

MEMORANDUM

TO: City of Montgomery
FROM: Mallory Craig
DATE: June 08, 2021
RE: Yearly Steps for Levying Assessment and Disbursing Funds

1. The City has adopted a Service and Assessment Plan (“SAP”), wherein the City will levy each year on buildings constructed within the City of Montgomery Public Improvement District No. 1 (“PID”) an assessment calculated pursuant to the SAP. In addition, the City has entered into a reimbursement agreement with Mike Ogerchock pursuant to which Mike is to construct certain public infrastructure to serve the land inside the PID and the City will reimburse Mike for such costs from the assessments levied within the PID.

2. Mike has constructed the first phase of the infrastructure in the PID at a cost of \$2,059,524.31. For 2020, the City levied and collected \$38,814.40 of assessments on the buildings within the PID and deducted \$450.00 as costs of collection and paid the remainder to Mike as a credit against the amount owed.

3. Each year, the county requests the assessment roll to be submitted before June 30th. Our office has received the update on the construction of any new buildings within the PID and whether such new construction has triggered assessments being levied on additional property within the PID. We have updated the assessment roll and the SAP to reflect what, if any, new construction has occurred and have forwarded the updated assessment roll to the county. The updated SAP is being presented for Council approval. If there has been no new construction within the PID, but if there were, the updated SAP would reflect the tax id number of the new construction and the assessment to be levied on the new construction.

4. At such time as the 2021 assessments are paid into the City (March, 2022), the City should deduct its costs relative to collecting the assessments and pay the remainder to Mike against the outstanding balance. This will continue each year until all of the land is improved in the PID (and the assessments paid on each building) or until Mike is paid in full. A disbursement tracking chart is provided to the City yearly to monitor the remaining funds due to Mike.