

City of Palm Bay Stormwater Assessment Program

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What is a Stormwater Assessment?

- A charge imposed against real property to pay for stormwater services provided by the City.

Case Law Requirements

- Special Benefit to Property

And

- Fairly and Reasonably Apportioned

Purpose and Goals of Assessment Programs

- Revenue
 - Will generate revenue for stormwater services
- Diversification
 - Non-ad valorem revenue source
 - Dependent on cost of services, not taxable values
 - Broadens “tax base” of those paying for stormwater services
- Accountability
 - Legally restricted funds for the provision of stormwater services, facilities and programs
- Equity
 - Property value bears no relationship to the provision of or demand for stormwater services
 - Patchwork of exemptions from property taxes and limitations on fair valuation (Save Our Homes) further distort and limit those properties that pay for stormwater services under ad valorem system
 - Stormwater assessments are driven by service costs and demand
 - All property fairly and reasonably pays for the provision of stormwater services regardless of taxable value or available exemptions

Project Objectives

- Update apportionment methodology
 - ERU value
 - Rate categories
 - Stormwater Assessment Roll
- Transition to Tax Bill
 - Higher collection rate

Overview of Current Stormwater Utility

- Developed and Implemented in 2010
 - Equivalent residential unit (ERU) = 4,602 sq. ft. of effective impervious area
 - Effective impervious area (EIA) = impervious area plus 15% of pervious area on parcel
 - \$4.47 per ERU monthly or \$52.64 annually
 - Flat fee per residential unit
 - Variety of other fees based on type of land use
 - Including effective impervious area (EIA)

Type of Land Use	ERUs Assigned
Single-Family Residential	1.00
Single Family Residential (with greater than 5 acres)	1.00 first acre; plus 1.00 per 4,602 sq. ft. EIA remaining
Duplex	0.88
Triplex	0.82
Quadraplex	1.97
Townhome/Condominium	0.28
Mobile Home	0.53
Non-Residential	1.00 ERU per 4,602 sq. ft. EIA
Other Multi-Family Residential	1.00 ERU per 4,602 sq. ft. EIA
Undeveloped or unimproved Single Family Residential Parcel	0.40
Undeveloped Property or unimproved Single Family Residential Parcel (greater than 5 acres)	1.00 per 4,602 sq. ft. of EIA
Undeveloped non-residential	1 ERU per 4,602 sq. ft. of EIA

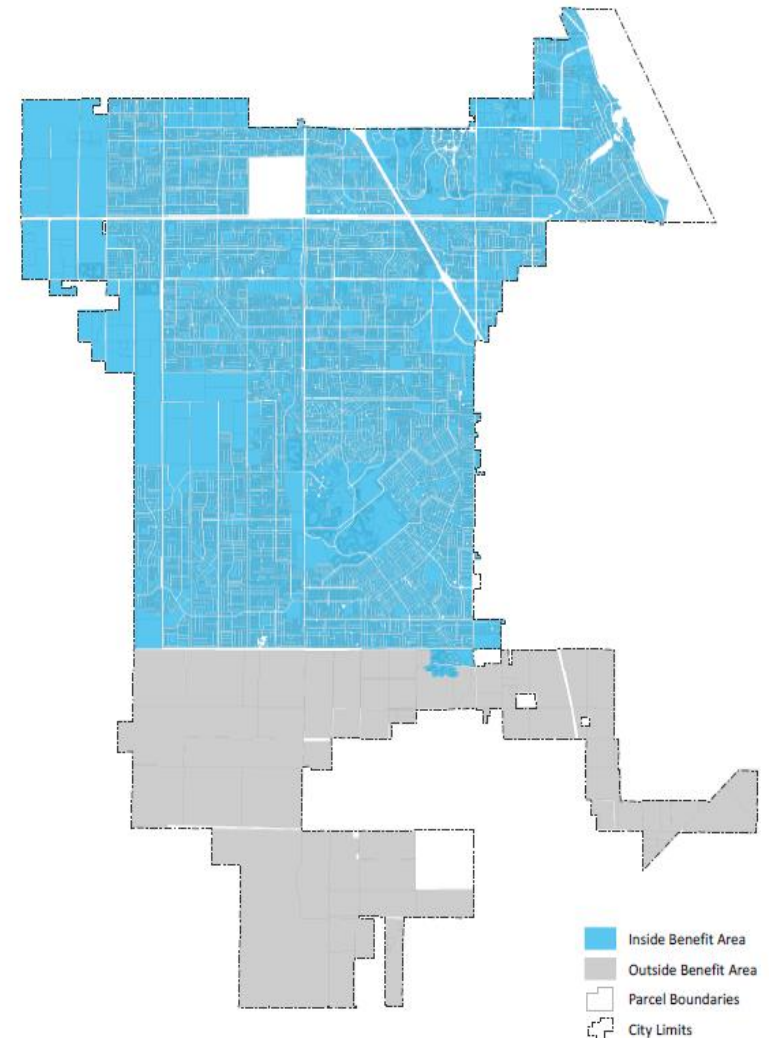
- No exemptions
- Provide mitigation credits
- Generates approximately \$3,516,000 annually
- Collected on utility bill

Overview of Surrounding Area Stormwater Programs

Jurisdiction	Apportionment Methodology	ERU Value	Collection Method	Available Credit	Amount of Credit
Brevard County	Pervious/Impervious area	2,500 sq. ft.	Tax bill	Mitigation credit for on-site systems Ag Properties credit for NRCS plan	20-80% 100%
Cape Canaveral, City of	Impervious area	2,074 sq. ft.	Utility bill	None	
Cocoa Beach, City of	Impervious area	2,900 sq. ft.	Utility bill	Mitigation credit for commercial and multi-family	Varies
Indian Harbour Beach, City of	Pervious/Impervious area	2,500 sq. ft.	Tax bill	None	
Melbourne, City of	Impervious area	2,500 sq. ft.	Tax bill	None	
Rockledge, City of	Impervious area	2,922 sq. ft.	Utility bill	None	
Satellite Beach, City of	Pervious/Impervious area	3,000 sq. ft.	Tax bill	None	
Titusville, City of	Pervious/Impervious area	3,300 sq. ft.	Utility bill	Mitigation credit for on-site system	Up to 30%

Preliminary Stormwater Roll Development

- Obtain parcel data from Property Appraiser
- Obtained City's existing Stormwater Utility data
- Identify parcels in Benefit Area
- Identify and assign rate category based on Property Use (DOR) Code
 - Assign rate category to each parcel
- Rate Categories
 - Single Family Residential
 - Condominium
 - General Parcel (includes vacant land parcels)
- Identify and provide impervious area fieldwork to AECOM



Impervious Area Fieldwork

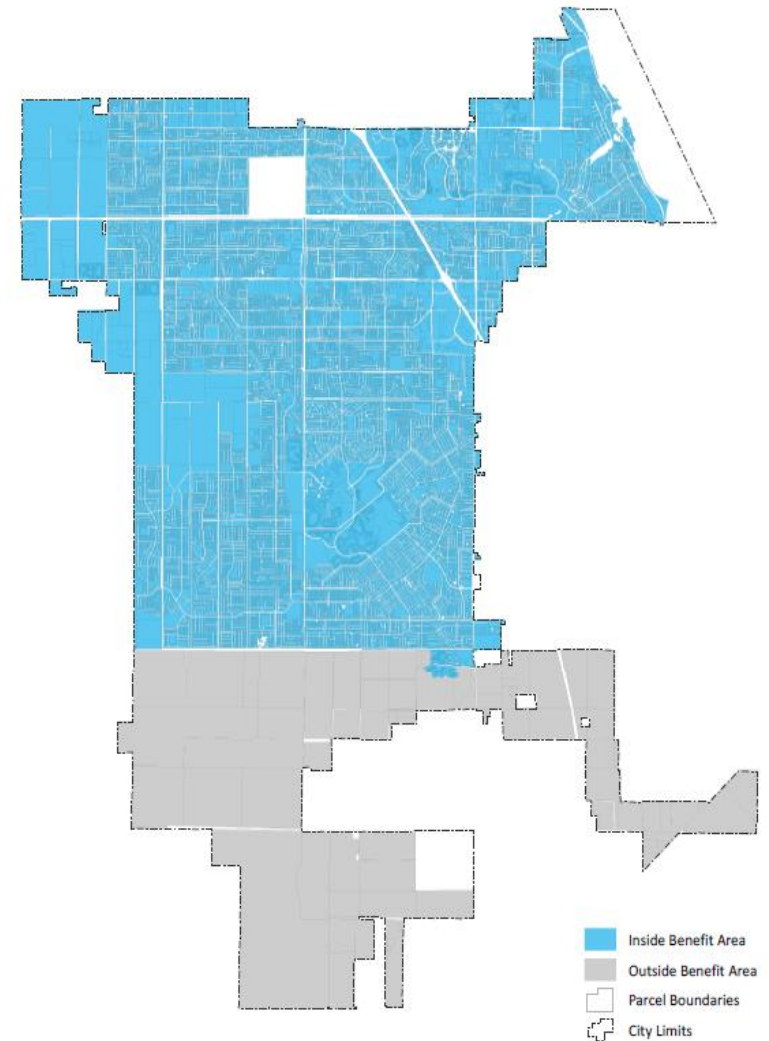
- **Single Family Residential Parcels -- sample parcels**
 - Identified preliminary tiers based on building footprint and number of parcels in each tier to be measured to obtain a 95% confidence level
 - AECOM calculated impervious area
 - Determined pervious area
 - Equivalent Residential Unit (ERU) is based on 100% of impervious area and 15% of pervious area (effective impervious area for average single family residential parcel)
 - ERU = 4,693 square feet of effective impervious area
 - Determine Equivalent Residential Unit tier assignment
- **Condominium Parcels**
 - Identify condominium complexes and parcels associated with each complex
 - Determine Equivalent Residential Unit assignment for each based on methodology
- **General Parcels (includes all improved and unimproved parcels other than single family residential and condo parcels)**
 - Identified parcels with impervious area

Preliminary Stormwater Roll Development

- Incorporate impervious area calculations into stormwater database
- Calculate pervious area of each parcel
 - Identify parcels with wetland/submerged areas based on US Fish and Wildlife Services Wetlands information
 - Removed submerged area from pervious area calculation
- Calculate Effective Impervious Area
 - 100% impervious area
 - 15% pervious area
- Assign ERUs to each parcel based on ERU Value = 4,693 sq. ft. of effective impervious area

Stormwater Services

- Benefit Area
- Current Operation & Maintenance Services
 - Infrastructure repair
 - Side pipes
 - Culverts less than 36" diameter
 - Erosion control
 - Routine maintenance
 - Canal mowing/retention pond maintenance
 - Code enforcement issues
 - T.K. ditching/trenching
 - Roadside clean-up
 - Greenbelt mowing
 - Street sweeping
 - NPDES permit requirements including
 - Water quality monitoring
 - Identifying pollutant sources and amounts of pollutant
 - Pollution prevention
 - Public education outreach program
- Enhanced Levels of Services
 - Identified repair/replacement needs
 - Periodic evaluation of City's stormwater system
 - Other concerns such as failures, complaints or additional capacity
 - Additional staff for planning and implementation



Five Year Proforma Stormwater Assessable Budget

(FY 2016-17 through 2020-21)

Description	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	5-Year Average
Personnel Services	\$2,716,366	\$2,941,613	\$3,231,719	\$3,638,306	\$4,276,112	\$3,360,823
Operating Expenses	\$1,062,660	\$1,083,913	\$1,105,591	\$1,127,703	\$1,150,257	\$1,106,025
Capital	392,500	0	0	0	0	78,500
Fleet Replacement	0	463,500	463,500	407,577	444,983	355,912
Enhanced Services	\$5,754,345	\$5,761,975	\$5,769,835	\$5,777,930	\$5,786,268	\$5,770,070
Debt Service	\$119,344	\$0	\$0	\$0	\$0	\$23,869
Transfers	\$316,949	\$305,000	\$305,000	\$305,000	\$305,000	\$307,390
CIP	\$568,000	\$130,000	\$0	\$0	\$0	\$139,600
Total Expenditures	\$10,930,164	\$10,686,001	\$10,875,645	\$11,256,516	\$11,962,620	\$11,142,189
Revenues						
Driveway Permits	33,962	38,717	44,137	50,316	57,360	44,898
Engineering Plan Fees	6,959	6,959	6,959	6,959	6,959	6,959
From Comm Dev Grant Funds	927	927	927	927	927	927
Total Revenues	\$41,848	\$46,603	\$52,023	\$58,202	\$65,246	\$52,784
Net Assessable Expenditures	\$10,888,316	\$10,639,399	\$10,823,622	\$11,198,314	\$11,897,374	\$11,089,405
Miscellaneous Assessment Expenditures						
Study Costs	104,816	0	0	0	0	20,963
Statutory Discount (@ 5%)	0	614,014	616,260	637,535	677,226	509,007
Collection Costs (@2%)	0	238,087	238,958	247,207	262,598	197,370
Implementation and Annual Assessment Administration	40,000	25,000	25,000	25,000	25,000	23,000
Legal	0	30,000	5,000	5,000	5,000	9,000
Notice Costs (77,600x \$1.35)	0	104,760	100	100	100	21,012
Total Miscellaneous Assessment Expenditures	\$104,816	\$1,026,861	\$885,318	\$914,842	\$969,924	\$780,352
Net Assessable Expenditures	\$10,993,132	\$11,666,259	\$11,708,940	\$12,113,156	\$12,867,298	\$11,869,757

Rate Classes

- Residential
 - Tiers
- Condominium
 - Proportionate share of complex
- General
 - Actual effective impervious area

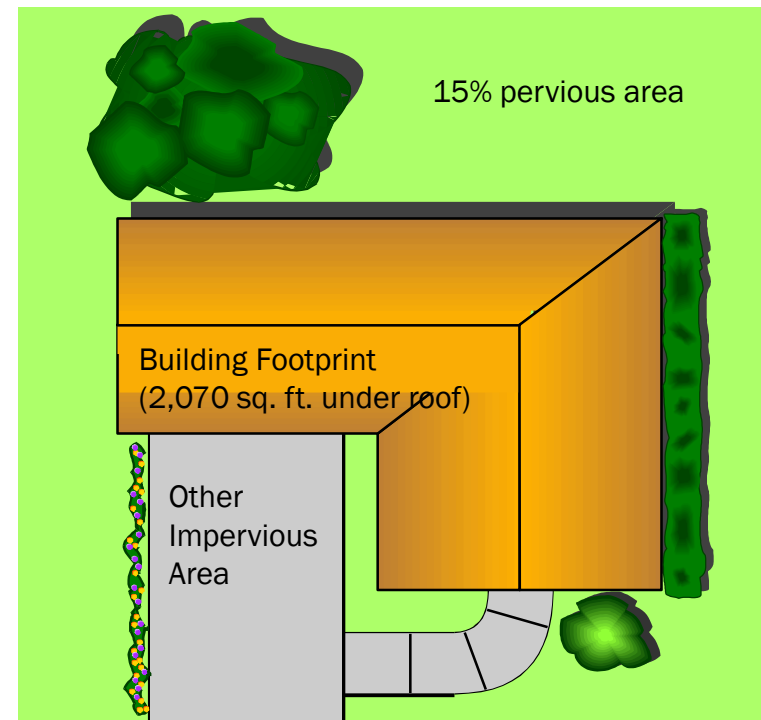
Pervious/Impervious Area Apportionment Methodology

Equivalent Residential Unit “ERU”

- Measurement that serves as a common index to compare runoff generated by different sized properties
- Equivalent Residential Unit value is developed using a statistical sampling of single family residential parcels in benefit area
- Building Footprint + Additional Impervious Area (sidewalks, porches, decks, pools, etc.) + 15% of pervious area = Effective Impervious Area

Average Single Family House

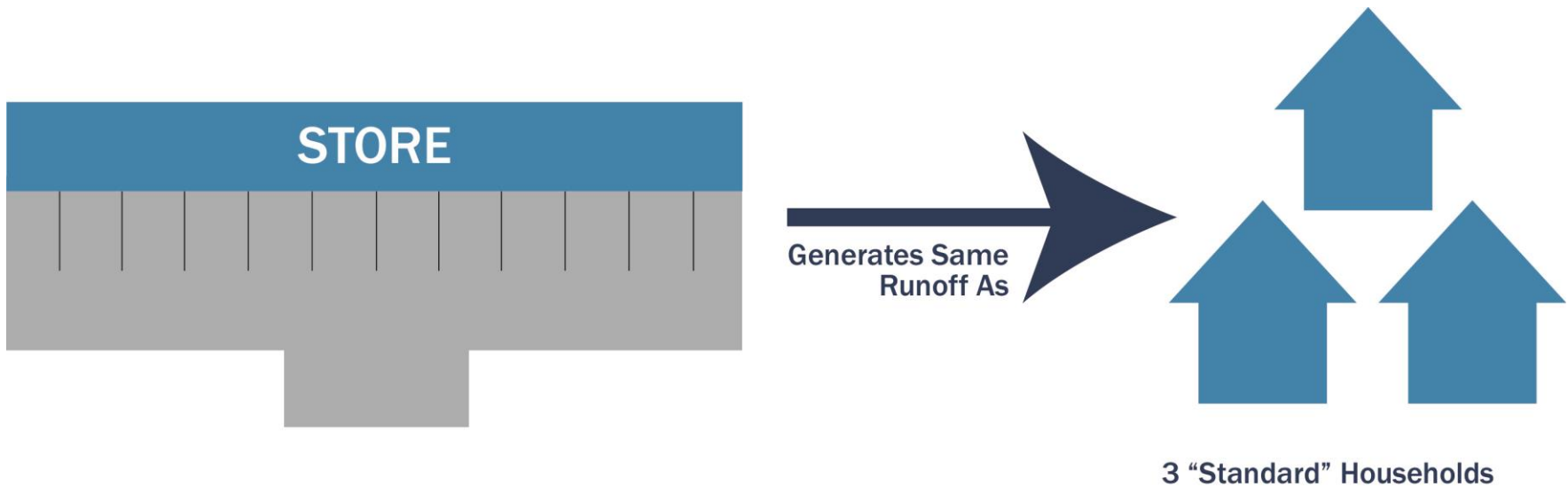
1 ERU = 4,693 square feet of effective impervious area




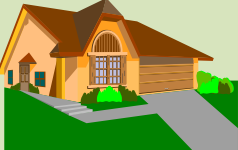
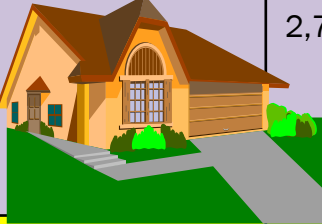
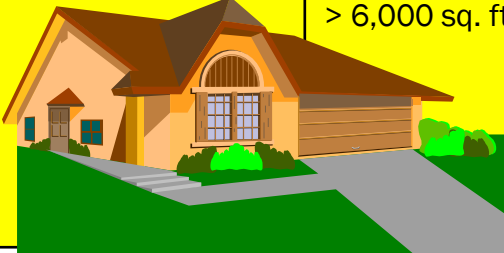
Pervious/Impervious Area Methodology

("Equivalent Residential Unit")

Customer pays based on number of "standard" households



Single Family Residential Tiers*

Residential Tier	Building Footprint Area Range (Provided by the Property Appraiser)	Plus Additional Impervious Area	Plus 15% Pervious Area	Assigned Billing Units (ERUs)
Small 	100-1,500 sq. ft.	Assumed based on statistical sample	Assumed based on statistical sample	= .7 ERUs
Medium 	1,501-2,700 sq. ft.	Assumed based on statistical sample	Assumed based on statistical sample	= 1.00 ERUs
Large 	2,701-4,600 sq. ft.	Assumed based on statistical sample	Assumed based on statistical sample	= 1.70 ERUs
Very Large 	> 6,000 sq. ft.	measured	measured	= Calculated

*Residential parcels are assigned to a tier based on building footprint size to avoid having to measure ALL residential parcels.

Parcel Calculations

- Condominium Parcels

- Residential

- $(\text{Condo complex measured impervious area} + 15\% \text{ pervious area}) \div 4,693$
(ERU value) \div total parcels

- Non-Residential

- $(\text{Condo complex measured impervious area} + 15\% \text{ pervious area}) \div 4,693$
(ERU value) \times (parcel building square feet \div total bld. square feet)

- Mixed Use

- Non-residential based on proportionate share of building
 - Residential portion divided equally among residential parcels

- General Parcels

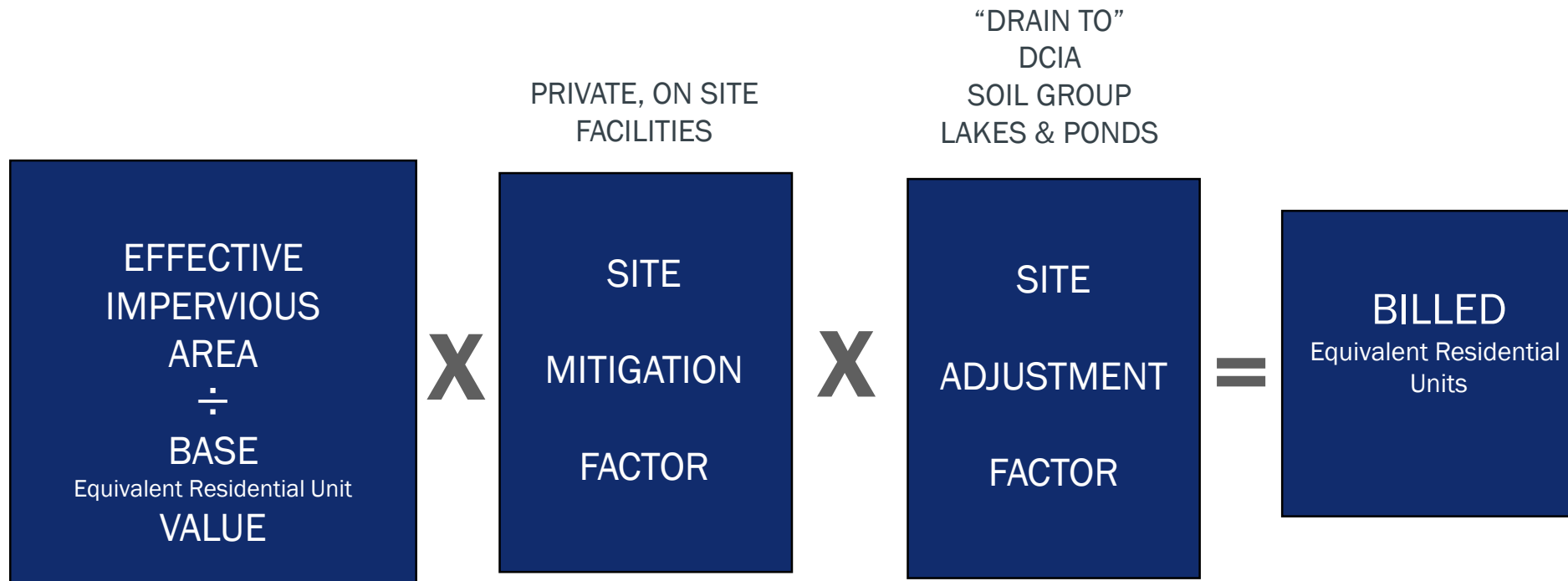
- $(\text{Measured impervious area} + 15\% \text{ pervious area}) \div 4,693$ (ERU Value)

Credits and Adjustments

- Mitigation Credit
 - Reduction in assessment for incorporation of on-site stormwater facilities.
- Adjustment
 - Modification made to billing record to reflect site specific runoff characteristics which are substantially different from those attributed to the base billing unit.

Equivalent Residential Unit Calculation Model

Reduction in assessment for incorporation of on-site stormwater facilities and site specific runoff characteristics.



Parcel Count & ERUs by Rate Category

Rate Category	Parcel Count	Sum of ERUs
Residential	40,345	37,186
Condominium	1,217	562
General	34,969	29,263
Total	76,531	67,010

Rates Scenarios

100% of FY 2017-18 Stormwater Assessable Costs

Stormwater Assessment Revenue Requirements	\$11,666,259
Annual ERU Rate	\$174.10
Monthly ERU Rate	\$14.51

100% of Five-Year Average Stormwater Assessable Costs

Stormwater Assessment Revenue Requirements	\$11,869,757
Annual ERU Rate	\$177.13
Monthly ERU Rate	\$14.76

56.45% of Five Year Average Stormwater Assessable Costs

Stormwater Assessment Revenue Requirements	\$6,700,478
Annual ERU Rate	\$100.00
Monthly ERU Rate	\$8.34

Implementation Schedule

Tax Bill Collection Method

Event	Date
First Reading of Stormwater Assessment Ordinance	April 20, 2017
Advertise Public Hearing on Stormwater Assessment Ordinance	April 23, 2017
Adopt Stormwater Assessment Ordinance	May 4, 2017
Adopt Initial Assessment Resolution	May 4, 2017
Publish Notice of Public Hearing	May 25, 2017
Mail First Class Notices	May 25, 2017
Adopt Final Assessment Resolution	June 15, 2017
Certify Stormwater Assessment Roll to Tax Collector	By September 15, 2017
Tax Bills Mailed with FY 17-18 Stormwater Assessment	November 2017

Policy Direction

- Notice to Proceed with Implementation of Updated Stormwater Assessment Program
- Collection Method
- Implementation Schedule
- Rates
- Exemptions