



Legislation Details (With Text)

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Title: Resolution Authorizing Change in Interest Rate for Improvement Charges for 3980 Platt Road

Sponsors:

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Date	Ver.	Action By	Action	Result
8/7/2014	1	City Council	Approved	Pass

Resolution Authorizing Change in Interest Rate for Improvement Charges for 3980 Platt Road
Your approval is requested to adjust the interest rates charged for sanitary sewer and water improvement charges on the property known as 3980 Platt Road. Council previously approved Resolution 14-171, which approved the sanitary sewer and water main improvement charges and incorrectly set the interest rate for both charges at 5.37%.

Based on the most recent applicable bond sales and the nature of these improvements, the interest rate for these improvement charges should be reduced. The sanitary sewer portion should accrue interest at 3.393% interest per annum on the unpaid balance. The water main portion should accrue interest at 2.999% interest per annum on the unpaid balance.

It is therefore recommended that Council approve the reduction of interest rate for these improvement charges according to the terms described above.

Prepared by: Matthew V. Horning, Treasurer
Reviewed by: Craig Hupy, Public Services Area Administrator
Approved by: Steven D. Powers, City Administrator
Whereas, The City owns improvements described as follows:

Parcel ID 09-12-10-401-020 (3980 Platt Road)

Whereas, Resolution 14-171 approved sanitary sewer and water main improvement charges and set the interest rate for both charges at 5.37%;

Whereas, The most recent applicable bond sales and the nature of these improvements indicate that the interest rate for these improvement charges should be reduced, and

Whereas, Pursuant to Section 1:279(3), Chapter 12, of the Code of the City of Ann Arbor, the sanitary sewer portion should accrue interest at 3.393% interest per annum on the unpaid balance, and the

water main portion should accrue interest at 2.999% interest per annum on the unpaid balance;

RESOLVED, That Council hereby authorizes the interest rates for improvement charges levied upon Parcel ID 09-12-10-401-020 (3980 Platt Road) to be adjusted as follows:

1. The sanitary sewer portion shall accrue interest at 3.393% interest per annum on the unpaid balance, and
2. The water main portion shall accrue interest at 2.999% interest per annum on the unpaid balance.