



## City of Blooming Prairie

City Council Meeting Agenda

April 27<sup>th</sup>, 2026

5:00 PM

Call to Order

Pledge of Allegiance

Presentation

- 2026 Street Construction Projects – Brett Grabau, Stantec
  - Memorial Drive / 4<sup>th</sup>

Business

1. City of Blooming Prairie Special Assessment Policy
  - a. Keep Special Assessment Policy with current language or
  - b. Adopt modification to Special Assessment Policy
2. Feasibility Study – Memorial Drive and 4<sup>th</sup>
  - a. Order Feasibility Study on Memorial Drive and 4<sup>th</sup> or
  - b. Order construction of the project without Feasibility Study

Adjourn

*The next Regular City Council meeting will be held on Monday May 11<sup>th</sup>, 2026*



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April 23, 2026

Mr. Anthony Martens  
City of Blooming Prairie  
138 Hwy. Avenue South  
P.O. Box 68  
Blooming Prairie, MN 55917

Reference: Memorial Drive and Fourth Street Reclaim and Repave Improvements Project  
Feasibility Report Letter Proposal

Honorable Mayor and City Council,

On April 15, 2026 I was informed that the Council had authorized the reclamation and paving of sections of both Memorial Drive SW and Fourth Street SW at their April 14<sup>th</sup> Council Meeting. In discussions with City Staff, it was recognized that this improvement is deemed assessable by their assessment policy and therefore must follow the Chapter 429 special assessment process, should the Council decide to follow that policy. In further discussions, it was determined that this project is also above the \$175,000 limit for quotes and must be publicly bid following state statutes.

As the Staff and I discussed this improvement, we reviewed the potential timeline of this project following state statutes and it appears that this project, while it can be accomplished, may be pushing the limits for a potential 2026 completion.

If the Council chooses to move forward with this project, following the City of Blooming Prairie Assessment Policy, and keep this project as previously scoped (both Memorial and Fourth), below is a proposal for Stantec to complete a feasibility report on behalf of the City of Blooming Prairie.

This feasibility report will examine the existing surface condition of the roadways, as well as take a cursory review of the underlying utilities to see if there is a need for underground improvements in conjunction with the surface improvements. Stormwater conveyance, preliminary assessment calculations and estimated 2026 project costs will be evaluated for Council and Staff consideration.

### **Project Assumptions**

As part of the feasibility report and this letter proposal, the following assumptions have been made:

1. No topographic surveying of the project area will be completed in conjunction of this report.
2. No geotechnical exploration by Stantec will be completed in conjunction of this report, however, we will review all information currently available and may request some preliminary exploration by City Staff. No outside consultant will be hired by Stantec, and this work will not be pursued unless deemed necessary and with authorization from City Staff and Council.
3. Necessary utility replacements and upgrades will be considered and reported on within this feasibility report.
4. Construction cost estimates will be consistent with actual costs observed within the 2025 construction bidding season, with a determined cost increase factor to best estimate 2026 construction pricing.

### **Compensation**


The below Project Work Plan exhibit indicates our estimated work hours and associated hourly fees, including project expenses. Upon acceptance of this proposal and notification to proceed by the City of Blooming Prairie, we will initiate the report services as scoped within this proposal. We propose to complete the work detailed in our scope of services on an hourly rate basis not to exceed \$5,263.75, including reimbursable expenses in accordance with the terms and conditions of our Professional Services Agreement with the City of Blooming Prairie, MN.



April 23, 2026

Page 2 of 3

Reference: Memorial Drive and Fourth Street Reclaim and Repave Improvements Project  
Feasibility Report Letter Proposal

 <b>Memorial Drive and 4th Street Reclaim/ Repave Improvements Feasibility Report</b>					
Tasks	Project Manager	Design Engineer	Construction Superintendent	Clerical	Total Hours
<b>Team Members</b>					
	Brett Grabau, FE	Tom Moen	Jeff Barton	Andrea Capra	
<b>Task 1 - Project Management, Field Review and Report Drafting</b>					
1.1 - Meet with City Staff once the feasibility report has been completed to review the report and discuss the conclusions and recommendations as it pertains to engineering concerns. (1 Meeting)	2				2
1.2 - Report Drafting (Text and Presentation)	6				6
1.3 - Site Visit to Verify Existing Utilities, Roadway and Drainage Conditions.	4				4
1.4 - Report and Documentation Reproduction, Printing and Binding				1	1
<b>Task 1 - Total</b>	<b>12</b>			<b>1</b>	<b>13</b>
<b>Task 2 - Property and Utility Background Data Management</b>					
2.1 - Base Drawing within Civil 3D CAD. Review existing platting, utilities, ROW, and aerial photography for the project corridor.		4			4
2.2 - Preliminary assessment roll production and projections.	1	1			2
<b>Task 2 - Total</b>	<b>1</b>	<b>5</b>			<b>6</b>
<b>Task 3 - Concept Design, Project Cost Analysis and Report Figures</b>					
3.1 - Concept layout for utility and roadway improvements within the project footprint.	1				1
3.2 - QA/ QC Review of concept design.			2		2
3.3 - Production of Engineers' Estimate of Project Costs. Including review of historical and estimated 2026 construction and project costs.	2				2
3.4 - Preparation of report tables and cost analysis presentation within report.	2				2
3.5 - Production of report figures.		6			6
<b>Task 3 - Total</b>	<b>5</b>	<b>6</b>	<b>2</b>		<b>13</b>



**Reference: Memorial Drive and Fourth Street Reclaim and Repave Improvements Project  
Feasibility Report Letter Proposal**

<b>Memorial Drive and 4th Street Reclaim/ Repave Improvements Feasibility Report</b>						
<i>Summary of Total Estimated Hours and Fees</i>						
Major Tasks	Project Manager	Design Engineer	Construction Superintendent	Clerical	Total Hours	Cost
<b>Team Members</b>	Brett Grabau, PE	Tom Moen	Jeff Barton	Andrea Capra		
<b>Task 1 - Project Management, Field Review and Report Drafting</b>	12			1	13	\$2,121.00
<b>Task 2 - Property and Utility Background Data Management</b>	1	5			6	\$916.00
<b>Task 3 - Concept Design, Project Cost Analysis and Report Figures</b>	5	6	2		13	\$2,074.00
<b>Total Labor</b>	18	11	2	1	32	\$5,111.00
Hourly Rates 2026	\$166.00	\$150.00	\$172.00	\$129.00	---	---
<b>Stantec Reimbursable Expenses</b>						---
Mileage						\$152.25
<b>Total Reimbursable</b>						\$152.25
<b>Total Project Cost</b>						<b>\$5,263.25</b>

The work detailed within this proposal is anticipated to be complete prior to the May meeting, at which time the Council will have the opportunity to review the findings of the feasibility report and determine if they would like to proceed to a public hearing and design at this time on all or portions of the proposed project footprint.

Should you have any questions or concerns, please feel free to contact me at (507) 529-6030.

Regards,

**STANTEC CONSULTING SERVICES INC.**

Brett A. Grabau, PE  
Associate  
Phone: (507) 529-6030  
[Brett.Grabau@stantec.com](mailto:Brett.Grabau@stantec.com)

By signing this proposal, the Blooming Prairie City Council authorizes Stantec Consulting Services, Inc. to proceed with the services herein described as the Memorial Drive and Fourth Street Reclaim and Repave Improvements Feasibility Report, and the Client acknowledges that this work shall be completed in accordance with the City of Blooming Prairie Professional Services Agreement dated October 21, 1999.

This proposal is accepted and agreed on the \_\_\_\_ day of \_\_\_\_\_, 2026.

Per: Blooming Prairie City Council

\_\_\_\_\_  
Signature

April 20, 2026

Re: City of Blooming Prairie  
Memorial and 4<sup>th</sup> Reclaim and Repave Improvements

**TENTATIVE PROJECT SCHEDULE**

<u>Task</u>	<u>Date</u>
Stantec and Staff Initiate Project Scoping	Complete
Council Scope and Authorize Feasibility Report (Special Meeting)	April 27, 2026 @ 5:00pm
Present Feasibility Report w/ Preliminary Assessment Totals Call for Public Hearing on Assessments	May 11, 2026
Improvement Public Hearing	June 8, 2026
Authorization to Prepare Plans and Specifications	June 8, 2026
Stantec Design Improvements Plans and Specifications	June – July 2026
Council Approval of Plans and Specifications	July 13, 2026
Council Approval for Submittal of Ad for Bid	July 13, 2026
Submit Advertisement for Bids for Publication	July 16, 2026
First Publish Date (Steele County Times)	July 22, 2026
Second Publish Date (Steele County Times)	July 29, 2026
Bid Date	August 13, 2026
Consider/ Award Contract (Special Meeting or Push Regular Meeting Back 1-Week)	August 17, 2026
Construction (Early Start Date)	September 7, 2026
Assessment Public Hearing	October 12, 2026
Substantial Completion	October 16, 2026
Final Completion	June 11, 2027

# CITY OF BLOOMING PRAIRIE

## ASSESSMENT POLICY

Adopted: October 12, 2020

Revised:

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## INTRODUCTION

The special assessment is a device employed primarily by municipal governments as a means to finance specific improvements desired by, or for, a neighborhood or area. The theory behind the special assessment is simple: Only those who directly benefit from an improvement should pay for it. Courts have long upheld the right of cities to levy special assessments, provided that care and diligence have been utilized.

Special assessments have three distinct characteristics:

1. They are a compulsory levy used to finance a particular public improvement program.
2. The levy is charged only against those particular parcels of property deemed to receive some special benefit from the program.
3. The amount of the charge bears some relationship to the value of the benefits received: (a) the rate of assessment must be uniform and equal upon all property receiving special benefits; (b) the assessment must be confined to the property specially benefited; and (c) the amount of the assessment must not exceed the special benefits (except when 100% of the property owners petition for the project).

Special assessments are imposed only on real estate. Special assessments 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 some direct benefit from the improvements undertaken.

Special assessments have three important applications:

1. Special assessments can be utilized for financing new improvements, particularly when new tracts of land are being converted to urban use. In this application special assessments are frequently used to pay for the grading and surfacing of streets, installation of utility lines, construction of curb and gutters, and the construction of sidewalks.
2. Special assessments may also be used to underwrite the cost of major maintenance programs. Large scale repairs and maintenance operations on streets, sidewalks, sewers and similar facilities can, and often should, be financed with special assessments.
3. A significant use of special assessments is in the redevelopment of existing neighborhoods. When residential areas are confronted with progressive deterioration, the reconstruction of streets and utilities can be accomplished through the use of special assessments. Even the development of neighborhood parks and playgrounds can be accomplished through special assessments.

Special assessments for the payment of certain kinds of public improvements commonly prevail and are generally sustained by the courts under the exercise of the power of taxation. **The local assessment is authorized by Minnesota Statutes, Chapter 429, commonly referred to as "The Local Improvement Code"**. This statute outlines the procedure for assessments. This procedure is dealt with in detail elsewhere in this manual.

In view of the foregoing, it has been deemed desirable to set forth the general assessment methods and policies practiced in the City of Blooming Prairie. It is emphasized that the following summarization is general in nature, and that certain circumstances may justify deviations from stated policy.

In 2020, the City Council requested that an assessments procedures manual be created. As an aid in forming this policy, the assessment policies of several cities in Minnesota were reviewed, in addition to the model ordinance offered by the League of Minnesota Cities.

Upon due deliberation, the City Council of Blooming Prairie adopted a Resolution approving a Special Assessment Policy, which sets forth the assessment procedures. This action was taken on October 12, 2020. This manual represents the official policy of the City of Blooming Prairie.

## PURPOSE

This document sets forth the methods and policies relating to local street improvements and special assessments practiced in the City of Blooming Prairie. 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 exercising its discretionary to alter from these procedures with respect to a particular project to address unique circumstances or situations requiring special consideration, or through the formal amendment of this policy.

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 Blooming Prairie. 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 involves a collector or arterial street.

Nothing in this policy is intended, nor shall be interpreted, to limit the City's authority related to special assessments, whether the authority is provided by statute, common law, or ordinance. Furthermore, this policy does not modify the provisions or requirements of any federal, state, or local law, rule, regulation, or ordinance and to the extent there is a conflict the provisions of such law, rule, or ordinance shall be controlling.

## POLICY GOALS

The goals of these special assessment policies and procedures are to:

1. Provide a stable and continuing source of funding within the financial capacity of the City to accommodate infrastructure needs for new development, redevelopment, and maintenance within the community in a cost-effective manner.
2. To be responsive to community needs and desires for health, safety, welfare, accessibility, and mobility provided by new infrastructure and the maintenance of existing assets.
3. Provide for and ensure consistent, uniform, fair, and equitable treatment, insofar as is practical, lawful, and possible, of all property owners in regard to the assessment of cost for benefits to properties for the qualifying improvements listed in Minnesota Statutes, Chapter 429.
4. Provide the City Council and staff with guidelines and methods to efficiently distribute infrastructure costs to benefiting properties in an equitable and consistent manner thereby enhancing the value of property by assigning a proportionate value of the improvements to the properties deriving from the improvement.
5. Provide a comprehensive, well-constructed and well-maintained infrastructure system that services individual properties and takes advantage of economies of regional scale and flexibility in the timing of infrastructure development.
6. To provide an effective tool for the management of municipal resources to support a highly functional and well-maintained system of infrastructure that promotes economic development and growth, fosters a sense of pride throughout the community, and facilitates the development and adoption of short and long-range capital improvement plans by identifying the magnitude and sources of funding available.

## DEFINITIONS OF TERMS

1. Access Street – Residential street that carries low volume residential traffic. Provides for direct access to residential properties. Minimum construction width is 28 feet from face-of-curb to face-of-curb. General construction width is 32 feet.
2. Collector Street – A street which carries a comparatively higher traffic loading than experienced on an access Street. Minimum construction width is 32 feet from face-of-curb to face-of-curb. General construction width is 36 feet. This street will typically be constructed to 9-ton standards.
3. Corner Lot – A lot with frontages on two streets which intersect to each other.
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 included 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. Project costs include construction costs, plus engineering, legal, administrative, financing, capitalized interest, easement acquisition, and contingency costs. The finance charges include all costs of financing the project including, but not limited to, financial consultant's fees, bond rating agency fee, bond attorney's fees, and capitalized interest. The interest charged to the project shall be included as financing charges.
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 is 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. Rural streets generally are without storm sewer and fail to meet current City design standards.
9. Urban Street – A street that has curb and gutter. Urban streets incorporate the use of storm sewers and meet City design standards.
10. 12"/3.5" Urban Section – The basic street design section used by the City for urban, residential streets. It consists of geotextile fabric, twelve inches (12") of class 5 aggregate base and three inches (3.5") of bituminous surfacing material, concrete curb and gutter, as well as all incidentals normally associated with a street reconstruction project.

## SECTION 1 - GENERAL ASSESSMENT POLICIES

The following statements designate the official policies of the City of Blooming Prairie as they pertain to special assessments and public improvements. Unless otherwise noted or modified herein, all sections of the League of Minnesota Cities Local Improvement Guide, 2000 Edition and subsequent amendments shall apply.

### 1. Initiation of Public Improvements Projects:

Public improvements may be initiated by the Council when, in its judgment, such action is required for the best interests of the City. The City Council can, without petition, initiate the improvement with a four/fifths vote of the Council.

Public improvements may also be initiated by petition of affected property owners, provided such petitions contains the signatures of at least thirty –five percent (35%) of the affected property owners. Petitions will be received by the City Clerk and acted upon by special consent of the City Council. A petition received by one-hundred percent (100%) of the abutting owners allows the City to streamline the assessment process.

When projects are initiated by petition, 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. Improvement Hearing:

After a petition is filed and its adequacy determined, or the Council initiates the project, the City Engineer is 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 is scheduled, notice published, and persons benefited by the project notified in writing in accordance with applicable State Statutes.

If after the improvement hearing, at which all persons are heard, the Council feels that the project is feasible, the Council may authorize the preparation of 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.

3. Basis of Street Assessment

- A. 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. Under this method, the assessable cost of the project is divided by the total assessable frontage benefiting from the improvement.
- B. Single Frontage Project: When an improvement takes place along a street with entirely single frontage on one side (frontage road), the City will assess 35% of the project costs, subject to the appropriate formulas. The other 65% 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.
- C. 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.

4. 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.

5. Preventive 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 (i.e., has surpassed its useful life).

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. Street Assessments:

A. 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 determination, the City Council may consider a petition from property owners to perpetuate a rural street.

B. Rehabilitated/Reconstructed Rural Streets: The costs of rural streets that are rehabilitated or are reconstructed as a rural section shall be financed 35% through assessment to the benefiting properties. The remaining 65% of the project costs shall be paid for by the City.

C. Reconstructed Urban Streets: When an urban street is reconstructed, 35% of the project costs shall be assessed to the benefiting property owners based upon a standard width urban section roadway with geotextile fabric, 12" of aggregate base, and 3.5" of bituminous surfacing. The City pays the remaining 65% plus any street oversizing costs.

D. Rehabilitated Urban Streets: When an urban street is rehabilitated by way of a mill and overlay improvement, 35% of the project costs shall be assessed to the benefiting property owners. The City pays the remaining 65% plus any street oversizing costs.

7. Utility Assessments:

A. Storm Sewer. Storm sewer improvements are an integral part of urban street design as long lasting streets cannot be constructed without addressing surface water runoff. The City will pay 100% of the costs associated with storm sewer improvements for street reconstruction projects and should utilize funds from the storm sewer utility when available.

B. Water Main. The City Utility will evaluate the condition of existing watermainfacilities prior to the reconstruction of overlying streets. It is the desire of the City to upgrade the water distribution system to modern day standards. In doing so, generally, existing 4" diameter water mains will be replaced with engineer recommended diameter mains.

The City Utility will pay for 100% of the costs of lateral water main improvements and 100% of the water main oversizing.

C. Sanitary Sewer. The City will evaluate the condition of existing sanitary sewer facilities prior to the reconstruction of overlying streets. It is the desire of the City to replace sanitary sewer that is structurally unsound.

The City will pay 100% of the costs associated with sanitary sewer replacement.

D. Sanitary Sewer and Water Main Services. Sanitary sewer services and water main services found to be in disrepair will be replaced by the City in conjunction with project sanitary sewer and water main improvements. Services will be replaced from the lateral to the within 5 feet of the right of way line.

Costs associated with service replacement will be assessed 80% to the benefitting property owner.

8. Service Life of Improvements:

Public improvements are judged to have normal usable life expectancies. For the purpose of this City, this life expectancy shall be as follows:

A. Surface Improvements:

- a. Grading and Graveling - no limit
- b. Bituminous Street Improvements without Curb and Gutter - 10 years
- c. Urban section bituminous street improvements in accordance with City Standards – 20 years
- d. Concrete paved streets - 30 years
- e. Sidewalks - 30 years
- f. Concrete Curb and Gutter - 30 years

B. Subsurface Improvements:

- a. Sanitary Sewer - 40 years
- b. Water Main - 40 years
- c. Storm Sewers - 40 years
- d. Sump pump lines – 20 years

9. Renewal or Replacement of Existing Usable Facilities:

Whenever an existing public street or utility is determined to be in need of replacement or renewal, and provided the existing public street or utility still has a usable life expectancy as determined in Item 8 above, the council may choose, at its option, to assess a proportionate share of the costs based on the percentage of the remaining life of the street or utility.

10. Conversion of Non-residential Lots into Residential Lots:

In the event that a conversion of commercial, industrial, or otherwise non-residential lots, into residential lots, is needed for assessment purposes, the following conversion table will be used:

Apartments, 0-1 bedroom	2/3 unit
Apartments, 2-3 bedrooms	1 unit
Commercial	1 unit per 20 fixtures
Dormitory unit	1/2 unit
Hotel and Motel units	1/2 unit
Mobil Home Lot	1 unit
Townhouse/Condominium unit	1 unit
Industrial	1 unit per 15,000 square feet

11. Determination of "Project Costs":

The "project costs" of an improvement shall include, but is not limited to, all cost items identified in the definition of project costs above.

12. Reserve Policy:

In most instances, it shall be the policy of the City to immediately assess all properties within the district served by the improvement since it is considered that the other properties do receive immediate benefit since improvement is available to receive connections which may be initiated by petition of property owners. Such determinations shall be made on a case by case basis.

The cost of providing any reserve (service that will be needed later but must be put in now for economical reasons) may be carried by the City until the time the benefit properties need the service. At that time the City shall assess the cost of the services plus carrying charges to the benefit properties on a reasonable and fair basis. However, in most cases the City should discourage "leap frogging" in the extension of City services.

13. Disbursement of Financial Assistance:

If the City receives financial assistance from any source or organization to defray a portion of the cost of an improvement, such aid may be used to reduce the share of the project cost which would be met from general city funds. County State Aid (CSA) funds will not be credited to offset assessments as they will be utilized in a revenue pool fund to offset total reconstruction program costs.

14. Assessability of Public and Tax-Exempt Properties:

City-owned properties, including municipal buildings, buildings, building sites, parks and playgrounds, but not including public streets and alleys, shall be regarded as being assessable on the same basis as if it was privately owned. Other tax-exempt properties, such as schools, churches, cemeteries, county, and state owned lands, shall be regarded as assessable on the same basis as if such property was privately owned. This is in accordance with Minnesota Statute 429.061, subdivision 4.

15. Inequitable Distribution of Assessments:

Where the project cost of an improvement is not entirely attributable to the need for service to the area served by said improvement, or where unusual conditions beyond the control of the owners of the property for the area would result in an inequitable distribution of special assessments, the City, reserves the option to forgive such costs which, in the judgment of the City Council, represents the excess cost not directly attributable to the area served.

16. Aid to Developers:

It is the intention of the City Council to aid developers in any way possible in the development of housing or industry. Such aid, however, can only be granted within the confines of the City's finances and expertise. The commitment of municipal monies is a serious responsibility, and is not to be taken without due deliberation. To the extent that the financing tools at the City's disposal (tax-increment, industrial development revenue bonds, assessment bonds, etc.) can be of help, they shall be used in a manner consistent with the City's overall goals and objectives. For this reason, the type of help granted to developers may vary from time to time, depending on the options available to the City at the time. Such variations are not to be construed as either favoritism or discrimination, nor does the use of one method one time set a precedence for the use of that method all of the time.

It is suggested that any developers interested in a project for the City contact the City Clerk.

17. Industrial or Commercial Improvement Projects:

Due to the particular needs of every business, the assessments of a public improvements project for improvement projects for industrial and commercial property needs shall be assessed 50% to the benefitting properties, with the remaining 50% being borne by the City.

18. Development of a Subdivision:

If an improvement is constructed within a subdivision, the assessable costs of the improvement shall be assessed against properties within the subdivision served, with the exception that in a residential area, the "City cost" shall be equal to the increased cost for constructing a street to arterial or collector design standards in lieu of construction to residential design standards. Provided also, that in commercial or industrial subdivisions, the increased cost of constructing a street to arterial design standards in lieu of construction to collector design standards required to serve such subdivision may be assumed as "City costs".

In cases where the City Council determines that the assessable cost would be more equitably distributed (including those instances where agreement can be reached between the City and the Developer of a subdivision), the assessable unit may be the "lot". That is, on a uniform per lot basis.

19. Sidewalk and Driveway Approaches:

It is the desire of the City to install sidewalks along higher traffic areas to promote pedestrian safety. Sidewalks may also be installed along access streets where it is determined to be in the public's best interest at the discretion of the City Council.

The City will pay for 50% of sidewalk project costs up to the standard 5 foot width. The remaining 50% of the costs will be distributed on an assessable front foot basis to both sides of the street corridor regardless to which side the sidewalk is installed. Payment of costs for sidewalk overwidth shall be considered on a case by case basis. Driveway approaches, should they be required in conjunction with sidewalk construction, shall be included as part of the street reconstruction costs.

There will be no assessment for an existing sidewalk which is in good condition that is not replaced in conjunction with a street improvement project. There will be an assessment for a sidewalk which is in good condition and which is replaced for the sole purpose of correcting grade. It shall be the responsibility of the property owner to keep sidewalk facilities free from ice and snow and the growth of grasses between or over the area.

20. Drain Tile / Sump Connections: The City will evaluate the placement of drain tile and sump pump connection boxes in conjunction with street reconstruction projects. It is the desire of the City to provide a sump pump connection box within the right of way to provide every developed residential property within the City a connection port for sump pump discharge.

The City will pay 50% of the project costs associated with drain tile and sump pump connection box installation. The remaining costs will be assessed to benefitting property owners on a per lot basis.

21. Assessment Rate Determination: The assessment rate is determined by dividing the *potential assessed cost* by the total front footage. The *potential assessed cost* is the project cost less the City's portion of costs as outlined in Items 6 and 7 of Section 1 – General Assessment Policies. The *actual assessed cost* is determined by multiplying the assessable footage by the assessment rate. The difference between the *potential assessed cost* and the *actual assessed cost* is the *assessment adjustment*, which is to be a "City cost".

## SECTION II - PAYMENT PROCESS

1. Total Payment - After the special assessment hearing, property owners are given thirty (30) days to pay the City Clerk the total amount assessed, with no interest charge on this thirty day period.

2. Annual Installments - Special assessments may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate as regulated by State Law. In this event, no prepayment shall be accepted without payment of all installments due to and including December 31st of the year of prepayments and the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis.

3. Interest rate - The interest rate on assessments shall be set by the City Council, but shall not exceed the maximum set by State Law. Typically, the City will set the interest rate at 1% above its borrowing cost.

4. Assessment Term - Generally, for most street and utility improvement projects, the City of Blooming Prairie will utilize a term of 10 years for repayment of assessments. For lower cost public improvements such as gravel alleyway improvements and sidewalk improvement projects where assessment rates are relatively lower, the City will consider a 5 year repayment term. For large scale, high cost public improvements, the council may consider a longer term than the typical 10 year term. The repayment term should never exceed the expected life of the improvements.

## SECTION III - DEFERMENT PROCESS

### 1. Deferment for Eligible Agricultural Land

The Minnesota Agriculture Property Tax Law (M.S.A. 273.111), commonly referred to as the "Green Acres Law", was basically designed for the preservation of agricultural land should it be annexed by a municipality. This law delineates and states that real estate consisting of ten acres or more shall be entitled to a deferment of assessments under this section only if it is actively and exclusively devoted to agricultural use as defined in Subdivision 3 and 6 of this law.

The payment of special assessments and the interest thereon shall be deferred as long as the property meets the conditions contained in Subdivision 3 of the law.

When such property is sold or no longer qualifies under Subdivision 3, all deferred special assessments plus interest shall be payable within ninety (90) days. Penalty shall not be levied on any such special assessments if timely paid. If not paid within such 90 days, the County Auditor shall include such deferred special assessments plus a ten (10) percent penalty on the tax list for the current year.

### 2. Deferment for Unimproved Property

The City may 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 assessments 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 splittable 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.

### 3. Deferment for Certain Homesteaded Properties:

The City may defer the payment of special assessments on homestead property owned by a person who is 65 years of age or older, or who is retired by virtue of a permanent and total disability, in accordance with Section 310.19 of the City Code and Minnesota Statutes, section 435.193.

## SECTION IV - LOT FRONTAGE GUIDELINES

A lot shall only be assessed for its frontage as determined in accordance with the rules set forth below:

1. Residential Lot Minimum / Maximum Assessable Frontage. The street improvements will be assessed on a front footage basis for the footage abutting the street surface, with a 50-foot minimum and a 150-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 50-foot frontage for assessment purposes. (See Appendix B)
2. Non-Residential Lot Minimum / Maximum Assessable Frontage. The street improvements will be assessed on a front footage basis for the footage abutting the street surface, with a 1-foot minimum and a 300-foot maximum applying. In the event a lot exceeds 300-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 1-foot frontage for assessment purposes.
3. Odd-Shaped and Rectangular Lots. For odd-shaped lots (such as exist on cul-de-sacs, triangular intersections, curved streets) or rectangular lots, or a lot where an improvement does not extend across the entire frontage of a parcel (such as an “L” intersection), the adjusted front footage is computed by dividing the square footage (area) of the lot by 7500 square feet to determine the equivalent number of 60 front footage units in the parcel. The equivalent unit figure multiplied by 60 feet will give the adjusted front footage. Minimums and maximums set forth in Item 1 above will apply in this case. (See Appendix C and Appendix D).
4. 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 (10) feet, the “odd shaped lot” formula should be applied. Minimums and maximums set forth in Item 1 above apply. (See Appendix E)
5. Interior Lot. Interior lots benefiting by an improvement shall be assessed at 100% of the front footage subject to the minimum and maximums set forth in Item 1 above.

6. Corner Lots. The primary frontage for corner lots is to be determined by street address. The City Council reserves the right to not use the street address if it determines the affected parcel will be treated in a more equitable manner with other properties to be assessed as a result of a project. In this instance, the City Council may consider factors such as the orientation of the home/business and of neighboring buildings, lot configuration, and driveway access in order determine the primary frontage for a corner lot.

A. Corner lots bordered by two City streets.

i. Residential 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 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 is to be applied only to the point of the potential lot split. (See Appendix F)

ii. Non Residential 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 50% of the side footage if the improvement is 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 50% factor is to be applied only to the point of the potential lot split.

7. Streets Front and Back.

A. If a Residential 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 requirements will be assessed at 100% of the footage. This provision is subject to the minimums and maximums set forth in Item 1 above. (See Appendix G).

B. If a Non-Residential 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 50% 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 requirements will be assessed at 100% of the footage. This provision is subject to the minimums and maximums set forth in Item 1 above. (See Appendix G).

8. Triple Frontage Lots.

- A. For a Residential lot which has streets on three sides of its boundaries, street address 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 G).
- B. For a Non-Residential lot which has streets on three sides of its boundaries, street address frontage will be assessed at 100%, with one side assessed at 50% (same as a corner lot), and the third side will not be assessed. (See Appendix G).

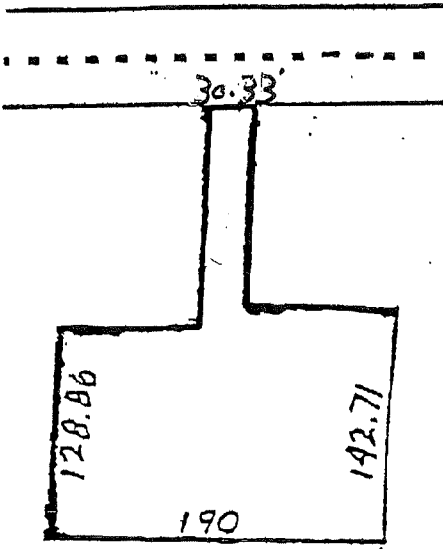
Appendix A  
Residential Trip Generation Rates

	<u>Vehicle Trips Per Dwelling Unit</u>		Number of Studies
	Weekly	Peak Hour	
Single Family Detached	10.1	1.0	320
Apartments			
All	6.1	0.7	120
Low-rise	6.6	0.7	22
High-rise	4.2	0.4	9
Townhomes & Single Family Condos	5.9	0.6	53

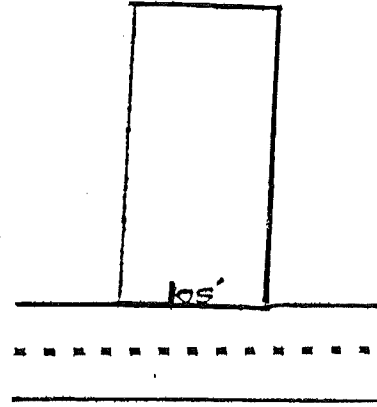
Source: Institute of Transportation Engineers, 1987. (Note: These are not recommended design Standards, but a compilation of observations.)

# Appendix B

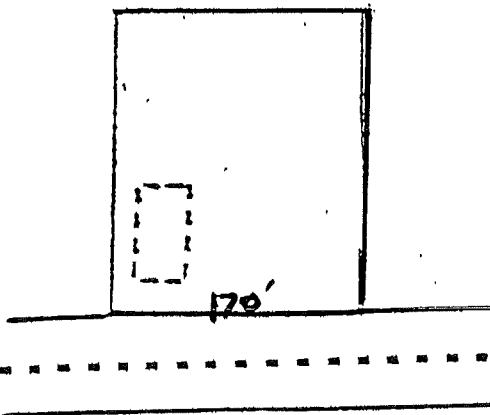
Application of Minimums and Maximums  
(Examples for Residential Lots)



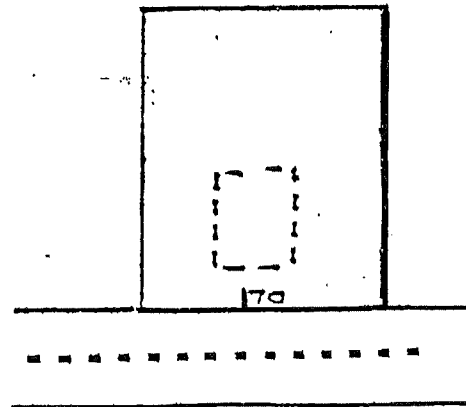
Actual Street Frontage = 30.33'  
Assessable Footage = 50' Minimum



Actual Street Frontage = 105'  
Assessable Footage = 105'



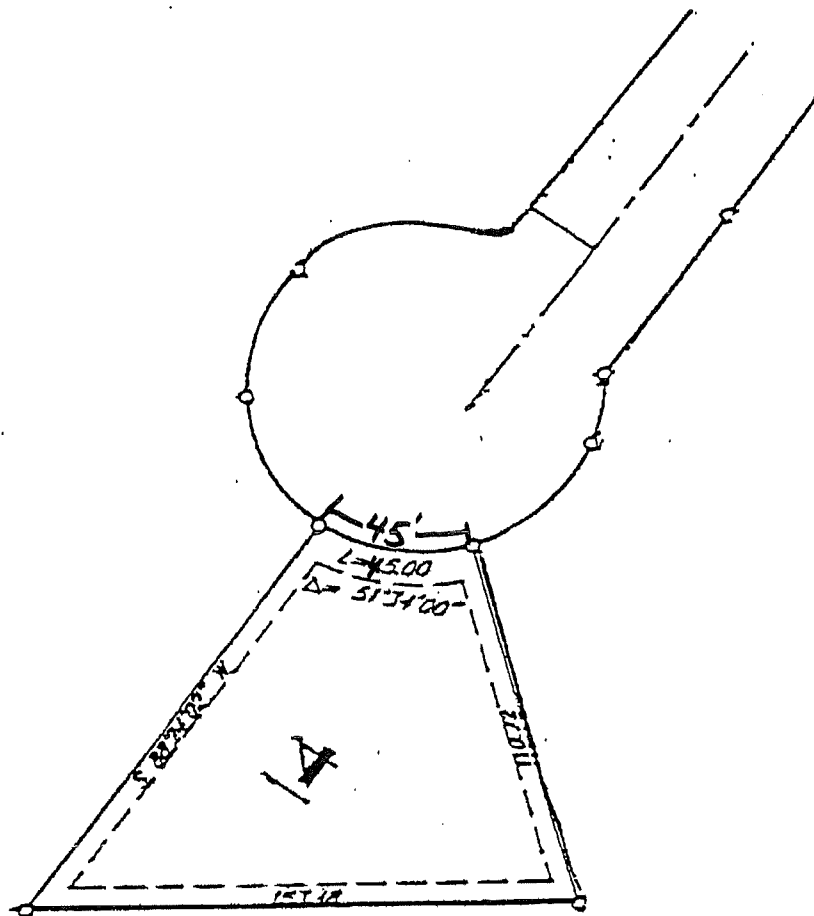
Actual Street Frontage = 170'  
Lot is subdividable:  
Assessable Footage = 170'  
Subject to Development Deferral Option



Actual Street Frontage = 170'  
Lot is not subdividable.  
Assessable Footage = 150' maximum

# APPENDIX C

## Odd-Shaped Lots



Actual Frontage = 45 L.F.  
Lot Area = 10,942 square feet

$$\text{Adjusted Front Footage} = \frac{10,942 \text{ sq. ft.}}{7500 \text{ sq. ft.}} \times 50 \text{ Unit}$$

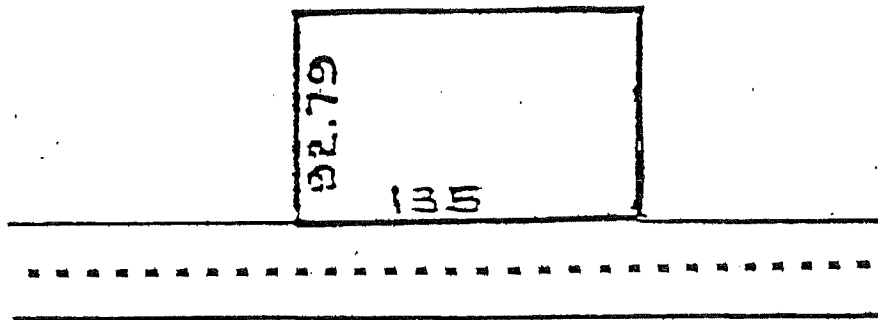
$$\text{Assessable Footage} = 83.5$$

# APPENDIX D

Rectangular Lot

(Where Frontage is Greater Than Depth)

(Use Odd Shape Lot Formula)



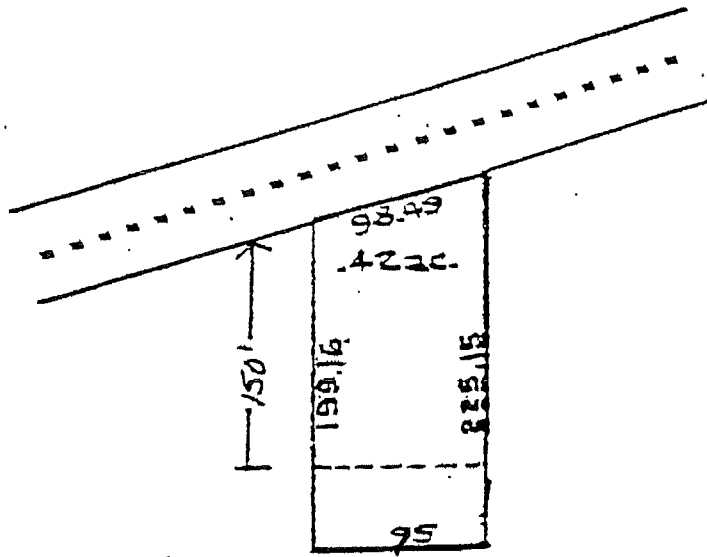
Actual Footage = 135 L.F.  
Assessable Footage = 93.95 L.F.

$$\frac{12526.65 \text{ sq. ft.}}{7500.00 \text{ sq. ft.}} \times 50 \text{ Unit}$$

$$= 83.5 \text{ Feet}$$

# APPENDIX E

## Approximately Rectangular Lots



Front Measurement = 98.49 L.F.  
Rear Measurement @ 150' = 95.00 L.F.

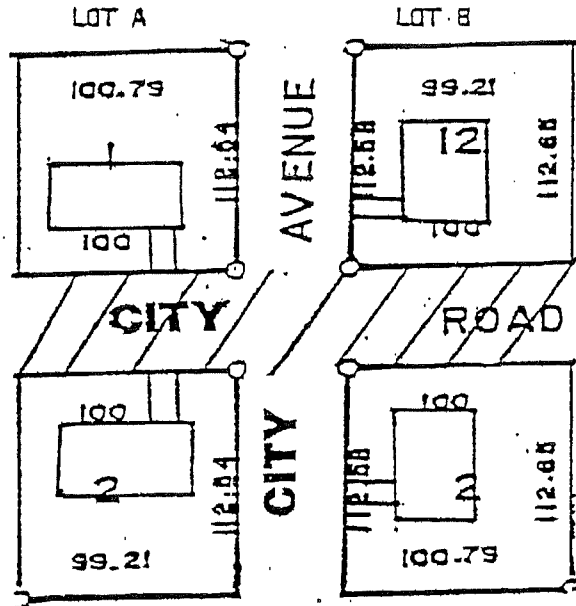
Total 193.49/2

Assessable Footage = 96.75 L.F.

# Appendix F

## Corner Lots

(Examples for Residential Lots)



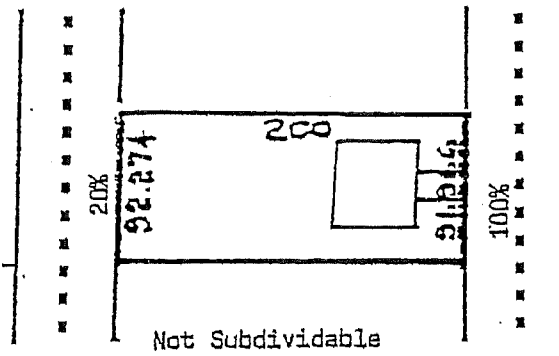
Lot A - Improvement on Front Street  
 Actual Footage = 100 L.F.  
 Assessable Footage = 100 L.F.

Lot B - Improvement on Side Street  
 Actual Footage = 100 L.F.  
 Assessable Footage = 20 L.F. (100 X 20%)

////////// = Improved Street

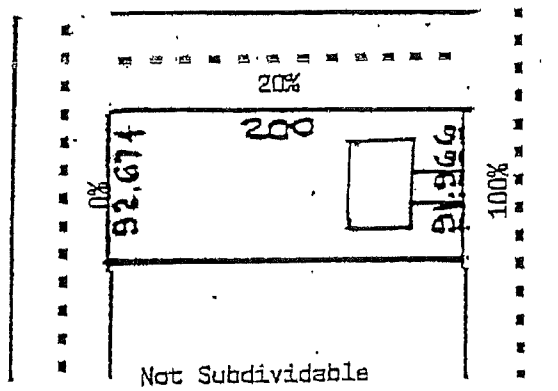
# Appendix G

Streets - Front & Back



Assessable Footage:  
Front (100%) = 91.966  
Rear (20%) = 18.4548

Triple Frontage Lot



Assessable Footage:  
Front (100%) = 91.9666  
Rear (0%)  
Side (20%) = 40