

ORDINANCE NO. 69
TOWNSHIP OF WHITEFORD, COUNTY OF MONROE, STATE OF MICHIGAN

HARDSHIP ORDINANCE

An ordinance to provide for the deferral of the payment of certain obligations associated with the township's sewer and water systems in situations in which property owners establish by objective evidence that property owners will be subjected to undue financial hardship.

**THE TOWNSHIP BOARD OF THE TOWNSHIP OF WHITEFORD, MONROE COUNTY,
MICHIGAN, ORDAINS:**

SECTION 1: TITLE

This ordinance shall be known and cited as the Whiteford Township Hardship Ordinance.

SECTION 2: PURPOSE

The purpose of this ordinance is to:

- A. Provide and establish a procedure by which property owners may request deferral of payment of certain financial obligations associated with the township municipal sewer and water systems when property owners believe that the payment of those obligations will cause immediate financial hardship.
- B. Establish procedural requirements to be met by property owners requesting relief and guidelines for determining when such relief is appropriate.

SECTION 3: DEFINITIONS

- A. Asset test – means the amount of cash, fixed assets or other property that could be used, or converted into cash for the payment of the connection fee and related expenses. The asset test does not include the value of the principal residence or household goods.
- B. Income – includes:
 - a. Money, wages and salaries before deductions;
 - b. Net receipts from farm and non-farm self-employment (these are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses);
 - c. Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments and public assistance;
 - d. Alimony, child support, and military allotments;
 - e. Private pensions, governmental pensions, and regular insurance or annuity payments;
 - f. College or university scholarships, grants, fellowships and assistantships;
 - g. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts and net gambling or lottery winnings.
- C. Federal poverty income standards as of 2016 (from the federal register of the U.S. department of health and human services)

Size of Family Unit	Poverty Threshold / Monetary Amount
1 person	\$11,770
2 persons	\$15,930
3 persons	\$20,090

4 persons	\$24,250
5 persons	\$28,410
6 persons	\$32,570
7 persons	\$36,730
8 persons	\$40,890
Each additional person	\$4,160

SECTION 4: APPLICABILITY

This Ordinance applies to all residential users of the Township’s current and future municipal water and sewer disposal systems. Property owned by a corporation shall not be eligible for a hardship deferral.

SECTION 5: PROCEDURE FOR REQUESTING HARDSHIP

- A. Any property owner who believes that the payment of certain financial obligations associated with the township’s municipal water and sewer disposal systems, including but not limited to costs associated with connection, labor, materials, connection fee and other costs associated with connecting to the township’s municipal water or sewer systems will subject the property owner to unreasonable financial hardship may apply to the Township Board of Trustees for deferral of said costs.

- B. The applicant must comply with and provide the following:
 - a. Be an owner of and occupy, as a principal residence, the property which a hardship deferral is requested;
 - b. File a completed application and the required fee with the board of trustees, accompanied by any federal and state income tax returns for all persons residing in the homestead, including all tax returns filed in the immediately preceding year;
 - c. Produce a driver’s license or other form of identification if requested by the township board of trustees;
 - d. If requested, produce a deed, land contract or other evidence of ownership of the property;
 - e. Provide an estimate to connect the property to the municipal water or sewer disposal system;
 - f. Meet the federal poverty guidelines updated annually in the federal register of the U.S. department of health and human services or standards adopted by the board of trustees pursuant to a resolution;
 - g. Liquid assets shall not exceed four (4) times the entire annual household income, not including the primary residence or personal property related to the primary residence;
 - h. A description of the financial hardship explaining any events that have substantially decreased applicant’s ability to pay the costs;
 - i. Names and ages of all persons residing at the premises;
 - j. The minimum payments required for the applicant’s reasonable and necessary living expenses;
 - k. The net income from all sources for the applicant and all other persons residing at or with an ownership interest in the premises for which deferment is requested;
 - l. For each of the applicant’s assets other than the real property and its contents, a description of the asset, its value, amounts owed and payments required and restrictions or limitations on applicant’s ability to sell or dispose of the asset;

- m. Payments, if any, applicant is willing to make toward the anticipated cost associated with connecting to the water or sewer disposal system; and
- n. Acknowledge and agree to the following:
 - i. The amount of the costs;
 - ii. The applicant does not waive the unpaid charges, interest, penalties or the township's lien and right to certify all unpaid amounts on the tax roll for collection;
 - iii. To execute a promissory note and mortgage, which may be recorded by the township to secure the township's interest in the unpaid costs; and
 - iv. the consent and waiver of confidentiality regarding the township's review and investigation of all disclosures and documents submitted.
- C. In determining whether a hardship exists, the following factors shall be considered by the board:
 - a. the actual anticipated expenses associated with connection
 - b. the township board may waive the income test for a household with income greater than allowed but has expenses beyond the ordinary scope of expected costs which are severe and unavoidable, such as unusually high health care costs not covered by insurance.
- D. The applicant must be an owner of and occupy the property as his or her principal residence. If the property is owned by a trust, the real property must be the principal residence of the grantor of the trust.
- E. Such application shall be in writing, signed by the residential property owner under penalty of perjury.
- F. If the board determines that connecting to the municipal water or sewer disposal systems will cause a financial hardship, then the applicant agrees to execute a promissory note, lien or mortgage and other documents to secure the township's interest.
- G. The applicant agrees to provide the township, inspectors and any contractors access to the applicant's property in order to connect the property to the municipal water or sewer disposal system.

SECTION 6 UNDUE FINANCIAL HARDSHIP DETERMINATION

- A. The board, at its discretion, may determine that the applicant is entitled to partial or total deferment of payment of costs and expenses associated with connecting to the municipal water or sewer disposal system.
- B. If the assets are of a nature and value which reasonably indicates that a condition of hardship does not exist, then a request for deferral shall be denied.
- C. If the applicant fails to satisfy the income test, the asset level test and other additional eligibility requirements adopted by the board of trustees, the applicant shall not qualify for the deferral.
- D. If the board does not receive enough information from the applicant in order to allow the board to make an informed decision, the board may deny the application.

SECTION 7: DEFERRAL OF PAYMENT

- A. The applicant may make a partial or complete payment of the amount deferred at any time. The amount deferred, plus interest at an annual compounded rate of three percent (3%), shall be due and payable on or before death, or in any event, upon the sale or transfer of the property.
- B. The private plumbing expenses, in addition to the connection charges, may be included in the amount of the note, mortgage and/or lien. The applicant shall also be responsible for all costs incurred by the township associated with the connection and processing of the application, including but not limited to, costs of recording the mortgage, costs of a title commitment and legal fees associated with reviewing and preparing the mortgage and other documents.
- C. Even if a hardship determination is granted, the applicant shall still be required to make all monthly payments associated with the applicant's use of the municipal water and/or sewer disposal system.
- D. The granting of a deferral of payment does not waive the unpaid charges, interest, penalties or the township's lien and right to certify all unpaid amounts on the tax roll for collection.

SECTION 8: CONFLICTING ORDINANCE(S)

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 9: EFFECTIVE DATE

This Ordinance shall take immediate effect.

THE TOWNSHIP BOARD OF THE
TOWNSHIP OF WHITEFORD, COUNTY
OF MONROE, STATE OF MICHIGAN

AUTHENTICATED:

By: _____
Angela Christensen,
Whiteford Township Clerk

By: _____
Walter Ruhl,
Whiteford Township Supervisor

I, Angela Christensen, do hereby certify that I am the duly elected and acting Clerk of the township of Whiteford, and I do hereby certify that this Ordinance was adopted by the Township Board of the township of Whiteford, County of Monroe, State of Michigan, at a regular meeting of the Township Board held at the Whiteford Township Hall, 8000 Yankee Road, Suite 100, Ottawa Lake, Michigan 49267, on the 15th day of November, 2016.

The vote on said Ordinance, ___5___ members being present and ___0___ members being absent, was as follows:

AYES: Sahloff, Hill, Heidelberg, Christensen, Ruhl

NAYS: None

I, Angela Christensen, the Township Clerk of the Township of Whiteford, do hereby certify that this Ordinance, or a summary of it, was published on the 25th day of November, 2016 in the Monroe Evening News, located in the City of Monroe, Monroe County, Michigan, a newspaper of general circulation in the Township of Whiteford, within thirty (30) days after adoption of the Ordinance.

Dated: November 26, 2016

Angela Christensen,
Whiteford Township Clerk

ADOPTED: November 15, 2016

PUBLISHED: November 25, 2016

EFFECTIVE: December 25, 2016