

Special Assessment District

A property tax on a specific group for a specific improvement



Many public roads in Michigan are in desperate need of repair, some of the worst roads are subdivision and neighborhood streets, also known as local roads. By law, federal funds cannot be put into local roads and very little state funding goes to maintain local roads.

Given the need, more and more communities are deciding to fund repairs on local roads themselves through a Special Assessment District or SAD. A SAD is designated area where a majority of property owners agree to tax themselves in exchange for a specific service from a government agency such as a road improvement.

Per Michigan Law, a SAD to improve roads can be administered either by a county road commission or by a township. The information below applies to SADs administered by a road commission. To learn about SADs administered by a township, contact your township.



Contractors paving a subdivision, funded by a SAD

Requirements

In order to be eligible for a SAD, a road must:

- Be a public, county road. Private roads are not eligible. WCRC does not have jurisdiction over residential streets in cities or villages.
- At least 75% of property owners along the road must be subdivided into parcels of 300 feet or less in width, or there can be no fewer than one building for every 300 feet of road frontage.

Potential Improvements

WCRC engineers will help to determine what type of road improvements are needed within the SAD project area. A SAD can be invested projects in the road right-of-way that have a public benefit, such as drainage improvements, pavement pulverization and resurfacing, improved road shoulders, new sidewalks or street lights.

Who Pays?

Costs are borne by the property owners in the established district. Property owners within the district can either pay the assessment off in full or be assessed by the township through their winter tax bill to repay over a period not to exceed 10 years. No penalties exist for early payoff. The taxable value of homes within a SAD will not increase due to the improvement.

Process

Michigan law dictates the process for creating a SAD. The process includes a formal petition, signed by property owners representing at least 51% linear footage along the road. Once the petition has been filed with WCRC, a public hearing of objection will be held, in addition to other steps, before the SAD is approved by the Washtenaw County Board of County Road Commissioners.

If you are interested in starting a SAD for road improvements in your neighborhood, visit wcroads.org/residents/special-assessment-districts or contact WCRC at (734) 761-1500 to set-up a meeting with a staff member.

Questions? Contact WCRC

(734) 761-1500 wcroads.org/residents/special-assessment-districts Facebook/Twitter: @WashtenawRoads