

Agenda Report



New Business - County Attorney

1.3. 10/24/2023

Subject:

Legislative intent and permission to advertise an ordinance creating an MSBU Culvert Assistance Program for homeowners as an option for fiscal assistance in the replacement of failed driveway culverts.

Fiscal Impact:

The fiscal impact is dependent upon future appropriations as determined by the Board on an annual basis. The Board will determine on an annual basis whether to dedicate funds for the Culvert Assistance Program in the forthcoming fiscal year. Funds dedicated for this purpose will be made available to homeowners on a firstcome, first-served basis. The costs of the program will be repaid by the homeowners who benefit from it in the form of a special assessment on the annual property tax bill. At the sole discretion of the Board, the County could issue bonds, notes, or other debt obligations secured in whole or in part by special assessments.

Dept/Office:

District 2

Requested Action:

It is requested that the Board of County Commissioners approve the Statement of Legislative Intent set forth below, direct staff to prepare an ordinance creating an MSBU program as an option to assist homeowners in the replacement of failed driveway culverts, and schedule and advertise the ordinance for public hearing.

Summary Explanation and Background:

There are many failed driveway culverts within unincorporated Brevard County. These failed culverts can impact drainage and cause water quality problems that affect many properties. When a culvert fails, it can slow down or even completely block the flow of stormwater through drainage swales. Replacing nonfunctioning culverts helps local drainage and can also help to improve the water quality in the Indian River Lagoon.

Code Enforcement is available as an enforcement mechanism to require homeowners to properly maintain and repair driveway culverts. However, homeowners are often unable to afford the replacement of a failed culvert. Culvert replacements range in price based on size, width, and other factors, and typically cost thousands of dollars.

Commissioner Goodson, District 2, proposes a County Municipal Services Benefit Unit ("MSBU") program to offer homeowners an option for fiscal assistance in the replacement of failed driveway culverts. This program would fund the up-front cost of replacing a failed culvert. The homeowner would repay that cost spread over a 10-year period as part of their annual taxes.

An MSBU is a legal financing mechanism where a local government provides for the delivery and funding of essential services through the imposition of special assessments (sometimes referred to as non-ad valorem assessments) against real property that receives a special benefit. In the case of the proposed MSBU program,

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it would give property owners a way to finance the replacement of failed driveway culverts by paying the cost through a special assessment.

The assessment amount levied on each property would include the construction cost, the collection and administration costs incurred by the County, amounts necessary to account for the maximum statutory discount for early payment, and the County's financing cost if applicable. Annual payments would then be collected on the property tax bill. Homeowners would have the option to pay off the assessment at any time.

Statement of Legislative Intent: Prepare an ordinance to accomplish the following:

- Create a Culvert Assistance Program to financially assist homeowners with the replacement of failed culverts by funding the up-front cost of replacement and allowing homeowners to repay the cost to the County over a 10-year period in the form of a special assessment on the annual tax bill.
- Make the Culvert Assistance Program subject to funding availability. Provide for potential funding by the issuance of bonds, notes, or other debt obligations secured by the special assessments, in the sole discretion of the Board.
- Establish an application process, approval criteria, and a financing agreement.
- At a minimum, to participate in the program the property must be an existing single-family dwelling or one duplex unit on a single lot of record, must be used for residential purposes, and must be in unincorporated Brevard County. The property owners must have fee simple title. All property taxes and any other assessments levied on the property tax bill must be current and have not been delinquent for a period of three years or the current owner's period of ownership, whichever is less. The culvert must be for a connection to a roadway maintained by the County.
- Provide for the appropriate notices, certification of assessment rolls, and other requirements necessary to collect the assessment utilizing the uniform procedure set forth in section 197.3632, Florida Statutes.

Clerk to the Board Instructions:

None