



February 2008

Understanding Municipal Incorporation

The Pelican Bay joint Steering Committee on Incorporation, consisting of members from the Pelican Bay Foundation board, Pelican Bay Property Owners Association board, and Pelican Bay Services Division board, respectfully submit the “Understanding Municipal Incorporation” study for your consideration. This study, prepared by the John Scott Dailey Florida Institute of Government at Florida Gulf Coast University with LaRue Planning and Management services, Inc., is a very informative document about the topic of incorporation and the processes involved.

The Committee encourages each Pelican Bay resident and commercial interest to please review the complete study contained within this publication carefully, so that you can be fully informed on this topic. The information contained within the report is of significant importance in considering whether Pelican Bay should have a number of its governmental functions aligned

and dedicated solely to the interests of Pelican Bay, as geographically defined.

This report will be supplemented with several Town Hall meetings; future information will be posted on www.pelicanbay.org, and will appear on our community’s internal TV Channel Pb96. Residents and businesses of Pelican Bay will have the opportunity to articulate their views about incorporation in a March 2008 issue of the *Pelican Bay Post*.

Following this comprehensive information

process, residents and businesses, regardless of whether they are registered or non-registered Florida voters, will be solicited by a professional, third-party opinion gathering firm which will measure resident and commercial preferences on this issue.

This statistically validated expression of the preferences of our community will then be part of the information used by the Pelican Bay Foundation Board of Directors to determine whether or

not to proceed with a comprehensive Feasibility Study. The Feasibility Study, if positive, would then lead to a bill of incorporation in the State legislature and, if passed, a referendum proposal presented to the registered voters (only) of Pelican Bay.

Incorporation cannot be adopted without first clearing the State legislature, and then being approved by a majority of register voters within Pelican Bay.

PB

Incorporation Presentation Schedule at the Community Center

January 22	7-9pm	Town Hall Meeting – Incorporation
February 4	7-9pm	Town Hall Meeting – Incorporation
February 13	2-4pm	PRESIDENT’S COUNCIL – Incorp. Presentation
February 13	7-9pm	Town Hall Meeting – Incorporation
February 18	2-4pm	PBWL – Incorporation Presentation
March 12	7-9pm	Town Hall Meeting – Incorporation
March 18	9-10am	MEN’S COFFEE – Incorporation Presentation
March 18	7-9pm	Town Hall Meeting – Incorporation

*(Wine & Cheese
from 6:30-7:00pm
before town hall
meetings)*

Executive Summary

By The John Scott Dailey Florida Institute of Government at Florida Gulf Coast University
with LaRue Planning and Management Services, Inc.

The community of Pelican Bay is compiling a detailed information program to delineate all aspects of incorporation to its members.

The information reveals that the community should consider several points which would represent changes from current status. Key issues to consider are:

1. Growth management: The community would gain control over growth management issues, development, redevelopment, planning and zoning.

2. Taxes: The community could save an estimated \$2.4 million annually in taxes, after absorbing costs of the new town government.

3. Type of government: The community could choose the type of government it desires.

4. Accessibility to elected officials: The community would have direct access to and responsiveness from its government instead of being served by one of five commissioners.

5. Local ordinances: Town officials could enact and enforce local laws and ordinances designed to meet community needs.

6. Scope and quality of services: Residents could determine the level and variety of government services.

At the completion of this information phase, the community will be surveyed to determine its preference regarding the next steps. The preference may be to stop any further action or it may be to take

the next steps.

The next steps in the incorporation process are well defined in the Florida Statutes. Among other things, they would include preparation of a detailed feasibility study and refinements of the preliminary estimates and general descriptions available at this time.

This document contains a substantial amount of detail on these points and on many other issues associated with incorporation PB

Submit your opinion,
pro or con,
regarding the
possible incorporation
of Pelican Bay
to be published
in a special section
of the Early March
Pelican Bay Post
(see guidelines to the right)

email: incorporation@pelicanbay.org

fax: ATTENTION: Incorporation, 239-597-6927

or mail to: Pelican Bay Foundation
ATTENTION: Incorporation
6251 Pelican Bay Blvd.
Naples, FL 34108

Guidelines for Special *Pelican Bay Post* edition

Space will be allowed in the Early March *Pelican Bay Post* for pro/con submissions on the topic of incorporation.

All submissions are limited to 300 words and must be signed.

Non-factual statements will be so noted and any piece which may contain personal attacks/insults will be eliminated in accordance with the Foundation's policy.

Submissions must be received by 5pm, February

18, 2008. The *Pelican Bay Post* will provide equal space and positioning for both proponent and opposing views on incorporation.

Submissions may be made via email to incorporation@pelicanbay.org; via regular U.S. post mail to Pelican Bay Foundation, ATTENTION: Incorporation, 6251 Pelican Bay Blvd., Naples, FL 34108, or via fax to ATTENTION: Incorporation (239) 597-6927. PB

Understanding Municipal Incorporation Report

January 16, 2008

By The John Scott Dailey Florida Institute of Government at Florida Gulf Coast University
with LaRue Planning and Management Services, Inc.

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Introduction

This study has been prepared on behalf of the citizens of Pelican Bay to provide insight into incorporation from the perspective of the following four questions:

1. What is incorporation?
2. What does incorporation provide to the residents of a community?
3. What would be different in Pelican Bay as a result of incorporation?
4. What is involved in the incorporation process?

The answers to these questions will assist in informing citizens of Pelican Bay on issues associated with incorporation.

What is Incorporation?

Incorporation is the establishment of a municipality. Chapter 165 of the Florida Statutes provides the “standards, direction, and procedures for the formation of municipalities in this state and the provision of municipal services” (FS 165.021, 2004). The act is meant to promote orderly patterns of urban growth and land use, adequate local public services, financial integrity, the elimination or reduction of differences in fiscal capacity among neighboring local jurisdictions and equity in the financing of municipal services.

If incorporated, Pelican Bay could select its municipal services, just like the many other incorporated communities in Florida have done. The size of these communities also differ from the smallest (population 8) to the largest (388,702), per the adjusted FY05 population estimates. Of the total FY05 population estimates, 47% (8,495,905) of the population reside within incorporated municipalities. Similarly to the differences in level of services and population, there are also great variances in municipal budgets with some as low as \$32,316 and others as large as \$643,088,352.

Provisions of Incorporation

Under incorporation there are definite differences that will set Pelican Bay apart from its current unincorporated status. They are as follows:

1. Residents will have direct control of the type of government serving them.
2. There is direct accessibility to and responsiveness of the governmental officials.
3. Control of revenues and expenditures is at the local level.

4. There is independent control of planning, zoning, and growth management issues.
5. Residents can determine the level and variety of government services provided.
6. Town officials can enact and enforce local laws and ordinances designed to meet community needs.

Incorporation Process

The incorporation process will take at least two years and is dependent upon the individual circumstances of the community involved. The costs for incorporation range from \$74,000 - \$102,000. More detail regarding the incorporation process is located on pages 7-8 and in Appendix C: Figure 3.0 Milestones, Task Duration and Estimated Costs for the Incorporation Process on page 16.

Differences with Incorporation

The structure of Government will be different for Pelican Bay if Incorporation occurs. Although there are several types, the two most common and utilized government structures are the Council-Manager and the Strong Mayor-Council. With incorporation comes the ability to levy taxes and generate different types of revenues based on:

- Ad valorem assessment,
- Home rule authority, and
- Sources authorized by the State legislature.

Services provided by an incorporated entity generally reflect more of a local personality than those provided by a county. If Pelican Bay were to become a town, items like planning, zoning and code enforcement can reflect policies consistent with the vision of Pelican Bay rather than the County.

Common Questions

What benefits would we have under incorporation that we do not have as currently structured?

- By incorporating, Pelican Bay can realize a reduction in ad valorem tax.
- Municipalities are able to receive revenue from a variety of sources.
- Pelican Bay as a Town could adopt ordinances, land development regulations and levels of service acceptable to itself instead of the County determining these issues.

Who is able to vote on the Incorporation Referendum?

- In accordance with State laws, only Florida registered voters residing in Pelican Bay are eligible to vote on the Incorporation Referendum.

How many communities in Florida have incorporated and what characteristics does Pelican Bay have?

- There have been 26 communities incorporated since 1974.
- The median population of Florida cities, towns and villages is 5,510. Sixty percent (247) of Florida's municipalities have a population of 10,000 or less. The smallest cities in Florida are Weeki Wachee (8) and Marineland (10).

What does incorporation provide to the residents of Pelican Bay?

Incorporation Points to Consider

1. Incorporation creates a more accessible, accountable and responsive government because of the smaller size and direct contact with elected officials.
 - a. Being a town allows the residents to select a form of government that is the best fit for Pelican Bay.
 - i. A "lite" government model could create a local government for the citizens of Pelican Bay while maintaining a cost effective government that capitalizes on the economies of scale associated with larger entities via contracts.
 - ii. Being a Town requires commitment of the community to serve as public officials and on various citizen boards.
 - iii. There is an understanding that incorporation has impacts on other governmental entities.
 - b. Town elected officials have direct control to determine local revenue and expenditure needs by setting the municipal tax rate and service levels.
 - i. As an unincorporated area within Collier County, Pelican Bay pays an ad valorem assessment called the Unincorporated General Fund MSTD to receive services that would otherwise be provided by an incorporated municipality. The ad valorem MSTD is in addition to the non-ad valorem MSTBU tax levied against Pelican Bay residents.
 1. MSTD tax levy for the FY07 budget year totaled approximately \$4,347,317.
 2. MSTBU paid by Pelican Bay residents for the FY07 budget year totaled approximately \$3,017,116.
 - ii. Collier County also is able to generate

revenue from sources such as franchise fees, utility taxes, communication services tax, occupational licenses, permit and/or user fees, fines/forfeitures other revenues. If Pelican Bay were to incorporate, these revenues could be available to the Town of Pelican Bay for use within the community, rather than the County.

c. Town officials have control over growth management, planning and zoning regulations and decisions without being under the requirements set by Collier County.

i. Pelican Bay Town officials would be able to determine growth management, planning and zoning decisions based on the needs of the Pelican Bay community. Collier County would not determine how Pelican Bay develops and re-develops.

d. Town officials and residents can exercise self determination over the variety and levels of services provided to the community.

e. Town officials have the ability to enact and enforce local laws and ordinances to meet the needs of the community.

2. Incorporation, rather than providing another layer of government, substitutes the government in charge of providing services from one further away to one more local and more conducive to maintaining the distinct sense of community shared by Pelican Bay residents.

a. Members of the Incorporation committee were able to agree upon certain goals and values (Appendix F: Strengths, Weaknesses, Opportunities and Threats Summary Report, page 18) that would be likely shared by residents of Pelican Bay and include:

- i. Protection of natural environment, including beach access,
- ii. Maintaining excellent services that are cost conscious and effective,
- iii. Enhancement of property values,
- iv. Preserving/enhancing the physical environment,
- v. Proper public safety such as security and fire protection,
- vi. Cultural amenities,
- vii. Maintaining the quality and standards of its existing commercial enterprises, and
- viii. Control of remaining development/redevelopment.

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3. Incorporation would ensure that the citizens of Pelican Bay would not contribute more in taxes than they receive in the corresponding level of service.

a. In FY07, Pelican Bay paid approximately \$4,347,317 in an unincorporated ad valorem tax called an Unincorporated General Fund MSTD. The MSTD generates revenue to pay for services that an incorporated city or town would otherwise provide to citizens. The revenue generated by Pelican Bay was allocated as follows for FY07:

i. See “Appendix B: Figure 2.0 Estimated Allocation of Revenue Generated by Pelican Bay — Unincorporated General Fund MSTD” on page 15.

b. Pelican Bay is a donor community. This means that Pelican Bay property generates more revenue for the County than it costs to provide services to Pelican Bay. The additional revenue generated by Pelican Bay is used to cover expenditures for other unincorporated area projects. As such, Pelican Bay is “donating” money to other areas in the County. During fiscal year 2007, Pelican Bay donated approximately \$2,587,317 (see Addendum D: Figure 4.0 page 17).

i. Removal of the MSTD, only achievable through incorporation, would eliminate the “donor” situation.

c. Incorporation would likely change the tax rate currently levied against Pelican Bay citizens; however, the precise change would not be known until an Incorporation Feasibility Study is conducted.

4. Debt service payments would be less, for the Town of Pelican Bay, than if a homeowners’ association were to acquire debt because bonds issued by a municipality are tax exempt and would likely carry a lower interest rate. Thus, the Town of Pelican Bay could acquire debt for desired projects that otherwise would have been taken on by the Foundation. The Town could issue bonds on the municipal bond market and purchasers of bonds including residents of Pelican Bay receive tax free revenue.

5. Per the Florida Statutes, only registered voters in Pelican Bay are able to vote on the Incorporation Referendum.

6. The incorporation process does pose costs and does not guarantee voter approval of the incorporation referendum. Costs associated with the incorporation process could include the following:

a. Pelican Bay residents volunteering time.

b. Use of Pelican Bay facilities.

c. Committee work on the incorporation process.

d. Voluntary attendance at incorporation forums.

e. Feasibility Study, which is required by the State of Florida to become incorporated and will likely cost \$30,000 - \$45,000 or more.

f. Legal fees associated with incorporation may be \$16,000 or more depending on the amount of services.

g. Marketing expenses could be \$5,500 or more depending on marketing needs.

h. Special elections, which are likely, could represent an additional cost. The cost could be approximately \$21,000.

7. Sovereign immunity under the Florida Constitution and Florida Statutes, limits any potential liability against the Town of Pelican Bay and its officials. Insurance can be purchased to protect against any remaining liability.

8. There is a direct availability of State shared revenues from retail sales, cigarette and gasoline taxes that could be used to provide services for Pelican Bay, as long as certain criteria are met.

9. There is an opportunity to apply directly for state, federal and other agency funding opportunities.

10. Pelican Bay, as a Town, will have direct representation during intergovernmental decision making rather than having another entity such as the County substitute as the spokesperson for the Community of Pelican Bay in the intergovernmental decisions.

What is involved in the incorporation process?

Milestones, Task Duration and Associated Costs

The incorporation process may take as little as two years but could last longer depending on the individual circumstances of the community. Associated costs of incorporation are just as unique as the timeframe since the external support needs of the community may vary. Below is an example of incorporation milestones, task durations and possible associated costs. A one page matrix (Appendix C: Figure 3.0 Milestones, Task Duration and Associated Costs) of this information can be found on page 16.

1. Pelican Bay Incorporation Communication Project

a. Milestone Description

i. The report by the Florida Gulf Coast University will gather information regarding incorporation and the possible implications for the community of Pelican Bay.

b. Task Duration: October 2007 - December 2007

c. Estimated cost: \$13,835

i. This expense will be shared equally by the Foundation and the PBPOA.

2. Pelican Bay Incorporation Information Program

a. Milestone Description

i. During this milestone it is suggested to do community outreach activities with the citizens and business community of Pelican Bay on the topic of incorporation.

b. Task Duration: January 2008 - March 2008

i. Estimated Cost: \$8,500 to deliver information to residents

ii. Additional printing, marketing and postage could vary depending on the program designed by Pelican Bay

1. Bonita Springs received \$15,000 of in-kind print and marketing services from a local vendor. There were 16,668 registered voters at the time; therefore, the marketing expenditure was approximately \$0.90 per registered voter.

2. Pelican Bay has 5,894 registered

voters per the Collier County Supervisor of Elections; therefore, the marketing expenditure utilizing \$0.90 per registered voter could be \$5,304.

iii. This expense will be shared equally by the Foundation and the PBPOA.

3. Obtain Survey of Community Support

a. Milestone Description

i. Conduct a preliminary review of citizen interest in the incorporation of Pelican Bay prior to investing resources in milestones 4 - 7. The question may be posed as, "Shall the community of Pelican Bay continue the process of becoming an incorporated municipality?" The vote will not be conducted by the Supervisor of Elections because it would either require a special election or wait until January 2009. A special election could cost up to \$37,000 and this is not cost effective.

b. Timeline

i. April 2008

c. Cost Estimate: \$4,500

4. Secure Intergovernmental Support

a. Milestone Description

i. Develop a working relationship with key government agencies to ensure successful passage.

1. State officials

a. Identify local legislative delegation and appropriate sponsors

b. State of Florida Department of Revenue

c. Office of Economic and Demographic Research (Florida Legislature)

d. Legislative Committee on Intergovernmental Relations (Florida Legislature)

2. Intergovernmental agencies

a. County

b. Other agencies

b. Timeline: 2008 - 2009

c. Cost estimate: \$5,000 - \$10,000

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5. Conduct Feasibility Study

a. Milestone Description

i. This study is required in order to become incorporated and informs the Legislature on the feasibility of a proposed incorporation.

1. It must be submitted to the Legislature 90 days prior (December) to the first day of the regular session (March) of the Legislature during which the municipal charter would be enacted.

2. A Charter is prepared as a part of this process. The Charter is the vehicle by which the citizens of Pelican Bay would outline the intent to become an incorporated municipality within the State of Florida and covers items such as: municipal powers, elected council, budget and appropriations, charter officers, elections, transition schedule, etc.

b. Timeline

i. May 2008 - November 2008 conduct Feasibility Study.

c. Cost Estimate: \$30,000 - \$45,000

6. Bill of Incorporation

a. The bill enacted by the Legislature of the State Florida to approve the Charter for approval by a majority vote of those qualified electors residing within the proposed corporate limits of the proposed municipality.

b. Timeline

i. December 2008 submit Feasibility Study and Bill of Incorporation.

ii. March 2009 Bill of Incorporation to Legislature.

1. Continued and close working relationship with Legislature during this process will be necessary to ensure successful passage.

c. Cost estimate: \$5,000 - \$10,000

7. Incorporation Referendum Vote

a. Vote which determines if Pelican Bay will become an incorporated municipality.

b. Timeline: June 2009 - November 2009

c. Cost estimate: \$7,000 - \$10,000

8. Town Election (assumes affirmative vote on Incorporation Referendum)

a. Town Council candidates declare candidacy

b. Candidates campaign

c. Vote by the citizens to elect the first council for the citizens of Pelican Bay.

d. Timeline: 2009

e. Cost estimate: \$37,000 (to be borne by the Town of Pelican Bay)

f. Special Election: A special election would require additional costs. The precise cost is not currently available from the Supervisor of Elections. A special election held by the City of Naples in 2003 cost \$37,000. Based on population alone, the cost per resident was \$1.76. Assuming the population is not commensurate with the registered voters the cost per registered voter is probably much higher. Assuming only half of the Naples population at the time was eligible to vote, the cost per eligible voter would have been \$3.53. Using this very conservative figure, the cost to Pelican Bay for a special election could be \$20,793, with no cost difference between a mail-in or machine vote.

Costs for the above milestones are best estimates and the amount of legal counsel sought and the fee for services will vary based on the needs of the community.

Seven major milestones exist for the completion of the incorporation process, assuming voter approval, which would be completed over at least a two-year period. Overall, the cost of the incorporation process for Pelican Bay could be between \$74,000 - \$102,000 based on decisions of the Committee and the final costs for specific services (i.e., legal, marketing, elections, etc). The eighth milestone "Town Election" is not included in the cost of the incorporation process. The estimated cost is \$37,000 and would be borne by the Town of Pelican Bay.

According to the Supervisor of Elections, 5,894 residents are eligible to vote in Pelican Bay. This is of interest because two milestones involve the vote of eligible residents:

- The incorporation referendum following legislative approval, and
- The election of Town officials.

When informing the Pelican Bay community, in addition to open forums for all interested residents and businesses, information will be provided via the *Pelican Bay Post*, the website and Pb96. However, it should be understood that elections are for those individuals registered to vote.

PB

What could be different for the citizens of Pelican Bay as a result of incorporation?

Government Structure

There are many types of government structures that could be implemented by the Town of Pelican Bay. The following is commentary on major forms of government. The two most common and utilized forms of government in Florida are the Council-Manager and the Strong Mayor-Council.

1. Council-Manager — An elected Town council (5 to 11 members) is delegated the legislative tasks of setting policy, voting on ordinances and approving the Town budget. The mayoral position serves as a member and presides over meetings; however, the position is strictly ceremonial. The council then hires a professional manager to handle the day-to-day operations and the implementation of council decisions. The Town Manager serves all council members equally. Day-to-day operations may include human resource decisions, recommendations to council, budget preparation and supervision of municipal operations.

2. Mayor-Council

Strong Mayor. In this form of government the Mayor has the authority to handle human resource decisions without approval of the council and prepares the budget, which must be approved by the council. The Mayor is elected via popular vote and has broad executive powers including the ability to veto council decisions. The council is delegated policy decision-making roles. Often a strong mayor will appoint an individual (Chief Administrative Officer) to assist in the supervision of department heads, preparation of the budget and the management of various department activities. The Chief Administrative Officer reports only to the Mayor, not any of the other council members. In some cases, a professional administrator is appointed by the mayor.

Weak Mayor. The Mayor, in the Weak Mayor form of government, is elected by the citizens; however, the position is mainly ceremonial. The Council serves to set policy, provides administrative leadership, prepares the budget and manages the hiring and firing of department heads. Succinctly stated, the council has both legislative and executive powers.

3. Commission — The council serves to set policy and consists of Commissioners elected to administer

individual departments of the government. The Commission form of government provides for no separation of power as each Commissioner serves as an elected head of a service area and serve collectively as the legislative body. A Commissioner may perform the ceremonial duties of the Mayor.

Ability to Generate Revenue

Local government is able to levy ad valorem taxes and receive revenue from authorized state revenue sharing programs. Otherwise, jurisdictions are dependent on the State Legislature for the authority to levy other forms of taxation. The ad valorem tax base is the fair market value of assessed real estate within the jurisdiction, tangible personal property and state assessed railroad property minus specific items.

1. Ad Valorem Tax: Section 9, Article VII, Florida Constitution and Chapters 192-197 and 200, Florida Statutes.

Municipalities shall be authorized by law to levy ad valorem taxes and may be authorized by general law to levy other taxes, for their respective purposes, except ad valorem taxes on intangible personal property and taxes prohibited by the Florida Constitution. For all municipal purposes the ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for periods not longer than two years when authorized by vote of the electors...shall not be levied in excess of 10 mills upon the assessed value of real estate and tangible personal property.

Municipal millage rates are composed of four categories:

- General Millage: Non-voted rate set by the governing body.
- Debt Service Millage: Rate approved by a vote of the electors to raise taxes for debt services (Section 12, Art. VII, State Constitution).
- Voted Millage: Authorized by a vote of the electors and set by the municipality's governing body (Section 9(b), Art. VII, State Constitution).
- Municipal Dependent Special District Millage: Added to the municipality's millage to which the district is dependent and included as municipal

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millage for the purpose of the ten-mill cap.

2. Revenue Sources Based on Home Rule Authority (Section 163.31801, Florida Statutes; Sections 125.01 and 403.0893 and Chapter 170, Florida Statutes.

The utilization of revenues based on home rule authority does not require explicit statutory authorization. Three primary categories of these revenues are proprietary fees, regulatory fees and special assessments. Proprietary and regulatory fees are implemented to pay the expenses of providing a service or facility or regulating an activity. Proprietary fees are the result of the jurisdiction's "exclusive right" and include franchise, user and utility fees. Regulatory fees are charged to exercise the power to police activities and may include building permit fees, impact fees and stormwater fees. A special assessment is implemented to provide a specific benefit or service to the property subject to the assessment and the assessment must be fairly and reasonably apportioned amongst all properties receiving the benefit.

3. Revenue Sources Authorized by the Legislature
State-Shared Revenues — These revenues are derived by taxes imposed by the state and shared with various local governmental agencies, including a municipality. Certain eligibility criteria must be met for each state-shared revenue program and a formula for allocation to the local units of governments is determined. There are also stipulations on the use of certain state shared revenues while others may be used for general government purposes.

A specific eligibility item of interest to Pelican Bay is the requirement that the local government levy an ad valorem tax that produces the revenue equivalent to a millage rate of 3 mills on the dollar based on 1973 taxable values or produce revenue equivalent to that which would be produced by a 3 mill ad valorem tax from a combination of four specific sources: receiving remittance from the County pursuant to s. 125.01(6)(a), FS, collecting an occupation license tax or utility tax or levying an ad valorem tax.

Statutorily Authorized Sources — Other sources of statutorily authorized revenue sources exist and may be implemented by a municipality following the enactment of an ordinance providing for the collection of such revenue. Certain revenue sources have restricted uses while others do not and may be used for general fund expenditure. Examples of these statutorily authorized sources that might be available to Pelican Bay include

the local communications services tax, local business tax and the public service tax.

Local Option Taxes — Local option taxes can only be enacted through a majority or majority plus vote of the governing body or by referendum. Generally, these revenues have restrictions on how they can be expended. Local option taxes that might be an option for Pelican Bay include:

- a. Local Option Fuel Tax
- b. Ninth-Cent Fuel Tax
- c. 1 to 6 Cents Local Option Fuel Tax
- d. 1 to 5 Cents Local Option Fuel Tax

Planning Services

Items such as planning, zoning, building and code enforcement would likely fall within a category such as Planning Services. Currently, these types of activities are provided by Collier County and all planning issues are decided by the County based on a countywide comprehensive plan, land development regulations, planning and zoning regulations and code enforcement ordinances set at the county level. If Pelican Bay were to incorporate, the municipality could set policy that was specific to the Pelican Bay community vision, not the County's vision. Control of land use categories and policies affecting environmental, beautification, urban design and other performance standards would be in a specific comprehensive plan just for Pelican Bay. Likewise, implementation of the Plan would be through specific Pelican Bay Land Development Regulations.

Garbage Collection

Collier County has a Mandatory Garbage Collection Ordinance. There is curbside collection of household waste, yard waste and recyclables throughout the County. Each residential property of Pelican Bay receiving the collection service pays a non-ad valorem assessment of \$167.67 for FY08. This is an increase of 4.1% from the FY07 assessment of \$161.06. The approximate total FY08 revenues generated by the non-ad valorem assessment for the mandated garbage collection in the Pelican Bay area were \$1,195,990. This is a contract negotiated by the Collier County Board of Commissioners. As a municipality, Pelican Bay could be able to negotiate a different rate and would not be obligated to participate in a mandatory garbage collection assessment after fulfilling statutory and constitutional requirements. Florida Statute, Chapter 165 and Section 10, Article I of the State Constitution address solid waste contract fulfillment.

Public Works

This broad category of services could entail right-of-way maintenance (i.e., mowing, landscaping) and use, street signs, road maintenance and repair, sidewalks, stormwater management and other services similar to these. Currently, Pelican Bay pays a non-ad valorem assessment to receive many of these services from the County. The Pelican Bay Services Division is funded by the assessment.

If Pelican Bay were to incorporate, the Pelican Bay Services Division could be operated as it currently is by Collier County or could be contracted out to another provider. Such a determination would be decided during the incorporation process. Revenues of approximately \$3,017,116 would be generated by the \$422.98 assessment shared by 7,133 property units.

Water, Wastewater and Reuse Water

Currently, water and wastewater services are provided by Collier County. Water rates include a base rate plus a volume usage charge. The sewer rates are similar in that there is a base charge and a volume charge; however, residential customers have a volume charge cap that recognizes not all water used is returned via the wastewater system.

Reuse water is also provided by the County for irrigation. According to the FY07 budget, approximately \$463,400 was budgeted and expended during FY06 and FY07 for irrigation and landscape improvements.

Water, wastewater and reuse water could still be provided by the County; however, if Pelican Bay were to incorporate, rates would be negotiated during the incorporation process. After meeting any statutory requirements that prevail, the Pelican Bay Foundation will establish the mechanism for water provision.

Fire Rescue

Fire rescue services are provided by the North Naples Fire Department. The revenue source is a 1 mill ad valorem tax levied by the independent special district. Based on the FY07 gross taxable value of Pelican Bay (\$5,387,677,872) published in the Collier County Adopted FY07 budget, the 1 mill tax should generate approximately \$5,387,678. As a municipality, Pelican Bay could choose to continue the relationship with the North Naples Fire District as-is or renegotiate the contract to obtain appropriate savings by soliciting competing bids. Statutory requirements must be met if Pelican Bay were to successfully incorporate.

PB

Frequently Asked Questions (FAQ)

1. What benefits do we, Pelican Bay, derive from incorporation (home rule/self government) that we do not already have or cannot acquire as currently structured?

a. By incorporating, Pelican could realize a reduction in ad valorem tax totaling nearly \$2.6 million. This amount is the result of Pelican Bay being a donor community to Collier County. The \$2.6 million is the difference between the revenue generated by Pelican Bay due to the ad valorem county unincorporated general fund MSTD (\$4.3 million) in fiscal year 2007 and the fiscal year 2007 budget allocation for the Pelican Bay Services Division (\$3.0 million) and an estimated general government cost to run the incorporated Town of Pelican Bay (\$1.8 million). This only accounts for ad valorem taxes and non ad valorem assessments. As a municipality, revenue could be generated from other sources to fund general government expenditures.

i. See Appendix D: Figure 4.0 Property Tax Comparison: Unincorporated Pelican Bay vs. Town of Pelican Bay (Incorporated) on page 17.

b. Municipalities are able to receive revenue from various sources other than ad valorem taxes. Currently, Collier County receives approximately \$2.3 million in revenues as a result of Pelican Bay being an unincorporated area. This revenue is not required to be expended within the Pelican Bay community. Pelican Bay could possibly realize this amount in revenues should the community incorporate.

c. Pelican Bay could set ordinances, land development regulations, zoning, fees for service and ad valorem and non ad valorem taxes at levels acceptable to the community instead of Collier County determining what these levels are.

2. Is home rule or self government a reason for incorporation or is it a result of incorporation?

a. To have control of local decision making (self-government) per the powers vested by the State of Florida is a reason for incorporation. The result is a system or structure (i.e., a charter manifesting

continued on page 12

home rule) for implementing self-government through decision making on ordinances/regulations, revenue generation, etc. that local officials believe to be best for the town.

3. Is the control of land development within the community the only reason to incorporate?

a. No. The ability to control all facets of decision making, per the powers vested in a municipality by the State of Florida is the reason to incorporate. Land development may be, in some communities, the rallying issue. Redevelopment of residential and commercial properties in Pelican Bay is becoming a matter of increasing importance to the community. Incorporation would give the residents control over this process. Other communities have proceeded because the cost was greater than the service level provided by the county.

4. Have other former unincorporated areas been able to do comparisons to determine if there were financial benefits from incorporation?

a. Yes, the City of Bonita Springs has been able to show a total ad valorem cost savings of \$8,275,544 as of FY01 through FY07.

b. For FY07, the City of Bonita Springs one millage rate is 0.7919 compared to the two rates totaling 1.003 mills assessed to the unincorporated property owners in Lee County.

c. A Bonita Springs resident with a home having a taxable value of \$275,000 pays \$58.14 less than a similar property in unincorporated Lee County.

d. In FY07, the City of Bonita Springs ad valorem tax was \$7,756,385 compared to the unincorporated Lee County ad valorem tax of \$9,826,976. This represents a \$2,070,415 savings for the residents of the City of Bonita Springs.

e. See Appendix E: Figure 5.0 City of Bonita Springs — Financial Benefit of Incorporation on page 18.

f. Even if revenue generation were to remain equal following incorporation, expenditures would be specifically for the benefit of Pelican Bay. Currently, the expenditures are being used to benefit countywide unincorporated areas.

5. What are the possible costs associated to proceed with incorporation?

a. The overall cost will vary based on the decisions of the Pelican Bay community. One required

element is the Feasibility Study, which will cost at a minimum \$30,000 but could be as much as \$45,000, if not more. Other areas of costs include marketing, legal services and the cost of any special elections (if necessary). The cost of incorporation could be \$74,000 - \$102,000.

6. Who is able to vote on the Incorporation Referendum?

a. In accordance with State law, only Florida registered voters residing in Pelican Bay are eligible to vote on the Incorporation Referendum. Per the Collier County Supervisor of Elections, there are currently 5,894 registered voters in Pelican Bay.

7. What percentage of the vote on the Incorporation Referendum is sufficient to become incorporated?

a. Fifty percent (50%) of those voting plus 1 must vote affirmative on the Incorporation Referendum for Pelican Bay to become incorporated.

8. What characteristics does Pelican Bay have in common with communities that successfully incorporated?

a. Population — the median population of Florida cities, towns and villages is 5,510. Sixty percent (247) of Florida's municipalities have a population of 10,000 or less. The smallest cities in Florida are Weeki Wachee (8) and Marineland (10).

i. Source: www.flcities.com/membership/fast_facts.asp

b. Require an Exemption — It is likely that Pelican Bay would need an exemption to the distance requirement. Several other municipalities have received this exemption. A recent example is the successful incorporation of Grant-Valkaria (Incorporation 2007), which needed a distance exemption. Furthermore, the effort to attempt annexation into the City of Naples shows that alternatives to incorporation have been exercised.

c. Preservation of Quality of Life — Items identified include sense of community, community identity, community character and natural environment.

d. Proponents and Opponents — Communities successfully incorporating initially had a group of citizens that believed incorporation was beneficial and brought the topic into the public for discussion. Likewise, there were opponents to incorporation who voiced concerns and asked additional questions. Having both sides, promotes an

opportunity for sound investigation and learning of the topics so that an educated constituency votes on incorporation.

9. How many communities have successfully incorporated since 1974?

a. 26

10. What happens to County property in an incorporated area?

a. Unless an agreement can be negotiated to provide for a change, County ownership remains — if, for example, it is a park of regional or community size, it would function the same whether in an unincorporated or an incorporated area.

b. As the incorporated Town of Pelican Bay, transfer of property control from the County to the Town could be negotiated jointly.

11. What happens to other taxing authorities (i.e., County, School, Water, Independent and Voter Approved) assessments that appear on the tax bill?

a. Those taxing authorities would continue as-is and would not be impacted by incorporation.

b. The unincorporated general fund MSTD (i.e., Dependent) is the item that will go away for Pelican Bay residents should incorporation occur.

12. What is required in an actual Feasibility Study?

a. Overview of Requirements for a Feasibility Study

i. General location including a map of area proposed for incorporation.

ii. Major reasons for incorporation.

iii. Characteristics of the area.

iv. List of public entities within the boundary of the area proposed for incorporation.

v. List of current and proposed services, including costs, being provided within the proposed area.

vi. Name of at least three individuals submitting the proposal.

vii. Evidence of fiscal capacity and an organizational plan.

viii. Data and analysis supporting conclusions of feasibility.

ix. Evaluation of the alternatives available to address policy concerns.

x. Evidence that the proposed area meets incorporation requirements.

b. See Appendix G: Feasibility Study Requirements on page 19 for additional details.

13. If there is a desire for residents of Pelican Bay to retain a Naples post office address if incorporation is successful, would that be possible?

a. Yes, within the incorporation feasibility phase it would be advisable to request this from the local Naples Postmaster (John A. Terrazas). PB

Submit your opinion, pro or con, regarding the possible incorporation of Pelican Bay to be published in a special section of the *Early March Pelican Bay Post* (see guidelines to the right)

email: incorporation@pelicanbay.org

fax: ATTENTION: Incorporation, 239-597-6927

or mail to: Pelican Bay Foundation
ATTENTION: Incorporation
6251 Pelican Bay Blvd.
Naples, FL 34108

Guidelines for Special *Pelican Bay Post* edition

Space will be allowed in the Early March *Pelican Bay Post* for pro/con submissions on the topic of incorporation.

All submissions are limited to 300 words and must be signed. Non-factual statements will be so noted and any piece which may contain personal attacks/insults will be eliminated in accordance with Foundation policy.

Submissions must be received by 5pm, Feb. 18,

2008. The *Pelican Bay Post* will provide equal space and positioning for both proponent and opposing views.

Submissions may be made via email to incorporation@pelicanbay.org; via regular mail to Pelican Bay Foundation, ATTENTION: Incorporation, 6251 Pelican Bay Blvd., Naples, FL 34108, or via fax to ATTENTION: Incorporation (239) 597-6927. PB

APPENDICES

APPENDIX A:

Figure 1.0 Pro Forma Comparison Between FY 2007 Expenditures by Governmental Entity and Pro Forma Expenditures by Governmental Entity Following Incorporation

Current Services Provided to Pelican Bay (in thousands)				
Collier County <u>Countywide (1)</u>	Collier County <u>MSTD (2)</u>	Pelican Bay <u>Svcs. Div. (3)</u>	North Naples <u>Fire District</u>	<u>TOTALS</u>
20,903	4,136	3,598	5,388	34,025
Incorporated Services Provided to Pelican Bay (in thousands)				Potential Savings
Collier County <u>Countywide (1)</u>	Town of <u>Pelican Bay (4)</u>	North Naples <u>Fire District</u>	<u>TOTALS</u>	<u>TOTALS</u>
20,903	5,358	5,388	31,649	2,376

Notes:

1. Citizens, regardless of incorporation status, are assessed a Countywide General Fund ad valorem tax to pay for services that all citizens benefit from such as Emergency Medical Services, Animal Control, maintenance of County roadways. Medical Examiner, Tax Collector, Property Appraiser, Board of County Commission, Sheriff, Clerk of Courts, etc. In FY07, Pelican Bay generated approximately \$20.9 million dollars in Countywide General Fund ad valorem tax to pay for these services.

2. The Collier County Municipal Services Taxing District (MSTD) provides a municipal like level of service to residents residing in an unincorporated area. During FY07 the assessment was .8069. In FY07, Pelican Bay revenue generation funded an estimated \$4,736,034 in

expenditures. This expenditure would be eliminated following incorporation.

3. Pelican Bay Services Division (PBSD) provides for landscaping, street lighting, storm water management, extraordinary security, and maintenance of the mangrove area.

4. The potential incorporated Town of Pelican Bay includes all of the services currently provided by the PBSD (\$3,598M) plus projected expenses for a small town management structure (\$1.760).

5. This presentation excludes the revenues and expenses for the Pelican Bay Foundation — FY 2007 Operating actuals of \$10,271M.

APPENDIX B:

Figure 2.0 Estimated Allocation of Revenue Generated by Pelican Bay — Unincorporated General Fund MSTD

	<u>CAFR 2006</u>	<u>2007 Estimate</u>	<u>Pelican Bay Contribution</u>
Taxes	34,288,745	39,027,100	4,347,317
Licenses/Permits	1,309,114	1,468,056	Unknown
Intergovernmental	38,303	42,953	Unknown
Charges for Services	2,329,549	2,612,384	Unknown
Fines/Forfeitures	367,289	411,882	Unknown
Interest income	59,699	66,947	Unknown
Net Decrease/Investments	(57,239)	(64,188)	Unknown
Special Assessments	32,877	36,869	Unknown
Miscellaneous	141,680	158,882	Unknown
<i>Total Revenues</i>	38,510,017	43,760,885	
General Government	5,935,319	6,655,937.45	741,420
Public Safety	3,248,719	3,643,152.20	405,819
Physical Environment	648,297	727,007.98	80,983
Transportation	9,365,727	10,502,837.86	1,169,935
Economic Environment	367,056	411,620.97	45,851
Human Services	-	-	-
Culture and Recreation	9,501,453	10,655,042.61	1,186,889
Debt Service	-	-	-
Capital Outlay	4,043,785	4,534,748.68	505,136
<i>Total Expenditures</i>	33,110,356	37,130,348	4,136,034

Special Notes:

1. The 2006 CAFR (Source: Collier County Clerk of Courts) was used to set a baseline actual revenue and expenditure for the Unincorporated General Fund MSTD. CAFR is the acronym for the Comprehensive Annual Financial Report.

2. Utilizing the 2007 Collier County Budget (Source: Collier County Budget Office website), an estimate was calculated as the 2007 CAFR will not be available until late in the first calendar year quarter.

3. Pelican Bay revenue generation is based on the 2007 taxable value (\$5,387,677,872) and the millage rate (.8069).

4. Pelican Bay generates approximately 11.1% of the unincorporated general fund MSTD tax revenue.

5. Using the 2007 expenditure estimates for the MSTD, 11.1% of each line item was assigned to Pelican Bay to give an overview of how, using linear assumptions, Pelican Bay pays for MSTD services and how Pelican Bay “donates” to Collier County.

Definitions:

General Government: BoCC, County Manager Administrative, OMB, Admin Services, Human Resource Admin, Clerk, Property Appraiser, Tax Collector, County Attorney, Natural Resources, Circuit Court Costs, State Attorney, Public Defender, Other General Admin, Facilities Mgmt, Sheriff, Super. Elections, Real Property Mgmt.

Public Safety: Sheriff, Emerg. Mgmt Admin, Helicopter Ops, ME

Physical Environment: Conservation/Resource Mgmt., Canal Debris Removal

Transportation: Roadways, bridges and sidewalks

Economic Environment: Veteran’s Services, Impact Fee Assistance, Community Redevelopment, Housing and Urban Improvement

Human Services: Health Care Responsibility Act, Domestic Animal Services, Health Dept, Mental Health, Client Assistance, Public Services Division

Culture and Recreation: Library Administration, Extension Services, Beach/Water Park Ops

APPENDIX C:

Figure 3.0 Milestones, Task Duration and Associated Costs for the Incorporation Process

Milestone	Description	Start	End	Cost
Pelican Bay Incorporation Communication Project	Gather information regarding incorporation and the possible implications for the community of Pelican Bay.	Oct-07	Dec-07	\$13,835
Pelican Bay Incorporation Information Program	During this milestone it is suggested to do community outreach activities with the citizens and business community of Pelican Bay on the topic of incorporation.	Jan-08	Mar-08	\$8,500
Survey of Community Support	Conduct a preliminary review of citizen interest in the incorporation of Pelican Bay prior to investing resources in milestones 4 - 10. The question may be posed as, "Shall the community of Pelican Bay continue the process of becoming an incorporated municipality?"	Apr-08	Apr-08	\$4,500
Secure Intergovernmental Support	Identify local legislative delegation and appropriate sponsors. Work with State of Florida Department of Revenue, Intergovernmental agencies, Office of Economic and Demographic Research (Florida Legislature) and Legislative Committee on Intergovernmental Relations (Florida Legislature).	2008	2009	\$5,000 - \$10,000
Conduct Feasibility Study	This study is required in order to become incorporated and informs the Legislature on the feasibility of a proposed incorporation. It must be submitted to the Legislature 90 days prior to the first day of the regular session of the Legislature during which the municipal charter would be enacted. A Charter is prepared as a part of this process. The Charter is the vehicle by which the citizens of Pelican Bay will outline the intent to become an incorporated municipality within the State of Florida and covers items such as: municipal powers, elected council, budget and appropriations, charter officers, elections, transition schedule, etc.	May-08	Nov-08	\$30,000 - \$45,000
Bill of Incorporation	The bill enacted by the Legislature of the State Florida to approve the Charter for approval by a majority vote of those qualified electors residing within the proposed corporate limits of the municipality.	Dec-08	Jun-09	\$5,000 - \$10,000
Incorporation Referendum Vote	Vote which determines if Pelican Bay will become an incorporated municipality.	Jun-09	Nov-09	\$7,000 - \$10,000
Town Election	Town Council candidates declare candidacy, Campaign, Citizens vote to elect first Town Council. (Cost to be borne by the Town of Pelican Bay)	2009	2009	\$37,000

APPENDIX D:

Figure 4.0 Property Tax Comparison: Unincorporated Pelican Bay vs. Town of Pelican Bay (Incorporated)

Town of Pelican Bay residents would pay the same general fund property tax as other Collier County Property Owners except for:

Unincorporated Pelican Bay			Town of Pelican Bay (Hypothetical Incorporation)		
<u>Property Tax/Assessment</u>	<u>Rate</u>	<u>Revenue</u>	<u>Property Tax/Assessment</u>	<u>Rate</u>	<u>Revenue</u>
General Fund Unincorporated MSTD	0.8069	4,347,317	Town of Pelican Bay	0.326671	1,760,000
Pelican Bay Services Division	0.5600	3,017,116	Pelican Bay Services Division	0.5600	3,017,116
North Naples Fire District	1.0000	5,387,677	North Naples Fire District	1.0000	5,387,677
<hr/>			<hr/>		
Unincorporated Pelican Bay tax/assessments	2.3669	\$12,752,110	Town of Pelican Bay tax/assessments	1.8867	\$10,164,793

Estimated Incorporation Savings: \$2,587,317

Unincorporated Pelican Bay			Town of Pelican Bay (Hypothetical Incorporation)			
	<u>Rate</u>	<u>Revenue</u>	<u>Rate</u>	<u>Revenue</u>		
For a \$500,000 home with a homestead exemption of \$25,000 the owner would pay:	2.3669	\$1,125.28	1.8867	\$896.18	Savings =	\$229.09
For a \$750,000 home with a homestead exemption of \$25,000 the owner would pay:	2.3669	\$1,717.53	1.8867	\$1,367.86	Savings =	\$349.67
For a \$1,000,000 home with a homestead exemption of \$25,000 the owner would pay:	2.3669	\$2,309.78	1.8867	\$1,839.53	Savings =	\$470.24

Special Notes:

1. Exact revenue and expenditure figures would not be known until a full feasibility study was conducted. A financial assessment was not part of the scope of this study.
2. Pelican Bay Services Division Assessment was \$422.98. For comparative purposes this rate has been computed as a millage rate (.5600). The revenue generated by either format is the same (\$3,017,116).
3. For the purpose of the Pelican Bay Services Division revenue generation, 7.133 ERU's were assessed \$422.98. The property count was provided by the Collier County Property Appraiser.
4. Taxable value used to determine revenue generation was \$5,367,677,872 (Source: Collier County Property Appraiser).
5. Millage rates were acquired from the Collier County Budget Office, except for the Pelican Bay Services Division (see note 2) and the Town of Pelican Bay.

APPENDIX E:

Figure 5.0 City of Bonita Springs — Financial Benefit of Incorporation
Completed as of 10/26/07 includes final 2006 millage rates

Dollars Retained and Spent in Bonita Springs By Source Since Incorporation

	<u>Actual*</u>	
Ad Valorem Taxes	\$39,859,816	
Impact Fees	\$42,490,811	
Sales Tax	\$23,816,036	
Gas Tax	\$9,581,082	
Franchise Fees	\$10,760,100	
Revenue Sharing	\$7,047,869	
Other	\$18,986,415	
Total	\$152,542,129	

*Total taxes levied is less than total taxes received because State law only allows budgeting 95% due to available discounts. Actual usually exceeds budgeted for this reason.

Ad Valorem Taxes Levied

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>If Still Lee County Unincorporated MSTU</u>	<u>City of Bonita Springs</u>	<u>% Change in Ad Valorem Assessment</u>
2000-2001	3,500,935,558	4,272,769	4,151,636	-3%
2001 -2002	4,097,563,116	5,000,932	4,831,466	-4%
2002-2003	4,782,822,143	5,837,267	4,980,198	-17%
2003-2004	5,328,405,690	6,503,133	5,326,430	-22%
2004-2005	6,363,078,205	7,765,914	6,129,515	-27%
2005-2006	7,347,375,000	9,439,173	7,194,990	-31%
2006-2007	9,794,653,966	9,826,976	7,756,385	-27%
Total		\$48,646,164	\$40,370,620	-20%
Total Ad Valorem Savings			\$8,275,544	

APPENDIX F: Strengths, Weaknesses, Opportunities and Threats Summary Report

Pelican Bay Incorporation Values

1. Protection of natural areas including beach access
2. Excellent services
3. Sense of community
4. Wanting control of remaining development/redevelopment
5. Responsive governance based on cost/effectiveness
6. Desiring a “level playing field” valid representation in government decision making
7. Need for technical assistance opportunities, i.e. “League of Cities”
8. Enhance property values
9. Security
10. Desire of cultural amenities
11. Desire for quality in Waterside Shops

Pelican Bay Incorporation Goals

1. "Lite" government
2. Maintain quality services, cost/effectiveness
3. Natural environment
4. Proper security
5. Preserve and increase recreational assets for the community
6. Increase or create government focus
7. Enhance property values
8. Preserve/enhance physical environment

Pelican Bay Incorporation Stakeholders

1. County
2. City
3. Legislative Delegation
4. Other Cities
5. Constitutional Officers — Special districts
6. Governmental Entities — Waste Management/
Water Management District
7. Businesses in Pelican Bay

Appendix G: Feasibility Study Requirements

Feasibility Study Requirements

A feasibility study is a study of the proposed area to be incorporated. The purpose of the study is to enable the Legislature to determine whether the area: 1) meets the statutory requirements for incorporation; and 2) is financially feasible. Pursuant to s. 165.041, F.S., the municipal incorporation feasibility study must include the following elements:

- The general location and a map of the area proposed for incorporation.
- The major reasons for incorporation.
- The following characteristics of the area:
 - A list of current land use designations applied to the subject area in the county comprehensive plan.
 - A list of the current county zoning designations applied to the subject area.
 - A general statement of present land use characteristics of the area.
 - A description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known.
- A list of all public agencies, such as local governments, school districts, and special districts, whose current boundaries fall within the boundary of the territory proposed for incorporation.
- A list of current services being provided within the proposed incorporation area, including, but not limited to, water, sewer, solid waste, transportation, public works, law enforcement, fire and rescue, zoning, street lighting, parks and

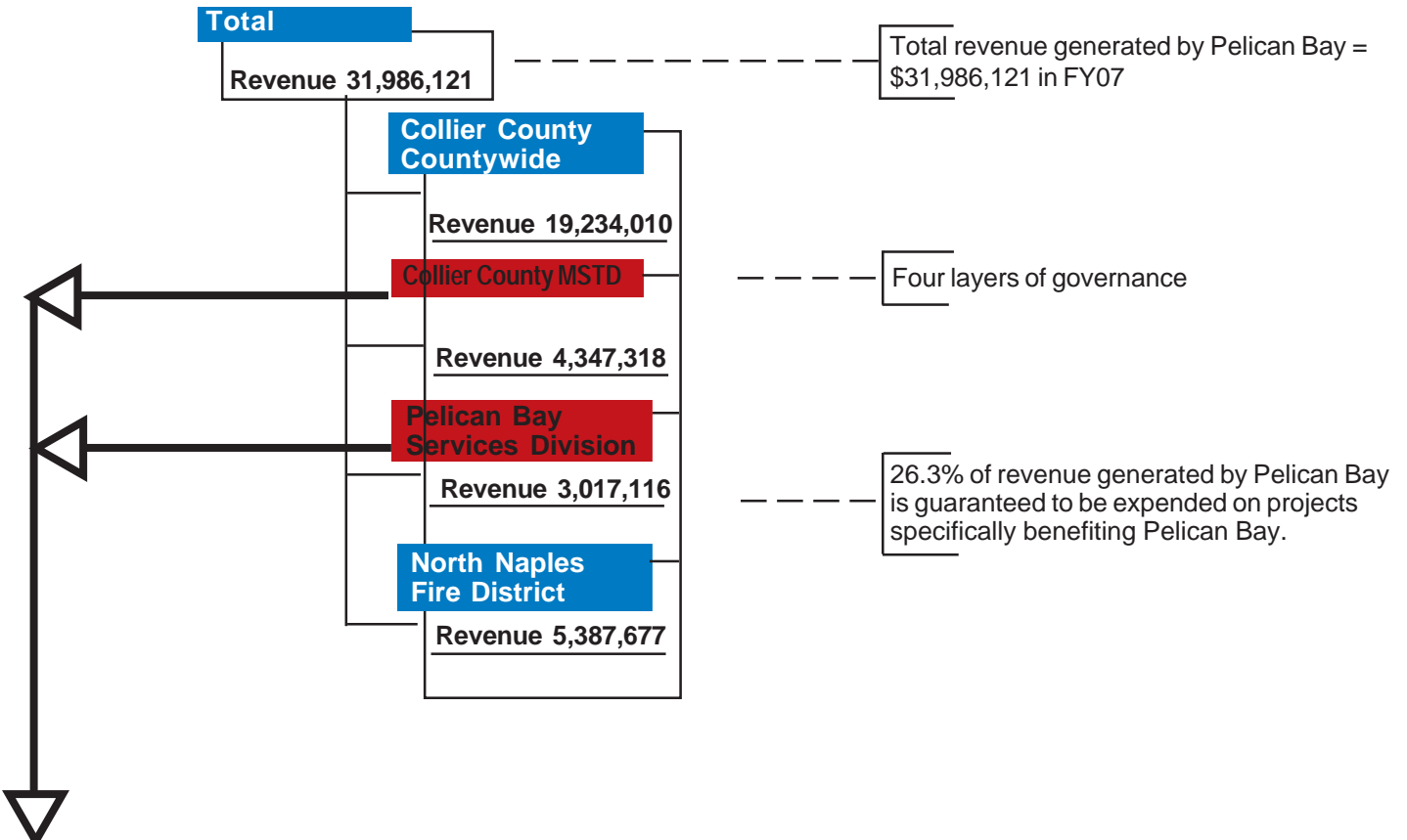
recreation, and library and cultural facilities, and the estimated costs for each current service.

- A list of proposed services to be provided within the proposed incorporation area, and the estimated cost of such proposed services.
- The names and addresses of three officers or persons submitting the proposal.
- Evidence of fiscal capacity and an organizational plan as it relates to the area seeking incorporation that, at a minimum, includes:
 - Existing tax bases, including ad valorem taxable value, utility taxes, sales and use taxes, franchise fees, license and permit fees, charges for services, fines and forfeitures, and other revenue sources, as appropriate.
 - A 5-year operational plan that, at a minimum, includes proposed staffing, building acquisition and construction, debt issuance, and budgets.
- Data and analysis to support the conclusions that incorporation is necessary and financially feasible, including population projections and population density calculations, and an explanation concerning methodologies used for such analysis.
- Evaluation of the alternatives available to the area to address its policy concerns.
- Evidence that the proposed municipality meets the requirements for incorporation pursuant to s. 165.06 1, F.S.

APPENDIX H:

Comparison Between FY07 Revenue Generation by Taxing Authority and Possible Revenue Generation by Taxing Authority Following Incorporation

Revenue Generation by Taxing Authority — FY07



Possible Revenue Generation by Taxing Authority Following Incorporation

