

RESOLUTION R2024-108
A RESOLUTION APPROVING A WAIVER OF SPECIAL ASSESSMENT APPEAL RIGHTS FOR HANSEN
AVENUE, LLC

WHEREAS, Hansen Avenue, LLC, ("Owner") is the fee owner of property located in the City of Shakopee, Scott County, Minnesota, legally described in Exhibit A, attached hereto and incorporated herein ("Property"); and

WHEREAS, Owner has requested assessment of a portion of the costs associated with the City Improvement Project Sewer-21-001, together with associated legal expenses, engineering administration and staff time, construction observation, surveying, record drawing preparation, permits and publications against the Property; and

WHEREAS, the City has received the attached signed Waiver of Special Assessment Appeal Rights Agreement, attached hereto as Exhibit B, ("Assessment Agreement") that includes assessment of a portion of the costs for City Improvement Project Sewer-21-001 and waiving all applicable assessment procedural requirements and requesting to be assessed for the public improvement costs in the amount itemized therein against the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHAKOPEE, MINNESOTA THAT:

1. The Waiver of Special Assessment Appeal Rights Agreement is hereby accepted and approved.
2. A special assessment in the principal amount of \$197,049.05 is hereby imposed against the Property.
3. Such assessment shall be payable in equal annual installments extending over a period of 10 years, the first of the installments to be payable with the first installment of the 2025 property taxes, and shall bear interest at the rate of 4.5% per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2024. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
4. The owner of the Property at any time may pay to the city treasurer the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
5. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the County. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted in regular session of the City Council of the City of Shakopee,
Minnesota, held this 7th day of August 2024.

Mayor of the City of Shakopee

ATTEST:

City Clerk

Prepared by:
City of Shakopee
485 Gorman Street
Shakopee, MN 55379

Exhibit A

Legal Description of Property

Lot 1, Block 2, Reliakor 1st Addition, Scott County, Minnesota.

PID NO. 27-52400-20

Exhibit B

WAIVER OF SPECIAL ASSESSMENT APPEAL RIGHTS

This Waiver is entered into this 23rd day of July, 2024, by Hansen Avenue, LLC ("Property Owner"), whose address is 8600 Hansen Avenue, Shakopee, Minnesota 55379.

RECITALS

A. Property Owner is the fee owner of certain property in the City of Shakopee ("City"), Minnesota, legally described as:

Lot 1, Block 2, Reliakor 1st Addition.

having a street address of 8600 Hansen Avenue, Shakopee, Minnesota, and a parcel identification number of 275240020 (the "Property"),

B. As part of the Maras Street, 13th Avenue, and Hansen Avenue Utility Extension Project ("Project") public improvements consisting of sanitary sewer, water main and related improvements ("Public Improvements") have been installed. The Property Owner has requested that the City allow the Property to hook up to the City sanitary sewer system and to the Shakopee Public Utilities watermain system. The lateral connection fees related to the Project are listed in the City of Shakopee and Shakopee Public Utilities fee schedule. The lateral connection charges against the Property based on final construction costs are \$146,397.05 for water and \$50,652.00 for sanitary sewer.

C. The lateral connection charges are required to be paid by the Property Owner when the Property connects to the sanitary sewer and water main systems. In consideration of the City and Shakopee Public Utilities agreeing to allow the connection charges to be assessed against the Property over a period of 10 years, the Property Owner is willing to waive all rights to appeal or otherwise challenge the special assessments levied against the Property.

In consideration of the mutual covenants set forth above, the Property Owner agrees as follows:

1. The City may specially assess the cost of the lateral connection charge for water in the amount of \$146,397.05 and the cost of the lateral connection charge for sewer in the amount of \$50,652.00 totaling \$197,049.05 against the Property. The assessment shall be spread over ten (10) years, together with four- and one-half percent (4.5%) interest per year on the unpaid balance. Interest shall accrue from the date that the City Council adopts the special assessment for the Project. The first installment shall be due and payable with taxes in 2025.
2. The Property Owner represents and warrants that it is the fee owner of 100 percent of the Property, that it has full legal power and authority to encumber the Property as provided in this Waiver, and that as of the date of execution, the Property Owner has fee simple absolute title in the Property.

3. Property Owner waives notice of hearing and hearing provided in Minn. Stat. Sections 429.031 and 429.061, or any other right notice and hearing, on the Project and the special assessments levied to finance the Project. Property Owner specifically requests that the Public Improvements be constructed, and special assessments levied against the Property without hearings.
4. Property Owner waives the right to appeal the levy of the special assessments pursuant to Minn. Stat. Section 429.081, or reapportionment upon land division pursuant to Minn. Stat., Section 429.071, Subd. 3, or any other right to appeal, and further specifically agrees with respect to the special assessments against the Property or reapportionment that:
 - a. Any requirements of Minn. Stat., Chapter 429 with which the City does not comply are waived by Property Owner; and
 - b. Property Owner waives any and all rights to appeal or otherwise contest or challenge the levying of special assessments against the Property, including but not limited to the right to challenge whether the increase in fair market value resulting from the Project is at least equal to the amount that is being assessed against the Property and that such increase in fair market value is a special benefit to the Property. Property Owner further agrees that any requirements of Minnesota Statutes, Chapter 429 with respect to the adoption or levying of the special assessments are waived to the extent that those requirements are not met.
5. Property Owner acknowledges that said special assessment includes only the cost of main line construction and does not include any costs of connection to individual residences. Such future costs of connection will be borne by Property Owner, its successors or assigns, and includes such items as construction of the lateral connection, connection charges, hookup and inspection fees.
6. Property Owner understands and agrees that the City may provide for the payment of such special assessment in installments bearing the interest as specified in Paragraph 1. Further, the decision regarding the period of time over which the special assessment may be paid and the interest rate to be applied is in the absolute and sole discretion of the city council, subject only to limitations imposed by law.
7. Property Owner agrees to reimburse the City for all costs incurred by the City in the enforcement of this Waiver, or any portion thereof, including court costs and reasonable engineering and attorneys' fees, regardless of whether the city is defending an action or affirmatively enforcing its rights pursuant to this Waiver.
8. The covenants, waivers and agreements contained in this Waiver bind the successors and assigns of the Property Owner and run with the Property and bind all successors in interest. It is the intent of the Property Owner that this Waiver be in a form that is recordable among the land records of Scott County, Minnesota; and they agree to make any changes in this Waiver that may be necessary to affect the recording and filing of this Waiver against the title of the Property.

9. This Waiver will terminate upon the final payment of all special assessments levied against the Property, and the City will execute and deliver such documents, in recordable form, as are necessary to extinguish this Waiver.

I (WE) SIGN THIS DOCUMENT VOLUNTARILY, WITH THE UNDERSTANDING THAT I (WE) COULD PAY THE LATERAL CONNECTION CHARGES AT TIME OF CONNECTION AND I (WE) WOULD THEREFORE NOT NEED TO SIGN THIS DOCUMENT.

Property Owner

Signed by:
By: Eugene Hanson
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Its: Eugene Hanson CEO

Date: 7/23/2024