CITY COUNCIL WORK SESSION

April 07, 2026 at 5:00 PM

City Hall Council Chambers – 450 Virginia Avenue, Long Lake, MN 55356

AGENDA

1. **Call to Order**

2. **Approve Agenda**

3. **Open Correspondence**
   NOTE: Open Correspondence is an item on the agenda during which the public may address the City Council. **No formal action is taken by the City Council** and comments shall be limited to five minutes or less. *Open Correspondence comments may also be emailed to City staff by 12:00 noon on the date of the meeting.*

4. **Regular Business**

   A. Discuss Special Assessment Policy

   B. Identify Upcoming Street Improvement Project Scope

5. **Other Business / Work Session Council Reports**

6. **Adjourn**

Memorandum

To: Amanda Nowezki, City Administrator
City of Long Lake

From: Rachel Scheu, WSB

Date: March 31, 2026

Re: Assessment Policy Information and Examples

This memo provides information on assessment policies from multiple cities in Minnesota and summarizes key components of each policy.

The current City of Long Lake Special Assessment Policy was adopted in 2005, and it requires that a special benefit appraisal be completed to determine the square foot assessment rate for each lot. This allows the city to demonstrate that assessments have a direct relationship to the value of the benefit received. However, completing special benefit appraisals for each lot requires additional time, effort, and cost. City Staff requested that WSB provide examples and information on other city assessment policies for the Council to reference and consider when discussing the current special assessment policy.

A table comparing different assessment policy methods and rates for surface and utility improvements is attached. The table covers the League of Minnesota Cities Draft Assessment Policy, City of Chanhassen, City of Champlin, City of Minnetrista, and City of Osseo.

When comparing methods of assessment, the total amount that will be assessed to property owners may be divided among individual property owners in a variety of ways. Typical methods include dividing the total by the total number of property units (by unit), total front footage of the improvements (front foot), or by total lot area to determine a cost per square foot (area). It is best to establish a fair and equitable method to all property owners. A by unit or per lot method simplifies the assessment calculations but does not account for different sized lots, which the front foot or area methods do. Another method to consider is a fixed rate for each lot. Both the City of Chanhassen and City of Champlin use this assessment method. Council evaluates and sets the fees based on the specific improvements. See the attachments for the City of Champlin's Typical Utility and Street Lot Fees set in January 2026. Using a fixed rate can assist in budgeting for projects and minimizes the time and effort spent on calculating assessments based on the project costs. However, with any per unit assessment rate, it does not factor in lot size differences.

Depending on the type of surface improvement, such as street reconstruction or rehabilitation, policies reviewed ranged from 30-50% of the project costs to be assessed. A few city policies assess 100% of the curb and gutter improvements if new curb was installed on an existing street. Policies varied on public utility improvements, with some not assessing for utility replacement and others assessing 25-30% of the project costs. Commonly, individual services were fully assessed to the benefited property.

Should the assessment policy be updated to not call for a special benefit appraisal of every lot in the project area, it is still good practice to complete a special benefit appraisal as needed throughout the city to ensure that the assessment rates reflect the benefit to the property owners.

Rachel Scheu 3/31/2026

Rachel Scheu Date

Governmental Body or Organization	Method of Assessment	Street/Reconstruction and Resurfacing	Maintenance	Sanitary Sewer and Watermain	Storm Sewer
League of Minnesota Cities- Draft Assessment Policy	Adjusted Front Footage, Area, and Per Lot	Reconstruction/Overlays: 30% to abutting properties, new curb & gutter 100% Gravel Street: 100% adding pavement and curb New sidewalk 100% Replacement sidewalk 50%	Sealcoats and other maintenance not assessed	Normally assessed on area wide basis, but can be per lot or adjusted front method. 30% Replacement of existing sewers and watermain	Assessed on project-by-project basis. Normally assessed on an area wide basis, but can be per lot or adjusted front method. 30% replacement of existing sewers
City of Chanhassen	Residential: Flat rate, or per lot, area, or linear foot Other land use: method decided by each project to create a reasonable distribution of assessments	Recon/Rehab: 40% unless a flat rate is used	Patching, sealing, sign maintenance, lighting, and pavement markings not assessed	New sanitary sewer and watermain 100% Replacement is not assessed	Recon/Rehab storm sewer: 40%

City of Champlin	Per Unit, Front Footage, or Area	Reconstruction, Reclamation, Mill and Overlay: Residential: unit rate, not to exceed 50% Non-residential: up to 100%		New sanitary assessed on area wide basis and new watermain assessed on per-lot basis Replacement of existing sewer or main is not assessed Individual services fully assessed to benefited property	New storm sewer assessed on an area wide basis Replacement is not assessed
City of Minnetrista	Per Unit Method, or alternate methods: Area, front foot	Rehab of existing street Assessable cost: 50% recon 100% overlaying rural/gravel road 100% milling/overlaying urban street New or reconstructed sidewalks/trails not assessed	Don’t assess maintenance costs	100% New sewer system and watermain 25% Replacement of sewer system and watermain	50% new storm improvements 50% for replacement projects
City of Osseo	Residential: unit basis	Street improvements, including curb and gutter: 50% Alley improvements, including curb and gutter: 80%		Sewer and Main not assessed As needed, city may consider assessing improvements to private services	Not assessed

CITY OF LONG LAKE

Special Assessment Policy for Road Improvements/Reconstruction

I. The Basis of Special Assessments.

As a statutory city, Long Lake has the authority to levy special assessments under the provisions of the State Local Improvement Code (MSA chapter 429). Special assessments are levied by the City Council on particular parcels of property based upon the special benefit those parcels derive from the improvements as determined by the City Council. This policy attempts to assure that all persons are treated fairly and equitably in addition to assuring that the financial risk to the community is minimized.

Types of Road Improvements

- **Sealcoating:** Considered a maintenance activity to be funded through the City General Fund. Generally not assessed.
- **Overlay:** Considered an improvement of an existing road. Generally specially assessed.
- **Reconstruction:** Total reconstruction of roadway. Generally specially assessed.

Special Benefit. The general application of both law and court decisions holds that properties receive a special benefit from improvement projects. For example, public utilities brought to an area not served with sanitary sewer, water, road and drainage will result in the properties in question increasing in market value, as will the improvement/reconstruction of existing roadways. The costs of public improvements will be assessed on the basis of special benefit to the parcels within the improvement district.

General Benefit. The concept of general benefit holds that in some types of improvement projects the community at large derives a benefit distinct from the special benefit derived by the properties within the project boundaries. For this reason. City Council shall define and distinguish between the special benefits received by particular parcels of property within an improvement district, as compared to any general benefit derived by the community at large.

Apportionment of Project Costs

The parcels of property within an improvement district shall generally be assessed an amount equal to the special benefits received by those parcels. Utility maintenance and replacement improvements (water, sanitary sewer, storm sewer) shall generally be funded by the appropriate City utility fund, unless a special benefit can be shown which would support a special assessment. The remaining portion of project costs that are considered to provide general benefit to the City at large shall generally be funded by

City funds. Construction of new utilities which will serve new development or redevelopment shall generally be specially assessed to the benefiting properties at a rate of 100% of project costs.

II. Initiation of Public Improvement Projects.

Public improvement projects may be initiated by petition of the affected property owners or by the City Council when, in its judgment, such action is appropriate. Petitions for public improvements will be received by the Council and considered when received.

III. The Special Assessment Process

1. Initiation of Proceedings. Proceedings can be initiated by the City Council or by a petition of affected property owners.

2. Preparation of a Feasibility Report. The City Engineer must, when ordered by City Council, prepare a report on the proposed improvement and whether is it necessary, cost effective, and feasible. Council shall approve the feasibility report and call a public hearing on the improvement.

3. Hearing Notice. Staff will publish notice of the public hearing to consider the proposed improvements. It must be published twice with the notices appearing at least one week apart. At least three days must elapse between the last publication and the date of the hearing. The city must also mail notice to each property owner in the proposed assessment area at least 10 days prior to the hearing. The City is not required to include any assessment information at this time. Some cities include assessment information based on the City Engineer’s project estimate in the feasibility report.

4. Public Hearing on the Improvement. At the hearing, the Council should give interested people a chance to voice their concerns, whether or not they are in the proposed assessment area. If the Council would like to proceed with the project, it must pass a resolution ordering the improvement by a 4/5 vote. After the vote is passed, the City Engineer shall begin the preparation of the plans and specifications for the improvements. Once the plans and specifications are prepared, the City Council shall approve them and issue a call for bids.

5. Receipt and Approval of Bids. The City Council shall receive the bids and, if acceptable, pass a resolution awarding the bid.

6. Preparation of the Proposed Assessment Roll. If an assessment roll has not been prepared, the City Engineer must calculate the proper amount to be assessed against each property. The assessment roll must be made available for inspection at City Hall.

7. Notice of the Public Hearing on the Proposed Assessment. The City must hold a public assessment hearing. The City must publish notice of the hearing on

the City's official newspaper. The publication must occur at lease once, not less than two weeks prior to the hearing. The City must also mail notice of the hearing to each property owner at least two weeks prior to the hearing date. The notice shall include the specific amount to be assessed.

8. Public Hearing on the Proposed Assessment. At the meeting the City shall present evidence showing that the market value of each parcel will increase as a result of the improvement. The increase must be equal to or in excess of the amount of the assessment. Affected property owners shall have an opportunity to express their concerns about the actual special assessment levy.

9. Approval and Certification of the Assessment Rolls. After the public hearing, the Council must approve the assessment roll in final form so that the clerk can certify them to the county auditor. If the adopted assessment differs from the proposed assessment, the Clerk must mail the property owner notice of the new amount.

10. Levying and Collecting Assessments. The Clerk must certify the assessments to the County Auditor. This may be done either by certifying the entire assessment role at once or by certifying each yearly amount annually.

IV. Assessment Method – Road Improvement/Reconstruction Projects

Assessable Parcels/Parcel Area: Road improvement/reconstruction project costs will generally be assessed based on parcel area per subdividable, buildable lot. An assessment rate per square foot of parcel area will be applied to benefiting properties up to a cap of 18,000 square feet per subdividable, buildable lot for residential properties. For the purposes of assessment, parcel areas will be as calculated by the City Engineer from platted information.

Corner Lots: Corner lots that have only one side abutting a road improvement/reconstruction project will be assessed one half (1/2) of the determined value for the current project by means of reducing the parcel square footage in half and multiplying the remaining area by the assessment rate. Future/subsequent projects abutting the other side of the lot would result in the property being assessed one-half (1/2) the determined value at the time of the future project. This practice will apply unless the lot was fully assessed under the policy in place at the time of a previous project and the useful life of that project has not yet been reached.

Calculation of Assessment Rate Per Square Foot: The assessment rate for a given project will be based on the increased market value of a parcel (i.e., special benefit) due to that improvement. The City will rely upon an appraisal of special benefit and other appropriate information/techniques in determining the assessment rate for a given project.

Example Calculations:

Example 1: Non-Corner Lot OR Corner Lot with Both Sides Abutting Project

Assumptions: 15,000 square feet of parcel area
Assessment rate = $0.49 per square foot

Special Assessment = 15,000 X $0.49
= $7,350

Example 2: Corner Lot, One Side Abutting Project

Assumptions: 15,000 square feet of parcel area
Assessment rate = $0.49 per square foot

Special Assessment = 15,000/2 X 0.49
= $3,675

(Note: may be assessed again at a later time if a subsequent project abuts the other side o the parcel)

Example 3: Non-Corner Lot OR Corner Lot with Both Sides Abutting Project

Assumptions: 20,000 square feet of parcel area
Assessment rate = $0.49 per square foot

Special Assessment = 18,000 X $0.49
= $8,820

(Note: parcel area capped at 18,000 square feet per City policy)

Example 4: Corner Lot, One Side Abutting Project

Assumptions: 20,000 square feet of parcel area
Assessment Rate = $0.49 per square foot

Special Assessment = 18,000/2 X $.049
= $4,410

(Note: parcel area capped at 18,000 square feet per City policy, may be assessed again at a later time if a subsequent project abuts the other side o the parcel)

Interest Rate for Financing of Special Assessments: The interest rate applied to special assessments shall equal the bond net effective rate for the project plus 150 basis points (1.5%). For example, if the anticipated bond net effective rate is 4.5%, the interest rate on the special assessment shall be 6.0%.

Assessment Period**:** Special assessments for street reconstruction shall generally be assessed over a 10 year period.

Deferrals: The City Council may, at its discretion, consider written deferral applications from benefiting property owners within a project area on a case by case basis at the time of the assessment public hearing.

1. **Initiation of Proceedings**. Proceedings can be initiated by the City Council or by a petition of affected property owners.
2. **Preparation of a Feasibility Report**. The City Engineer must, when ordered by City Council, prepare a report on the proposed improvement and whether is it necessary, cost effective, and feasible. Council shall approve the feasibility report and call a public hearing on the improvement.
3. **Hearing Notice**. Staff will publish notice of the public hearing to consider the proposed improvements. It must be published twice with the notices appearing at least one week apart. At least three days must elapse between the last publication and the date of the hearing. The city must also mail notice to each property owner in the proposed assessment area at least 10 days prior to the hearing. The City is not required to include any assessment information at this time. Some cities include assessment information based on the City Engineer’s project estimate in the feasibility report.
4. **Public Hearing on the Improvement**. At the hearing, the Council should give interested people a chance to voice their concerns, whether or not they are in the proposed assessment area. If the Council would like to proceed with the project, it must pass a resolution ordering the improvement by a 4/5 vote. After the vote is passed, the City Engineer shall begin the preparation of the plans and specifications for the improvements. Once the plans and specifications are prepared, the City Council shall approve them and issue a call for bids.
5. **Receipt and Approval of Bids**. The City Council shall receive the bids and, if acceptable, pass a resolution awarding the bid.
6. **Preparation of the Proposed Assessment Role**. If an assessment role has not been prepared, the City Engineer must calculate the proper amount to be assessed against each property. The assessment role must be made available for inspection at City Hall.
7. **Notice of the Public Hearing on the Proposed Assessment**. Once the project is complete, the City must hold a public assessment hearing. The City must publish notice of the hearing on the City’s official newspaper. The publication must occur at lease once, not less than two weeks prior to the hearing. The City must also mail notice of the hearing to each property owner at least two weeks prior to the hearing date. The notice shall include the specific amount to be assessed.
8. **Public Hearing on the Proposed Assessment**. At the meeting the City shall present evidence showing that the market value of each parcel will increase as a result of the improvement. The increase must be equal to or in excess of the amount of the assessment. Affected property owners shall have an opportunity to express their concerns about the actual special assessment levy.
9. **Approval and Certification of the Assessment Rolls**. After the public hearing, the Council must approve the assessment rolls in their final form so that the clerk can certify them to the county auditor. If the adopted assessment differs from the proposed assessment, the Clerk must mail the property owner notice of the new amount.

10. **Levying and Collecting Assessments**. The Clerk must certify the assessments to the County Auditor. This may be done either by certifying the entire assessment role at once or by certifying each yearly amount annually.

REQUEST FOR ACTION

Long Lake City Council

CITY OF LONG LAKE

MEETING DATE / May 3, 2016 **Agenda Item No. 7**

Subject: Watertown Road Improvement Project – Public Assessment Hearing

Prepared By: Chris LaBounty, City Engineer **Staff Initials: CML**

Recommended City Council Action

Staff recommends the following:

1. Hold Assessment Hearing on the Watertown Road Improvement Project.

2. Upon closing the hearing, move to adopt Resolution No. 2016-15 Adopting the Assessment for the Watertown Road Improvement Project.

Overview / Background

The Watertown Road Improvement Project is a City Council initiated project that includes: isolated utility improvements and pavement reclamation improvements on Watertown Road between Brown Road and the western municipal boundary, and Harrington Drive from Watertown Road to Glendale Drive. The primary purpose of this project is to rehabilitate the existing roadway pavement and address existing drainage and utility issues in the project area.

At the April 5, 2016 City Council meeting, the Council ordered the Assessment Hearing for the Watertown Road Improvement Project to be held May 3, 2016. The City Clerk published the Notice of Assessment Hearing in the official newspaper and mailed Notice to all property owners listed on the assessment roll not less than two weeks prior to the hearing.

The attached Proposed Watertown Road Improvement Project Final Assessment Roll was developed in accordance with the City of Long Lake Special Assessment Policy for Road Improvements/ Reconstruction. An assessment rate of $0.37 per square foot was set for this project based on this policy, and as of the time this report was printed no formal objection has been submitted.

The estimated cost of the proposed improvements is $1,008,764 including construction, engineering, legal, and financing costs. Approximately $157,028 is proposed to be assessed to benefiting property owners and $851,736 to be paid by the City.

Staff recommends the City Council hold an assessment hearing and considers a motion to adopt a resolution adopting the assessment for the Watertown Road Improvement Project.

Supporting Information

- Watertown Road Improvement Project Final Assessment Roll
- Watertown Road Improvement Project Assessment Map
- Resolution No. 2016-15

Financial Impact: $ Budgeted (Y / N)? Source:

Notes:

Watertown Road Improvement Project Final Assessment Roll

Project: *Watertown Road Improvement Project*
Project Location: *City of Long Lake and Orono*
WSB Project No.: *02151-120*

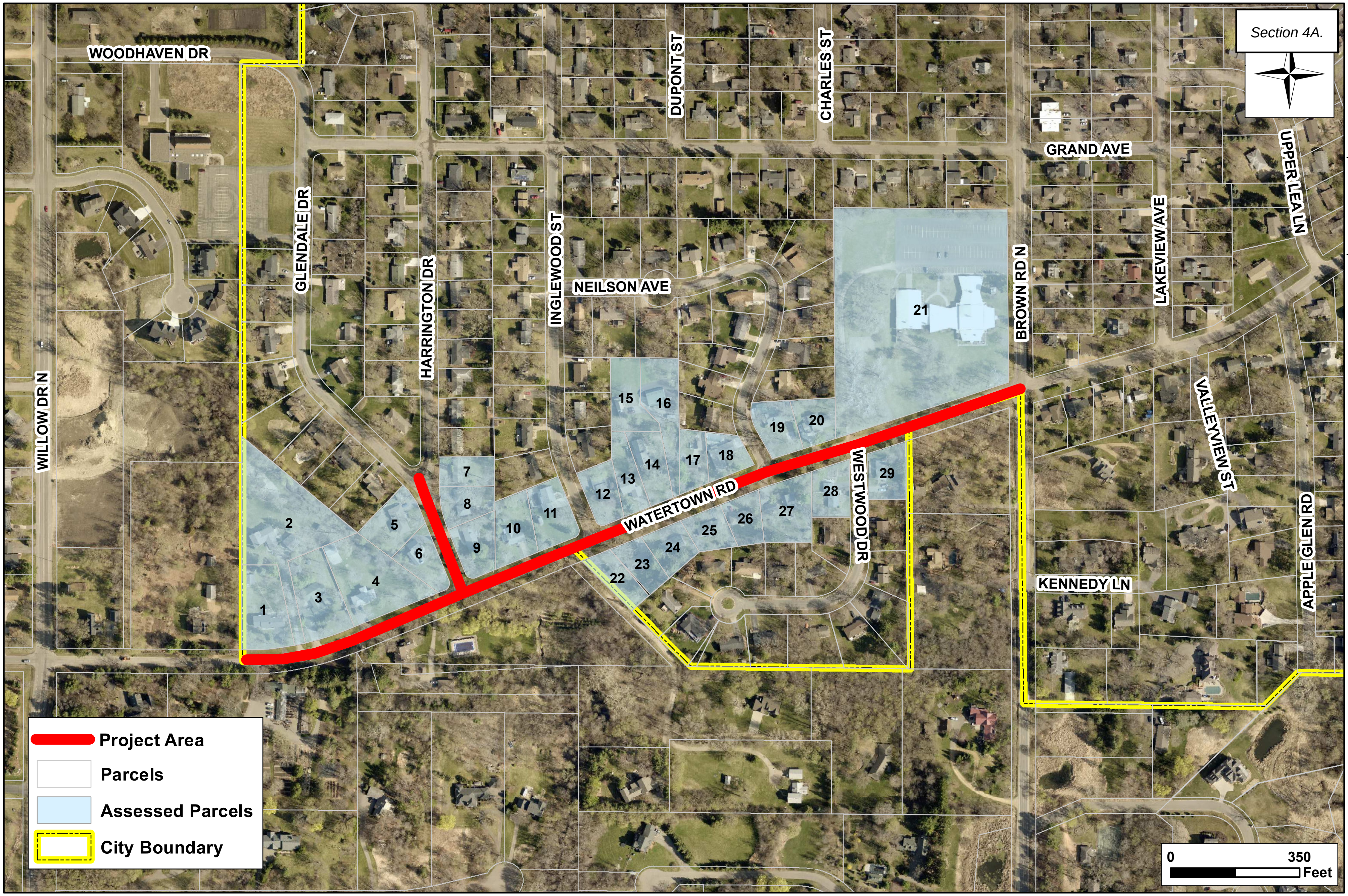
2016 Partial Reconstruction (Sq. Ft.): *$ 0.37*

MAP ID	PID	FEE OWNER	PROPERTY ADDRESS	PROPERTY DESCRIPTION	PROPERTY AREA (SQ. FT.)	ASSESSED PROPERTY AREA (SQ. FT.)	ASSESSMENT AMOUNT
1	3411823330007	K E & C HUISKEN	2298 WATERTOWN RD, LONG LAKE, 55356	Residential	27,365.30	18,000.00	$ 6,660.00
2	3411823330006	J R & C E DUNN	2296 WATERTOWN RD, LONG LAKE, 55356	Residential	66,167.10	18,000.00	$ 6,660.00
3	3411823330008	PATTI WEBER	2280 WATERTOWN RD, LONG LAKE, 55356	Residential	27,865.50	18,000.00	$ 6,660.00
4	3411823330009	GAIL KOEHNEN ET AL SUB/L E	2260 WATERTOWN RD, LONG LAKE, 55356	Residential	40,787.10	18,000.00	$ 6,660.00
5	3411823330060	JOHN A & JODI K PELTIER	65 HARRINGTON DR, LONG LAKE, 55356	Residential	18,400.80	18,000.00	$ 6,660.00
6	3411823330061	JAMES D BENSON	55 HARRINGTON DR, LONG LAKE, 55356	Residential	14,174.10	14,174.10	$ 5,244.41
7	3411823330039	STEVEN C HALL	78 HARRINGTON DR, LONG LAKE, 55356	Residential	12,000.40	12,000.40	$ 4,440.14
8	3411823330040	R DIPRIMA & E DIPRIMA	66 HARRINGTON DR, LONG LAKE, 55356	Residential	13,506.40	13,506.40	$ 4,997.36
9	3411823330041	P L STAACK & D K STAACK	50 HARRINGTON DR, LONG LAKE, 55356	Residential	16,004.30	16,004.30	$ 5,921.59
10	3411823330053	LORI GOODSELL	2206 WATERTOWN RD, LONG LAKE, 55356	Residential	18,645.90	18,000.00	$ 6,660.00
11	3411823340044	MARY ANN PIETERICK	57 INGLEWOOD ST, LONG LAKE, 55356	Residential	18,717.90	9,000.00	$ 3,330.00
12	3411823340054	CHARLES E MOBURG	58 INGLEWOOD ST, LONG LAKE, 55356	Residential	14,005.40	7,002.70	$ 2,590.99
13	3411823340080	D R SHANNON & K A SHANNON	2162 WATERTOWN RD, LONG LAKE, 55356	Residential	13,794.40	13,794.40	$ 5,103.92
14	3411823340081	D KERSTEN & S KERSTEN	2156 WATERTOWN RD, LONG LAKE, 55356	Residential	15,988.70	15,988.70	$ 5,915.81
15	3411823340079	STEVEN D TRUAX	2158 WATERTOWN RD, LONG LAKE, 55356	Residential	18,488.80	18,000.00	$ 6,660.00
16	3411823340078	ROGER L BAUSER	2160 WATERTOWN RD, LONG LAKE, 55356	Residential	24,297.40	18,000.00	$ 6,660.00
17	3411823340063	MOLLY L KIRKPATRICK	2128 WATERTOWN RD, LONG LAKE, 55356	Residential	12,138.30	12,138.30	$ 4,491.17
18	3411823340064	DEAN V SUCHY & MARIE E SUCHY	2114 WATERTOWN RD, LONG LAKE, 55356	Residential	12,090.10	6,045.05	$ 2,236.66
19	3411823340073	JOHN D CAYLOR	2100 WATERTOWN RD, LONG LAKE, 55356	Residential	15,628.00	7,814.00	$ 2,891.18
20	3411823340074	T E HENJUM & P C HENJUM	2050 WATERTOWN RD, LONG LAKE, 55356	Residential	13,020.50	13,020.50	$ 4,817.58
21	3411823340076	CHURCH OF ST GEORGE	133 SOUTH BROWN RD, LONG LAKE, 55356	Institutional	258,758.00	46,216.22	$ 17,100.00
22	3411823340011	K A KOVALIK & R M KOVALIK	2175 WATERTOWN RD, LONG LAKE, 55356	Residential	12,413.20	12,413.20	$ 4,592.88
23	3411823340013	A J ALBRECHT & K J LYNCH	2167 WATERTOWN RD, LONG LAKE, 55356	Residential	11,540.30	11,540.30	$ 4,269.91
24	3411823340014	S B ROBINSON & R A ROBINSON	2153 WATERTOWN RD, LONG LAKE, 55356	Residential	12,964.10	12,964.10	$ 4,796.71
25	3411823340015	S K ANDRUS & S A SHARPE	2143 WATERTOWN RD, LONG LAKE, 55356	Residential	11,952.70	11,952.70	$ 4,422.49
26	3411823340016	R A CARLSON & M L CARLSON	2125 WATERTOWN RD, LONG LAKE, 55356	Residential	12,163.60	12,163.60	$ 4,500.53
27	3411823340008	KELLI J MOEN & DAVID MOEN	2101 WATERTOWN RD, LONG LAKE, 55356	Residential	23,263.30	18,000.00	$ 6,660.00
28	3411823340017	JEANNIE JOHNSON	73 WESTWOOD DR, LONG LAKE, 55356	Residential	14,610.60	7,305.30	$ 2,702.96
29	3411823340034	KENT R HAFT & SHELLI L HAFT	82 WESTWOOD DR, LONG LAKE, 55356	Residential	14,712.00	7,356.00	$ 2,721.72

Number of Properties to Be Assessed:	**29**
Total Amount to Be Assessed:	**$ 157,028**

* Without Curb rate proportinal by bid unit prices for project

** The City of Orono Does Not Assess for Improvements



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CITY OF LONG LAKE

Watertown Road Improvement Project

Final Assessment Map

Long Lake, MN

WSB