



Legislation Text

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An Ordinance to Amend Section 1:292 of Chapter 13 of Title I (Special Assessments) and Section 2:72 of Chapter 29 of Title II (Water, Sewer and Stormwater Rates) of the Code of the City of Ann Arbor (Ordinance No. ORD-09-10)

The attached language initiates the consideration through first reading regarding proposed amendments to Chapter 13 - Special Assessments and Chapter 29 - Water, Sewer and Stormwater Rates.

Proposed ordinance changes include:

- Replacement of specific dates with timing guidelines
- Removal of requirement for multiple notices in Chapter 13
- Removal of requirement for multiple Council resolutions in Chapter 29
- Restructuring of language in both Chapters 13 and 29

These changes are proposed to streamline the processes required for the collection of delinquent accounts receivable, and to make formerly disparate processes congruent. This will allow Treasury to consolidate the procedures for placing delinquent receivable on the taxroll and reduce the time required to place items on the taxroll by two months. Both Chapters 13 and 29 will still require adequate notice to customers and Council approval, and both continue to adhere to standards set forth in the City Charter.

The changes also clarify the distinction between single lot assessments for public improvements such as water or sanitary sewer lines and the single lot assessment procedure used for delinquent accounts receivables.

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Reviewed by: Tom Crawford, Financial and Administrative Services Area Administrator

For official copy of ordinance please print Attachment ORD-09-10 Briefed & Approved
ORDINANCE NO. ORD-09-10

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SPECIAL ASSESSMENTS AND WATER, SEWER AND STORMWATER RATES

AN ORDINANCE TO AMEND SECTION 1:292 OF CHAPTER 13 OF TITLE I AND SECTION 2:72 OF CHAPTER 29 OF TITLE II OF THE CODE OF THE CITY OF ANN ARBOR

The City of Ann Arbor ordains:

Section 1. That Section 1:292 of Chapter 13 of Title I of the Code of the City of Ann Arbor is amended as follows:

1:292. Assessing single lots or tax parcels.

(1) *Single lot assessments for expenses other than local public improvements, water main improvements and sanitary sewer improvements.* Except for local public improvements, water main improvements and sanitary sewer improvements, as defined in Section 1:271 of chapter 12, water main or sanitary sewer improvements, when any expense shall have been incurred by the city upon or in respect to any single lot or tax parcel, which expense is chargeable against it and the owner of it under the provisions of the charter, this code, or law of the State of Michigan and is not of that class required to be pro-rated among several lots and tax parcels in a special assessment district, an account of the labor, material or services for which the expense was incurred, verified by the chief financial officer, with a description of the lot or tax parcel and the name of the owner, if known, shall be reported to the City city Treasurer treasurer who shall immediately charge and bill the owner, if known. *Notwithstanding the foregoing exception for local public improvements, assessments for the construction, rebuilding and/or repair of sidewalks shall be levied under the provisions of this subsection when done by the city under the provisions of Chapter 49.* For water main or sanitary sewer improvements, the cost to be assessed against the single lot or tax parcel shall be calculated in accordance with sections 1:271, 1:274 and 1:278 of Chapter 12. The bill shall be sent by first class mail to the owner of the lot or tax parcel with respect to which the expense was incurred by the city. to be assessed and the bill shall notify the owner of the time of the meeting of the city council, not sooner than 30 days thereafter, when the city council will meet for the purpose of adopting a resolution placing a special assessment upon the lot or tax parcel for the charges.

The city chief financial officer or designee shall from time to time report to the city council the unpaid charges for services furnished to or expense incurred for any premises which on the last day of the month preceding the date of the report to the city council have remained unpaid for a period of not less than 120 days. unless the charges are paid prior to the date of the meeting. At the meeting the city council shall adopt, in accordance with section 10.4 of the Charter, a special assessment resolution covering each lot or tax parcel for which charges have not been paid in full. As many lot or tax parcels may be included in a single resolution as shall be convenient. Upon adoption of the resolution, the city council may authorize installment payments, and if installment payments are authorized, shall determine the number of installments and the rate of interest to be charged, but not to exceed 1% per annum above the average interest rate of any bonds issued to finance the improvements or the charges. Immediately after the adoption of the resolution, the City city Clerk clerk shall give notice of the lot or tax parcel owners. The notice shall be sent by first class mail to the last known addresses of the persons as shown on the assessment roll of the city, or by publication. The notice shall state the basis of the assessment, the amount, and shall give a reasonable time, not less than 30 days, within which payment shall be made to the Treasurer treasurer. The notice shall include notice that failure to pay within the time set will result in a penalty of 10% of the amounts due. In all cases where payment is not made within the time set, the fact shall be reported by the city Treasurer treasurer to the city Assessor assessor, who shall charge the

amounts, together with a penalty of 10% of the amounts, against the persons or lots or tax parcels chargeable, on the next tax roll. Assessments for the construction, rebuilding and repair of sidewalks shall be levied under the provisions of this section, when built by the city under the provisions of Chapter 49, relative to sidewalks. Charges so assessed shall be collected in the same manner as general city taxes.

(2) *Single lot assessments for local public improvements, water main improvements and sanitary sewer improvements.* When any expense shall have been incurred by the city for a local public improvement, water main improvement or sanitary sewer improvement, as defined in Section 1:271 of chapter 12, for which the expense benefits and is chargeable against a single lot or tax parcel under the provisions of the charter, this code, or law of the State of Michigan and is not of that class required to be pro-rated among several lots and tax parcels in a special assessment district, the city treasurer shall immediately charge and bill the owner of the lot or tax parcel with respect to which the expense was incurred by the city. The bill shall include notice to the owner that if the bill has not been paid in full when due, that the city treasurer may seek city council approval to place a special assessment upon the lot or tax parcel for the charges. The city council shall adopt, in accordance with section 10.1 of the Charter, a special assessment resolution covering each lot or tax parcel for which charges have not been paid in full. Provided that assessments for the construction, rebuilding and/or repair of sidewalks when done by the city under the provisions of Chapter 49, relative to sidewalks, shall be levied under the provisions of subsection (1) of this section.

For local public improvements, water main improvements and sanitary sewer improvements, the cost to be assessed against the single lot or tax parcel shall be calculated in accordance with sections 1:271, 1:274 and 1:278 of chapter 12.

Upon adoption of the resolution, the city council may authorize installment payments, and if installment payments are authorized, shall determine the number of installments and the rate of interest to be charged, but not to exceed 1% per annum above the average interest rate of any bonds issued to finance the local public improvements.

Section 2. That Section 2:27 of Chapter 29 of Title II of the Code of the City of Ann Arbor is amended as follows:

2:72. Collection.

The public services area is hereby authorized to enforce the payment of charges for water service, to any premises by discontinuing the water service to the premises and the payment of charges for sanitary sewer service and/or stormwater service to any premises may be enforced by discontinuing the water service, the sanitary sewer service and/or the stormwater service to the premises, or all 3, and the city may institute a civil action may be instituted by the City against the customer. Where the water, sanitary sewer or stormwater service to any premises is turned off to enforce the payment of water service charges, sanitary sewer charges, or stormwater charges, the water, sanitary sewer or stormwater service shall not be reconnected until all delinquent charges have been paid, including any turn-on charges established by city Council resolution.

The charges for water service, sanitary sewer service or and stormwater charges service, are

each is hereby recognized to constitute a lien on the premises to which furnished; and the The City city Administrator chief financial officer shall from time to time annually, at the first meeting in April of the City Council, report to the city Council, all unpaid charges for services furnished to any premises which, on the 31st day of March last day of the month preceding the date of the report to the city council, have remained unpaid for a period of 6 months. The City city Council may shall thereupon, after due notice to the owners of the premises so served, assess the amount so found to be due as a tax against each lot or tax parcel for which charges have not been paid in fullthe premises, . As many lot or tax parcels may be included in a single resolution as shall be convenient. and the same Immediately after the adoption of the resolution, the city clerk shall give notice of the lot or tax parcel owners. The notice shall be sent by first class mail to the last known addresses of the persons as shown on the assessment roll of the city, or by publication. The notice shall state the basis of the assessment, the amount, and shall give a reasonable time, not less than 30 days, within which payment shall be made to the treasurer. The notice shall include notice that failure to pay within the time set will result in a penalty of 10% of the amounts due. In all cases where payment is not made within the time set, the fact shall be certified reported by the city treasurer to the City city Assessor assessor who shall place the same, together with a penalty of 10% of the amounts, on the next tax roll of the Citycity. Charges so assessed shall be collected in the same manner as general City city taxes. In cases where the City city is properly notified in accordance with applicable statutory provisions, that a tenant is responsible for water, sanitary sewer, or stormwater service charges, no such service shall be commenced or continued to the premises until there has been deposited with the public services area, a sum sufficient to cover twice the average quarterly bill for such premises as estimated by the Public public Services services Area area Administratoradministrator, the deposit to be in no case less than \$18.00.

A similar deposit may also be required by the administrator in cases where the person applying for services has a delinquent utility account owing or has had services shut off in the last 180 days because of non-payment at another location. Such deposits shall be applied against any delinquent water, sanitary sewer, or stormwater service charges. If the application thereof satisfies the delinquency, such service shall not be discontinued.

No deposit shall bear interest and the deposit, or any remaining balance thereof shall be returned to the customer making the same, when he or she shall discontinue receiving water, sanitary sewer, and stormwater service or, except as to tenants as to whom notice of responsibility for such charges has been filed with the Citycity, when any 8 successive quarterly bills shall have been paid by that customer with no delinquency.

Section 3. That this ordinance shall take effect on the tenth day following legal publication.