

MEMORANDUM

TO: Addie Javed, P.E., Public Works Director

FROM: Adam Heltemes, P.E., Roadway Production Manager

DATE: May 9, 2025

SUBJECT: **Public Hearing to Consider a Resolution Electing to Use the Uniform Method for the Levy, Collection and Enforcement of Non-Ad Valorem Assessments for Street Paving in the Oslo Park Area**

BACKGROUND

On October 19, 2021, the Indian River County Board of County Commissioners (“Board”) voted to direct the County Attorney and Public Works Director to initiate the process of creating a Municipal Service Benefit Unit (“MSBU”) for a specified area of the Oslo Park to raise funds for future road paving projects. The Public Works Department and the County Attorney’s Office worked together to prepare the proper documents to establish the MSBU for the 500 residential properties in the specified area. The Board considered establishing the MSBU last year, but due to the expected timing of the project, on June 7, 2022, the Board deferred acting.

On December 13, 2022, the Board voted to move forward with initiating the assessment process this year, which would allow for assessments to be collected on the tax bills that will go out in the fall of 2023. In preparation for this public hearing, County staff sent letters to the owners within the proposed MSBU area stating that although it was initially proposed last year that the amount to be levied per parcel would be \$398.00 per year for 20 years, the amount to be levied per parcel will now be \$500.00 per year for 20 years. The letter indicated that the increase would assist in addressing the desire to accelerate the timing of the improvements and increases in construction costs. The total revenue collected will be \$5 million. This proposed assessment is based upon a 25 percent contribution to the cost of construction from the County’s Secondary Roads Fund.

On May 16, 2023, the project and assessment were returned to the Board for approval. The County Administrator John Titkanich along with other commissioners raised concerns regarding the \$500 per year amount, as the project had not been designed or formally estimated. He suggested pausing this project and pursuing the assessment for paving under a different methodology. Administrator Titkanich proposed staff should be directed to secure the design, engineering, and preliminary estimates; staff would also contact affected residents to try and gather the required 67 percent approval. A motion was made by Commissioner Loar, seconded by Chairman Earman, to deny approval of the draft Ordinance and to pause the existing plan to pave streets in Oslo Park until staff could have the project designed, estimated, and approved by a majority of the residents. The motion was carried.

Subsequently, staff went through the selection process and chose a design engineer (Carter Associates, Inc) who was released to provide the county with survey, topographic information, a design for a four-block section of the project and a full construction estimate. The design concept includes eleven-foot paved lanes, four-foot stabilized shoulders, regraded roadside and rear lot swales along with a main culvert trunkline under the road centerline to expedite the transfer of stormwater from the right of way due to its flat nature. During the design process it was determined that paving of 13th Street SW would not be feasible due to the safety hazard caused by the adjacent Sub-Lateral J-3 Canal. The elimination of the safety hazard would be extremely costly.

In September of 2024, Carter Associates provided a cost estimate which was reviewed and concurred by staff. The total extrapolated cost estimate is \$14.75 million. This amount includes both a 15% contingency and a 5% inflation rate to account for the typical lagging of shelter inflation. The final resident assessment cost provided by the County Budget based on the estimate is \$1,640 per year per unit for 20 years.

RESIDENTS' SURVEY AND ANALYSIS

Furthermore, as directed by the Board, staff on two separate occasions sent out information to all property owners in the area providing the option to attend Public Outreach Meetings, to vote for or against the project and to provide comments. The residents were also asked the question if they would wish to revisit the project if additional funding could be found. The meetings occurred on December 2, 2024, and April 7, 2025. Only 55 of the 500 parcel property owners voted. The following are the results:

	Current Design and Cost		Willing to Reconsider with Lower Costs and Grants	
	In Favor	Against	In Favor	Against
Responses	22	32	49	6

The following comments were provided:

1. I'm in favor of the paving project. Hoping we can find less expensive option. If we can't have both pavement and drainage, I would prefer the drainage over the pavement.
2. I am amazed that so much money can be found for projects like 3-corners, but not for streets!
3. I believe that the streets should be paved ASAP. The unpaved road is damaging my vehicle. It is also resulting in sand in my home.
4. This is a great idea to cut down on the ATV traffic which creates deep potholes in the road when we get heavy rain that floods the road. Also, it would be a lot better on keeping the dust levels down. I think it would be a great idea to cut down on the flooding and it will also make it better for kids to ride bikes and scooters. Paving the roads will help keep down on the ATV traffic that rips up the dirt roads also will help a lot during heavy rains, so vehicles don't have to drive through all the holes created by the ATV traffic. Paving the roads will help keep down on the ATV traffic that rips up the dirt roads also will help a lot during heavy rains, so vehicles don't have to drive through

all the holes created by the ATV traffic

5. I have lived at this residence for 21 years, since January of 2004, and the road in front of my house was graded from that time until late 2019. I have brought this up and have been told that this is an easement and not under your jurisdiction. This does not make sense since it used to be graded by the county for many years as stated before.
6. We need the streets paved, dirt roads cost money too, use that money to pave.
7. I feel it is a necessary good for the community as a whole to vote yes for this project, in particular for the safety of the children and the people. The roadway and sidewalk pavements will make improvements to the community, making it more welcoming and safer. Due to the inclement weather without the improvement of pavement the roads naturally create potholes and mud causing road hazards and increased wear and tear on vehicles as well as causing safety hazards to pedestrians but most importantly children who could easily incur injury which would then create unwanted medical expense. So, to better the community and avoid the ongoing issues caused by poor drainage and weather I vote yes for the improvements provided by the pavement of the roads.
8. I have been in my house since 2002. When I built house was built, we were told that the roads were going to be paved within 5 years. The county only paved the 11th St SW. This has caused so many problems to my vehicles as well as the children walking to the bus stops. People tear up our dirt roads by riding dirt bikes, go carts and four wheelers. They think because we have dirt roads, they can just come and drive crazy. Our roads do not get graded in timely manner, we have to call to request our roads get graded, seems like we are not on a schedule. The county has stopped grading the road beside my house (12th St SW) years ago stating it is a construction road. The holes are so deep, people are driving into my yard to avoid the holes. Someone, I don't know who, came and put a load of soft sand in one of the holes and several cars got stuck and had to have a tow truck come pull them out. Since Habitat continues to build in this area, maybe they can allocate some funds towards the roads. Has anyone reached out to them, they get all kinds of grants.
9. Please let me know how soon the county/selected contractor will start the project. Our family is ready for it, THANKS.
10. I am in favor of this paving project. As an owner and resident in this area, this paving project would be beneficial to the roadways, home values, and the overall quality of life for us as residents. Many of my neighbors who have lived here for years have said that they have had to replace their vehicle multiple times due to the poor road conditions. In addition, the new drainage would reduce the risk of flooding in our area when there is heavy rain.
11. The cost is too expensive, we need some help from the county. Too expensive we need more help from the county. We are tired of the muck, but we cannot afford the amount of money to be paid.
12. We feel that some of the drainage systems are overkill, as we (on this street) have had no drainage issues AND in the not-too-distant future, sewage improvements will cause alterations of the drainage system, in the very least. It is already mentioned that raising the cost of this project is possible, and with the mandatory sewage changes, it is guaranteed to be raised. And it appears that our front yards are going to be significantly reduced.
13. "I'm on a fixed income. At \$1640.00 more on my property taxes for 20 years would increase my taxes more than double with the homestead act. Plus, we all know after a tax is added it will remain even after the 20-year time frame."
14. Due to the cost, I do not see the outcome worth the current assessment. I would like to see water drainage issues addressed, however.
15. 1620 dollars a year is absurd especially seeing the amount of habitat for humanity housing is going up for people on fixed/lower incomes
16. We signed a petition several years ago to have the road done and were denied. All we wanted was the road done 15 years ago.
17. The vote is still NO NO NO. You have not reduced cost, you more than quadrupled the very initial proposal (that you were supposed to try to reduce then) in a primarily low-income concentration of homes, mostly HABITAT HOMES that were forced into this little pocket of area. You guys do not

live in this little pocket of area, so you do not know the hardships of many of the households. Then you guys will turn around, tear it up in the short future to force installation of sewer with ANOTHER assessment???? You did not properly prepare this area when you allowed the Habitat homes. How interesting now that Habitat KNOWS there is not PROPER drainage in this area after they mostly built it all up, the COUNTY ALLOWED IT, and can no longer build on these too small lots. Now the COUNTY in hindsight wants the residents to pay for the fix when it should have been done before it was ever allowed? The residents are POOR in this area, you are asking them to pay a monthly bill for 20 years!!!! There is a housing crisis, an economic crisis, people are struggling financially, and NOW you want to do this??? You guys' paved 11th for the school buses in short time no problem. I think the county can manage to do the rest of the roads without assessing properties, putting liens on people's homes, lots, and making life even harder for the struggling. And the way you try to fancy the words and make it sound like you are doing more about the ditches when you are just putting the sod down. Tiny lots, narrow roads, and 5 families living in homes because no one can afford anything, cars having to park in streets. My vote stands for 2 votes since there are two addresses but only one mailing card.

18. We had the money in 2004 until the hurricanes back-to-back hit us. You used the money for cleanup. Did not FEMA give us the money back?
19. The decision for the homeowner or property owner to pay 75% of the cost of funding their pavement and drainage system in this area is unfair to property owners wherein the county themselves is only going to pay 25%. These are hard economic times for property owners or individuals, in general I totally disagree with this decision. I believe that the county should try adamantly to look for federal government funding otherwise property owners will be paying for every road in Indian River County to be paid or bridge repairs and so on and so forth etc.!!!!
20. "No, no, no. This improvement is way too expensive for the citizens of this neighborhood. In essence, you're asking to nearly double the property tax cost for the next 20 years! And many of the homes in this neighborhood are Habitat built homes purchased by lower income, often one-working adult families. How are they supposed to afford such an increase? Renters will also suffer as the cost will be passed on to them, making rents excessively high in this section of Oslo compared to other areas nearby. Please stop considering this until the money can be found by other means or the cost to citizens can be reduced substantially. Thank you"
21. There is no way that I could afford over \$1,640.00 for property taxes every year on my habitat for humanity house. I am disabled and live on a fixed income.
22. If this project passes, I will lose my house. I'm on a fixed income and can't afford it. PF
23. Most residents have mortgage payments with escrow. So, once the assessment amount is added onto the taxes that you are already paying, along with the homeowner insurance, some will not be able to afford the mortgage payment.
24. Pave 13th road, and change the % the owner pays
25. Too expensive per property, especially for us that are on a fixed income.
26. That amount totals \$32,800 per lot over 20 years which is pretty extreme. Within that 20-year time period, it is almost inconceivable that a NHTSA, or some other federal grant, or state or local funding grant cannot be found, submitted and approved for this project.
27. As badly as I want the roads in our neighborhood paved, I don't think every single homeowner in the neighborhood should have to pay \$32,000+ over the next 20 years. Newer people moving into the neighborhood in the future will also have this added assessment, that they did not agree to for the project.
28. This is a huge jump in the original estimated cost of the project which the county stated they believed would be between \$5 to \$7 million. Paved roads & proper drainage for those roads are extremely vital, however a nearly tripled estimate is unrealistic for one of the lowest income areas in Vero Beach to burden. There are multiple habitat homes going up in the area, perhaps looking at partnering with these organizations & private institutions for additional funding might be worth exploring.

29. Originally \$400 then \$500. The new assessment is obviously too high especially when you were going to pave 13th St
30. Most of this area is Habitat for Humanity. Surely you do not believe they can afford this. In addition, there are many like me on a fixed income that are barely getting by and cannot afford something the county should be paying for. I wonder how many streets had to pay this type of money for something the government should pay for. I have lived in a number of places and have never heard of such a scheme!

STAFF RECOMMENDATION

The Public Works Department recommends that the Board discusses the resolution and votes to either close out the previous Board action of a draft ordinance or to request the scheduling of a Public Hearing to look to approve staff to begin a special assessment project under Chapter 206 of the Indian River County Ordinance Code.