

Town of Buchanan Special Assessment Guidelines

The following are guidelines the Town used when determining Special Assessments for installation of public road improvements. Special Assessments may be used to partially finance road surfacing, stormwater facilities, storm sewer, curb, gutter, sidewalks, trails, and traffic signaling. The purpose of these guidelines is to document current Special Assessment practices for installation of new roads with curb and gutter. These practices have been used because the Town Board has determined them to be the most equitable means available under the current circumstances. The discretionary authority of the Town Board to exercise the full extent of its police power at any future date under any statute is not limited by these guidelines.

1. Amount: Special Assessments for public projects have been calculated as the sum of:

A) A "Per Lot Fee"

B) Property Specific Fee

A) Per Lot Fees have been charged to the owner of each lot which has frontage on the affected property. The fees have been assessed in two categories, Residential and Non-Residential.

- i. For Residential Property, the Per Lot Fee has been determined by the Town Board each year based on the cost of the project and prior year Residential Per Lot Fees. For Residential Lots with multiple frontages, if only one frontage is affected, the owner is charged 75% of the Per Lot Fee.
- ii. For Non-Residential Property, the Per Lot Fee has been up to 100% of the cost of the project.

B) Property Specific Fees were used to pay for the cost of replacing driveways affected by road replacement and drainage improvements. Driveway aprons within the public right of way have been assessed to the owner at 100% of cost, as has any work specifically requested by the property owner (like repairs to a walkway, or addition to an existing driveway). Driveway work outside the public right of way, that needed to be done for slope correction only, has not been included in Special Assessments.

2. Financing. The Town has offered financing to property owners to allow them to pay for their Special Assessment as a lump sum or in annual installments. Assessments are able to be partially or in whole prepaid after the installment method has been selected. The following is a sample payment schedule:

- a. Payments not received by December 31 of the year the project was completed will start accruing interest on January 1 of the following year.
- b. One (1) annual installment if the assessment is less than \$500.00.
- c. Two (2) annual installments if the assessment is at least \$500.00 but less than \$999.00.
- d. Five (5) annual installments if the assessment is at least \$1,000.00, but less than \$4,999.00.

- e. Ten (10) annual installments if the assessment is greater than \$5,000. In no event shall the assessment installments be greater than ten (10) years.

Interest Rate. The rate of interest on outstanding balances has been 2.0% greater than the rate of interest the Town paid on the debt obligations which were issued to finance the project. If no debt obligations were issued 1.5% greater than the average rate of interest on all debt issued in the previous calendar year.