

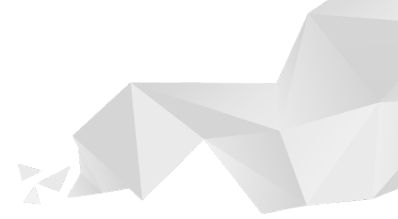


Stormwater Re-measurement Results & Billing Changes

June 26, 2024



Agenda



Stormwater Re-measurement Results

- *Presentation Prepared by Consultant (Raftelis):*
 - Current Rate Structure
 - Analysis Goals
 - Remeasurement Process
 - Rate Structure Options
 - Summary & Impacts

Billing Changes

- Transition Stormwater Billing to Property Tax Bill

Q&A

City of Hallandale Beach

Stormwater Residential Update



Current Rate Structure

Equivalent Residential Unit (ERU)

Average impervious area (IA) of a residential property in the city is defined as 0.022 acres (958 square feet)

Residential Properties

Single-family and multi-family properties

Billed 1 ERU per dwelling unit

Non-residential Properties

ERU rate × total area of property (in acres) × impervious factor ERU (in acres)

Analysis Goals



Measure updated equivalent residential unit



Evaluate residential population for differentiation



Improve equity

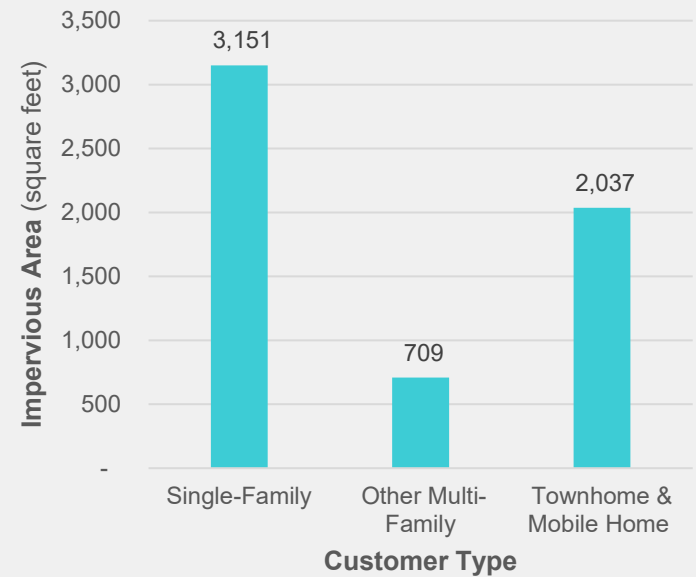


Evaluate impacts of changes to structure

What is the residential makeup in the City?



Median Impervious Area by Customer Type



Process

- Measured statistically significant samples of residential properties
 - › Single-family
 - › Multi-family
- Compared measurements amongst different housing types
 - › Adjusted analysis groups based on results
- Determined recommended residential customer classes



1 Detached up to 4 units

Single-family, duplexes, triplexes, and quadruplexes

2 Mobile homes & townhomes

Mobile home parks & townhome developments

3 Other multi-family residential

Apartments, condominiums, and cooperatives

Detached Up to 4 Units

- Initially measured sample of 600 Single-Family homes for tiering analysis
- Duplexes, triplexes, and quadruplexes were also measured, initially as part of the multi-family review
- These 2-to-4-unit properties were materially different from other multi-family housing in terms of total and per unit size (IA), and were very similar in size and size distribution to the single-family homes
- Pulled 2-to-4-unit properties into classification with single-family due to
 - › Challenges & variance within the multi-family population
 - › Similarity to single-family
 - › Common industry practice

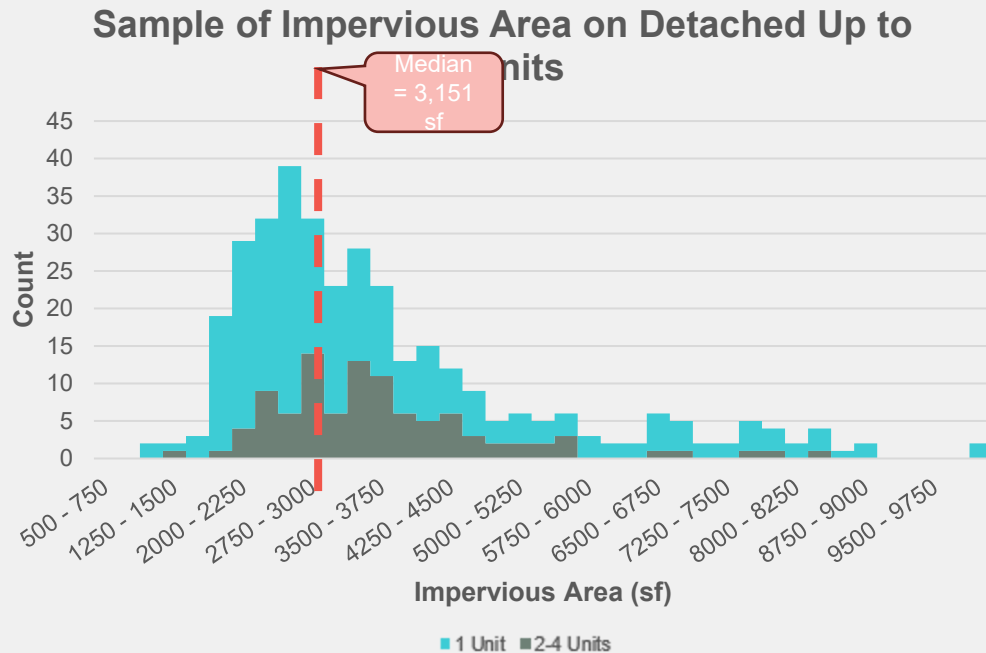


1-Unit Example
3,144 square feet



2-Unit Example
3,106 square feet

Detached Up to 4 Units



- 2-to-4-unit properties are seen throughout the distribution
- Have similar concentration between 3,000 and 3,300 square feet
- Largest properties are mostly single-family
- Update ERU to 3,200 square feet

Mobile Homes & Townhomes

- Initially reviewed as part of the larger multi-family analysis
- Analysis demonstrated that these properties are different enough from other multi-family developments that they could be pulled into a separate customer class
- Vary in size and impervious area makeup but represent a relatively small population

	Median Development IA	Median IA per Unit	ERU of Median IA per Unit	Minimum	Maximum
Townhomes	14,356	1,830	0.58	0.28	1.07
Mobile Homes	108,905	2,027	0.64	0.40	0.81
			0.61		



2,790,923 square feet



15,900 square feet

Mobile Homes & Townhomes

Due to the variability and small population size (about 25 developments), there are two options for billing:

1. Charge properties as non-residential based on their measured impervious area.
2. Bill per unit at average of 0.6 ERUs for a “townhome-mobile home” class.

Other Multi-Family

- Apartments, condominiums, and cooperatives
 - Reviewed population for flat, class-wide per unit charge
 - The average per unit impervious area is 0.3 ERUs or 813 square feet
 - Represent high-density developments with many units
1. Charge properties as non-residential based on measured impervious area.
 2. Bill per unit at average of 0.3 ERUs for an “Other Multi-Family” class.



117,679 square feet

Rate Structure Options



Rate Structure Scenarios For Comparison

1. Current Rate Structure
2. Updated ERU, Flat Residential Detached, Townhome & Mobile Home, & Multi-Family Customer Types
3. Updated ERU, 2-Tier Residential Detached, Townhome & Mobile Home, & Multi-Family Customer Types

Structures were evaluated based upon 2023 revenue data

Units of Service & Rates (2023 Revenues)

	Current Rate Structure (2023)	Flat Residential Townhome-Mobile Home Multi-Family Types	2-Tier Residential Townhome-Mobile Home Multi-Family Types
ERU Definition	958	3,200	3,200
Residential	28,396	10,608	11,205
Non-Residential	20,748	6,363	6,363
Total ERUs	49,144	16,971	17,569
2023 Revenue Target	\$4,782,700.00	\$4,782,700.00	\$4,782,700.00
Annual Required Rate	\$97.32	\$281.82	\$272.23
Monthly Required Rate	\$8.11	\$23.48	\$22.69

Non-residential bills decrease as ERU increases from 958 square feet to 3,200 square feet

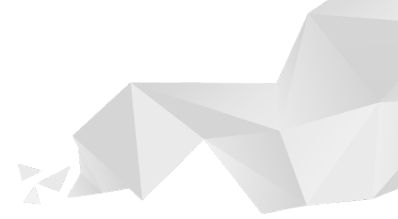
Summary



Analysis Summary & Impacts

- Current rate structure does not capture existing variation in housing stock
- Single-family homes are advantaged under current structure as it relates to their burden on the system while non-residential are over-captured
- Non-residential ERUs will decrease due to the increase in the size of the ERU definition

Transition Stormwater Billing to Property Tax Bill



Why is this recommended?

- Simplifies billing process & increases efficiency
- Better collections
- Successful implementation by neighboring cities (e.g. Fort Lauderdale, Coral Spring)

Benefits to Residents

- Reduces monthly financial burden
- Clearer cost understanding

Billing Once Per Year

- Annual Stormwater Assessment
- Investment Leverage

Transition Stormwater Billing to Property Tax Bill (Cont.)



Next Steps

- Coordination with Property Appraiser's Office
- Resolution to be adopted prior to January 1st (for FY26)
- Notify various agencies of intent resolution by March 1st
- Follow similar process to all other non-ad valorem assessments

Maintaining Tax Roll

- Change would require an annual evaluation by the City or consultants to maintain the tax roll and submit updated assessment information for submittal to the Property Appraiser's Office. Annual cost is to be determined based on the final rate study results.



QUESTIONS?

THANK YOU