

MOTION by Carvey, seconded by Jolly, Resolved, that the Special Assessment Guidelines for Road Improvements in Residential Areas are approved, as amended; that the Special Assessment Guidelines shall be incorporated as an addendum to the existing Road Improvement Guideline; that language shall be added to Item 12 of the Road Improvement Guideline to indicate the Special Assessment Guidelines are attached as an addendum; and that all previous assessment districts which utilized the Special Assessment Guidelines are hereby ratified.

Ayes: Snell, Baron, Carvey, Glass, Jolly, Karas, Tull

Nays: None

Absent: None

MOTION CARRIED

The adopted addendum is as follows:

ADDENDUM TO
CITY OF ROCHESTER HILLS
ROAD IMPROVEMENT GUIDELINE

In accordance with Section 6-12.06 of the City of Rochester Hills Code of Ordinances, the City Council herein adopts the following means of apportioning benefit received by land within the corporate limits of the City of Rochester Hills for the improvement of roadways in residential areas.

All properties within a defined district of land abutting and/or using the roadways to be improved will receive benefit from the road improvement.

FORMULAS:

1. Unit of benefit = $\frac{\text{Ln (homesite front footage)}}{\text{Ln (average homesite front footage)}}$

(Not to be less than 1.00 for homesites with direct benefit)
where Ln is the natural logarithm.

2. Average Homesite Front Footage =

$$\frac{\text{Total front footage abutting improvement}}{\text{Total Number of Homesites receiving direct benefit}}$$

3. User Access Benefit = $0.5 * \frac{A}{B} * \frac{I}{I+D} * (X+(0.2*I))$ (per homesite)

where:

A = Length of road improvement to be used as access by properties receiving User Access Benefits.

B = Total length of road to be improved. (50% total front footage abutting improvement)

I = Total number of homesites receiving indirect benefits from the proposed improvement.

D = Total number of homesites receiving direct benefits from the proposed improvement.

X = Sum total of Units of Benefit from Direct Benefit.

Indirect benefit will vary, possibly within the same Special Assessment District. User Access Benefits shall be determined by grouping properties with similar circumstances and calculating them separately.

The assessment shall be divided among all properties deriving benefit from the road improvement in proportion to the unit of benefit it is assigned:

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4. Unit Assessment = $\frac{\text{Total Assessment } (\$)}{\text{Sum Total of Units of Benefit}}$

5. The Assessment for any given property is determined:

$$\text{Property Assessment} = \text{Unit Assessment} * \text{Units of Benefit the property will receive.}$$

DEFINITIONS:

Assessment - The cost of the road improvement.

Unit - That portion of benefit and assessment received.

Unit of Benefit - A number which represents the amount of benefit received and the amount of assessment for each benefitting property. This number is usually 1.00 or slightly higher for each homesite. Maximum is 1.30 for a homesite.

Unit Assessment - Assessment received by property which has abutting footage equal to or less than the average homesite.

Homesite - Acreage parcel, portion of acreage parcel, lot, or combination of lots which is capable of including, or does include, a single family home.

Abutting Footage - The measurement of that property which is tangent to the right-of-way line along the roadways in the assessment district.

Indirect Benefit - The benefit received by a homesite which does not abut the improved roadway, (i.e. parcels of land along a dedicated right-of-way or public road that is not part of the improvement) but must utilize the improved roadway, or portion thereof for ingress and egress.

User Access Benefit - The amount of indirect benefit received.

Direct Benefit - That benefit received by property abutting the road improvement, or having its primary access to the road improvement by means of private road, drive, ingress-egress easement or fee strip.

PROCEDURE:

The following steps will be followed in order to maximize the effectiveness of the assessment policy.

1. Determine the size and extent of the assessment district.
2. Determine the number of homesites which exist in the assessment district that will receive a direct benefit.
3. Total all of the abutting footages to the proposed improvement in the assessment district.
4. Apply the Average Homesite Formula to obtain the abutting footage for the average size homesite.
5. Determine the number of homesites within the district which receive an indirect benefit.
6. Prepare an assessment roll. Said assessment roll to include name and address of owner, Sidwell number, lot number, amount of abutting footage, unit of benefit, and cost.
7. Calculate the units of benefit for each property receiving a direct benefit and also, those properties receiving an indirect benefit.

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8. Calculate the cost to each property by applying the unit of benefit to the unit assessment.

SPECIAL CONDITIONS

The following guidelines are provided to cover special circumstances which may exist in some assessment districts.

1. Homesites which abut a roadway or roadways on more than one property line:

- a) Condition - A homesite which abuts two roadways, both of which are to be improved.

Procedure - The homesite is assessed by applying the total abutting footage to the improvement, to the Declining Rate Formula.

- b) Condition - A homesite which abuts two unimproved roadways, one of which is to be improved and the other to remain in its existing condition.

Procedure - The homesite is assessed by applying the total footage abutting both roads to the Declining Rate Formula and then proportioning that unit of benefit to the two roadways. That portion of benefit received by the proposed road improvement is included in the assessment district with the portion of benefit for the unpaved road assessed when the road is improved through a later assessment district.

- c) Condition - A homesite which abuts two roadways, one of which has been improved and the other proposed to be improved.

1. The homesite was assessed for the previous road improvements.

Procedure - The homesite is assessed by applying the Declining Rate Formula to the total footage abutting the roadways. Subtract the unit of benefit paid previously from the unit of benefit received from the entire frontage. This will result in the unit of benefit for this assessment district. (Normally this benefit will be between 0.01 and 0.03 units.)

2. The homesite was not assessed for the previous road improvement.

Procedure - Apply the footage that abuts the proposed improvement to the Declining Rate Formula to arrive at the unit of benefit.

2. Condition - Unplatted acreage parcels which abut the proposed road improvement and, in the opinion of the Assessor, can, and likely will, accommodate more than one single-family residence.

Procedure - Divide the acreage parcel into equal sized homesites by using the minimum lot size for the residential zoning in the assessment district. These homesite frontages are then applied to the Declining Rate formula to determine units of benefit. No resulting frontage will be less than the minimum residential zoning.

NOTE: If any or all of these homesites (after dividing the acreage parcel) are special conditions as outlined in No. 1, they shall be treated in the same manner.

3. Properties included in the assessment district which are zoned other than single-family residential (i.e. multiple, commercial, etc.)

a) Condition - Properties presently used, or vacant property zoned other than single-family residential.

Procedure - These properties will be assigned units of benefit by dividing the total abutting footage to the proposed improvement by the minimum residential lot size. The result will be the units of benefit.

b) Condition - Properties zoned other than single-family residential which are presently used as a single-family residence.

Procedure - This property would be assessed as a regular homesite by using the Declining Rate Formula.

NOTE: If any or all of these properties are special conditions as outlined in No. 1, they shall be treated in the same manner.

c) Condition - Properties which do not abut the road improvement, but must use the newly improved road for ingress and egress.

Procedure - Calculate the shortest distance that must be traveled from the homesite which does not abut the improvement, to exit the assessment district, and apply that length to the User-Access Formula to figure the unit of benefit.

The unit of benefit for any homesite utilizing the Declining Rate Formula is limited to 1.30 units. Therefore, no homesite (certain special conditions excepted), will be assessed more than 30% higher than the average homesite which receives one unit of benefit. Any homesite that has more than the minimum zoning frontage, but less than the average homesite frontage, will receive 1.00 unit of benefit.

Any other special conditions which are not covered in this policy will be reviewed by the City Assessor and assessed accordingly.

ADOPTED:

SIGNED: _____

Award of Bid for Single Axle Dump Truck - (memo from Robert L. Lovell dated February 9, 1988, bid evaluation and list of specifications forwarded to each Council member).

Council Member Baron noted that Bob Lovell stated that this was budgeted in 1988 for a fleet addition. Mr. Baron asked whether the truck would be for standby or would be actually manned.

Robert Lovell said that the truck would be manned and that the reason more trucks are needed is because more streets are being added.

Council Member Carvey said that it appears that the low bid was made by Motor City Ford.

Robert Lovell said that in the other bids the engine does not meet the specifications. Mr. Lovell said they do not have the availability to have a turbo charger. Mr. Lovell said that in the past trucks were accepted without the turbo charger and they do not have enough power climbing the hills.

Mr. Carvey suggested that the explanation be included in Mr. Lovell's memorandum to help Council.