

**CITY OF ZANESVILLE  
STORMWATER UTILITY PROGRAM**

**POLICY: CONDOMINIUMS****I. DISCUSSION:**Condominiums

This is the sixth billing policy paper in a series of billing policy papers that document the overall billing mechanism development process. Condominium developments represent a category of residential property that encompasses multiple property owners occupying units/dwellings normally located within the boundary of a single property. Condominium properties typically feature the impervious areas of the individual building(s), parking areas, amenities (e.g. tennis or basketball courts and community meeting space), parking garages and/or carports and driveways. Some condominium properties may also include private (undedicated) streets and or service roads. By definition (treating condominium properties as non-residential properties), the service charge for a condominium property will be derived as follows:

- If condominium properties have a one to one relationship in the County GIS/County Auditor property tax billing file and/or in the City of Zanesville utility billing database file, treat as residential and assign 1 ERU;
- If there is not a one to one relationship as explained above, measure all the impervious area encompassed by the property;
- Multiplying the foregoing whole number by the rate (to be determined later) for a single ERU.

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

The JHA/ERC Team has determined that the Muskingum County GIS (Auditor) cannot provide a Parcel ID number (PIN) for each condominium unit located within the City. In some cases, the County GIS database does not provide the property boundary for each of these units, which is necessary to measure the impervious area and to allocate stormwater service charges among individual condominium owners. Since the reconciliation of county parcels and utility billing file records is still ongoing, the JHA/ERC Team cannot fully yet determine if a utility billing account for all condominium units within the city is included in the utility billing database. The JHA/ERC Team believes that the City of Zanesville stormwater utility should be consistent in their approach for allocating charges to condominium property owners.

To consistently apply the mechanism for allocating stormwater charges to condominium owners (impervious area), the County GIS database must contain the property boundary

information for each unit. Since this information is only available for some of the condominium properties in the city, measuring the impervious area for each unit is not possible. Therefore, the stormwater utility has two options for treatment of condominium properties:

1. In situations where there is a county parcel ID and/or a corresponding billing record in the city utility billing database for all units within a complex, categorize each condominium as single family residential. Treat all units as if they are single-family properties, charge each unit one ERU and disregard measuring the impervious area for the complex. Under this scenario, the common area amenities and any private roads and parking lots would not be measured.
2. In situations where there is not a county parcel ID and/or a corresponding billing record in the city utility billing database, categorize the complex as multi-family and commercial. Measure the impervious area for the entire complex and assign the service charge to a single entity (complex, management association/homeowner association, manager). This would involve dividing the total measured impervious area by the ERU value (ft<sup>2</sup>) to determine the number of ERUs for the complex, and multiplying by the ERU rate.

Choosing and implementing a policy under each of these options accomplishes the goal of being consistent in the handling of a condominium complex. However, there are some issues that will arise with respect to Option 2, and these issues should be considered when deciding which option should be used for condominiums in Zanesville. The Option 2 issues are as follows:

- Some condominium complexes will not have a property or unit in the name of the complex, management association/homeowner's association or manager. Therefore, there is an issue as to which utility billing account should be used for billing the complex for stormwater charges.
- Typically, a condominium complex homeowner's association collects monthly dues from each unit owner for expenses such as property and grounds maintenance, insurance and utilities. The dues do not include a provision for stormwater charges (prior notice is necessary through public education program). In many cases, the homeowner's association will then contact the city and ask that the charge be allocated to each individual unit/owner. Therefore, the utility billing department will have several billing adjustments to handle prior to the next billing cycle. The JHA/ERC Team has experienced this issue in nearly every previous stormwater utility program implementation.

Therefore, treating each condominium unit as if it were a single-family property, billing the individual unit for one ERU (must have separate parcel ID and utility billing account), and disregarding the impervious area that may be associated with amenities and/or private

driveways appears to be the simplest approach. The JHA/ERC Team's experience with condominium properties has shown that there is little or no difference in the final ERU calculation for a condominium complex when measuring all the impervious area or when simply charging each property owner one ERU.

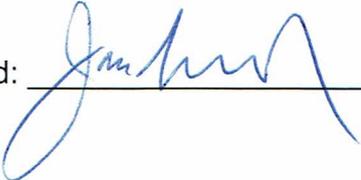
**II. TAC RECOMMENDATIONS:**

The JHA/ERC Team recommends the following:

1. Utilize Option 1 when there is a one to one condominium parcel relationship in the GIS/County Auditor property tax billing file and/or in the utility billing database file.
2. Utilize Option 2 when there is not a one to one condominium parcel relationship in the GIS/County Auditor property tax billing file and in the utility billing database file.

**III. TAC ACTION:**

The TAC reviewed, discussed and approved this billing policy paper during the week of February 1, 2019.

Approved:  \_\_\_\_\_

Date: 2/1/19 \_\_\_\_\_