

Special Assessment frequently asked questions



1. What do property taxes pay for?

Property taxes, in part, pay for services needed to fulfill the City's mission including; Fire and Police Dept., and street maintenance. Property taxes are also distributed to the State, County, School District and special districts like Metro Transit and Watershed Districts.

2. How are assessments calculated?

Assessments for street resurfacing and reconstruction projects are based on the square footage of your lot within the influence area multiplied by a uniform assessment rate (UAR). Assessments for alley resurfacing and reconstruction projects are based on the total square footage of your lot multiplied by a uniform assessment rate (UAR). The UAR is set each year for the proposed capital improvement projects. See the influence area assessment method diagram for more information on the influence area method used for street assessments.

3. Why am I being assessed for this project?

City Ordinances and state law enable assessments to pay for capital improvement projects because there is a benefit to each property. Adjacent property owners pay only a portion of the project cost. The remaining cost is paid by selling city-wide property tax supported net debt bonds (and sometimes other funding sources). Without assessments, the City would either raise other revenue like property taxes, or the City would be unable to fund the amount of capital improvements needed to replace deteriorating infrastructure.

4. Why am I being assessed for an alley I don't access (my driveway is from the street)?

For both alleys and streets, properties are assessed for paving projects regardless of the current location of the driveway or other configuration of the property.

5. Why am I assessed when my property doesn't front the street(s) being redone?

Some properties are within the influence area of more than one street (see influence area assessment method diagram). This means that you may be assessed for more than one project, but because only a

portion of your parcel is included in each project assessment, it does not lead to any increased assessment.

6. I can't afford to pay an assessment.

Assessments are spread over a 5, 10 or 20-year term (depending on the project) and collected through property taxes. Below is a list of assessment types and the term of the assessment for each.

Street construction assessments are collected over a 20-year term

Street resurfacing assessments are collected over a 5-year term

Alley construction assessments are collected over a 10-year term

Alley resurfacing assessments are collected over a 5-year term

7. I can't afford to pay an assessment. (senior or disabled and assessment is \$750 or more)

There is a deferment program available for seniors 65 years or older, or persons who are permanently and totally disabled. The deferment program does not excuse the assessment, but puts off the payment of the assessment to sometime in the future. Interest accrues for as long as the assessment is deferred. The property must be homesteaded, and the total assessment must be \$750 or more.

8. When can I pay this?

By default (if you do not request to prepay), your assessment will be collected in annual installments with interest, on real estate taxes typically beginning the year after the project is constructed. At any time during the period of the assessment, you may pay the remaining assessment plus interest accrued to that point in time. Your other option is to prepay the entire assessment without interest charges, between mid-November and December 31 of the year before the assessment would otherwise begin on your real estate taxes. These instructions are also on the assessment notices along with contact information for the special assessments office.

9. What is an Areaway? Why send a notice? (for street construction projects only)

An areaway is a below-grade extension of the building into the public right-of-way (typically under the sidewalk). The existence of areaways is sometimes unknown. The areaway notice and public hearing are part of a process to prepare for the possibility of encountering areaways in the course of the project.