

**FACT SHEET**  
**Hillcrest Special (Benefit) Assessment District**

Special Assessments are regulated by City Code Chapter 147 (attached) and City Charter Section C419:57

**§ C419:57. Special Assessments – Council Resolutions.**

The council shall have power to determine that the whole or any part of the expense of any public improvement shall be defrayed by special assessments upon the property especially benefited and shall so declare by resolution. Such resolution shall state the estimated cost of the improvement, what proportion of the cost thereof shall be paid by special assessments, and what part, if any, shall be a general obligation of the city, the number of installments in which special assessments may be paid, and shall designate the districts or land and premises upon which special assessments shall be levied.

**What is a “Special (Benefit) Assessment?”**

It is the distribution of cost (in whole or in part) for a specific public improvement to properties which receive a benefit from the public improvement (hence the creation of a Benefit Assessment “District.”)

**How many properties would be included in the Benefit Assessment District?**

There are 43 properties in the proposed district.

**How much will the project cost?**

Cost for the installation of the public sewer system is projected to be approximately \$3,000,000 (\$2.2 Million for installation, plus \$800,000 Interest). The City Council has tentatively approved a cost sharing model to be a 50-50 split of this cost.

**How will the cost be divided?**

Whatever share of the total cost becomes the responsibility of the district will be divided equally among all properties located within the district. For example, if the total cost of the project is \$3 Million, and the City agrees to fund half of it, the district will be responsible to pay \$1.5 Million. The \$1.5 Million would then be split between the 43 properties in the district and be payable over the bonded period (typically 20-years). Examples of cost allocations for both 50% and 100% are attached.

**How is it billed?**

Assessments are billed bi-annually with property taxes by the Tax Collector.

## **When is payment expected?**

As stated in City Code Chapter 147, payment is due in the same manner as real estate taxes:

**§147-8** - Special assessments shall be collected by the Tax Collector in the same manner as real estate taxes pursuant to the provisions of RSA Chapter 80. The Tax Collector shall have all the rights and remedies and be subject to the liabilities provided in RSA Chapter 80 relative to the collection of real estate taxes. All liens for special assessments made under this chapter shall be executed according to the provisions of RSA 80:85 – 80:86.

**§147-9** - All persons owning land subject to a special assessment made pursuant to this chapter shall be liable to pay the amount of the assessment to the city in the same manner as real estate taxes.

## **What happens if I don't pay?**

This is addressed in City Code §147-7 & §147-10

**§147-7** - All special assessments made pursuant to this chapter shall create a lien upon the properties listed on the special assessment roll in the same manner and to the same extent as real estate taxes."

**§147-10** - The real estate of any person liable for a special assessment who does not pay such assessment on or before December 1 shall be subject to the tax lien procedure."

## **What happens if I sell my house?**

Any unpaid lien would be due upon transfer of ownership.

## **What if I have a working septic system?**

Anyone who wishes to remain on septic will need to file a request for a waiver. Waiver requests will only be considered for systems installed in 1985 or later (as stated in **§136-8.1** of the City Code) and will be reviewed on a case-by-case basis. Those systems that are too close to the new proposed drainage system will be required to connect. Those that have enough of a barrier may be allowed to continue in operation until failure, but owners will still be liable for payment of the special assessment. Once a private system fails, it will not be permitted to be replaced and the property owner will be required to connect to the public system.

**§136-8.I** - The owner(s) of all houses, buildings or properties used for human occupancy, employment, recreation, or other purposes, situated within the city and abutting on any street, alley or right-of-way in which there is now located or may in the future be located a public sanitary sewer of the city is hereby required at the owner(s)' expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper public sewer in accordance with the provisions of this chapter, within 90 days subsequent to the date of official notice to do so, provided that said gravity public sewer is within 100 feet of the building. This requirement for connection may be waived when permitted by the Director of Public Works after consultation with the City Manager if the household is already connected to a properly functioning, state-approved septic system approved after 1985.

**§136-8.K** - At such time as a public sewer becomes available to a property serviced by a private wastewater disposal system, the owner shall connect to the public sewer, as provided in Subsection **I** above. Any septic tanks, cesspools and similar private wastewater disposal facilities shall be cleaned of sludge and filled with clean, mineral soils, and their use shall be discontinued.

**When would the Special Assessment become effective?**

Construction is scheduled to begin in 2020; Special Assessment payments will commence with the June 2021 tax bill.

## Chapter 147

### SPECIAL ASSESSMENT PROCEDURE

#### GENERAL REFERENCES

Sanitary sewerage construction costs — See Water investment fee — See Ch. 68, Art. I.  
Ch. 123, Art. XVII, § 123-108.

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#### **§ 147-1. Purpose.**

The Council is required by § C419:58 of the City Charter to prescribe by general ordinance the complete special assessment procedure. The purpose of this chapter is to comply with that requirement.

#### **§ 147-2. Procedure in chapter to be followed.**

Whenever a special assessment is proposed to pay the expense, in whole or in part, of any public improvement pursuant to § C419:57 of the Charter, the procedure as set forth in this chapter shall be followed.

#### **§ 147-3. Resolution of Council.**

The City Council shall, by resolution, declare that the expense of a specifically described public improvement shall be paid in whole or in part by a special assessment upon the properties which receive special benefit. The resolution shall direct the Manager to obtain the plans, specifications and estimated costs of such public improvement for the purpose of scheduling of a public hearing and acting thereon. The resolution shall also direct the Manager to complete a special assessment roll containing all properties on which the special assessment is to be levied.

#### **§ 147-4. Certification of Manager; scheduling of public hearing.**

Upon certification from the Manager to the Council that the plans, specifications, estimate of costs and special assessment roll have been completed, the Council shall schedule a public hearing upon the proposed special assessment.

#### **§ 147-5. Notice of public hearing.**

Upon scheduling the public hearing for the proposed special assessment, the Council shall cause notice to be served as follows: The notice shall be set forth the day, date, time and place of the public hearing and shall contain a description of the specific public improvement for which the special assessment is proposed. The notice shall also state where, and during what hours, a copy of the plans, specifications, estimates of costs and special assessment roll may be reviewed and examined by any person. At least 10 clear days prior to the public hearing, such notice shall be sent by certified

mail to each property owner on the special assessment roll and published in a daily newspaper of general circulation in the city. For the purpose of this chapter, the term "10 clear days" shall not include the day the notice is mailed and published nor the day of the public hearing.

**§ 147-6. Public hearing and Council action.**

- A. At the public hearing before the Council, the Manager or his/her designee shall present the plans, specifications and estimate of costs of the specific public improvement, together with the list of properties on the special assessment roll. A recommendation shall be made to the Council as to the amount and terms of the special assessment and the basis for the special assessment for the properties on the assessment roll. The Council shall receive such information and comments from the public as it deems necessary and appropriate.
- B. After the close of the public hearing, the Council shall, by resolution, take appropriate action upon the requested special assessment, including the estimated costs, the specific plans and specifications, the property owners included on the special assessment roll and the amount and allocation of the special assessment.

**§ 147-7. Lien.**

All special assessments made pursuant to this chapter shall create a lien upon the properties listed on the special assessment roll in the same manner and to the same extent as real estate taxes.

**§ 147-8. Collection of special assessments and execution of liens.**

Special assessments made in accordance with this chapter shall be collected by the Tax Collector in the same manner as real estate taxes pursuant to the provisions of RSA Chapter 80. The Tax Collector shall have all the rights and remedies and be subject to the liabilities provided in RSA Chapter 80 relative to the collection of real estate taxes. All liens for special assessments made under this chapter shall be executed according to the provisions of RSA 80:85 - 80:86.

**§ 147-9. Payment of special assessment.**

All persons owning land subject to a special assessment made pursuant to this chapter shall be liable to pay the amount of the assessment to the city in the same manner as real estate taxes.

**§ 147-10. Failure to pay assessment; tax lien.**

The real estate of any person liable for a special assessment who does not pay such assessment on or before December 1 shall be subject to the tax lien procedure.

**§ 147-11. Abatement procedure.**

The City Council may abate any assessment upon receipt of an application for abatement from the owner of the land subject to such assessment. The following procedure shall apply to such abatement:

- A. The Mayor shall appoint a committee consisting of two members of the Council, the City Manager and the Tax Assessor, who will review the application for the abatement. The committee shall make a written report to the Council, together with recommendations. If the payment of the special assessment constitutes a financial hardship, the committee may consider establishing an installment payment schedule so long as the lien for the special assessment is not adversely affected.
- B. Any person aggrieved by a decision of the City Council as to an application for an abatement may appeal to the Superior Court as provided by law.

Hillcrest Acres Sewer Construction

<u>Issued</u>					<u>Units</u>	<u>Allocation</u>
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal &amp; Interest</u>	<u>Estimated Interest Rate*</u>	43	50.0%
					<u>Annual</u>	<u>Biannual</u>
2020						
1 2021	\$110,000	\$76,068.06	<b>\$186,068.06</b>	3.250%	\$2,160.00	\$1,080.00
2 2022	\$110,000	\$67,925.00	<b>\$177,925.00</b>	3.250%	\$2,070.00	\$1,035.00
3 2023	\$110,000	\$64,350.00	<b>\$174,350.00</b>	3.250%	\$2,030.00	\$1,015.00
4 2024	\$110,000	\$60,775.00	<b>\$170,775.00</b>	3.250%	\$1,990.00	\$995.00
5 2025	\$110,000	\$57,200.00	<b>\$167,200.00</b>	3.250%	\$1,940.00	\$970.00
6 2026	\$110,000	\$53,625.00	<b>\$163,625.00</b>	3.250%	\$1,900.00	\$950.00
7 2027	\$110,000	\$50,050.00	<b>\$160,050.00</b>	3.250%	\$1,860.00	\$930.00
8 2028	\$110,000	\$46,475.00	<b>\$156,475.00</b>	3.250%	\$1,820.00	\$910.00
9 2029	\$110,000	\$42,900.00	<b>\$152,900.00</b>	3.250%	\$1,780.00	\$890.00
10 2030	\$110,000	\$39,325.00	<b>\$149,325.00</b>	3.250%	\$1,740.00	\$870.00
11 2031	\$110,000	\$35,750.00	<b>\$145,750.00</b>	3.250%	\$1,690.00	\$845.00
12 2032	\$110,000	\$32,175.00	<b>\$142,175.00</b>	3.250%	\$1,650.00	\$825.00
13 2033	\$110,000	\$28,600.00	<b>\$138,600.00</b>	3.250%	\$1,610.00	\$805.00
14 2034	\$110,000	\$25,025.00	<b>\$135,025.00</b>	3.250%	\$1,570.00	\$785.00
15 2035	\$110,000	\$21,450.00	<b>\$131,450.00</b>	3.250%	\$1,530.00	\$765.00
16 2036	\$110,000	\$17,875.00	<b>\$127,875.00</b>	3.250%	\$1,490.00	\$745.00
17 2037	\$110,000	\$14,300.00	<b>\$124,300.00</b>	3.250%	\$1,450.00	\$725.00
18 2038	\$110,000	\$10,725.00	<b>\$120,725.00</b>	3.250%	\$1,400.00	\$700.00
19 2039	\$110,000	\$7,150.00	<b>\$117,150.00</b>	3.250%	\$1,360.00	\$680.00
20 2040	\$110,000	\$3,575.00	<b>\$113,575.00</b>	3.250%	\$1,320.00	\$660.00
<b>Issue</b>	<b>\$2,200,000.00</b>	<b>\$755,318.06</b>	<b>\$2,955,318.06</b>		<b>\$34,360.00</b>	\$17,180.00
						<u>\$17,180.00</u>
						<u>\$34,360.00</u>

\*Projected Spring 2018 New Hampshire Municipal Bond Bank May 22 bond sale.

Hillcrest Acres Sewer Construction

<u>Issued</u>						<u>Units</u>	<u>Allocation</u>
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal &amp; Interest</u>	<u>Estimated Interest Rate*</u>	43	100.0%	
					<u>Annual</u>	<u>Biannual</u>	
2020							
1 2021	\$110,000	\$76,068.06	<b>\$186,068.06</b>	3.250%	\$4,330.00	\$2,165.00	
2 2022	\$110,000	\$67,925.00	<b>\$177,925.00</b>	3.250%	\$4,140.00	\$2,070.00	
3 2023	\$110,000	\$64,350.00	<b>\$174,350.00</b>	3.250%	\$4,050.00	\$2,025.00	
4 2024	\$110,000	\$60,775.00	<b>\$170,775.00</b>	3.250%	\$3,970.00	\$1,985.00	
5 2025	\$110,000	\$57,200.00	<b>\$167,200.00</b>	3.250%	\$3,890.00	\$1,945.00	
6 2026	\$110,000	\$53,625.00	<b>\$163,625.00</b>	3.250%	\$3,810.00	\$1,905.00	
7 2027	\$110,000	\$50,050.00	<b>\$160,050.00</b>	3.250%	\$3,720.00	\$1,860.00	
8 2028	\$110,000	\$46,475.00	<b>\$156,475.00</b>	3.250%	\$3,640.00	\$1,820.00	
9 2029	\$110,000	\$42,900.00	<b>\$152,900.00</b>	3.250%	\$3,560.00	\$1,780.00	
10 2030	\$110,000	\$39,325.00	<b>\$149,325.00</b>	3.250%	\$3,470.00	\$1,735.00	
11 2031	\$110,000	\$35,750.00	<b>\$145,750.00</b>	3.250%	\$3,390.00	\$1,695.00	
12 2032	\$110,000	\$32,175.00	<b>\$142,175.00</b>	3.250%	\$3,310.00	\$1,655.00	
13 2033	\$110,000	\$28,600.00	<b>\$138,600.00</b>	3.250%	\$3,220.00	\$1,610.00	
14 2034	\$110,000	\$25,025.00	<b>\$135,025.00</b>	3.250%	\$3,140.00	\$1,570.00	
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20 2040	\$110,000	\$3,575.00	<b>\$113,575.00</b>	3.250%	\$2,640.00	\$1,320.00	
<b>Issue</b>	<b><u>\$2,200,000.00</u></b>	<b><u>\$755,318.06</u></b>	<b><u>\$2,955,318.06</u></b>		<b><u>\$68,730.00</u></b>	<b><u>\$34,365.00</u></b>	
						<b><u>\$34,365.00</u></b>	
						<b><u>\$68,730.00</u></b>	

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