CITY OF NEWARK STORMWATER UTILITY PROGRAM

POLICY: CONDOMINIUMS AND APARTMENTS

DISCUSSION:

Condominiums and apartments represent a category of property that encompasses multiple owner or tenant occupied units/dwellings within the boundaries of a single property. Consolidated condominium/apartment properties typically feature the impervious areas of the individual buildings, parking areas, amenities (e.g. tennis or basketball courts), and driveways. The service charge for consolidated condominium/apartment properties will be derived as follows:

- By measuring all of the impervious area encompassed by the property;
- Dividing the measured impervious area by the impervious area equivalent to one ERU;
- Rounding the product of the forgoing division to the nearest whole number (Refer to Billing Policy Paper # 6 Service Charge Calculation in Whole Or Partial ERUs), and
- Multiplying the foregoing whole number by the rate (to be determined later) for a single ERU.

The issue with respect to consolidated condominium/apartment billing procedures relates to how or whether the stormwater user fee will be collected from individual owners/tenants or from a single entity.

Condominiums

The Project Team believes that the City of Newark GIS database may in some cases provide property boundary shape files that will establish a basis for allocating stormwater service charges among individual owners within a condominium complex. In those cases where the property boundary information is included in the GIS database file, two alternatives for allocating the service charges should be considered:

In situations where the City GIS provides property boundary information for each individual owner within the complex, the buildings are single-story buildings and where a billing account exists for each unit within the complex (one to one relationship), treat each unit as a single-family property and bill each account one (1) ERU. Any common areas such as private drives, parking areas and amenities such as tennis courts and community buildings will have the impervious area measured, the number of ERUs calculated, and these ERUs will be assigned to a billing account in the name of the homeowner's association, management company or management association. If a billing account in the name of the homeowner's association, management company or management association does not exist,

a stormwater only billing account will be created for this purpose. Dwelling units will not be included in the impervious area measurement.

2 In situations where the City GIS provides property boundary information for each individual owner within the complex and the buildings are more than single-story buildings, the impervious area for the entire complex will measured and the number of ERUs will be calculated. These ERUs will be assigned to a billing account in the name of the homeowner's association, management company, or management association. If a billing account in the name of the homeowner's association, management company or management association does not exist, a stormwater only billing account will be created for this purpose. The impervious areas will include any common areas such as private drives, parking areas and amenities such as tennis courts and community buildings. Dwelling units will be included in the impervious area measurement.

In those cases where the property boundary information is not included in the GIS database file, two alternatives for allocating the service charges should be considered:

In situations where a billing account exists in the name of the homeowner's association or management company or management association, etc., that billing account will be assigned as the master billing account for the property, measure the impervious area for the entire complex, calculate the number of ERUs for the property, and assign the resulting stormwater charges to that one master billing account. If any other billing accounts exist or billing accounts exist in the name of the unit owners, consolidate those billing accounts as sub-accounts to the master billing account.

2. In situations where a billing account does not exist in the name of the homeowner's association, management company or management association, etc., create a stormwater only account in the name of the homeowner's association, management company or management association, and assign that billing account as the master billing account for the property. Measure the impervious area for the entire complex, calculate the number of ERUs for the property, and assign the resulting stormwater charges to that one master billing account. If any other billing accounts exist or billing accounts exist in the name of the unit owners, consolidate those billing accounts as sub-accounts to the master billing account

Apartments

Tenants will most likely occupy nearly all units within the apartment complex. Tenants do not own property within the complex, and therefore would not be responsible for delinquent or unpaid stormwater service charges. This situation renders two options for allocating stormwater service charges to an apartment complex:

In situations where a billing account exists in the name of the owner, landlord, management company or management association, etc., assign that billing account as the master billing account for the property, measure the impervious area for the entire complex, calculate the

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number of ERUs for the property, and assign the resulting stormwater charges to that one master billing account. If any other billing accounts exist or billing accounts exist in the name of the tenants, consolidate those billing accounts as sub-accounts to the master billing account.

2. In situations where a billing account does not exist in the name of the owner, landlord, management company or management association, etc., create a stormwater only account in the name of the owner, landlord, management company or management association and assign that billing account as the master billing account for the property. Measure the impervious area for the entire complex, calculate the number of ERUs for the property, and assign the resulting stormwater charges to that one master billing account. If any other billing accounts exist or billing accounts exist in the name of the tenants, consolidate those billing accounts as sub-accounts to the master billing account.

RECOMMENDATIONS:

The Project Team recommends that the City of Newark implement the above policies for treatment of condominium properties and apartment properties.

ACTION:

The Technical Advisory Committee reviewed, discussed and approved this Billing Policy Paper on April 26, 2005.

Approved: Time Weight

Tim Weisert
Director of Public Service