



CHARTER TOWNSHIP OF WEST BLOOMFIELD

SPECIAL ASSESSMENT DISTRICT (SAD) FREQUENTLY ASKED QUESTIONS

1. What is a “SAD”?

SAD stands for “Special Assessment District”. The SAD program provides residents with an effective and efficient way to finance neighborhood infrastructure improvement projects. Such improvement projects may include roadway reconstruction, storm water management system improvements, water mains installations and sanitary sewers extensions.

2. Who is asking for this project to be done?

Members of your neighborhood or neighborhood association have talked about what repairs they would like to see made and have decided to come to the township for assistance in making and financing the improvements.

3. Who determines what needs to be done?

A representative, or group of representatives of the neighborhood, meets with the Development Service Director to discuss the proposed project. If the project appears feasible, the representative(s) submits a written request and a non-refundable \$2,500 Special Assessment District project fee. The Township will then will assign an engineering firm to conduct a preliminary study of the project and prepare a cost estimate.

4. Why are you asking me to pay when the city owns the road?

The Charter Township of West Bloomfield (like all townships in Michigan) does not receive Act 51 monies or have statutory responsibilities for public roads. Public roads in the township, including subdivision roads, are under the Road Commission of Oakland County (RCOC) jurisdiction. Traditionally, most of the county funds are allotted for improvements of primary roads not subdivision roads. The RCOC does have its own SAD process that the neighborhood may want to investigate before coming to the township.

5. Why do I have to sign a petition?

Your signature identifies your support and approval of the project. If you are not in favor of the project, you should sign a non-support form. Either way, your position on the project should be expressed during the petition circulation phase.

6. How is the project financed?

The SAD projects are financed one of two ways: (1) The issuance of municipal bonds or (2) A loan from the township Improvement Revolving Fund. The finance method selected depends on several factors considered by the SAD Committee and Township Board.

7. How much will it cost me?

The individual parcel/household cost is derived by adding up all project costs and then dividing it by the total number of parcels/households benefiting from the project. In most cases, the petitioned assessment is equal for each benefiting parcel/household. Project costs are a sum of the engineering costs, construction costs, administrative charges, legal fees, permit fees and finance charges.

8. How long do I have to pay the assessment?

The longest term of the special assessment is 10 years. Selecting shorter finance terms can reduce project costs.

9. How many people have to agree for it to pass?

In order for the proposed project to be considered by the township, a minimum of 60% of the property owners of record and 60% of the land area (60% of total road frontage for paving projects) must sign in favor of the project. The signatures are verified by the Township Assessor.

10. What happens if I don't agree?

If the petition for a project obtains the necessary signatures and the Township Board agrees to proceed with the project, your property will be assessed its portion of the project costs. If a property owner wishes to appeal the assessment, they must file within 30 days of the adoption of Resolution No. 3 with the Michigan Tax Tribunal.

11. What happens after I sign the petition?

Once all petitions are collected, the signatures are validated by the Township Assessor. And if the validated signatures meet the minimum 60% approval thresholds, the SAD approval process begins.

Board Meeting #1

- Resolution No. 1: Township Board declares the intent to proceed with the project

Board Meeting #2

- Public Hearing of Necessity
- Resolution No. 2: Township Board approves the petitions, project, and properties to be included in the district.

Board Meeting #3

- Second Public Hearing
- Resolution No. 3: Township Board confirms and approves special assessment roll and authorizes the creating of plans, specifications and to bid the project out.

Board Meeting #4

- Award of Contract

12. Can I go before the Township board and voice my concerns?

Property owners will be provided ample opportunity to express support for, or concerns with, the project during any of the three (3) public meeting. Two of the meetings are public hearings for which each property owner will receive a first class mailed notice along with the notice being published twice in the local paper.

13. When do I have to make the first payment?

The property owner will receive a separate bill for the special assessment. The first payment is usually due 90 days after the award of the contract or as established in Resolution No. 3.

14. Can I pay it off early and not have to pay interest?

Yes. If the project is funded via the issuance of municipal bonds, the property owner may pay the assessment in it entirety at the time the first payment is due and no interest charges will be assessed. If the project is funded by a loan from the township Improvement Revolving Fund, the property owner will only pay yearly interest charges on the unpaid principal at the time of payment. If the payment in paid in full at the time when the first payment is due, no interest charges will be assessed.

15. What happens if I sell my home before all of the assessment is paid?

It is strongly suggested that a property owner selling his or her property pay the assessment in full at that time of sale. However, should the property owner wish for the assessment to transfer to the new owner, the seller will be required to pay the current years assessment and the remaining portion of the special assessment may be transferred to the new property owner.

**If you have any further questions
Please contact the Development Services Director at 248-451-4818.**