



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:		1 st Reading	2 nd Reading
8/19/2026	26-297	☐ Resolution ☒ Ordinance ☐ Other	Ordinance Reading	8/19/2026	9/14/2026
			Public Hearing	☐	☒
			Advertising Required	☐	☒
			Quasi-Judicial:	☐	☐
Fiscal Impact (\$):	Account Balance (\$):		Funding Source:	Project Number:	
N/A	N/A		Stormwater Utility Enterprise Fund	N/A	
Contract Required:	P.O. Required:	Grant Funded:	RFP/RFQ/Bid Number:		
☐ Yes ☒ No	☐ Yes ☒ No	☐ Yes ☒ No	N/A		
Sponsor Name:			Department:		
Geovanne Neste, Finance Director			Finance Department		
Strategic Plan Focus Areas:					
☒ Fiscal Stability	☒ Resident Services	☐ Public Safety	☒ Infrastructure & Mobility	☐ Economic Development & Affordable Housing	
Implementation Timeline:					
Estimated Start Date: 8/19/2026			Estimated End Date: N/A		

SHORT TITLE:

AN ORDINANCE OF THE CITY OF HALLANDALE BEACH, FLORIDA, RELATING TO THE CITY'S STORMWATER UTILITY FEES; PROVIDING FOR COLLECTION OF SUCH STORMWATER UTILITY FEES AS NON-AD VALOREM ASSESSMENTS ON THE ANNUAL PROPERTY TAX BILL; APPROVING THE AMOUNT OF THE STORMWATER MANAGEMENT SERVICE COST TO BE FUNDED BY THE NON-AD VALOREM ASSESSMENTS IN FISCAL YEAR 2026-27; APPROVING THE METHOD OF CALCULATING THE STORMWATER NON-AD VALOREM ASSESSMENTS; APPROVING THE STORMWATER NON-AD VALOREM ASSESSMENT ROLL; IMPOSING ASSESSMENTS UPON ALL TAX PARCELS DESCRIBED IN THE ASSESSMENT ROLL; APPROVING COLLECTION OF THE STORMWATER SERVICE ASSESSMENTS ON THE ANNUAL PROPERTY TAX BILL COMMENCING WITH THE TAX BILL MAILED IN NOVEMBER 2026; RATIFYING AND CONFIRMING CITY RESOLUTION NO. 2026-067; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

This ordinance is the final City Commission action required for moving collection of the City's stormwater fee from the monthly utility bill to the annual property tax bill. It approves the total stormwater cost to be funded in FY 2027 (\$7,312,259), confirms how that cost is divided among properties, sets the FY 2027 rate at \$145.56 per Equivalent Residential Unit (ERU) (equivalent to \$12.13 per month), approves the non-ad valorem assessment roll on file with the City Clerk, and authorizes collection on the property tax bill mailed in November 2026. First reading is August 19, 2026. The public hearing, where property owners may comment before final adoption, is at second reading on September 14, 2026.

Background:

The City's Stormwater Management Program was created in 1992 by Ordinance 92-07 and has historically been funded through a stormwater fee collected on the monthly utility bill, currently \$10.79 per ERU per month. The program maintains approximately 3,000 drains, 42 miles of drainage lines, and the City's stormwater pump stations, and funds the capital improvements needed to reduce flooding and comply with State and federal water-quality requirements.

On December 3, 2025, the City Commission adopted Resolution 2025-159, stating the City's intent to use the uniform method of collecting the stormwater utility fees as non-ad valorem assessments under Section 197.3632, Florida Statutes, beginning in FY 2027. On June 22, 2026, the Commission adopted the Initial Assessment Resolution (Resolution 2026-067) (Exhibit 2) required by Chapter 10, Article IV of the City Code. The initial resolution proposed collection of the stormwater utility fee as a non-ad valorem assessment, described the apportionment methodology, set the maximum FY 2027 rate, directed preparation of the assessment roll, scheduled the public hearing for September 14, 2026, and directed the mailing of notice through the TRIM notice and publication of newspaper notice.

The City's rate consultant completed a Stormwater Fee Study supporting these actions. The study found that without fee adjustments the Stormwater Fund would be unable to support new borrowing by FY 2027 and would exhaust its reserves by FY 2032. It recommended a 10% revenue increase in FY 2027 followed by 12% annual increases, cash funding of approximately 12% of the capital program, a transition of non-residential properties to fees based on measured impervious area, and collection of the fee on the property tax bill. The study recommendations were presented to the City Commission on May 20, 2026, and the study report is attached (Exhibit 3). The study supports a ten-year capital program of approximately \$166.2 million, including major trunk-line installations, citywide swale improvements, and retention-lake dredging.

Current Situation:

The attached Final Assessment Ordinance (Exhibit 1) completes the process required by the Initial Assessment Resolution and Chapter 10, Article IV of the City Code. Specifically, the ordinance:

- Approves the FY 2027 Stormwater Management Service Cost of \$7,312,259. This is the gross fee revenue requirement of \$6,898,357 identified in the Stormwater Fee Study, adjusted upward to allow for the 4% statutory early-payment discount and the approximately 2% administrative charges of the Broward County Property Appraiser and Tax Collector, so that the Stormwater Fund receives the net revenue it needs.
- Ratifies and confirms the apportionment methodology adopted in the Initial Assessment Resolution: one ERU (958 square feet of impervious area) per dwelling unit for residential properties, and measured impervious area for non-residential properties.
- Adopts the FY 2027 assessment rate of \$145.56 per ERU (\$12.13 per month), and establishes that rate as the maximum that may be imposed in future years without a new round of mailed and published notice.
- Levies the assessment on all tax parcels described in the assessment roll and provides that it constitutes a lien equal in rank with State, county, and municipal taxes.
- Approves the FY 2027 Stormwater Assessment Roll, which is on file with the City Clerk and available for public inspection.
- Authorizes collection on the annual property tax bill under the Uniform Assessment Collection Act, beginning with the tax bill mailed in November 2026, and directs certification of the roll to the Broward County Tax Collector by September 15, 2026.
- Provides that assessment rolls for future years may be approved by an annual assessment resolution, and that adoption of this ordinance is the final adjudication of the issues presented unless challenged in court within 20 days.

The ordinance requires two readings. First reading is August 19, 2026. Second reading on September 14, 2026 is the advertised public hearing required by Section 197.3632(4), Florida Statutes, and by the Initial Assessment Resolution. Notice of the hearing has been provided to every affected property owner through the TRIM notice mailed by the Broward County Property Appraiser and through published newspaper notice at least 20 days before the hearing. At the hearing, the Commission will receive comments and objections from all interested persons before voting on final adoption. The Commission may adopt the assessment at the noticed rate of \$145.56 per ERU or at a lower rate, but may not exceed that rate without re-noticing all property owners.

Why Action is Necessary:

Adoption of this ordinance is required to complete the transition from monthly utility bill collection to tax bill collection as proposed by the Initial Assessment Resolution and to place the stormwater assessment on the FY 2027 property tax bill. Under Section 197.3632, Florida Statutes, the assessment roll must be certified to the Broward County Tax Collector by September 15, 2026. Holding first reading on August 19 and the public hearing with second reading on September 14 allows the City to adopt the ordinance, consider any adjustments raised at the hearing, and certify the final roll within the statutory deadline.

If the ordinance is adopted, the stormwater utility fees for parcels owned by governmental entities will continue to be invoiced through the monthly utility billing system and will not be collected as non-ad valorem assessments or included on the Stormwater Assessment Roll.

If the ordinance is not adopted, the stormwater utility fee will not be collected on the November 2026 tax bill and the utility fee for all properties will remain on the monthly utility bill for another year. That outcome would forgo the collection, equity, and administrative benefits of the uniform method and would delay the revenue plan needed to keep the Stormwater Fund solvent and to fund the capital program.

Business Impact Estimate:

In accordance with Section 166.041(4), Florida Statutes, a Business Impact Estimate was prepared for this ordinance and published on the City's website no later than the date the notice of proposed enactment was published. The estimate is summarized below.

Purpose and public benefit. The proposed ordinance promotes the public health, safety, and welfare by securing a stable, dedicated funding source for the City's stormwater management system, which reduces flooding, protects property, and maintains compliance with State and federal water-quality requirements. The ordinance does not create a new fee; the stormwater utility fee has been levied citywide since 1992. It adjusts the fee, updates the apportionment methodology for non-residential properties, and moves collection from the monthly utility bill to the annual property tax bill.

Direct compliance costs. The ordinance imposes no licensing, permitting, reporting, or operational requirements on businesses. No business is required to alter its operations, maintain records, or take any compliance action. The sole direct economic impact on a business is the assessment applied to the real property it owns or, where a lease passes through property assessments, occupies.

New charges or fees and estimated regulatory costs. The FY 2027 assessment rate is \$145.56 per Equivalent Residential Unit (ERU) per year (\$12.13 per month), an increase of 12.4% over the current rate of \$10.79 per month. Based on the FY 2027 assessment roll, commercial and industrial properties account for approximately 17,000 ERUs, and the City estimates it will collect approximately \$2.47 million of the FY 2027 assessment from these business properties. Because non-residential parcels are transitioning to fees based on measured impervious area, the impact on an individual business property will vary: parcels currently over-assigned billing units may see increases smaller than 12.4% or a reduction, while parcels currently under-assigned may see larger increases. Representative examples in the Stormwater Fee Study (Exhibit 3) range from a 1.1% decrease to a 19.1% increase.

Good faith estimate of businesses impacted. Approximately 975 commercial and industrial tax parcels will be subject to the assessment. Including income-producing multifamily rental properties, approximately 2,070 business-owned parcels are impacted.

Additional information. Collection on the annual tax bill entitles property owners to the statutory early-payment discount of up to 4%, a discount not available under the current monthly billing method. The City was not required to, and did not, retain an economist or financial consultant to prepare this estimate.

Cost Benefit:

Collecting the stormwater fee on the property tax bill, at the approved FY 2027 rate, provides the following benefits:

- Near-complete collection of billed amounts through the Tax Collector's process, compared to utility-bill collections that are subject to delinquencies and write-offs.

- Lower administrative cost by eliminating monthly stormwater billing, and more accurate billing through the Property Appraiser's annual parcel and ownership updates.
- A stable revenue stream that supports the debt service coverage targets in the Stormwater Fee Study and preserves borrowing capacity for the ten-year, approximately \$166.2 million stormwater capital program.
- The updated methodology offers greater fairness for non-residential properties, which will be billed on their actual measured impervious area rather than generalized factors by land-use type.
- A typical single-family bill equivalent of \$12.13 per month in FY 2027, an increase of \$1.34 per month (\$16.08 per year) before the early-payment discount, which remains below comparable South Florida cities including Hollywood (\$22.00), Fort Lauderdale (\$31.31), and Miami Beach (\$31.86).

PROPOSED ACTION:

The City Commission considers the attached Final Assessment Ordinance.

ATTACHMENT(S):

Exhibit 1 – Final Assessment Ordinance
 Exhibit 2 – Resolution 2026-067 Initial Assessment Resolution
 Exhibit 3 – Stormwater Fee Study (June 1, 2026)
 Exhibit 4 – Stormwater Fee Study Recommendations Presentation Update

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