

Municipal Service Benefit Units

By Bob Halfhill, Public Works Director

Municipal Service Benefit Units (MSBUs) are a funding mechanism used by Charlotte County and others for development of neighborhood projects and infrastructure maintenance. Most Florida counties fund the infrastructure maintenance costs from ad-valorem tax, a tax based on the assessed value of property. Property owners in an MSBU are annually assessed an amount approved by the Charlotte County Board of County Commissioners (BCC) for specific services to their area including road maintenance and improvements, drainage, beautification projects, and waterway dredging.

In the 1960s, 70s and 80s, General Development Corporation platted thousands of lots but later went bankrupt. Charlotte County inherited the responsibility for maintaining the neighborhoods established by General Development. The County initiated the MSBU system to assess funding for the maintenance of the neighborhood roads and drainage structures. The MSBU system evenly distributes the maintenance costs among developed and undeveloped property owners within a specific geographic area.

Today, there are over 50 MSBUs in Charlotte County that have evolved into neighborhood advisory committees staffed by volunteer residents. Each MSBU advisory committee consists of several regular members and alternates who are appointed by the BCC for specific terms. Working closely with the public works department, the committees make recommendations to the BCC in regards to maintenance budgets, special projects and other activities within their jurisdiction.

Let's follow a typical project through the development and review process. For our example, an MSBU advisory committee in west Charlotte County wants a walking path constructed. The committee, assisted by the Municipal Service District Representative (MSDR) from the public works department, develops the scope of work and design for the proposed walking path. The engineering division of community development department becomes involved with the conceptual plan and cost estimates which are then submitted to the county budget department for an estimate to determine the assessment needed to fund the construction of the walking path project.

The MSBU committee, usually working with a homeowners or property owners association, begins working on an outreach program to determine the amount of support from property owners for the walking path. This is accomplished through mail-outs, door-to-door canvassing and telephone surveys. Each of these methods has concerns. Mail-outs can be expensive. At the cost of about one dollar per property owner and an average of 11,000 properties, the cost of a mail-out easily exceeds \$10,000. Door-to-door canvassing is labor intensive and with absentee property/home owners, it can be inefficient. Telephone surveys encounter the same problems. Most MSBU Advisory Committees use a combination of methods when conducting outreach and depend heavily on the membership records of the homeowner's associations.

For the next step, the county administrator reviews the proposed project, including the cost, benefit, current assessment, fund balances and finally the results of the outreach program. Typically projects that fail the administrator's review do so because of the outreach results. Public works has learned over time how best to conduct outreach with an absentee population. If a strong showing can be mustered from the permanent residents in the MSBU and a good effort from the absentee population, the project has a better chance of making the cut during the county administrator's review.

In our example project, the walking path survives the county administrator's review and is now ready for workshops and public hearings with the BCC. Workshops are normally held during early summer and consist of a review of all changes in MSBU assessments. The proposed projects are presented to the Board for discussion. After the workshops, the projects come before the BCC again in late summer during public hearings. At these hearings the public can provide input directly to the BCC about the proposed projects. A show of support from the MSBU property owners and advisory committee members is important during these hearings. I encourage residents to participate in local government by attending their MSBU advisory committee meetings and County Commission public hearings. Usually the MSBU Chairperson joins in the conversation with the Commissioners. I have seen difficult issues approved by the Board due to the interaction between the County Commissioners and the MSBU residents.

Remember that one of the most positive aspects of the MSBU system is that Charlotte County residents play a major role in determining their quality of life investing, or in some cases not investing, in their neighborhoods. I encourage you to attend and participate in your local MSBU committee meetings