



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 19-00439

City Council

11/14/2019

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

PUBLIC HEARING FOR THE ADOPTION OF A RESOLUTION OF INTENT TO USE THE UNIFORM METHOD OF COLLECTING NON-AD VALOREM SPECIAL ASSESSMENTS FOR CAPITAL STORMWATER INFRASTRUCTURE IMPROVEMENTS

RECOMMENDATION:

That City Council conduct a public hearing on November 14, 2019 for the adoption of a non-binding resolution of intent to use the uniform method of collecting non-ad valorem special assessments for capital stormwater infrastructure improvements beginning in the year 2020.

HEARING REQUIRED: Public

SUMMARY:

In 1987, the City developed a Stormwater Master Plan to address the impact of stormwater throughout the City. In 2019, the City updated the plan to reflect current conditions and identify necessary infrastructure improvements. The plan identified 10 high priority stormwater improvement projects related to flooding with a projected total cost of over \$58 million dollars. The City currently has no funding source for these improvements.

Since 2001, the primary funding source for stormwater improvements has been the annual stormwater assessment fee. The fee generates about \$2.6 million for stormwater capital improvement projects per year. Although the fee is based on stormwater operational costs, by Council policy, those funds are not used to pay for operating expenses. Rather, the funds are used for capital infrastructure improvements, through a transfer from the General Fund to a Special Stormwater Fund. Most of the infrastructure improvements funded by the assessment fee to date have addressed water quality issues.

One funding alternative that Council may want to consider to help pay for the capital projects identified in the Stormwater Master Plan is a separate stormwater capital assessment fee. This fee is typically tied to planned improvements in specific watershed basins and can only be assessed against the properties located within the basin.

City staff requested that Government Services Group, Inc. (GSG) assist the City in creating a stormwater capital assessment program. Sandi Walker of GSG made a presentation to Council at

the October 7, 2019 Agenda Conference to explain the process for creating a capital assessment program. The process will include the development of a rate model and analysis of different rate scenarios with projected revenues. A program report prepared by GSG will be presented to City Council in early 2020. Based on the report, Council will decide if it wishes to implement a stormwater capital assessment program to fund the infrastructure improvements identified in the Stormwater Capital Plan.

Should Council move forward with a capital stormwater assessment program, the most effective and efficient method of fee collection is by the annual property tax bill issued by the Escambia County Tax Collector. This is the same fee collection method used by the City for the current stormwater assessment program. To preserve the option of using the tax bill for collection of the new assessment fee, the City is required to hold a public hearing and adopt a "Resolution of Intent" to use the uniform method of collecting non-ad valorem special assessments. The resolution must be adopted prior to January 1, 2020. The resolution is non-binding and does not require the City to actually impose the proposed stormwater capital assessment fee.

The Mayor recommends that Council hold a public hearing on November 14, 2019 and adopt the Resolution of Intent.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

None

CITY ATTORNEY REVIEW: Choose an item.

[Click here to enter a date.](#)

STAFF CONTACT:

Christopher L. Holley, City Administrator
Richard Barker, Jr., Chief Financial Officer
George J. Maiberger, Purchasing Manager
Derrick Owens, Director of Public Works and Facilities

ATTACHMENTS:

- 1) Resolution of Intent for Capital Assessment
- 2) October 7, 2019 GSG Presentation

PRESENTATION: No