

THE TOWNSHIP OF BLAIR

WATER DISTRIBUTION/SEWAGE DISPOSAL SYSTEM – PROCEDURE FOR
TRANSFERRING UNUSED RESIDENTIAL EQUIVALENT UNITS BACK TO THE
TOWNSHIP

ORDINANCE 138- 11

AN ORDINANCE TO AUTHORIZE THE TOWNSHIP TO REACQUIRE UNUSED
RESIDENTIAL EQUIVALENT UNITS RELATED TO THE WATER/SEWER
SYSTEM UNDER SPECIFIC TERMS AND CONDITIONS

THE TOWNSHIP OF BLAIR HEREBY ORDAINS:

Section 1. The Township of Blair has approved a Special Assessment Water District and a Special Assessment Sewer District by resolution of the Township Board which based the amount of special assessments to be paid by benefited properties within the district in part upon the number of residential equivalent units (the"REU'S") allocated to the benefited property which amount of REU'S were based upon the existing or expected development of the property.

Section 2. Whenever the words "the District" are referred to in this ordinance, they shall be understood to mean the Blair Township Special Assessment Sewage District, which was established in 2005 in connection with the Grand Traverse County Sewage Disposal System located in Blair Township, which was installed pursuant to a contract dated as of September 1, 2005, among various Townships including Blair Township and the County of Grand Traverse; and/or the Blair Township Special Assessment Water District which was established in 1998 and the Water Distribution System which was installed May 12, 1998. Whenever the word "REU'S" are referred to in this ordinance, it shall be understood to refer to "residential equivalent units" assigned to benefited properties within these Districts. Whenever the words "Special Assessment" are referred to in this ordinance, they shall be understood to refer to the Water Special Assessments and Sewer Special Assessments confirmed by the Blair Township Board on May 12, 1998 and May 10, 2005, respectively, as later amended.

Section 3. Whenever the owner of a property within the District, which is subject to Special Assessment, wishes to change the permitted use of the property within the District to another use which would not require as many REU'S, the owner shall notify the Township Supervisor of the proposed change and follow the following steps:

- a. Submit evidence to the Township that the proposed change in use of the property has been permitted by the Township.
- b. Submit evidence to the Township that the new use of the property will require fewer REU'S.

- c. File a request on a application requesting that the Township reacquire the unneeded REU'S.

Section 4. After receiving a request described in Section 3, the Township Supervisor shall follow the following procedure:

- a. The Supervisor shall first determine from the materials submitted to him that the change in use has been authorized and that in fact the property no longer requires as many REU'S as have been assigned to it.
- b. Thereafter, the Supervisor shall determine whether or not there are any other properties within the District which are in need of additional REU'S.
- c. If there are no other properties within the District, which are in need of additional REU'S, the Supervisor shall notify the property owner who has requested the transfer of that fact and no further action shall be taken by the Township.
- d. If there are other properties within the District which are in need of additional REU'S, the Supervisor shall proceed under Section 5 of this ordinance.

Section 5. Once the Supervisor has determined that a transfer of REU'S, requested under Section 3 of this ordinance may be effectuated because another property owner within the District is in need of additional REU'S, the Supervisor shall follow the following procedure:

- a. The Supervisor shall obtain a request from the property owner requiring additional REU'S on a form to be approved by resolution of the Township Board.
- b. Once the Supervisor has received the request for transfer of REU'S from the property owner requiring additional REU'S, he shall submit the request to the Township Board for its approval under the terms and conditions set forth in Section 6 of this ordinance.

Section 6. The following conditions shall be met before any transfer of REU'S may be approved by the Township Board:

- a. All Special Assessments due and payable on property whose owner has requested the Township to reacquire REU'S must be paid in full.
- b. Future payments in the amount of future Special Assessments on

the property from which REU'S are being transferred must be secured by a mortgage on the property in the District to which the REU'S are being transferred unless the full amount of the unpaid Special Assessment for such REU'S has been paid prior to the transfer of the REU'S. If there is a cash payment, the cash payment shall include any additional amount as calculated by the Township Treasurer to cover any shortfall in the amount which the Township owes on the payments due to Grand Traverse County under the contract referred to in Section 2 because current interest rates on the reinvestment of such amount are lower than the interest rates which apply to payments to be made in the future by the Township under such contract.

- c. Future payments to be made to the Township by the transferee of REU'S to the extent not covered by a cash payment prior to transfer shall correspond to the remaining Special Assessments due on the REU'S being transferred and shall bear interest at a rate to be determined by the Township Treasurer which shall be sufficient to meet the future contract payments due to Grand Traverse County under the contract referred to in Section 2.

Section 7. All transfers of REU'S shall be made through the Township and shall comply with the provisions of this ordinance.

Section 8. No transfers of REU'S shall be permitted to be made to any property not in the District.

Section 9. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

Section 10. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 11. This ordinance shall be published once, in the Traverse City Record-Eagle, a newspaper of general circulation within the boundaries of the Township and qualified under state law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Township and such recording authenticated by the signatures of the Supervisor and Township Clerk.

Section 12. This ordinance shall become effective immediately upon its adoption.