





CITY OF FORT LAUDERDALE
BUSINESS IMPACT ESTIMATE

Rev: 3 | Date: 4/08/2025

Proposed Ordinance's Title Summary:	Undergrounding of Overhead Utilities Ordinance Rev
CAM#: <u>25-0980</u>	Meeting Date: <u>October 23, 2025.</u>
<u>Brad Kaine</u>	
Department Director/Designee Name	Signature
<u>Shaun Amarmani, City Attorney</u>	
City Attorney/Designee Name	Signature

This Business Impact Estimate is provided in accordance with Section 166.041(4), Florida Statutes. If one or more statements in the section below apply, a Business Impact Estimate is not required by state law for the proposed ordinance.

- The proposed ordinance is required for compliance with Federal or State law or regulation;
- The proposed ordinance relates to the issuance or refinancing of debt;
- The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the city;
- The proposed ordinance is an emergency ordinance;
- The ordinance relates to procurement; or
- The proposed ordinance is enacted to implement the following:
 - a. Development orders and development permits, as those terms are defined in s. 163.3164, and development agreements, as authorized by the Florida Local Government Development Agreement Act under ss. 163.3220-163.3243.
 - b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the municipality;
 - c. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
 - d. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
 - e. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code

The provisions as indicated above constitute exemptions as provided in Section 166.041(4)(c), Florida Statutes. Should any such exemption be applicable, then the provisions found in Section A below are not applicable.



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Section A

- 1. Summary of the proposed ordinance, to include the public purpose to be served by the proposed ordinance, such as serving the public health, safety, morals, and welfare of the City.**

Summary of Proposed Ordinance Revision

The proposed ordinance amends the City of Fort Lauderdale Code of Ordinances, Chapter 25 – Streets and Sidewalks, Division 2 – Undergrounding, specifically Sections 25-129.4 (Initiation of Process), 25-129.17 (Revisions to Assessments), and 25-130 (Bonds).

The amendments update and clarify the process by which neighborhoods or associations may request and participate in the undergrounding of overhead utilities program. The ordinance revision establishes clear procedures for applications, cost estimating, design phases, balloting by affected property owners, and allocation of costs through special assessments. It also provides a financing mechanism through the issuance of special assessment bonds and authorizes revisions to assessments if they are found defective or incomplete.

The public purposes of this ordinance revision include:

- 1. Public Health and Safety**
 - Undergrounding reduces hazards from downed power lines caused by hurricanes, tropical storms, or vehicle collisions.
 - Minimizes risks of electrocution, fire, and utility outages.
 - Improves the reliability of essential services, particularly during emergencies.
- 2. Welfare of the Community**
 - Protects the continuity of electric, communications, and related utility services that residents and businesses rely upon.
 - Enhances neighborhood aesthetics by eliminating overhead utility poles and wires, contributing to property values and community character.
 - Provides an equitable and transparent assessment process so that costs are fairly distributed among benefiting property owners.
- 3. Sound Financial Management**
 - Allows for issuance of bonds backed by special assessments rather than general city obligations, protecting the City's fiscal stability.
 - Establishes procedures for correcting or revising assessments, ensuring financial integrity and fairness in cost recovery.
- 4. General Public Morals and Welfare**
 - Promotes fairness and accountability through required public hearings, ballots, and transparency in cost allocations.
 - Encourages community participation in infrastructure improvements through neighborhood-driven initiatives.



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2. Estimate of direct economic impact of the proposed ordinance on private, for-profit businesses in the City.

a. Estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted.

The proposed ordinance does not impose new general compliance obligations on businesses outside of designated Underground Special Assessment Areas. For businesses located within such areas, compliance costs are tied directly to the undergrounding project in which their property benefits, and costs will be shared equitably among all affected parcels through the special assessment process.

b. Identification of any new charge or fee on businesses subject to the proposed ordinance or for which businesses will be financially responsible.

The only new charge directly created by this ordinance is the **special assessment**, imposed solely on businesses located within an approved Underground Special Assessment Area. The assessment amount will vary by project and parcel and will be adopted by City Commission after public hearings.

c. An estimate of the City's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs.

The City's regulatory costs will be recovered entirely through the application fee and parcel special assessments, ensuring that businesses benefiting from the undergrounding of overhead utilities program are financially responsible for the administrative and regulatory burden, rather than the general taxpayer.

3. Good faith estimates of the number of businesses likely to be impacted by the proposed ordinance.

Because the ordinance is voluntary and area-specific, the exact number of businesses impacted cannot be determined until property owners petition for creation of an Underground Special Assessment Area (USAA) and the City Commission approves such designation.

4. Any additional information the City may deem to be useful.

A. Voluntary Nature of Participation

- The ordinance establishes a process that is initiated by property owners through an application. No area may be designated as an Underground Special Assessment Area (USAA) without the approval by the City Commission.



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BUSINESS IMPACT ESTIMATE

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B. Equity and Transparency

- Costs are allocated among benefiting parcels through a transparent assessment process, including mailed notices, published hearings, and opportunities for property owner input.

C. Public Safety and Resiliency

- Undergrounding utilities supports the City's storm hardening and resiliency goals, reducing risks of power outages, fallen utility poles, and service disruptions during hurricanes and severe weather events.

D. Economic and Aesthetic Benefits

- Businesses and neighborhoods benefit from improved visual appearance, protection of property values, and enhanced reliability of utility services.
- Improved reliability may reduce long-term operational costs for businesses by minimizing disruptions caused by overhead utility damage.

E. No Unfunded Mandate

- The ordinance does not impose costs on businesses or residents outside of designated USAAs.
- All regulatory, administrative, and project costs are reimbursed through application fees and special assessments, avoiding impact to the City's general fund.

F. Flexibility for Future Projects

- The ordinance provides a consistent legal framework for future undergrounding initiatives, allowing neighborhoods, business corridors, or associations to participate at their own pace.