

# MUNICIPAL SERVICE BENEFIT UNIT (MSBU) CREATION AND ADMINISTRATION

## POLICY 16-01

### PURPOSE:

This policy provides the Board of County Commissioners with an orderly and efficient method by which the Board can implement § 125.01(1)(q) and § 197.3632 F.S., when (1) creating and establishing a Municipal Service Benefit Unit (MSBU) pursuant thereto; (2) amending an existing MSBU; (3) adopting MSBU budgets and assessment rolls; (4) levying and collecting MSBU assessments; (5) processing appeals of assessments; and (6) processing requests for installing additional street lighting within established street lighting MSBUs.

### POLICY:

There is hereby established a policy for the creation and amendment of MSBUs and annual procedure for levy, collection, and adjustment of non-ad valorem assessments, and process for adding services and improvements within existing MSBUs as outlined below.

### DEFINITIONS:

- A. Municipal Service Benefits Unit (MSBU) – a special assessment district as established by authorizing ordinance to provide necessary funding 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.
- B. Non-Ad valorem Assessment – is a special assessment or service charge which is not based on the value of the property. The non-ad valorem assessment boundary is determined by those properties that will derive a benefit from the service or improvement.

### AUTHORITY:

- A. Section 125.01(1)(Q), F.S.

Creation by the Board of County Commissioners

The legislative and governing body of a county shall have the power to carry on county government. To the extent not inconsistent with general or special law, this power shall include, but shall not be restricted to, the power to establish and subsequently merge or abolish those created hereunder municipal service taxing or benefit units for any part or all of the unincorporated areas of the county, within which may be provided specified services. If a proposed MSBU service is not specified in the statute or otherwise authorized under Florida law, staff will not recommend establishment of a MSBU.

- B. Section 197.3632, F.S.

Non-ad valorem assessments may be collected in the same manner as ad valorem taxes, provided the Board of County Commissioners enters into a written agreement with the Property Appraiser and Tax Collector providing for reimbursement of necessary administrative costs, and provided the Board adopts a resolution at a public hearing prior

to January 1 of each year stating its intent to use the uniform method of collecting such assessments.

C. Supplemental Authority

In the specific circumstances of dual taxation issues between a county and a municipality, § 125.01(6)(a), F.S., authorizes a petition procedure for resolving such issues, under which creation of an MSBU is one option. For petitions submitted pursuant to § 125.01 (6)(a) regarding remedy of dual taxation issues, this policy will apply generally to the administration of any MSBU created thereunder, and the statutory procedure will control only in the case of and only to the extent of conflict.

**CREATION**

- A. It shall be the policy of the Board of County Commissioners to require an MSBU application and associated fee for citizen-initiated services and improvements. Such application will define the exact service area requested (map or plat and legal description attached); however, the Board at its discretion, may establish a minimum service area requirement.

The assessment methodology will be determined under section entitled "Methodology for Levying Non-ad Valorem Assessments". The assessable units of an MSBU shall be determined before the project scope development.

- B. Once the completed application and associated fee is submitted to the managing department and verified, the project scope shall be developed.
1. Managing department relates to the processing and coordinating responsibilities of a specific County department to a type of service or improvement. All services are to be located on County owned right-of-way unless approved by the Board of County Commissioners.
    - a. Road improvement, street lighting, and grounds maintenance are types of services or improvements that the Department of Public Works process.
    - b. Water/sewer infrastructure, hydrants, pumping stations, and treatment plants are the types of services or improvements that the Utilities Department would process. MSBU applicant(s) for water and sewer service must be an existing utilities customer or future customer once the improvements are complete.
  2. The project scope for capital improvements, street lighting for established subdivisions, operation and maintenance projects and other services shall be developed by the managing department.
  3. The developer of a new subdivision requesting street lighting will develop the project scope.
- C. An engineer's cost estimate will be prepared and used to create a preliminary budget and estimated assessment rate.

- D. Unity of Title - Any benefitting property owner that has more than one (1) contiguous buildable lot as a property under unity of title at the time of establishing the ordinance, shall be considered one (1) unit.
1. Eligible property owners will be notified of their option to execute Unity of Title. The benefitting property owner shall make application to the Managing Department within forty-five (45) days of notice to have the property considered as one unit.
  2. A lien shall be filed on the unit such that should the property be split into one or more buildable lots each buildable lot shall pay the full assessment that is established for the MSBU at the time of re-establishment as a buildable, separate lot. The benefitting property owner shall be responsible for all costs associated with filing of the lien on said property.
  3. The lien shall only be required to be filed in the Public Records of Hernando County after a positive vote to establish the MSBU and prior to the recording of the adopted MSBU Ordinance. The County shall provide the lien document to be recorded in the Public Records of Hernando County.
- E. The Board approved letter and/or vote card will be mailed to each of the benefitting property owners. The vote card must be signed and returned within forty-five (45) days of the date of the letter. Vote cards received after the deadline will not be counted. The vote cards will be verified to determine that at least 51% of the responding benefitting property owners within the proposed unit boundaries signed in favor of the improvement. Such verification shall be accomplished by comparing the vote card with the existing tax rolls of the Property Appraiser and voter registration rolls if applicable. The Board may also, at its discretion, increase the required percentage of signatures on a letter/vote card.
- F. Upon verification that 51% of the responding benefitting property owners signed in favor of the MSBU, a public hearing will be scheduled to consider creation of the requested MSBU. If an Ordinance establishing the MSBU is not created within six (6) months following the initial vote, the MSBU shall be subject to revote. If the required 51% is not obtained within the 45-day period, the application will be deemed invalid, and a letter will be mailed to the applicant to notify them that the requested MSBU has not met the signature requirements. Applications for the same project are allowed once per calendar year and applications must be at least twelve (12) months after the most recent voting deadline. Each subsequent application process requires application and payment of the non-refundable processing fee.
- G. Capital Improvement Projects (Road Paving, Fire Hydrants, Utility Lines, etc.)
1. All received bids/proposals will be reviewed and compared against the Engineer's estimate for each project.
    - a. If the best and lowest bid/proposal is not greater than one hundred twenty-five percent ( $\leq 125\%$ ) of the funds approved for the project, the County shall be permitted to award the proposed contract.
    - b. If all received bids/proposals are greater than one hundred twenty-five percent ( $> 125\%$ ) but not more than one hundred fifty percent ( $\leq 150\%$ ) of the funds approved for the project, the County shall be permitted to reject all bids/proposals and repost the project for solicitation.

- c. If all received bids/proposals are greater than one hundred fifty percent (>150%) of the funds approved for the project, the project shall be rejected and a public hearing to rescind the MSBU Ordinance shall be scheduled.
2. For Road Paving projects, the affected property owners will be responsible for 100 percent of all project costs including administrative, construction, and engineering services such as permits, surveys, inspections, testing and design. At the discretion of the County Engineer, engineering services may be contracted out. Existing permitted driveways will receive a five-foot asphalt apron with maximum width of twenty feet per County Standards.
3. Any additional property that is required to complete a paving and drainage project (i.e., right-of-way, drainage retention areas, etc.) as determined by Engineering, should be donated to the County prior to the design phase of the project.
4. For any platted subdivision or road within a platted subdivision with lot sizes less than 1-acre meeting 60% build out, the responsible department may send letter/vote cards to the property owners requesting approval for paving of the road(s).
5. For Road Improvement projects that do not include paving, the affected property owners will be responsible for 100 percent of all project costs. Required road improvements for emergency or non-maintained County right-of-ways, include as a minimum a road cross-section which is no less than 18-foot wide, open drainage swales where needed, and a properly designed and constructed road base and road surface which will be composed of limerock, all within Florida Department of Transportation Standards. Road surfaces composed of recycled asphalt product (road millings) are an option for roads meeting appropriate traffic and subdivision criteria established by the County.
6. For water and wastewater related projects, the Hernando County Utilities Department will review the application to verify the request falls within the department's infrastructure and policy guidelines and standards. Additionally, the review process will identify the scope of work, the estimated cost, and if the project will be designed and constructed by HCUD staff or a private contractor.
  - a. Fire hydrant and fire flow project submittals – HCUD will determine if there is adjacent infrastructure available to provide adequate fire flow conditions to a fire hydrant. HCUD does not guarantee fire flow or insurance rate reductions as a result of fire flow upgrades or fire hydrant installations. The requestor is required to pay for all costs associated with the construction of the project.
  - b. Water and sewer main extensions – HCUD will evaluate the request to determine if it is a viable project and if it qualifies for an MSBU. The evaluation will identify if the request is compatible with HCUD's existing infrastructure as well as if it complies with state and local regulatory requirements. Water main extension projects may include service lines and meter installations, water lines beyond the meter to the residence will not be included in the MSBU scope of work.

- c. Costs – There is a \$50,000 minimum cost to establishing a CIP water/wastewater infrastructure project. All costs for materials, equipment, labor, surveying, engineering design services, etc. will be included and calculated on a case-by-case basis. There may be additional costs for connection fees, tap-in fees, and other fees per HCUD policy depending on the project scope of work. Once the project is complete and placed into service, further main extensions from new CIP projects will not be required to contribute to the original cost unless otherwise directed by the BOCC.

H. Upgrading Limerock Roads Not Regularly Maintained by the County

- 1. The County, as a matter of policy, performs emergency maintenance on unaccepted roadways within a County right-of-way. These roads typically do not meet County roadway standards and are extremely expensive to maintain because of substandard drainage or substandard construction of the existing road and will require a substantial capital investment to improve the road to a condition where routine maintenance is practical. In accordance with Policy 19-06, "Emergency Maintenance Roadways", the level of maintenance performed will only be that required to restore the road to its previous condition. The County, in its limited resources, cannot invest the monies necessary to routinely maintain substandard roadways to the same condition as roadways which meet construction and drainage standards. Policy 19-03, "Procedures for Acceptance of Roads for County Maintenance", authorizes a process for emergency maintenance roadways to be accepted by the County for routine maintenance. This requires a 30' right-of-way to allow for enough real estate to construct an open swale rural paved roadway and requires the improvement to be funded by any benefitting properties.
- 2. Policy 16-01, "Municipal Service Benefit Unit (MSBU) Creation and Administration" is a means of making necessary capital improvements funded by the benefitting property owners of a roadway. This policy now provides property owners who live on an emergency-maintained road an opportunity for routine maintenance on their road without sacrificing property nor making a significant capital investment in the road, through the MSBU process. It must be stressed that the real estate requirements necessary for the County to fund routine maintenance as a County accepted road as stipulated in Policy 19-03 are not waived or changed due to this section.
  - a. For those roads within a platted subdivision with at least a 30-foot wide County right-of-way, the property owners which access an emergency or non-maintained road may submit an application for the County to consider upgrading and accepting that road for maintenance.
  - b. For those roads outside of a platted subdivision, the property owners who access an emergency or non-maintained road may submit an application for the County to consider upgrading and accepting a road for maintenance, but must obtain a 30-foot wide right-of-way to be donated to the County prior to the design phase of the project or unless the County issues an exception.

I. Operation & Maintenance Projects

1. Street Lighting

a. Established Subdivisions (all lots sold, and developer no longer involved)

The Department of Public Works shall develop a project scope and request a lighting survey from the power company. The Project Scope shall include but not be limited to:

- 1) Legal Description
- 2) Plat of Project Area
- 3) Lighting Location Design
- 4) Number of Affected Lots/Parcels
- 5) Installation Cost
- 6) Monthly Utility Cost

b. New Subdivisions

- 1) The developer shall provide to the Department of Public Works the project scope (same as above).
- 2) Upon receipt of the project scope, an estimated budget for the project shall be compiled including:
  - (a) Power Company's Cost
  - (b) Capital Costs
  - (c) Utility Costs
  - (d) Administrative fees for County Administration, Clerk of Court, Property Appraiser, and Tax Collector.

2. Other Operation & Maintenance Projects (Grounds Maintenance)

- a. Property owners determine boundaries of proposed unit and estimated cost to maintain desired area. The Department of Public Works will prepare a preliminary budget and assessment rate based on the cost estimate provided.
- b. MSBUs for Grounds Maintenance are limited to a designated area within or contiguous to the MSBU boundaries pursuant to legal requirements.

- J. Other Services Authorized under Section 125.01(1)(q), F.S.
1. The managing department shall develop a recommended project scope and assessment method. If the project is citizen-initiated, the managing department will seek input from the applicant.
  2. The project scope shall include but not be limited to the following:
    - a. Legal Description
    - b. Plat of Project Area
    - c. Location Plan (if applicable)
    - d. Number, Type, and Cost of Equipment (if applicable)
    - e. Operational and Capital Budget
- K. The managing department shall prepare an assessment roll for the affected area utilizing information from the Property Appraiser and shall certify the correctness of the roll for submitting to the Board of County Commissioners at the same time the ordinance is adopted.
- L. The managing department shall prepare an ordinance creating or amending the MSBU for review by the County Attorney's Office.
- M. The managing department will ensure the proper advertisement of a public hearing for the purpose of adopting the ordinance creating the MSBU. The notice shall be published at least once 10 days prior to the scheduled hearing date. The Clerk's Office shall be responsible for actual placement of the advertisement.
- N. The managing department will ensure the proper notice to each affected property owner by first class mail advising them of the date and time of the public hearing for the purpose of adopting the ordinance creating the MSBU.
- O. Upon adoption of the ordinance, the Clerk's Office will ensure that the said ordinance is mailed to the Department of State within ten (10) days after adoption. Upon receipt of the officially filed ordinance from the Clerk's Office, the managing department shall distribute copies to the Property Appraiser, Tax Collector, and Finance Office. The ordinance shall also be recorded in the Official Records of Hernando County.
- P. Between January and September of each year, the managing department will hold a public hearing to adopt the proposed non-ad valorem assessment roll for each new MSBU created during the preceding calendar year. This public hearing shall be noticed in a local newspaper at least 20 days prior to the hearing. In addition, first class mail notice shall be sent to each person owning property within the proposed MSBU boundaries. All costs associated with these notices will be charged to the affected MSBU department fund and paid for by a non-ad valorem assessment levied against the benefitting property owners and included on the annual tax bill. The notice requirement and conduct of the hearing will be in conformance with the provisions of Section 197.3632, F.S. In addition, a similar public hearing will be required in following years whenever there are changes in the boundaries or the purpose of the MSBU as outlined in Section 197.3632(4)(a), F.S.
- Q. All service contracts are to be processed by the managing department and shall comply with the Purchasing policies established by the Board of County Commissioners.

- R. A MSBU may be created at any time during the fiscal year. However, implementation shall coincide with the adoption of the annual County budget October 1. Valid applications should be submitted by July 1 of the preceding year. All new MSBUs must be created (ordinance adopted) by January 1 of each year in order to be implemented the following October. Capital Improvement Project, i.e., road paving, may take longer.
- S. Prior to January 1 of each year, the Board of County Commissioners must adopt a resolution at a public hearing stating its intent to utilize the uniform method of collection of non-ad valorem assessments for all new MSBUs created during the preceding calendar year. The managing department will coordinate this public hearing and prepare the necessary agenda and resolution. The Board must publish notice of its intent to adopt such a resolution weekly in the newspaper designated to publish the County's legal advertisements for four (4) consecutive weeks preceding the hearing. All costs associated with publishing the public hearing notice will be divided equally among the MSBUs and charged to the appropriate MSBU or managing department. The content of the resolution and conduct of the public hearing must be in accordance with Section 179.3632(3)(a), F.S.

#### **AMENDMENTS TO EXISTING MSBUs**

- A. Any change in an existing MSBU, such as additional streetlights, fire hydrants, maintenance services, etc., must be reviewed by the managing department and the MSBU's designated spokesperson(s). Any proposed revision resulting in an increase or decrease in the services provided by the unit shall be reviewed by staff, which shall determine if a public hearing is necessary prior to approval of the revision. A change in the method of calculating an MSBU assessment, an increase in an MSBU assessment, or a change in MSBU boundaries or purpose may also require a public hearing pursuant to Section 197.3632, F.S.

#### **ADMINISTRATIVE PROCEDURE FOR ADOPTION OF MSBU BUDGETS AND ASSESSMENT ROLLS**

- A. The managing department shall prepare the budget for the MSBUs during the annual budget hearings and ensure that they are presented and adopted by the County Commission at the same time and fashion as the adoption of the County's Annual Budget. The Office of Management & Budget shall prepare the resolutions documenting the Board's approval of the MSBU budgets at the final public hearing to adopt the County-wide budget.
- B. The Office of Management & Budget shall cause notice of the two public hearings (tentative and final) to consider adoption of the proposed MSBU budgets to be published in the form of a legal advertisement in a newspaper of general circulation. To ensure ample notification, the managing department shall further cause such notice to be mailed to the active homeowners'/civic association and/or representative by first-class mail. The two public hearings on the adoption of the MSBU budgets shall also serve as the hearings to adopt the MSBU assessments.
- C. The Office of Management & Budget shall prepare the MSBU assessment rolls annually and present them to the Board of County Commissioners for adoption at the same time as the resolution and County-wide budget. The Office of Management & Budget will ensure that the assessment roll certifications are submitted to the Property Appraiser and Tax Collector for collection as set forth by Section 197.332, F.S.

- D. Upon the annual adoption of the MSBU assessment rolls, such rolls shall be certified by the Office of Management & Budget to the Property Appraiser and Tax Collector by September 15 for billing and collections for that year. (Authority under Chapter 197, F.S.)
- E. Prior to assessment bills being mailed, the Office of Management & Budget shall prepare a summary listing of all existing MSBUs, giving existing pertinent facts regarding the MSBUs in order that simple questions may be answered by County Offices receiving inquiries.
- F. The Tax Collector shall bill and collect the special assessments in the same fashion as the tax rolls are billed and collected between November 1 through March 31. Non-ad valorem assessments included on the property tax bills are subject to the same discounts as taxes.
- G. Assessments become delinquent after April 1, and failure to pay may result in a lien levied against the property and may result in the sale of a tax certificate in accordance with Section 197.432, F.S.
- H. In the case when an individual capital improvement MSBU is closed out:
  - 1. Capital Improvement MSBUs: Residual monies remaining in the Fund totaling 10% or more of the original up-front budget will be refunded back to the property's current owner of record as originally assessed (i.e., per lot, front footage, parcel, etc.) unless the refund amount is less than \$500.00 per unit. Any residual monies remaining in the Fund totaling less than 10% of the original up-front budget will be transferred to the managing department (i.e., Public Works, Utilities, Fire, etc.) Any shortages of monies within an individual MSBU Fund at close-out shall be transferred from the managing department into the MSBU Fund.
  - 2. Operating MSBUs: Residual monies remaining in the citizen-initiated MSBU Fund will all be refunded back to the property's current owner of record as originally assessed (i.e., per lot, front footage, parcel, etc.) unless the refund amount is less \$500.00 per unit. Any residual monies remaining in the Fund that do not meet the aforesaid circumstance will be transferred to the managing department (i.e., Public Works, Utilities, Fire, etc.) Any shortages of monies within an individual MSBU Fund at close-out- shall be transferred from the managing department into the MSBU Fund.

## METHODOLOGY FOR LEVYING NON-AD VALOREM ASSESSMENTS

### *Definitions – Assessments, Levy, Lien, and Alternative Collection Method Provisions*

- A. As used in this Section, the following words and phrases will have the following meanings, unless the context clearly indicates otherwise:

*Board* means the Hernando County Board of County Commissioners.

*County* means Hernando County, a political subdivision of the State of Florida.

*Covenant of Unity of Title* means a written agreement that is executed by and between Hernando County and an owner of two or more contiguous parcels whereby the property owner agrees that the parcels shall not be conveyed, mortgaged, developed, or leased separate and apart from each other; and that they shall be held together as a single unit of real property, so that such property will be considered one tract for purposes of the levy of assessments provided for by an Ordinance. The County will provide the form of the covenant of unity of title, which once executed, shall be recorded in the Official Records of Hernando County, Florida, as a covenant running with the land, at the property owner's sole cost and expense, and which shall be binding not only upon the property owner, but also the property owner's successors and assigns.

*Initial assessment resolution* means the resolution described in Hernando County Code § 24-40.4 which shall be the initial proceeding for the imposition of an assessment.

*Final assessment resolution* means the resolution described in Hernando County Code § 24-40.5 which shall confirm or deny the initial assessment resolution, and which shall be the final proceeding for the imposition of an assessment.

*Notice* means a written notice sent by first class mail to the address that an owner has provided to the Hernando County Property Appraiser for purpose of receiving Truth-in-Millage (TRIM) notices.

*Owner* means the owner or owners of record of a parcel and shall include any corporation, partnership, trust, or other entity or agent of the owner of record as shown either on a deed of record or within the records of the Hernando County Property Appraiser.

*Parcel* means any single platted lot, parcel, tract, cooperative parcel, or condominium parcel to which the Hernando County Property Appraiser has assigned a distinct ad valorem property tax identification number; or any two or more contiguous lots, parcels, tracts, cooperative parcels, or condominium parcels that are subject to a covenant of unity of title as of the date of the Final Assessment Resolution.

*Special benefit* means a benefit accruing to property that is the subject of a special assessment made hereunder, which benefit is different in type or degree from benefits realized by the community as a whole.

*Uniform method* means the uniform method for the levy, collection, and enforcement of non-ad valorem assessments provided for in Fla. Stat. § 197.3632, as it may be amended.

- B. Funds for the road paving improvements authorized by an Ordinance shall be provided by non-ad valorem special assessments which shall be levied, collected, and enforced in accordance with the Uniform Method pursuant to Fla. Stat. § 197.3632 and Hernando County Code Chapter 24, Article II, Division 3, as they may be amended. It being recognized that the value of the special benefits accrued by virtue of this division directly benefits equally all parcels within the district, the Board is hereby authorized to levy equal assessments against all of the parcels within the district. The assessments imposed hereunder shall constitute a lien on all real property of the district as of the date ad valorem taxes become liens. Unless fully paid and discharged or barred by law, said annual assessments shall remain liens equal in rank and dignity with the lien of county ad valorem taxes and superior in rank and dignity to all other liens, encumbrances, titles and claims in, to or against the parcels involved. If an annual assessment levied on a parcel is not paid, a tax certificate pertaining to the parcel will be sold by the tax collector as set forth in Fla. Stat. Chapter 197.

If, for any reason, the Uniform Method is not used for the collection and enforcement of special assessments established pursuant to an Ordinance, the Board may provide for the collection and enforcement of such assessments by any other lawful means. Any alternative method for the collection and enforcement of such assessments shall be established by resolution of the Board adopted at a public hearing, provided notice of the public hearing has been provided to each owner at least twenty (20) days prior to a public hearing. Such notice shall include the date by which payment may be made without default, any interest or penalties that may be assessed if payment is not made, and any consequences that may result from the failure to pay the assessment when due.

C. Capital Improvement Projects

1. The recommended methodology for assessing the benefitting properties for capital improvement projects is based on a **per platted lot** assessment. The budgets are based on all lots paying a full assessment with corner lots that pay one-half assessment for each unimproved road, except those corner lots on non-MSBU eligible roads. Government owned properties are exempt from the assessment.
2. Unity of Title - Any benefitting property owner that has more than one (1) contiguous buildable lot as a property under unity of title at the time of establishing the ordinance, shall be considered one (1) unit.
  - a. Eligible property owners will be notified of their option to execute Unity of Title. The benefitting property owner shall make application to the Managing Department within forty-five (45) days of notice to have the property considered as one unit.
  - b. A lien shall be filed on the unit such that should the property be split into one or more buildable lots each buildable lot shall pay the full assessment that is established for the MSBU at the time of re-establishment as a buildable, separate lot. The benefitting property owner shall be responsible for all costs associated with filing of the lien on said property.
  - c. The lien shall only be required to be filed in the Public Records of Hernando County after a positive vote to establish the MSBU and prior to the recording of the adopted MSBU Ordinance. The County shall provide the lien document to be recorded in the Public Records of Hernando County.

D. Street Lighting and Multipurpose MSBUs

1. All street lighting and multipurpose MSBUs are funded by an equal assessment levied against each lot or parcel of record within the platted subdivision. All government-owned lots are exempt. If multiple lots are combined to form a parcel according to the Property Appraiser's records, even if there is only one residence, each lot still has an assessment levied against it unless the additional platted lots are deemed unbuildable.
2. Commercial property is also assessed the same as residential property, with the assessment being levied against the tract or parcel however it is reflected on the tax roll. All assessments are equal amounts, regardless of whether it is a lot or parcel.
3. In the case of subdivisions which are completed in phases, as soon as a new phase or unit is platted and the plat is recorded, each lot is assessed. Until the plat is recorded, the assessment is levied against the acreage parcel, i.e., a particular MSBU may encompass 250 lots comprising Units 1-3 and 3 individual tracts consisting of 60 acres each. In this case, there would be 253 units assessed an equal assessment.
4. In the case of condominium properties, the assessment is levied against the condominium parcels and not upon the condominium property as a whole. No special assessment may be separately assessed against recreational facilities or other common elements if such facilities or common elements are owned by the condominium association or are owned jointly by the owners of the condominium parcels. Each condominium parcel shall be separately assessed for special assessments as a single parcel per Section 718.120(1), F.S.
5. Church properties are not exempt from non-ad valorem assessments unless specifically stated in the enabling ordinance.

E. Fire Protection Services

Hernando County Fire and Emergency Services MSBU - The assessment rate structure for the Hernando County Fire and Emergency Services is as follows:

1. Vacant Parcel
  - a. For purpose of this policy and the administration of fire assessment, a parcel would be any properties contained with a single designated property key number as assigned by the Hernando County Property Appraiser's Office.
  - b. A vacant parcel shall mean a parcel of land which does not currently have a structure located within its boundaries that would meet the requirements of either the "Improved Residential" or "Commercial" classifications listed below. If said parcel could be legally developed to contain either a residence or commercial building under the zoning laws of Hernando County subject to an assessment.

2. Improved Residence

A parcel of land with one (1) or more residential units (single and multi-family structures and apartment buildings) within its boundaries, regardless of physical occupancy.

3. Commercial

A parcel of land with one (1) or more buildings located within its boundaries used for commercial retail sales or service, business offices, places of public assembly, or other uses permitted in any commercial or office-professional zoning district under the Hernando County Code of Ordinances, Appendix A, whether or not actually located in such designated district, unless such use is specifically classified separately in another section of this policy. The assessment for said structures shall be based on the total "under roof" square footage.

4. Industrial/Warehouse/Government

A parcel of land with one (1) or more buildings located within its boundaries used for industrial, manufacturing, storage, warehousing, or government service. The assessment for said structures shall be based on the total "under roof" square footage.

5. Hospital/Nursing Home

A parcel of land with one (1) or more buildings location within its boundaries used for hospitals, psychiatric hospitals, nursing homes, and 24-hour per day resident care facilities for the aged or non-ambulatory. The assessment for said structures shall be based on the total "under roof" square footage.

6. Religious Establishments

A parcel of land with one (1) or more buildings located within its boundaries, constituting a religious establishment as currently defined in the Hernando County Code of Ordinances, Appendix A, excluding those buildings used as residential units. The assessment for said structures shall be based on the total "under roof" square footage.

7. Agricultural Buildings

A parcel of land which currently has one (1) or more buildings located within its boundaries, which is used for the production of food products or crops and is routinely staffed with workers and equipped with fixed machinery. Agricultural buildings would include chicken barns, dairy barns, feed plants and juice plants.

8. Parcel Base Fees

Every parcel that is located within the Hernando County Fire and Emergency Services boundaries shall be assessed a parcel base fee in addition to the specific use assessment of the property.

9. Fire Inspection Fees

Every Commercial, Industrial/Warehouse/Government, Hospital/Nursing Home, and Religious Establishment within the Hernando County Fire and Emergency Services shall be assessed a per business fee to fund the annual fire inspections provided to said properties, based on every 10,000 square feet.

10. Multiple Categories

a. Mixed Residence and Commercial

In cases where there are both residential and commercial buildings on the same parcel, they shall be assessed separately for both classifications based on the current rates.

b. Multiple Residences

In cases where there is more than one (1) residential unit on a parcel of land, said parcel shall be assessed at the current rate multiplied by the total number of residential units.

11. Outbuildings

In cases where there are buildings such as sheds or barns which are not used for commercial means, said structures shall be deemed "incidental" and therefore not assessed.

F. Solid Waste Collection and Disposal Assessment

1. The Solid Waste Special Assessments are intended to generate funds to pay for the collection and disposal of residentially generated solid waste in Hernando County. The Solid Waste Special Assessments apply to all improved residential property within the boundaries of the designated MSBU areas.
2. Residential solid waste is generated by occupants of a property. For the purpose of the assessment, it is assumed that property with no residence on it generates no solid waste. Therefore, there are no assessments levied on unimproved residential property.
3. Solid waste assessments may be created at any time during the fiscal year and implementation shall coincide with the month the Certificate of Occupancy is issued on a new residential unit.
4. All habitable residences are assumed to be occupied and are assessed at the current rate per residential unit. As such, a single parcel may have more than one assessment applied to it depending on the number of occupiable residences it contains. There is no provision made for reduction or elimination of the assessment for unoccupied residences or residences occupied only part time.
5. Outbuildings, including unlivable residence, storage buildings and workshops on a residential property, that are not connected to a water and wastewater system or that is otherwise non-occupiable, are not subject to the Residential Solid Waste Collection or Disposal Assessments.

6. Apartments, townhouses, and condominiums with four (4) units or less are considered residential property and are assessed at the single-family dwelling rate. There is no rate difference for single family or multi family.
7. Apartments, townhouses, and condominiums with five (5) units or more are considered commercial property. It is recommended that these properties have dumpsters. However, if there is no dumpster present, and residential solid waste hauling service (curbside garbage collection) is used instead, then the properties will be subject to the Residential Solid Waste Collection and Disposal Assessments.
8. Mobile home parks in which the residents rent the property from the owner are considered commercial property, except that Wesleyan Mobile Home Village shall be permitted to retain its long-standing residential solid waste collection service, with the single-family disposal assessment charged for each mobile home. Dumpsters are recommended for other mobile home park properties. However, if there is no dumpster present, and residential solid waste hauling service (curbside garbage collection) is used instead, then the properties will be subject to the Residential Solid Waste Collection and Disposal Assessments, with the owner of the real property being assessed the current rate for each unit.
9. Mobile home parks in which the residents own their lots are considered single family homes, and as such, are assessed at the single-family rate except for Camper's Holiday RV Park, which operates its own solid waste collection service and has been permitted to continue this system. Their residents do not pay the solid waste assessment. They pay the current per ton tipping fee for all solid waste delivered to the landfill.
10. Religious establishments are assessed the single-family rate if they have a residence on the property and/or there is no dumpster present. If there is a dumpster present, then the religious establishment is considered as commercial and is not subject to either the collection or disposal assessments.
11. Model homes and "spec" homes are considered habitable residences and are assessed at the current rate per residential unit for both the collection and disposal assessments.

## **ADJUSTMENT TO MSBU ASSESSMENTS**

### **A. Appeals of Assessments**

1. Property owners wishing to appeal or request a review of their assessment may contact the managing department who will document the nature of the request.
2. All requests received prior to the deadline set forth by Florida Statutes (30 days after certification of the tax roll) each year shall be handled so as to allow payment of taxes before they become delinquent.
3. Staff will investigate the request in consultation with the Property Appraiser, Building Division, and field investigation, as necessary, and make a determination as to whether or not an adjustment is warranted.

4. In the event staff determines that an adjustment to the assessment is warranted, a "Certificate of Correction" shall be requested by the affected department for the Office of Management and Budget to process and distribute to the Tax Collector, Property Appraiser, and appropriate managing department. If a determination of adjustment is made prior to payment of the current tax bill, a revised tax bill will be sent by the Tax Collector reflecting the adjusted assessment. If a determination of adjustment is made after payment of the current tax bill, the property owner may request a reimbursement for the assessment overpayment.
  5. Adjustments to assessments resulting from appeal/review requests received after the deadline will be entered into the computer and documented on a "Certificate of Correction" by the Office of Management and Budget; however, no change will be made to the current tax bill. The adjustment will be reflected on the next year's tax bill.
- B. Reimbursement of Assessment Payments
1. Property owners who have received adjustments to their assessments may request a reimbursement for current year or previous years' assessment over payments upon providing the managing department with sufficient proof of those overpayments.
    - a. Reimbursement will only be made for three years' prior assessments.
    - b. Reimbursement of non-ad valorem assessments will be reviewed and processed by the managing department, with the funding source being the appropriate MSBU budget.

## **PROCEDURES FOR ADDITIONAL STREET LIGHTING INSTALLATIONS**

- A. Initial Requests
1. All requests for streetlights to be installed/added within established street lighting MSBU districts are to be in writing from the developer, spokesperson, or owner's association of each MSBU district and submitted to the managing department.
  2. Developers of subdivisions within street lighting MSBU districts which have not been completely built out are to provide the number of units/phases anticipated to be platted before September 1 and the number of lots and streetlights to be activated during the ensuing fiscal year (developer is responsible for installation costs of lights).
  3. Within those subdivisions where the developer is no longer involved, staff will forward the requests for street lighting to the affected electric company for confirmation that the requested location is acceptable. The electric company will confirm location where the streetlight(s) should be installed on a map and an addendum/contract prepared accordingly for submittal to the Board of County Commissioners for approval.

## B. Street Lighting Request Approval

1. All addendums/contracts for additional street lighting approved and executed by the Board of County Commissioners will be returned to the affected electric company.
2. All requests for addition streetlights will be forwarded to the affected electric company for review.
  - a. Within those subdivisions where the developer is involved, confirmation is requested from the electric company that the number of streetlights within a subdivision that are to be transferred over from the developer to the MSBU is accurate and an addendum/contract prepared accordingly for submittal to the Board of County Commissioners for approval. Those adjustments will be effective October 1 of the next fiscal year.
  - b. Within those subdivisions where the developer is no longer involved, staff will forward the requests for street lighting to the affected electric company for confirmation that the requested location is acceptable. The electric company will confirm location where the streetlight(s) should be installed on a map and an addendum/contract prepared accordingly for submittal to the Board of County Commissioners for approval. Street lighting approvals can be installed immediately if the budget can support the operation of streetlight(s) for the remaining fiscal year. Otherwise, the installation will require budgeting for the next fiscal year and installed thereafter.

## C. Spring Hill Street Lighting MSBU

The Spring Hill Street Lighting MSBU budgets for installation of additional streetlights each fiscal year. The following procedure has been developed based on the large number of requests received from residents within this MSBU district.

1. All requests for street lighting within the Spring Hill Street Lighting MSBU are processed by the Department of Public Works.
2. A citizen must contact the Department of Public Works to submit a request for street lighting by giving their name, address, phone number, requested location of streetlight, pole number and state if there is an existing pole or not.
3. A letter listing all requested/proposed street lighting locations are forwarded to the affected electric company for their review and approval.
4. If the affected electric company determines that all locations requested are appropriate, an addendum will be forwarded for Board of County Commission execution authorizing the affected electric company to install each light/pole. Again, if a request is not appropriate, it will be placed on the next closest proposed location.
5. After the addendum is received, a consent agenda memo to the Board will be prepared by the managing department requesting approval and execution of the addendum, to authorize the affected electric company to begin installation of the requested streetlights.

6. Once the addendum is executed by the Board, the addendum is sent back to the affected electric company with a letter asking them to begin installation immediately.
7. Installation of approved streetlights may take up to two months after the affected electric company receives the executed Addendum from Hernando County.
8. Requests will only be presented for final approval to the Board of County Commissioners twice annually.

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APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY  
BY   
County Attorney's Office