



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
CONFERENCE MEETING**

**#18-1262**

---

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

**FROM:** Lee R. Feldman, ICMA-CM, City Manager

**DATE:** December 4, 2018

**TITLE:** Wave Refund Policy Consideration

---

On July 10, 2018 the City Commission adopted Resolution No. 18-129, effectively terminating the Wave Modern Streetcar Project. The purpose of this item is to afford the City Commission an opportunity to discuss the process that will be established and certain considerations before the City issues Wave Assessment Refunds.

The unwinding of this project requires that refunds be issued. The City has collected \$9,981,322.19 in assessment revenues. Of that amount, \$764,446.85 represents payments received from North Broward Hospital District. Those funds were held in escrow and have been refunded. The City is required to refund the balance of \$9,216,875.34. The Downtown Development Authority (DDA) is expected to return \$6,786,492.50 of the Wave Assessment revenues provided to them. The remaining balance of \$2,430,382.84, plus any interest approved by Commission, is to be funded from the General Fund.

Attached as Exhibit 1 is the Critical Events Schedule outlining the Wave refund process.

An audit of the property owner database has been performed. City staff, along with the consultant, is calculating refunds due to property owners. This Refund Assessment Roll will be available as part of the City Commission Agenda scheduled for January 22, 2019. The Refund Assessment Roll shall include calculated interest of each property owner for each year of assessment.

Policy Discussion

1. Interest rate options for refund calculations:
  - a. Value Adjustment Board (VAB) rate per Section 194.014, Florida Statutes, at rates between 3.25% and 5.25% from 2014 through 2018, for an estimated interest amount of \$1,081,344.
  - b. Florida Department of Revenue (DOR) interest rate under circumstances of overpayment of rent, at rates between 7.00% and 8.00% from 2014 through 2018, for an estimated interest amount of \$2,188,591.

- c. Interest rate paid on Judgements per Section 55.03, Florida Statutes, Department of Financial Services, at rates between 4.75% and 6.09% from 2014 through 2018, for an estimated interest amount of \$1,453,352.
  - d. Actual interest earned on the assessment revenues, at interest rates between 0.00% and 0.72%, was \$154,104.
2. An additional consideration is whether the City should issue refunds to the current property owner or to the actual person/entity that paid the assessment.

**Attachment**

Exhibit 1 – WAVE Refund Critical Events Schedule

---

Prepared by: Linda Picciolo, Finance  
Laura Garcia, Finance  
Linda Logan-Short, Finance  
Linda Blanco, Finance

Department Director: Kirk Buffington, Finance