

CHAPTER 429

LOCAL IMPROVEMENTS, SPECIAL ASSESSMENTS

429.011 Definitions.

429.021 Local improvements, council powers.

429.061 Assessment procedure.

429.091 Financing.

429.011 DEFINITIONS.*[For text of subs 1 to 14, see M.S.1986]*

Subd. 15. "Highway sound barriers" means sound abatement walls erected along highways to reduce noise levels attributable to vehicular traffic.

History: 1987 c 138 s 1

429.021 LOCAL IMPROVEMENTS, COUNCIL POWERS.

Subdivision 1. **Improvements authorized.** The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water, or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend, and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend, and maintain steam heating mains.

(4) To install, replace, extend, and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend, and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds, and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care, and removal.

(8) To abate nuisances and to drain swamps, marshes, and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend, and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and promote a pedestrian skyway system. Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.

(12) To acquire, construct, reconstruct, extend, operate, maintain, and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain, and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) To construct, reconstruct, alter, extend, operate, maintain, and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.

(16) To acquire, construct, reconstruct, improve, alter, extend, and maintain highway sound barriers.

[For text of subds 2 and 3, see M.S.1986]

History: 1987 c 138 s 2

429.061 ASSESSMENT PROCEDURE.

[For text of subd 1, see M.S.1986]

Subd. 2. **Adoption; interest.** At such meeting or at any adjournment thereof the council shall hear and pass upon all objections to the proposed assessment, whether presented orally or in writing. The council may amend the proposed assessment as to any parcel and by resolution adopt the same as the special assessment against the lands named in the assessment roll. Notice of any adjournment of the hearing shall be adequate if the minutes of the meeting so adjourned show the time and place when and where the hearing is to be continued.

The council may consider any objection to the amount of a proposed assessment as to a specific parcel of land at an adjourned hearing upon further notice to the affected property owner as it deems advisable. At the adjourned hearing the council or a committee of it may hear further written or oral testimony on behalf of the objecting property owner and may consider further written or oral testimony from appropriate city officials and other witnesses as to the amount of the assessment. The council or committee shall prepare a record of the proceedings at the adjourned hearing and written findings as to the amount of the assessment. The amount of the assessment as finally determined by the council shall become a part of the adopted assessment roll. No appeal may be taken as to the amount of any assessment adopted under this section unless 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. All objections to the assessments not received at the assessment hearing in the manner prescribed by this subdivision are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

If the adopted assessment differs from the proposed assessment as to any particular lot, piece, or parcel of land, the clerk must mail to the owner a notice stating the amount of the adopted assessment. Owners must also be notified by mail of any changes adopted by the council in interest rates or prepayment requirements from those contained in the notice of the proposed assessment.

The assessment, with accruing interest, shall be a lien upon all private and public property included therein, from the date of the resolution adopting the assessment, concurrent with general taxes; but the lien shall not be enforceable against public property as long as it is publicly owned, and during such period the assessment shall be recoverable from the owner of such property only in the manner and to the extent provided in section 435.19. Unless otherwise provided in the resolution, all assessments shall be payable in equal annual installments extending over such period, not exceeding 30 years, as the resolution determines, payable on the first Monday in January in each year, but the number of installments need not be uniform for all assessments included in a single assessment roll if a uniform criterion for determining the number of installments is provided by the resolution. Assessments on property located in a targeted neighborhood as defined in Laws 1987, chapter 386, article 6, section 4, may be payable in variable annual installments if the resolution provides for a variable payment. The first installment of each assessment shall be included in the first tax rolls completed after its adoption and shall be payable in the same year as the taxes contained therein; except that the payment of the first installment of any assessment levied upon unimproved property may be deferred until a designated future year, or until the platting of the property or the construction of improvements thereon, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the council. If special assessments against the property have

been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. In any event, every assessment the payment of which is so deferred, when it becomes payable, shall be divided into a number of installments such that the last installment thereof will be payable not more than 30 years after the levy of the assessment. All assessments shall bear interest at such rate as the resolution determines. To the first installment of each assessment shall be added interest on the entire assessment from a date specified in the resolution levying the assessment, not earlier than the date of the resolution, until December 31 of the year in which the first installment is payable, and to each subsequent installment shall be added interest for one year on all unpaid installments; or alternatively, any assessment may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate specified above. In the latter event no prepayment shall be accepted under subdivision 3 without payment of all installments due to and including December 31 of the year of prepayment, together with the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis. When payment of an assessment is deferred, as authorized in this subdivision, interest thereon for the period of deferment may be made payable annually at the same times as the principal installments of the assessment would have been payable if not deferred; or interest for this period may be added to the principal amount of the assessment when it becomes payable; or, if so provided in the resolution levying the assessment, interest thereon to December 31 of the year before the first installment is payable may be forgiven.

[For text of subs 3 and 4, see M.S.1986]

History: 1987 c 344 s 3; 1987 c 386 art 6 s 2

429.091 FINANCING.

[For text of subd 1, see M.S.1986]

Subd. 2. Types of obligations permitted. The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, in the case of bonds for fire protection, revenue bonds and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper funds and not otherwise.

[For text of subs 3 to 7, see M.S.1986]

Subd. 7a. Revolving fund bonds. The council may by resolution establish a revolving fund for the payment of the costs of any improvement or any waterworks systems, sewer systems, or storm sewer systems described in section 444.075 and for the payment of any obligations issued to pay the costs thereof or to refund obligations issued for those purposes. The council may create within the revolving fund a separate construction account into which the municipality may deposit the proceeds of any obligations payable from the fund, the proceeds of any special assessments collected with respect to any improvement, any net revenues of a waterworks, sewer system, or storm sewer system described in section 444.075 or any other available funds of the

municipality appropriated to it. Amounts on deposit in the construction account may be used to pay the costs of any improvement or any waterworks, sewer system, or storm sewer system described in section 444.075. No funds may be expended for an improvement unless at least 20 percent of the costs of each such improvement is to be assessed against benefited property. No funds may be expended for a waterworks, sewer system, or storm sewer system, other than a sewer system described in section 115.46, unless the council estimates that the costs will be recovered from the net revenues of the system or any combined waterworks, sewer systems, or storm sewer systems operated by the municipality. The council may also create a separate debt service account within the revolving fund for the payment of principal of and interest on any obligations payable therefrom. Notwithstanding subdivision 4, the council is not required to pledge any particular assessments or other revenues to the payment of the obligations. Collections of special assessments or net revenues may be deposited in either the construction account or the debt service account as the council or an officer designated by the council may determine, having due regard for anticipated collections of special assessments and net revenues from improvements or waterworks, sewer systems, or storm sewer systems financed in whole or in part from the construction account, and taxes levied for the payment of the obligations. The council may issue obligations that are payable primarily from the debt service account for the purpose of providing funds to defray in whole or in part any expenses incurred or estimated to be incurred in making the improvement or improvements or in constructing the waterworks, sewer system, or storm sewer system, including every item of cost of the kinds authorized by section 475.65, or to refund obligations previously issued under this section or section 115.46 or 444.075. The obligations may be general obligations to which the full faith and credit of the municipality are pledged. If the special assessments to be levied and net revenues estimated to be available for their payment are estimated to be at least 20 percent of the principal amount of the obligations, the obligations may be issued without an election and shall not be included in determining the net indebtedness of the municipality under the provisions of any law limiting net indebtedness.

[For text of subd 8, see M.S.1986]

History: 1987 c 344 s 4,5