

CITY OF TWO RIVERS WISCONSIN SPECIAL ASSESSMENT POLICY

Adopted September 16, 2013

Amended December 7, 2020



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PURPOSE

The purpose of this Policy is to assure fair and equitable cost recovery for various public works improvements and to set forth a methodology determining the amount of the assessment for various categories of improvements and circumstances on a reasonable basis. It is the policy of the City of Two Rivers that all properties specially benefiting from public improvements pay their fair share of the cost of such improvements.

The policies contained herein are designed to serve as a general guide for the City Council in allocating benefit to properties. The City Council reserves the right to vary from these policies if the assessments derived by imposition of the policies creates obvious inequities, where the assignment of benefit to a particular property is difficult to determine, or because of extreme or unusual circumstances or for other good reason.

SPECIAL ASSESSMENT PROCEDURES

The City of Two Rivers adopts and makes a part of this policy by reference and incorporates the procedures for levying special assessments as contained in Wisconsin Statutes s. 66.0703 for all public improvements with the exception of sidewalk construction and repair. The construction, repair and replacement of sidewalk shall be governed by the procedures outlined in Wisconsin Statutes s. 66.0907. Whenever the provisions of this policy are contrary to those contained in ss. 66.0703, 66.0907, or other applicable provisions of the Wisconsin Statutes or administrative regulations, the Wisconsin Statutes or administrative regulations shall control.

All special assessments levied in the City of Two Rivers shall be grounded in the exercise of police powers for the health, safety and welfare of the public.

ASSESSMENT FORMULA

Special assessments may be computed and based on one of the following methods:

(A) ADJUSTED FRONT FOOTAGE METHOD

When this method is used, benefit is determined to be proportional to the front footage of the property. In the adjusted front footage method, odd-shaped lots and cul-de-

sac lots are adjusted to an average frontage equivalent to the frontage of a rectangular shaped lot of the same depth. This method is declared and found to be more equitable than the simple front footage method and gives consideration to the depth and shape, as well as frontage on the street. The typical rectangular lot in the City of Two Rivers is hereby determined to be 70' wide by 150' deep for the purpose of calculating special assessments, in the absence of other demonstrated typical lot dimensions for a neighborhood.

Applying the Adjusted Front Footage Method

(a) Cul-de-sac Lots: For cul-de-sac lots the adjusted front footage is measured along the arc between the side lot lines calculated at the 30' setback line. If this method of calculation creates an inequity with the front footage of surrounding lots along the route of the improvements, then the adjusted front footage for odd shaped lots or area method may be used to determine a fair and equitable adjusted front footage assessment that is comparable to similar lots in the neighborhood.

(b) Odd-shaped Lots: For odd-shaped lots, such as found on pie shapes or triangular intersections, etc., the adjusted front footage is computed by dividing the area of the lot by 150' or the typical lot depth in the neighborhood, whichever is more appropriate.

(c) Approximately Rectangular Lots: For a lot that is approximately rectangular, the adjusted front footage is computed by averaging the front and back width of the lot. If the lot is deeper than 150', the width at the 150' depth is used for the back lot line width. This method is limited to where the divergence between the front and rear lot lines is ten feet or less, on lots with a straight frontage, and fifty feet or less on lots with an arc frontage.

(d) Rectangular Lots: For the normal rectangular lot, the adjusted front footage is the actual front footage of the lot.

(e) Shallow Lots: For rectangular lots less than 100' in depth, the adjusted front footage is determined by dividing the actual lot area by 150'. The shallow lot calculation is not intended for use on corner lots.

(f) Neck or Flag Lots: For lots which have a small frontage on a street, with a narrow strip running back 100' or less, an adjusted front footage is determined by dividing the actual lot area by 150'.

(g) Corner Lots: The front footage of the short side and long side of corner lots should be determined using one of the methods described in this section. The footage assessed will be based on the method for each category of improvement and the location of the improvements to be assessed. In those areas where the property lines of a corner

lot meet with an arc rather than at a point, the frontage will be one-half (1/2) the arc measurement plus the length of the improved side.

(h) Double Frontage Lots: The assessment for double frontage lots will be based upon the first side served or for which access to the street is obtained. The assessments will be computed on the adjusted front footage method that conforms to the shape and size of the lot, except that if the lot is capable of division on a line roughly parallel to either of the abutting streets, into two or more lots upon which two or more principal buildings could be erected according to the regulations of the zoning district in which the lot is located, the assessment will then be for both sides when served and at the adjusted front footage formula as conforms to the size and shape of the resulting lot(s). If the lot is capable of division into two buildable lots, however, construction of existing buildings would prevent such subdivision, the second side assessment will be calculated on a footage equal to one-half (1/2) the adjusted front footage of the second side.

(B) AREA METHOD

The City Council may determine that an area method is a more appropriate means for computing benefits for a specific public improvement. In the case of improvements such as drainage, sewage pump stations, water booster stations, elevated water storage tanks, etc. for example, benefits would normally be more closely related to area than front footage.

The use of this method will require the establishment of a per unit cost for the specific improvement, which will then be multiplied by the net developable area of the lot. The developable area of the lot will be determined by calculating the area of the lot and subtracting that portion of the lot which is greater than 20% in slope or is within a designated storm water detention basin, waterway or wetland.

(C) LOT OR CONNECTION METHOD

The lot or connection method allocates costs and special assessments on the assumption that every lot or every connection to the public facilities receives the same benefit regardless of the difference in the size or shape of the lot. The use of this method is best suited where there is some uniformity of lots within the subdivision or neighborhood and there exists some uniformity as to the types of uses on the property. This method may be used at the request of petitioners for specific public improvements.

(D) BENEFITED ZONE METHOD

The benefited zone or district method will use the same methods as are followed for the adjusted front footage, area, lot or connection method, except that certain properties that do not abut the improvements receive benefit from the improvements. This method will typically be used in conjunction with special improvement districts and projects. The

method of calculation of special assessment will be determined by Resolution, adopted by the Council, on a project specific basis.

STREETS

It is the policy of the City of Two Rivers to levy special assessments to recover a portion of the cost of constructing street improvements. The City Council establishes the assessment rates for street improvements. The City Engineer will recommend special assessment rates based on engineering cost estimates for individual projects. The special assessments rates will include engineering and administration costs.

Newly-constructed streets and existing streets that require reconstruction or repaving, will be expected to have expected lives as indicated in the table below. Streets that require repaving or reconstruction, prior to the end of their expected life, will have special assessment rates pro-rated based on the age of the pavement. (For example, if a Portland cement paved street requires resurfacing 40 years following initial construction, which is 80 percent of its expected life, the assessment rate for the resurfacing will be 80 percent of the rate that would otherwise apply.)

Type of Improvement	Expected Life (Years)
Portland Cement—New or Reconstruct	50
Asphalt Cement—New or Reconstruct	25
Chip Seal Over Gravel Surface	6
Chip Seal Over Asphalt	6
Gravel—As base for new concrete pavement or maintenance of existing gravel streets or alleys	3
Asphalt Overlay	25

(a) Grading and Gravel Base: Grading and gravelling of a street will be assessed by multiplying the adjusted front footage of the lot times the special assessment rate for grading and gravelling. No credit is given for long sides of corner lots.

Grading and graveling work in preparation for placement of a paved surface consists of excavating and under normal conditions placing an eight-inch gravel base in preparation for concrete paving. Additional undercutting and placement of aggregate up to 18 inches in depth, and/or placement of a geo-membrane fabric, if necessary, for securing a stable base, will be included in the special assessment. Any additional measures required to secure a stable base will be borne by the City and not special assessed.

If the concrete paving is not completed within a three (3) year period and the gravel becomes contaminated, removal and replacement of the gravel will again be special assessed prior to paving.

Maintenance grading and graveling of gravel-surfaced streets is also subject to special assessment, if at least three years have elapsed since the last such work.

(b) Street Paving: Street pavement will be assessed by multiplying the adjusted front footage of the lot times the special assessment rate for the type of street pavement surface constructed. Pavements with an existing hard surface will be assessed at 75% property owner, 25% city cost. Streets paved with Asphalt Pavement, or Portland Cement Pavement are considered to have hard surface. All other projects will be assessed at 100% cost to the property owner.

When a project is funded in part by State or Federal Grants or other non-local funding sources, the City Council shall address how such funding is to be applied to the project (i.e., to reduce special assessment and /or costs to the general taxpayer).

(c) Curb and Gutter: The construction of concrete curb and gutter will be assessed by multiplying the adjusted front footage of the lot times the special assessment rate for concrete curb and gutter. Curb and gutter will be assessed at the time when concrete paving is done and is assessed to the property owners.

(d) Sidewalk: Sidewalk construction, removal, replacement or repair shall be performed under the provisions of s.66.0907, Wisconsin Statutes. Such work will be assessed by multiplying the actual front footage of the lot times the width of the sidewalk constructed, removed, replaced or repaired times the special assessment rate for sidewalk.

Where sidewalk is existing, and the old sidewalk is removed for the full length of the property, the removal of the old sidewalk will not be special assessed and the property will be assessed using the adjusted front footage times the width of sidewalk times the established rate for new sidewalk.

Sidewalk that is in good condition and is removed to facilitate construction of the street or to accommodate street widening will not normally be special assessed. Special assessments will be made for only that amount of sidewalk that would have needed to be replaced, because of its condition, if the street construction had not occurred.

(e) Driveway Aprons: The construction of driveways will be assessed by multiplying the actual square footage of driveway apron constructed by the rate established for the surface type and thickness of driveway apron constructed. The portion of driveway from the edge of the street to the front of the proposed sidewalk will be used to compute the square footage to be special assessed. No assessments will be made for replacement of existing driveway located outside the street right-of-way that is required to be replaced to

facilitate the matching of the existing driveway to the new street construction, except in those locations where an unimproved driveway surface is paved as part of the project. The cost of removing the existing driveway apron will not be special assessed.

Where concrete curb and gutter is existing or constructed, all driveway aprons shall be constructed of concrete six inches thick between the curb and front of proposed sidewalk. A sidewalk section six inches thick shall be constructed in all concrete driveways, even if sidewalk is not constructed as part of the project.

(f) Boulevard (Terrace) Restoration: For the purpose of this paragraph the word boulevard (terrace) means that area between the back of the curb and the sidewalk, or, in the absence of a sidewalk, the property line.

All boulevard (terrace) areas shall be constructed as a grassy area after completion of the concrete curb and gutter and maintained by the property owner in such condition thereafter. Such boulevards (terraces) shall be so constructed and maintained as not to be unsightly or unsafe. Every boulevard (terrace) shall be grass except for walkways, driveways, and terraces that are less than 12 inches provided that the City Council may permit exceptions, by Resolution, to the requirement in appropriate circumstances of demonstrated need and hardship to the abutting property owner.

The construction of boulevard (terrace) restoration, seeding or sodding will be special assessed by multiplying the area planted times the rate for seeding or sodding. No assessments will be made for replacement of turf located outside the street right-of-way that is required to be replaced to facilitate the matching of the existing yard to the new street construction.

(g) Retaining Walls: It is determined that the construction of retaining walls, as part of street improvements, has a shared benefit between the property owner and the City, in that the property owner usually has larger useable lot area than would be available in the absence of the wall. The cost of constructing a retaining wall will therefore be split, with 50% of the cost of constructing the first five feet (5') of height of the retaining wall special assessed to the abutting lot. The City will pay for 50% of the cost of the first five feet (5') of height and 100% of the cost above five feet (5') of height of a retaining wall. A retaining wall shall be assessed on a square foot basis for the amount of retaining wall constructed adjacent to the benefited property. The assessment rate will be the actual cost for the retaining wall, as included in the bid for the project under which the construction is completed.

(h). Corner Lots: Corner lots that cannot be further subdivided under current City ordinance shall receive a reduction of 50% of the street paving assessment on the long side only. Maximum credit is 150 feet.

(i) Expected Service Life: Surface improvements are judged to have a normal useable life expectancy. For the purpose of this policy, the life expectancy for surface improvements is as follows:

Concrete Drive Aprons - 20 years
Sidewalk - 10 years

Should concrete drive aprons or sidewalk require replacement before the end of the expected service life, the abutting properties shall be assessed on a prorated basis. For example, should sidewalk require replacement after 5 years, the abutting property would only be assessed at one-half (1/2) of the applicable rate. This prorated assessment policy shall only apply if the work is done through the City and the City's contractor.

Any improvements done prior to 2002, the expected service life shall be grandfathered in only if the City has the necessary documentation and records to show what year the surface improvements were done.

(k) Alleys: Alleys provide access to the abutting property and improvements to an alley are therefore considered a special benefit, subject to special assessments. Special assessments for alley improvements shall be assessed by multiplying the adjusted front footage of the lot times the special assessment rate for the type of alley surface to be constructed.

(l) Dust Control: Dust control shall be done on a petition basis, or as directed by City Council. Dust control shall be done by force account and the actual cost of materials, labor, equipment, and administration shall be charged to the abutting property owners based on the adjusted front footage of the lot. Dust control is a temporary measure and no guarantee can be given or is given on how long the improvement will last. No credit is given to corner lots for dust control work.

STORM SEWER

The cost of replacing existing storm sewer will generally be paid for from the general fund or from a storm water utility fund. The City Council reserves the right to establish a benefit zone or drainage district for the purpose of levying special assessments to properties lying within the drainage basin, on an area basis, for storm water improvements.

The special assessments for cost of installing new storm sewer will be assessed by multiplying the adjusted front footage of the lot by the special assessment rate for the storm sewer. The assessment rate shall be determined by using the total storm sewer construction costs of the project, including engineering, inspection, and administrative costs divided by the total adjusted front footage of the project. The total front footage of a project shall not include the long side of corner lot, with a maximum of 150' credit. The cost

of construction to be used to establish the assessment rate shall be based upon the construction of storm sewer 24" or less.

The cost of constructing a new or replacement storm sewer service lateral shall be imposed for each lateral constructed based on the actual costs of construction on the size of service lateral installed, including engineering and inspection.

SANITARY SEWER

Special assessments for sanitary sewer main will be on an adjusted front footage basis. The rate shall be determined by using the total cost of the previous year's sanitary sewer main construction or other methods if necessary, including engineering, inspection, and administrative costs. The cost of construction to be used to establish the assessment rate shall be based upon the construction of an 8" sanitary sewer, which is considered the minimum required to provide municipal sewer service to a residential lot. The City Council may use the area method or benefited zone method for specific sanitary sewer improvements in commercial and industrial areas and in those circumstances where its use would create special assessments that more accurately reflect the benefits to the property.

The adjusted front footage for corner lots shall be modified to only assess the short side of the lot for sanitary sewer main construction. If sanitary sewer is constructed on both sides of a corner lot, no special assessment may be made on the long side of the lot, regardless of the side of the lot on which the service lateral is constructed. For large tracts or undivided property, the long side credit is limited to the typical lot dimensions established in this policy.

The cost of constructing a new, or replacement, sanitary sewer service lateral shall be imposed for each lateral constructed based on the size of service lateral installed, calculated according to the estimated cost of service lateral construction, including engineering and inspection. The property owner will be responsible for maintenance or repairs of the sanitary sewer lateral from the City's sewer main to the building in which it serves.

WATERMAIN

Special assessments for water main will be on an adjusted front footage basis. The rate shall be determined by using the total cost of the previous year's water main construction or other methods if necessary, including engineering, inspection, and administrative costs. The cost of construction to be used to establish the assessment rate shall be based upon the yearly cost of an 8" main, which is determined to be the minimum required to provide municipal water service to a residential lot. The City Council may use the area method or the benefited zone method for specific water improvements in commercial and industrial areas and in those circumstances where its use would create special assessments that more accurately reflect the benefits to the property.

The adjusted front footage for corner lots shall be modified to only assess the short side of the lot for water main construction. If water main is constructed on both sides of a corner lot, no special assessment may be made on the long side of the lot, regardless of the side of the lot on which the service lateral is constructed. For large tracts or undivided property, the long side credit is limited to the typical lot dimensions established in this policy.

The cost of constructing a new one-inch water service lateral shall be regulated per the City of Two Rivers Water Department rate filing with the Public Service Commission of Wisconsin. Any lateral over one inch will be assessed for by the actual cost.

When any existing water facility is ordered to be renewed or replaced by the City due to street reconstruction, no assessment will be levied for the reconstruction or repair. Assessments will be levied for cost to upgrade the service level, such as; replacing a 3/4" or 1" service lateral with a 2" service lateral. Only one water lateral will be provided per lot. Any additional laterals requested will be assessed. If a lot currently has two or more laterals that are live and being used, the additional laterals will not be assessed.

CURRENT SERVICES

The City will levy special assessments to allocate all or a part of the cost of providing current services, as provided for in Wisconsin Statutes s. 66.0627. Current services include, but are not limited to, snow and ice removal, weed cutting, repair of sidewalk or curb and gutter, sewer and water services, and tree care.

MISCELLANEOUS PROVISIONS

It is the intention of this section of the policy to clarify special circumstances that may arise in establishing the benefit to lots as a result of public improvements completed by the City of Two Rivers.

(a) Pursuant to Wisconsin Statutes s. 66.0911 the City requires that the assessment for water and sewer service laterals shall be charged as a lien against the lot or parcel served.

(b) Under the authority granted by s. 66.0715(2), Wisconsin Statutes, the City Council may grant deferments of the due date of special assessments levied for public improvements upon such terms and in such manner as prescribed by the City Council and while no use of the improvement is made in connection with the property, or for so long as the property remains undeveloped.

(c) Improvements to property outside the City limits of Two Rivers which abuts the City will be special assessed under the provisions of Wisconsin Statutes s. 66.0707, which allows a City to assess abutting property in an adjoining City, Village or Town if the adjoining local jurisdiction approves by resolution such special assessment levy.

If such an agreement cannot be obtained or is not feasible, then a connection fee will be charged at such time as the property is annexed to the City and facilities are available for use by the abutting property. The connection fee, equivalent to the adjusted front footage or area assessment, will be based on the rates in place at the time of the original construction and adjusted to current rates using the original price, plus the incremental cost based on the consumer price index (CPI), reduced by percentage of useful life of the item (typically 50 year basis). Connection fees for utility construction shall also include the cost of all grading, street resurfacing and construction. Connection fees may be paid in installments as provided in this special assessment policy.

(d) Special assessments may be paid in the following annual installments with interest on the deferred payments on the unpaid balance for the type of improvement completed:

<u>Type</u>	<u>Years Spread</u>
Grading & Gravel	3
Street Const, Reconst. or Paving	10
Curb & Gutter	10
Sidewalk	5 (10 if done as part of a street project)
Driveway Aprons	5 (10 if done as part of a street project)
Boulevard (Terrace) Restoration	10
Retaining Walls	10
Sanitary Sewer	10
Sanitary laterals	5 (10 if done as part of a street project)
Water main	10
Water laterals	5 (10 if done as part of a street project)
Storm laterals	5 (10 if done as part of a street project)

The payment of special assessments in installments may be extended over 20 years in the case of demonstrated hardship. City Council shall approve all extensions of assessments beyond the periods mentioned above.

The interest rate for special assessments will be set by the City Council on an annual basis.