



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
SPECIAL MEETING

#20-0559

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: September 14, 2020

TITLE: Public Hearing - Resolution Adopting the Fiscal Year 2021 Non-Ad Valorem
Assessment – Utility Undergrounding - **(Commission District 2)**

Recommendation

It is recommended that the City Commission hold a public hearing and adopt a resolution approving the Utility Undergrounding Assessment Roll for Fiscal Year (FY) 2021, beginning October 1, 2020 and ending September 30, 2021.

Background

On May 18, 2010 the City Commission enacted Ordinance C-10-12 creating Chapter 25, Article IV, Division 2 – Undergrounding within the Code of Ordinances of the City of Fort Lauderdale (Code) that established a process for communities to underground overhead utilities (power, telephone, cable TV, etc.) and created a mechanism for the benefited neighborhood to pay the associated costs through a special assessment.

On November 6, 2012, the City Commission (CAM #12-2384) approved amendments to the special assessment program for the undergrounding of overhead utilities. Section 25-129 of the Code requires approval from at least 70 percent of signed and timely returned ballots from property owners in the assessment area and City Commission approval before a special assessment can be levied upon real properties benefitting from the undergrounding of utilities.

City staff received an application from the Las Olas Isles neighborhood to establish an underground utility line assessment. Staff worked with the utility companies on topographic surveys and designs. In accordance with the ordinance, in 2019 staff issued ballots to property owners within the proposed underground utility assessment area providing an estimate of the total underground utility assessment costs and drawings depicting the location and dimensions of all associated above-grade structures. Almost 90 percent of those responding supported establishing an underground utility line assessment.

The proposed assessment rate will be equal to the actual costs paid by the City for the undergrounding of overhead utilities within the assessment area. The proposed assessment for FY 2021 is \$331,526.40 which will generate an estimated \$314,950 in

revenue. This represents the FY 2021 estimated debt service payment for a 30-year special obligation bond with net proceeds of \$7.7 million. The annual assessment amount in future years will be calculated based upon the actual debt service payment required based upon the final debt issuance. Exhibit 1 details the assessment rate per property in the Utility Undergrounding Assessment Roll.

If the City Commission approves the recommendation, the underground utility line assessment will be collected by Broward County's Records, Taxes and Treasury Division.

Section 25-131.1(a) provides that the underground utility line assessments may be collected pursuant to the uniform method provided in the Uniform Assessment Collection Act, and the city shall comply with all applicable provisions of the Uniform Assessment Collection Act.

The chair of the local governing board or his or her designee is required per Section 197.3632(5)(a), Florida Statutes to certify the non-ad valorem assessment roll to the Broward County Tax Collector no later than September 15, 2020.

Resource Impact

This Non-Ad Valorem Assessment will generate approximately \$314,950 in revenue to pay for the estimated first debt service payment in FY 2021.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Be a leading government organization that manages all resources wisely and sustainably
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United.

Attachments

Exhibit 1 - Utility Undergrounding Assessment Roll

Exhibit 2 - Resolution

Prepared by: Laura Reece, Director, Office of Management and Budget

Charter Officer: Chris Lagerbloom, ICMA-CM, City Manager