

South Placer Municipal Utility District Applications for Change in Use for Reduced Monthly Service Charges

OVERVIEW:

The District's monthly service charge rates for commercial structures vary depending on the classification and type of use—for example from 1/3 EDU for a retail store to 2/3 EDU for a dental office to 2 EDU for a restaurant. SPMUD's ordinance states that in cases of vacancy where commercial property is not physically disconnected from the sewer, the service charge shall be based on the classification of the last occupant(s) of the structure. The lowest chargeable rate classification for any commercial structure is at the 1/3 rate regardless of vacancy. Thus, if a retail store was the last occupant of the structure prior to the vacancy, the service charge remains at the 1/3 rate regardless of its vacant status. If a restaurant or dental office was the last occupant of the structure prior to the vacancy, the service charge remains at the 2 EDU rate or 2/3 EDU rate regardless of its vacant status.

In situations where an occupied use of a structure is charged at the higher 2/3 EDU or 2 EDU rate and becomes unoccupied (vacant), District policy will allow a property owner whose commercial building(s) or premises has been unoccupied for at least three consecutive months or longer to file an Application for a Change in Use for a Reduced Monthly Service Charge. Upon the effective date of the Application, the monthly service charge will be reduced to the 1/3 EDU rate. So long as the building or premise then remains unoccupied, the reduced service charge will stay at the 1/3 EDU rate, **provided however, that the property owner must re-apply for the reduced service charge on a quarterly basis.** The reduced service charge will terminate and the rate revert to the last occupied use if the property owner does not re-apply for the Change in Use on the required quarterly basis—even if the building or premises still remains unoccupied. A new three-month period must then pass before an application can once again be filed for a Change in Use for a Reduced Monthly Service Charge on the same building/premises.

Policy:

In cases of vacancy where commercial property is not physically disconnected from the sewer, the service charge shall be based on the classification of the last occupant(s) of the structure, unless the owner makes written application for a change in use from "occupied" to "unoccupied". A commercial property owner is, under certain conditions, eligible for a reduction in monthly service charges for a building/space when a "change in use" from "occupied" to "unoccupied" occurs.

1. *The building/space shall have been unoccupied for a continuous three-month period immediately preceding the request for a change in use. Waiver or reduction in the ongoing service charge applicable for the last occupied use will not be made for this three-month or prior periods.*
2. *The property owner shall apply (on a form to be provided by the District) for the change in use from occupied to unoccupied for the reduction in the monthly service charge. Reapplication for the reduction in the monthly service charge shall be made by the owner on a quarterly basis. In the event a building/space remains unoccupied and the owner does not reapply, the monthly service charge shall revert to the last occupied use.*
3. *The minimum charge for the unoccupied use shall be calculated at 1/3 EDU per 1,000 sq.ft., (but not less than 1 EDU per building/space when the square footage is less than 3,000 sq.ft).*
4. *The property owner shall promptly notify the District when re-occupancy occurs.*
5. *The property/customer account must be current (no past due balances) for the application to be considered.*

APPLICATION FORM INSTRUCTIONS:

Check the appropriate box. If the Application is the first filed for a building/premises, check the "New Application" box. If an application has been previously filed for a building/premise, and the application is being filed for a continued "Change in Use for a Reduced Monthly Service Charge", check the "Re-Application" box.

- Fill in the appropriate Property Owner Information.
- Fill in the appropriate Premises Location/Description
- Fill in the Premises Use Information :
 - Indicate the last occupied use/name (i.e. Restaurant /"The Snack House" ... Dental/"J.C. Dentistry")
 - Indicate the square feet of the building/premises that was occupied by the business
 - Enter the date the premises became (vacant) unoccupied
- Sign and date the form where indicated. **(No application will be valid or accepted if the building/premises have been unoccupied for less than 3 consecutive months for the period immediately preceding the submittal of the dated application).**

The District will complete the Application, and will send to the property owner—by regular U. S. Mail, postage prepaid—notice of the effective date of the reduced rate and the date by which re-application must be made in order to continue receiving the reduced rate. A blank Application form will be included as a convenience to the owner. **No further notice to the owner will be made by the District. IT IS THE RESPONSIBILITY OF THE PROPERTY OWNER TO RE-APPLY AND SUBMIT AN APPLICATION BY THE DATE NOTICED.**