



Legislation Text

File #: 19-1138, **Version:** 1

An Ordinance to Amend Section 1:292 of Chapter 13 (Special Assessments) of Title I of the Code of the City of Ann Arbor (Ordinance No. ORD-19-22)

Section 1:292 of Chapter 13 of the City's Municipal Code outlines the procedure through which certain expenses that the City incurs related to specific lots (e.g., nuisance abatement, inspections, etc.) are transferred to the tax rolls as a special assessment if they remain unpaid. The Financial and Administrative Services Unit, along with the City Attorney's Office, recently conducted a review of certain code sections to ensure they conform with practice and are in-line with the City interests.

The attached changes make clear that service units (rather than the Chief Financial Officer) notify relevant parties (i.e., the owner, tenant, and or relevant registered agent) of such charges and that the City Clerk may designate the sending of such notices to another individual (currently, the deputy treasurer). These changes will conform with both the Charter and current practice.

City staff recommends approval.

Prepared by: Tom Crawford, Financial Services Area Administrator and CFO

Reviewed by: Betsy Blake, Senior Assistant City Attorney

Approved by: Howard S. Lazarus, City Administrator

ORDINANCE NO. ORD-19-22

First Reading: June 17, 2019

Public Hearing: July 1, 2019

Approved: July 1, 2019

Published: July 8, 2019

Effective: July 18, 2019

SPECIAL ASSESSMENTS

AN ORDINANCE TO AMEND SECTION 1:292 OF CHAPTER 13 (SPECIAL ASSESSMENTS) OF TITLE I 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 be amended to read as follows:

1:292. - Assessing single lots or tax parcels.

(1) Single lot assessments for expenses other than local public improvements, water supply system improvements and sanitary sewer system improvements Except for local public improvements, water supply system improvements and sanitary sewer system improvements, as defined in section 1:271 of Chapter 12, 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, an account of the labor, material

or services for which the expense was incurred, verified by the applicable service unit, with a description of the lot or tax parcel and the name of the owner, if known, shall be immediately charged and billed to the owner, tenant, or registered agent, if known, and reported to the City Treasurer. 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. 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.

The City Chief Financial Officer or designee shall from time to time verify and 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. 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. Immediately after the adoption of the resolution, the City Clerk or designee shall give notice to 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 reported by the City Treasurer to the City 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. Charges so assessed shall be collected in the same manner as general city taxes.

(2) Single lot assessments for local public improvements. When any expense shall have been incurred by the city for a local public 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. For local public improvements, the cost to be assessed against the single lot or tax parcel shall be calculated in accordance with sections 1:271 and 1:274 of Chapter 12. 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. Upon adoption of the resolution, the City Council may authorize installment payments as provided in section 1:275 of Chapter 12, and if installment payments are authorized, shall determine the number of installments, and shall determine the rate of interest to be charged in accordance with section 1:271(3).

(3) Single lot assessments for connection to the city water supply system or sanitary sewer system. When a property connects to, adds a connection to, or increases the size of its connection to the city

water supply system or sanitary sewer system, the lot or tax parcel on which the connecting property is located shall pay the water or sanitary sewer capital recovery charge that has been calculated as provided in Chapters 27 and 28. The City Council shall adopt a single lot assessment resolution for the lot or tax parcel of each connecting property for which water and/or sanitary sewer capital recovery charges have not been paid in full. Upon adoption of the resolution, the City Council may authorize installment payments as provided in section 1:275 of Chapter 12, and if installment payments are authorized, shall determine the number of installments, and shall determine the rate of interest to be charged in accordance with subsection 1:271(3).

Section 2: This Ordinance shall take effect ten days after passage and publication.

CERTIFICATION

I hereby certify that the foregoing ordinance was adopted by the Council of the City of Ann Arbor, Michigan at its regular session of July 1, 2019.

(Date)

Jacqueline Beaudry, Ann Arbor City Clerk

Christopher Taylor, Mayor

I hereby certify that the foregoing ordinance received legal publication on the City Clerk's Webpage on July 8, 2019.

Jacqueline Beaudry, Ann Arbor City Clerk