
**CITY OF NEWARK
STORMWATER UTILITY PROGRAM****POLICY: NON-RESIDENTIAL (MALLS/STRIP MALLS/OFFICE PARKS)****DISCUSSION:**

Non-residential properties such as malls/strip-malls and office parks represent a category of commercial property that encompasses multiple owner/tenant occupied offices or stores within the boundaries of a single (or multiple) parcel(s) of land. Consolidated commercial properties typically feature the impervious areas of the buildings, parking areas and driveways. The service charge for consolidated commercial 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 commercial billing procedures relates to how or whether the stormwater user fee will be collected from individual owners/tenants or from a single entity.

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

Charge each billing account serving the property by allocating the total impervious area equally among the billing accounts. This would involve dividing the total measured impervious area by the number of billing accounts in the center or in proportion to building area served by individual billing accounts in the center. To calculate the service charge for each billing account, divide the total impervious area by the number of billing accounts serving the property, and multiplying by the ERU rate.

2. Charge each owner/tenant occupying the property by allocating the total impervious area equally among the number of owner/tenants. This would involve dividing the total measured impervious area by the number of tenants in the center or in proportion to building area occupied by the individual tenant. To calculate the service charge for each tenant, divide the total impervious area by the number of tenants occupying the

center, and multiplying by the ERU rate. This option may require creation of multiple stormwater only billing accounts in order to account for each owner/tenant.

3. If the City GIS data file clearly shows that there is adjacent and contiguous same ownership, assign all impervious areas to a single master water meter and consolidate all other water meters for that property to the master account as sub-accounts. Note – consolidations will not be made across any street, road, highway etc.
4. Assign the entire service charge to a single entity billing account (owner, landlord, management association/landlord, manager) with all other billing accounts consolidated to this account as sub-accounts. In cases where a single billing account serves the entire center, the stormwater bill would be assigned to that single billing account. Or,
5. Assign the entire service charge to a single entity (owner, landlord, management association/landlord, manager) by creating a stormwater only account, with all other billing accounts consolidated to this account as sub-accounts.

The following factors render Options 3 and 4 impractical:

- Because of tenant turnover rates, tracking stormwater accounts against vacant/occupied commercial units will require considerable effort on a month-to-month basis.
- There is a perception of inequity since not all dwelling units have the same ratio of common and/or impervious area.

Establishing building area occupied by owners/tenants or even the total number of offices/stores encompassed by a center would require site inspections and frequent updates (If plat information is not included in the GIS database).

The policy decision to calculate bills in whole ERUs will complicate the process of billing individual units or meters. In cases where the algorithm yields less than one half of an ERU, the rounding protocol would call for zero charges. In cases where the algorithm yields more than half an ERU a whole ERU would be billed against an apartment or meter. This situation would yield an unacceptable inconsistency in the billing system.

RECOMMENDATIONS:

The Project Team recommends options 3 and 4 as the preferred methods for treating mall/strip mall, office park/office complex property types. If options 3 or 4 cannot be implemented, option 5 will be followed. In situations where the City GIS clearly shows property boundaries, and a billing account exists for that property, these accounts will not be consolidated under another billing account. In the situation where the owner, landlord/manager/management association meter exists,

assign the entire storm water bill to the single billing account of the landlord/manager/management association. Consolidate all other billing accounts serving the center as sub-accounts of the single master stormwater account. Only as a last resort, create a stormwater only account and charge the landlord/manager/association and consolidate the remaining billing accounts as sub-accounts.

ACTION:

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

Approved: Tim Weisert

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