

# City of North Port

## Road and Drainage Assessment Program Report

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# Introduction

The City of North Port (City) has entered into a professional services agreement with Government Services Group, Inc. (GSG) to review the existing assessment program for the Road and Drainage District (District). The City has also contracted with Public Resources Management Group, Inc. (PRMG) for services related to determining the road and drainage costs.

GSG is a consulting firm located in Tallahassee and Orlando that specializes in government finance and taxation issues by working with cities, counties, special districts, and state agencies, to develop unique funding and service delivery solutions for critical infrastructure and service needs. The firm has developed extensive experience in structuring and implementing alternative revenue sources in Florida.

## **BACKGROUND**

The Road and Drainage District is a dependent special district of the City. The District is part of the Public Works Department and is responsible for maintaining the safe and efficient passage of traffic on the City's 813 miles of roads, bridges, sidewalks and bikeways. The District is also responsible for maintaining and repairing storm drains, canals and other water control structures to protect homes and infrastructure from standing or flowing stormwater. The District must also ensure the integrity of the potable water supply for customers whenever water is withdrawn from waterways for potable water uses. The primary revenue source for the District is a non-ad valorem assessment program. The following is a list of activities performed by the Road and Drainage District and its personnel:

- Maintaining (re-grading) swales
- Rehabilitating canals and retention ditches;
- Replacing culverts;
- Traffic sign installation and replacement;
- Traffic markings;
- Pothole and street repairs;
- Roadside mowing;
- Sidewalk construction and repair;
- Maintaining and operating water control structures;
- Mowing retention ditches; and
- Aquatic weed control in waterways and retention ditches

Until June 2005, the rate was \$49 for single family lots with the following rates for Fiscal Year 2006-07: \$120 for single family residential lots, \$189.60 for multi-family units, \$312 for commercial lots and \$459.60 for developed tract acre. However, revenue from the assessments was not sufficient to fund the operations of the District as a result of the increase in service demand from significant population growth. The District was also in need of additional resources including personnel and equipment. Consequently, PRMG was contracted in December 2004 to conduct a rate study, which did not include a methodology study. The PRMG study of June 2005 recommended a rate increase of 340% for Fiscal Year 2005-06. However, the City implemented a rate increase of 204% which increased the assessment for single family residential lots from \$49 to \$100. The rates were subsequently increased by 20% by the City for Fiscal Year 2006-07. The enabling ordinance of the Road and Drainage District requires a rate and methodology study to be done at least every three years.

## **STUDY METHODOLOGY**

GSG performed the following tasks in revising the assessment program:

- Obtained and evaluated data and information related to the existing road and drainage assessment program including legal documents, engineering information, public works data, reports and all other data relating to the current and proposed provision of road and drainage services in the City.
- Worked with PRMG to evaluate the full cost of the road and drainage management system using the City's most current financial information. The cost analysis included: (i) the costs of maintaining and operating the City's road and drainage system based on the level of funding required by the City, (ii) indirect and/or administrative costs and (iii) billing and collection costs associated with the tax bill collection method.
- Assisted PRMG with interviewing City staff to segregate the full costs into service components based on staff activities, equipment utilization and other criteria.
- Met with City staff to identify the geographic benefit areas that exist within the City for each service component based on levels of service, activity areas or other criteria.
- Using the current ad valorem tax roll, the current special assessment roll, the levels of service, and the identified benefit areas, GSG developed a method of apportioning the costs for each service component. Working with the City attorney, GSG reviewed and revised the apportionment methodology for legal sufficiency and compatibility with the tax bill method of collection.
- Determined preliminary billing units and developed a database that matches the requirements of the recommended rate model.
- Calculated pro forma assessment rates for each service component identified during the program review. Pro forma rates were determined by dividing the number of billing units for each service component into the various revenue scenarios based on the apportionment methodology.
- Prepared a draft Assessment Report that documented the costs, apportionment methodologies, pro forma assessment rates and recommendations on implementation. Based on staff comments, GSG has made necessary revisions and presents this document as the final Assessment Report to City officials.

# Description of Services

PRMG was engaged by the City to conduct a road and drainage non-ad valorem assessment fee analysis. PRMG staff met with the City to determine projected assessment requirements and to allocate these costs across the various services provided by the road and drainage district. As part of this exercise, PRMG and City staff developed a detailed list of services performed by each of the four Public Works sections in the Road and Drainage District. Services performed by the Road Section include: road maintenance by City staff; traffic control devices (signs, curb painting, school zone marking); debris removal by City staff and service contract; and mowing of rights-of-way by City staff and service contract. Services performed by the Drainage section include: primary and secondary drainage maintenance; maintenance of sidewalks and other concrete structures; and pipe replacement. Services provided by the Waterways and Structures section includes: bridge maintenance; water control structures, mowing of drainage areas by City staff and service contract; and control of aquatic vegetation. Services provided by the Infrastructure Assessment division include: infrastructure evaluation of roads and drainage, development plan review; contract administration; system support services; and right-of-way permit processing.

Based on the services identified above, GSG met with public works staff to determine those like services which could be combined for purposes of developing an assessment methodology. Of the twenty four identified service components, GSG and City staff agreed to establish six core categories that captured all services.

## BASE ADMINISTRATIVE SERVICES

Base administrative services are classified as those core support functions that are spread across all services provided by the Road and Drainage District. These include: right of way inspections, infrastructure evaluations of roads and drainage systems, development plan review, contract administration, system support services, and right of way permit processing. These functions are integral to the daily support and operations of the Road and Drainage District and as such it is determined that all parcels benefit from Base Administrative services.

## ROADS - BASE SERVICES

Roads base services are performed on all arterial and collector roads. Services include the repair of potholes and street areas up to 100 feet by 200 feet and the rehabilitation of roads based on priorities and criteria outlined in the 2005 IMS study. Work is performed by City staff and also through contracted services. There are 813 total road miles within the City, with 25 miles of arterials and 115 miles of collectors. For purposes of calculating the assessment portion of roads base services, a ratio of arterial and collectors to total road miles was used to create a factor of 29.88% against the total road maintenance budget. In addition, the full cost of sidewalk maintenance and debris removal by City staff and by contract is included as these are considered base services. It is determined that there is a benefit to all parcels for Roads Base services.

## ROADS - ENHANCED SERVICES

Roads enhanced services are performed on all local roads. Services include the repair of potholes and street areas up to 100 feet by 200 feet and the rehabilitation of roads based on priorities and criteria outlined in the 2005 IMS study. Work is performed by City staff and also through contracted services. There are 813 total road miles within the City, with 673 miles of local roads. For purposes of calculating the assessment portion of secondary road maintenance, a ratio of local roads to total road miles was used to create a factor of 70.12% against the total road maintenance budget.

## RIGHT OF WAY MOWING

This service includes mowing of rights of way on unimproved properties within the City. While service for mowing is primarily provided on a complaint driven basis, the regular schedule for mowing is six times per year. The City maintains a database of complaints which generates work orders for both Right-Of-Way mowing.

## BASE DRAINAGE SERVICES

Base drainage services include the maintenance of concrete structures, bridges, and water control structures, rehabilitation of canals and retention ditches, culvert replacement, mowing of drainage areas, and control of aquatic vegetation. It is determined that Base Drainage services benefit all parcels except those located within the West Villages Improvement District.

## ENHANCED DRAINAGE SERVICES

Enhanced drainage services include the maintenance and re-grading of swales and other primary drainage components. These primary drainage systems are the initial sources of water control. It is determined that Enhanced Drainage services benefit all parcels except those located within the West Villages Improvement District and also those Limited Service Areas as defined in this report.

# Assessable Cost Calculations

The final PRMG report, dated August 22, 2007 provides the basis for the assessable cost calculations performed by GSG. The PRMG report has been provided to the City and is available for review by request of the Road and Drainage District.

While the PRMG study focused on revenue sustainability over a 5 year period through Fiscal Year 2010-11, this Assessment Report only considers the revenue requirements for Fiscal Year 2007-08. Through the course of this project there have been many revisions to the net revenue requirements for Fiscal Year 2007-08. On July 2, 2007, the City Commission adopted the “Not to Exceed” rates for this assessment based on net revenue requirements of \$13,900,000. Table 1 reflects the Fiscal Year 2007-08 net revenue requirements by the six (6) core components as identified in the Description of Services section of this report

**Table 1**  
**Fiscal Year Net Revenue Requirements (\$13,900,000)**

	<b>Amount</b>	<b>Percentage</b>
Base Administrative Services	\$2,308,549	16.6%
Roads Base Services	\$1,523,735	11.0%
Roads Enhanced Services	\$1,505,820	10.8%
Right of Way Mowing	\$1,987,551	14.3%
Base Drainage Services	\$3,782,777	27.2%
Enhanced Drainage Services	\$2,791,568	20.1%
<b>Net Assessment Requirements</b>	<b>\$13,900,000</b>	<b>100.0%</b>



# Apportionment Methodology

## **SPECIAL BENEFIT ASSUMPTIONS**

The following assumptions support a finding that the road and drainage services provided by the City provide a special benefit to the assessed parcels.

- The provision of road and drainage management services and the availability and use of facilities or improvements by owners and occupants of such property to properly and safely detain, retain, convey or treat road and drainage discharged from such property;
- Stabilization of or the increase of property values;
- Increased safety and better access to property;
- Improved appearance;
- Rendering property more adaptable to a current or reasonably foreseeable new and higher use;
- Alleviation of the burdens caused by road and drainage runoff and accumulation attendant with the present or projected use of property; and
- Fostering the enhancement of environmentally responsible use and enjoyment of the natural resources within the City.

From this analysis, it was concluded that having road and drainage services, such as those provided in the City of North Port, enhances and strengthens the relationship of such services to the use and enjoyment of the parcels of property in the area and, ultimately, the property values within the area.

## **PARCEL COMPOSITION**

GSG's analysis of parcel information from the Sarasota County Property Appraiser's Office indicates that approximately 72,000 parcels are located in the City's geographic limits. Each property use within the City on the ad valorem tax roll was assigned to a property use category based on its assignment of use by the Sarasota County Property Appraiser. The number used by the Property Appraiser assigns four digits based on the Florida Department of Revenue (DOR) property use codes reflected in Rule 12D-8.008, Florida Administrative Code.

## COST APPORTIONMENT ASSUMPTIONS

The cost apportionment exercise addresses two fundamental questions:

- Who pays?
- For what services?

GSG met with City staff to identify specific communities within the City where limited services were provided. Based on those meetings, a service matrix was created which reflects the level of service provided to each of the identified communities. It was determined that there is a benefit to all parcels for Base Administrative and Roads Base services. Roads Enhanced services, Right of Way Mowing, and Drainage services (Base and Enhanced) were only apportioned to those parcels receiving a specific benefit. A list of each Limited Service Area and the corresponding level of service can be found in Table 2.

**Table 2**  
**Limited Service Areas**

	<b>Base Administrative Services</b>	<b>Roads Base Services</b>	<b>Roads Enhanced Services</b>	<b>Right of Way Mowing</b>	<b>Base Drainage Services</b>	<b>Enhanced Drainage Services</b>
Sabal Trace	X	X			X	
Heron Creek	X	X			X	
Bobcat Trail (Includes Toledo Club Apartments)	X	X			X	
Lakeside Plantation	X	X	X		X	
Holiday Park	X	X			X	
Isles of Athena	X	X			X	
Thomas Ranch	X	X				
Duck Key	X	X	X		X	
Riley Chase	X	X			X	
Pickwick Gardens	X	X			X	
Charleston Park Villas	X	X			X	
Woodland Falls	X	X			X	
Turn Berry Trace	X	X			X	
North Port Commerce Industrial Park	X	X	X		X	X
Talon Bay	X	X			X	

## **PARCEL APPORTIONMENT ASSUMPTIONS**

Parcel apportionment focuses on the question, “How is each parcel’s share of recoverable costs to be determined?” The following assumptions support findings that the recommended parcel apportionment is fair, reasonable, and equitable.

- The amount of runoff generated by a parcel and sent to the road and drainage system represents that parcel’s proportionate share of the burden of creating and maintaining the road and drainage system.
- The proportionate number of trips generated by a parcel represents that parcel’s proportionate share of the burden of creating and maintaining the road and drainage system.
- The value of the parcel does not determine the scope of the required road and drainage management services. The potential demand for road and drainage services by property is driven by the other parcel characteristics within property use categories.
- Apportioning the assessed costs for road and drainage services attributable to the various property use categories on a per parcel basis using specific parcel characteristics is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon available data.

## **APPORTIONMENT METHODOLOGY**

Each assessed parcel must receive a special benefit that equals or exceeds the amount of the special assessment actually imposed on the parcel. For the base administrative component, each parcel will benefit equally and is therefore assigned one (1) unit per parcel. For the road components of the apportionment methodology; dependent upon each parcel’s property use category and the number of lots, acreage, number of dwelling units, amount of building area and number of trips generated by the property use; each parcel will benefit in varying degrees. For the right-of-way mowing component, each unimproved parcel will benefit equally from the service and therefore each unimproved parcel is assigned one (1) unit. For the drainage components of the apportionment methodology; dependent upon each parcel’s property use category, acreage, number of dwelling units or amount of building area; and assigned Net Effective Impervious Factor value, each parcel will benefit in varying degrees.

## **ROAD APPORTIONMENT METHODOLOGY**

For road maintenance services involving mixed property uses, an apportionment methodology that uses trip generation rates by property uses and the building improvement sizes (or equivalent) to allocate benefits is typical. An analysis of the number of trips to be generated by each property use is based on the trip generation information from the ITE manual (7<sup>th</sup> edition).

## CALCULATION OF ROAD EQUIVALENT RESIDENTIAL UNITS (ERUs)

The average trip generation per day for single family residential uses is 9.57 trips per day per dwelling unit. The Road Apportionment Methodology will apportion the road maintenance service costs using an equivalent residential unit (ERU) based on the average number of trips generated by the property each day compared to the average number of trips generated by a single family dwelling unit per day.

As such, each residential parcel was assigned one ERU for each improved dwelling unit located thereon. All unimproved, platted lots with a vacant residential property use were also assigned one ERU per platted lot. The assignment of ERUs to all other parcels was calculated by dividing the total number of trips generated by each property use (according to its DOR code assignment by the Property Appraiser) by 9.57 (the average number of trips generated by a single family dwelling unit).

Table 3 provides the DOR codes and the Road ERU assigned to the DOR code.

**Table 3**  
**Road Component ERUs**

DOR Code	Property Use Description	Road ERU
0000	RESIDENTIAL - VACANT	1
0010	VACANT MULTI-FAMILY	0.19
010X	RESIDENTIAL - SINGLE FAMILY-MIXED IMPROVEMENTS	1
010Y	RESIDENTIAL - SINGLE FAMILY-MULTI IMPROVEMENT	1
0100	RESIDENTIAL - SINGLE FAMILY	1
0110	RESIDENTIAL - SINGLE FAMILY CONTAINING APARTMENT	1
0200	RESIDENTIAL - MOBILE HOME	0.5
0320	RESIDENTIAL MULTI FAMILY 20 - 49 UNITS	0.19
0390	RESIDENTIAL MULTI FAMILY-100 OR MORE UNITS	0.19
039X	MULTI FAMILY => 100 UNITS, MIXED USE	0.19
0400	CONDOMINIUM - VACANT LAND-RESIDENTIAL	0.07
0404	CONDOMINIUM - MID RISE 2-6 STORIES	0.07
0410	CONDO - VACANT COMMERCIAL	0.17
0411	CONDOMINIUM - RETAIL	4.25
0418	CONDOMINIUM - OFFICE, NON-MEDICAL	1.15
0448	CONDOMINIUM - SERVICE WAREHOUSE	0.52
0820	MULTI FAMILY/LESS THAN 10 UNITS/DUPLEX	0.44
1000	COMMERCIAL - VACANT	0.17
1100	COMMERCIAL - STORES-ONE STORY	4.25
1110	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	4.25
111X	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	4.25
1120	COMM'L-STRIP STORES-ONE STORY/=>10,000 AND <30,000	4.25
1140	COMMERCIAL-STORES-1/STORY/ CONVENIENCE-WITH GAS	17.61
1300	COMMERCIAL - DEPARTMENT STORE/FREESTANDING	5.92
1600	COMM'L-COMMUNITY SC/100K-450K SF/SUPRMKT-DEPT STR	5.92
1620	COMM'L-COMMUNITY NEIGHBORHOOD CTRS/30K-100K SF	4.49
164X	COMM'L-COMMUNITY MULTI STY STRIP STORES/<10,000 SF	4.49
1700	COMM'L/OFFICE BLDG-1 STY/SINGLE TENANT <10,000 SF	1.15

DOR Code	Property Use Description	Road ERU
1720	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF	1.15
172X	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF -	1.15
1810	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	1.15
181X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	1.15
183X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT=>10,000 SF-	1.15
1910	COMMERCIAL-MEDICAL PROF BLDS/1 STY-SINGLE TENANT <	1.15
1920	COMMERCIAL-MEDICAL PROF BLDS/1 STY-MULTI TENANT <1	1.15
192X	COMML-MED PROF BLDS/1 STY-MULTI TENANT <10,000 SF-	1.15
1930	COMM'L-MED PROF BLDS/1 STY-SINGLE/MULTI TENANT =>1	1.15
1950	MEDICAL, VETERINARY-RELATED	1.15
2100	COMMERCIAL - RESTAURANTS/FULL SERVICE	9.4
2210	COMM'L/RESTAURANTS/FAST FOOD W/DRIVE-THRU WINDOW	51.84
2220	COMML/RESTAURANTS-FAST FOOD WITHOUT DRIVE THRU WIN	51.84
2300	COMML-FINANCIAL INSTS(BANKS, S&L/MTG CO, CREDIT SE	16.35
2640	COMMERCIAL-SERVICE STATION/CAR WASH-SELF SERVICE	17.61
2710	COMMERCIAL-AUTO SALES (USED)	3.92
2720	COMM'L-AUTO REPAIR/SERV & BODY SHPS/COMMERCIAL GAR	0.31
2800	COMMERCIAL - PARKING LOTS(COMMERCIAL OR PATRON)	0
3300	COMMERCIAL - NIGHTCLUBS/COCKTAIL LOUNGES/BARS	1.18
3500	COMMERCIAL-TOURIST ATTRACTIONS/PERMANENT EXHIBITS,	0.48
3820	COMMERCIAL-GOLF COURSES/SEMI-PRIVATE	0.53
382X	GOLF COURSES, SEMI PRIVATE, MIXED USE	0.53
3890	COMMERCIAL-GOLF COURSES/DRIVING RANGE	0.53
391X	COMMERCIAL-HOTELS/MOTELS/LODGING(1-40 UNITS) - MIX	0.85
4000	INDUSTRIAL - VACANT LAND	0.09
4100	INDUSTRIAL - MANUFACTURING/LIGHT	0.73
4110	INDUSTRIAL-MANUFACTURING/ENGINEERING OR SCIENTIFIC	0.73
4200	INDUSTRIAL - HEAVY	0.09
4300	INDUSTRIAL - LUMBER YARD	0.52
4800	INDUSTRIAL - WAREHOUSE	0.52
480X	INDUSTRIAL - WAREHOUSE - MIXED USE	0.52
4810	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE	0.52
481X	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE - MIXED	0.52
4820	INDUSTRIAL-WAREHOUSE AND OFFICE MIXED USE	0.52
4860	INDUSTRIAL-WAREHOUSE - MINI-STORAGE	0.13
4870	INDUSTRIAL-WAREHOUSE/FLEX SPACE/OVERHEAD DOOR FRON	0.52
4900	IND'L-OPEN STORAGE/MATERIALS/EQUIPMENT/BLDG SUPPLI	0.52
490X	IND'L-OPEN STRG/MATERIALS/EQUIP/BLDG SUPPLIES/FUEL	0.52
4910	INDUSTRIAL-OPEN JUNK YEAR OR RECYCLING (NOT AUTO)	0.52
6200	AGRICULTURAL - GRAZING LAND SOIL CAPABILITY CLASS	1
6930	AGRICULTURAL-ORNAMENTALS/HORSE BREEDING	1
7000	INSTITUTIONAL- VACANT INSTITUTIONAL	0.02
7100	INSTITUTIONAL - CHURCHES	3.83
7200	INSTITUTIONAL - SCHOOL (PRIVATE)	1.25

DOR Code	Property Use Description	Road ERU
7400	INSTITUTIONAL-HOME FOR THE AGED/ASSISTED LIVING/AC	0.02
740X	INSTITUTIONAL/HOME FOR THE AGED/ACLF/ASSISTED CARE	0.02
7500	INSTITUTIONAL-ORPHANAGES/NON-PROFIT/CHARITABLE SER	0.02
7600	INSTITUTIONAL - MORTUARY	0.02
7700	SERVICE CLUB	0.17
7720	COMMUNITY CENTER	0.17
7750	UNION HALL, OTHER	0.17
7800	INSTITUTIONAL - NURSING HOMES/CCRC/SANITARIUMS	0.02
8200	GOVERNMENTAL - FOREST	1
8210	GOVERNMENTAL - PARKS	1
8220	GOVERNMENTAL - RECREATIONAL AREA	1
8300	GOVERNMENTAL - PUBLIC SCHOOL (BOARD OF PUBLIC INST	1.25
8400	GOVERNMENTAL - COLLEGE (PUBLIC)	1.25
8600	GOV'T-CO(OTHER THAN SCHLS/COLEGS/HOSP)INC NON-MUNI	2.61
8700	GOVERNMENTAL - STATE (OTHER THAN MILITARY,FOREST,P	2.61
8800	GOVERNMENTAL - FEDERAL (OTHER THAN MILITARY,FOREST	2.61
8900	GOVERNMENTAL - MUNICIPAL (OTHER THAN PARKS,REC ARE	2.61
9000	MISCELLANEOUS- LEASEHOLD INTEREST (GOV OWNED LEASE	0
9100	MISCELLANEOUS- UTILITY - GAS	0
9110	MISCELLANEOUS- UTILITY - ELECTRIC	0
9120	MISCELLANEOUS- UTILITY - TELEPHONE	0
9150	MISCELLANEOUS- UTILITY - WATER AND SEWER	0
9300	MISCELLANEOUS-SUBSURFACE RIGHTS	0
9400	MISCELLANEOUS- RIGHT-OF-WAY,STREETS,ROADS,IRR CANAL	0
9500	MISCELLANEOUS- RIVERS AND LAKES	0
9600	MISCELLANEOUS- SOLID WASTE	0
9620	MISCELLANEOUS- DRAINAGE RESERVOIR	0
9900	MISCELLANEOUS- ACREAGE NOT ZONED AGRICULTURAL	1

For both the Base Road Services and the Enhanced Road Services, the apportionment methodology is identical, using trip generation data as previously described. For those properties located in Limited Service Areas as defined in this report, only the Base Roads Services charge will apply. For all residential properties the rate for each component is calculated based on the number of dwelling units assigned to each parcel. For most non-residential properties identified as commercial or industrial, the Road ERU as shown in Table 4 is multiplied “per thousand square feet” of building area to calculate the assessment amount for each component. For golf courses and other non-residential properties that are classified as vacant, the parcel acreage is multiplied by the ERU value to determine the assessment amount.

## DRAINAGE APPORTIONMENT METHODOLOGY

For drainage maintenance services, an apportionment methodology that uses the parcel acreage combined with the impervious surface or drainage coefficient to allocate benefits is typical.

### CALCULATION OF DRAINAGE FACTOR

Using a model developed by the American Society of Civil Engineers, the City adopted Net Effective Impervious Factor (NEIF) values to be used in the determination of drainage units for each parcel type in the City. The purpose of the NEIF values is to create a drainage coefficient that takes into consideration typical pervious and impervious surface area based on the type or use of property, which are general indicators of the demand that the property places on the City's drainage system. Examples of impervious surfaces include (but are not limited to): building footprint, driveways, parking areas, sidewalks, ancillary structures, swales, water features, open conveyances, open water areas associated with stormwater attenuation and treatment facilities, and similar elements.

Table 4 provides a summary of the Net Effective Impervious Factor values assigned to each property type.

**Table 4**  
**Net Effective Impervious Factor (NEIF) values by Property Type**

<b>Generalized Land Use Description</b>	<b>NEIF Value</b>
<b>Residential</b>	
Single Family Residential*	*0.396
Condominium	0.760
Mobile Home	0.795
Multi-Family	0.760
<b>Non-Residential</b>	
Commercial	0.830
Industrial	0.865
Institutional	0.725
Green Space	0.270
Golf Course	0.375
Raw Land	0.200

\*Applies to first .23 acres only.

### CALCULATION OF DRAINAGE EQUIVALENT DWELLING UNITS (EDUs)

In order to establish a common EDU value, GSG analyzed the property data as provided by the Sarasota County Property Appraiser and determined that the most common property in the City is a residential parcel that is 0.23 acres in size. The EDU value was then calculated by multiplying the parcel acreage (0.23 acres) by the NEIF value for the property type (0.396). This created a value of 0.09108. A multiplier

of 10.99 was used to convert the value to one EDU, which becomes the common billing unit. For single family residential parcels with greater than 0.23 acres, a NEIF value of 0.200 was used to calculate the EDU value for additional acreage beyond the base amount of 0.23 acres

For all property types that were not single family residential, the EDU value for each parcel was calculated by multiplying the parcel acreage by the NEIF value established for that property category, and then using the 10.99 multiplier to convert the number to whole units. All parcels, both residential and non-residential for were calculated individually using the parcel acreage established by the Sarasota County Property Appraiser.

Table 5 provides the DOR codes and the Drainage NEIF value assigned to the DOR code.

**Table 5**  
**Drainage Component EDUs**

DOR Code	Property Use Description	NEIF Value
0000	RESIDENTIAL - VACANT	0.2
0010	VACANT MULTI-FAMILY	0.2
010X	RESIDENTIAL - SINGLE FAMILY-MIXED IMPROVEMENTS	0.396
010Y	RESIDENTIAL - SINGLE FAMILY-MULTI IMPROVEMENT	0.396
0100	RESIDENTIAL - SINGLE FAMILY	0.396
0110	RESIDENTIAL - SINGLE FAMILY CONTAINING APARTMENT	0.396
0200	RESIDENTIAL - MOBILE HOME	0.795
0320	RESIDENTIAL MULTI FAMILY 20 - 49 UNITS	0.76
0390	RESIDENTIAL MULTI FAMILY-100 OR MORE UNITS	0.76
039X	MULTI FAMILY => 100 UNITS, MIXED USE	0.76
0400	CONDOMINIUM - VACANT LAND-RESIDENTIAL	0.2
0404	CONDOMINIUM - MID RISE 2-6 STORIES	0.76
0410	CONDO - VACANT COMMERCIAL	0.2
0411	CONDOMINIUM - RETAIL	0.83
0418	CONDOMINIUM - OFFICE, NON-MEDICAL	0.83
0448	CONDOMINIUM - SERVICE WAREHOUSE	0.865
0820	MULTI FAMILY/LESS THAN 10 UNITS/DUPLEX	0.76
1000	COMMERCIAL - VACANT	0.2
1100	COMMERCIAL - STORES-ONE STORY	0.83
1110	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	0.83
111X	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	0.83
1120	COMM'L-STRIP STORES-ONE STORY/=>10,000 AND <30,000	0.83
1140	COMMERCIAL-STORES-1/STORY/ CONVENIENCE-WITH GAS	0.83
1300	COMMERCIAL - DEPARTMENT STORE/FREESTANDING	0.83
1600	COMM'L-COMMUNITY SC/100K-450K SF/SUPRMKT-DEPT STR	0.83
1620	COMM'L-COMMUNITY NEIGHBORHOOD CTRS/30K-100K SF	0.83
164X	COMM'L-COMMUNITY MULTI STY STRIP STORES/<10,000 SF	0.83
1700	COMM'L/OFFICE BLDG-1 STY/SINGLE TENANT <10,000 SF	0.83
1720	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF	0.83
172X	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF -	0.83
1810	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	0.83
181X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	0.83
183X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT=>10,000 SF-	0.83
1910	COMMERCIAL-MEDICAL PROF BLDS/1 STY-SINGLE TENANT <	0.83
1920	COMMERCIAL-MEDICAL PROF BLDS/1 STY-MULTI TENANT <1	0.83
192X	COMML-MED PROF BLDS/1 STY-MULTI TENANT <10,000 SF-	0.83
1930	COMM'L-MED PROF BLDS/1 STY-SINGLE/MULTI TENANT =>1	0.83



DOR Code	Property Use Description	NEIF Value
1950	MEDICAL, VETERINARY-RELATED	0.83
2100	COMMERCIAL - RESTAURANTS/FULL SERVICE	0.83
2210	COMM'L/RESTAURANTS/FAST FOOD W/DRIVE-THRU WINDOW	0.83
2220	COMML/RESTAURANTS-FAST FOOD WITHOUT DRIVE THRU WIN	0.83
2300	COMML-FINANCIAL INSTS(BANKS, S&L/MTG CO, CREDIT SE	0.83
2640	COMMERCIAL-SERVICE STATION/CAR WASH-SELF SERVICE	0.83
2710	COMMERCIAL-AUTO SALES (USED)	0.83
2720	COMM'L-AUTO REPAIR/SERV & BODY SHPS/COMMERCIAL GAR	0.83
2800	COMMERCIAL - PARKING LOTS(COMMERCIAL OR PATRON)	0.83
3300	COMMERCIAL - NIGHTCLUBS/COCKTAIL LOUNGES/BARS	0.83
3500	COMMERCIAL-TOURIST ATTRACTIONS/PERMANENT EXHIBITS,	0.83
3820	COMMERCIAL-GOLF COURSES/SEMI-PRIVATE	0.375
382X	GOLF COURSES, SEMI PRIVATE, MIXED USE	0.375
3890	COMMERCIAL-GOLF COURSES/DRIVING RANGE	0.375
391X	COMMERCIAL-HOTELS/MOTELS/LODGING(1-40 UNITS) - MIX	0.83
4000	INDUSTRIAL - VACANT LAND	0.2
4100	INDUSTRIAL - MANUFACTURING/LIGHT	0.865
4110	INDUSTRIAL-MANUFACTURING/ENGINEERING OR SCIENTIFIC	0.865
4200	INDUSTRIAL - HEAVY	0.865
4300	INDUSTRIAL - LUMBER YARD	0.865
4800	INDUSTRIAL - WAREHOUSE	0.865
480X	INDUSTRIAL - WAREHOUSE - MIXED USE	0.865
4810	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE	0.865
481X	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE - MIXED	0.865
4820	INDUSTRIAL-WAREHOUSE AND OFFICE MIXED USE	0.865
4860	INDUSTRIAL-WAREHOUSE - MINI-STORAGE	0.865
4870	INDUSTRIAL-WAREHOUSE/FLEX SPACE/OVERHEAD DOOR FRON	0.865
4900	IND'L-OPEN STORAGE/MATERIALS/EQUIPMENT/BLDG SUPPLI	0.865
490X	IND'L-OPEN STRG/MATERIALS/EQUIP/BLDG SUPPLIES/FUEL	0.865
4910	INDUSTRIAL-OPEN JUNK YEAR OR RECYCLING (NOT AUTO)	0.865
6200	AGRICULTURAL - GRAZING LAND SOIL CAPABILITY CLASS	0.2
6930	AGRICULTURAL-ORNAMENTALS/HORSE BREEDING	0.2
7000	INSTITUTIONAL- VACANT INSTITUTIONAL	0.2
7100	INSTITUTIONAL - CHURCHES	0.725
7200	INSTITUTIONAL - SCHOOL (PRIVATE)	0.725
7400	INSTITUTIONAL-HOME FOR THE AGED/ASSISTED LIVING/AC	0.725
740X	INSTITUTIONAL/HOME FOR THE AGED/ACLF/ASSISTED CARE	0.725
7500	INSTITUTIONAL-ORPHANAGES/NON-PROFIT/CHARITABLE SER	0.725
7600	INSTITUTIONAL - MORTUARY	0.725
7700	SERVICE CLUB	0.725
7720	COMMUNITY CENTER	0.725
7750	UNION HALL, OTHER	0.725
7800	INSTITUTIONAL - NURSING HOMES/CCRC/SANITARIUMS	0.725
8200	GOVERNMENTAL - FOREST	0.2
8210	GOVERNMENTAL - PARKS	0.27
8220	GOVERNMENTAL - RECREATIONAL AREA	0.27
8300	GOVERNMENTAL - PUBLIC SCHOOL (BOARD OF PUBLIC INST	0.725
8400	GOVERNMENTAL - COLLEGE (PUBLIC)	0.725
8600	GOV'T-CO(OTHER THAN SCHLS/COLEGS/HOSP)INC NON-MUNI	0.725

DOR Code	Property Use Description	NEIF Value
8700	GOVERNMENTAL - STATE (OTHER THAN MILITARY,FOREST,P	0.725
8800	GOVERNMENTAL - FEDERAL (OTHER THAN MILITARY,FOREST	0.725
8900	GOVERNMENTAL - MUNICIPAL (OTHER THAN PARKS,REC ARE	0.725
9000	MISCELLANEOUS- LEASEHOLD INTEREST (GOV OWNED LEASE	0
9100	MISCELLANEOUS- UTILITY - GAS	0
9110	MISCELLANEOUS- UTILITY - ELECTRIC	0
9120	MISCELLANEOUS- UTILITY - TELEPHONE	0
9150	MISCELLANEOUS- UTILITY - WATER AND SEWER	0
9300	MISCELLANEOUS-SUBSURFACE RIGHTS	0
9400	MISCELLANEOUS- RIGHT-OF-WAY,STREETS,ROADS,IRR CANAL	0
9500	MISCELLANEOUS- RIVERS AND LAKES	0
9600	MISCELLANEOUS- SOLID WASTE	0
9620	MISCELLANEOUS- DRAINAGE RESERVOIR	0
9900	MISCELLANEOUS- ACREAGE NOT ZONED AGRICULTURAL	0.2

## CALCULATION OF BILLING UNITS

As previously described, each component was assessed on a per parcel, per ERU, or per EDU basis as indicated in the Apportionment Methodology section of this report. Table 6 provides a summary of the total billing units by service component.

**Table 6**  
**Total Billing Units by Service Component**

	Base Administrative Services	Roads Base Services	Base Roads Enhanced Services	Right of Way Mowing	Base Drainage Services	Enhanced Drainage Services
	Per Parcel	Per ERU	Per ERU	Per Parcel	Per EDU	Per EDU
<b>Number of Parcels</b>	72,159			49,824		
<b>Number of ERUs</b>		82,709	79,590			
<b>Number of EDUs</b>					123,613	118,312

## PRELIMINARY RATE CALCULATIONS

Once the total billing units for the road and drainage components were calculated, the next step was to determine the preliminary rate calculations. The preliminary rate calculations are based on the type and level of service provided to each parcel of property using the cost allocation methodology previously described and accounting for the Limited Service Areas. Table 7 provides the rate calculations for each component for Fiscal Year 2007-08.

**Table 7**  
**Preliminary Rate Calculations for Fiscal Year 2007-08**

	<b>Base Administrative Services</b>	<b>Roads Base Services</b>	<b>Roads Enhanced Services</b>	<b>Right of Way Mowing</b>	<b>Base Drainage Services</b>	<b>Enhanced Drainage Services</b>
<b>Calculation Basis</b>	Per Parcel	Per ERU	Per ERU	Per Parcel	Per EDU	Per EDU
<b>Net Revenue Requirement</b>	\$2,308,549	\$1,523,735	\$1,505,820	\$1,987,551	\$3,782,777	\$2,791,568
<b>Number of Parcels</b>	72,159			49,824		
<b>Number of ERUs</b>		82,709	79,590			
<b>Number of EDUs</b>					123,613	118,312
<b>Fiscal Year 2007-08 Rates at 95% units</b>	\$34.00	\$20.00	\$20.00	\$42.00	\$33.00	\$25.00

## REVISED REVENUE REQUIREMENTS

Based on the initial presentation of methodology and rates, the City Commission voted during a budget workshop on June 21, 2007 to reduce the net assessment requirements by \$684,000 through the following line item adjustments:

Delete Contracted Litter Removal -	(\$225,000)
Delete Contracted Pothole Patching -	(\$375,000)
Reduce Amount allocated for Asphalt purchase -	(\$145,941)
Increase Allotment for 3% Salary Increases -	\$61,941

Table 8 reflects the Fiscal Year 2007-08 revised net revenue requirements by the six core components based on the above listed budget revisions.

**Table 8**  
**Fiscal Year Net Revenue Requirements (\$13,216,000)**

	<b>Amount</b>	<b>Percentage</b>
Base Administrative Services	\$2,321,300	17.6%
Roads Base Services	\$1,167,931	8.8%
Roads Enhanced Services	\$1,187,144	9.0%
Right of Way Mowing	\$1,993,704	15.1%
Base Drainage Services	\$3,763,184	28.5%
Enhanced Drainage Services	\$2,782,737	21.1%
<b>Net Assessment Requirements</b>	<b>\$13,216,000</b>	<b>100.0%</b>

## FINAL RATE CALCULATIONS

The final rate calculations are based on the type and level of service provided to each parcel of property using the revised cost allocation methodology previously described and accounting for the Limited Service Areas. Table 9 provides the rate calculations for each component for Fiscal Year 2007-08.

**Table 9**  
**Final Rate Calculations for Fiscal Year 2007-08**

	<b>Base Administrative Services</b>	<b>Roads Base Services</b>	<b>Roads Enhanced Services</b>	<b>Right of Way Mowing</b>	<b>Base Drainage Services</b>	<b>Enhanced Drainage Services</b>
<b>Calculation Basis</b>	Per PARCEL	Per ERU	Per ERU	Per Parcel	Per EDU	Per EDU
<b>Net Revenue Requirement</b>	\$2,321,300	\$1,167,931	\$1,187,144	\$1,993,704	\$3,763,184	\$2,782,737
<b>Number of Parcels</b>	72,159			49,824		
<b>Number of ERUs</b>		82,709	79,590			
<b>Number of EDUs</b>					123,613	118,312
<b>Fiscal Year 2007-08 Rates at 95% units</b>	\$34	\$15	\$16	\$42	\$33	\$25

## GOVERNMENT PROPERTY ASSUMPTIONS

The following assumptions support a finding that government property within the City demands and uses the Road and Drainage services provided by the City.

- The City's Road and Drainage District provides services and facilities to government property by maintaining roads, treating and controlling contaminated stormwater generated by improvements constructed on government property.
- Government property creates a burden on the Road and Drainage District that must be managed by the City through the maintenance of roads, as well as the collection, storage, control, treatment, and conveyance of stormwater generated by such government property.
- The Road and Drainage assessment charged to government property as calculated pursuant to the methodology presented in this Assessment Report bears a reasonable relationship to the City's cost of providing road and drainage services to government property and is fair and equitable.

# Outstanding Issue

GSG has identified the following issue that requires further consideration with respect to the preliminary rates that are developed and presented in this Report.

**Issue 1: Collection of Assessments from Governmental Property.** A special assessment can be imposed against governmental property to pay for the benefits that such property receives. However, as to each level of government, differing concepts of immunity and other statutory provisions or case law may prevent collection or frustrate special assessment imposition. In addition, Florida case law is clear that the payment of such assessments cannot be enforced by a lien against the public property. Rather, the enforcement remedy would be a judicial action to compel payment. A collateral issue in enforcing payment is the legislative authorization of the public agency to pay the charge or special assessment imposed. Thus, the law establishing the expenditure authority of the specific governmental or public agency or its appropriation discretion must be examined to determine whether the governmental unit has the authority to pay a charge or assessment for road and drainage services provided by the City.

From a collection standpoint, there is only one method to bill governmental property. Each governmental unit should be sent a separate bill and no attempt should be made to collect the special assessment using the Uniform Method.