

# Maplewood

## SPECIAL ASSESSMENTS



### **WHAT IS A SPECIAL ASSESSMENT?**

The City of Maplewood's "Special Assessment Policy" is based on Minnesota State Statutes, Chapter 429. This statute grants cities the authority to use special assessments to help fund a broad range of public improvements. Special assessments are a charge imposed on properties for a particular improvement that benefits those selected properties. In the upcoming months, additional information about assessments, assessment amounts, and information regarding the assessment hearing will be mailed to all property owners that are proposed to be assessed.

### **HOW WILL THE ASSESSMENT AMOUNT BE DETERMINED?**

State Statutes limit the special assessment to the amount of direct benefit the property receives from the proposed project. The City hires an independent appraisal firm to determine the direct benefit properties within the project area will receive from the proposed improvements. The City will use this appraisal information to set the assessment amount at a rate no higher than what is determined to be the direct benefit to each property. Once the assessment amount is determined by the appraiser, the City will notify all property owners of the proposed assessment amount.

### **DO ASSESSMENTS FUND THE ENTIRE PROJECT?**

Special assessments are only one of the funding sources utilized to finance improvement projects. Other funding sources include the environmental utility fund (storm sewer), the sanitary sewer fund, the water main fund, the general tax levy, and other City funds. On a typical project the assessments cover 20%-35% of the total project cost.

### **HOW CAN I PAY MY ASSESSMENT?**

1. Pay the assessment interest free from the date of the assessment hearing to November 1.
2. Allow the assessment to be spread, with interest, over a 15 year period for residential properties (8 year period for commercial) with your property taxes starting the next year. If you choose this option, no action is needed. Once the assessment is certified to property taxes, you may choose to pay off the remaining principal balance to Ramsey County anytime during the assessment term with no penalty.

*Full or partial payments for levied assessments are accepted by the City until November 1 and will reduce the amount of interest paid over the life of the assessment.*

### **WHAT OPTIONS ARE AVAILABLE FOR DEFERRING MY ASSESSMENT?**

The City's assessment policy does allow for deferred payment of assessments. These deferrals are available for any homestead property owned by a person for whom it would be a financial hardship to make payment and has one of the following conditions; person that is 65 years of age or older, person who is retired by virtue of a permanent and total disability, or person who is a member of the National Guard or other military reserve called into active service.

Deferrals do not reduce or forgive the assessment, they only postpone the payment. Interest continues to accrue during the deferral period and the assessment will come due with accumulated interest at the end of the deferral period, or when you no longer qualify for the deferral.

