

City of Miami Beach Stormwater Funding Presentation to the City Commission

July 13, 2016

Outline of Presentation

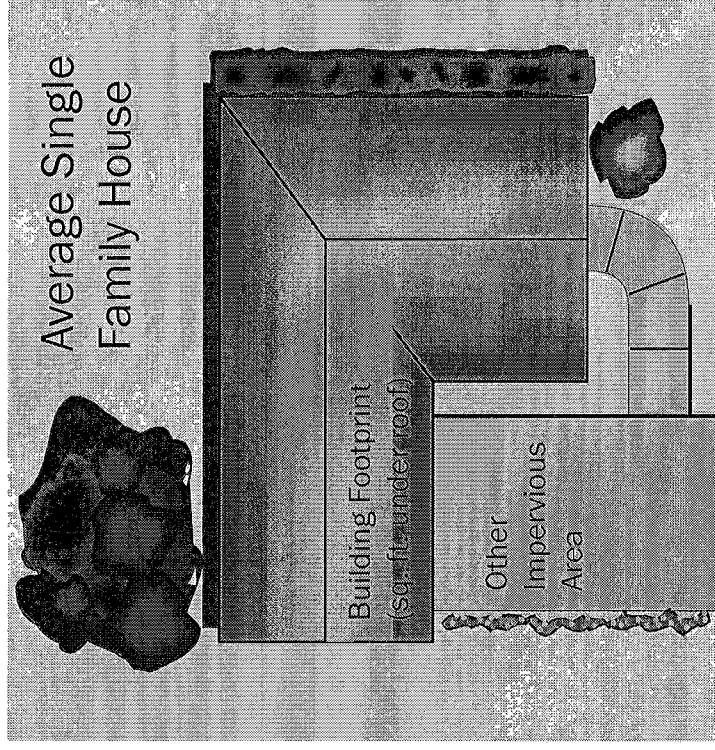
- City's Current Stormwater Methodology
- What is an ERU?
- City's Current Stormwater Rates and Revenue
- Methodology Modifications for Discussion
- Recommended Methodology
- What's Next

City's Current Stormwater Methodology

- Equivalent Residential Unit (ERU) = 791 square feet of impervious area
- All Residential = 1 ERU/Dwelling Unit
- Non-Residential = Impervious Area $\div$ 791 square feet
- ERUs rounded to nearest whole number
- Each property assigned minimum of 1 ERU
- Current number of ERUs = 110,265

What is an Equivalent Residential Unit “ERU”?

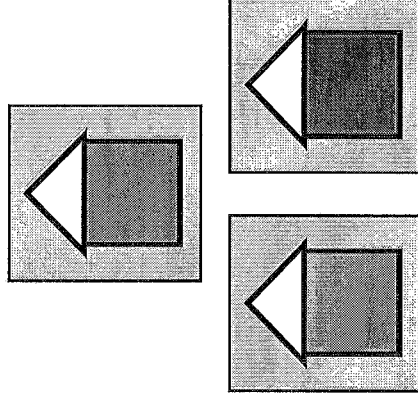
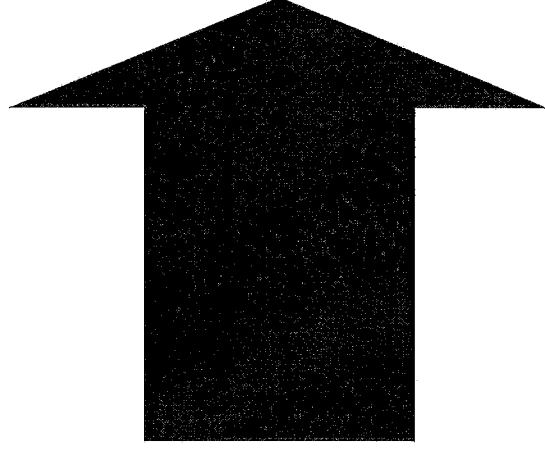
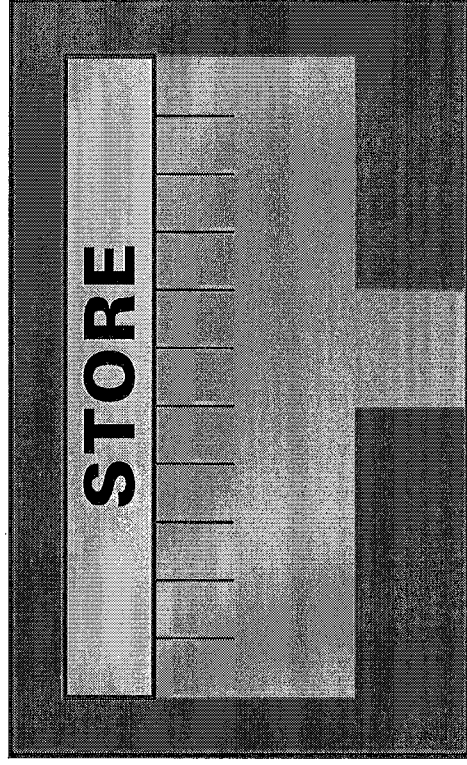
- Measurement that serves as a common index to compare runoff generated by different sized properties
- Equivalent Residential Unit value is developed using a statistical sampling of residential parcels in City
- Building Footprint + Additional Impervious Area (sidewalks, porches, decks, pools, etc.) = Total Impervious Area



1 ERU = 791 square feet of
total impervious area

Impervious Area Methodology ("Equivalent Residential Units")

Customer pays based on number of "standard"
households



3 "standard"
households

City's Current Stormwater Rates

- Current monthly rate = \$16.67
- Current annual rate = \$200.04
- Approximate annual billing = \$22,057,310.58
- Approximate annual revenue @ 98% = \$21,616,164
- Projected Fiscal Year 2016-17 monthly rate = \$22.67*
- Projected Fiscal Year 2016-17 annual rate = \$272.04 *
- Projected Fiscal Year 2016-17 annual revenue @ 98% = \$29,300,602 *
- Reductions for properties with NPDES permit and/or served by privately owned and maintained BMPs
- Collected on monthly water bill

* Projected rates proposed in 2015 Bonds Engineer's Report but have not been approved by City Commission

City's Current Billing Units

Account Type	Total Units	Monthly Billing	Annual Billing	Percent of Units
Apartments (General)	15,175	\$252,967.25	\$3,035,607.00	13.76%
City (General)	1,909	\$31,823.03	\$381,876.36	1.73%
Commercial (General)	36,136	\$602,387.12	\$7,228,645.44	32.77%
Condo (Residential Condo)	41,653	\$694,355.51	\$8,332,266.12	37.78%
Duplex (General)	48	\$800.16	\$9,601.92	0.04%
Hotel (General)	7,121	\$118,707.07	\$1,424,484.84	6.46%
Residential (Residential)	8,223	\$137,069.07	\$1,644,828.90	7.46%
Total	110,265	\$1,838,109.21	\$22,057,310.58	100.00%
Current Billing Unit Counts by New Categories				
Category	Total Units	Percent of Units		
General Parcel	60,389	54.77%		
Non-Res Condo	0	0.00%		
Residential	8,223	7.46%		
Residential Condo	41,653	37.78%		
Total	110,265	100.00%		

Methodology Modifications

- Develop/update impervious area information
- Update ERU value
- Create rate classes
 - Residential
 - Condominiums
 - General
- Develop tiers for Residential Category

Preliminary Database Development

Assign assessment rate category based on DOR
Code and calculate impervious area

- **Residential**

- Measure statistical sample of single family parcels and/or multi-family parcels
- Develop residential tiers

- **Condominiums**

- Measure impervious area of all condominium parcels

- **General**

- Measure impervious area of all general parcels
 - Includes commercial, institutional, industrial/warehouse, government parcels, mobile home/RV parks
 - Unique parcels

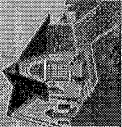
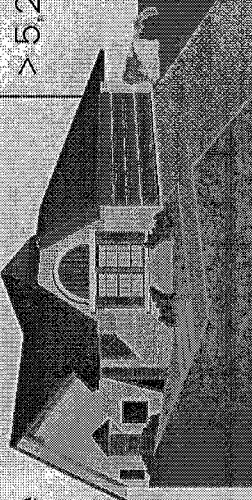
Recommended Methodology Revisions

- ERU Value = 849 square feet
- Minimum of 1.0 ERU per parcel
- Three rate classes
 - Single Family Residential
 - Condominiums
 - General Parcels
- Two Single Family Tiers:

Building Footprint Area Range 100 - 5,228 ft² = 1 ERU

Building Footprint Area Range > 5,228 ft² = Measured and Calculated
(Footprint x Factor (2.03))/ ERU Value (849 ft²)

Single Family Residential Tiers

Residential Tier	Building Footprint Area Range (Provided by the Property Appraiser)	Plus Additional Impervious Area	Assigned Billing Units (ERUs)
Most 	100-5,228 sq. ft.	Assumed based on statistical sample (Factor = 2.03)	= 1.0 ERU
Very Large 	> 5,228 sq. ft.	Measured	= Calculated*

*(Footprint x Factor (2.03))/ ERU Value (849 ft²)

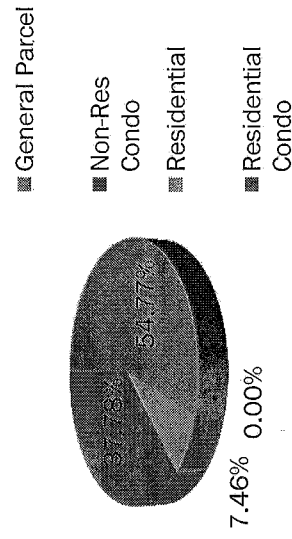
Single Family Tier Results

	Parcel Count	Percent of Parcels	Assigned ERU	Total ERUs	Charge	Total Revenue	Percent of Revenue
100 - 5,228	4,678	95.70%	1	4,678	\$202.47	\$928,211.57	50.03%
>5,228	210	4.30%	Impervious/ERU Value	4,672	Varies	\$927,009.14	49.97%
Total	4,888			9,350		\$1,855,220.70	

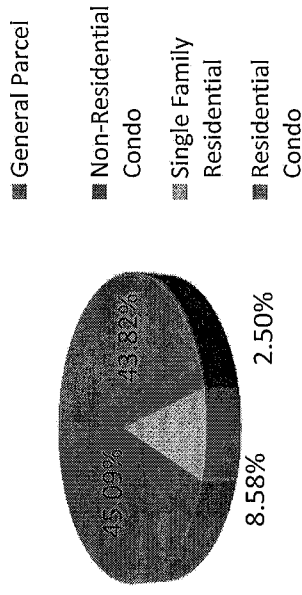
Methodology Results

Category	Current Units		Recommended Methodology	
	ERUs	Percent of Units	ERUs	Percent of Units
General Parcel	60,389	54.77%	47,738	43.82%
Non-Residential Condo	0	0.00%	2,724	2.50%
Single Family Residential	8,223	7.46%	9,350	8.58%
Residential Condo	41,653	37.78%	49,126	45.09%
Total	110,265	100.00%	108,939	100.00%

Current Units



Recommended Method



Methodology Results

- Total ERUs = 108,939
- Adjusted ERUs @ 98% = 106,760
- Rate Per ERU = \$16.87/month or \$202.47/year
- Estimated Annual Assessment Revenue at Current Rate and Adjusted ERUs = \$21,356,314 (-\$259,850)

What's Next

- Finalize assessment methodology
- Establish assessment rates
- Establish the fiscal year for implementation
- Confirm collection method