehabilitation projects on existing paved streets shall be assessed to the abutting and or benefiting properties, on the basis of frontage, for a twelve foot wide strip of bituminous surface constructed to a one and one-half inch thickness. The cost of the new pavement in excess of the assessed twenty-four foot width shall be paid for by the City. For the purpose of determining the assessable cost of the twelve foot wide strip, the cost of any tack coat material, if applicable, shall be included.
- **8.7 Grading and Base Construction**. All grading and gravel base construction or reconstruction costs shall be paid for by the City.
- **8.8 Storm Sewers.** All storm sewer construction or reconstruction costs shall be paid for by the City.
- **8.9 Driveway Culverts.** All required driveway culverts for newly constructed driveways or new homes shall be furnished, installed, and paid for by either the developer or property owner.
- **8.10** Alleys. In the case of alley construction or reconstruction, the cost of all grading and gravel base construction shall be paid for by the City. When an alley shall be paved, or repaved, the abutting and or benefiting properties shall be assessed, proportionally on the basis of frontage, for 100% of the cost of construction.
- **8.11 Project Development, Design and Administrative Fees.** The city may assess the cost of applicable project development, design and administrative fees associated with any assessed improvements.
- **8.12 Maximum Assessed Frontage.** For projects within the Rural Assessment District, the City shall establish a maximum assessed frontage of 200 feet for large un-platted property owned by a single owner. However, if the property has been subdivided or platted into smaller individual lots conforming to applicable zoning requirements and all of the lots exist under single ownership, the 200 foot maximum assessment shall not apply and the full frontage shall be assessed.
- **8.13 Corner Lots.** In any assessment made on the basis of frontage for curbs, sidewalks and pavement installations, where these improvements are installed on both sides of a platted corner lot, these corner lots shall be assessed for the frontage of their short side plus 1/3rd the frontage of their long side. This adjustment shall not apply to lots, who because of their size could be subdivided into two or more buildable lots.

- **8.14 Double Frontage Lots.** In the case of double frontage lots where assessable street improvements are made along both the front and backyards of a single lot, double-frontage lots shall be assessed for one side only. This adjustment shall not apply to lots whose backyards front on an alley, or to lots who because of their size and lot depth could be subdivided into two separate buildable lots.
- **8.15** Adjusted Frontage Irregular Shaped Lots. When the amount of an assessment shall be determined by frontage, in the case of pie-shaped or irregular shaped lots, an equivalent assessable front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision.
- **8.16 Special Cases.** In special cases, the City Council may, by resolution, exempt certain properties from special assessments if the property shall be considered unsuitable for residential, commercial or industrial development or would otherwise not be benefited or improved by the installation of sanitary sewer or water utilities.
- **8.17 Federal, State And County Aid Use.** If the City shall receive financial assistance from the federal government, the State or the County to defray a portion of the cost of a particular street improvement, the aid shall be used first to reduce the share of the project cost which would be met from general City funds according to the assessment formulas contained in this Section. If such aid shall be more than the amount of the improvement cost to be borne by the City, the remainder of the aid so received shall be credited to the City's Permanent Improvement Fund.

Section 9 - Establishment and Construction of Streets Within Newly Established Subdivisions

- **9.1 In General.** The regulations and requirements of this Section shall apply to all street and infrastructure improvements within new subdivisions, which shall be platted and formally accepted by the City after the effective date of this ordinance and shall require that developers finance and complete certain minimum improvements prior to acceptance by the City.
- **9.2 Developer's Agreement Required.** As part of the subdivision approval process, the owner's and developers of all new subdivisions shall enter into a written Developer's Agreement with the City, which will outline the conditions of approval of the proposed subdivision and minimum improvements to be completed prior to final acceptance of any and all infrastructure improvements related to the new development. Prior to the execution of the Developer's Agreement, the final subdivision plat cannot be recorded with the County Recorders Office.
- **9.3 Storm Water Drainage and Erosion Control Plans.** Prior to the acceptance of any newly dedicated streets within a new subdivision, the developers shall complete and pay for the cost of all required grading to provide for necessary storm water runoff in accordance with a written plan approved by the City. This shall include the furnishing and installation of any storm water treatment or detention ponds, necessary culverts and storm sewer related systems. Prior to the commencement of any site construction that would disturb more than one acre of land, the owner and contractor shall apply for and obtain the appropriate NPDES permits from the Minnesota Pollution Control Agency and provide a copy of the approved permits to the City. All storm water drainage systems and erosion control plans shall be developed and constructed in accordance with all other State and City rules.

- **9.4 Street Grading and Base Construction.** Prior to the acceptance of any newly dedicated streets, the developer shall complete and pay for the cost of all required street grading and gravel base construction in accordance with a written grading plan approved by the City.
- **9.5 Street Signage.** Prior to the acceptance of any newly dedicated streets, the developer shall complete and pay for the cost of all required street signage in accordance with a written sign plan approved by the City.
- **9.6 Other Applicable Rules, Regulations and Ordinances.** All development within new subdivisions shall be in conformance with the requirements of all other applicable State and City statutes, codes, rules regulations and/or ordinances, which are in effect at the time of development.

Section 10 - New Sanitary Sewer and Water Main Extensions

- **10.1 General.** When new sanitary sewer and water mains are constructed or extended to properties previously unserved by these utilities, the cost of water mains not exceeding eight inches in diameter and of sanitary sewer mains not exceeding eight inches in diameter shall be assessed 100% against abutting property on the basis of frontage. The cost of water mains to be assessed shall include building water service lines if furnished, hydrants, valves and other related construction expenses. The cost of the sanitary sewer main to be assessed shall include all manholes, building sewer service lines and other related construction expenses. Assessments for both water and sanitary sewer extensions may also include related engineering design and construction costs.
- **10.2 Intersections.** In the case of new sanitary sewer and water main extensions, as covered under Section 10.1 above, the cost of water and sewer improvements in street intersections shall be included as part of the total project cost in determining the assessable costs.
- **10.3 New Sanitary Sewer Lift Station Installations.** When a new sanitary sewer lift station shall be constructed to service an area previously unserved by sanitary sewer the cost of the lift station shall be assessed against the property actually benefited by the lift station.
- **10.4 Corner Lots.** In any assessment made on the basis of frontage for sanitary sewer and water extensions, where these improvements are installed on both sides of a platted corner lot, these corner lots shall be assessed for the frontage of their short side only or an equivalent front footage determined by dividing the square footage of the lot by the general lot depth of the subdivision where other rules do not apply. In no case shall the assessed frontage for corner lots be less than the average assessed frontage for other properties within the project.
- **10.5 Double Frontage Lots.** In the case of double frontage lots where assessable utility extension improvements are made along both the front and backyards of a single lot, double-frontage lots shall be assessed for one side only. This adjustment shall not apply to lots whose backyards front on an alley, or to lots who because of their size and lot depth could be subdivided into two separate buildable lots.
- **10.6 Adjusted Frontage Irregular Shaped Lots.** When the amount of an assessment shall be determined by frontage, in the case of pie-shaped or irregular shaped lots, an equivalent assessable front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision.

10.7 Project Development, Design and Administrative Fees. The City may assess the cost of applicable project development, design and administrative fees associated with any assessed improvements.

10.8 Special Cases. In special cases, the City Council may, by resolution, exempt certain properties from special assessments if the property shall be considered unsuitable for residential, commercial or industrial development or would otherwise not be benefited or improved by the installation of sanitary sewer or water utilities. As an alternative to assessing the cost of certain utility extensions on the basis of frontage, the City Council may elect to assess these improvements on a per connection or on a per lot basis. Furthermore, as an alternative to assessing the cost of certain utility extensions at the time of construction, the City Council may elect to establish utility connection fees to be charged to certain properties at their time of connection.

10.9 Federal, State And County Aid Use. If the City shall receive financial assistance from the federal government, the State or the County to defray a portion of the cost of a particular utility improvement, the aid shall be used first to reduce the share of the project cost which would be met from general City funds according to the assessment formulas contained in this Section. If such aid shall be more than the amount of the improvement cost to be borne by the City, the remainder of the aid so received shall be credited to the City's Sewer and or Water Enterprise funds.

Section 11 - Sanitary Sewer and Water Main Reconstruction Projects

11.1 Typical Design Assessment Formula. When existing City owned sanitary sewer and water mains are reconstructed, replaced or rehabilitated as a result of system age or deterioration, in areas that have already been previously serviced, a portion of the reconstruction cost shall be assessed against benefited abutting property on the basis of frontage. After completion of the project, the City Engineer shall recommend, and the City Council shall adopt by resolution, a Per Lot Assessable Cost which shall apply to that project. This Per Lot Assessable Cost shall be calculated and established in accordance with the following "Typical Design Assessment Formula" utilizing current unit construction prices as experienced during that year. If numerous reconstruction contracts are let during that year, average unit prices shall be calculated. In calculating the Front Foot Assessment, 50% of the Total Construction Cost, as established by the Typical Design Assessment Formula, shall be assessed against an Assessable Frontage of 864 feet. The front foot assessment shall then be applied to the average lot width for the project, which then determines the Per Lot Assessment Fee for each benefited property in accordance with other applicable rules.

Typical Design Assessment Formula

Current					
Item	Unit Price	Total			
@ \$ =	\$				
@ \$ =	\$				
	@ \$ =	Item Unit Price @ \$ = \$			

```
27 LF
         4' Manhole
                            @ $ =
                                             $ $ $ $
$ $
 2 EA
         6" Valves
                            @ $ =
 1 EA
         Hydrant
                            @ $ =
                            @ $ =
 3 EA
         MH Castings
75 CY
         Rock Exc.
                            @ $ =
200 CY
                            @ $ =
         Gr. Bedding
 1 EA
         Misc. Fittings
                                             = $ 2,500
                            @ $2,500
         TOTAL CONSTRUCTION COST -----
```

TOTAL CONSTRUCTION COST ----- = \$ (Summation of Above)

(TOTAL CONSTRUCTION COST x 50%) X AVERAGE LOT WIDTH = PER LOT ASSESSMENT 864'

- **11.2 Trunk Sanitary Sewer and Water Mains in Excess of Eight Inches.** When trunk sanitary sewer mains shall be constructed or replaced in excess of eight inches in diameter, or trunk water mains shall be constructed or replaced in excess of eight inches in diameter, the abutting property shall be assessed for only the cost of the eight-inch mains. All costs in excess of an eight-inch installation shall be paid for by the City.
- **11.3** Corner Lots. In any assessment made on the basis of frontage for sanitary sewer and water reconstruction, where these improvements are installed on both sides of a platted corner lot, these corner lots shall be assessed for the frontage of their short side only or an equivalent front footage determined by dividing the square footage of the lot by the general lot depth of the subdivision where other rules do not apply. In no case shall the assessed frontage for corner lots be less than the average assessed frontage for other properties within the project.
- **11.4 Double Frontage Lots.** In the case of double frontage lots where assessable utility reconstruction improvements are made along both the front and backyards of a single lot, double-frontage lots shall be assessed for one side only. This adjustment shall not apply to lots who's backyards front on an alley, or to lots who because of their size and lot depth could be subdivided into two separate buildable lots.
- **11.5 Sewer and Water Service Line Replacement.** In the case of sewer and water main reconstruction projects, the cost of individual water and sewer building service line replacement from the mains to the property line shall be paid for by the City up to a maximum footage of sixty feet and all other building service line replacement costs shall be borne by the property owner.
- **11.6 Sanitary Sewer Lift Station Replacement or Reconstruction.** When an existing sanitary sewer lift station shall be constructed or replaced as a result of system age, deterioration, or overload, the cost of the lift station replacement shall be paid for by the City.
- **11.7 Adjusted Frontage Irregular Shaped Lots.** When the amount of an assessment shall be determined by frontage, in the case of pie-shaped or irregular shaped lots, an equivalent assessable front footage shall be determined by dividing the square footage of the lot by the general lot depth of the subdivision.
- **11.8 Project Development, Design and Administrative Fees.** The City may assess the cost of applicable project development, design and administrative fees associated with any assessed improvements.

11.9 Special Cases. In special cases, the City Council may, by resolution, exempt certain properties from special assessments if the property shall be considered unsuitable for residential, commercial or industrial development or would otherwise not be benefited or improved by the reconstruction of sanitary sewer or water utilities. As an alternative to assessing the cost of certain utility reconstruction projects on a Per-Lot basis, the City Council may elect to assess these improvements on the basis of lot frontage.

Section 12 - Deferral of Special Assessments for Seniors and Retired, Disabled Homeowners

- **12.1 Legislative Authority.** Pursuant to Minnesota Statutes Section 435.193, the City Council may defer special assessments levied against the homestead property of a senior citizen or retired, disabled homeowner for whom it would be a hardship to make the annual payments. The City Council will act on all deferral requests once an application, as adopted by the City, has been completed.
- **12.2 Eligibility for Deferral.** Any person sixty-five (65) years of age or older or retired due to total or permanent disability may apply for a deferral of special assessments, provided the following conditions are met:
 - a. Homestead: The property being assessed must be the applicant's principal place of domicile. The Classification of the property as homestead on the County's tax rolls combined with the applicant's name being shown as owner shall be considered adequate proof that the property is the applicant's homestead.
 - b. Annual Gross Income: The annual gross income of the applicant and spouse, according to their previous year's federal income tax return, plus their tax exempt income, does not exceed 110% of the federal poverty line as defined for Carlton County. If no such return was made, the City Administrator shall require the applicant to submit other pertinent information to show that this qualification is met.
 - c. The average annual payment due, principal and interest for the assessments levied against the property exceeds three percent (3%) of the applicant's annual income as thus calculated. (i.e. \$10,000 income $\times 0.03 = 300).
 - d. The special assessments to be deferred exceed five thousand dollars (\$5,000).
 - e. The total assets of the applicant and spouse, exclusive of the homestead, do not exceed thirty thousand dollars (\$30,000).
 - f. The County Assessors market value of the applicant's homestead parcel shall not exceed one hundred thousand dollars (\$100,000)
 - g. Parcels located within the F-R, Farm Residential, Zoning District must be five (5) acres or less in size. Parcels located within all other zoning districts must be less than one (1) acre in size.
 - h. The applicant shall not have signed a petition for the improvement for which the assessment is proposed.
 - i. The application, in a form prescribed by the City, shall be completed and filed annually with the City Administrator not later than August 31 of each year. The City Administrator will verify that the applicant meets the above conditions. Any additional forms required by the County for recording the deferral shall also be completed.

- j. Exceptional and Unusual Circumstances. Notwithstanding the foregoing provisions of this subsection, the City Council may consider exceptional and unusual circumstances pertaining to an applicant not covered by the above standards; but any determination shall be made in a nondiscriminatory manner and shall not give the applicant an unreasonable preference or advantage over other applicants.
- **12.3** Interest on Deferred Assessments. All deferred assessments shall be subject to and charged simple interest at the rate established by the City Council in the resolution adopting the assessment roll. This interest shall accrue over the life of the assessment. No interest shall accrue past the date at which the assessment would have been fully paid if not deferred.
- **12.4 Termination of Deferral Status.** It shall be the duty of the applicant, his/her heirs or legal representative to notify the City Administrator of any changes in status which affect the eligibility for the deferral. Special assessments deferred pursuant to the eligibility requirements set forth herein shall terminate and become payable, together with accumulated interest, upon the occurrence of any one of the following events:
 - a. Transfer of Ownership: The property is sold, transferred, subdivided or in any way conveyed to another by the individual for whom the deferral was granted.
 - b. Death of Owner: The death of the owner qualified for the deferral, unless a surviving joint tenant or tenant in common is eligible for the deferral benefit provided herein.
 - c. Loss of Homestead Status: The property loses its homestead status for any reason.
 - d. No Hardship: The City Council determines that there would be no hardship to require an immediate or partial payment.
- **12.5 Disability:** Retirement by reason of permanent and total disability shall be deemed prima facie to exist when the applicant presents a sworn affidavit by a licensed medical doctor attesting that the applicant is unable to be gainfully employed because of a permanent and total disability in any occupation for which he/she may be qualified.

Adopted by the City Council of the City of Cloquet on this day of, 2					
ATTEST:	Roger Maki, Mayor				
Tim Peterson, City Administrator					

Assessment Policy Table

Assessed Not Assessed	Urban Assessment District	Rural Assessment District
Construct or Re-construct	10' x 3" Section 7.4	12' x 3" Section 8.4
Full-Depth Reclaim	10' x 2" Section 7.5	12' x 2" Section 8.5
Bituminous Rehabilitation Projects	Not Assessed Section 7.6	12' x 1.5" Section 8.6
Grading and Base	Not Assessed Section 7.7	Not Assessed Section 8.7
Curb & Gutter	50% Assessed Section 7.2	100% Assessed Section 8.2
Sidewalk	Not Assessed Section 7.3	Not Assessed Section 8.3
Storm Sewers	Not Assessed Section 7.8	Not Assessed Section 8.8
Driveway Culverts	Furnished & Installed by owner or Dev. Section 7.9	Furnished & Installed by owner or Dev. Section 8.9
Alleys	Assessed 100% based on frontage Section 7.10	Assessed 100% based on frontage Section 8.10
Project Development Fees	Can be Assessed Section 7.11	Can be Assessed Section 8.11
Other Construction Costs	Not Assessed	Not Assessed