Agenda

• Welcome, Introduction and Meeting Purpose (5 minutes)
• Background and History (5 minutes)
• Rationale (5 minutes)
• City Initiated Annexation Process (5 minutes)
• Impacts to Property Owners (10 minutes)
• Discussion (90 minutes)
Background and History

City of Ann Arbor established 1824

Water and Wastewater Plants constructed ~1900

City provided water and sanitary sewer utilities to development projects throughout 20th/21st centuries

City-Township Agreements define ultimate City boundaries

Charter Township of Pittsfield 1979

Charter Township of Scio Township 1994

Charter Amendment to City of Ann Arbor 2004
Ultimate Service Boundary and Remaining Township Islands

• What is a township island?
  – Parcel in township jurisdiction
  – Within the City’s ultimate boundary
  – Often surrounded by parcels in the City’s jurisdiction

• Approximately 510 township islands remain within the City’s ultimate service boundary
Background and History

Staff report to City Council regarding Township Islands

2011

Council resolution directed staff to begin a process to incrementally annex township island parcels

Round 1 of city-initiated township island annexation completed (20 Ann Arbor Township parcels)

2016
Rationale:
Why annex township islands?

• Eliminate duplication of municipal services
  – Police Services
  – Fire Services
• Improve efficiency and clarity
  – Solid Waste collection
  – Voting (polling locations)
  – Building permits
  – Capital improvements planning (e.g., extension of water and sanitary sewer services)
Rationale:
Why annex township islands?

• Promote equity of funding municipal services
  – Street resurfacing and reconstruction
  – Streetlighting
  – Stormwater
  – Parks
  – Police and fire services
Rationale:
Why annex township islands?

• Other considerations:
  – County-wide, per Washtenaw County Water Resources Commission inspection, approximately:
    • 18% of septic systems are failing
    • 15% of wells do not have adequate protection against contaminants
    • 14% of wells showed chemical or bacterial contamination
  – State Boundary Commission staff has recommended that the City complete annexation of township islands in a timely manner.
Process

• To make the annexation process manageable, the City is choosing to annex parcels incrementally, rather than all 500+ parcels at once.
  – 89 parcels have been selected for Round 2 of City-initiated Township Island Annexation.
Round 2
Ann Arbor Township

• 52 parcels
Round 2
Pittsfield Township

• 10 parcels
Round 2
Scio Township
• 27 parcels
Process

• State Boundary Commission Act: 1968 P.A. 191 as amended
• Public Information Meeting
  – August 20, 2018
• City Council
  – October 1, 2018
  – Public hearing and City Council action to approve petition submittal
• State Boundary Commission
  – October 31, 2018 (target petition submittal date)
  – Legal Sufficiency Meeting (Lansing)
  – Public Hearing (Ann Arbor)
  – Recommendation Meeting (Lansing)
• Property owners will be informed once annexation is complete.
Impacts

• Property Taxes
  – Annexation is not an uncapping event effecting taxable value
  – Increased Municipal Portion of Property Taxes (City Millage Rate: 15.8885 as of summer 2018)
  – Does not change taxes of other authorities, e.g.:
    – Local taxes will be collected by the City of Ann Arbor beginning in the year after annexation is complete
Impacts

• Voting
  – Polling location will change.
  – If registered to vote in your township, you will receive a new voter identification card after annexation is complete.

• Solid Waste collection
  – Solid waste services will change.
  – The City provides solid waste services including trash, recycling and yard/food waste.

• Zoning
  – The City will initiate rezoning of your property.
Impacts

• Water and Sanitary Sewer Utility Connection
  – If utility service is available:
    • Property will have 90 days to connect
    • Capital Recovery Charge will be due
  – If utility service is not available:
    • Capital Recovery Charges (including an Extension Charge) will not be due until service is available.
    • Capital Improvement Plan (CIP)
Impacts

• Water and Sanitary Sewer Utility Connection (continued)
  – For vacant properties:
    • Capital Recovery Charges will be determined when developed
  – For commercial properties:
    • Charges vary based on the size of the future water meter
Impacts

- Costs associated with Water/Sanitary Connection
  - Capital Cost Recovery Charge
    - Covers original capital expenditure for utility construction
    - Due at time of connection
    - Payment plan options available
  - Tap and Meter Charges
  - Private contractor costs/permits
    - Varies greatly depending on site and installation conditions
Impacts

• Other Historical Improvement Charges
  • (Road, sidewalk, and/or storm sewer)
    – Historic amount is cost-forwarded to equivalent dollars in the year annexation is complete
    – Amount (if applicable) varies for each parcel
    – Due upon annexation
    – Payment plan options available
Impacts

- Payment plan options
  - Capital Cost Recovery Charges and Historical Improvement Charges can be paid in yearly installments over time
  - Chapter 12 of City Code
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<th>Total amount of special and single lot assessment(s)</th>
<th>Number of years for installments</th>
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Opportunities for public comment

• Public Information Meeting
  – August 20, 2018

• City Council public hearing
  – October 1, 2018 at 7:00 p.m. in City Council Chambers
    • Advance sign-up not required, 3 minutes per speaker
    • Written comments can be provided to City Council

• State Boundary Commission (SBC) public hearing
  – Date: to be determined by SBC
  – Location: Ann Arbor
  – Notice and meeting details will be provided by SBC
Discussion