

STREET AND UTILITY IMPROVEMENTS IN THE SOUTHWEST AREA

I. PURPOSE AND NEED FOR POLICY

The Southwest Area Public Services Study (Study) states that all future subdivisions within the Study Area (Southwest Area) are to be consistent with the Official Master Plan, shown as Figures 8 and 9. Properties not served with public sanitary sewer are subject to the provisions of Title 7, Chapter 11 Subsurface Sewage Treatment Systems (SSTS). Properties not served with public water systems are subject to Title 7, Chapter 2, provisions related to private water systems.

The Study also states that sanitary sewer will not be extended into the Southwest Area unless it is requested by a majority of the property owners, or a public health condition necessitates an extension. The phrases "majority of property owners" and "public health condition" were not defined in the Study. The Study also did not specify when storm sewer and water should be extended into the area, how improvements would be financed, whether all improvements would need to be extensions of existing improvements, and what road standards would be required for new and extended public streets. Many property owners in the Southwest Area are concerned about the assessable costs of these improvements. This policy is intended to clearly identify the process and procedures for street and utility improvements in the Southwest Area.

II. POLICY

A. The City will not initiate sanitary sewer and water utility extensions into the Southwest Area unless the City documents a significant threat to the public health resulting from the continued use of on-site private septic systems or wells. Sanitary sewer and water utilities may be extended into the Southwest Area without a documented public health condition only under the following circumstances and terms:

- 1) The developer of a new subdivision may extend utilities within the development, pursuant to the Subdivision Regulations found in Title 11, Burnsville City Code (Title 11), with or without a public improvement project petition, pursuant to Minnesota Statutes Chapter 429 (MS.429) and City Policy 5.010, STANDARD SPECIAL ASSESSMENT METHODOLOGY (Policy 5.010), provided that the utility extensions occur completely within the developer's property and that the developer pays the full cost of the project, including all assessments.
- 2) The developer may extend remote utilities to the site provided that the developer pays in full for the extension without cost to the landowners adjacent to the extension. As a part of the extension project, an adjacent landowner may connect to the utilities by paying the full cost of the connection, including a connection fee payable to the City. An adjacent landowner may also pay the full cost of the installation of a service stub for future use. No connection fee would be due to the City until the stub is used.
- 3) Following the completion of the extension, adjacent landowners who choose to connect to the utilities must pay for the full cost of the connection, including the City connection fee. For a period of ten years following the completion of the extension, the City will reimburse the developer a percentage of each connection fee collected.

The connection fee and reimbursement percentage will be established in the

development contract between the developer and the City for the extension project. The developer is not entitled to either a reimbursement of any connection fees collected after the ten year period, or a reimbursement of any project construction costs.

- 4) Homeowners may extend utilities to their property without additional development pursuant to the terms and conditions of Sections II (A) (1) and (2) of this policy, except that the cost of such extension will be on a per unit basis rather than on a frontage basis. Homeowners will pay one unit charge for every existing and developable lot within their property. A developable lot is a lot that could be created from the homeowners' property in compliance with all applicable zoning and subdivision requirements.
- 5) Any existing street that is disturbed by the utility construction must be repaired to a new condition at its existing standard, as a part of the utility improvement project.

B. Street and storm water utility extensions and upgrades (e.g. paving existing gravel roads, adding concrete curb, adding new storm sewer system, etc.) must be either petitioned for and installed pursuant to MS 429, or installed pursuant to Title 11. The City will not initiate extension and upgrade projects, except for upgrade projects for collector level roads. All street and storm water extensions and upgrades must meet the following standards:

- 1) All street extensions must be consistent with the Comprehensive Plan provisions for the Southwest Area, and must be located within existing right-of-way and right-of-way dedicated by the petitioner or developer.
- 2) The cost of street and storm water utility extensions must be paid in full by the petitioner or developer without cost to the landowners adjacent to the extension.
- 3) All new subdivisions must have full urban City standard permanent streets, City standard temporary streets, or an alternative approved by the City Engineer, at the option of the developer. The City Council may approve the use of gravel streets for extensions of existing gravel streets.
- 4) All new subdivisions must include a storm water management system that is consistent with the City's Comprehensive Stormwater Management Plan.

C. Street improvements (in kind) for existing asphalt paved streets may be initiated by the City or adjacent residents in accordance with the following conditions:

- 1) If initiated by the City, the City will participate in the cost of street improvements for existing asphalt paved streets by funding 60% of the actual cost of the improvement project including engineering and administrative costs. The remaining 40% of the cost of such improvement will be assessed. This process will follow MS 429.
- 2) If initiated by residents via petition, the residents shall be responsible for 100% of the actual cost of the improvement project including engineering and administrative costs. This process will follow MS 429.

III. PROCEDURE

A. All petitioners and developers should consult with the City Engineer prior to filing a petition or development application.

B. The City Engineer will recommend the appropriate process for the proposed improvements and upgrades, and will assist the petitioner or developer in that process.

C. Improvement and upgrade projects that include petitions may proceed in accordance with the terms of MS.429 and the assessment provisions of Policy 5.010, whichever is applicable, only after the City Engineer has determined that the petition includes the required number of signatures of all affected property owners.

D. If special assessments are utilized for all or part of the funding for a street improvement and/or upgrade project, property owners will pay one unit charge for every existing and developable lot within their property adjacent to the street being improved/upgraded. A developable lot is a lot that could be created from the homeowners' property in compliance with all applicable zoning and subdivision requirements. Parcels that have no frontage to a street shall be subject to assessment on a per unit charge when the street from which they gain access is being improved/upgraded. Parcels that front more than one street shall be assessed according to the following methodology:

- 1) For parcels with one (1) unit, one (1) unit will be charged for projects that improve/upgrade only one of the streets that front the parcel and will be determined by whichever street is improved and assessed first.
- 2) For parcels with two (2) units, one (1) unit will be charged for projects that improve/upgrade the street where the parcel's primary access is located. One unit will be charged for projects that improve/upgrade the street that is not where the parcel's primary access is located.
- 3) For parcels with three (3) units, one (1) unit will be charged for projects that improve/upgrade the street where the parcel has the least frontage. Two (2) units will be charged for projects that improve/upgrade the street where the parcel has the most frontage.

E. The per unit rate will be based on the actual project costs in accordance with paragraph IIC., divided by the total number of existing and potentially developable lots as described in paragraph IIID. At the time of the improvement, a special assessment for one (1) unit will be assessed to each parcel either adjacent to the improved street or from which access is made to the improved street. Special assessments for additional units will be deferred until such time as the lot is subdivided, in which the special assessment will be levied in the year the parcel is subdivided at the repayment term as provided for under City Policy 5.010 and at the interest rate proposed for the levied year. Interest will not accrue during the deferral period and deferred assessments will be removed 15 years after the date the project assessments are levied to recognize that the pavement will begin to degrade over time.

F. The City Engineer will coordinate the improvement and upgrade process with the development review process established under City Policy Number 5.260, DEVELOPMENT REVIEW COMMITTEE PROCESS, if applicable.

IV. RESPONSIBILITY

The City Engineer supervises all public improvement and upgrade projects in the City and is responsible for the terms and provisions of this policy.

V. AUTHORITY

Administrative implementation of policy, Title 7, Title 11, and MS 429.

Submitted by: John Schmeling Date: 02/19/2019
Reviewed by: Ryan Peterson Date: 02/19/2019

This policy replaces Policy No. 5.035 dated February 8, 2011