

CITY OF RED LAKE FALLS, MINNESOTA
ASSESSMENT POLICY

I. GENERAL POLICY STATEMENT

The purpose of this policy is to establish a fair and equitable manner of assessing the increase in market value (special benefit) associated with public improvements. The procedures used by the City for levying special assessments are those specified by Minnesota Statutes, Chapter 429 which provides that all or a part of the cost of improvements may be assessed against benefiting properties.

Three basic criteria must be satisfied before a particular parcel can be assessed. The criteria are as follows:

- A. The land must have received special benefit from the improvement.
- B. The amount of the assessment must not exceed the special benefit.
- C. The assessment must be uniform in relation to the same class of property within the assessment area.

It is important to recognize that the actual cost of extending an improvement past a particular parcel is not the controlling factor in determining the amount to be assessed. However, in most cases the method for assigning the value of the benefit received by the improvement, and therefore the amount to be assessed, shall be the cost of providing the improvement. This shall be true provided the cost does not demonstrably exceed the increase in the market value of the property being assessed. The entire project shall be considered as a whole for the purpose of calculating and computing an assessment rate. In the event city staff has doubt as to whether or not the costs of the project may exceed the special benefits to the property, the City Council may obtain such appraisals as may be necessary to support the proposed assessment.

The assessment policy is intended to serve as a guide for a systematic assessment process in the City. There may be exceptions to the policy or unique circumstances or situations which may require special consideration and discretion by city staff and the City Council.

II. IMPROVEMENTS AND MAINTENANCE COSTS ELIGIBLE FOR SPECIAL ASSESSMENT

- A. The following public improvements and related acquisition, construction, extension, and maintenance of such improvements, authorized by Minnesota Statutes, Sections 429.021 and 459.14, subd. 7, are eligible for special assessment within the City:
 - 1. Streets, sidewalks, pavement, curbs and gutters, including the beautification thereof.
 - 2. Parking lots.
 - 3. Water works systems and appurtenances, within and without the corporate limits.
 - 4. Sanitary sewer and storm sewer systems including appurtenances, within and without the corporate limits.
 - 5. Street boulevard trees.
 - 6. Street lights, street lighting systems and special lighting systems.
 - 7. Steam heating mains.
 - 8. Parks, playgrounds, and recreational facilities, including the purchase of equipment, within or without the corporate limits.
 - 9. Abatement of nuisances; including but not limited to, draining and filling swamps, marshes, and ponds on public and private property.

10. Dikes and other flood control works.
 11. Retaining walls and area walls.
 12. A pedestrian skyway system upon a petition pursuant to section 429.031, subdivision
 13. Underground pedestrian concourses.
 14. Public malls, plazas or courtyards.
 15. District heating systems.
 16. Fire protection systems in existing buildings upon a petition pursuant to section 429.031, subdivision 3.
 17. Highway sound barriers.
 18. Gas and electric distribution facilities.
- B. The City is also authorized by ordinance adopted pursuant to Minnesota Statutes Section 429.021 to recover, through special assessment, the following maintenance costs:
1. Snow, ice, or rubbish removal from sidewalks.
 2. Weed elimination from streets or private property.
 3. Removal or elimination of public health or safety hazards from private property excluding any structure included under the provisions of Minnesota Statutes, sections 463.15 to 463.26.
 4. Installation or repair of water service lines, street sprinkling, sweeping, or other dust treatment of streets.
 5. The trimming and care of trees and the removal of unsound trees from any street.
 6. The treatment and removal of insect infested or diseased trees on private property.
 7. The repair of sidewalks and alleys.
 8. The operation of a street lighting system.
 9. The operation and maintenance of a fire protection or a pedestrian skyway system.

III. INITIATION OF PUBLIC IMPROVEMENT PROJECTS

Public improvement projects can be initiated in the following ways.

- A. Public improvement projects may be initiated by petition of owners of at least 35% in frontage of the property abutting the proposed improvement.
- B. Public improvements also may be initiated by the City Council when, in its judgment, such action is required.
- C. A resolution ordering any improvements initiated by the Council or by owners of less than 35% of abutting property owners requires a four-fifths majority vote of all members of the Council. A resolution ordering any improvements initiated by owners of not less than 35% of abutting property owners requires a majority vote of all members of the Council. A resolution ordering any improvements initiated by all owners of abutting property, and assessing the entire cost against their property, may be adopted without a public hearing. The Council may consider the request of a Developer to construct the improvements and assess them.

IV. PUBLIC IMPROVEMENT PROCEDURE

The following is the general procedure followed by the City Council for all public improvement projects from initiation of such a project through certification of the assessment roll to the County Auditor. Formats

for the various reports and resolutions referenced in this section are made a part of the policies and procedures of the City.

- A. Staff reviews petition or Developer's request for submission to Council.
- B. Council accepts or rejects petition or request. If based upon a petition, the Council adopts a resolution declaring whether the required percentage of property owners has signed. If the petition or request is accepted, Council orders preparation of feasibility report.
- C. Staff prepares feasibility report. The report shall preliminary evaluate whether the proposed improvement is necessary, cost-effective, and feasible and whether it should be made as proposed or in conjunction with another project. The report shall include an estimate of the cost of the improvement as proposed. Council may refer the report to the Planning and Zoning Commission.
- D. Council accepts or rejects feasibility report. If accepted, Council orders public hearing on the improvements.
- E. Staff posts and publishes hearing notice and mails notices to affected property owners as provided in Minn. Stat. § 429.031(a).
- F. Council conducts public hearing.
- G. Within six (6) months of the hearing date, Council adopts or rejects resolution ordering improvement to be constructed and advertisement of bids. If adopted, staff prepares final plans, advertises for and opens bids as provided in Minn. Stat. § 429.041, prepares bid tabulation, makes recommendation to City Council for award, and prepares proposed assessment roll. Bonds to finance project costs may be issued at any time after the improvements are ordered.
- H. Council awards contract based on the bids received.
- I. Staff supervises construction and prepares payments.
- J. Council reviews proposed assessment roll and orders assessment hearing.
- K. Staff publishes hearing notice, mails notice of hearing date and proposed assessments to the affected property owners as provided in Minn. Stat. § 429.061.
- L. Council conducts assessment hearing and adopts, revises, or rejects resolution determining the amount of the total expense the City will pay, if any, and establishing the assessment roll. If adopted, Council authorizes certification of the assessment to the County Auditor.
- M. Staff certifies the assessment roll to the County Auditor.

V. FINANCING OF PUBLIC IMPROVEMENTS

The City encourages public improvement projects as the area (s) benefiting and needing such improvements develop. Examples of this policy can be seen through the subdivision regulations, zoning ordinance, and building codes. Developers are required to provide the needed improvements and services before development occurs, thereby avoiding unexpected hardships on the property owners purchasing such property and the general public. However, it is recognized that certain areas of the City have developed without all needed public improvements (e.g. parks, water, sewer, and street improvements) and that methods must be found to provide these improvements without causing undue hardships on the general public or the individual property owner.

Special assessments are generally accepted as a means by which areas can obtain improvements or services; however, the method of financing these is a critical factor to both the City and the property owner. Full project costs spread over a very short term can cause an undue hardship on the property owner and, likewise, city costs and systems costs spread over a long period of time can produce an undue hardship on the general public of the City.

It is the policy of the City to not defer assessments except in cases where hardship to senior citizens 65 years of age or older or persons retired by virtue of a permanent and total disability would result. Also, the City Council may elect to defer assessments on undeveloped land for a specified length of time or until the lands are developed. Terms and conditions of any such deferral will be established in the resolution adopting the assessments.

VI. GENERAL ASSESSMENT POLICIES APPLICABLE TO ALL TYPES OF IMPROVEMENTS

The cost of any improvement shall be assessed upon property by the improvements based upon benefits received. The following general principles shall be used as a basis of the City's assessment policy:

- A. **Project Cost.** The "project cost" of an improvement includes the costs of all necessary construction work required to accomplish the improvement, plus engineering, legal, administrative, financing and other contingent costs, including acquisition of right-of-way and other property. The finance charges include all costs of financing the project. These costs include but are not limited to financial consultant's fees, bond rating agency fee, bond attorney's fees, and capitalized interest. The interest charged to the project shall be included as financing charges.
- B. **City Cost.** The "city cost" of an improvement is the amount of the total improvement expense the City will pay as determined by Council resolution. Where the project cost of an improvement is not entirely attributed to the need for service to the area served by said improvement, or where unusual conditions beyond the control of the owners of the property in the area served by the improvement would result in an inequitable distribution of special assessments, or for any other reason determined by the City, the City, through the use of other funds, may pay such "city cost."
- C. **Assessable Cost.** The "assessable cost" of an improvement is equal to the "project cost" minus the "city cost."
- D. **Interest.** The City will charge interest on special assessments at a rate specified in the resolution approving the assessment roll. If bonds were sold to finance the improvement project, the interest rate shall be two percent (2%) more than the average interest rate of the bonds, rounded to the nearest quarter of a percent. If no bonds were sold, the interest rate shall be set at the same rate.
- E. **Prepayment.** Property owners may pay their assessments in full interest free for a period of 30 days after the assessment hearing. After such period interest shall be computed from the date specified in the assessment resolution. The City will transmit a certified duplicate of the assessment roll with each installment, including interest, to the County Auditor, or in lieu of such certification, annually certify to the County Auditor by November 30 in each year, the total amount of installments of and interest on assessments on each parcel which are to become due in the following year. Prior to certification of principal and interest or the first installment thereof, to the County Auditor, a property owner may make a partial prepayment of the principal to the City. Such partial prepayment must be at least \$100.00. If the partial prepayment is made after the 30-day "interest free" period allowed by state law, interest will be charged on the amount of the partial prepayment from the date specified in the resolution and paid along with the partial prepayment. After the City has made the first certification of principal and interest to the County Auditor, prepayment will be accepted only for the total amount still owing including interest and must be made prior to November 15 of any year. If a parcel has two or more separate special assessments, prepayment of the remaining principal balance may be made on one or more assessment totals. Tax-exempt parcels such as churches and school properties may make only one partial prepayment to the first certification to the County Auditor. The remaining principal after the partial prepayment will be paid in equal installments over the remaining term of the special assessments.
- F. **Extensions.** Where an improvement is designed for service of an area beyond that receiving the initial benefit, the City may pay for increased project costs due to such provisions for future service extensions. The City will levy assessments to cover this cost when a new improvement is installed as an extension of the existing improvement upon identification of such additional amount in the notice

of hearing for the extensions or new improvements. As an alternative, the City may assess these costs to the area of future benefit immediately.

- G. **Frontage Roads.** Because frontage roads along highways or other arterial streets are deemed to be of benefit to commercial or industrial properties, the entire costs of any improvement on such frontage roads shall be assessable to the benefited properties, even if only those properties on one side of such frontage roads are benefited.
- H. **Project Assistance.** If the City receives financial assistance from the Federal Government, the State of Minnesota, the County, or from any other source to defray a portion of the costs of a given improvement, such aid will be used first to reduce the “city cost” of the improvement. If the financial assistance received is greater than the “city cost,” the remainder of the aid will be placed in the Capital Improvement Fund to be applied towards other City projects.
- I. **Assessable Property.** Property owned by the City and other political subdivisions including municipal building sites, parks and playgrounds, but not including public streets, alleys, and right-of-way, shall be regarded as being assessable on the same basis as if such property was privately owned. Private right-of-way shall be assessable.
- J. **Individual Benefits.** The City must construct improvements specifically designed for or shown to be of benefit solely to one or more properties. The costs for these improvements will be assessed directly to such properties, and not included in the assessments for the remainder of the project. An example of this would be utility service lines running from the main lines to the property.
- K. **Benefit Appraisals.** In the event that city staff has doubt as to whether or not the proposed assessments exceed the special benefits to the property in question, the City Council may order benefit appraisals as deemed necessary to support the proposed assessments. As a general rule, benefit appraisals may be ordered when the proposed assessment exceeds \$10,000 for a standard city reconstruction on a residential lot or \$30,000 per acre for commercial or industrial property.
- L. **Condemnation Awards.** A property owner may elect to offset special assessments against condemnation awards. In such case, the property owner must execute an agreement (Net Assessment Agreement) with the City Council.

VII. METHODS OF ASSESSMENT

- A. **General Statement.** There are different methods of assessment: per lot, adjusted front foot, and area. The feasibility report will recommend one or a combination of these methods for each project, based upon which method would best reflect the benefit received for the area to be assessed. The City Council will select the preferred method of calculating the assessments at the time the project is ordered.
- B. **Policy Statement.** The following methods of assessment, as described and defined below, are hereby established as methods of assessment in the City.
 - 1. **“Adjusted Front Footage” Method of Assessment.**

The “cost per adjusted front foot” method of assessment shall be based on the quotient of the “assessable cost” divided by the total assessable frontage benefiting from the improvement. For the purpose of determining the “assessable frontage,” all properties, including governmental agencies, shall have their frontages included in such calculation.

The actual physical dimensions of a parcel abutting an improvement (i.e., street, sewer, water, etc.) shall not be construed as the frontage utilized to calculate the assessment for a particular parcel. Rather, and “adjusted front footage” will be determined. The purpose of this method is to equalize assessment calculations for lots of similar size. Individual parcels by their very nature differ considerably in shape and area. The following procedures will apply when calculating adjusted front footage. The selection of the appropriate procedure will be

determined by the specified configuration of the parcel. All measurements will be scaled from available plat and section maps and will be rounded down to the nearest foot dimension with any excess fraction deleted.

- a) *Rectangular Interior Lots.* The rectangular lot is defined as having no more than 10.0 feet difference between the front and rear lot lines. The adjusted front footage is the actual front footage of the lot. For rectangular lots whose frontage is less than its depth, the “odd shaped lot” method shall be used.
- b) *Odd Shaped Lots.* For odd shaped lots such as exist on cul-de-sacs and curved streets where there is more than 10.0 feet of difference between the front and rear lot lines, and where the lots frontage is less than its depth, the “odd shaped lot” method of determining the adjusted front footage shall be used. The adjusted front footage shall be determined by computing the average width of the lot.
- c) *Corner Lot Adjustment.* For street and trail assessments, the short side will be assessed the actual front footage. The long side will be assessed one-half the actual side footage. Sanitary sewer and watermain will only be assessed on the frontage where the service line(s) enter the lot.
- d) *Triangular Shaped Lots.* When a triangular lot has two or more streets adjacent to the lot, the frontage on the driveway side will be assessed for street improvements. Sanitary sewer and watermain will only be assessed on the frontage where the service line(s) enter the lot.
- e) *Buildable Lots:* Lots that meet the current standards of the zoning ordinance shall be considered buildable and their dimensions shall be included in the assessment footage calculation.
- f) *Contiguous Lots:* Lots that abut other lots owned by the property owner shall be included in the assessment footage calculation.
- g) *Unbuildable Lots:* Lots that do not meet the standards of the zoning ordinance and are not contiguous to additional property owned by the same owner shall be considered unbuildable and thus do not receive benefit from the project and their footage is not included in the calculations.
- h) *Non Contiguous Lots:* Lots that do not abut other parcels owned by the owner of the lots.

2. “Area” Method of Assessment.

The “area” method of assessment shall be based on the number of square feet or acres within the boundaries of the appropriate property lines of the areas benefiting from the project. The assessment rate (i.e., cost per square foot) shall be calculated by dividing the total assessable cost by the total assessable area. On large lots, the City Engineer may determine that only a portion of the lots receives the benefit and may select a lot depth for the calculations equal to the benefit received.

All properties included in the benefited area, including other governmental areas, churches, etc., shall be assessable. The following items may not be included in area calculations: public right-of-ways, and natural waterways, swamps and lakes and other wetlands designated by the Minnesota Department of Natural Resources or the City. The City Engineer will make a recommendation on the boundaries or parameters of the benefited area in the feasibility report.

3. “Per Lot” Method of Assessment.

The “per lot” method of assessment shall be based on equal assessment of all lots within the benefited area. The “assessment per lot” shall be the quotient of the “assessable cost” divided by the total assessable lots or parcels benefiting from the improvement. For the purpose of determining the “lots” or “parcels” all parcels, including governmental agencies, shall be

included in such calculations.

VIII. STANDARDS FOR PUBLIC IMPROVEMENT PROJECTS

The following standards are hereby established by the City to provide a uniform guide for improvements within the City.

A. Surface Improvements

Surface improvements shall normally include all improvements visible on or above the ground within the right-of-way, and includes, but is not limited to trees, lighting, sidewalks, signing; street and accessory improvements such as drainage ponds and facilities, parking lots, parks and playgrounds.

Policy Statement. Prior to construction or completion of surface improvements, all utilities and utility service lines (including sanitary sewers, storm sewers, water lines, gas and electric service) shall be installed to all planned service locations such as residences or buildings.

When practicable, no surface improvements to less than both sides of a full block of street shall be approved except as necessary to complete partially completed improvements initiated previously. Concrete curbing or curb and gutter shall be installed at the same time as street surfacing.

B. Sub-Surface Improvements

Subsurface improvements shall normally include such items as water distribution, sanitary sewer and storm sewer lines and electric and gas utilities.

Main lines are the publicly owned and maintained lines or facilities such as trunk lines, interceptors, mains, and laterals. Service lines are those privately owned lines or facilities extending from the main line to the property line.

Policy Statement. Sub-surface improvements shall be made to serve current and projected land use. All installations shall conform to applicable standards established by local, state and/or federal agencies of competent jurisdiction. All installations shall also comply, to the maximum extent feasible, with nationally recognized standards such as those of the American Insurance Association.

Service lines from the lateral or trunk to the property line of all planned service locations such as residences or buildings shall be installed in conjunction with the construction of the mains.

IX. POLICIES OF REASSESSMENT

The City shall design public improvements to last for a definite period. The life expectancy or service life shall be as stated in the policy statement of this section, or if different, shall be as stated in the resolution ordering improvement and preparation of plans.

A. Policy Statement

The following are the “life expectancies” or “service lives” of public improvements except as may be otherwise stated in the resolution ordering improvement and preparation of plans.

1. Sidewalks - 20 years.
2. Street improvements, including surfacing and curb and gutter - 20 years.
3. Ornamental street lighting - 20 years.
4. Water Mains - 30 years.
5. Sanitary Sewers - 30 years.
6. Storm Sewers - 30 years.

X. ASSESSMENT COMPUTATIONS

The following is the typical city assessment for various specified improvements.

A. Street and Curb and Gutter Improvements

1. **New Constructions.** New streets are assessed 100% to the abutting benefited properties. Street and curb and gutter improvements will normally be assessed by the adjusted front foot method, however other methods may be utilized if conditions warrant. Cost of construction of streets shall be assessed based on the minimum design of a 36' wide 7-ton axle load in residential zoned areas and 10-ton axle load in commercial and industrial zoned areas. Oversizing costs which are incurred in excess of the above may be paid by: (1) State funds, (2) larger assessment rates to other benefited properties, (3) general obligation funds, or (4) any other method or combination of methods authorized by the City Council.
2. **Reconstruction and Overlays.** Street reconstructions and overlays are assessed 30% to the abutting benefited properties. New curb and gutter are 30% assessed.
3. **Gravel Streets.** Upgrading of existing gravel street by adding pavement, curb and gutter is considered new construction and all costs are assessed 100%.
4. **Seal Coats.** Sealcoats are not being assessed.
5. **Alleys.** Upgrading existing gravel alleys by adding pavement is assessed 100% to all lots abutting on the alley in the block being improved. Reconstructing existing paved alleys are 30% assessed also.

B. Storm Sewer Improvements

Storm sewers are assessed on a project-by-project basis. Storm sewers in new subdivisions are considered an assessable improvement on an area basis.

Oversizing costs due to larger mains and larger appurtenances are paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area storm sewer charges are levied to all unplatted property at the time of platting, to re-plats that have not been charged trunk area charges when the land was originally platted, and to re-plats that have been charged trunk area charges when the land was originally platted but where the use is increasing (only the cost difference based on current and prior use is charged). The charges will be set in the annual fee schedule during the first City Council meeting in January of each year.

Normally, storm sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or adjusted front method may be utilized at the City Council's discretion.

C. Sanitary Sewer Assessments

Assessments for sanitary sewer in residential areas are based upon the cost of construction of 8-inch mains, which is the smallest size installed in residential areas of the City. Assessments for sanitary sewers in commercial and industrial areas are based upon a standard size of 8-inch mains.

Oversizing costs due to larger mains and larger appurtenances will be paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area sanitary sewer charges shall be levied to all un-platted property at the time of platting and to re-plats that have not been charged trunk area charges when the land was originally platted. The charges will be set in the annual fee schedule during the first City Council meeting in January of each year. Services installed to individual properties are fully assessed to the benefiting property.

Normally, sanitary sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or adjusted front method may be utilized at the City Council's discretion.

Lateral benefit from major trunk sewers or interceptors is assessed to the properties benefited by the sewer. Any oversizing cost is assessed as described above.

The replacement of existing sewers is assessed 30% with the remaining costs paid for by other funding sources identified by the City Council.

Individual service lines installed directly to specified properties are fully assessed directly to the benefited properties. Properties that have existing sanitary services, but do not have mainline sewers adjacent, across or up to their property lines pay 30% of the assessment rate for the new mainline sanitary sewer as well as 100% of the cost associated with replacing the service lines.

Any existing service lines found to be defective as part of a street reconstruction are replaced as part of the project and assessed directly to the property.

D. Watermain Assessments

Assessments for watermains in residential areas are based upon the cost of construction of 8 inch mains, which is the smallest size installed in residential areas of the City. Assessments for watermains in commercial and industrial areas are based upon the standard size of 12-inch mains.

Oversizing costs due to larger mains and larger appurtenance are paid for by a combination of availability charges, user charges and/or trunk area assessment charges.

Trunk area water charges shall be levied to all un-platted property at the time of platting and to re-plats that have not been charged trunk area charges when the land was originally platted. The charges will be set in the annual fee schedule during the first City Council meeting in January of each year. Services installed to individual properties shall be assessed 30% to the benefiting property.

Normally, watermains are assessed on a per lot basis, but in certain situations the area or adjusted front method may be utilized at the City Council's discretion.

The replacement of existing watermains is assessed 30%.

Lateral benefit from major trunk water mains is assessed to properties benefited by the water main. Lateral water main assessments are to be based on the costs for an equivalent 8-inch diameter water main for residential properties and for commercial/industrial properties.

Individual service lines installed directly to specified properties are fully assessed directly to the benefited properties. Properties that have existing water services, but do not have mainline watermains adjacent, across or up to their property lines pay 30% of the assessment rate for the new watermain as well as 30% of the cost associated with replacing the service lines.

Any existing service lines found to be defective as part of the project, are assessed directly to the property.

E. Street Boulevard Trees

All street boulevard trees installed as part of new street constructions or in reconstructing existing streets shall be included as part of the overall project costs included in the assessment calculations.

F. Street Lights

All costs for new street lights installed as part of constructing new streets or street lights relocated as part of reconstructing streets are included in the overall project costs and included in the assessment calculations. In new subdivisions, the City may require the developer to finance street light improvement rather than assessing the cost.

G. Other Improvements

Based on the City Council determination, any other improvements may be fully assessed or assessed in part.

XI. Deferral of Special Assessments

- A. The Council may defer the payment of any special assessment on homestead property owned by a

person who is 65 years of age or older, or who is retired by virtue of permanent and total disability, and the City Clerk is hereby authorized to record the deferment of special assessments where the following conditions are met:

1. The applicant must apply for the deferment not later than 90 days after the assessment is adopted by the City Council.
 2. The applicant must be 65 years of age or older or retired by virtue of permanent and total disability.
 3. The applicant must be the owner of the property.
 4. The applicant must occupy the property as his principal place of residence.
 5. The average annual payment for assessments levied against the subject property exceed one percent of the adjusted gross income of the applicant as evidenced by the applicant's most recent federal income tax return. The average annual payment of an assessment shall be the total cost of the assessment divided by the number of years over which it is spread.
- B. The deferment shall be granted for as long a period of time as the hardship exists and the conditions aforementioned have been met. However, it shall be the duty of the applicant to notify the City Clerk of any change in his status that would affect eligibility for deferment.
- C. The entire amount of deferred special assessments shall be due within sixty days after loss of eligibility by the applicant. If the special assessment is not paid within the sixty (60) days, the City Clerk shall add thereto interest at a per annum interest rate of two percent (2%) above the bond interest rate and the total amount of principal and interest shall be certified to the County Auditor for collection with taxes the following year. Should the applicant demonstrate to the satisfaction of the Council, that full repayment of the deferred special assessment would cause the applicant particular undue financial hardship, the Council may order that the applicant pay within sixty days a sum equal to the number of installments of deferred special assessments outstanding and unpaid to date, including principal and interest, with the balance thereafter paid according to the terms and conditions of the original special assessments.
- D. The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following:
1. The death of the owner when there is no spouse who is eligible for deferment.
 2. The sale, transfer or subdivision of all or any part of the property.
 3. Loss of homestead status on the property.
 4. Determination by the Council for any reason that immediate or partial payment would impose no hardship.

State Law References(s): Minn. Stat. § 435.193, Senior Citizens or retired & disabled persons hardship special assessment deferral.