



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: April 6, 2020

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: First Reading Ordinance – N. Cummings Water and Sewer Assessment Interest Waiver

Explanation: The City Council had adopted ordinances in 1994 and 2012 that established special fees for those properties connecting onto city water and/or sanitary sewer mains. The mains were constructed to help facilitate development and to allow for connection onto city utilities. These ordinances helped offset the construction costs for mains along North Cummings Lane as well as other areas throughout the city. The City would eventually be reimbursed for that expense upon connection to water and/or sewer. The payment of the N. Cummings Water Assessment carries a per acre cost and is based on its distance from the water main on N. Cummings and Santa Fe Road, with “Primary” properties that are within 300 feet from a main paying more than those “Tertiary” properties that are at least 1,001 feet from a main. The Sewer Assessment has the same per acre cost as long as it is contained within the 370 acres that was described in the original 1994 ordinance.

An ordinance (No. 3086—attached) approved in 2014 helped clarify the prior ordinances by authorizing a single fee for water and/or sewer connection depending on its location instead of potentially also having to pay the subdivision development fee. This ordinance continued to carry the required payment of an 8% per annum interest fee. That prolonged accruing interest has made it financially challenging to develop the remaining properties subject to payment of the assessments. There are currently three undeveloped non-residential properties that owe part or all of the assessments. One of these, part of Lot 3 of Heilman’s Commercial Park at N. Cummings and Freedom Parkway, figures to see a retail and warehouse development this year. A separate ordinance is scheduled for consideration where the City would pay for the upfront cost of the extension of the sewer main to serve the property with the City to be reimbursed in the future for that cost upon connection to the main.

Fiscal Impact: The attached ordinance would waive the 8% per annum interest fee by amending Exhibits B and E. Any residential and non-residential properties still subject to payment of the assessments would be responsible for payment of the per acre cost to connect to water and/or sewer. This will ease the cost that is borne by the property owner, which will ideally increase development demand and then generate additional property and sales tax.

Recommendation/

Committee Discussion Summary: Staff recommends approval of the amendment ordinance. The Finance and Personnel Committee unanimously recommended approval of the interest waiver at its meeting on March 16.

Action Requested: Approval of the attached ordinance. A first reading ordinance is scheduled for the April 6 City Council meeting with a second reading to be scheduled for the April 20 meeting.

Ordinance No. _____

(Adoption of this ordinance would amend the fee schedules attached to Ordinance No. 3086, which authorized and imposed a single fee for certain properties connecting onto the designated public water and/or sanitary sewer mains).

**AN ORDINANCE AMENDING SPECIAL FEES AND CHARGES FOR
CONNECTING ONTO CERTAIN PUBLIC WATER MAINS AND PUBLIC
SANITARY SEWER MAINS OWNED AND OPERATED BY THE CITY OF
WASHINGTON, ILLINOIS**

WHEREAS, the City of Washington is an Illinois home-rule municipal corporation and is enacting this Ordinance in the exercise of its governmental powers pursuant to the 1970 Illinois Constitution; and

WHEREAS, the City has constructed certain public water mains and public sanitary sewer mains with municipal funds; and

WHEREAS, the City in Ordinance No. 3086 assessed reasonable fees and charges to persons who elect to connect onto certain public water and sanitary sewer mains set forth in Exhibits "A" and "C" attached to Ordinance No. 3086; and

WHEREAS, the fee schedules to be charged to the various areas under the control or ownership of the developers and owners were set forth in Exhibits "B" and "E" attached to Ordinance No. 3086; and

WHEREAS, for the purpose of encouraging development, the City desires to amend the fee schedules set forth in Exhibits "B" and "E" attached to Ordinance No. 3086.

Now, therefore, the City Council of the City of Washington, Illinois, hereby ordains as follows:

Section 1. Effective as of the date of the passage and approval of this Ordinance, the fee schedules to be charged the various areas under the control of private owners as set forth in Exhibit "B" and Exhibit "E" to Ordinance No. 3086 are hereby amended and restated as set forth on Exhibits "B" and "E" attached hereto and by reference expressly made a part hereof.

Section 2. All other provisions of Ordinance No. 3086 and City regulations and ordinances, including but not limited to those specifically pertaining to user fees, and the methods, means and materials required for making connections to the municipal water and sanitary sewer system, shall apply to all persons making said connections, without limitation.

Section 3. That this Ordinance shall be in full force and effect from and after its passage, approval, and publication as provided by law.

Section 4. That all ordinances or parts thereof in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED this _____ day of _____, 2020.

AYES: _____

NAYS: _____

Mayor

ATTEST:

City Clerk

EXHIBIT B

An appropriate method of distributing private benefit across the benefiting properties is to apply a value per developable acre of land which could be either directly or indirectly benefited by this water main. It is clear that property which fronts on the water main, i.e., North Cummings Lane and Santa Fe, would realize a greater benefit than would property which requires the lengthy extension of water main from the North Cummings main to the subject site. With that in mind, an effort has been made to assign a value to acreage which has direct frontage along the water main and a lesser value per acre for acreage which is removed from the water main.

Acreage within 300 feet of the water main on North Cummings and Santa Fe has primary benefit, acreage between 301 and 1,000 feet has secondary benefit, and areas between 1,001 and 1,300 feet has tertiary benefit. Differential costs have been established for acres having differential benefit, as established in the Fee Schedule:

Fee Schedule

Benefit	# Acres	Cost/Acre
Primary	110	840
Secondary	367	280
Tertiary	73	95
TOTAL	550	

EXHIBIT E

An appropriate method of distributing private benefit across the benefitting properties is to apply a value per developable acre of land benefitted by the sanitary sewer force main. There are 370 benefitting acres within the area described in Exhibit "D". If the developable acres are assessed equally, a fee schedule described below will result:

Fee Schedule

Benefiting Acres	Private Benefit Cost	Private Benefit Cost/Acre
370	\$95,900	\$258

Ordinance No. 3086

(Adoption of this ordinance would repeal Ordinances 1828, 1838, and 2997, which separately established special fees to recoup a portion of the expenses for the extension of water and sanitary sewer mains constructed by the City of Washington with municipal funds to properties along and near North Cummings Lane as well as other areas throughout the city. The following ordinance will authorize and impose a single fee for those properties connecting onto the designated public water and/or sanitary sewer mains).

**AN ORDINANCE ESTABLISHING SPECIAL FEES AND CHARGES FOR
CONNECTING ONTO CERTAIN PUBLIC WATER MAINS AND PUBLIC
SANITARY SEWER MAINS OWNED AND OPERATED BY THE CITY OF
WASHINGTON, ILLINOIS**

WHEREAS, the City of Washington is an Illinois home-rule municipal corporation and is enacting this Ordinance in the exercise of its governmental powers pursuant to the 1970 Illinois Constitution; and

WHEREAS, the City has constructed certain public water mains and public sanitary sewer mains with municipal funds; and

WHEREAS, it is appropriate to assess reasonable fees and charges to persons who elect to connect onto said public water and sanitary sewer mains; and

WHEREAS, the areas to be benefited by the water main extensions are set forth in Exhibits "A" and "C" attached hereto and by reference expressly made a part hereof; and

WHEREAS, the areas to be benefited by the sanitary sewer main extension are set forth in Exhibits "D" and "F" attached hereto and by reference expressly made a part hereof; and

WHEREAS, the fee schedules to be charged the various areas under the control or ownership of the developers and owners is set forth in this ordinance and in Exhibits "B" and "E" attached hereto and by reference expressly made a part hereof; and

WHEREAS, the City has previously enacted subdivision development fees that are assessed against persons who connect new subdivisions onto the City's public water and sanitary sewer systems.

Now, therefore, the City Council of the City of Washington, Illinois, hereby ordains as follows:

Section 1. Any person connecting their property onto and receiving, on and after the adoption of this Ordinance, public water service, either directly or indirectly, from any of the public water mains delineated in Exhibit "A" below shall be charged a fee based on

Y 403

the location of the property near North Cummings Lane, provided these fees have not been otherwise paid on the property. Acreage within 300 feet of the water main on North Cummings and Santa Fe has primary benefit, acreage between 301 and 1,300 feet has secondary benefit, and acreage more than 1,300 feet away has tertiary benefit. The fee schedule to be charged the various areas under the control of private owners is set forth in Exhibit "B".

Section 2. Any person connecting their property onto and receiving, on and after the adoption of this Ordinance, public water service, either directly or indirectly, from any of the public water mains delineated in Exhibit "C" below shall be charged a fee equal to the Subdivision Development Fees for similar properties and uses as stipulated in Section 50.53(A) of the Washington City Code, provided the Section 50.53(A) fees have not been otherwise paid on the property.

Section 3. Any person connecting their property onto and receiving, on and after the adoption of this Ordinance, public sewer service, either directly or indirectly, from any of the public sanitary sewer mains delineated in Exhibit "D" below shall be charged a fee based on the location of the property near North Cummings Lane, provided these fees have not been otherwise paid on the property. The fee schedule to be charged the various areas under the control of private owners is set forth in Exhibit "E".

Section 4. Any person connecting their property onto and receiving, on and after the adoption of this Ordinance, public sanitary sewer service, either directly or indirectly, from any of the public sanitary sewer mains delineated in Exhibit "F" below shall be charged a fee equal to the Subdivision Development Fees for similar properties and uses as stipulated in Section 50.53(A) of the Washington City Code, provided the Section 50.53(A) fees have not been otherwise paid on the property.

Section 5. The fees and charges delineated in Sections 1, 2, 3, and 4 above shall be in addition to 1) the utility connection fees provided for in Section 50.53(B) and 2) any and all other fees and costs routinely charged to other customers connecting onto the City's water or sewer system, including but not limited to, fees for inspections, meters, remotes, connectors, etc.

Section 6. The fees and charges delineated in Sections 1, 2, 3, and 4 above shall not apply for those persons that previously paid fees in full for municipal water and/or sanitary sewer connections subject to Ordinances 1828, 1838, and/or 2997. This ordinance shall be enforced if no payment or partial payment has been made for municipal water and/or sanitary connections. Previous partial fee payment, if applicable, will help offset a portion of full fee payment.

Section 7. No permit authorizing a connection, either directly or indirectly, to the above listed municipal water or sanitary sewer mains shall be issued unless and until 1) all fees have been paid as required herein, 2) if the property to be served is not currently located within the Washington corporate limits but is contiguous thereto, the property owner applying for a connection permit files a valid, unconditional and irrevocable petition for annexation to the City in a form acceptable to the City, and 3) if the property to be

served is not currently located within the Washington corporate limits and is not contiguous thereto, the property owner signs an agreement that shall bind all present and future owners of the real estate to annex to the City when requested to do so by the City.

Section 8. All other City regulations and ordinances, including but not limited to those specifically pertaining to user fees, and the methods, means and materials required for making connections to the municipal water and sanitary sewer system, shall apply to all persons making said connections, without limitation.

Section 9. The fees collected pursuant to Section 1 above shall be used solely for the water main related capital improvements as set forth herein. In the event the City shall collect more than its actual cost in constructing the main extension, the balance will be used for the City's general corporate purpose.

Section 10. The fees collected pursuant to Section 2 above shall be deposited into the City's Water Subdivision Development Fee account.

Section 11. The fees collected pursuant to Section 3 above shall be used solely for the sanitary sewer main related capital improvements as set forth herein. In the event the City shall collect more than its actual cost in constructing the main extension, the balance will be used for the City's general corporate purpose.

Section 12. The fees collected pursuant to Section 4 above shall be deposited into the City's Sewer Subdivision Development Fee account.

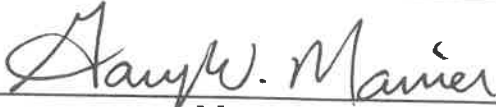
Section 13. That this Ordinance shall be in full force and effect from and after its passage, approval, and publication as provided by law.

Section 14. That all ordinances or parts thereof in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED this 4th day of August, 2014.

AYES: Schneider, T. Gee, Moss, Brucks, Butler, J. Gee, Brownfield, Dingleline

NAYS: -0-


Mayor

ATTEST:

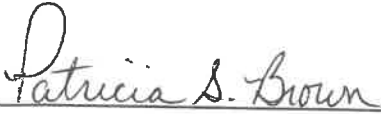

City Clerk





EXHIBIT A

Beginning at a point 1,300 feet North of the U.S. Business Route 24 (Washington Road) and North Cummings Lane intersection and running north a distance of 9,000 feet to the end of Santa Fe Road, and extending a primary benefit area, an additional 1,000 feet from the roadway and north of U.S. Route 24, a tertiary benefit area extending east an additional 660 feet and west an additional 1,320 feet, as depicted on the map below.



City of Washington Exhibit A

Legend

-  Boundary
-  Tertiary Benefit
-  Secondary Benefit
-  Primary Benefit

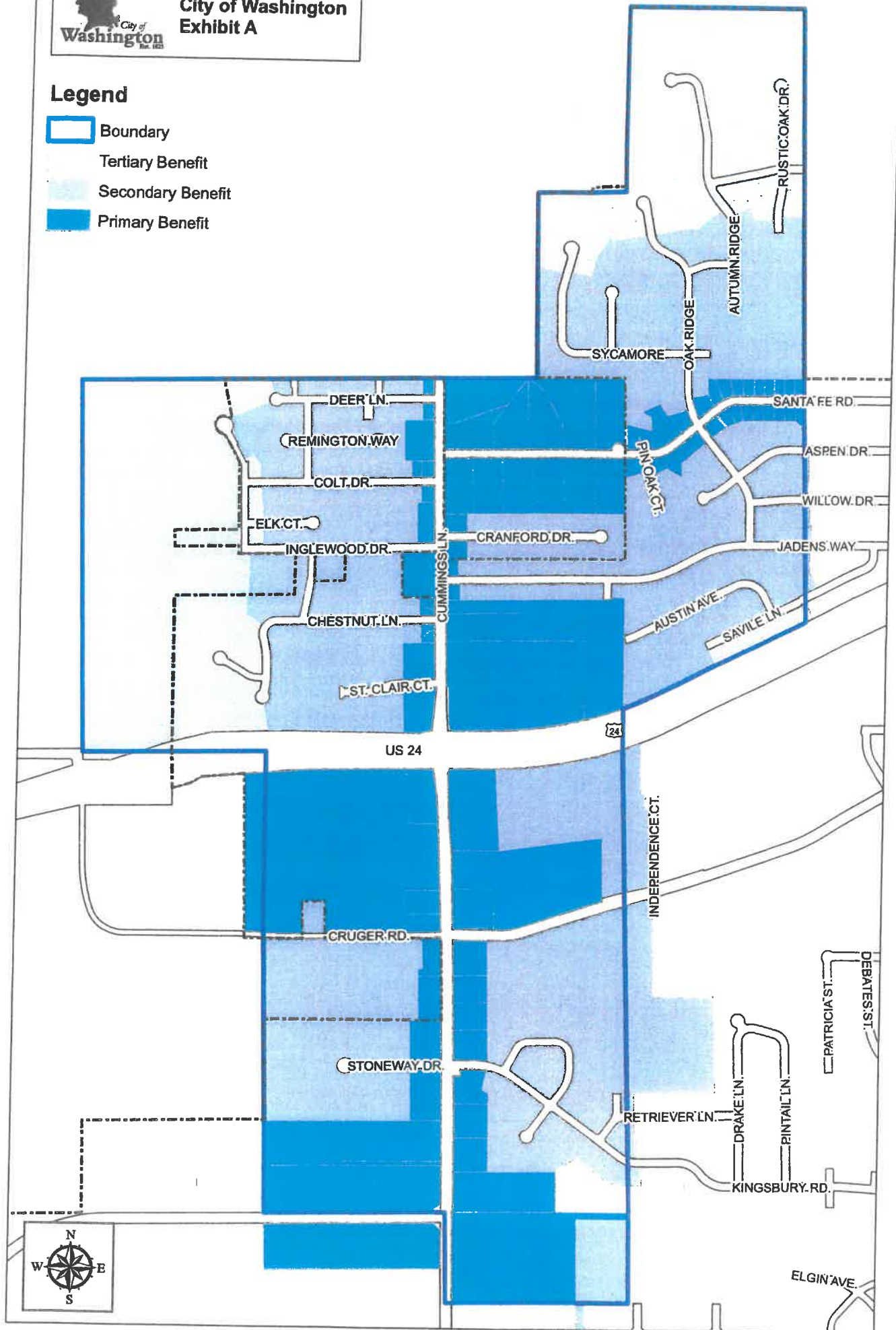


EXHIBIT B

An appropriate method of distributing private benefit across the benefiting properties is to apply a value per developable acre of land which could be either directly or indirectly benefited by this water main. It is clear that property which fronts on the water main, i.e., North Cummings Lane and Santa Fe, would realize a greater benefit than would property which requires the lengthy extension of water main from the North Cummings main to the subject site. With that in mind, an effort has been made to assign a value to acreage which has direct frontage along the water main and a lesser value per acre for acreage which is removed from the water main.

Acreage within 300 feet of the water main on North Cummings and Santa Fe has primary benefit, acreage between 301 and 1,000 feet has secondary benefit, and areas between 1,001 and 1,300 feet has tertiary benefit. Differential costs have been established for acres having differential benefit, as established in the Fee Schedule:

Fee Schedule

Benefit	# Acres	Cost/Acre
Primary	110	840
Secondary	367	280
Tertiary	73	95
TOTAL	550	

Payments made subsequent to January 1, 1995, shall be subject to an assessment of interest at eight percent (8%) per annum on the unpaid balance owing from time to time. Interest shall accrue from January 1, 1995, through the date of payment.

EXHIBIT C

Areas subject to the payment of the Water Subdivision Development Fee:

- Dallas Road – from Westminster to Cruger
- W. Cruger – from Main to Breeze Way
- W. Cruger – from Wellington to Kensington
- W. Cruger – from Dallas to Independence
- Nofsinger – from Cruger to North Corporate Limits
- S. Main – from Oakland to Guth
- W. Guth – from Main to West Corporate Limits
- N. Main – from Devonshire to Cruger
- Kern Road – from Muller to Hillcrest
- Hillcrest Drive – from Kern to Washington Road, subject to the exceptions noted in Ordinance 991, dated July 6, 1970
- S. Cummings – from Kern to English Oak
- Property at the northeast corner of N. Cummings Lane and Constitution Street
- Freedom Parkway – from Cummings to McCluggage
- Washington Road – from Cummings to Ernest
- All water mains from Ernest Street to School Street for properties not assessed for the Beverly Manor water main project.



City of Washington
Exhibit C

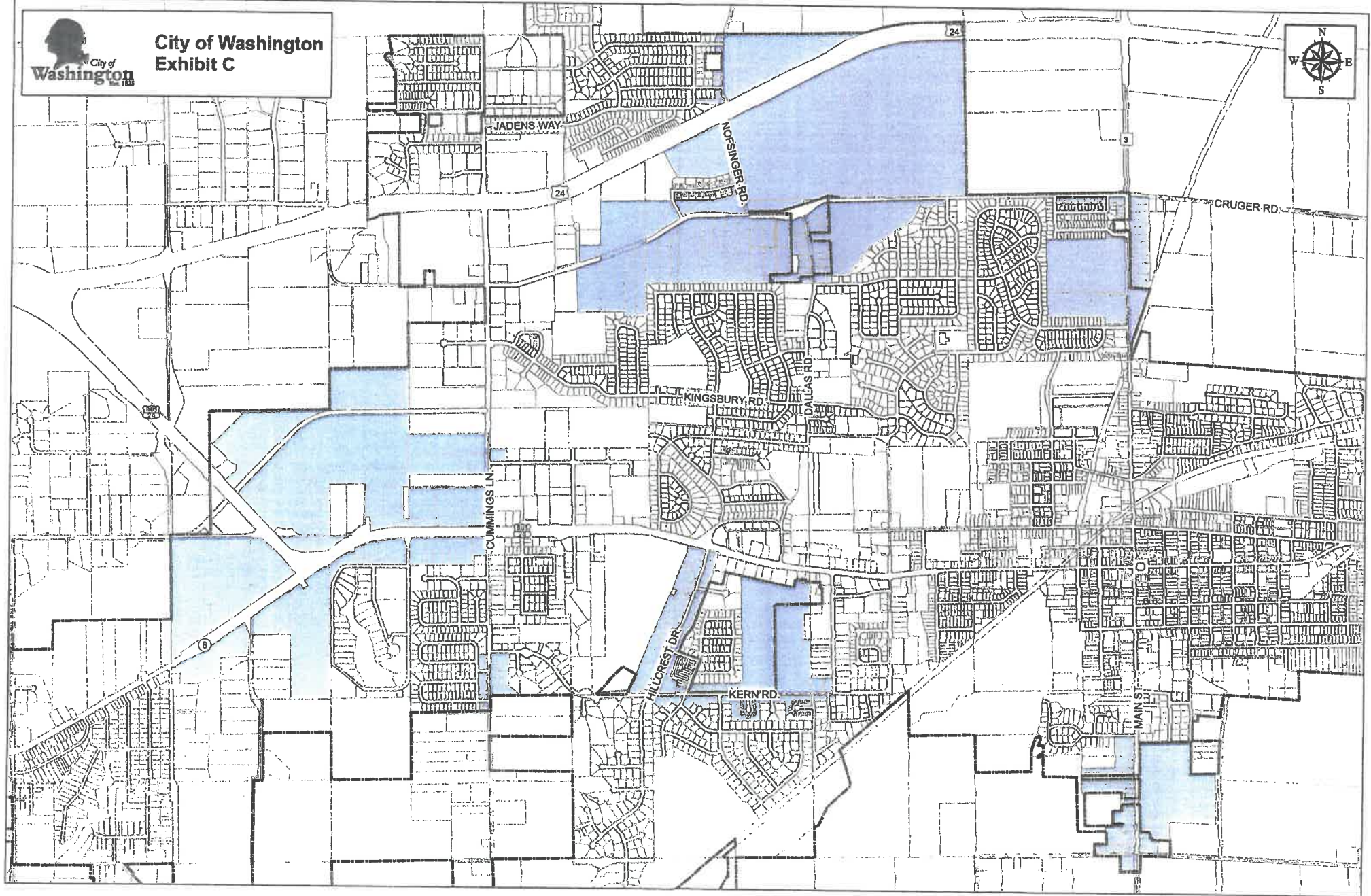


EXHIBIT D

Beginning on North Cummings Lane at the intersection with Cruger Road and extending north 1,400 feet north to US Route 24, and extending 1,300 feet east and west of this portion of North Cummings Lane; Continuing on North Cummings Lane north of U.S. Route 24 2,200 feet north to Santa Fe Road, and extending 2,000 feet east and 2,700 feet west on this portion of North Cummings lane; East on Santa Fe Road 1,300 feet to its termination, and extending from this point 1,300 feet or more to encompass all property served, as depicted on the map below.



City of Washington
Exhibit D

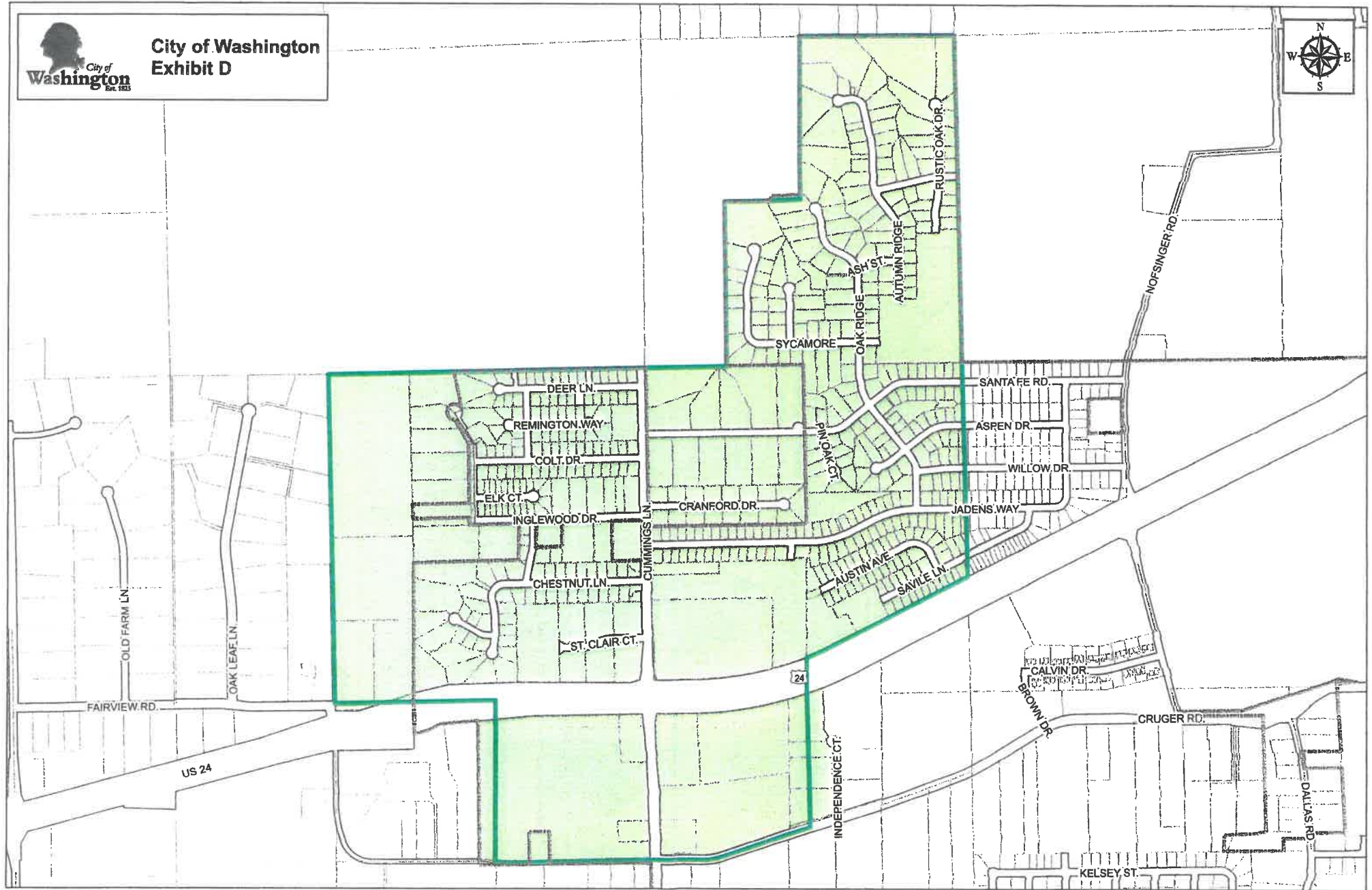


EXHIBIT E

An appropriate method of distributing private benefit across the benefitting properties is to apply a value per developable acre of land benefitted by the sanitary sewer force main. There are 370 benefiting acres within the area described in Exhibit "D". If the developable acres are assessed equally, a fee schedule described below will result:

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Payments made subsequent to January 1, 1995, shall be subject to an assessment of interest at eight percent (8%) per annum on the unpaid balance owing from time to time. Interest shall accrue from January 1, 1995, through the date of payment.

EXHIBIT F

Areas subject to the payment of the Sewer Subdivision Development Fee:

- South side of Cruger Road and west of Dallas Road, including properties on the east side of Independence Court



City of Washington Exhibit F

