

GUIDE TO THE CITY OF ANN ARBOR ANNEXATION PROCESS

FOR SINGLE-FAMILY AND TWO-FAMILY PROPERTIES

GENERAL INFORMATION

Annexation is a process by which a piece of property is released from the jurisdiction of Ann Arbor, Pittsfield or Scio Township and comes under the jurisdiction of the City of Ann Arbor. During the annexation process, a City zoning classification is assigned to the annexed parcel, replacing the township zoning classification after annexation is complete. When a property is annexed, the property owner begins paying City property taxes and begins receiving City services, such as utilities, fire and police protection, trash/recycling/compost pick-ups, etc. The residents of the property are also eligible to vote in City elections.

Typically annexation is initiated by property owners wishing to connect to City utilities (water, sanitary sewer). The State of Michigan and the Washtenaw County Health Department do not recognize private septic systems as an acceptable means of sewage disposal when public sewers are available. Therefore, the construction of a new house on a township parcel, within the defined City area, requires annexation into the City of Ann Arbor to connect to public utilities. (See page 6 for more information about the defined City area.)

When existing septic systems fail and no public sewer is available, the County Health Department may require a property owner to correct the problem, by pumping and hauling waste, excavating down to sand and building a new system, or requesting variances from the County Health Board.

HOW TO APPLY FOR ANNEXATION AND ZONING

Property owners must submit an application (known as a “petition”) for annexation and an application for zoning classification, to the **City Planning and Development Services Unit (734-794-6265)**. Petition forms are available on the City’s website, www.a2gov.org/planning. The

annexation and zoning petitions are processed together and require action by the City Planning Commission and City Council. Persons holding a land contract may apply on behalf of a property owner with the owner’s written authorization.

Filing and Release Fees (July, 2019)

- **City of Ann Arbor (734-794-6265)** filing fee for annexation and zoning of single or two-family residential under 2 acres: **\$1,100**
- AND**
- **Ann Arbor Township (734-663-3418)** release fee for properties under 5 acres: **\$400**
 - **Pittsfield Township (734-822-3120)** minimum release fee: **\$50** [\$10 per acre up to 25 acres]
 - **Scio Township (734-369-6400)**: no release fee

Subject to change. Contact Planning and Development Services for a current list of fee schedules.

The Planning and Development Services Unit will forward a copy of the annexation petition to the appropriate township, along with any required township filing fees. Once the annexation and zoning petitions are filed, a City Planning Commission public hearing will be scheduled and capital cost recovery charges and/or improvement charges will be determined (see page 4 for more information about capital cost recovery charges and improvement charges). The Planning Commission makes a recommendation to City Council on the annexation and zoning request at the same meeting at which the public hearing is held. City Council, however, can only act on the annexation petition following the Planning Commission public hearing, because the property is not yet in the City’s jurisdiction and therefore cannot yet be zoned.

Following City Council approval of the annexation and release of the property by the township, both annexation resolutions (City and township) are forwarded to the State of Michigan by the City Clerk Services Unit. The property owner is mailed a welcome packet containing contact information for all City services units and the services they

provide. Review and approval by the State of Michigan may take 3 to 6 months or longer.

Once the City Clerk Services Unit is notified in writing of the State of Michigan's approval, the property is considered to be annexed to the City. It is the property owner's responsibility to check that all available City services are being received once annexation is complete.

Following notification of the State's approval, Planning and Development Services schedules the zoning petition for City Council consideration. According to the City Charter, zoning changes require "readings" at City Council, called first reading and second reading at two separate meetings. City Council also holds a public hearing at the time of second reading. The entire annexation and zoning process is complete after the second reading of the zoning petition is approved by City Council.

Help, I need water and sanitary sewer right away!

- File annexation and zoning petitions in the Planning and Development Services Unit.
- Sign a water and/or sanitary sewer agreement in the Public Services Area, pay appropriate charges and fees. See *"Obtaining Public Utilities" on page 4.*
- City Council grants special permission to hook up before the annexation is complete. Obtain necessary permits to connect to City utilities.
- Complete annexation and zoning process.

- Annexation and Zoning Petition process.

REVIEW PROCESS AND ROLES OF CITY SERVICE UNITS

The annexation and zoning process is best described as having three steps. In step one, the City reviews the petitions, the City Planning Commission makes a recommendation for both petitions, City Council takes action on the annexation petition, and the township releases the property. This first step takes approximately 6 to 8 weeks. In step two, the State of Michigan conducts its own review process, involving the

Office of the Great Seal and the Department of Transportation, which can take 3 to 6 months. Finally, in step three, City Council takes action on the zoning petition following receipt of the State's written approval. This last step takes at least 4 weeks, as zoning changes require two readings by City Council.

The following City service units assist in the annexation and zoning process:

Planning and Development Services Unit (734-794-6265) – Coordinates the review process by distributing the petitions to other City service units and the appropriate township, collecting comments from other City service units, sharing information with the petitioner/property owner, and preparing a staff report for the City Planning Commission. The Planning and Development Services Unit also recommends a zoning classification based upon the master plan for the area and the surrounding zoning districts and land uses. Planning and Development Services also schedules City Council action on the annexation and zoning petitions.

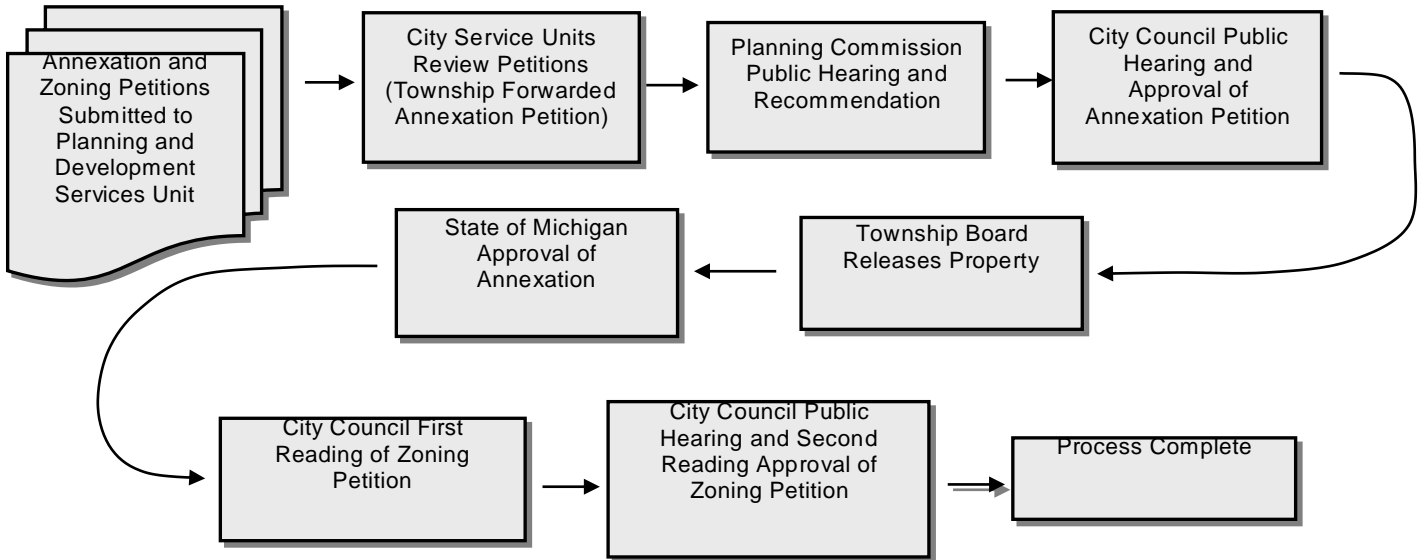
City Zoning Coordinators (734-794-6265) – Verifies that any existing structures on a property will comply with the recommended zoning district requirements. After annexation is approved, Planning and Development Services' Permit Desk issues most types of construction-related permits, such as plumbing, electrical, mechanical, building and grading.

Assessor Services Unit (734-794-6530) – Reviews the property description and owner information in preparation for adding the new property to the official City records and documents the status of the petition. After annexation, the Assessor Services Unit assigns a tax identification code and periodically assesses the property's value.

Systems Planning Unit (734-794-6430) – Calculates any outstanding improvement charges levied against the property for existing public improvements that benefit the property. This information is forwarded to the petitioner/property owner by the Planning and Development Services Unit. If water, sanitary sewer or storm sewer mains do not exist to serve the property, Systems

Planning can explain the options and procedures for new utility main construction.

ANNEXATION AND ZONING PROCESS FLOW CHART



OBTAINING PUBLIC UTILITIES (WATER, SANITARY SEWER, STORM SEWER)

Properties in need of water utility connections should review the steps posted online at www.a2gov.org/UtilityConnection and contact **Customer Service (734-794-6320)**. In many cases property owners will contact Customer Service after the annexation process is complete. However a property owner may enter into a sewer or water service agreement with the City for immediate connection, but only after the annexation and zoning petitions are filed with the Planning and Development Services Unit. For early connection (while still in the review process), the property owner is required to sign an agreement to pay a City utility rate that is double the standard rate and a fee based on the pro-rated City tax rate for the year until the property is annexed. -

There are specific fees for individual services regardless of when a property received public

utility connection. *Water service tap fees and meter set fees* cover the time and materials to physically tap into the City’s water main, set the curb box and water meter. A *capital cost recovery charge* covers the property’s fair share of the capital costs of the water distribution system and the sanitary sewer system. Property owners are responsible for providing all materials and work, done by a licensed contractor, from the curb box to the building in compliance with current construction safety standards, including any required permits.

Sewer tap fees for sanitary or storm sewer cover the time and materials to physically tap into the City’s sanitary or storm sewer system. Property owners are responsible for providing all materials and work, done by a licensed contractor, from the mains located in the street to the building, including any required permits.

If sewer mains are not available at the time of annexation, properties should continue to use the current method of sewage disposal. Once sewer mains are installed, City properties served by this utility have 90 days to connect.

Detailed explanations and schedules of all fees and permits, which are separate from capital cost recovery charges and improvement charges, are posted online at www.a2gov.org/UtilityConnection and are available through Customer Service. All fees must be paid before taps and inspections are scheduled. Annexation and zoning approval does not include approval of sanitary sewer and water connections. Please refer to the Customer Service Center, (734) 794-6320, for more information.

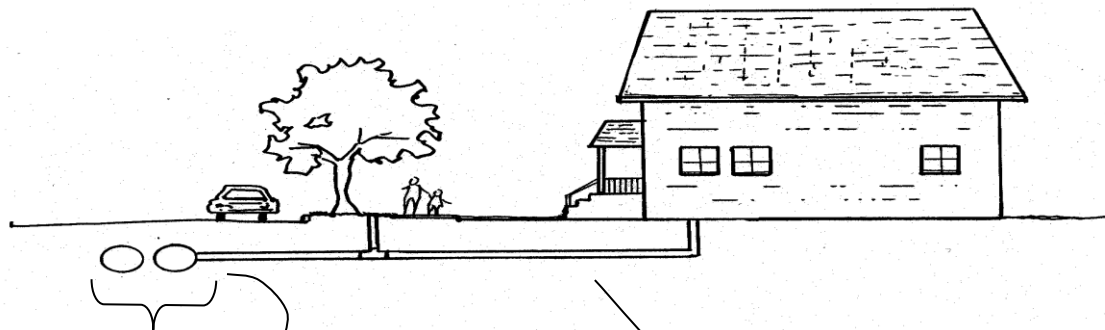
CAPITAL COST RECOVERY CHARGES, IMPROVEMENT CHARGES, TAP FEES, AND PERMIT FEES

Improvement charges cover the cost of public improvements in the right of way fronting the property (sidewalks, storm sewers, curb and gutter, etc.). Recovery charges cover the property's fair share of the capital cost of the

water distribution system and sanitary sewer system. Petitioners are notified of the charges that have been levied against the property. The Planning and Development Services Unit sends a form to the petitioner asking for acknowledgement of these charges; this signed and notarized form must be returned to Planning and Development Services before City Council action on the annexation. Any improvement charges levied against a property may be paid in one lump sum upon completion of annexation, or for water and sanitary sewer recovery charges are due at the time service is taken. If desired, payment may be spread over a timeframe set by City Council, with an additional interest charge included.

Tap and recovery fees are charges to connect a private building to the public utility system. These fees are due in advance. Individual connections must be approved by Public Services.

Sidewalk, lighting and other public improvements in the right-of-way may be included in an improvement charge.



Improvement Charges cover cost of City storm sewers, public sidewalks, road improvements, etc. Recovery charges covers property's fair share of the capital cost of the water distribution and sanitary sewer system.

Sewer tap fee covers cost of the tap into the city sewer. Water tap fee covers tap into city main and setting curb box.

Property owner is responsible for materials and labor between public sewer and house. Plumbing permits are required.

OTHER CITY SERVICES

After annexation approval is received from the State, the property is eligible to be served by the **Public Services Area - Solid Waste (734-994-7336)**. Trash, recycling and compost pick-up service may not begin automatically, so property owners are encouraged to contact Solid Waste to confirm their new resident status. Solid Waste can provide detailed information about what services are provided, weekly and special event collection schedules, and instructions for how to obtain recycling bins via an e-mail to customerservice@a2gov.org or calling (734) 794-6320.

Completed annexation also entitles residents to vote in City of Ann Arbor elections. *Voter registration* is not automatically transferred from the former township to the City. Contact the **City Clerk's Office(734-794-6140)** to change voter registration.

Parks and Recreation – eligible for resident fees for classes, shelter rentals (see www.a2gov.org/parks)

Information on water and sanitary sewer connection on commercial properties including 3+ residential unit dwellings is posted at www.a2gov.org/UtilityConnection. Or email the City at CustomerService@a2gov.org or visit the Customer Service Center, open 7:30am – 5:30pm on non-holidays and weekends, located on the first floor of Larcom City Hall, 301 E Huron St. Ann Arbor, MI 48104. Phone 734-794-6320.

Summary of Costs to Annex into the City of Ann Arbor

- **Filing fees** - to process the annexation and zoning petition (collected by the Planning and Development Services Unit and Ann Arbor and Pittsfield Townships).

Summary of Costs to Connect to Ann Arbor Utilities—also see www.a2gov.org/UtilityConnection

- **Water tap fees, water recovery charges, sewer tap fees, and sanitary sewer recovery charges** - to connect to the water and sewer mains if public utilities are needed (collected by Customer Service).
- **Improvement charges** - cover the cost of public improvements in the right of way fronting the property (collected by the Public Services Area). Paid upon annexation or in installments
- **Construction permits (plumbing, etc.)** - to install water or sewer pipes from the main to the building. There may be some work that has to be done inside the building, and a septic system may need to be filled in or removed (collected by Planning and Development Services' Permit Desk).

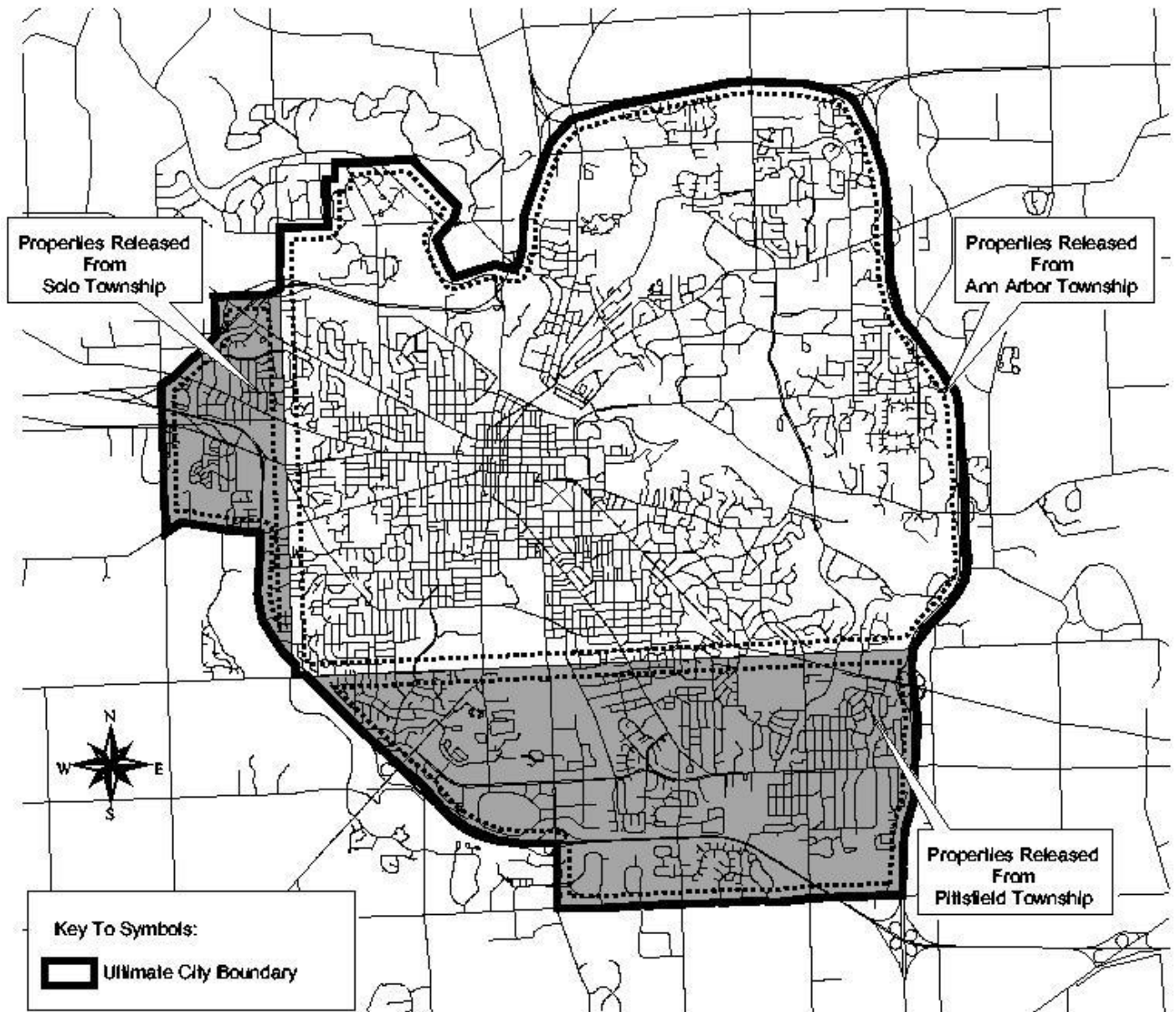
- **Note: For utility connection before annexation completion, the property owner must sign an agreement to pay a city utility rate that is double the standard rate. Failure to annex by date agreed upon will result in a fee based on the pro-rated city tax rate for the year until the property is annexed.**

Check with the appropriate City service units for additional information.

AGREEMENTS BETWEEN THE CITY AND SURROUNDING TOWNSHIPS

The **City of Ann Arbor** has signed policy statements with each of its surrounding townships: **Ann Arbor Township, Scio Township and Pittsfield Township**. In the agreements, the ultimate City boundary is defined by identifying area that eventually will be

annexed. The City of Ann Arbor will accept land located within the defined areas for annexation and the townships generally will release the land upon request. The map below approximately illustrates the ultimate City of Ann Arbor boundary as agreed upon by the three surrounding townships. Full text of the policy statements, and other agreements between the City of Ann Arbor and its surrounding townships, are available through the Planning and Development Services Unit.



Prepared by the Ann Arbor City Planning and Development Services Unit in collaboration with the Parks and Recreation Services Unit, Systems Planning Unit, Solid Waste and Water Utilities, and the Assessor and Clerk Services Units. 6/2001. Updated 3/2003, 12/2004, 2/2005, [8/2011, 2/2019, 3/2020.](#)



HOW TO CONNECT TO CITY UTILITIES

a homeowner's guide

VISIT A2GOV.ORG/UTILITYCONNECTION FOR COMPLETE FEE SCHEDULE

1 Contact Customer Service

- Call 734.794.6320 to discuss:
 - Utility connection process
 - Associated fees
 - Excavation options

2 Hire a contractor

your licensed plumbing contractor must be registered with the City's Planning and Development Services Unit

3 Contractor Obtain permits

for application forms and fees, contact:

- Customer Service for tap permit
Right-of-Way permit
lane closure permit
- Planning and Development Services (734.794.6263) for plumbing permit

PLUMBING PERMIT:
Covers inspection of the private service lead

TAP FEE:
Covers the City's cost to install the tap at the City utility main.

4 Pay tap fee

to Customer Service

5 Contractor Schedule inspections and taps

Call Customer Service for appointments

City staff need at least 48 hours notice to schedule taps

clarify with your contractor whether permit fees, tap fees, etc. are included in your price quote

EXCAVATION:
For water utility connections: Excavation from main to Right-of-Way line can be hired through the City or performed by a private contractor. Contact Customer Service to discuss options

For sanitary and storm utility connections: Private contractor must complete excavation work from main to dwelling.

completed by licensed plumbing contractor

7 Contractor Installs pipe to dwelling

from water stop box (for water)
from tap (for sanitary and storm)

City of Ann Arbor Field Operations staff
Installs taps and pipe (all utilities) from main to edge of Right-of-Way (for water only)



8 Pay capital recovery charges (for sanitary and water) and extension charges (if applicable) and meter set fee (for water only)

CAPITAL RECOVERY CHARGES:
Covers the property's share of system-wide costs related to transmission mains, water treatment plant, and wastewater treatment plant. Due at time meter is requested.

9 Schedule meter installation (for water only)

Call Customer Service for an appointment

EXTENSION CHARGES:
Only applies when connecting to a main constructed by the City, for the first time, in 2015 or after. This charge is in addition to the credited capital cost recovery charges.

THIS PROCESS OVERVIEW PROVIDES GENERAL GUIDELINES, EXCEPTIONS MAY EXIST. CONTACT CUSTOMER SERVICE FOR PAYMENT PLAN OPTIONS & MORE INFORMATION (734.794.6320)

powered by



ANNEXATION PRICE GUIDE FOR UTILITIES

Connections made before Annexation is completed doubles charges below

Water and Sanitary Capital Cost Recovery Charge				
This charge covers the property's share of system-wide costs related to transmission mains, water treatment plant, and wastewater treatment plant. Due at time meter is requested.				
	Water		Sanitary	
	Charge	Charge with Credit*	Charge	Charge with Credit*
Meter Size (inches)				
Ultrasonic Meters				
.62	\$5,274	\$2,696	\$6,707	\$5,982
<p>*Credited charge applies for any of the following conditions:</p> <p>1) Parcels that are a part of a development project that constructed its own main</p> <p>2) Connections to existing utility main built before 2004 AND parcel, or parent parcel, was part of the City before 2004</p> <p>3) Connections to new utility main built after 2014</p> <p>Contact Customer Service (734-794-6320) if existing meter size is not shown above</p>				

Fire Service Connection Capital Cost Recovery Charge		
Fire Service Tap Size (inches)	Charge	Charge with Credit*
1.00	\$3,367	\$1,690
<p>*Credited charge applies to parcels that are a part of a development project that constructed its own main.</p> <p>A building upsizing to a larger tap size will pay the difference between the two credited charges. Amount due= Charge for NEW tap size – Charge for EXISTING tap size</p>		

Extension Charge	
Applies to connections made to a new (not replacement) main constructed by the City in 2015 or after. This charge is in addition to the credited capital cost recovery charges.	
Water	\$18,275
Sanitary	\$19,972

Tap & Meter Set Charges	
NEW METER SET FEES	
(New Charges Effective 7/1/2024)	
New Fire Meter Set- UL Rated ¾" Meter (Includes MTU & Horn/Flanges as necessary)	\$466
New Meter Sets – 5/8" x ¾" – includes small horn (Includes MTU & Horn as necessary)	\$443

ANNEXATION PRICE GUIDE FOR UTILITIES

METER CHANGE OUT FEES	
(Charges Effective 7/1/2024)	
** These fees should be used for ALL damaged meters including hydrant meters **	
Meter Only Change Out – 5/8" x 3/4", No MTU, Customer Request/frozen meter	\$295
Meter Only Change Out – 3/4" Short, No MTU, Customer Request/frozen meter	\$318
Meter Only Change Out – 3/4", No MTU, Customer Request/frozen meter	\$335
Meter Only Change Out – 1", No MTU, Customer Request/frozen meter	\$362

Water Service Tap Fees 7/1/24		
(Referred to as "Water Service Connection" in July 1, 2024, City of Ann Arbor Water Utilities Department Rules and Regulation Document)		
SIZE OF SERVICE CONNECTION	CHARGE – UTILITY DUG	CHARGE – CONTRACTOR DUG
1"	\$10,690	\$1,255

Sanitary & Storm Sewer Tap Fees 7/1/24	
(Referred to as "Sewer Service Connection" in July 1, 2024 City of Ann Arbor Water Utilities Department Rules and Regulation Document)	
The sewer tap fees for sanitary sewer and storm sewer up to 4" shall be in the amount of \$990 each, payable at the time of application for a sewer tap permit from the Water Utilities Customer Service Department. For contractor dug sanitary sewer and storm sewer taps larger than 4"	
6" lead & 8" main	\$1,840
6" lead & 10" main	\$2,066

**For additional information
contact Customer Service**



(734)-794-6320

**The City of Ann Arbor Ordains:
Chapter 12 of the Code of the City of Ann Arbor**

1:275. - Special assessment and single lot assessment for local public improvement charges; single lot assessments for water and sanitary sewer capital recovery charges; installment payments.

(1) It shall be the policy of the city to permit special assessments and single lot assessments for local public improvements, and single lot assessments for water capital recovery charges and sanitary sewer capital recovery charges to be paid in installments.

(2) When the City Council shall confirm any special assessment or single lot assessment for any local public improvement, or any single lot assessment for any water capital recovery charge or sanitary sewer capital recovery charge, it shall specify whether such assessment shall be payable in installments and if so payable, the number of installments. Unless otherwise specified by the City Council in the resolution confirming an assessment, the number of installments in which each assessment shall be payable is as follows, based on the calculated amount at the time of the assessment of all the special assessments and single lot assessments to the property for local public improvements listed in [section 1:274](#), for water capital recovery charges calculated under [Chapter 27](#), and for sanitary sewer capital recovery charges calculated under [Chapter 28](#):

Total amount of special and single lot assessment(s)	Number of years for installments
Up to \$1,200.00	1 year
Greater than \$1,200.00 up to \$2,400.00	2 years
Greater than \$2,400.00 up to \$3,600.00	3 years
Greater than \$3,600.00 up to \$4,800.00	4 years
Greater than \$4,800.00 up to \$6,000.00	5 years
Greater than \$6,000.00 up to \$7,200.00	6 years
Greater than \$7,200.00 up to \$8,400.00	7 years
Greater than \$8,400.00 up to \$9,600.00	8 years
Greater than \$9,600.00 up to \$10,800.00	9 years
Greater than \$10,800.00 up to \$12,000.00	10 years
Greater than \$12,000.00 up to \$13,200.00	11 years
Greater than \$13,200.00 up to \$14,400.00	12 years
Greater than \$14,400.00 up to \$15,600.00	13 years
Greater than \$15,600.00 up to \$16,800.00	14 years
Greater than \$16,800.00	15 years

(3) For local public improvements, city council shall determine the rate of interest to be charged thereon in accordance with subsection [1:271\(3\)](#).

(4) For water and sanitary sewer capital recovery charges, city council shall determine the rate of interest to be charged thereon in accordance with subsection [1:271\(3\)](#).

(5) The local public improvement charges provided for in [section 1:279](#) for properties newly annexed to the city are payable in installments as set forth in subsection (2), above, unless otherwise specified by the City Council by resolution.

(6) The water and sanitary sewer capital recovery charges provided for in sections [2:22b](#) and [2:22c](#) of [Chapter 27](#) and section 2:42.4 of [Chapter 28](#) are payable in installments as set forth in subsection (2), above; provided, that the City Council may, by resolution, approve a different number of installments for water and/or sanitary sewer capital recovery charges generally, or for a particular property.

(7) Unless payment in installments in accordance with this [section 1:275](#) is approved, special assessments, single lot assessments, local public improvement charges, water capital recovery charges, and sanitary sewer capital recovery charges shall become payable at a time to be fixed by council resolution.

(8) Each resolution that levies a special assessment, single lot assessment, local public improvement charge, water capital recovery charge, or sanitary sewer capital recovery charge shall be promptly recorded in the office of the Register of Deeds of Washtenaw County, Michigan.