



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: August 29, 2017

TO: Owosso City Council

FROM: Glenn Chinavare, Director of Public Services

SUBJECT: Oliver Street Reconstruction, Phase 2 – Special Assessment Resolution No 2

When deemed necessary, the city conducts a street improvement program. Public streets are selected for inclusion in the program either by citizen initiated petition or by selection of the city. Oliver Street, from Washington Street to Oak Street, is proposed by the city for street reconstruction. Property owners are then specially assessed to cover the cost of the proposed improvement. Past practice has been to assess property owners along the street 40% of the proposed benefit and the remaining 60% to the community at large. Each property owner can pay an assessment in one lump sum or in installments over the multi-year period (the period being determined by the amount of the average assessment).

The special assessment process has five steps, each having its own purpose and accompanying resolution.

Step One/Resolution No. 1 identifies the special assessment district(s), directs the city manager to estimate project costs and the amounts to be specially assessed, and determines the life of the proposed improvements. Resolution No. 1 for the proposed improvement was approved by City Council at its September 6, 2016 meeting.

Step Two/Resolution No. 2 sets the date for the hearing of necessity on the projects. It directs notices to be sent to each affected property owner detailing the proposed project, notifying them of the public hearing date, and the estimated amount of their assessment. **On September 5, 2017**, City Council is asked to act upon Resolution No. 2 for the proposed improvement.

Step Three/Resolution No. 3 documents the hearing of necessity. This hearing provides affected residents with the opportunity to comment on whether they feel the project is necessary and of the proper scale. After hearing citizen comment on the project the city council has three options: if they agree that the project should proceed as proposed, the district is established and staff is directed to go on with the next steps of the proposed project, including obtaining bids; if they feel the project should go forward, but with some adjustments they may direct staff to make those adjustments and proceed; if they feel the project is not warranted and should not proceed at all they would simply fail to act on Resolution No. 3, effectively stopping the process.

Step Four/Resolution No. 4 takes place after the bids are received. Estimated assessment amounts are adjusted if necessary to reflect the actual cost as dictated by the bids received. A second public hearing is set to allow property owners to comment on their particular assessment. Each property owner is sent a second notice containing the date and time of the public hearing and the amount of the proposed assessment for their property.

Step Five/Resolution No. 5 documents the second public hearing, finalizes the special assessment roll and sets the terms of payment. This public hearing is designed to allow affected citizens the opportunity to argue whether or not the amount of their assessment is fair and equitable in relation to the benefit they receive from the project. If, after hearing citizen comment, the council decides adjustments need to be made to the assessment roll they may do so. Alternately, if they feel all the assessments are fair and equitable they may pass the resolution as written.

On September 5, 2017, City Council will be considering Resolution No. 2 for the proposed district as a part of the Consent Agenda.

Staff recommends authorization of Resolution No. 2 for the following district:

Oliver Street, a Public Street, from Oak Street to Gould Street

As a part of Resolution No. 3 Council will be considering the necessity of the project, the following is a list of the work that is proposed:

WATERMAIN RELOCATION; STREET RECONSTRUCTION INCLUDING NEW CURB & GUTTER, NEW CATCH BASINS AND MANHOLES, ADA SIDEWALK RAMPS AT INTERSECTIONS, AND NEW PAVEMENT

Special Assessment Resolution No. 2 for Oliver Street, Phase 2

Special Assessment District No. 2018-01

Oliver Street, Public Street, from Oak Street to Gould Street

RESOLUTION NO.

WHEREAS, the City Council has ordered the City Manager to prepare a report for public improvement, more particularly hereinafter described; and

Oliver Street, Public Street, from Oak Street to Gould Street, Street Reconstruction

WHEREAS, the City Manager prepared said report and the same has been filed with the City Council as required by the Special Assessment Ordinance of the City of Owosso and the Council has reviewed said report.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The plans and estimate of cost and the report of the City Manager for said public improvement shall be filed in the office of the City Clerk and shall be available for public examination.
2. The City Council hereby determines that the Public Improvement hereinafter set forth may be necessary.
3. The City Council hereby approves the estimate of cost of said public improvement to be **\$1,214,868.85** and determines that \$109,530.31 thereof shall be paid by special assessment imposed on the lots and parcels of land more particularly hereinafter set forth, which lots and parcels of land are hereby designated to be all of the lots and parcels of land to be benefited by said improvements and determines that \$219,152.09 of the cost thereof shall be paid by the City at large because of benefit to the City at large.
4. The City Council hereby determines that the portion of the cost of said public improvement to be specially assessed shall be assessed in accordance with the benefits to be received.
5. The City Council shall meet at the Owosso City Hall Council Chambers on **Monday, September 18, 2017** for the purpose of hearing all persons to be affected by the proposed public improvement.
6. The City Clerk is hereby directed to cause notice of the time and place of the hearing to be published once in The Argus Press, the official newspaper of the City of Owosso, not less than seven (7) days prior to the date of said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of property subject to assessment, as indicated by the records in the City Assessor's Office as shown on the general tax roll of the City, at least (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
7. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING
CITY OF OWOSSO, MICHIGAN

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

Oliver Street, Public Street, from Oak Street to Gould Street

TAKE NOTICE that the City Council intends to acquire and construct the following described public improvement: **Street Reconstruction.**

The City Council intends to defray apart or all of the cost of the above-described public improvement by special assessment against the above described property.

TAKE FURTHER NOTICE that City Council has caused plans and an estimate of the cost and report for the above described public improvement to be prepared and made by the City Manager and the same is on file with the City Clerk and available for public examination.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall Council Chambers, Owosso, Michigan at 7:30 o'clock p.m. on **Monday, September 18, 2017** for the purpose of hearing any person to be affected by the proposed public improvement.

OLIVER ST. SPECIAL ASSESSMENT ROLL

ENIGINEER'S ESTIMATE		\$328,682.40
CITY SHARE	60%	\$197,209.44
LAND OWNER	40%	\$131,472.96
	TOTAL	\$328,682.40

	TOTAL	COMMERCIAL	NON-COMMERCIAL		
ASSESSABLE FRONT FOOT	2487.22	49.59	2437.63		
FRONT FOOT RATE		COMMERCIAL	NON-COMMERCIAL		
	ASSESSMENT AT	TOTAL ASSESSABLE	FRONT FOOT	ASSESSABLE	TOTAL AMOUNT
	40% 6" RULE	FRONT FEET	RATE	FRONT FEET	OF COMMERCIAL
COMMERCIAL 6"	\$131,427.96	2487.22	\$52.84	49.59	\$2,620.40
	ASSESSMENT AT	TOTAL ASSESSABLE	FRONT FOOT	ASSESSABLE	TOTAL AMOUNT
	40% 6" RULE LESS	FRONT FEET OF	RATE	FRONT FEET	OF NON-COMMERCIAL
	ASSESSMENT AT	NON-COMMERCIAL		OF NON-COMMEI	ASSESSMENT
	40% 4" RULE LESS				
NON-COMMERCIAL 4"	\$106,909.91	2437.63	\$43.86	2,437.63	\$106,909.91
					\$109,530.31
ASSESSMENT AT 40% 6" RULE		\$131,472.40			
ASSESSMENT AT 40% 4" RULE		\$109,530.31			

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