



City of  
**Blue Earth**



# **Final Assessment Hearing**

## **2014 Second Street Improvements**

### **Blue Earth, Minnesota**

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October 5, 2015

# Assessment Hearing Agenda

- Overview of Assessment Process
- Improvements and Final Project Costs
- Basis for Assessment
- Comments on Assessment
- Formal Action by Council to:
  - Adopt Assessment Roll with or without Adjustments
  - Delay Action until later date

# Process & Authority

- Minnesota Statutes, Chapter 429
  - Petitioned or Council Directed
  - Feasibility Study
  - Public Hearing (Opportunity for Input)
  - Council Orders Bidding and Contract
  - Project Must Assess 20% to Benefiting Property
  - Properties Must Have a Direct Benefit
  - Assessment Hearing (Opportunity for Input)
  - Levy Assessments

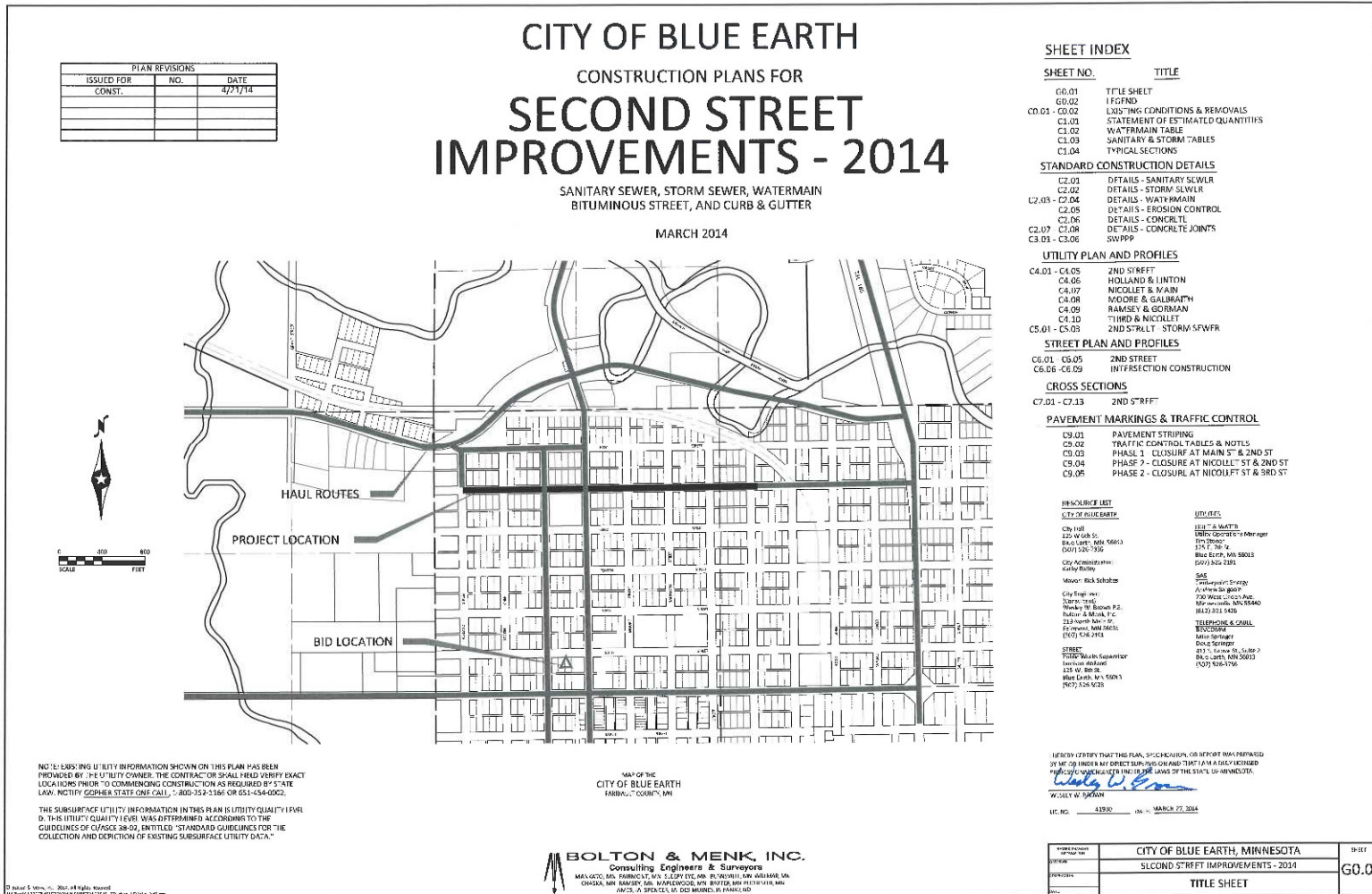
# Rights of Appeal

- Assessment Appeals
  - Council or Clerk must receive written objection prior to or at the hearing (MN Statutes 429.061)
  - Serve notice to City Clerk or Mayor within 30 days after adoption
  - Notice must be filed with District Court within 10 days after its service

# Assessment Deferment

- Green Acres, Senior or Military Deferment
  - Over 65 years or active military service
  - Must apply within 90 days of hearing
  - Homestead and occupy the property
  - Average yearly payment must exceed 1% of adj. gross income
  - Interest accrues at 2% over bond rate
  - Must be paid in full upon:
    - Property sale or improvement, estate settlement, no hardship

# Project Location Map



# Infrastructure Replaced

- Watermains
- Water Service Lines to Property Lines
- Sanitary Sewer Mains
- Sewer Lines to Property Lines
- Storm Sewer Mains & Catch Basins
- Curb and Gutter; Driveway Aprons
- Sidewalks
- Bituminous Street/Road Surface

# Project Costs

Item	Cost
Watermains & Services	\$393,070
Sanitary Sewer & Services	\$236,390
Storm Sewer	\$154,560
Street Surface, Curb, Sidewalk & Driveways	\$1,162,850
<b>Total Project Cost:</b>	<b>\$1,946,870</b>



# Project Financing

- 2015A \$1,905,000 Bond
- 15 Years or 2031
- 2.60% interest
  
- Sewer Rates – \$177,271
- Water Rates – \$291,646
- Storm Water Utility - \$154,560
- Street Fund – \$874,308
- Assessments - \$449,086

# Funding Breakdown

<b>City Funding</b>	<b>Assessment Funding</b>
Water Rates – Mains 100%	Water Service Lines
Sanitary Sewer Rates – Mains 100%	Sewer Service Lines
Storm Sewer Rates – 100%	
Street Fund – 70%	Street Assessments – 30%
Street Fund – 70%	Sidewalk Assessments – 30%

# Assessment Funding

- Water Services – \$1,909.99 each
  - Subtotal = \$101,424.42
- Sanitary Sewer Services – \$1,515.87 each
  - Subtotal = \$59,118.79
- Street Costs - \$70.63 per ft.
  - Subtotal = \$259,292.35
- Sidewalk Costs - \$9.71 per ft.
  - Subtotal \$29,250.48
- Grand Total = \$449,086.04

# Assessment Payment

- May pay in full within 30 days
- May partially pay within 30 days
- Assessed to property taxes
  - For 15 years
  - At 4.60% interest
  - On tax statements for two payments per year
  - In any year the property owner may pay that years interest and the outstanding principal

Questions?

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