

City of Gainesville Infrastructure Funding Options for Innovation Square September 19, 2013

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Management
Services



Special
Assessments



Water and
Wastewater

Legislative ID #130191A

Outline of Presentation

- Funding Options
- Governance Options
- Special Assessments
 - General Information on Assessments
 - Assessment Methodologies
 - Implementation Procedures

Funding Options

- Private financing
 - Developer
- Public financing
 - City
 - Special District

Security and Sources for Payment of Government Debt

- General Obligation Bonds
- Lease Purchase Bonds (Certificates of Participation)
- Revenue Bonds
 - Sales taxes
 - Gas taxes
 - Franchise fees
 - Revenue sharing
 - Enterprise funds
 - Special assessments

Governance Options

- City Commission
- Dependent Special District - Ordinance
- Independent Special District – Special Act
- Independent Special District – General Law

A light beige map of the United States is positioned in the background, showing the outlines of the states. The map is centered and occupies most of the page's width and height.

SPECIAL ASSESSMENTS

Special Assessments

Definition:

Special assessments are charges assessed against the *property* of some particular locality because that *property* derives some *special benefit* from the expenditure of the money.

Case Law Requirements

- Special Benefit to Property and
- Fair and Reasonable Apportionment

Examples Of Special Benefit

- Fire Protection
- Street Improvements
- Parking Facilities
- Downtown Redevelopment
- Solid Waste
- Water Facilities
- Sewer Improvements
- Stormwater

No Special Benefit

- Public Hospitals
- Public Health Units
- Emergency Medical Services

Fair And Reasonable Apportionment

- Logically and factually driven method must be developed to spread the costs among the benefited properties.
- Does method of apportionment make sense in terms of what is being provided?

Methodologies

- Based on what is being constructed
- Based on composition of properties to be assessed

Methodologies

- Physical Use of Property
- Relative Proximity to Facility
- Amount of Service/Facility Required
- Lineal Front Foot
- Per Parcel or Unit
- Square Footage of Improvements
- Relative Value of Property
- Combination of Factors

Methodology Examples

- **Road paving** – front feet, lots, ERU, parcels, trip generation
- **Street lighting** – front feet, value, building square footage, ERU
- **Sidewalks** – front feet, lots, ERU, parcels
- **Water improvements** – EDU, lot, connections, “build-out”
- **Sewer improvements** – EDU, lot, connections, “build-out”
- **“Town Center” improvements** - front feet, value, building square footage, ERU
- **Parking Garages** – trip generation, land development codes, building square footage, # employees
- **Landscaping/Beautification/Signage** - front feet, lots, ERU, parcels
- **Beach renourishment** - front feet, lots, ERU, parcels
- **Canal Dredging** – lot, waterfront feet, parcel

Assessment Program Development

- Review project components and determine if they provide uniform benefit; if not uniform, determine portion of benefits
- Review map of project area to identify the properties that are benefited
- Determine/develop methodology based on project components and benefit area
- Review construction costs to determine what is being included in the costs
- Obtain basic financing assumptions – internal, external bank loan, bonds

Collection Methods

- Uniform Method – Used 99% of time due to financing benefits
 - Tax Bill – Section 197.3632, Florida Statutes
- Separate Bill – Used only in rare situations and usually for one year
 - Lien and Foreclosure Method
- Utility Bill – Never used

Implementation Procedures

- Adopt procedural ordinance
- Adopt initial assessment resolution
- Provide for public notice (mailed and published notice)
- Adopt final assessment resolution (rates)
- Prepayment period (if applicable)
- Bond validation (if applicable)
- Collect assessment on tax bill

Questions?