

**ADMINISTRATIVE CODE
BOARD OF COUNTY COMMISSIONERS**

CATEGORY: Financial/Fiscal/Budget	CODE NUMBER: AC-3-15
TITLE: Procedure to Establish, Change or Dissolve a Municipal Service Taxing or Benefit Unit Which May or May Not be Empowered to Issue Debt	ADOPTED: 07/24/85
	AMENDED: 11/27/85; 04/11/90; 09/21/94; 08/09/05; 08/05/08; 09/01/2015
	ORIGINATING DEPARTMENT: Facilities Construction & Management

PURPOSE/SCOPE:

When special services or projects which benefit a limited and specifically defined area of the County are desired by the property owners, they may petition the Board of County Commissioners to create a dependent unit of government to carry out the services or projects desired and annually impose ad valorem taxes, assessments or charges on the properties which are benefited by the service or project. If ad valorem taxes are authorized as a method of payment, then the department unit of government shall be called a Municipal Services Taxing Unit (MSTU). If special assessments or charges are authorized as a method of payment, then the dependent unit of government shall be called a Municipal Services Benefit Unit (MSBU). At any time after the unit has been created there could be changes to the scope of services expanding the project limits, adding benefiting properties, and/or increasing the estimated cost of the project. The purpose of this Administrative Code is to provide the criteria and procedure to amend the creating document and/or dissolve the unit.

The Board of County Commissioners has established the petition process outlined herein which shall be followed unless the Board of County Commissioners waives the use of the petition process. The Board has designated the office of MSTBU Services to assist in the administration of this process.

POLICY/PROCEDURE – CREATE AN OPERATING AND MAINTENANCE OR CAPITAL UNIT :

Property owners interested in pursuing the creation of a Municipal Service Taxing or Benefit Unit shall contact the office of MSTBU Services to obtain the steps necessary for the petitioners to take in order for the County to consider the creation of a unit. A two step petition process will be completed. The informal petition to ascertain the interest in the services/project and the formal petition to verify the support of unit in consideration of the costs and terms.

- I. Requirements for Informal Petition:
 - A. Any property owner in Lee County can request of the MSTBU Office guidance to create either an Operation and Maintenance Unit, or a Capital Improvement Project. The property owner(s) working with the MSTBU office will identify the service or project and a preliminary map of the benefiting properties.
 - B. The MSTBU Office will provide the property owner with an informal petition identifying in general terms the proposed service(s) or project.

- C. The property owner will be required to secure signatures of 50% + 1 of the affected property owners to show support for proceeding with the formal petition, identifying costs and terms of the proposal. For services or projects that require engineering estimates, a fee as identified in the External Fee manual, will be required.
 - D. The MSTBU Office will work with the property owners for proposed Operation and Maintenance units to determine the first year budget and a projected budget for the second year of operation. These budgets will be attached to the Formal Petition. The first year budget will be adopted budget for the first year of operation. The second year budget can be adjusted as needed.
 - E. The MSTBU Office will work with the various County departments and consultants to determine an estimated cost for projected Capital Improvement Projects.
- II. Requirements of the formal petition:
- A. The petition shall clearly describe the service or project being requested. Examples of services are streetlighting, landscape maintenance and security services. Examples of projects are roads, drainage, water and sewer.
 - B. The petition shall set forth the method of funding the service or project either by ad valorem tax, special assessment or other charges along with the estimated cost of the services/project.
- III. Formal Petition signatures:
- A. All signatures must be original and notarized to be valid.
 - B. In order for a signature to be valid, it must be a record titleholder to a parcel or property in the unit.
 - C. Each record titleholder shall be allowed one signature for each parcel owned.
 - D. In the event of multiple owners, the signature of any one owner shall give full credit for that parcel.
 - E. The submittal package must contain the signatures of at least 50% + 1 of the owners of record.
 - F. The petition will be valid for a period of six months. If the community wishes to continue to pursue, an updated estimate will need to be done and new petitions need to be prepared and signed.
- IV. When the signed petition submittal package is received by the County and found to be in compliance with the above, staff will proceed to public hearing before the Board of County Commissioners. Once the public hearing has been advertised, any additional petition information will be presented at the public hearing.
- V. At the public hearing, property owners within the proposed unit are invited to participate and make their wishes known to the Board of County Commissioners.
- If it is determined that the proposed unit is necessary and desirable, the Board may adopt an ordinance/resolution to either:
- A. Create the requested Municipal Service Unit WITHOUT a referendum being held, OR
 - B. Establish a date for a referendum election to be held on the question of creating the requested Municipal Service Unit.

VI. For any unit to be operational within any given year it must have been legally created prior to December 31 of the previous year.

POLICY/PROCEDURE-CHANGE OR DISSOLVE A OPERATION AND MAINTENANCE UNIT

VII. Operation and maintenance units are created for specific purpose and are anticipated that they will continue in perpetuity. Should property owners express an interest for a change in the scope of services, or a desire to dissolve the unit, the following procedure will be followed.

A. If a unit does not have an Advisory Committee, or if any individual of that unit determine a need for a change or dissolution of the O&M Unit, the MSBU office will provide that property owner with an informal petition with the requested change.

B. The property owner will be responsible for securing signatures from 50% + 1 of the property owners supporting the development of a formal petition for a change or dissolution.

Should the Unit have an active Advisory Committee, the Advisory Committee, by unanimous vote can request a formal petition be developed for a change or dissolution of the Unit, without following the informal petition process.

The MSTBU office will prepare the formal petition and the process for proceeding to Public Hearing will be the same as for creating a Unit (paragraph I through IV).

In the event a community desires a street lighting program, as supported through the petition process, the County at its discretion can expand an existing unit to include the expanded area (community).

POLICY/PROCEDURE-CHANGE OR DISSOLVE A CAPITAL PROJECT UNIT

VIII. Scope of project is expanded to include additional properties

In the event the scope of a project is expanded to include additional properties (request of property owners to be included **or** including additional properties is found to be essential to construct a project), the Board of County Commissioners will hold a Public Hearing to amend the originating document to include the addition scope of work and benefiting properties. Public Hearing notice will be provided by advertisement in a newspaper of general circulation, and by notice to the property owners in the established unit. If the cost of mailing written notices to the property owners is significant, double the cost of advertising in a newspaper of general circulation, the County Attorney's Office and/or County Administration may authorize waiving the individual mailings and the Public Hearing will be noticed two times in a newspaper of general circulation.

IX. The Estimated Cost to the Property Owners Increases

The estimated project cost to create the unit is based on the best known data at the time of creation, with the expectation that necessary easements and/or right of way will be donated. During the course of a project, the cost may change based on the final design, material cost increases, and or the economic conditions. In the event that the anticipated costs exceed 15% of the original total cost estimate staff will:

- A. Prepare a petition and mail certified to all property owners providing the property owners with an opportunity to end the project. The number of petitions required to proceed with ending a project will be 50% + 1. To be valid, petitions received back from the property owners will need to be original and notarized. The property owners will be advised the cost of the project to date, with anticipated future costs should the project be dissolved, and their estimated proportionate share of those costs which they would be responsible for, should the Board of County Commissioners dissolve the unit. The petition will be valid for six weeks from the date of mailing.
- B. Pending the petition response, a public hearing will be scheduled with appropriate documents to either amend the creating document with the new estimated cost, or the appropriate documents to dissolve the unit.
- C. Following the public hearing, should the unit be dissolved, staff will finalize all costs associated with the project, including costs to make whole any property owners who have donated easements/right of ways. A public hearing will be scheduled to finalize the assessments to the property owners with an adjusted amortization loan term.