

Everything you need to know about Special Assessments

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A **special assessment** is a tool utilized by cities *all across the state of Michigan* to fund public improvements, specifically roadway and utility projects. The City of Gladstone has had the ability to utilize special assessments since October 15, 1889.

Unlike general taxes, which are spread across the entire community, special assessments are charged only to property owners who directly benefit from a specific improvement project, such as the repaving of a nearby street or the installation of new utilities. This approach ensures that those who gain the most

from a project contribute more significantly to its cost. On average, a property within Gladstone is special assessed for infrastructure improvements once every twenty-five years, making it a rare but effective means to fund critical local improvements.

Benefits of Special Assessments:

1. **Fairness:** Special assessments ensure that the costs of improvements are shared fairly among those who benefit directly based on their property's street frontage. For instance, if a street is repaved, the property owners along that street see the most benefit in terms of accessibility and property value increase, and thus contribute to the cost.
2. **Targeted Funding:** Special assessments provide a targeted source of revenue for specific projects without raising taxes for the entire community. This helps the city keep overall tax rates more manageable, as improvements are paid for by those who benefit directly.
3. **Sustainable Infrastructure Maintenance:** By using special assessments, the city can maintain and improve infrastructure consistently. This system allows Gladstone to spread out the cost of large projects over time, making them affordable for both the city and property owners.
4. **Opportunity for ADA Compliance:** Special assessments also provide a unique opportunity to correct infrastructure and sidewalks that are not currently compliant with the Americans with Disabilities Act (ADA). When streets and utilities are improved, the city can also upgrade sidewalks to ensure accessibility for all residents, including those with disabilities. This not only enhances safety and mobility but also aligns with the city's commitment to inclusivity and equal access.

Why Special Assessments are Important:

1. **Reliable Funding for Infrastructure:** Special assessments provide a reliable source of funding for critical infrastructure projects, such as street and utility improvements. Without special assessments, the city would need to find alternative funding sources, which could significantly limit our ability to carry out needed repairs and upgrades. The current system allows us to maintain infrastructure without straining the existing department budgets, ensuring that Gladstone can continue to meet community needs efficiently.
2. **Preventing Higher Taxes or Service Reductions:** Special assessments help keep property taxes lower for everyone by ensuring that those who benefit most from a project contribute directly to its cost. Without this tool, the city might need to raise millage rates, resulting in higher property taxes for all

residents, regardless of whether they directly benefit from an improvement. Alternatively, we could be forced to cut services, leading to reduced road maintenance, less frequent snow plowing, and delayed utility repairs—negatively impacting the quality of life for the entire community.

3. **Maintaining a Balanced City Budget:** Special assessments enable the city to share the costs of infrastructure projects across multiple funding sources, including property owners, the Downtown Development Authority, and other city departments. This balance helps avoid budget shortfalls in essential services, allowing Gladstone to maintain community development initiatives and other critical city functions without overburdening any single source.
4. **Sustaining Road Quality:** Special assessments have been key to the significant progress made in improving road conditions in Gladstone over the past decade. Roads that were once in poor condition have been upgraded to fair or good condition, benefiting all residents by reducing vehicle maintenance costs and improving safety. Without special assessments, maintaining this progress would be extremely challenging, and roads would quickly deteriorate, reversing the improvements we have worked hard to achieve.

Special assessments are crucial for Gladstone’s strategy to maintain and improve our infrastructure in a fair, effective, and sustainable manner. They ensure that those who directly benefit from public improvements contribute to their costs, **keeping taxes lower for the community while providing the funding necessary to maintain safe and reliable roads and utilities.**

Current Special Assessments for Paving & Utility Projects

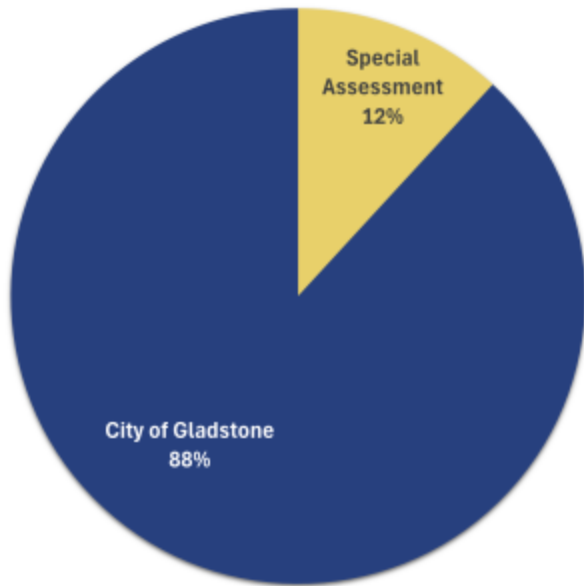
9th Street Special Assessment

The City of Gladstone, in partnership with the City of Gladstone's [Downtown Development Authority](#), covered 88.2% of the \$5,683,402 project costs for the 9th Street updates in 2020 to minimize the burden of special assessments on property owners.

This project covered 190 parcels over 15 years of financing.

4th Street Special Assessment

Between budget planning and the successful acquisition of \$320,000 in grant funding, the City of Gladstone was able to contribute 74% of the \$490,000 in



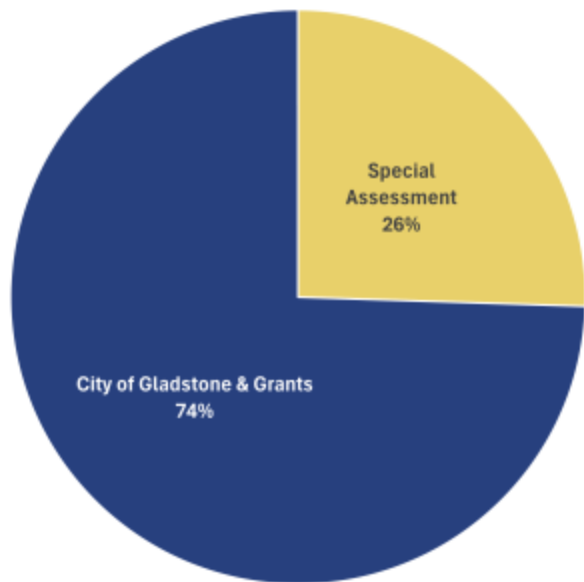
project costs for the 4th Street project in 2020 to minimize the burden of special assessments on property owners.

This project covered 47 parcels over 15 years of financing.

N 15th Street Special Assessment

The City of Gladstone was able to contribute 55% of the \$471,000 in project costs for the N 15th Street project in 2021 to minimize the burden of special assessments on property owners.

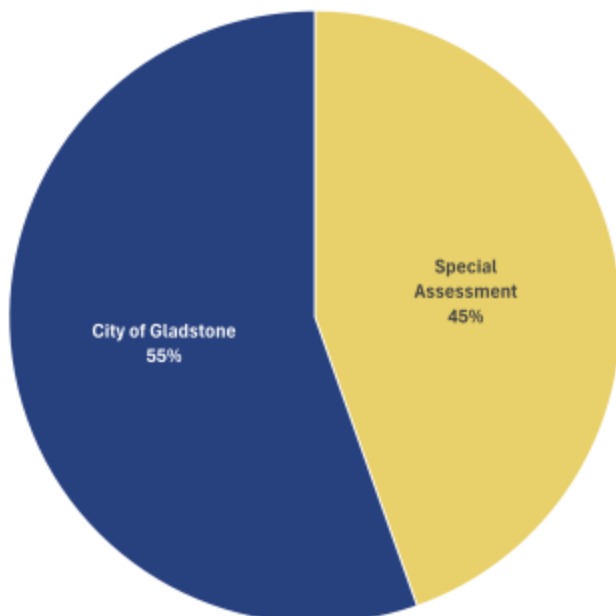
This project covered 113 parcels over 8 years of financing.



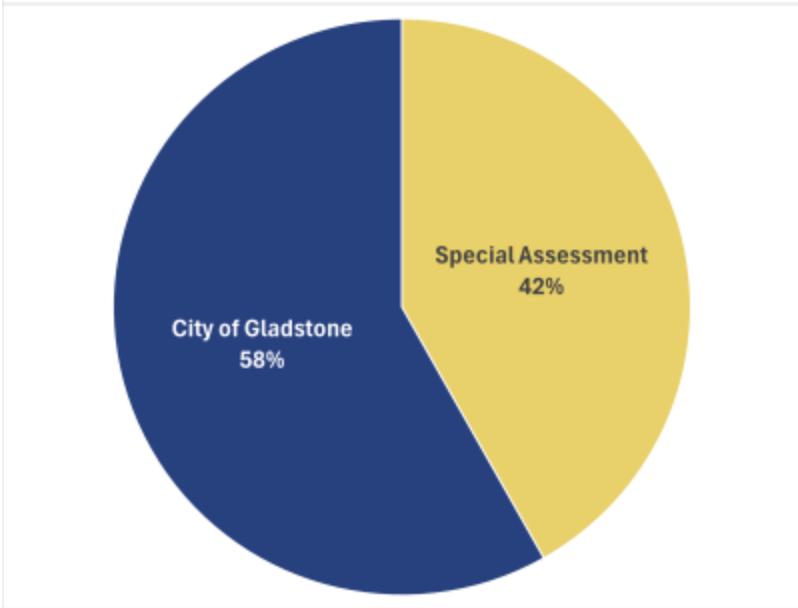
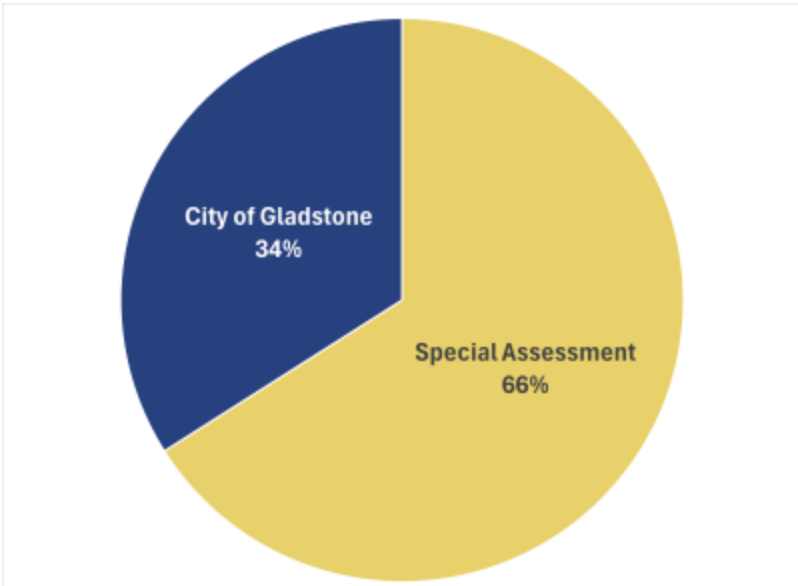
North Bluff Special Assessment

The City of Gladstone was able to contribute 34% of the \$378,650 in project costs for the North Bluff project in 2022 to minimize the burden of special assessments on property owners.

This project covered 102 parcels over 8 years of financing.



Southwest Gladstone



(Lowrie/Minneapolis/18th St)

The City of Gladstone was able to contribute 58% of the \$270,580 in project costs for the Southwest Gladstone project in 2023 to minimize the burden of special assessments on property owners.

This project covered 23 parcels over 8 years of financing.