



City of Naples

OFFICE OF THE CITY MANAGER
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735 EIGHTH STREET SOUTH • NAPLES, FLORIDA 34102-6796

August 30, 2018

Re: Gulf Acres / Rosemary Heights Special Assessment Area for the Funding of Wastewater Improvements.

Dear Property Owner:

Our letter of July 12, 2018 informed you the Naples City Council would be asked to reconsider their decision of June 13, 2018 and proceed to establish a special assessment for the funding of wastewater improvements (sanitary sewer collection system to replace septic tanks) in the Gulf Acres / Rosemary Heights area. Owners of property with more than one residential unit received another letter dated August 6, 2018 that explained changes affecting those properties. Additionally, a neighborhood meeting was held on August 9th at the Faith Lutheran Church to explain proposed changes and to respond to questions and comments. Staff from Collier County attended the meeting to further explain their stormwater improvements to your neighborhood.

The request for reconsideration was made by the Collier County Commission.

The Naples City Council discussed this matter and agreed to reconsider their decision because additional funding contributions and a change in the methodology of the assessment resulted in a substantially better and more affordable project.

We are pleased to inform you that all aspects of the special assessment for wastewater improvements, as previously summarized in our correspondence (back side of this page) have thus far been supported by the Naples City Council by unanimous vote. On September 5th, the Naples City Council will take the first step to formalize the process by considering a revised Initial Assessment Resolution. A Final Assessment Resolution and public hearing will be scheduled on October 17, 2018 at 11:00 a.m.

In mid-September, you will receive a "formal" letter explaining the proposed assessment project, the proposed assessment for your property, and the options available to you. The letter will also confirm the date and time of the public hearing. Because the letter is a "legal" requirement, it will not include all of the information shown on the reverse side of this letter.

After the hearing on October 17, 2018 you will receive a letter detailing payment options available to you and the opportunity for selection of your preferred method of payment. We anticipate that the first annual assessment will be on the tax bill no earlier than November 2020.

Thank you for your interest in the City's water and wastewater improvements and Collier County's stormwater improvements. Please contact Lisa Douglass (ldouglass@naplesgov.com or 239-213-1801) should you have any questions or comments.

Sincerely,

Bill Moss
City Manager



Gulf Acres/Rosemary Heights Assessment Area—Wastewater Improvements

Summary of Assessment and Proposed Changes

August 30, 2018

Important Dates

- August 15, 2018
City Council reconsidered wastewater improvements.
- September 5, 2018
City Council will consider Initial Assessment Resolution.
- October 17, 2018
City Council will consider the Final Assessment Resolution.
Public Hearing

The City Council of the City of Naples, Florida (the "City") is considering the imposition of special assessment to pay for sanitary sewer collection system improvements and wastewater treatment capacity improvements in the Gulf Acres / Rosemary Heights Assessment Area. This area consists of properties along Hollygate Lane, Ridge Street, Frank Whiteman Boulevard, Rosemary Lane, Rosemary Court, US 41, Cooper Drive, Rosemary Court, Illinois Drive, Wisconsin Drive, 10th Street North, 12th Street North, 14th Street North. A summary of the assessment and proposed changes (*italics*) are listed below:

- Each dwelling unit will be considered as one equivalent residential connection (ERC), regardless of the size of the water meter.
- Each single-family residential vacant lot will be considered as one ERC and will include a charge for wastewater treatment capacity improvements (impact fees). At the time of development, the parcel will be subject to the payment of additional impact fees if the development exceeds one ERC.
- Wastewater Treatment Capacity Improvements (sewer impact fees) will be included in the assessment and payable over 20 years rather than immediate payment upon connection to the new sanitary sewer collection system.
- The assessment for each ERC may be paid in advance at a discount, or the assessment may be included with the tax bill each year for 20 years (early payoff if desired).
- *The assessment may be transferred to a new property owner should there be a transfer of ownership or sale of property within the 20-year assessment period (previously, the assessment could be transferred if transfer sale occurred within 10 years. Thereafter, payment was required until transfer of ownership or sale).*
- *Property owners may elect to defer all assessments for 20 years or upon transfer of ownership of property. Interest will accrue and compound annually and will be included with the final principal payment.*
- *The Big Cypress Basin has tentatively committed to providing a grant to the City in the amount of \$1,646,000. These funds may be used to reduce the assessment for each property owner.*
- *Collier County has agreed to relieve the City of its obligation to pay engineering design fees (\$313,000) and will provide \$500,000 toward the wastewater improvements, thus further reducing the assessment.*
- *The original written notice from the City informed property owners that the assessment would be \$24,335 per ERC, or \$1,784 per year for 20 years. Because competitive bids for construction were lower than the Design Engineer's estimated cost of construction, the maximum assessment per ERC was lowered to \$19,347, or \$1,421 per year at the public hearing on June 13, 2018.*
- *With the above referenced contribution and grant, the assessment may be further reduced to around \$13,300 per ERC, or about \$ 980 per year over 20 years, a reduction of 45% since the original notice to property owners.*
- *Special consideration will be granted to three property owners who have on-site advanced treatment systems (performance-based) that possess active permits from the Florida Department of Health.*
- *Property ownership has been updated, including a review of multi-family dwelling units. The number of ERC's assigned to multi-family units will be reduced from 1.0 to 0.78. For parcels that have more than one separate residential structure, the parcel will be assigned 0.78 ERC for structures less than 1,000 square feet and 1.0 ERC for structures 1,000 square feet or greater.*

It is recommended that City Council consider allocating \$400,000 toward the project to incentivize connection to the sanitary sewer collection system. Property owners are required to properly abandon their septic tanks and install a gravity connection from the home to the new sewer lateral at the property line. This work may cost \$1,000 to \$2,000. This cost could be paid by the City for property owners who agree to connect to the system within 12 or 18 months following completion of the project. If a grant (FDEP) or a special Florida legislative allocation is received next year and can be used for this purpose, then the City's allocation could be used to further reduce the assessment for property owners.

Costs per ERC
Original Notice
\$24,335
June 13th Notice
\$19,347
Proposed
\$13,300

Contact
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Ethics above all else... Service to others before self... Quality in all that we do.