

**CITY OF LAKE ELMO**  
**SPECIAL ASSESSMENT POLICIES**  
**AND PROCEDURES**  
**FOR**  
**PUBLIC IMPROVEMENTS**

- J. City-owned properties, including municipal building sites, parks and playgrounds, but not including public streets and alleys, shall be regarded as being assessable on the same basis as if such property was privately-owned.
- K. Improvements specifically designed for or shown to be of direct benefit to one or more properties may be constructed by the City. The costs for these improvements will be assessed directly to such properties, and not included in the assessments for the remainder of the project. An example of this would be utility service lines running from the main lines to the property.
- L. Benefit Appraisals: In the event that City staff has doubt as to whether or not the proposed assessments exceed the special benefits to the property in question (increased property value as defined by State law), the City Council may order benefit appraisals as deemed necessary to support the proposed assessments.
- M. A property owner may elect to offset Special Assessments against condemnation awards by executing a Net Assessment Agreement with the City Council.
- N. Assessment Deferral Procedure for Green Acres Parcels: In cases where improvement projects are determined to benefit properties that have been certified to qualify for Green Acres exemption, the City will determine that portion of the project cost that benefits those properties, and finance that portion of the project cost as a system cost. During the period of deferral, interest shall be applied annually to the unpaid principal balance of the deferred amount at the rate established on the original special assessment, or as adopted by resolution of the City Council at the time the original assessment is adopted. Once the benefiting properties no longer qualify for Green Acres status, the City may recover the unpaid principal balance plus interest either through assessments or connection charges.
- O. Assessment Deferral for Hardships: The City Council will consider deferment for the payment of special assessments on any homestead property, owned by a person 65 years of age or older, or retired by virtue of permanent and total disability. A hardship may be deemed to exist when the annual principal installment of all assessments levied against the property exceeds two percent (2%) of the adjusted gross income of the applicant as evidenced by the applicant's most recent federal income tax return, and

total assets (excluding the homestead property) do not exceed six times the adjusted gross income.

The City Council may also determine, on a case by case basis, the existence of a hardship on the basis of exceptional and unusual circumstances not covered by these standards and guidelines, if done in a non-discriminatory manner and without giving the applicant an unreasonable preference or advantage over other property owners.

During the period of deferral, interest shall be applied annually to the unpaid principal balance at the rate established on the original special assessment, or as adopted by resolution of the City Council at the time the original assessment is adopted.

The deferment shall terminate and all principle and interest becomes due and payable upon the occurrence of any of the following events: (1) The death of the owner when there is no spouse whom is eligible for deferment, (2) The sale, transfer or subdivision of the property or any part thereof, (3) The property should lose its homestead status, (4) The City Council should determine that the hardship no longer exists. A review of the hardship will be conducted every three to five years.