



AGENDA MEMORANDUM

Finance Department

City Council Meeting Date: August 18, 2026

To: City Council
From: Steve C. Chaipel, Deputy City Manager/CFO
Date: August 11, 2026

SUBJECT: Consideration of Resolution 26-030, establishing the date, time, and place for a Public Hearing to consider establishing and implementing a Stormwater Assessment District

BACKGROUND: At the beginning of fiscal year 2026, the City Council began discussions on a potential stormwater management assessment program. The following is a timeline of those discussions.

- [October 7, 2025](#): The City Council approves the 2025 Surface Water Management Master Plan
- [October 21, 2025](#): The City Council received information on stormwater assessment programs and directs staff to continue working on the project
- [December 16, 2025](#): City Council approves budget amendment to fund a consultant study on a potential stormwater assessment program
- [January 13, 2026](#): City Council approves Resolution 26-004 expressing the City's intent to establish a stormwater assessment fee that, if approved, would be collected through the annual tax bill
- [March 31, 2026](#): City Council awards contract to Stantec Consulting to provide information on a potential stormwater assessment program
- [July 21, 2026](#): Staff and Stantec Consulting present information on a potential stormwater assessment fee program

DISCUSSION: Based on the City Council discussion and direction at the July 21, 2026, meeting, Staff prepared an analysis of the financial impacts of offsetting the General fund operating millage rate (currently 2.5000) by the current working total of the assessment collection (\$1.7 million) for a sample of various property classifications on the island.

As the Council noted during the July meeting, offsetting the City total of \$1.7 million is a relatively straightforward process for the City's budget. However, the direct millage rate reduction as a dollar-for-dollar offset at the individual property level will vary among all properties because the two revenue mechanisms allocate costs differently. Property taxes are primarily driven by taxable property value. The stormwater assessment is driven by the ERU methodology used to assign stormwater costs to property.

Exhibit A to this agenda item shows the results of the sampling to demonstrate on a per-property basis what the potential impact could be.

Sanibel is and shall remain a barrier island sanctuary

In July, the City sent physical notices to all property owners on Sanibel describing the stormwater assessment program and the amount of the potential assessment for their particular property. A copy of this letter is attached as Exhibit B.

A public information page on the City's website has also been created and can be viewed at [this link](#).

Florida Statutes require municipalities whose governing bodies have approved a Resolution declaring the intent to establish a special assessment district, to advertise the approved Resolution (Resolution 26-030) for two consecutive weeks and to establish a Preliminary Assessment Roll that will be used to notify property owners within the special assessment area of the date when the municipality's governing body will hold a public hearing to establish and implement the assessments. Included in the agenda packet for this item, is confirmation from the News-Press parent company Gannett, attesting that public notice was published in the News Press on July 28, 2026, and August 4, 2026. Also included in the agenda packet is the Preliminary Assessment Roll for the proposed Assessment District.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Motion to approve Resolution 26-030.

Sanibel is and shall remain a barrier island sanctuary