


# CITY COMMISSION POLICY

<b>GRAND RAPIDS</b>  <b>MICHIGAN</b>	<b>NUMBER:</b> 700-04	<b>HISTORY</b>
	<b>DATE:</b> September 18, 1979	<b>FILE #</b> <b>DATE</b>
	<b>FILE NUMBER:</b> 35077	
	<b>DEPARTMENT:</b> FISCAL SERVICES	

**SUBJECT:**    **SPECIAL ASSESSMENTS FOR RESIDENTIAL, COMMERCIAL,  
AND INDUSTRIAL DEVELOPERS**

**PURPOSE:**    To establish the conditions by which the City will utilize special assessment procedures for public improvements in conjunction with residential, commercial, and industrial development.

**POLICY:**

1. It is the desire of the City of Grand Rapids to encourage residential, commercial, and industrial development through use of the special assessment procedure set out in Chapter 10 of the City Code.
2. A developer may request special assessments for full street improvement (street construction and paving, curbs, gutters, storm drains, and street trees), street lighting, water service, and sewer service. Such special assessments, if approved, must be at a rate sufficient to meet all costs of the installation of the improvements. The City will incur costs for the projects in an amount not to exceed the proceeds of the special assessment roll. The developer must provide the City with such financial security as may be required by the City Manager and City Attorney to insure adequately the completion of the development project. In the event that project costs exceed the proceeds of the special assessment roll, the financial security posted by the developer may be used to meet the additional costs.

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3. Special assessments must be repaid on a schedule of ten annual installments. The rate of interest will be consistent with the general City policy on special assessment interest that is in effect at the time the assessment roll is confirmed.
4. The City Commission is not obligated to grant the use of special assessment procedures if it determines that special assessments would not be in the best interest of the City. In order for the special assessment procedure to be used, the proposed development must be consistent with the current development objectives of the City, and the property must be appropriately zoned. The Commission may consider such factors as, but not limited to, the economic feasibility of the project and the prior development history of the developer or developers, the quality of the proposed project, and a review of the proposal by the Planning Commission. In order to protect the financial interest of the City and to assure adequate performance, the City Commission may require, in addition to the lien on the property, such security as, but not limited to, a performance bond or an irrevocable letter of credit.
5. The conditions of the special assessment shall be specified in an agreement between the City and the developer.
6. These special assessment projects will be financed from the proceeds of special assessment revenue bonds issued with a limited obligation pledge of the City. Pending issuance of these bonds, interim financing will be provided through advances from the General Fund, or appropriate enterprise fund.