

FACT SHEET

MUNICIPAL SERVICE BENEFIT UNIT (MSBU) CREATION AND IMPLEMENTATION

Authority

Florida Statutes Chapter 125.01(1)(a) authorizes the Board of County Commissioners to create Municipal Service Benefit Units to provide specific municipal services to any specified portion or all of the unincorporated area of the county. Florida Statutes Chapter 197.3632 authorizes such MSBU non-ad valorem assessments to be billed and collected in a uniform manner with ad valorem taxes. Policy No. 16-1 of the Board of County Commissioners provides the procedural requirements for creating and implementing an MSBU. Services are paid for by non-ad valorem assessments levied against property within benefited areas.

Examples of types of services which may be provided by MSBUs:

Street Lighting Road Paving Fire Hydrants Multipurpose

Creation

Petition submitted containing at least 60% of the signatures of property owners of the area to be included in the MSBU. The Board of County Commissioners may at its discretion, require more than **60%** of the property owners' signatures.

- X Petition must contain legal descriptions of the proposed MSBU area to be served, preferably with plat or map attached.

- X Petition must contain specific description of requested services. For street lighting, indicate requested number of lights, (i.e., intersections only, entrances, between intersections, etc). Attach pertinent information as necessary.

- X Petition must be submitted by July 1st for implementation with the annual County budget October 1st of the following year. All new MSBUs must be created (Ordinance adopted) by January 1st in order to be implemented by the following October 1st.

- X Petition must be on the form provided by the Office of Management and Budget. MSBU petition packets which contain a copy of Policy 16-1 and a petition form is available from the Office of Management and Budget, 20 N. Main Street, Room 464, Brooksville, FL 34601.

Procedure

1. A completed petition with attachments is submitted to the Office of Management and Budget.

2. A petition is reviewed to verify proper signatures and sufficient description of the proposed benefited area. An ownership roll is obtained from the Property Appraiser's Office to assist in the verification process.
3. For street lighting, the power company is requested to submit an engineering location design and cost estimate. For other types of services, staff will work with the petitioner to obtain necessary data to determine the cost for the service and develop a budget.
4. Upon receipt of No. 3, a proposed budget is prepared and a per lot or parcel assessment is calculated. In the case of new subdivisions, the developer will pay all installation costs and in the case of established subdivisions, the budget for the first year will include installation and operation costs and subsequent years' budgets will include operation costs.
5. Staff meets with resident representatives of the proposed MSBU to review budget and services. If cost and level of services is acceptable to residents, proposed MSBU will be presented to the Board of County Commissioners. If not, revisions will be made pursuant to residents input.
6. Proposed MSBU is presented to Board of County Commissioners to schedule a public hearing to be advertised at least two weeks prior to hearing date. The Office of Management and Budget shall ensure publication of the Notice of Hearing. The petitioner will be responsible for the costs to mail a notice of the public hearing to each of the property owners within the proposed MSBU area should the Board of County Commissioners require such a mailed notice.
7. Public hearing is held and comments from affected property owners are heard by the Board of County Commissioners.
8. If the Board of County Commissioners approves the proposed MSBU, an ordinance is adopted. Copies of the ordinance are provided to the Property Appraiser, Tax Collector, and Finance Office by the Office of Management and Budget.
9. For all newly created MSBUs established by December 31st of each year, an additional public hearing must be held in accordance with FS Chapter 197.3632, between June and September of the following year, for which notices must be mailed to each affected property owner, as well as published in the newspaper. The Office of Management and Budget shall handle the mailing and the publication.
10. Upon adoption of the MSBU assessment rolls with the annual County-Wide budget in September, such rolls shall be forwarded by the Office of Management and Budget to the Property Appraiser and Tax Collector for billing and collections for that year. (Authority under FS Chapter 197)
11. Any necessary contracts for services provided by the MSBU, such as contracts with power companies for street lights, must be approved and become effective on October 1st.

12. The following costs associated with establishing MSBUs must be paid by the petitioner:
 1. Cost of publishing legal advertisement for public hearing (approximately \$75.00)
 2. Clerk's fee for recording Ordinance creating the MSBU in the official records of Hernando County (approximately \$55.00)
 3. Cost of mailing notices to affected property owners advising of initial public hearing to create the MSBU if required by the Board (depends on number of owners)
13. Any changes to existing MSBU boundaries or changes in the purpose of an existing MSBU require a legally advertised public hearing with mailed notice to each affected property owner.

Assessment Bills

Non-ad valorem assessments are included on the annual ad valorem tax bills which are sent by the Tax Collector to each property owner within the MSBU in November of each year. Therefore, non-ad valorem assessments are payable in the same manner as tax bills and subject to the same discounts. Delinquent payments may result in the sale of a tax certificate in accordance with FS Chapter 197.

Contact Information: Hernando County
 Office of Management & Budget
 20 N Main Street, Room 464
 Brooksville, Florida 34601
 352-754-4004