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Sec. 58-1. Purpose of chapter.

The purpose of this chapter for any and all assessments for construction is to:

- (1) Establish a uniform citywide assessment program.
- (2) Improve the quality, citywide, of the infrastructure.
- (3) Provide for additional revenue from assessments which recognizes the benefit to abutting private property as well as the public in general.
- (4) Provide for a method of assessment which is fair and equitable while recognizing the financial impact upon property owners and renters.
- (5) Provide for a systematic annual reporting and monitoring procedure to review the effectiveness of the policy.
- (6) Provide for city council and citizen involvement in establishing the application of engineering standards and design.

(Code 1989, § 1.201)

Sec. 58-2. General policy.

- (a) The policy of the city is to assess the full cost of all assessable work. Assessments to abutting properties are reduced when available grants or other revenues are applied to the project (such as LDFA funding). Any assessable work in new developments is the responsibility of the developer; however, it may be totally assessable at the option of the city. Installment payment of assessments may be established in each project up to ten years.
- (b) The total cost of the project, subject to section 58-3, shall be assessed to abutting property owners. The cost to be assessed shall be set at the second hearing of the city council.

(Code 1989, § 1.202)

Sec. 58-3. Design standards; improvements included; assessment method.

The policy set forth in section 58-2 shall be implemented as follows:

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- (1) *Design and engineering.* All work shall be constructed or repaired to engineering standards and design as established by the city, unless determined that sufficient reasons exist to provide exception/deviation from standards.
- (2) *New subdivision development.* Any assessable work in new developments shall be the responsibility of the developer; however, when available, and deemed advisable by the city council, the city may special assess the cost.
- (3) *Assessment method.* The method of assessment for the work determined assessable shall be as follows:
 - a. Cost of the work shall include all cost directly and indirectly chargeable to the project.
 - b. Assessments to abutting benefiting properties shall be established.
 - c. Grants, aids and alternate funding, such as and including LDFA funding, shall first be applied to the city's share of the cost. Where grants and aids exceed the city's cost, the assessment to abutting properties shall be reduced pro rata.
 - d. The city shall establish a revolving fund to provide for payment of improvement costs and reimbursement from proceeds of assessments. Payments from assessments which are used to reimburse the revolving fund which has so financed an improvement may be based upon an amortization period of up to ten years at an interest rate of prime plus one percent. In cases where no bonding has produced construction funds or they are insufficient, this fund shall be available to finance improvements where assessed property owners do not otherwise qualify for assistance under other programs.
 - e. The city shall establish a fund which will be available for low and moderate income families on a sliding scale to provide grants and loans to qualified owners.
 - f. In no case shall assessments be in excess of benefits to abutting properties, unless requested by the property owner.
 - g. The city will implement projects initiated by citizens on first come, first served basis up to the limit of funds available in a given year.

(Code 1989, § 1.203)

Sec. 58-4. Procedure.

The special assessment procedure shall be as follows:

- (1) Proceedings may be initiated by the city council or by petition of affected property owners. If a petition is used, it shall be signed by owners of property having 50 percent of the frontage or, in benefit cases, comprising 50 percent of the land area to be benefitted. The petition shall be filed at the city clerk's office. When initiating an assessment proceeding, or when accepting a petition, the council shall order a feasibility report on the proposed improvements, and appraisal information relating to present value and expected benefit to the assessed properties.
- (2) The city clerk shall present a resolution to the city council to set the hearing date to consider the creation of a special assessment district.
- (3) The city clerk shall notify the other affected departments (treasurer, assessor) that a special assessment is in progress.
- (4) The city clerk shall ensure notice of the first hearing in accordance with the Charter and state law. The city clerk shall notify all affected property owners of the date scheduled for the public hearing by letter from the city manager. The letter shall enclose a project survey card and a copy of the council resolution setting the hearing date. The project survey card shall list the estimated cost of

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the improvements and the estimated amount of special assessment. The card shall provide for a favorable or unfavorable response, with a request to mail the card back to the city expressing the owner's position as being "for" or "against" this project.

- (5) A report describing the improvement and determining the feasibility thereof will be prepared. It will address such factors as the need for the project, an estimate of cost and other pertinent information reflecting this chapter and special conditions of the project if any.
- (6) The card results, the feasibility report and all other relevant material shall be presented to the city council at the public hearing set forth in the notice.
- (7) The city council shall consider the report, valuation and benefit information, the card tabulations and the written or oral comments of property owners attending the hearing and shall determine whether to defer or proceed with the project, such decision to be set forth in a resolution which includes a finding that the benefit to the property exceeds or equals the assessment where the project will proceed. The provisions of the Charter or ordinances and of state law concerning protests shall be adhered to by the city council. If the city council resolves to proceed, it shall appoint a board of assessors consisting of two city council members and the city assessor, which shall function as set forth in this section.
- (8) If the city resolves to proceed with the improvement and the requisite number of votes therefor are cast, the council shall direct the preparation of a special assessment roll and shall further order the city staff to proceed with project design, preparation of specifications and the bidding process as appropriate. The treasurer shall prepare financing plans including submission of applications to the state department of treasury, beginning of bonding proceedings or other preparation called for by this chapter or as is appropriate. The financing plans shall include the interest rate to be paid on the assessment. (If bonds are to be sold, the interest rate shall be determined by the interest rate on bonds plus one percent.)
- (9) The information reviewed by the city council at the first hearing together with all materials prepared by staff shall be submitted to the board of assessors, which shall prepare the assessment roll. The assessment roll shall be based upon the lowest bid recommended by staff.
- (10) After official notice has been given to each affected property owner according to state law and the Charter, the second hearing shall be held to give affected property owners an opportunity to be heard on the matter of the amount of the actual assessments being levied and the roll to be confirmed. After the second hearing the city council shall determine whether or not to confirm the assessment roll. If it determines not to confirm but still intends to proceed, it shall return the assessment roll to the board of assessors, who shall review it and resubmit it at an adjourned hearing noticed in accordance with the law. As such time as the assessment roll is confirmed, the assessment shall be considered levied. Copies of the confirmed roll shall be sent to the treasurer's office, the city assessor and the clerk. In addition, the confirmed roll and other relevant records shall be sent to bond counsel for review if bonding is to be used for the payment of the cost of the project.
- (11) Procedures shall be followed to add special assessments to the tax rolls in the event of nonpayment. Special assessments shall be a lien on the property on the date of confirmation.
- (12) Request for deferrals under city procedures shall be handled through the city clerk's office.

(Code 1989, § 1.204)

Sec. 58-5. Single lot assessments.

When any expense shall have been incurred by the city upon or in respect to any single premises, which expense is chargeable against the premises and the owner thereof under the provisions of this Code and is not of that class required to be prorated among the several lots and parcels of land in a special

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assessment district, an account of the labor, material and service for which such expense was incurred, with a description of the premises upon or in respect to which the expense was incurred, and the name of the owner, if known, shall be reported to the treasurer, who shall immediately charge and bill the owner, if known. The treasurer at the end of each quarter shall report to the city council all sums so owing to the city and which have not been paid within 30 days after the mailing of the bill therefor. The council shall, at such times as it may deem advisable, direct the assessor to prepare a special assessment roll covering all such charges reported to it together with a penalty of ten percent. Such roll shall be filed with the clerk, who shall advise the council of the filing of the roll, and the council shall thereupon set a date for the hearing of objections to such assessment roll. The assessment roll shall be open to public inspection for a period of seven days before the council shall meet to review the roll and hear complaints. The city clerk shall give notice in advance by publication of the opening of the roll to public inspection and of the meeting of the council to hear complaints and shall also give like notice to the owners of the property affected by first class mail at their addresses as shown on the current general assessment roll of the city, at least ten days prior to the date of such hearing. Such special assessments and all interest and charges thereon shall, from the date of confirmation of the roll, be and remain a lien upon the property assessed, of the same character and effect as a lien created by general law for state and county taxes, until paid. The same penalty and interest shall be paid on such assessments, when delinquent from such date after confirmation as shall be fixed by the council, as are provided by the Charter to be paid on delinquent general city taxes, and such assessments, with penalties and interest, shall be added by the treasurer to the next general city tax roll or general county and school tax roll, as shall be convenient, and shall thereafter be collected and returned in the same manner as general city taxes.

(Code 1989, § 1.12)

FOOTNOTE(S):

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Charter reference— Special assessments, § 9.03.[\(Back\)](#)

Cross reference— Any ordinance levying or imposing any special assessment saved from repeal, § 1-11(9); administration, ch. 2; community development, ch. 30; streets, sidewalks and other public places, ch. 62.[\(Back\)](#)

State Law reference— Notices and hearings for special assessments, MCL 211.741 et seq.; deferment of special assessment payments, MCL 211.761 et seq.; assumpsit to collect special assessments, MCL 211.501 et seq.[\(Back\)](#)