

TOWN OF PALM BEACH

Information for Special Town Council Meeting on: September 11, 2024

To: Mayor and Town Council

Via: Kirk Blouin, Town Manager

From: Bob Miracle, Deputy Town Manager – Finance and Administration

Re: Peruvian Avenue 400 Block Streetscape Project Underground Assessment Area –
Adoption of Final Assessment Roll for FY2025
Resolution No. 101-2024

Date: September 1, 2024

STAFF RECOMMENDATION

Staff recommends Town Council adopt Resolution No. 101-2024, which is the final assessment resolution for the proposed maintenance assessments for the Peruvian Avenue 400 Block Streetscape Project Assessment Area in FY2025.

GENERAL INFORMATION

The non-ad valorem assessment process that causes special assessments implemented by the Town to appear on a property owner's property tax bill dovetails with the statewide budget and millage rate adoption schedule. Accordingly, it is time to begin the final steps of implementing the FY2025 proposed maintenance assessments for the Peruvian Avenue 400 Block Streetscape Project Assessment Area that will appear on a property owner's tax bill mailed on or about November 1. By adopting Resolution No. 101-2024 you will be concluding a process whereby each affected property owner was advised of the amount of their proposed maintenance assessments and the date, time, and place of this public hearing to adopt the final assessment and associated assessment roll on the Property Appraiser's TRIM notice issued in late August of this year and by letter from the Town issued in mid-August.

The Peruvian Avenue 400 Block Streetscape Project net maintenance assessment for FY2025 has been calculated as follows:

Cost Description	
Original Principal	\$ 1,224,759.00
Outstanding Principal	-
Estimated Maintenance Expenses 10/1/24-9/30/25	27,000.00
Estimated Attorney Fees	1,000.00
Estimated Postage (\$.60 x 133 properties)	80.00
Estimated PB Post Advertisement	1,400.00
Property Appraiser Administrative Fees	150.00
Final FY2025 Total Net Assessment	\$ 29,630.00

To employ a defensible assessment methodology to ensure that property owners are only paying costs in proportion to the benefits they derive from the improvements, we used the most common methodology in use throughout Florida called the Linear Front Footage method of assessment. Resolution No. 101-2024 confirms the continued use of the Lineal Front Footage methodology and finds that the project improvements will provide a special benefit to all Tax Parcels located within the Peruvian Avenue Assessment Area.

In order to place assessments on the property tax bill, which virtually assures that the Town will receive payment and avoid having to create an internal billing and collection function, a number of steps are required to be taken in coordination with the Tax Collector and Property Appraiser. The Tax Collector charges a fee for the work they undertake on the Town's behalf that is 1% of the value of the assessments. The Property Appraiser fee for FY2025 is \$150.00, which has been included as shown above. These costs are passed on to a property owner being assessed. In addition, since a property owner can receive a 4% discount for early payment of their property tax bill in November of each year, the assessments have to be adjusted upward by like amount to ensure the sum needed to pay expenses is realized in full. All totaled, for every \$100 in assessments the Town needs to collect, the assessment will be approximately \$105 in order to net the \$100 needed.

The additional 5 percent is attributable as follows:

- Tax Collector = 1%
- Potential early property tax bill payment discount = 4%
- Total = 5%

After adding these multipliers to the Town's proposed FY2025 net assessment of \$29,630.00 and incorporating the accumulated rounding adjustment of \$5.75, the gross total assessment is \$31,117.61.

Resolution No. 101-2024 implements the intended Peruvian Avenue 400 Block Streetscape Assessment Area assessments for FY2025. The resolution, among other things:

- references the property to be assessed;
- references past Town Council actions to properly effectuate Peruvian Avenue 400 Block Streetscape assessment;
- adopts the updated assessment roll for the fiscal year commencing on October 1, 2024;
- reimposes the assessments;
- provides for Proof of Publication;
- if applicable, provides an executed Affidavit of Mailing executed by staff;

- provides a Certificate to Non-Ad Valorem Assessment Roll for the Mayor to sign and be transmitted to the Tax Collector of Palm Beach County.

FUNDING/FISCALIMPACT

All direct costs borne by the Town to accomplish this project are paid for by the property owners whose properties benefit from the project improvements as opposed to all property owners in Town.

TOWN ATTORNEY REVIEW

Resolution No. 101-2024 was prepared by Heather Encinosa, Esq., of the law firm Nabors, Giblin & Nickerson. Ms. Encinosa focuses her practice on assessments and special districts and previously prepared the Town's ordinance that established Chapter 90 of the Town Code pertaining to special assessments.

Attachments

cc: Joanne O'Connor, Town Attorney
Paul Brazil, Director of Public Works
Heather Encinosa, Esq.