



## Special Assessment Districts (SAD)

Public water mains and sanitary sewers are typically extended to serve established neighborhoods by means of the special assessment process. The Assessing Department provides petitions with cost estimates for future water and sewer extensions in the planning phase of creating a Special Assessment District (SAD).

### **SAD Petition Process**

The creation of a special assessment district requires a petition to be circulated by the residents in the proposed district. **The petition must be signed by a majority of both land area and homeowners.** After a successful petition is submitted, engineering plans and specifications are developed for public bidding. The Township will hold Public Hearings for those residents in the proposed district before proceeding with the construction project and establishing the special assessment. The financing of the project is contingent upon the available funding at the time the petition is submitted to the Township.

If the final special assessment cost after receiving bids exceeds more than 10% of the cost presented on the petition, then the project will be placed on hold for 30 days. A new petition will then be circulated for approval of the new cost. The actual assessment cost will be due at start of construction and may be financed for ten years at 6% interest on the unpaid balance.

Any questions involving special assessment districts should be forwarded to David Hieber at (248)698-3300 x 3 or by email at [DHieber@whitelaketwp.com](mailto:DHieber@whitelaketwp.com).



## Creating a Special Assessment District

### SAD Expression of Interest Form

Property owners have the ability to create a Special Assessment District by means of White Lake Township. Through a Special Assessment District, the residents who benefit from the project pay for the entire cost of the project by an assessment on their property. The design, financing and contract management of the project is done by the Township and these costs are included in the Special Assessment District. The Township's Special Assessment District process is outlined as follows:

1. Representatives of a homeowners association or group from a Township subdivision are encouraged to circulate an Expression of Interest Form, provided by the Assessing Department. The form will not include cost estimates.
2. After the homeowners have determined that there is sufficient interest (more than 51%), they must submit the completed Expression of Interest Form along with a cover letter stating their desire to proceed with the Township's special assessment process to the Assessing Department. In turn the Assessing Department will forward the information to the Water/Sewer Department.
3. The Water/Sewer Department will forward the Expression of Interest Form to the Township's engineering consultant for a preliminary estimate cost, after approval by the Township Supervisor. The Assessor will prepare an official Township petition with the preliminary cost estimate for construction from the engineer.
4. The official Township petition will be given to the residents for circulation within the district. The petition must be signed by more than 51% of the property owners within the district. **Any property owners not in favor of the project should not sign the petition.**
5. The petition must be returned to the Assessing Department within 90 days of release.
6. After the minimum 51% of the property owners and frontage have been verified, the Assessing Department will present the petition at the next available Township Board meeting. The Township Board will consider accepting the official petition to create the special assessment district for the improvements. If approved, the Township Board will set a date for the Public Hearing of Necessity. Formal notice will be published by the Township Clerk for the Public Hearing, inviting all property owners within the district for comments on the proposed project.



7. The Township Board will open the Public Hearing of Necessity and listen to comments from property owners within the district. At the close of the Public Hearing, the Township Board will vote to proceed or reject the project. If the Board votes to proceed, this resolution also authorizes for the construction drawings and specifications to be completed for bidding. Also, at this same meeting the Township Board will schedule the second Public Hearing of the Assessment Roll.
8. After bids are received, the Water/Sewer Department or designee will determine the final project cost and the Township Assessor will determine the final property assessments. Property owners within the district will be notified of the assessment amount for the project. At the Public Hearing of the Assessment Roll, property owners are given the opportunity to speak and comment on the assessment. If the Board adopts the resolution confirming the assessment roll, the Township Board will award the contract to the lowest qualified bidder. Residents within the district have 30 days to appeal their assessment to the Michigan Tax Tribunal. If no appeals have been filed, the Township may proceed with construction of the improvements.
9. Once the project is approved and the assessment confirmed, the property owners will be invoiced their assessment. Property owners have the option to pay the assessment in full or finance the assessment up to ten (15) years. Assessment being financed will be billed annually on the winter tax bill.

The process for establishing a Special Assessment District takes approximately 6 months before construction begins. The construction season in Michigan is limited to approximately 6 months, therefore sufficient time for planning ahead is recommended. Below is the anticipated schedule after the petition is submitted:

Start	Petition is submitted to the Township.
Day 30	Township Board accepts petition, declares the intent to proceed with the project and schedules the first public hearing. Engineering design is authorized to proceed.
Day 60	Township Board holds Public Hearing of Necessity and authorizes for project to be bid. The second Public Hearing is scheduled after the bids are due.
Day 120	Township Board holds Public Hearing on the Assessment. The assessment roll is confirmed and the bid awarded.
Day 150	Construction begins and the first assessment is billed.