



STAFF REPORT

DATE: September 19, 2023
FINAL ASSESSMENT HEARING

AGENDA ITEM: Adopt Final Assessment Roll for the Torre Pines Street and Utility Improvements

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Sarah Sonsalla, City Attorney
Clarissa Hadler, Finance Director
Marty Powers, Public Works Director
Chad Isakson, Project Engineer

ISSUE BEFORE COUNCIL: The City Council is respectfully requested to hold a Public Hearing for the proposed assessments for the Torre Pines Street and Utility Improvements. Following the hearing, should the City Council adopt the final assessment roll?

BACKGROUND: On August 15, 2023, the City Council approved a Resolution declaring the costs to be assessed, ordering the preparation of the proposed assessment, and calling for the hearing on proposed assessment for the Torre Pines Street and Utility Improvements. Mailed notice has been provided to each assessed property and notice of the public hearing has been published in the local paper.

Consistent with conditions outlined in the feasibility report and MPCA grant agreement, properties that opted not to connect to city water within the one-year timeframe will have special assessments for the public improvements imposed against the benefiting properties. Formal mailed notice, dated September 9, 2022 was sent to each property indicating that the public watermain was available for connection and that the property owner had one year to complete the water service connection and well abandonment work. The allocated one-year timeframe to meet this eligibility and to abate the public improvement assessments will expire on November 11, 2023. A reminder notice was sent on June 14, 2023.

PROPOSAL DETAILS/ANALYSIS: Pursuant to Minnesota Statutes, Section 429, the Council must declare the amount to be assessed against the benefitting properties and the Hearing on the proposed Assessment for these Improvements must be held. Staff has attached a Final Assessment Roll which must be certified to the County Auditor by November 17, 2023. ***Properties that provide proof of connection to city water and sealing of their private well by the November 11, 2023 deadline will be removed from the assessment roll prior to certifying the assessments to Washington County.***

There are 9 properties that completed the connection to city water and abandoned their private well(s) prior to the council declaring the costs to be assessed. Five (5) additional properties, including 8180 21st Street North, 8260 21st Street North, 8006 22nd Court North, 8047 22nd Court North, and 8074 22nd Court North were removed from the assessment roll since the August 15, 2023 council meeting. The Final Assessment Roll has therefore been amended to remove these five additional properties.

Special assessments are levied in accordance with Minnesota Statutes Chapter 429 and consistent with the City's Special Assessment Policy. Attached to this agenda report is a summary of the Estimated Total Project Costs showing the cost breakdown by infrastructure component and resulting unit assessment. Based on the Estimated Final Project Cost at completion, the public watermain assessment is reduced from

\$38,000 down to \$27,500 per residential property, and the public street and storm sewer assessment is reduced from \$12,300 down to \$11,600 per residential property.

The street and drainage improvements will be levied over a 15-year period and the watermain assessments will be levied over a 20-year period. Assessments would be charged an interest rate of 4.75%.

FISCAL IMPACT: The estimated total project cost for the public improvements \$1,520,000; including \$887,500 for the street, drainage and storm sewer improvements and \$632,500 for the water system improvements. Of these costs, \$104,400 will be specially assessed for street and drainage improvements and \$247,500 will be specially assessed for watermain improvements. The remaining costs will be covered by grant funds from the 3M Settlement Grant Agreement for the project.

RECOMMENDATION: Staff is recommending that the City Council approve a resolution adopting the Final Assessment Roll for the Torre Pines Street and Utility Improvements. The recommended motion for this action is as follows:

“Move to approve Resolution No. 2023-094, Adopting the Final Assessment Roll for the Torre Pines Street and Utility Improvements.”

ATTACHMENTS:

1. Resolution Adopting the Final Assessment Roll.
2. Notice of Hearing on Proposed Assessment.
3. Estimated Total Project Cost at Completion.
4. Final Assessment Roll.

**CITY OF LAKE ELMO
WASHINGTON COUNTY
STATE OF MINNESOTA**

**RESOLUTION NO. 2023-094
A RESOLUTION ADOPTING THE FINAL ASSESSMENT ROLL FOR
THE TORRE PINES STREET AND UTILITY IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the Council has met and heard and passed upon all objections to the proposed assessment for the Torre Pines Street and Utility Improvements including street and drainage and watermain improvements along 21st Street North, 22nd Street North, and 22nd Street Court North.

NOW, THEREFORE, BE IT RESOLVED,

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over 15 years for street and drainage improvements and 20 years for watermain improvements, the first of the installments to be payable on or before the first Monday in January, 2024 and shall bear interest at the rate of 4.75 percent per annum from the adoption date of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2023. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to the certification of the assessment to the county auditor, pay the whole of the assessment on such property, with the interest accrued to the date of payment, to the City Clerk, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE NINETEENTH DAY OF
SEPTEMBER, 2023.**

CITY OF LAKE ELMO

(Seal)
ATTEST:

By: _____
Charles Cadenhead
Mayor

Julie Johnson
City Clerk

CITY OF LAKE ELMO
NOTICE OF HEARING ON PROPOSED ASSESSMENT
TORRE PINES STREET AND UTILITY IMPROVEMENTS

Notice is hereby given that the City Council of Lake Elmo will conduct a public hearing on **Tuesday September 19, 2023** at, or approximately after, 7:00 P.M. at Lake Elmo City Hall to consider, and possibly adopt, the proposed assessment against abutting properties for the Torre Pines Street and Utility Improvements. Adoption by the Council of the proposed assessment may occur at the hearing. The following describes the proposed improvements and area(s) to be assessed:

The extension of municipal water into the Torre Pines subdivision to replace individual private wells along 21st Street North, 22nd Street North, and 22nd Street Court North to provide clean drinking water to each of the 23 homes adjacent to the new watermain, including a water service stub to the public right-of-way. Following the watermain installation, street and drainage improvements will be completed along the following public streets:

- 21st Street North, from Inwood Avenue North to 22nd Street Court North.
- 22nd Street North, from 21st Street North to 22nd Street Court North.
- 22nd Street Court North.

You may at any time prior to certification of the assessment to the county auditor on November 17, 2023, pay the entire assessment on such property to the City Clerk with interest accrued to the date of payment. No interest shall be charged if the entire assessment is paid to the City Clerk prior to October 19, 2023. You may at any time thereafter, pay to the City Clerk the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 (for the assessment to be certified to County Auditor) or interest will be charged through December 31 of the succeeding year. If you decide not to prepay the assessment before the date given above the rate of interest that will apply is 4.75 percent per year.

Once assessments are certified to the County, the assessments are payable in equal annual installments extending over a period of 15 years for street and drainage improvements and 20 years for watermain improvements, the first of the installments to be payable on or before the first Monday in January 2024 and will bear interest at the rate of 4.75 percent per annum from the date of adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from the date of the assessment resolution until December 31, 2023. To each subsequent installment when due shall be added interest for one year on all unpaid installments.

The proposed assessment roll is on file for public inspection at the City Clerk's office. The total street improvement amount to be assessed is \$162,400. The total watermain amount to be assessed is \$385,000. The total project costs for the public watermain and street reconstruction is \$1,520,000. Written or oral objections will be considered at the

meeting. No appeal may be taken as to the amount of an assessment unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The Council may upon such notice consider any objection to the amount of a proposed individual assessment at an adjourned meeting upon such further notice to the affected property owners as it deems advisable.

An owner may appeal an assessment to district court pursuant to Minnesota Statutes, Section 429.081 by serving notice of the appeal upon the Mayor or Clerk within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the Mayor or Clerk.

The City Council is authorized in its discretion to defer the payment of an assessment for any homestead property owned by a person for whom it would be a hardship to make payment if the owner is 65 years of age or older and/or the owner is a person retired by virtue of a permanent and total disability or by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service, as defined in section 190.05 subdivision 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments. The owner must request a deferment of the assessment at or before the public hearing at which the assessment is adopted and make application on forms prescribed by the City Clerk within 30 days after the adoption.

Notwithstanding the standards and guidelines established by the City for determining a hardship, a deferment of an assessment may be obtained pursuant to Minnesota Statutes Section 435.193.

DATED: August 15, 2023

BY ORDER OF THE LAKE ELMO CITY COUNCIL

Charles Cadenhead, Mayor

(Published in the Stillwater Gazette on August 18, 2023)

CITY OF LAKE ELMO
TORRE PINES NEIGHBORHOOD
PROJECT NO. 2020.122

	Feasibility Report and Grant Amount Estimate of Cost	Final Project (Estimate at Completion)
Total Project Cost	\$2,243,000	\$1,944,000
Street Improvements	\$944,000	\$887,500
<i>Assessable Cost</i>	<i>\$283,200</i>	<i>\$266,800</i>
<i>Assessed Parcels</i>	<i>23</i>	<i>23</i>
<i>Assessment Amount</i>	<i>\$12,300</i>	<i>\$11,600</i>
Watermain Improvements	\$875,000	\$632,500
<i>Assessable Cost</i>	<i>\$875,000</i>	<i>\$632,500</i>
<i>Assessed Parcels</i>	<i>23</i>	<i>23</i>
<i>Assessment Amount</i>	<i>\$38,000</i>	<i>\$27,500</i>
Private Water Service Connections	\$424,000	\$424,000

TORRE PINES STREET AND UTILITY IMPROVEMENTS
FINAL ASSESSMENT ROLL
UPDATED SEPTEMBER 12, 2023 BASED ON WATER CONNECTIONS MADE

NO.	NAME	ADDRESS			MAILING ADDRESS						PID	TOTAL ASSESSMENT	STREET & DRAINAGE ASSESSMENT	WATERMAIN ASSESSMENT
1	LISA LARAE SETTERSTROM TRS	8271	21ST	ST N	8271	21ST	ST N	LAKE ELMO	MN	55042	2102921340011	\$39,100	\$11,600	\$27,500
2	SELBY MEGAN A	8311	21ST	ST N	8311	21ST	ST N	LAKE ELMO	MN	55042	2102921340012	\$39,100	\$11,600	\$27,500
3	YOCUM RUTH A	8330	21ST	ST N	8330	21ST	ST N	LAKE ELMO	MN	55042	2102921340009	\$39,100	\$11,600	\$27,500
4	KATARE RAJESH & SHILPA SHUKLA	8125	22ND	ST N	8125	22ND	ST N	LAKE ELMO	MN	55042	2102921330013	\$39,100	\$11,600	\$27,500
5	MATTHEW D MOORE TRS & JANE B MOORE TRS	8134	22ND	ST N	8134	22ND	ST N	LAKE ELMO	MN	55042	2102921330004	\$39,100	\$11,600	\$27,500
6	COHEN ANNE N & DWAYNE L	8276	22ND	ST N	8276	22ND	ST N	LAKE ELMO	MN	55042	2102921340005	\$39,100	\$11,600	\$27,500
7	LARSON MICHAEL P & MELISSA D	8335	22ND	ST N	8335	22ND	ST N	LAKE ELMO	MN	55042	2102921340006	\$39,100	\$11,600	\$27,500
8	SCHARA JODELL L	8340	22ND	ST N	8340	22ND	ST N	LAKE ELMO	MN	55042	2102921340004	\$39,100	\$11,600	\$27,500
9	PETERSON BRUCE A & NORMA JEAN	8028	22ND	CT N	8028	22ND	CT N	LAKE ELMO	MN	55042	2102921330007	\$39,100	\$11,600	\$27,500
TOTALS												\$351,900	\$104,400	\$247,500