

VILLAGE OF MOUNT PLEASANT, WISCONSIN

ORDINANCE NO _____-2017

An ordinance to Amend Chapter -__ of the Code of Ordinances of the Village of Mount Pleasant, Wisconsin with reference to Policies for Recouping Costs of Infrastructure Improvements.

The Village Board of the Village of Mount Pleasant, Racine County, Wisconsin, do ordain as follows:

The Village of Mount Pleasant has created an Ad Hoc Committee to consider various policies for recouping costs of public infrastructure improvements, which Committee has been advised by special counsel to the Village.

The Ad Hoc Committee, by a unanimous vote at a meeting held on October 20, 2016, recommended to the Village Board the adoption of certain Policies for Recouping Costs of Public Infrastructure Improvements.

The Village Board considered the Ad Hoc Committee's recommendation at its meeting of November 28, 2016 and directed that the recommended Policies for Recouping Costs of Public Infrastructure Improvements be set forth in an Ordinance, to be further considered by the Village Board.

The Village Board has considered public comments on the proposed Ordinance.

The Village Board hereby adopts the Village of Mount Pleasant Policies for Recouping Costs of Public Infrastructure Improvements, as follows:

Preamble: The Village regularly installs public infrastructure improvements, such as streets, watermains and sewers at Village cost. In some instances none of such costs

should be recouped by either special assessment or connection charges. In some instances, to recover an appropriate share of such costs, special assessment procedures should be used. In other situations, an appropriate cost share should be recovered through the imposition of connection charges.

I. GENERAL SPECIAL ASSESSMENT POLICY

- A. The Village will levy special assessments, when appropriate to do so, under and pursuant to Wis. Stat. §66.0703.
- B. In an appropriate case, the Village will levy special assessments under the taxing power of the Village, within a limited and determinable area, for special benefits conferred, but not in excess of the value of the special benefits conferred.
- C. In an appropriate case, the Village will levy special assessments under the police power of the Village, within a limited and determinable area, for special benefits conferred, upon a reasonable basis and in proportion to the benefits accruing.
- D. All special assessments will be apportioned fairly and equitably among properties in similar situations, taking into consideration the uniqueness of individual properties.
- E. Special assessments will only be levied for a local improvement. If a project provides both a community-wide and a local improvement, only the local improvement component will be considered in levying special assessments. In determining whether an improvement is local, in whole or in part, the Village will refer to the then-current Village Comprehensive Plan and other relevant information.
- F. For all special assessments, the Village will consider whether special benefits have the effect of furnishing an uncommon advantage, which either increases the services provided to the property, or otherwise enhances its value. An uncommon advantage must be a benefit that differs in kind, rather than in degree, from benefits enjoyed by the general public.
- G. The Village will not levy a special assessment against any property that is exempt from special assessment under Wisconsin Statutes.
- H. In considering any special assessment for a corner property, the Village will allow a deduction or exemption where a special assessment has previously been levied for the same improvement in an abutting street.

- I. The special assessment costs may include the direct and indirect construction costs, the resulting damages, the interest on bonds or notes issued in anticipation of the collection of the assessments, a reasonable charge for the services of the administrative staff of the Village, the cost of any architectural, engineering and legal services and any other item of direct or indirect cost that may reasonably be attributed to the proposed work or improvement. The Village Board may include costs incurred when private property is acquired for a public project.
- J. In considering any special assessment, the formula to be used may be any recognized formula, or combination thereof.
- K. In considering any special assessment, costs to be included for calculation of the special assessment will be reduced by the costs added for oversized facilities.
- L. In considering any special assessment, the Village will give consideration to the presence of wetlands, flood plains, conservation easements and similar factors affecting property.
- M. In the situation of property owners in a discrete developed area who petition the Village to extend an improvement to serve their properties, if the owners of 51% or more of the group of properties to be served by the improvement agree to be specially assessed, all of the properties in the group will be subject to special assessment.
- N. Special assessments may be deferred in certain limited situations.
- O. The Village will periodically review its special assessment payment plan, for installments and interest rates. The current policy is as follows:

Special Assessments shall be paid in full, or in annual installments. Assessments also may be prepaid, partially or in whole, after the installment method has been selected. The number of annual installments in which an assessment is to be paid will be determined in the Preliminary Assessment Resolution, based on the total amount of the assessment, and in accordance with the following:

- (1) If the assessment is less than \$400.00, the assessment shall be paid in one (1) payment, within ninety (90) days of completion of project.
- (2) If the assessment is at least \$400.01 to \$1,500.00, the assessment shall be paid in five (5) annual installments.
- (3) If the assessment is greater than \$1,500.01, the assessment shall be paid in ten (10) annual installments, as determined in the

preliminary assessment roll. In no event, shall the assessment installments be for a period longer than ten (10) years.

(4) The rate of interest on the outstanding balance shall be 1.5% greater than the Village's rate of interest on the bonds which were issued to finance the project, or in the event no bonds were issued, then 1.5% greater than the average rate of interest on all similar bonds issued in the previous calendar year.

(5) All special assessments are due and payable in full upon subdivision of the property or connection to the improvement for which the special assessment was made.

P. In all situations where a special assessment has been deferred for more than ten years, as of January 1, 2017, but has not become due and payable because no event described in Paragraph O (5) above has occurred, the special assessment shall be converted to a connection charge, as provided in Section II below.

II. CONNECTION CHARGES "IN LIEU" OF SPECIAL ASSESSMENTS

A. In the situation of a property owner seeking to extend a public infrastructure improvement to property to allow for development, with the improvement traversing sparsely developed or agricultural areas, the Village may require the requesting property owner to pay to the Village, in advance, the total amount to extend the improvement to its property. When an additional property connects to the improvement, that property owner will contribute to the original requester's cost, by payment of a connection charge to the Village. The Village will periodically remit such collected sums to the requester or requester's assignee. The amount of the connection charge will be equal to the then-current connection charge, as set by the Village from time to time.

B. In the situation of a property owner seeking to extend a public infrastructure improvement to property to allow for development, with the improvement traversing sparsely developed or agricultural areas, the Village may charge the requesting property its fair share of the cost of installation to the property and fund the remainder itself, with municipal funds. When an additional property connects to that improvement, that property owner will contribute to the Village's cost by payment of a connection charge to the Village. The amount of the connection charge will be equal to the then-current connection charge, as set by the Village from time to time.

C. In instances where the Village has installed a public infrastructure improvement entirely at its expense and has not imposed a special assessment for the project, which would otherwise qualify for special assessment, a connection charge will

be utilized. When a property connects to the improvement, that property owner will contribute to the Village's cost through a connection charge paid to the Village. The amount of the connection charge will be equal to the then-current connection charge, as set by the Village from time to time.

- D. In considering any connection charge for a corner property, the Village will allow a deduction or exemption where a connection charge has previously been paid for the same improvement in an abutting street.
- E. The Village Clerk will maintain a docket identifying properties which are subject to future connection charges. The Village Clerk will make such docket available to property owners, prospective purchasers, abstracters and title companies.

This Ordinance shall take effect upon passage by a majority vote of the full membership of the Village Board and publication or posting as required by law.

Adopted by the Village Board of the Village of Mount Pleasant, Racine County, Wisconsin, this __ day of _____, 2017.

Ayes _____

Noes _____

Absent _____

VILAGE OF MOUNT PLEASANT

By: _____
Village President Gerald Garski

Attest: _____
Stephanie Kohlhagen
Village Clerk Treasurer