



Agenda Item:
64

## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 07/26/04

Communication No.:

04-366

Agenda Item Type: Ordinance

Roll Call

No.:

Submitted by: William G. Stowe, Public Works Director

### SUBJECT—

Amendments to Municipal Code Sections 94-351, 94-355, 94-356, 94-357 and repeal of Sections 94-352, 94-353, 94-354: Special Assessment Subsidy for Drainage Improvement Projects.

### SYNOPSIS—

An ordinance to amend the Municipal Code by amending Sections 94-351, 94-355, 94-356, 94-357 and repealing Sections 94-352, 94-353, and 94-354 thereof. This action will provide for the amendment and repeal of sections of the municipal code pertaining to the Special Assessment Subsidy for Drainage Improvement Projects.

### FISCAL IMPACT—

None. Associated costs can be absorbed within current budgeted and approved billing through associated expense appropriations provided for in the FY2005 Storm Water Management Operating budget.

### RECOMMENDATION—

Approval of first consideration, waiver of second and third considerations.

### BACKGROUND—

The Municipal Code was amended by adding and enacting a new Subchapter 12 to Chapter 18 on July 18, 1994 with passage of ordinance 13,079 and the subsequent repeal and enactment of a new Section 18-69 approved by passage of ordinance 13,229 on August 21, 1995. The

subchapter established the special assessment subsidy program for certain drainage improvement projects. Property owners whose properties were assessed for the Deans Lake I, Deans Lake II, Hamilton Drain, and 50<sup>th</sup> Street and Franklin Avenue drainage improvement projects were eligible to participate in the program pending the submittal and approval of an application to the office of the City Engineer on or before October 31, 1995.

Property owners deemed eligible for the program were granted “relief” in the form of a credit of Storm Water Management charges pre-paid by the property owner during the period of September 1<sup>st</sup> through August 31<sup>st</sup> of each succeeding year of eligibility. Initial and continuing eligibility in the “program” is determined by qualifying provisions contained in the ordinance. The credit of Storm Water Management charges are then to continue indefinitely until the cumulative amount of credits granted equals the amount of the drainage project assessment paid by the property owner.

All of the special assessments for the above-mentioned drainage projects have now either been paid in full at the time of levy, have been paid in full as part of sale or transfer of property, or have been paid in full by the annual payments process.

Changes to the code will remove the sections that contain provisions for application, continuing eligibility based on payment of taxes and special assessment payments, and transfer of credit eligibility if payment of special assessment was inclusive in the terms of sale of participating property.

The amendments to the remaining sections will provide the following benefits:

- 1) Fairer to participants. Credit eligibility will be converted to a monthly credit of storm water management fees instead of an annual reimbursement of prepaid storm water management fees. Participants will receive maximum credit value under a “pay-as-you go” process.
- 2) Reduces annual administrative processing time and expense.
- 3) Removes program data from the Mainframe, where data has been “warehoused”.
- 4) Better accounting practice. Matches credit to revenue in proper-time allocation. Provides an improved means to integrate impacts of subsidy credits into monthly financial statements.

The desire to have the second and third considerations waived is to provide the time needed by City of Des Moines and Des Moines Water Works staff to implement the program changes in accordance with the recommended code revisions.