



Cover Memorandum/Staff Report

File #: 25-954

Agenda Date: 8/12/2025

Item #: 8.A.

TO: Mayor and Commissioners
FROM: Missie Barletto, Public Works Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: August 12, 2025

APPROVAL OF RESOLUTION 57-25: STORMWATER UTILITY ASSESSMENT (PUBLIC HEARING)

Recommended Action:

Consideration of the following items:

Motion to approve and accept Resolution No. 57-25 establishing a budget for the Stormwater Utility System, establishing the rates for FY 2025/2026 Stormwater Management Assessments, and certifying and adopting the Stormwater Assessment Roll.

Background:

On May 16, 2023, Ordinance No. 18-23 was approved to amend Title 5 "Public Works", Chapter 56 "Stormwater" of the City's Code of Ordinances to allow City staff to proceed with an alternative rate structure for the annual stormwater tax roll that was developed to recover costs more accurately and more fairly based on a property's contribution to stormwater runoff.

On April 22, 2025, Ordinance No. 14-25 was approved to amend Chapter 56 once more to include a standardized assessment for unimproved land and clarification on the method of assessment for condominiums and cooperatives.

The current SWU rate of \$1.12/month or \$13.44/year was approved by City Commission for the 2023 Stormwater Tax Roll and was not increased for the 2024 Stormwater Tax Roll. In 2023 and 2024 the total assessed amount for the entire City was \$4,228,318.36 and \$4,292,820.66 respectively. To meet the target revenue per the 2023 Stormwater Rate Study plan, the new rate of \$1.93/month/SWU is needed to recover about \$2,940,694.00 and place the City back on track for 2026. This rate proposal was presented to the City Commission on June 17, 2025.

The Stormwater Billing Unit (SWU) rate for FY 25-26 is assigned to one of four tiers based upon their impervious coverage area. Residential properties with more than 10,000 square feet of impervious coverage area would be charged based upon their actual impervious area. Non-residential properties would continue to be billed based upon their actual impervious area utilizing the SWU.

Tier No.	Impervious Area Threshold	Assigned SWUs	Monthly Charge	Annual Charge
1	Residential - 0 to 2,000 square feet	2.7	\$ 5.21	\$ 62.55

2	Residential - Over 2,000 to 5,000 square feet	6.4	\$ 12.35	\$ 148.28
3	Residential - Over 5,000 to 7,000 square feet	11.9	\$ 22.97	\$ 275.72
4	Residential - Over 7,000 to 10,000 square feet	16.1	\$ 31.07	\$ 373.4
N/A	Residential - Over 10,000 square feet	(Actual S.F.) ÷ 500	(\$ 1.93) x SWU	(\$23.17) x SWU
N/A	Non-Residential	(Actual S.F.) ÷ 500	(\$1.93) x SWU	(\$23.17) x SWU
N/A	Unimproved Land (1SWU)	Less than 500 S.F.	(\$1.93) x SWU	\$23.17

Staff recommends the City Commission adopt the Non-Ad Valorem assessment roll for the annual stormwater management assessments for FY 2025/2026. This assessment will be imposed on applicable property owners within the City of Delray Beach.

All funds from the assessments will be used to operate, maintain, make additions, improvements, and extensions to the City's Stormwater Management System. Also, funds will be used to finance the administration of the program. The stormwater management assessments will be included on the 2026 property tax bills issued to property owners in November and they will be collected by the Palm Beach County Tax Collector.

The proposed budget for the Stormwater Utility Fund is incorporated in Resolution No. 57-25 as Exhibit "A".

Notice of this hearing was published in the Sun Sentinel newspaper on August 1, 2025.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

This item is to approve the Stormwater Utility Assessment for FY 2025/2026. These funds are used to operate, maintain, make additions, improvements, and extensions to the City's Stormwater Management System, in addition to financing the administration of the program.

Timing of Request:

The timing of this request is of high importance to proceed with the 2025/2026 Stormwater Tax Roll, to comply with Palm Beach County Tax Collector deadlines.