

Village Policy:

Date Approved: August 6, 2018

Date Amended: November 4, 2019

Date Amended: November 8, 2021

Date Amended: August 7, 2023

POLICY TITLE: Authorizing a Policy for Determining Special Assessments

AUTHORIZATION: Village Board Resolution #06-2018

POLICY STATEMENT:

WHEREAS, The purpose of this policy is to establish guidelines for the preparation of future special assessments and to promote the consistency in the levying of special assessments pursuant to Wisconsin Statutes Sections 66.0701 through 66.0733,

WHEREAS, The Village Board is not bound by these guidelines when determining special assessments,

WHEREAS, The Village Board shall determine the limits of the project, the areas to be assessed, the amounts to be assessed, and the manner in which the special assessments are to be collected for each project,

WHEREAS, The Village Board based in its view, that the improvement types described below when installed along or adjacent to property constitutes a benefit to fronting property, for which special assessments shall be approved and levied against said property, in a reasonable manner, on a project by project basis as follows:

SECTION CONTENTS

- I. Sanitary Sewers
- II. Water Mains
- III. Storm Sewers and Storm Water Management Facilities
- IV. Service Laterals
- V. Streets
- VI. Sidewalks
- VII. Driveway
- VIII. Lift stations & Booster pump stations
- IX. Policy Credits

X. Financing and Payment Plans

I. **Sanitary Sewers**

(1) Standard Size - is 8" diameter.

(2) New Developments -The developer contributes 100% of the project cost. The Village contributes the difference in cost only between the standard size sewer and the larger than standard size sewer. No contribution will be made toward additional excavation costs for the larger size sewer. It is the policy of the Village to extend sanitary sewer prior to street construction.

(3) Existing Roads and New Roads Developed by Village – New sanitary sewer mains will be 100% assessed against benefited property. Fronting property owners contribute 100% of the project cost. The Village contributes the difference in cost between the standard size sewer and the larger than standard size sewer. It is the policy of the Village to extend sanitary sewer prior to street construction/reconstruction or earlier as deemed necessary by the Village Board.

(4) Sanitary Sewer Replacement - The Village Sanitary Sewer Utility contributes 100% of the project cost.

II. **Water Mains**

(1) Standard Size - is 8" diameter.

(2) New Developments -The developer contributes 100% of the project cost. The Village contributes the difference in cost only between the standard size watermain and the larger than standard size watermain. No contribution will be made toward additional excavation costs for the larger size watermain. It is the policy of the Village to extend watermain prior to street construction.

(3) Existing Roads and New Roads Developed by Village – New water mains will be 100% assessed against benefited property. Fronting property owners contribute 100% of the project cost. The Village contributes the difference in cost between the standard size watermain and the larger than standard size watermain. It is the policy of the Village to extend watermain prior to street construction/reconstruction or earlier as deemed necessary by the Village Board.

- (4) Watermain Replacement - The Village Water Utility contributes 100% of the project cost.

III. STORM SEWERS AND STORM WATER MANAGEMENT FACILITIES

- (1) Storm Sewers - Storm sewers and open channels shall be designed to carry the 10-year storm recurrence interval.

- (2) New Developments - The developer contributes 100% of the project cost for storm sewer construction and storm water management facilities. It is the policy of the Village to extend storm sewers and storm water management facilities prior to street construction.

- (3) Existing Roads and New Roads Developed by Village – New storm sewer mains will be 100% assessed against benefited property. Fronting property owners contribute 100% of the project cost for storm sewer construction. The Village contributes 100% of the project cost for storm water management facilities. It is the policy of the Village to extend storm sewers and storm water management facilities prior to street construction/reconstruction or earlier as deemed necessary by the Village Board.

- (4) Storm Sewer Replacement - The Village Storm Sewer Utility contributes 100% of the project cost.

IV. SERVICE LATERALS

- (1) Standard residential sizes - are 1" water, 4" sanitary sewer and 4" storm sewer. Service laterals are installed between the utility main and the property line within the street right of way.

- (2) New Developments -The developer contributes 100% of the project cost. It is the policy of the Village to extend service laterals prior to street construction.

- (3) New Service Laterals -The property owner contributes 100% of the project cost for construction and restoration.

(4) Existing Roads and New Roads Developed by Village - It is the policy of the Village to extend service laterals to vacant and future divisible lots prior to street reconstruction or earlier as deemed necessary by the Village Board. When the property owner doesn't inform the Village of the desired service lateral sizes, or if the property is Village owned at the time of utility installation the Village will extend service laterals to the property line based upon the plumbing code, present zoning or future land use of the property. Fronting property owners contribute 100% of the project cost.

(5) Lateral Maintenance - The property owner contributes 100% of the maintenance costs for repair and cleaning from the utility main to the house. The Village is not responsible to:

- (A) remove debris, rags, sediment or other foreign objects, to
- (B) un-plug, keep the pipe open and keep water flowing, for
- (C) flooding or back-ups, for infiltration or exfiltration, or
- (D) to maintain laterals in any way, or
- (E) for replacement or maintenance of the sewer connection fitting(s) or joints between the main connection of the lateral and the private portion of the lateral on private property, for
- (F) replacement or maintenance of the water connection fitting on the down-stream side of the curb stop, for
- (G) settled, poorly or reverse sloped laterals, for
- (H) private construction damage to the lateral in the street right of way.

V. STREETS

(1) Standard size - are 33' wide (back of curb to back of curb) with concrete curb, 4" of asphalt pavement and 12" of crushed aggregate base course.

(2) New Developments -The developer contributes 100% of the project cost. When circumstances other than the development require a larger than standard size street, the Village contributes the difference in cost between the standard size street and the larger than standard size street. It is the policy of the Village to extend and complete street construction prior to building permit issuance and opening of the street for public use.

(3) Asphalt Resurfacing – The Village contributes 1/3 of project cost.

(4) Curb and Gutter Repairs – The Village contributes 1/3 of project cost.

(5) Urban Street Replacement -The Village contributes 1/3 of project cost.

VI. SIDEWALKS

(1) Permit Required - The policy of the Village of Denmark is to allow for new sidewalk installation, replacement, repair or maintenance by permit only. The Village of Denmark Building Inspector and/or Public Works Department issue permits including construction criteria.

(2) Standard Dimensions - are 4" thick, 5' wide concrete, with 4" of crushed aggregate base course. The section in a driveway for the crossing of a sidewalk, has the width and slope of a sidewalk, but is handled as a "driveway" for thickness and pavement purposes. Sidewalks are constructed on both sides of the streets to minimize unnecessary pedestrian crossings, thereby increasing pedestrian safety.

(3) Locations - The policy of the Village is to add sidewalks to streets in accordance with the Village of Denmark Comprehensive Plan and in all new subdivisions.

(4) Installation Schedule - Sidewalks on existing urban streets (with curb and gutter) are scheduled for installation in accordance with the prioritization identified on the Villages Comprehensive Plan. Sidewalks on rural streets (without curb and gutter) are installed when the street is reconstructed to an urban type street. Sidewalks in new developments are installed concurrent with roadway construction.

(5) Prioritization - Guidelines for capital improvements plan prioritization of sidewalk projects to be installed on existing urban streets, in order from highest to lowest, are as follows:

- (A) Health hazard exists from conflict of vehicular traffic and pedestrian traffic.
- (B) Where safety would be improved areas of existing high levels of pedestrian traffic.
- (C) After curb and gutter is in place.

(6) New Developments -The developer contributes 100% of the sidewalk construction cost. It is the policy of the Village to extend sidewalks concurrently with street construction.

(7) Existing Streets - The Village contributes 100% of the sidewalk construction cost.

(8) Sidewalk Replacement/ Repair - The Village contributes 100% of project cost for replacement as determined by the Village of Denmark on a hazard basis only, without aesthetic considerations. A sidewalk may be replaced as determined by the property owner on an aesthetics basis, where the property owner contributes 100% toward the replacement cost.

VII. DRIVEWAYS

(1) Permit Required -The policy of the Village of Denmark is to allow for new driveway installation, replacement, repair or maintenance by permit only. The Village of Denmark Building Inspector issues driveway permits including construction criteria. The section in a driveway for the crossing of a sidewalk, has the width and slope of a sidewalk, but is handled as a "driveway" for thickness and pavement purposes.

(2) New Installations - The Property Owner contributes 100% of the driveway construction cost.

(3) Driveway Replacement - The Village contributes 100% of the construction cost when sections of driveways within the right of way are replaced as part of a Village street reconstruction project.

(4) Driveway Replacement/ Repair/ Maintenance -The property owner contributes 100% of project cost when driveways are replaced, repaired or maintained and are not part of a Village street reconstruction project.

VIII. LIFT STATIONS AND BOOSTER PUMP STATIONS

(1) Lift stations and booster pump stations are generally unnecessary as gravity sewer drainage and water pressures and flows are available from existing infrastructure when appropriate design and planning are utilized.

- (2) New Developments – The developer contributes 100% of the project costs for lift stations and booster pump stations.

IX. POLICY CREDITS

(1) Corner Credit –

- (A) Wisconsin Statutes recognize that corner properties typically have a greater amount of frontage than regular lots, but do not enjoy greater benefit from public improvements installed along their frontages. To mitigate this difference corner lots shall receive a corner credit.
- (B) Corner lots with two sides shall be credited at 60% of the total lot frontage up to a maximum of 140 feet.
- i. Apply up to 50% of the total eligible credit per side.
 - ii. Credit may not be applied until a minimum of 80 feet has been assessed on one or more sides.
 - iii. Additional credit may be applied on the first side if the second side is insufficient in frontage to award the entire amount of credit.
 - iv. Credit shall be applied to the last frontage being improved on a given side.
- (C) Corner lots with three or four sides shall be credited at 100% of the lot frontage on those sides up to a maximum of 120 feet per side after the first two sides have been assessed as described above.
- (D) The Village shall pay for the cost of the corner credit.

(2) Non-Dividable Large Parcel Credit–

- (A) Similar to corners, large undividable properties have a greater amount of frontage than regular lots but do not enjoy substantially more benefit from public improvements installed along their frontages.
- (B) Large undividable properties shall be credited at 50% of the frontage that exceeds 80 feet, subject to the following:

- i. The property must be residentially zoned.
- ii. To be eligible the lot cannot be dividable according to the minimum R-1 lot size, which is currently 80 feet of frontage and 10,000 sf. in area.
- iii. Credit may not be applied until a minimum of 80 feet has been assessed.

(C) The Village shall pay for the cost of the credit.

(3) Non-assessable Frontage Credit –

(A) Where there is no benefit to a property from the installation of a public improvement the property shall not be assessable.

(B) Delineated wetlands and or floodway are deemed undevelopable and improvements in these areas do not benefit property. The area and cost of improvements shall be documented until a time that circumstances have changed, such that any portion of the documented area is removed from said regulation and is deemed buildable, or the property owner obtains a building permit for any type of property improvement, or property owner otherwise improves the property without a permit. At that time, the Village shall promptly assess the property owner for that portion of the improvement cost as documented plus interest at the rate of 5 ¾ % annually or 1 % over the Village borrowing rate at the time of the assessment whichever is greater, on the unpaid balance from the date of adoption of the initial final resolution.

(C) The extent of wetlands and floodways may be determined by the Village Engineer or by a report provided by the property owner that is authored by a Professional Engineer or Wetland Ecologist registered and licensed to practice in the State of Wisconsin and where said report is approved by the Wisconsin Department of Natural Resources.

(D) The Village pays the cost of the credited area until the credit is removed and the property is assessed.

(4) New Developments – Developers contribute 100% of the project cost and are not eligible for policy credits.

(5) Overlapping Credits – Credits shall not overlap. In certain situations where credit areas may overlap the greater credit shall be applied and the lesser credit in the overlap area is ineligible.

X. FINANCING AND PAYMENT PLANS

(1) Financing - The Village provides capital improvement funding with payback through special assessments. Village financing does not apply to developers.

(2) Supplemental Funding – (Federal, State Funds, County, etc.) – Supplemental funds that become available to a project are Village Funds and are used to supplement Village contributions including but not limited to: larger than standard utility & roadway costs; sidewalk costs; street reconstruction & driveway replacement costs; corner, non-divisible large parcel hardship & non-assessable frontage credits; and any other special project costs like street lighting. Any surplus supplemental funds are used to reduce special assessments after Village funding contributions have been offset.

(3) Payment Plans – payment schedules for assessments are established when the assessment is levied.

(A) **Type A Payment Plan** - is applied to property that has an established use. For example, this may include, but is not limited to, an existing house, a business, a vacant property that has been divided by certified survey map or plat, or a property with a building permit for an established use.

i. Special assessments levied against a property identified, documented and denoted as “Assessment Type A” shall be paid in cash or in ten (10) annual installments to the Clerk-Treasurer, such installments bearing interest on the unpaid balance at an annual rate equal to one percent (1.0%) over the Village borrowing rate at the time of the assessment.

ii. Except as provided in Subsection iii below, all outstanding deferred assessments on the property, or the remaining balance if installments are being applied following the deferral period, shall be paid in full prior to the occurrence of any of the following actions or events (each an “Acceleration Event”):

1. The property is connected to the public improvements.
2. The property takes access to street for which the assessments were levied and deferred, and the property did not previously take access to the street.
3. Improvements are made to the property that substantially change the use of the property.
4. An undeveloped property is developed.
5. Non-agricultural related improvements are made to agricultural property.
6. The property is divided by certified survey map or plat.
7. The property is sold or transferred, except for sales or transfers between father, mother, son, daughter, brother or sister.

iii. The requirements for full payment of all deferred assessments or all

outstanding installment payments upon the occurrence of an Acceleration Event do not apply to the following:

1. The Village Board permits additional time for payment of the assessment due by allowing for payment of remaining assessment in installments. If this occurs, the assessment shall be paid within the time prescribed by the resolution permitting installment payments.
2. The owner of the property enters into an agreement with the Village to pay the assessment plus accrued interest, plus future interest over a stipulated period of time, in equal installments of principal plus variable installments of interest as determined by the Village.
3. The Village Board permits collection of the proportional share of the total assessment due against the portion of the property subject to the Acceleration Event while allowing continued installment payments on the remaining portion of the property not otherwise subject to the Acceleration Event.

(B) **Type B Payment Plan** – is applied to vacant property or the undeveloped portion of dividable property.

i. Special assessments levied against property identified, documented and denoted as “Assessment Type B” allow deferred payment WITHOUT accrued interest until payment of the special assessment is required as provided below.

ii. Except as provided in Subsection iii below, all outstanding deferred assessments on the property, or the remaining balance if installments are being applied following the deferral period, shall be paid in full prior to the occurrence of any of the following actions or events (each an “Acceleration Event”):

1. The property is connected to the public improvements.
2. The property takes access to street for which the assessments were levied and deferred, and the property did not previously take access to the street.
3. Improvements are made to the property that substantially change the use of the property.
4. An undeveloped property is developed.
5. Non-agricultural related improvements are made to agricultural property.
6. The property is divided by certified survey map or plat.

7. The property is sold or transferred, except for sales or transfers between father, mother, son, daughter, brother or sister.

iii. The requirements for full payment of all deferred assessment or all outstanding installment payments upon the occurrence of an Acceleration Event do not apply to the following:

1. The Village Board permits additional time for payment of the assessment due by allowing for payment of remaining assessment in installments. If this occurs, the assessment shall be paid within the time prescribed by the resolution permitting installment payments.
2. The owner of the property enters into an agreement with the Village to pay the assessment plus accrued interest, plus future interest over a stipulated period of time, in equal installments of principal plus variable installments of interest as determined by the Village.
3. The Village Board permits collection of the proportional share of the total assessment due against the portion of the property subject to the Acceleration Event while allowing continued installment payments on the remaining portion of the property not otherwise subject to the Acceleration Event.

(C) **Type C Payment Plan** – is applied to property that is being assessed for (1) the installation of a sanitary sewer project where watermain is not currently installed and is not being installed as part of the project (“Scenario #1”), or (2) the installation of a watermain project where sanitary sewer is not currently installed and is not being installed as part of the project (“Scenario #2”).

i. Special assessments levied against property identified, documented and denoted as "Assessment Type C" allow deferred payment WITHOUT accrued interest until payment of the special assessment is required as provided below.

ii. If the Village later installs watermain or requires connection to the sanitary sewer in Scenario #1, the deferral period shall end and the special assessment shall be paid in cash or in ten (10) annual installments to the Clerk-Treasurer, such installments bearing interest at an annual rate equal to one percent (1.0%) over the Village borrowing rate at the time the deferral period ends, on the unpaid balance.

iii. If the Village later installs sanitary sewer or requires connection to the watermain in Scenario #2, the deferral period shall end and the special assessment shall be paid in cash or in ten (10) annual installments to the Clerk-Treasurer, such installments bearing interest at an annual rate equal to one percent (1.0%) over the Village borrowing rate at the time the deferral period ends, on the unpaid balance.

iv. Except as provided in Subsection v below, all outstanding deferred assessments on the property, or the remaining balance if installments are being applied following the deferral period, shall be paid in full prior to the occurrence of any of the following actions or events (each an “Acceleration Event”):

1. The property is connected to the public improvements.
2. The property takes access to street for which the assessments were levied and deferred, and the property did not previously take access to the street.
3. Improvements are made to the property that substantially change the use of the property.
4. An undeveloped property is developed.
5. Non-agricultural related improvements are made to agricultural property.
6. The property is divided by certified survey map or plat.
7. The property is sold or transferred, except for sales or transfers between father, mother, son, daughter, brother or sister.

v. The requirements for full payment of all deferred assessments or all outstanding installment payments upon the occurrence of an Acceleration Event do not apply to the following:

1. The Village Board permits additional time for payment of the assessment due by allowing for payment of remaining assessment in installments. If this occurs, the assessment shall be paid within the time prescribed by the resolution permitting installment payments.
2. The owner of the property enters into an agreement with the Village to pay the assessment plus accrued interest, plus future interest over a stipulated period of time, in equal installments of principal plus variable installments of interest as determined by the Village.
3. The Village Board permits collection of the proportional share of the total assessment due against the portion of the property subject to the Acceleration Event while allowing continued installment payments on the remaining portion of the property not otherwise subject to the Acceleration Event.

(D) **Type D Payment Plan** – is the cost of the publicly installed improvements. The value represents the assessment that would have been levied against the property for improvements, had the property not been encumbered by environmentally regulated areas that eliminate property improvement or development. The stated cost of the installed improvements is funded

and held by the Village, for benefit of the property owner, until a time that regulations or circumstances change.

i. The cost of improvements that benefit property identified, documented and denoted as “Payment Plan Type D” shall be withheld and are currently determined to be unbuildable due to the presence of wetlands or floodways. The cost of improvements shall be exempt and withheld until such time that the circumstances have changed, such that any portion of the withheld area is removed from said environmental regulation and is deemed buildable or should the property owner obtain a building permit for any type of property improvement or otherwise improves the property without a permit. At that time, the Village shall promptly assess the property owner for the cost of the improvements as documented plus accrued interest at the annual rate of one percent (1%) over the Village borrowing rate at the time of the assessment, on the unpaid balance from the date of adoption of the initial final resolution. The balance of principal, late fees, penalties and accrued interest shall be immediately due and payable in full.

(E) **Type E Payment Plan** – pursuant to Wis. Stat. §§ 91.50 and 91.70, the Village may not levy a special assessment for sanitary sewers or water against land in agricultural use if the land is located in a farmland zoning district or covered by a farmland preservation agreement. The Village may deny the use of improvements for which the special assessment is levied to land that is exempt from the assessment under Wis. Stat. §§ 91.50(1) or 91.70(1). The exemptions under Wis. Stat. §§ 91.50(1) and 91.70(1) do not apply to an assessment that an owner voluntarily pays, after the Village provides notice of the exemption under Wis. Stat. §§ 91.50(1) or 91.70(1). The stated cost of the installed improvements is funded and held by the Village for benefit of the property owner until such time the land is not covered by a farmland preservation agreement.

i. The cost of improvements that benefit property identified, documented and denoted as “Payment Plan Type E” is the documented cost of the installed improvements had the property not been exempted from special assessments per Wis. Stat. §§ 91.50 or 91.70. The cost of improvements shall be withheld until such time that the circumstances have changed, such that any portion of the exempted area no longer applies. At that time, the Village shall promptly assess the property owner for the cost of the improvements as documented. The balance of principal, late fees, and penalties, WITHOUT accrued interest, shall be immediately due and payable in full.

(F) **Type F Payment Plan** – is applied to property that is currently being developed or consists of previously divided lots from a certified survey map or plat that are still owned by one or more of the original developers.

i. Special assessments levied against property identified, documented and denoted as “Payment plan Type F” shall be paid from the funds deposited or by claim against letter of credit filed with the Village. Where owners of affected property have not deposited or filed the same, such assessments shall be paid in cash within thirty (30) days after adoption and publication of the final resolution relating to the public

improvements, and thereafter the assessments shall bear interest on the unpaid balance at the annual rate eighteen percent (18%).

NOW THEREFORE, BE IT RESOLVED, that the Village Board of the Village of Denmark, Brown County, Wisconsin, hereby establishes, approves, and adopts; that property is benefited by the improvements described above, and that the above policy shall serve as the basis for determining special assessments to promote the fairness and uniform application, for all property owners in Village, with regard to the levying of special assessments.

Adopted this _____ day of _____ 2018.

Amended November 4th, 2019.

Amended November 8th, 2021.

Amended August 7th, 2023.