



Legislation Details (With Text)

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**Title:** Revision to Board Policy No. 16-01 Regarding Municipal Service Benefit Unit Creation and Administration

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**Attachments:** 1. MSBU Policy 16-01 - Revised 2023

Date	Ver.	Action By	Action	Result
7/11/2023	1	Board of County Commissioners	adopted	Pass

**TITLE**

Revision to Board Policy No. 16-01 Regarding Municipal Service Benefit Unit Creation and Administration

**BRIEF OVERVIEW**

The Hernando County Board of County Commissioners adopted and thereby created Board Policy 16-1 Municipal Service Benefit Unit (MSBU) Creation and Administration. The policy has been revised several times, with the last revision being April 12, 2022.

This policy was established for the creation and amendment of MSBUs and annual procedure for levy, collection, and adjustment of non-ad valorem assessments, for a variety of services and improvements including, but not limited to, residential household solid waste collection and disposal services, residential street lighting, fire protection, road paving, drainage, and water and sewer infrastructure.

In an ongoing process to update the standards for governing the MSBU process and to reflect the current economic market, staff is proposing the following revisions to MSBU Policy 16-1:

- At the February 16, 2023, workshop meeting, the Board of County Commissioners discussed the limited funding sources for road improvements within Hernando County. Due to these revenue constraints and increased construction cost, there was consensus to prioritize the maintenance and resurfacing of existing county maintained paved roads over new paving of limerock roads. It was proposed to suspend the County’s subsidized one-third cost share funding for citizen-initiated road paving MSBUs and to assign 100% of those project costs to the benefitting property owners. The County will continue to facilitate road paving MSBUs under these new terms.

- Staff recommends that the policy be revised to include standardized direction for the County's response to received bids/proposals on citizen initiated MSBU capital improvement projects. This permits the County to award proposed contracts on bids/proposals that are not greater than 125% of the approved funds for the project; to repost the project for solicitation if all bids/proposals are above 125% but not more than 150% of the approved project funds; or to reject the project entirely if all bids/proposals received are above 150% of the approved funding amount. If the project is rejected, a public hearing to rescind the MSBU Ordinance shall be scheduled.
- In April 2022, the policy was amended to include a "Unity of Title" option which grants benefitting property owners with two or more contiguous lots an adjustment to the number of assessable units to no more than one unit. After one year of implementation, staff has determined the application period of thirty (30) days to be insufficient and suggests extending the deadline to forty-five (45) days to allow property owners more time to receive responses from their mortgage holders.

Additionally, as the policy includes services which are provided under the purview of other departments (Utilities Water & Sewer, Landfill Solid Waste, and Fire/Rescue), they were provided the opportunity to review and provide any necessary changes. All requested changes have been incorporated into the policy.

Staff requests that the Board review the proposed changes to the policy and provide direction on how they wish staff to proceed.

## **FINANCIAL IMPACT**

A matter of policy.

## **LEGAL NOTE**

The Board has authority to act on this matter pursuant to Chapter 125, Florida Statutes.

## **RECOMMENDATION**

It is recommended that the Board review the proposed changes to Board Policy 16-1 and provide direction on how they wish staff to proceed.