CITY OF FORT LAUDERDALE

All-America City

Proposed Changes to Stormwater Fees

Frequently Asked Questions - see questions and answers below

1. Why does Fort Lauderdale charge a stormwater fee?

Stormwater fees support costs directly related to functions of a Stormwater Management Program. Revenues collected from the stormwater fee allow the City to plan, operate, and maintain Fort Lauderdale's stormwater system, which includes 186.88 miles of stormwater pipe, 1,263 manholes, 1,064 outfalls, 13 drainage wells, 9,099 catch basins, and 160 tidal valves. These functions support the Clean Water Act of 1972 and help control flooding, enhance water quality, and minimize the environmental impact of stormwater pollution. Stormwater fees can be used only for stormwater activities and cannot be used for other purposes.

2. When did property owners start paying for stormwater improvements?

Since 2012, the stormwater utility fee has been charged on the monthly utility bill. The City is proposing removing the stormwater fee from the utility bill and placing it on the annual property tax bill. All property owners, including those of single-family, condo, and commercial properties, will be billed an annual stormwater fee to share the cost of planning, installing and maintaining stormwater infrastructure. The infrastructure is intended to benefit all property owners by reducing flooding, keeping roads passable, safeguarding property access, and protecting properties.

3. Why is Fort Lauderdale changing the stormwater fee structure?
Stormwater management is critical to minimize flooding and improve the quality of our waterways. It is a top priority for the City of Fort Lauderdale and its residents and businesses. The City Commission is committed to addressing the complex stormwater challenges that exist in our area. As our community continues to face the impacts of sea level rise, we need to make significant investments in our stormwater system now to prepare for the future, adapt to changing climate conditions, and ensure we can continue to provide quality stormwater services to our residents and businesses. The City hired Stantec Consulting Services, Inc. to conduct a stormwater rate study to analyze how much revenue would be required to maintain the stormwater system and meet the needs of the community in the future. Based on the consultant recommendations, the City plans to update its approach to stormwater billing and adopt a new stormwater fee structure to ensure it can fund major infrastructure improvements and create a stronger, more resilient community.

4. Is the City raising taxes to pay for stormwater improvements?
The City is not raising taxes. The millage rate has remained at 4.1193 for 14 consecutive years and is the sixth-lowest rate in Broward County. Payment of the stormwater utility fee is moving from the monthly utility bill to the annual property tax bill as a non-ad valorem assessment. Non-ad valorem means the amount of the fee is not determined by the value of a property.

5. Why is the City charging property owners for stormwater infrastructure improvements?
The City is proposing an increase in its stormwater assessment to invest in both new and improved infrastructure to protect the community against sea level rise and changing climate conditions. The City must begin to adapt by installing new drainage pipes and pumps, adding tidal valves, elevating sea walls, creating swales, and implementing other improvements to make the City more resilient to climate change. If we fail to act now and make the improvements needed, we will continue to see more flooding and risk jeopardizing property values and the quality of life in our community.

6. I represent a Church or non-profit organization that does not pay property taxes. Should I pay the stormwater assessment? Yes, all churches and non-profit organizations that own property in the City of Fort Lauderdale should pay the Non-Ad Valorem stormwater assessment for their property. The stormwater assessment is a fee, it is not a tax, and it is not tax-exempt.

7. When was the stormwater rate study shared with the community?
Stantec Consulting Services, Inc. presented their research and findings to the Budget Advisory Board (BAB) on June 12, 2018; to the resident Infrastructure Task Force on December 2, 2019; and to the Council of Fort Lauderdale Civic Associations on February 4, 2020. The consultant also made presentations to the City Commission during Conference Meetings on June 19, 2018 and November 19, 2019. As part of the study, Stantec developed a fee structure that would equitably recover the costs of the stormwater system from properties throughout the City in proportion to the benefit that each property receives from the stormwater system. Acknowledging the volume of stormwater infrastructure work necessary throughout the City and the limited available resources, the City Commission, BAB, Infrastructure Task Force, and Council of Fort Lauderdale Civic Associations all expressed support of the proposed hybrid Stormwater fee methodology that incorporates both gross square footage of a parcel and trip generation rates.

8. Why doesn't the City get a bond to fund stormwater improvements?

The City of Fort Lauderdale developed a Stormwater Master Plan that includes comprehensive designs for improvements in key areas of the City vulnerable to flooding, including:

- Dorsey Riverbend
- Durrs Community Association
- Edgewood
- Progresso Village Civic Association
- River Oaks
- Southeast Isles (Several neighborhoods in Las Olas Isles area)
- Victoria Park Civic Association

Once funded, the new stormwater management infrastructure including seawalls, swales, new pipes in areas without stormwater systems and pump systems, will be installed over a five-year period. The City will fund these projects through a $200 million bond that would be secured by revenue from the stormwater fee. Currently, the rate structure does not have the capacity to support a revenue bond this large. The City worked with Stantec consulting to complete a stormwater rate study and develop a proposed hybrid fee structure adequate to secure the bond.

9. How will my new stormwater fee be determined?

The new methodology is based on equitably recovering costs in proportion to the benefit that each property receives from the stormwater system. Depending on the type of parcel (single-family, multi-family, or commercial), the stormwater utility fee structure considers total square footage of the parcels or dwelling units and the trips generated by various property types. The City's stormwater management services provide the dual benefits of protecting property from flooding and keeping roads passable. This hybrid methodology is supported by the City Commission, the Budget Advisory Board, the Infrastructure Task Force, and the Council of Fort Lauderdale Civic Associations. New fees reflect a hybrid structure based on trip generation rates (20% of the revenue recovered) and gross square footage (80% of the revenue recovered), which is a more equitable way to charge stormwater fees to fund infrastructure, recognizing the dual benefits of property protection and clear and passable streets.

10. Where can I find the amount of new stormwater fee?

Neighbors can use an interactive Geographic Information System (GIS) database to enter a property address and view their proposed stormwater fee assessment. Please visit www.fortlauderdale.gov/stormwater to access the GIS property database. Additionally, each property's annual tax trim notice will contain the proposed stormwater assessment amount for the property.

11. Why is my stormwater rate moving from my utility bill to my property tax bill?

Based on the study completed by Stantec Consulting Services, Inc., it was recommended that the stormwater rate be moved from the monthly utility bill to the annual property tax bill, as a Non-Ad Valorem assessment. Using the property tax bill is the most efficient and straightforward method of assessing and collecting stormwater fees, especially in our City, where many high rises and condos have one utility account for multiple properties. Placing the charges on the property tax bill certifies the billing is coming directly from the City rather than a third party, streamlines the administrative process, provides for better accuracy, and ensures the new fee formula is properly applied to each property.

12. When will my stormwater rate move to my tax bill?

Beginning in mid-October 2020, your stormwater rate will be billed annually on your property tax bill instead of monthly on your utility bill. The annual stormwater management fee is for the period from October 1, 2020 to September 30, 2021. The annual fee will appear as a stormwater assessment in the Non-Ad Valorem Taxes section of your Property Tax bill. Depending on your billing cycle, some neighbors who receive a utility bill in early October may see a stormwater charge on their October 2020 utility bill for the period from the last bill date to the end of September 2020.

13. How can I provide input regarding the Stormwater Non-Ad Valorem Assessment?

The City Commission will hold a public hearing September 14 at 5:01 p.m. to discuss the proposed Stormwater Non-Ad Valorem Assessment. The City will also host a series of five informational virtual meetings prior to the Commission hearing to explain the assessment and give property owners a chance to ask questions. Visit www.fortlauderdale.gov/stormwater for the virtual meeting schedule and directions to participate.

14. How will the new fee structure impact condo owners?

Historically, the stormwater fee has been billed to the individual or organization associated with a utility account at a given address. Beginning in October 2020, the stormwater charges will appear on each parcel owner's annual tax bill as a non-ad valorem assessment.

A parcel owner's yearly stormwater assessment will be calculated as follows:

- **ACREAGE**: Individual's unit living area DIVIDED by total of all units' living area (excluding common areas) to arrive at a percentage of ownership. This percentage will then be MULTIPLIED by parcel charge ($2,273.01/acre of gross area).
- **TRIP CHARGE**: 4.45 Trip Rate (Trip Rate is the average daily trips during a weekday from Institute of Transportation Engineers (ITE), Trip Generation, 10th ed., 2017) X $4.19 per trip = $18.65 yearly.

Example: If the unit owner's living area is 1,000 sq. ft. and the total living area of all units in the building is 100,000 sq. ft. – then 1,000 divided by 100,000 = 1% (unit owner's share). If the association's land acreage is 2 acres – then multiply 2 times $2,273.01/acre = $4,546.02 (total acreage charge). This amount is then multiplied by the individual owner's share of 1% (.01 x $4,546.02) = $45.46. Combining the two: $45.46 (acreage) + $18.65 (trip charge) = $64.11 – annual fee for stormwater on an individual's tax bill for 2021.

15. How will the new fee structure impact single family homeowners?

Single family properties were previously charged $14 per month (or $168 per year) on their utility bill. Going forward, single family homes will be billed approximately $258.26 per year on their annual tax bill, which reflects a change of approximately $90 per year. After mid-October 2020, single-family homeowners will no longer see a monthly stormwater fee on their utility bill. In the case of homes with a mortgage, this assessment will likely be reflected in your escrow payment.

16. How will the new fee structure impact commercial properties?

Commercial properties were previously charged based strictly on their gross parcel acreage. Going forward, commercial parcels will continue to be charged on their gross parcel area ($2,273.01/acre) and will also be assessed on their average trip generation rate. The average trip generation rate per land use type is based on the associated trip rate from the Institute of Transportation Engineers (ITE), Trip Generation, 10th ed., 2017 and for most parcels the total trips generated is a function of the building size. In this way each commercial parcel will have a unique assessment that will be a combination of the gross area-based fee and total trips generated on the parcel.

A parcel owner's yearly stormwater assessment will be calculated as follows:

- **ACREAGE**: Parcel gross area MULTIPLIED by parcel charge ($2,273.01/acre of gross area).
- **TRIP CHARGE**: Trip Rate (Trip Rate is the average daily trips during a weekday from Institute of Transportation Engineers (ITE), Trip Generation, 10th ed., 2017) X $4.19 per trip = Annual fee

Example: If a parcels is 10,000 sq. ft., the acreage charge is (10,000/43,560)* $2,273 = $521.81. For a the trip charge, a general commercial building has a trip generation rate of 9.74 per 1,000 sqft of building area, so if the parcel has building sqft 2,000, the trip charge would be (2,000/1,000)*9.74*$4.19= $81.62 Combining the two: $521.81 (acreage) + $81.62 (trip charge) = $603.43 annual fee for stormwater on an individual's tax bill for 2021.

17. Why does Fort Lauderdale operate a Stormwater Management Program?

Known as the "Venice of America," Fort Lauderdale enjoys seven miles of shoreline and 165 miles of inland waterways; however, its flat topography, location on a peninsula, coastal development, and shallow, porous aquifer make the City vulnerable to the effects of climate change and sea level rise. The City is composed of numerous individual watersheds, many of which are low-lying areas surrounded by canals and rivers. This combined with limited groundwater storage, high tidal/storm surges, intense seasonal storm events and aging stormwater infrastructure combine to exacerbate local flood risks. In addition, our current drainage system depends primarily on gravity and not pumps to move water off the land. As our community grows and continues to experience environmental impacts, our challenges related to flooding and stormwater management will also increase.

As we strive to fulfill our shared community-wide vision to become a safe and resilient coastal community, we are adapting to changing conditions. In order to maintain the level of service while anticipating more frequent and more intense flooding events, we must upgrade our stormwater infrastructure to handle a variety of future conditions.

Through Adaptation Action Areas, the Stormwater Master Plan, Sustainability Action Plan, Vision Plan, Seawall Master Plan, and other initiatives, we are exploring adaptation solutions that are practical, innovative, forward looking, and meet our neighbors' needs while working in harmony with our surrounding environment.

18. What has the City done to improve its stormwater infrastructure and address flooding concerns?
The City has taken extensive measures to mitigate stormwater issues and protect the resilience of our community. Some of those steps include**:**

- Incorporating measures to address sea-level rise in the citywide Vision Plan, Sustainability Action Plan, Five-year Strategic Plan, Commission Annual Action Plan, and Community Investment Plan;
- Establishing a Sustainability Division to identify key issues and implement citywide strategies to build community resilience;
- Implementing the stormwater Community Investment Project (CIP) program to budget for critical improvements;
- Developing a robust Stormwater Master Plan with infrastructure improvements projects in the most vulnerable areas to reduce chronic flooding;
- Completing and implementing a Seawall Master Plan which identifies priority seawall repair and replacement;
- Creating a Stormwater Manager position and a Floodplain Manager position to coordinate resources and implement long-term initiatives to minimize our vulnerabilities and strengthen our community;
- Adopting an Adaptation Action Area (AAA) policy to help prioritize funding for adaptation measures and infrastructure improvements to reduce vulnerabilities in areas threatened by sea-level rise and coastal flooding;
- Designating 17 AAAs and funding for 43 projects in the 2020 Community Investment Plan;
- Amending the seawall ordinance to protect properties and minimize roadway impacts caused by breached seawalls;
- Replacing City-owned seawalls on Cordova Road and Isle of Palms to keep road passable and protect adjacent properties;
- Installing and maintaining 160 tidal valves to minimize flooding caused by sea-level rise;
- Installing a blend of permeable pavers, swales, and exfiltration trenches to maximize water retention and the capacity of the storm drain system to minimize localized flooding;
- Incorporating climate resilience and sea level rise as planning criteria for infrastructure improvements;
- Adopting new Flood Insurance Rate Maps and updating the floodplain ordinance to establish higher regulatory standards for future development to minimize vulnerability to flooding;
- Participating in the Community Rating System, a voluntary incentive-based community program from the National Flood Insurance Program, which allows residents to qualify for flood insurance premium discounts;
- Creating an Infrastructure Task Force to help prioritize City infrastructure needs and recommend funding methods;
- Utilizing the existing stormwater model to assess additional neighborhoods and develop comprehensive stormwater solutions to address flooding;
- Developing a Watershed Asset Management Plan and refining the City's inventory of stormwater infrastructure as part of a long-term commitment to comprehensive asset management;
- Implementing pro-active inspection and cleaning of catch basins to reduce the potential for blockages and identifying repair needs;
- Eliminating the backlog of swale repairs and developing a strategic swale rehabilitation program prioritizing area which would benefit most from the program;
- Working with Broward County and the Army Corps of Engineers to renourish the beach to mitigate wave impacts and storm surge; and

- Continuing to participate in the Southeast Florida Regional Climate Change Compact to engage in a regional approach to foster sustainability and climate resilience by implementing mitigation and adaptation initiatives.

19. Where can I get more information?

Visit the City website: www.fortlauderdale.gov/stormwater
Email our 24-Hour Neighbor Service Center: lauderserv@fortlauderdale.gov
Call our 24-Hour Neighbor Service Center: 954-828-8000