



CITY of NOVI CITY COUNCIL

Agenda Item 5
August 14, 2017

SUBJECT: Approval of the establishment of Contract Special Assessment District (SAD)180, the Andes Hills Court Water Main Extension SAD, pursuant to Section 30-25 of the City's Code of Ordinances, and the corresponding Agreement for the Financing of Water System Improvements and the Creation of Special Assessment on Property, for the extension of water main along Andes Hills Court to serve the eleven residents in the Andes Hills Condominium, subject to final review and approval of the form and agreement by the City Manager's office and the City Attorney and receipt of all signatures of the property owners affected.

SUBMITTING DEPARTMENT: Department of Public Services, Water and Sewer Division *BLC*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

At the request of the Andes Hills Condominium, a Special Assessment District (SAD) was created for the purpose of financing the installation of a water main extension along Andes Hills Court. The project involves the extension of an 8-inch public water main from Taft Road to serve the eleven residents in the condominium (see attached location map). Resolution No. 1 was approved at the February 27, 2017 City Council meeting which authorizes the preparation of plans, specifications and a detailed cost estimate for the project.

The residents of the Andes Hills Condominium recently signed the attached *Agreement for the Financing of Water System Improvements and the Creation of Special Assessment on Property*. The execution of this agreement indicates all residents affected are in favor of the project and agree to the terms of the SAD. Since unanimous approval has been received, allowing for the creation of a Contract SAD, it avoids the need for the other steps involved with the traditional SAD process (Resolutions 2 through 5, and two public hearings).

RECOMMENDED ACTION: Approval of the establishment of Contract Special Assessment District (SAD)180, the Andes Hills Court Water Main Extension SAD, pursuant to Section 30-25 of the City's Code of Ordinances, and the corresponding Agreement for the Financing of Water System Improvements and the Creation of Special Assessment on Property, for the extension of water main along Andes Hills Court to serve the eleven residents in the Andes Hills Condominium, subject to final review and approval of the form and agreement by the City Manager's office and the City Attorney and receipt of all signatures of the property owners affected.

ANDES HILLS WATER MAIN SAD

Location Map



Map Author: Croy
Date: 8/4/17
Project: Andes Hills WM SAD
Version #: v4.0

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



1 inch = 125 feet



City of Novi

Engineering Division
Department of Public Services
26300 Lee BeGole Drive
Novi, MI 48375
cityofnovi.org

CITY OF NOVI
COUNTY OF OAKLAND
STATE OF MICHIGAN

**AGREEMENT FOR THE FINANCING OF WATER SYSTEM IMPROVEMENTS
AND THE CREATION OF SPECIAL ASSESSMENT ON PROPERTY
[ANDES HILLS CONDOMINIUM]**

THIS AGREEMENT, effective this ___ day of _____, 2017, is by and between the THE CO-OWNERS OF THE ANDES HILLS CONDOMINIUM, including DASHAN KING, whose address is 45425 Andes Hills Court, Novi, MI 48374; RAYMOND KACZOR TRUST, whose address is 45435 Andes Hills Court, Novi, MI 48374; DOUGLAS MOORE, whose address is 45445 Andes Hills Court, Novi, MI 48374; RIDGEWOOD VENTURES, LLC, whose address is 45455 Andes Hills Court, Novi, MI 48374; MARY E. BUTALA, whose address is 45465 Andes Hills Court, Novi, MI 48374; FRANK E. AND CECILIA A. FLAKE, whose address is 45475 Andes Hills Court, Novi, MI 48374; GLADYS BROXIE, whose address is 45485 Andes Hills Court, Novi, MI 48374; LING QUN HE AND YAN CAI, whose address is 45495 Andes Hills Court, Novi, MI 48374; RAVI GUNTAKA, whose address is 45505 Andes Hills Court, Novi, MI 48374; PENNY HAMBLIN, whose address is 45515 Andes Hills Court, Novi, MI 48374 and ANEEL KHAN, whose address is 45525 Andes Hills Court, Novi, MI 48374 ("Co-owners"), the City of Novi, a Michigan Municipal Corporation whose address is 45175 Ten Mile, Novi MI, 48375 ("City").

R-E-C-I-T-A-T-I-O-N-S:

WHEREAS, pursuant to Section 3 of the Michigan Condominium Act, Public Act 59 of 1978, as set forth in MCL 559.103, the Co-Owners of the Condominium own an undivided inseparable interest the General Common Elements of the Condominium; and

WHEREAS, the Co-owners have requested that the City make local public improvements to serve the Condominium consisting of the construction of a water main (the "Improvements") through the General Common Elements, to connect the individual buildings within the Condominium to the City's public water supply system to provide service to the individual units as described in Exhibit A (the "Condominium Property"); and

WHEREAS, the City's Engineering Division has prepared the necessary final profiles, plans, specifications, assessment district and detailed estimates of costs, and has reported the same to the City Council; and

WHEREAS, the total cost of said Improvements is estimated to be _____; and

WHEREAS, the Co-owners have requested that said local public improvements be funded by the establishment of a special assessment district pursuant to Section 30-25 of the Novi Code of Ordinances, which permits special assessment districts to be created by contract;

WHEREAS, the City Council has determined that said local public improvements will specially benefit the property described in Exhibit A attached hereto;

WHEREAS, the City Council has determined to make the Improvements and to defray the full cost thereof by special assessment upon property owned by the Co-owners, and operated, maintained and administered by the Co-owners, which will be specially benefited by the Improvements, said special assessment district to consist of all of the units and parcels of land as described in Exhibit A;

WHEREAS, the City Council has approved the profiles, plans, specifications and assessment district for the Improvements;

WHEREAS, the City Assessor has prepared a special assessment roll in the amount of \$_____ including all units and parcels of land within the designated special assessment district, the assessment to each such lot or parcel of land being proportionate to the extent of the special benefit accruing to such lot or parcel of land; and

WHEREAS, the City Council has confirmed said special assessment roll which shall be known as special Assessment Roll No. _____.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The City and the Co-owners have concluded that the Improvements are necessary and appropriate, and are hereby approved.
2. It is the intent and purpose of this Agreement to bind and obligate the Co-owners, and the Condominium Property identified on the attached Special Assessment Roll, for payment of the amounts set forth on the Special Assessment Roll to be expended for the Improvements, and to create a lien upon the units and General Common Elements to secure payment therefor.
3. The City Council and the Co-owners have determined and agreed that the Improvements will specially benefit the Condominium Property identified on the Special Assessment Roll, and further specifically agree that the special benefit will be in sufficient amount and proportion to increase the market value of such Condominium Property, after the Improvements are completed, in proportion to

the cost of the Improvements, and that there shall not be any substantial excess of the cost of the Improvements over the benefits that shall accrue to such Condominium Property as a result of the Improvements. It is further agreed by the Co-owners that there is a fair and reasonable relationship between the amount of the assessment upon the Condominium Property and the amount of the special benefit that shall accrue to the Condominium Property as a result of the Improvements.

4. The City Council has determined that a public purpose would be served by the Improvements, and the Co-owners fully and completely agree with such determination.
5. The City Council has determined to proceed with the finance of the Improvements and to partially defray the above-referenced cost of the Improvements by Special Assessment upon the Condominium Property, it having been determined by the City Council and the Co-owners that the Condominium Property shall be specially benefited by the Improvements.
6. The City and the Co-owners have agreed that specially assessing the amount determined against the Condominium Property exclusively is lawful, constitutional, necessary, and appropriate, and that contributions from and/or on behalf of the public and/or from or on behalf of any other property for that amount would be inappropriate and unnecessary.
7. The City Council has approved the cost estimate for the Improvements in the amounts set forth on the attached Special Assessment Roll.
8. The City Council has determined, with the concurrence of the Co-owners, that the Condominium Property shall constitute the Special Assessment District, with the proportional cost of the Improvements being assessed to the Co-owners as shown on the attached Special Assessment Roll.
9. The City Assessor has prepared a Special Assessment Roll that includes the Condominium Property of the Co-owners, and also includes the total amount to be assessed against the Condominium Property.
10. The Assessor has affixed his certificate to the Special Assessment Roll, stating that the roll was made pursuant to authorization of the City Council, and that the roll was made according to his best judgment, and conforms in all respects to the directions of the City Council and with the statutes of the State of Michigan.
11. The Special Assessment Roll for the Improvements, attached and incorporated as part of this Agreement, has been approved, adopted, and confirmed by the City Council.
12. The Special Assessment against the Condominium Property as made on the Roll, or any part of such Special Assessment, may be paid in cash subject to the terms and conditions herein. The amount assessed shall be assessed against the Co-

owners in ___ installments, the first of which shall be due and payable with the summer 2018 taxes beginning on July 1, 2018, in the amount of \$_____, payable without penalty on or before August 31, 2018, and with a ___% penalty thereafter. If such installment is not paid on or before August 31, 2018, it shall be certified as delinquent to the Council by the Treasurer and the Council shall place such delinquent assessment on the tax roll for that year together as one item with all accrued collection fees and penalties.

The remaining ___ installments shall be in the amounts set forth on the attached Special Assessment Roll, and the first of such several subsequent installments (\$_____) shall be due and payable on the summer 2019 tax roll, beginning on July 1, 2019, payable without penalty on or before August 31, 2019, and with a ___% penalty thereafter. If such installment is not paid on or before August 31, 2019, it shall be certified as delinquent to the Council by the Treasurer and the Council shall place such delinquent assessment on the tax roll for that year together as one item with all accrued collection fees and penalties. Subsequent installments shall be payable on the succeeding July 1, with payment deadlines and collection penalties and procedures as indicated above. Special Assessments that have been placed on the City tax roll shall be collected in all respects as are City taxes due on such date and shall be returned to the county treasurer with such taxes if unpaid on the following March 1. The interest rate will be ___%.

13. The Co-owners, after conferring with their own legal counsel, agree that it is they are the Co-owners of record as to each unit identified within the Condominium Property and that the undersigned Co-owner are authorized to execute this Agreement; that each Co-owner is aware of its right to make objections to the Special Assessment District and to the Special Assessment Roll; The Co-owners acknowledge and agree that they consent to the Special Assessment and that such rights are therefore waived, and the Co-owners hereby confirm such waiver. Moreover, the Co-owners agree that the Improvements, the Special Assessment, the Special Assessment District, the terms of this Agreement, and the Special Assessment Roll are all lawful, fair, just, and equitable and that each of the assessments contained on the Special Assessment Roll results in a Special Assessment in accordance with the benefits to be derived by the respective Condominium Property. The waiver provided by Co-owners herein is expressly limited to the waiver of any objection to the establishment and/or amount of the Special Assessment and Special Assessment District, and shall not be construed as a waiver of any rights granted to Co-owners (also referred to as Seller) under this Agreement, any other agreements referenced herein or entered into between City and Co-owners in connection with the Improvements.
14. This Agreement contains the entire understanding and agreement between the City and the Co-owners and no statements, promises, or inducements have been made by any party, or by the agent of any party, that are not contained in this written Agreement. This Agreement constitutes the full and complete agreement

of the parties, and shall not be enlarged, modified or altered, except in writing signed by the parties.

15. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns and transferees, and shall run with the land constituting the properties.
16. This Agreement shall be recorded at the Oakland County Register of Deeds. A copy of this Agreement shall be kept on file with the City Clerk.

IN WITNESS WHEREOF, City and the Co-owners, by and through their duly-authorized representatives, have executed this Agreement effective the as of the date set forth above.

[SIGNATURES ON FOLLOWING PAGES]

CITY:

CITY OF NOVI,
a Michigan municipal corporation

By: _____
Robert J. Gatt, Mayor

By: _____
Cortney Hanson, Clerk

COUNTY OF OAKLAND)
) ss.
STATE OF MICHIGAN)

On this _____ day of _____ 2017, Robert J. Gatt, Mayor and Cortney Hanson, Clerk, executed the foregoing document before me and, being duly sworn, stated that he is the Mayor of the City of Novi with its full authority and as its free act and deed.

Notary Public
Acting in Oakland County, Michigan
My Commission Expires: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

CO-OWNERS:

UNIT # 1-45425

Dashan King
Dashan King

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 18 day of July, 2017, by Dashan King, a single man.

[Signature]
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: 3/11/2023

DERICK RIDENOUR
NOTARY PUBLIC- STATE OF MICHIGAN
COUNTY OF LIVINGSTON
My Commission Expires March 11, 2023
Acting in the County of Oakland

UNIT # 45445

Douglas Moore
Douglas Moore

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Douglas Moore, a single man.

Carol Kosh
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: Nov 30, 2018


UNIT # 45455

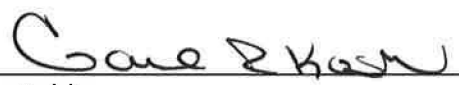
RIDGEWOOD VENTURES, LLC Kevin Woodward

By 

Its: owner

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

On this 26 day of June 2017, _____, executed the foregoing document before me and, being duly sworn, stated that he/she is the  of Ridgewood Ventures, LLC, a Michigan limited liability corporation, with its full authority and as its free act and deed.


Notary Public
Acting in Oakland County, Michigan
My Commission Expires: Nov 30, 2018

UNIT # 45465

Mary E. Butala

Mary E. Butala

Mary E Hollinshead (maiden)

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Mary E. Butala, a single woman.

Mary E Hollinshead

Carol R. Koak

Notary Public

Acting in Oakland County, Michigan

My Commission Expires: NOV 30, 2018

UNIT # 40 - 45475 Andes Hills Ct

Frank E. Flake
Frank E. Flake

Cecilia A. Flake
Cecilia A. Flake

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Frank E. Flake and Cecilia A. Flake, husband and wife.

Case R Kosh
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: Nov 30, 2018

UNIT # _____ 45485 ANDER HILLS CT

Gladys Broxie
Gladys Broxie

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Gladys Broxie, a single woman.

Carol P. Kosh
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: NOV 30, 2018

UNIT # 45495

Ling Qun He

Ling Qun He

Yan Cal

Yan Cal

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 15 day of July, 2017, by Ling Qun He and Yan Cal, husband and wife.



Leslie Kurler
Notary Public

Acting in ~~Oakland County, Michigan~~
My Commission Expires: 12-14-2020

Dupage Co Ill.



UNIT # 45805

[Signature]
Ravi Guntaka

[Signature]
Madhavi Gangadasu

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 30 day of June, 2017, by Ravi Guntaka and Madhavi Gangadasu, husband and wife.

Sarah S. Khozme
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: March 3, 2024

UNIT # 45515 Andes Hills Ct.

||

Penny Hamblin
Penny Hamblin

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Penny Hamblin, a single woman.

Carol Koon
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: NOV 30, 2018

UNIT # 45525.

Aneel Ahmad Khan
Aneel Khan

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 26 day of June, 2017, by Aneel Khan, a married man.

Carla R. Kosh
Notary Public
Acting in Oakland County, Michigan
My Commission Expires: Nov 30, 2018

EXHIBIT A

SPECIAL ASSESSMENT ROLL

See attached