



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
SPECIAL MEETING

#20-0562

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 – Stormwater Program Management - **(Commission Districts
1, 2, 3 and 4)**

Recommendation

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

Background

Due to its unique geography, varied infrastructure conditions and the need for an increased level of service due to sea level rise and more extreme storm events, the City has identified significant investment needs in its stormwater infrastructure.

Stantec Consulting Services, Inc. (Stantec) conducted a rate study for the City, which was presented to the Infrastructure Task Force on October 2, 2017, to the Budget Advisory Board (BAB) at their meeting on June 12, 2018, and to the City Commission during the June 19, 2018 Commission Conference Meeting. The scope of the study allowed for the development of an alternative rate structure that would equitably recover the costs of the stormwater system from properties throughout the City in proportion to the benefit that each property receives from the stormwater system. Acknowledging the volume of stormwater infrastructure work necessary throughout the City and the limited available resources, the City Commission and BAB voiced their support of pursuing a hybrid Stormwater Utility fee methodology, which incorporates both total square footage and trip generation rates.

Stantec developed the requested methodology and presented their initial findings during the November 19, 2019 Commission Conference Meeting. Stantec's initial findings included a recommendation to move the Stormwater Fee from the Utility Bill to the property tax as a non-ad valorem assessment. At the Commission's request, Stantec presented the Hybrid Rate Methodology to the Infrastructure Task Force (ITF) on December 2, 2019, and the Council of Fort Lauderdale Civic Associations on January 14, 2020. Both the ITF and Council of Fort Lauderdale Civic Associations voiced their support

of the Hybrid Methodology.

On June 16, 2020 the City Commission enacted Ordinance C-20-18 (CAM 20-0383) amending Chapter 28 of the City's Code of Ordinances to establish procedures and standards for the imposition of assessments for the funding of the stormwater management program. On July 7, 2020 the City Commission approved initial Assessment Resolution 20-123 (CAM 20-0403) declaring the City of Fort Lauderdale a Stormwater Management System Benefit Area, imposing a Stormwater Assessment, and setting a public hearing date for the proposed FY 2021 Non-Ad Valorem Assessment.

The proposed assessment rate for FY 2021 is equal to the estimated costs paid by the City to operate the stormwater management program utilities within the assessment area for FY 2021. The proposed assessment for FY 2021 is \$28,813,611.28 which is estimated to generate \$27,355,061 in revenue to the City's Stormwater Fund. Notably, FY 2021 cost requirements include estimated debt service payments for a 30-year special obligation bond with net proceeds of \$200 Million that the City plans to issue to fund capital investments, in addition to ongoing operations & maintenance and cash funded capital needs. The annual assessment amount in future years will be calculated based upon the actual annual debt service payments required based upon the final debt issuance of the FY 2021 Bond in conjunction with future ongoing operations & maintenance and cash funded capital needs, which are reviewed annually as part of the City's budgeting process. Exhibit 1 details the assessment rate per property in the Stormwater Management Program Assessment Roll.

If the City Commission approves the recommendation, the Stormwater Program Management assessment will be collected by Broward County's Records, Taxes and Treasury Division.

Section 28-211 (A) provides that the Stormwater Program Management 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. Pursuant to Section 197.3632(4)(a), Florida Statutes a local government shall adopt a non-ad valorem assessment roll at a public hearing held between January 1 and September 15, if levying the non-ad valorem assessment for the first time. The City approved the resolution on May 5, 2020 and entered into the required agreements with the Broward County Property Appraiser and the Tax collector to collect the assessment using this method.

Resource Impact

The FY 2021 Stormwater Program Management Assessment will generate \$27,355,061 in estimated revenues.

Strategic Connections

This item is a *Fiscal Year 2020 Commission Annual Action Plan* priority, included within the Stormwater Management Master Plan: Implementation.

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

- The Infrastructure Focus Area
- Goal 1: Build a sustainable and resilient community
- Objective: Proactively maintain our water, wastewater, stormwater, road, and bridge infrastructure
- Objective: Reduce flooding and adapt to sea level rise

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

Attachments

Exhibit 1 – Stormwater Management Program Assessment Roll

Exhibit 2 – Resolution

Prepared by: Jason Snifeld, Public Works

Department Director: Raj Verma, Director – Public Works