

Agenda Memorandum

To: Honorable Mayor and City Council Members
Prepared By: Gail Warren, Business Analyst
From: Bryan Cobb, City Manager
Date: August 19, 2024
Subject: **Resolution No. 4491-24**, Street Light Rate Resolution and Assessment Roll for Fiscal Year 2024-25

Procedure: Call Up Item
City Manager Background
Public Hearing
Council Motion & Discussion
Council Action

Introduction: This is a request for City Council to approve the non-ad valorem assessment roll, adopt the Annual Assessment Rate Resolution and authorize certification to the Tax Collector for the Street Lighting Assessment Program.

Discussion: At its February 19, 2018 meeting, City Council adopted Ordinance No. 1667 creating a Special Assessment District pertaining to the Street Lighting Assessment Program. A “Preliminary Rate Resolution” was adopted by City Council on July 16, 2018 with the adoption of Resolution No. 3578-18. The “Final Rate Resolution”, which ratified the preliminary rate resolution, was adopted by City Council at a Public Hearing held on August 20, 2018, with the adoption of Resolution No. 3588-18. Annually, the City Council conducts a public hearing to adopt the Final Rate Resolution for the upcoming Fiscal Year. Most recently, on August 21, 2023, the City Council conducted a public hearing, and thereat, adopted Resolution No. 4358-23, amending, ratifying and confirming the Final Rate Resolution for FY2023-24.

The service area covered by the Street Lighting Assessment encompasses the corporate limits of the City and applies to all street lighting within the public rights-of-way. Property owners located on private streets; such as gated communities, are charged a lesser amount based upon an apportionment analysis since these property owners already pay for the street lights within their respective communities.

The City’s Street Light Assessment, provides for the City’s street light utility payments, upgrades of streetlights to LED technology and for the expansion of streetlight infrastructure to install street lights in currently unlit areas.

To date all of the Florida Power and Light and Duke Energy residential service areas have been upgraded to LED. With the LED upgrades complete, the remaining projects will be the installation of streetlighting along the remaining gaps of Mitchell Hammock Road.

Section 197.3632, *Florida Statutes*, provides that “a local government shall adopt a non-ad valorem assessment roll at a public hearing held between January 1 and September 15 for various reasons, including if the non-ad valorem assessment is levied for the first time. As such, notices were mailed on July 17, 2024 to all affected property owners. The public hearing was noticed in the Orlando Sentinel on July 25, 2024. Since the makeup of residential communities changes from year to year, an Annual Rate Resolution will be required for each fiscal year that the City administers the assessment program. Adoption of this Annual Assessment Rate Resolution accomplishes this provision for FY 2024-25.

Section 197.3632, *Florida Statutes*, also requires certification of the non-ad valorem assessment roll on compatible electronic medium to the Tax Collector by September 15th of each year. Willdan Financial Services (Willdan), under a Continuing Consultant Contract with the City, has been issued a Work Order to assist staff with this process. Willdan has updated the existing parcel database and will coordinate with the City to prepare and transmit the assessment roll to the Tax Collector on behalf of the City. The certification provided in Exhibit 4 of Resolution No. 4491-24 will be utilized for this purpose.

No rate change is recommended with this Rate Resolution. The current rate of \$78.13 per Equivalent Benefit Unit (EBU) remains sufficient.

Budget Impact: The Street Lighting Assessment generates in excess of \$800,000 annually for the rental, maintenance, and energy costs associated with street lighting within public rights-of-way. In addition, funding is generated for capital infrastructure expansion.

Strategic Impact: Helps to eliminate street light infrastructure deficits and establish a sustainable revenue source to maintain public safety.

Recommendation: It is recommended that City Council conduct a public hearing and adopt Resolution No. 4491-24.

Attachment(s):

1. Resolution No. 3578-18, Preliminary Rate Resolution
2. Resolution No. 3588-18, Final Rate Resolution
3. Resolution No. 4358-23, FY 23-24 Rate Resolution