



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
SPECIAL MEETING

#19-0800

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: September 12, 2019

TITLE: Resolution Adopting the Fiscal Year 2020 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) 2020, beginning October 1, 2019 and ending September 30, 2020.

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, 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. The deadline for the submission of ballots was June 20, 2019 and 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 2020 is \$165,761.67 which will generate an estimated \$157,475 in

revenue. This represents the Fiscal Year 2020 estimated debt service payment for a 30-year special obligation bond with net proceeds of \$7.7 Million delivered on January 1, 2020 with a first payment date of July 1, 2020. It is anticipated that the project cost estimate will be reduced by the portion of expenses related to undergrounding of utility lines owned by Florida Power and Light. 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. 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 February 19, 2019 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

This Non-Ad Valorem Assessment will generate approximately \$157,475 in revenue to pay for the estimated first debt service payment in FY 2020.

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 2: Be a sustainable and resilient community.
 - Objective 1: Proactively maintain our water, wastewater, road and bridge infrastructure.
 - Initiative 2: Consider placing utilities underground when feasible.

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

Attachments

Exhibit 1 – Utility Undergrounding Assessment Roll

Exhibit 2 - Resolution

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