Navarre
Incorporation Feasibility Study
Prepared by

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INTRODUCTION

The Community of Navarre is a fast growing residential community that lies in South Santa Rosa County. It is made up of residential communities, strip retail, newer residential developments, some older neighborhoods intertwined with mobile homes and some scattered industrial uses. It is adjacent to one of the largest military bases (land area) in the country. For this feasibility study, the incorporation of Navarre has been examined using the lands currently bordered by the Santa Rosa-Okaloosa county line on the east, East Bay and East River on the north, and the Santa Rosa Sound and Gulf of Mexico coastlines to the south including both Santa Rosa Island and Navarre Beach. To the west, the identified Study Area extends to the western most side of township-range-section 032S27, township-range-section 102S27, township-range-section 152S27, township-range-section 222S27, and township-range-section 272S27 More generally the proposed City of Navarre lies between Gulf Breeze and Destin along US 98, south of Interstate 10. It is a compact geographical area (24.8 +/- square miles, or 15,879 acres). The 2010 census set the Navarre population at 32,036 permanent residents, based on Santa Rosa County estimates the present permanent population for the area proposed for incorporation is 42,300, while the seasonal population grows to an excess of 50,200 people, and the functional population based on existing ERU’s is 57,366. There are presently 28,046 registered voters in the Navarre area proposed for incorporation.

Navarre is a well-established community with family roots going back many generations. The community has a limited number of the necessary infrastructures (water, sewer, roads, and parks) in place. The driving economic force is tourism, a mix of retail, business, and construction.

Tourism is the major industry of Navarre. ¹ Tourists are drawn to the white

sandy beaches for rest, relaxation, and recreation.

Besides hotels and condominiums with the beautiful backdrop of the Gulf of Mexico, Navarre offers wonderful boating experiences and extraordinary fishing opportunities. Kayak fishing around Navarre is quickly becoming the #1 kayak fishing destination along the gulf coast. The Navarre Beach Pier is the longest pier on the gulf coast. At 1,545 feet long and 30 feet above the water, the Navarre Beach Pier is perfect for anglers and walkers while serving as the perfect spot for spectacular views of the sunset year-round.

The Citizens to Incorporate Navarre PAC is exploring the viability of incorporation. The primary goals of this consideration are:

1. Gain "Home Rule" which would allow area residents to control the future destiny of their community
2. The ability to enhance the present quality of life
3. Establish reasonable zoning regulations, maintenance of public infrastructure and levels of code enforcement
4. Return a greater share of their tax dollars and fees to the community
5. Build a community-centered local government to meet the needs of business and residents alike

A goal of incorporation would be to maintain a minimal level of staffing wherever possible, municipal services would be contracted, based on cost effectiveness and the ability to provide a desired level of service. The intent would be to work with the Santa Rosa County Government to contract some services with them until such time that the community decides otherwise. Planning, zoning, and building inspections could be provided by Santa Rosa County Government through an interlocal agreement, or be provided by a private sector vendor on a contractual basis. Roads and storm water function will initially remain with Santa Rosa County, but could be contracted out by the city to private sector vendors. Water and sanitary sewer services will continue to be provided by Holley-Navarre Water System (HNWS) and the Navarre Beach Water System (NBWS). Code enforcement will initially be provided by Santa Rosa County, but could be provided by the municipality in the future if they desired additional levels of services. Law enforcement would remain a function of the Santa Rosa County Sheriff's Office, with the levels of service maintained as they are presently. Library, parks and recreation and fire functions would remain as they are presently.

The proposal to contract for services with Santa Rosa County is based on the existing success of such relationship already working in other Florida Counties with the recently formed municipalities such as the Town of Fort Myers Beach and the City of Bonita Springs.
In April of 2014, the Citizens to Incorporate Navarre PAC signed a letter of engagement with BJM Consulting, Inc. This agreement directed BJM Consulting, Inc. to produce an Incorporation Feasibility Study to submit to the State of Florida by August 2014 and present the study to the Local State Delegation when they meet in the fall of 2014. The study was developed through a series of tasks approved by the PAC and was to provide an impartial assessment of the tasks and present the findings to the community leaders. The assigned tasks were:

- A review of the existing services presently being provided in Navarre
- A review of the boundaries for the proposed incorporation area
- Development of proposed incorporation revenue timeline
- Development of revenue analysis for proposed incorporated area
- Development of expenditure analysis for proposed incorporated area
- A pro forma presentation of revenue vs. expenditures, forecasted for a period of five years

Financial projections by BJM Consulting, Inc. are based on information provided by Santa Rosa County Governmental Agencies and compared to projections provided by the State of Florida. In addition to developing these financial projections, BJM Consulting, Inc. reviewed many existing documents and conducted a series of interviews with parties involved in the Navarre community, or with entities that might provide services to the City of Navarre on a contractual basis should the community become a municipality.

In addition to providing an independent assessment of the scope of services developed by the PAC, BJM Consulting, Inc. has completed a SWOT (strengths, weaknesses, opportunities and threats) Analysis of incorporation for the Navarre community. The intent has been to provide a concise yet thorough analysis of factors that Navarre residents and voters would need to consider when formulating a decision on whether to pursue incorporation of their community.

The study contemplates two possible alternatives to address all the future governance policy concerns of the residents of the community of Navarre: they can remain part of unincorporated Santa Rosa County; or look at the feasibility of incorporation. The reader will see these options being discussed throughout the SWOT analysis.

The fiscal analysis assumes a level revenue generation for the possible incorporation by using all existing levels of taxation and fees being charged by Santa Rosa County and no change in any of the service levels presently being provided by Santa Rosa County in the community of Navarre.
BJM Consulting, Inc. extends their appreciation to the numerous individuals who cooperated with their efforts in completing this report. It needs to be noted during this effort we interviewed more community leaders and had more responses to our questionnaire for the SWOT analysis than from any other community group we have worked with.

The name and addresses of the three people submitting this proposal are:

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Navarre, FL 32566  Navarre, FL 32566  Navarre, FL 32566
EXECUTIVE SUMMARY

SWOT ANALYSIS

The basis of a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis is to identify the current conditions of an organization in four areas. Strengths and weaknesses are areas that exist within the community today, while opportunities and threats are issues or factors which may face the community in the future. By identifying these conditions, citizens of the Navarre community can make informed decisions on whether incorporation is the best path to address the special needs and concerns of the community.

The SWOT analysis was compiled through interviews with community leaders, observations by BJM while conducting two site visits to Navarre and responses to questionnaires submitted by citizens to BJM Consulting. Originally 32 questionnaires were sent out to community leaders some of them forwarded the survey to additional community members. We understand well over 150 citizens were invited to participate through the questionnaire. This SWOT analysis contains responses from 36 citizens.

The SWOT Analysis will be broken up into three parts; overall issues that will affect the community, expense and revenue issues, and contractual service agreements for key services such as additional law enforcement, code enforcement, maintenance of public rights of way and planning and zoning issues.

It should be noted that the analysis of expenditures and revenues is based on financial projections developed by BJM Consulting, Inc. to support a new and innovative type of local government. In today's changing world many local governments are looking to outsource many services. This new prototype proposes to outsource many government functions.

Overall Issues

Strengths:

- Great Local Schools
- Eco tourism/the Beach
- Military Population
- Location between Pensacola and Fort Walton
- Gulf Islands National Sea Shore
- Endless opportunities for planned growth and commerce.
- Large educated population
- Quiet neighborhoods
- Small town feel
- Access to beach, I10, bases, Pensacola and FWB (centralized)
- The biggest strength to Navarre is its low tax base
• Freedom from too many government rules and restrictions
• Ability to live here without dealing with too much governance
• Peaceful, friendly, small-town feeling. Mostly friendly group of people who will help each other in so many different ways.
• Access to a beautiful beach which is mostly unknown and not commercialized
• A good location in the panhandle, good weather and plenty of availability of outdoor recreation.
• Potential growth
• The people and the high density of military personnel living here
• Committed local organizations like NABOR, the Navarre Chamber of Commerce and others
• Our beaches and waterways
• Quality of Life - The longevity of many residents and their continuous support of the Community (Retirees, our Military and many indigenous families)
• Beautiful coastline – small town atmosphere
• Location – potential for some growth in the Hwy 87 area, at Interstate 10, and Midway
• Hurlburt Field
• Athletic Complexes
• Unspoiled, hometown feel
• Strong, caring community
• Military demographic, highly skilled workforce
• No city taxes
• Pier
• Marine sanctuary
• Marine Science Station
• Turtle conservation center
• Pensacola State College facility in Tiger Point (access to higher education in Pensacola/FWB)
• Workforce relatively skilled in aviation, computer and defense-related tasks
• Navarre Library
• Senior Center
• Quiet, low traffic community (except for U.S. Highway 98)
• The natural beauty of the area
• The people
• Low cost of living / no extra fees attached to bills (for municipality costs)
• Not overrun with development/tourist traps. Not “owned” by developers. Although some want to get more here (most likely only those who will profit from such) everyone I know likes it as-is and do not want that to change
• Good small town feel. Also as a bonus, good Sheriff’s office presence. Deputies are never too far away if you need them.
- Fast growth
- Tourism and Military are good economic drivers
- Community activism
- Laid back life style
- Low crime rate
- Broader opinions and attitudes perhaps due to the higher mix of northerners

Weaknesses:

- Lack of funding
- No beach motel/hotel
- Too many various groups not speaking as one
- Traffic
- No voice in local government
- No county representation (The District 4 Commissioner does not even live in the district.) This Commissioner, at best, shows apathy toward the district and as a result, has done little to nothing to improve Navarre. In Pace (population of 9000), the parks have real restrooms. In Navarre, at the entry to the beach (second largest producer of revenue for the County)….we have portable potties that tip over during storms
- Navarre Chamber of Commerce is a weak organization. They do not take a positive stance for economic development or commerce. Of the 500 members, 25% are from outside of Navarre. The Navarre Chamber exec is uneducated and unskilled as a Chamber of Commerce professional resulting in mediocrity in leadership.
- Our “town” of 35,000 people looks so poor when you drive down Hwy 98 as compared to Gulf Breeze, Fort Walton Beach and Destin. At a minimum, the taxes we pay could go for some corridor beautification and a master plan for one of the most heavily traveled corridors in Northwest Florida
- Lack of quality youth sports facilities
- Lack of quality restaurants and quality and variety of entertainment
- Apparent lack of zoning and regulation in home building
- Currently Navarre has no identity
- Lack of recreation for young people in the immediate Navarre community
- A small but aggressive group of citizens who want to incorporate the area into a city for their own personal benefit
- Leadership and government representation
- No common direction
- High water rates on the beach. Should have a Water Board for the beach
- Low lunchtime traffic counts and insufficient number of restaurants
• Facebook and its use as a tool to spread misinformation through pages like "concerned citizens"
• Infrastructure of some roadways
• Too many Community individuals wanting to be Chief and not enough Indians! Cohesive camaraderie amongst local organizations whereas all have great ideas – sometimes in duplication – yet are not willing to share.
• Lack of 10 year planning for structure and growth.
• Lack of Real Estate for large industries.
• Bedroom community deters major restaurants or shops
• Traffic: Commute on Hwy 98 to the Hurlburt Field and Eglin military bases
• Perception that there is a lack of local governance and or a “good ole boy system”. This “who you know” mentality coupled with a distrust/lack of transparency on certain local issues leads to many tuning out when they could be vital to community decision making.
• Lack of quality jobs
• Lack of ability to get beach restoration accomplished
• County commissioners don't really consider needs of south Santa Rosa County
• Lack of identity – Large “transient” population without commitment to Navarre as a hometown
• Outdated/failing infrastructure
• Navarre Bridge
• Storm drainage
• Transition from septic to sewer
• Pave/repave local roads
• Develop connectivity to take traffic off U.S. 98
• Beach renourishment
• Future maintenance of Navarre Pier
• Poor/inconsistent planning and code enforcement
• Limited/inefficient recreation opportunities
• Traffic safety
• Proliferation of unattractive businesses along U.S. 98
• Few or no employers who pay significantly more than minimum wage
• Lack of vision for the future/No consensus among residents about Navarre’s future
• Relatively few job opportunities
• Lack of infrastructure to support public sewer, etc.
• Lack of restaurants and a big box store such as Lowe’s or Home Depot
• Drainage
• Cohesiveness
• Stuck in Santa Rosa County, the worst “good ol’ boy” county around, which kills business development with their greedy “Milton only” attitude and silly impact fees. G-bye Navarre Commons
• Slow to get road maintenance, and it’s sometimes not very quality repairs when it does happen
• Could gripe about the small drug addict problem (and bored teenagers vandalizing stuff)
• Lack of voter participation
• County Commissioners live in Milton
• Only one main road to ANYWHERE east & west and 1 road north
• Utilities (only water company to deal with is HNWS – because they are a “private” business we have no say in how they run their business or make their decisions or can find out because they are apparently not subject to the sunshine law; a monopoly)
• No ability to apply for grants for our area
• Tourist Development money spending is decided by the commissioners and given more to the northern part of the county. (And remember we only have one commissioner fighting for us.)
• No public transportation
• Needs a community center
• The community is stagnant
• We are violating many Federal and State Laws
• Many of the residents DON’T CARE!
• Limited separation between church and state
• Propensity to look backwards to the past rather than to the future. Citing “it’s always been like this” or “why rock the boat”, or “if it ain’t broke…”
• Minority running the Navarre area vs. the majority rule
• As a coastal community in Florida the area is susceptible to damage for hurricanes

Opportunities:

• Votes on incorporation are supported by members of the Santa Rosa County delegation to the Florida House of Representatives and Florida Senate if the residents of the area to be incorporated demonstrate a show of community support for a referendum that will allow the voters to decide how they want to be governed
• Local governmental agencies (Santa Rosa County Sheriff's Office and Santa Rosa County governmental staff) are willing to negotiate the provision of services for the new municipality when it is formed. This would allow the Navarre municipal government to determine the levels of service desired for the community rather than rely on the decisions of outside boards or elected officials
• Incorporation would provide the City of Navarre with “home rule” powers, as defined in the Florida Constitution, that can be used by the Council to satisfy the needs and protect the interests of the community and determine how the community will develop in the future
• The City could negotiate with Santa Rosa County for control of impact fees collected within the incorporated area
• Beach & area property opportunities
• Market to Business Owners on vacation for possible relocation
• Military Base Expansion
• Tourism
• Local Businesses
• Master plan for beautification, commercial business and a town center
• Better representation as a result of Incorporation
• Our taxes and fees can stay local instead of Navarre being a donor community to other towns and cities in Santa Rosa County
• Navarre is a bedroom community and should act as one
• Supporting local businesses. Local businesses providing services that are needed are managed properly then we should support them. If they don’t provide good customer service we don’t need to support them just because they are local. For example, if restaurants provide good food and service we can support, but if they don’t they shouldn’t expect support just because they are local
• Recreational facilities for the locals. I’m not sure how we will achieve this because I am not in favor of higher taxes. We could use a recreation center open to the public as well as some tennis courts.
• We need more entertainment choices like a movie theater and a bowling alley. I just don’t know if we can entice someone to build these because I don’t know if we can guarantee they would succeed
• More local control
• Space to grow lodging on the beach
• Potential Investment groups could be contacted for potential growth identifying opportunities
• Continue to monitor selective growth so as to keep the home town feeling
• Small business economic development
• Beautification of Highway 98
• Opportunity to be more aggressive about taking over property from Navarre on Highway 399 and developing entrance to Hurlburt AFB from Highway 399
• The incorporation issue on the 2014 ballot will encourage/ create awareness that the community can and should be involved with our current local government and local decision making. There are numerous ways to make your voice heard. The community just needs to speak up
• Promote Navarre as the eco-tourism destination of the U.S.
• Retain Navarre’s unique home town feel by respecting our heritage while at the same time invigorating and channeling the local’s impressive skillset to steer the community to positive, welcomed growth
• Continued emphasis on eco-tourism/education
• Entrepreneurial/economic development opportunities related to
aviation, defense and other high-tech industries
- Plan to develop Community Access Roads to move local traffic east-west without it having to get on U.S. 98.
- Continued military use of Choctaw Field
- Possibility of acquiring Holley Field for commercial development on County Road 399
- Possible revival of multi-use development plans along U.S. 98 and on Navarre Beach as the economy strengthens.
- Developing better awareness of the Holley-Navarre area’s history to help emphasize our area’s special character.
- Conducting communitywide visioning workshops to help create a general consensus about what Navarre is now and what it should strive to become.
- Increased job opportunity
- Increase in infrastructure
- Increase in shopping/recreational opportunities
- More things for bored teenagers to do, to lower vandalism
- Expand awareness of the Navarre Area Voices for Progress. They are working with the county and acting as a voice for our citizens. Perhaps they’ll finally fix the road issues
- Communicate with Sheriff’s office to help curb the drug issues. They are actually easy to work with and want you to call them with anything out of the ordinary...many still don’t know that
- Take control over our destiny
- Make it an eco-friendly destination for families
- Improve roads and access to other destinations (develop a plan that eliminates congestion on the only roads out of/through Navarre)

**Threats:**

- Seasonal Market
- Storms/hurricanes
- Pressure from other Surrounding Counties in the Tourist Industry (Competition for tourists)
- No transportation infrastructure
- No 24 hour Hospital
- No sidewalks or shuttles for tourists
- A “no” vote for Incorporation
- A candidate for County Commission is elected that would make Navarre continue without representation at the County level and continue apathy for our area
- Traffic control and safety
- Increased crime with increased population growth
- The primary threat to Navarre are local self-imposed personalities that have damaged creditability that claim to speak for the community at large
• County has not put sufficient effort in addressing the needs for better infrastructure in the Navarre area
• Special interests will use their influence to change Navarre into a cheaper alternative tourist destination, turning Navarre into a low class zone that very few will benefit from
• Overbuilding the area. Navarre is mostly wetlands and we have and are building too much on these wetlands. This is going to lead to more flooding issues and other storm water runoff issues
• Too many who want to commercialize the area. There are some who see the resources and natural beauty of Navarre and Navarre Beach as a means to an end. Commercial overdevelopment is a huge threat.
• Nothing will change
• Lack of short term lodging options on the beach
• Traffic on US highway 98
• Beach erosion
• Many want to see the areas become too commercialized!
• Coastline Insurance costs for business growth due to potential Hurricanes
• Losing staffing at Hurlburt AFB is always a threat to our economy
• Not having political support at county level. I don’t think we have had the support since Ira Mae Hewatt Bruce has been a commissioner
• Not having a County Commission that supports the Navarre area and that doesn’t have the realization of the bed tax and property tax income that comes into the county from the South end
• Division of the population. Feelings run very high between those wishing change and those who enjoy the quality of life they grew up in/relocated to
• Catastrophic weather conditions such as hurricanes or this year’s floods and freeze exposed vulnerabilities in the community’s ability to cope. Any proposed city would need to have enough infrastructure and resources to cope with any anomalies
• Base realignment and closure. Though not currently on the government radar, the community is heavily dependent on the military demographic. Any threat that our military bases might decrease manpower or even close would have a disastrous effect on the local housing market. Already with the recent defense cuts, many government contractors have lost their jobs as defense contracts are cancelled or not renewed. The community needs to be aware of, and be involved in any defense support initiatives that promote the area’s favorability and to ensuring that encroachment of military land is minimized
• Increased taxation by a city government
• Loss of beach due to erosion = lost tourism
• Irresponsible development/Home construction and sales
• Failure to diversify our economy
• Ignoring our humble roots
• Control of development by a small group of institutionalized people
• A city structure composed primarily of uncontrollable unionized personnel
• A city government without growth restrictions, and the ever increasing taxation that seems inherent in any government entity
• Confusion about our identity
• Economic Development…whether or not we’re incorporated does not affect whether or not we can attract the businesses that people want to have in Navarre
• Overdevelopment
• Traffic, it continues to get worse
• Flooding…drainage still needs addressed/fixed
• The drug addicts
• Beach is not restored so tourism is down
• Lack of funding for drainage and roads decrease property values
• Overcrowding
• Excessive tourism destroying the natural beauty of Navarre
• Lack of control over our own destiny because the “power” is all held by the county (headquartered in Milton – which seems to be the priority of the commissioners)
• Lack of support for growth, i.e., apathetic majority
• Continued misdirection of monies brought in by the southern part of the county
• Poor decision making for our area – taxation without fair representation

Expenses

Strengths

• The use of conservative expenditure forecasts
• The use of a financial plan that includes appropriate contingency expenses and prudent reserves
• A service-delivery plan that limits the number of municipal employees while relying upon contracting for services, using competitive bidding where possible

Weaknesses

• Although the City of Navarre will start out contracting for most municipal services the initial members of the City Council have the authority to change that policy and could vote to have all services provided in-house by municipal employees or pay higher costs to continue those or other services
Opportunities

- The City Council of Navarre would have the ability to implement an innovative, lean and progressive municipal government organization focused on supplying the levels of service needed and supported by the voters of the community
- The Navarre City Council would have the ability to negotiate specific levels of service from other governmental or private organizations that provide such services to municipal governments (i.e. Impact Fees)

Threats

- The potential inability of the City Council to negotiate long-term agreements with contracting agencies for delivery of needed service could force the community to provide those services in-house
- There is a potential need to establish in-house service providers in the future
- There are insufficient capital dollars in the budget to satisfy the infrastructure and emergency reserves needs of the community
- In the initial years there is not sufficient funds in reserves to cover the cost of recovering from a hurricane

Revenue

Strengths

- The use of conservative revenue estimates
- A history of growth in taxable property values
- A rather large population for municipalities in Florida creates a funding source from State Shared Revenues (SSR) large enough to cover the cost of municipal government administration.
- A large supply of developable and redevelopable land along the community’s major thoroughfares that is likely to provide considerable revenue growth during the next decade or two.

Weaknesses

- With a large percentage of Navarre’s residential properties having Homestead Exemptions on them, the Save Our Home Amendment could have the effect of causing more and more of the property tax burden of local government on the non-homestead property owners
- Residents who live in mobile home within a municipality pay considerably less for the same municipal services than residents
who live in single family or multi-family structures. Manufactured housing makes up a small percentage of the residential units in Navarre.

Opportunities

- The ability to petition the state Legislature to receive state shared revenues during the first year of operation
- The ability to alter the composition of revenue sources based upon the needs of the Community that may differ from that of the County
- The ability to join with other governmental bodies on behalf of Navarre’s need for capital dollars through grants and partnerships
- The ability to apply for numerous state, federal and foundation grants that will assist the City to achieve goals that enhance the quality of life in the community
- Gain access to a diverse revenue sources including ad valorem property taxes, public service tax, franchise fees, licensing and permits, user fees and fines

 Threats

- The loss of revenue-raising capability if the application timelines are not met
- Failure to access and allocate needed capital funds for the City’s infrastructure needs could cause degradation of the present quality of life.

Contractual Services (Law Enforcement, Fire Protection, Planning Zoning and other services)

 Strengths

- Provides the City with the ability to utilize the strengths, economies and size of other agencies and service providers in terms of manpower, training and equipment
- Permits the City to avoid the extensive capital costs necessary to begin departments such as police, fire, dispatch for fire and police and geo-processing capabilities needed for planning and zoning
- Permits the City with the ability to avoid hiring support personnel for law enforcement, fire and planning and zoning staff.

 Weaknesses

- The City loses the ability to control policy decisions made by the agencies with whom it has contracted. The Sheriff, Fire Commissioners and County Government staffs all have outside interests that could conflict with the interests of the City of Navarre
and its residents. While contractual provisions could be incorporated into the agreement for services, day-to-day policy is too cumbersome to be part of the agreement. Although the contractual agreements would specify that certain levels of service should be provided, temporary demands or changes in the community’s desired levels of service or focus of the program would not be as easily changed when compared to in-house staff.

Opportunities

- The use of contractual services with outside agencies in the early years of a municipality will allow the City’s policy makers to keep the initial costs of municipal government to a minimum by avoiding extensive capital and other start up costs
- As the inevitable unexpected situations are encountered by the original City Council additional staffing to handle delivery of essential services can be added
- The City will have the ability to increase or decrease personnel and levels of service by amending the contract.

Threats

- A change in the political or administrative leadership of service providing outside agencies could reduce or eliminate the willingness of those agencies to negotiate for services, or to increase the costs for those services in the future
- Delays in finalizing the negotiation of contractual services contracts could leave the City without essential services such as law enforcement patrol or fire protection or hamper the city’s ability to meet its comprehensive plan submission deadline

Concerns with Existing Local Government (responses from questionnaire)

In 1986 the state of Florida instituted the Beach Nourishment Program. Participation in the FDEP Beach Erosion Control Program requires a commitment of local funds. At their discretion, Florida counties may contribute to local beach restoration projects by any number of means, including but not limited to:
(1) Dedication of county general revenue;
(2) Dedication of Tourist Development Tax revenues; or
(3) Special assessments of county property located within a Municipal Services Benefit Unit (MSBU).
Santa Rosa County in just last few years has started to implement such a fund, therefore, could have been a large factor a beach nourishment grant was not awarded, as opposed to Escambia and Okaloosa County which
was awarded nourishment funding. A State Program that has been in existence for this amount of time and the local county government is just now starting to implement dedicated funding demonstrates a certain amount of disregard for the Navarre area.

The Navarre Beach is the Focal Point of our economy.

The Navarre Community Parks, Youth Recreation Associations, and Schools do not get enough money to grow.

The geography of Santa Rosa County is such that our commissioners meet and reside in the North End of the County. Because of this there seems to be an obvious neglect of the South end of the county, specifically Navarre. (Gulf Breeze is an incorporated municipality). As a taxpayer, we are a donor community to fabulous North end projects such as parks, roads and economic development. Since I moved to Navarre in 2006, there has not been one Community Development Block Grant, the park has not been refurbished and it looks pretty much the same as it always has….like a poor, run down community.

I don’t feel that Navarre receives the same amount of funding for things like maintenance and upkeep youth sports facilities, as the other cities in the county. We visit other parks for football and baseball and Navarre’s facilities are clearly not at the same level.

I think it would be nice to have organized leadership to better represent the interests of the citizens of Navarre at the county and state level.

I currently do not have many concerns on governance, I live in the unincorporated area for the simple fact that it’s cheaper with a lower tax rate. The county has provided the appropriate level of service needed to live here to include law enforcement, fire and rescue and public works. The biggest concern is the increase cost of living here, increased taxes/fees and less revenue to achieve the goals of the current incorporation.

The current incorporation leaders have made less than credible claims about the incorporation, which has driven a divide in the community.

I don’t really have any concerns. The Santa Rosa county government takes care of us as well as any other place I’ve been. The Sheriff’s department does a good job of patrolling the area and provides excellent police protection.

The parks here are very well cared for and provide good value. The only park issue anyone has the availability of public restrooms at times Navarre Park on the sound. I know this is a problem caused by previous vandalism issues. I don’t know what the solution is.
The county uses the resources available to provide services as well as can be expected. The roads department has been repairing roads in the area quite well. Recently they have been installing a new storm drain system using grant money they were able to get.

The water system here is a problem, not efficiently managed but it is not a government entity that we can affect through local government. We do pay more for water/sewage than we should but local government doesn’t really have any say in that.

I know that the group wanting to incorporate the area into a city claims the county government is not doing their job, but they don’t really have a plan to do better. Mostly they just want control and most likely to raise taxes. We will continue to pay ad valorem taxes to the county and get levels of service that we get now for many services even if we are incorporated.

We feel as if the entire area is just a “cash cow” for Milton, the county seat.

The county engineer is also the Beach Administrator and not sure how much time he has to devote to the Navarre Beach.

Not represented as it should be: Our commissioner says, “We don’t have a plan for beach renourishment.”

We have Hurricane Ivan damaged property, on the beach that is no longer on the tax rolls but is ignored by the county. The other “eye sores” on the beach are only addressed by the volunteer organizations ie: Beach Beautification Committee.

We have a fire department that is funded by a MSBU paid by the residents but working on public beaches without financial help from the county.

The County provides an adequate level of services in the community.

In general, none. Local government has always been responsive to any email, phone call or request of mine for information. I enjoy a good relationship with all the elected officials.

I do think it paramount (moving forward) that the local commissioner makes him/herself available for one on one (weekly) and community town hall meetings (monthly) to address the needs/concerns of the community. Not everyone is comfortable discussing issues over the telephone or using technology and not everyone is a member of the Chamber of Commerce and free or desirous of attending their 7 a.m. breakfast meeting.

Ensuring the community cares enough to vote and actually demands representation of their commissioner is crucial.
The only complaint I have is the lack of progress on beach restoration.

Inconsistent planning and zoning.

Almost non-existent code enforcement.

Shortage of recreation facilities, absence of professional management of recreation programs.

Poor record of maintaining paved roads and paving gravel roads.

Failure to provide a road “grid” system to enhance connectivity (which is almost non-existent).

There really isn’t any governance of Navarre as a separate entity. The county departments provide services at varying degrees of efficiency.

Personally, I don’t have any problem with Navarre, as currently constituted.

I do not have any complaints about the services provided by the County. I do think that a great many of the problems that we have in Navarre could be addressed if more people would be involved in the process.

The registered voters in our area do not exercise their right to vote. We have the largest population in the County but have the lowest turnout.

When issues are before the County Commissioners that affect Navarre, there are only a handful of people that are willing to take the time to attend the meetings or call the Commissioners. Folks will email the Commissioners but the Commissioners rarely respond to the emails.

A lot of the growing unrest in our area, started when the current commissioner was elected, who does not live in our area. Lack of proper representation and the division between the community stem from topics perpetuated by the folks for incorporation.

As stated elsewhere, we kind of get sucky road repairs, and they are so corrupt, kind of seems like the untouchables. But it don’t cost me anything so whatever. Except it did cost me Navarre Commons, which would have helped my property value.

My biggest concern is the inevitable cost of living increase to pay for all the new services, like a police force…the money doesn’t fall out of the sky. So no I do not want that extra charge on my water bill, phone bill, flowers etc…
Also, seems with that comes city government, and a very good chance of that too becoming corrupt, like our county.

Milton is not responsive, but that can be improved by local leaders demanding action. Key is new Commissioner for District #4

Utilities are not provided by the local government.

Fire department has not lived up to expectations.

Concerns with possible Incorporation (responses from questionnaire)

Taxes

My main concern is having enough money to make some much needed aesthetic improvements right away so the entire community is “sold” on the “City of Navarre Beach” and that there is enough funding for a City Hall.

The biggest concern is the financial impact in the form of increased taxes. I personally don’t mind paying more in taxes as long as that amount is consistent with the additional services and benefits that come with being incorporated.

Potential for government corruption and fraud. I’d prefer a small committee of leaders (3 or 5 with 1 member acting in a chairperson type role) as opposed to say a mayor.

I hope that Navarre will incorporate but one that is driven by the community as a whole, not focused on the wants of a few.

I am concerned taxes will increase and that is a huge issue being denied by the PAC. No one can ever make a guarantee like that. I’m also concerned that the PAC has a hidden agenda. The fact that the leader of the group is a realtor leads me to believe she, and others, plan to profit from incorporation, most likely to the detriment of the majority of the community.

Many of the services provided to the community by the local county government and by the state will still be provided. State and county roads will still be maintained by the state and county. I don’t know that the incorporated city will take over any roads but if they do they will need funds to care for the roads. Other services that the city may or may not provide will require funding and I don’t believe that can be done without new taxes.

The choice for fire protection is not going to be a city choice, we already have an independent fire department. The choice for police protection will
be to whether to keep the County Sheriff or form a city police department. The Sheriff is good but can legally come with an increased cost. The proponents of incorporation claim the Sheriff won’t charge for the protection but again this in not something they can guarantee. The Sheriff can legally charge for services to a municipality. Forming a city department will be expensive. More taxes we don’t need.

The schools are independent of the local government so that isn’t an incorporation issue.

I don’t believe that any new city government will be any more responsive to the majority of local citizen concerns than the county and may actually be less responsive. My concern is that the new city government will consist of some “select” local interest individuals who will only be responsive to certain individuals. Yes, I think there is a hidden agenda among some of those who want to incorporate.

Too many promises have been made by those who want to incorporate. They promise no new taxes, which I believe is a blatant lie. They promise a responsive local government. That is not something anyone can guarantee. Promises are made about parks and the pier which are not going to be a part of the city, those are county property. Promises are made about income from the leases on the island, which again are not part of the city income. Probably won’t be a part of the county for long either. Very simply, I believe the group pushing for incorporation is making promises that can’t be kept in order to push their agenda at any cost.

Uncontrolled growth

The inability to pay for major projects like bridges that will be needed in the near future.

The inability to fund beach renourishment programs

The lack of funding to support a city

The lack of information provided regarding incorporation and the real costs

Local government, normally offices located in Milton, needs to be diligently supporting and pursuing Beach Restoration funding.

Honestly, think that the Chamber should voice their opinion stronger than they do in the future. I also think as a community we need to join together to make a stronger impact on the politicians.

Lack of transparency and accuracy of information presented to the voters.
Incorporation currently seems to be the vision of an exceedingly limited number of individuals in the community.

Limited resources should a major weather incident occur.

Funding for Navarre Bridge repair and renewal

Any possible loss of revenue from the Navarre beach lease fee issue.

Seemingly reliant on grants (that may or may not be approved) to achieve anything above the level of services we currently enjoy.

Voters making a decision based on the inference that chain restaurants and shops will flock to the new city of Navarre, parks and tennis courts will adorn every block and any obstacles for opening the Navarre Pass will magically disappear.

An increase in taxes to pay for the start-up costs, staff, offices, services etc. and a decrease in services from the county.

Although the PAC has suggested there will be no new taxation if we incorporate, I think it is pie in the sky perpetuated by the PAC. It is my opinion the PAC is more interested in increasing their businesses than bettering Navarre.

A small, active group will be able to control the city council and push for an agenda that may not be in Navarre’s best interest.

The new municipality could be saddled with financial responsibility for replacing Navarre Beach Bridge and funding beach renourishment, costly enterprises that undoubtedly require new taxes of some sort (tolls, MSBU’s).

The city should NOT be named “Navarre Beach.” That might be well and good for the tourism industry, but it’s a lousy name for a community settled in the 19th century that didn’t begin exploiting Santa Rosa Island for tourism until after the bridge was completed in the early 1960s. About 800 of the 40,000 or so residents of the Navarre area live on that island; it would be an insult to let the business interests name the city to promote their welfare while ignoring everything that came before.

I am concerned with runaway government at all levels. By definition, government at any level is dominated by union personnel, tends to grow uncontrollably, amasses huge retirement pensions, tends to increase taxes uncontrollably, and concentrates power in relatively few people. The bureaucracy is served, rather than the interests of the people.

When asked why we should incorporate, the answer is “So we can control
our own destiny”. That response does not give me any specific reason to incorporate.

I am not for or against incorporation. I do have concerns about the process as it has happened up to this point. There is a level of mistrust and skepticism. Questions have been asked and no answers are given.

It may be just another layer of government. We will be responsible for salaries, pension funds, liability issues, etc. Can we afford to do this without significantly raising taxes?

We have at present made the firemen paid instead of a volunteer force – response times have increased instead of decreased; we are now responsible for salaries, pensions, workmen’s comp. etc. for these employees.

I want to make sure we get all the financial information BEFORE we rush into making a decision on taking on a “city”.

Probably along the way, taxes will have to rise. (Within reason, I don’t mind.)

Short-sighted, partisan politicians (especially those backed by religious organizations trying to hold Navarre back), and self-serving individuals.

**Hopes for Incorporation (responses from questionnaire)**

The Navarre Community Parks, Youth Recreation Associations, and Schools will get enough money to grow.

Could put in place transportation infrastructure.

Could have sidewalks or shuttles for tourists.

More tourists, more businesses.

It is my hope that we can provide much needed aesthetic changes, stewardship of our waters and economic development.

I don’t believe Navarre needs to incorporate. We are getting nothing to help the community except a new level of government, possibly more taxes, and more headaches. I don’t see anything we need from incorporation.

I hope we can get unbiased, fact driven information to make educated decisions regarding the straw poll

I will not give my opinion until I can see the numbers. I can’t vote on it
until I can see the effects it will have on our community.

If it is the will of the people that Navarre incorporates, I hope that any future city is honest and transparent in its dealings, accessible to the community and that its leaders are responsible in their decision making.

City-managed recreation programs.

Long-range planning.

Better planning/code enforcement.

Improved local roads.

Greater representation on regional and state boards.

Improved sense of identity/heritage/vision.

I believe we can function just fine in our current configuration.

I don’t have any hopes for the municipality of Navarre that are any different than the hopes I have for the community of Navarre as it exists today.

If it does, I hope the doctrine prevents “good old boy” syndrome, and has protections for the citizens. Plus I’d hope a former First Sergeant who lives here would be a ranking member on the council, as she’s the most honest/integrity-laden person I know! Also have another nominee who’d work for the people, not developers!!!

I hope we can be autonomous and control the future direction of our community in a way that best serves the people, the fauna, and the environment of Navarre.

With our “control” and/or management being people that actually live here, our concerns would actually be taken care of and our ideals would be the same.

We would be able to attract businesses we would like to have here.

We could apply for grants to improve our community.

I would hope for our great community to become a quaint town that we could share with the tourists. Shopping and restaurants, pretty landscaping and attractive buildings.

We would have more clout with Tallahassee and federal government.
It will provide an increased availability of additional funding opportunities.

Suspect it will be a BETTER place to live and raise a family.

Will surely bring us out of the Stone Age.

That our growth would be controlled.

That we could require existing business to landscape to block undesirable views (such as storage facilities).

If we incorporate, that we would hire a City Manager for a length of time
REVIEW OF EXISTING AREA AND SERVICES

The Community of Navarre lies in South Santa Rosa County. It is made up of residential communities, strip retail, some older neighborhoods intertwined with mobile homes and some scattered industrial uses. It is adjacent to one of the largest military bases (land area) in the country. The Navarre area proposed for incorporation is bordered by the Santa Rosa-Okaloosa county line to the east, East Bay and East Bay River on the north, and the Santa Rosa Sound and Gulf of Mexico coastlines to the south including both Santa Rosa Island and Navarre Beach. To the west, the identified Study Area extends to the western most side of township-range-section 032S27, township-range-section 102S27, township-range-section 152S27, township-range-section 222S27, and township-range-section 272S27. More generally the proposed City of Navarre lies between Gulf Breeze and Destin along US 98, south of Interstate 10.

Present land use characteristics of Navarre include residential and commercial designations with some industrial areas mixed in. Attached is a copy of the Santa Rosa County Land Use Map as Appendix 1. The listing of existing Santa Rosa County land uses are as follows: Single family Residential, Industrial, Conservation, Medium Density Residential, Commercial, Mixed Residential Commercial, Navarre Beach Commercial, Navarre Beach Low Density Residential, Navarre Beach Medium Density Residential, Navarre Beach Medium/High Density residential, Navarre Beach High Density Residential, Navarre Beach Mixed Residential/Commercial, Navarre Beach Utilities. As of July 31, 2014, there are no pending land use or zoning cases in the proposed area of incorporation. The existing Santa Rosa County zoning uses are as listed on the attached copy of the existing zoning map as Appendix 2. This is the area that is defined in the proposed charter and will be the area used as the basis for this study.

The Study Area is comprised of unique geographical features that play a major role in land area composition. Included within the Study Area are approximately 1,019 acres of military designated lands, 479 acres of outdoor recreational forest and park lands, 4,937 acres vacant residential and 47 acres vacant commercial. Table 2 outlines the Study Area’s current land use designations and corresponding acreage allocations. Table 3 outlines current zoned land uses and corresponding acreage allocations.

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**Table 3**

**Study Area - Current Zoned Land Use Designations**
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Source: Santa Rosa County Planning and Zoning, "Geographical Information"
According to the regulated current zoning designations, approximately 80.43% of the Study Area is currently designated exclusively for residential purposes, approximately 10.63% is currently designated exclusively for commercial or industrial/warehouse purposes, and approximately 5.70% is currently designated for mixed residential and commercial uses.

The area considered for the proposed incorporation is approximately 24.8 +/- square Miles, or 15,879 +/- acres (See Map Appendix 3). The estimated permanent population for this area at 42,300, this equates to a population density of 2.66 persons per acre exceeds the minimum density requirement of 1.5 persons per acre required by the statues for incorporation.

The proposed area is compact, contiguous, and amenable to a separate municipal government (See Map Appendix 3). There are no existing local municipalities within the 2 mile buffer required.

The area of Navarre proposed for incorporation meets all the requirements of State Statues to be considered for incorporation.

Agencies presently providing local government services are as follows:

The Santa Rosa County Sheriff’s Office (SRSO) provides law enforcement services throughout the County, including within the Study Area. The Study Area is located within the boundaries of SRSO District Two. District Two encompasses Navarre and Navarre Beach.

The Holley Navarre Fire District and the Navarre Beach Voluntary Fire Department (NBVFD) provide fire and emergency services within the Study Area.

The Santa Rosa County School District (SRCSD) is a special taxing district devised to provide developmental education and instruction within Santa Rosa County through the implementation and utilization of a countywide public schools system.

The Northwest Florida Water Management District (NWFWMD) is an independent service district that oversees and administers both ground and surface water resources for sixteen counties within Northwest Florida, including Santa Rosa County, which includes the Study Area, the NWFWMD fiscal year 2013-2014 millage rate is set at 0.0400 mills per $1,000 of assessed taxable value.

Stormwater management throughout Santa Rosa County, including within the Study Area, is managed by the Santa Rosa County Engineering Department.

The Holley-Navarre Water System (HNWS) and the Navarre Beach Water System (NBWS) provide potable water services and wastewater services to the...
Study Area. The HNWS is a privately owned and operated, cooperative potable water and wastewater utility service.

The Navarre Beach Sewer System is owned by the Santa Rosa County Board of Commissioners and operated by the Navarre Beach Division from the Wastewater Treatment Plant, through collection lines, lift stations and sewer laterals to the individual leaseholder’s property line.

Santa Rosa County currently has two franchised solid waste collection areas, one of which corresponds with the Study Area. The County also has a contract with Waste Management, Inc. for solid waste collection and hauling services for the Study Area.

Santa Rosa County owns and operates the countywide public library system. The Santa Rosa County Library System is comprised of four public libraries located within the county, including one library located in the Study Area. Navarre Library is locally situated within the Study Area.

Santa Rosa County Parks and Recreation Department provides park and recreational services throughout the county, including within the Study Area. The County owns and maintains six park and recreational areas within the Study Area. They are Navarre Park located at Highway 98 and Navarre Beach Bridge; Navarre Beach Marine Park and Navarre Beach Pier located at 8704 Gulf Blvd, Navarre Soccer Park located at Deer Lane; Navarre Sports Complex located at 2497 Pawnee Drive; and Navarre Beach Boat Ramp.

Santa Rosa County owns and maintains most streets and roads within the County and Study Area. The Roads and Bridges Department within the County’s Public Works Department is responsible for designing, building, conditioning and maintaining the County’s street and road system. However, some streets and roads within the County and Study Area are under the ownership and supervision of the State of Florida. Within the Study Area, State Road 87, Highway 98, and State Road 399 are all State owned and maintained roadways. The Roads and Bridges Department is financed through an apportionment from the County’s ad valorem taxing funds received into the General Fund. The Roads and Bridges Department also receives funding from county and local option gas tax allocations. Municipal Service Benefit Unit (MSBU) revenue is also used for roads, paving, traffic lighting, and street lighting.

Santa Rosa County provides countywide mosquito control through regional aerial spraying.

Santa Rosa County provides most community development services. Such services, including building inspections, planning permits, code enforcement, and land regulation are provided by controlling departments operating for and within the County.
How would incorporation impact the existing services in the community and what would be the job of the new municipal government?

It is projected that after incorporation, a variety of options for the delivery of services will be addressed by the City Council, but that all governmental services exclusive of fire protection and emergency medical services would be provided by the City of Navarre. One of the options to be discussed will be contracting with Santa Rosa County for particular services such as parks, planning and zoning, code enforcement, environmental services, animal control, library, human services and other governmental services. An example of a “Letter of Understanding” between the Santa Rosa County Government and the City of Navarre for General Government Services is presented as Appendix 4.

Similar discussions will take place with the Santa Rosa County Sheriff’s Department as the City Council determines the level of law enforcement the citizens of Navarre desire. An example of a “Letter of Understanding” between the Santa Rosa County Sheriff’s Department and the City of Navarre for Law Enforcement Services is presented as Appendix 5.

The existence of two fire districts and two water and sewer utility providers within the proposed area for incorporation might lead to confusion among residents once incorporated. Both entities will continue to operate in their present areas of service. The utilities relationship with the City of Navarre will be set out in their respective franchise agreements. Navarre residents will also be paying two different amounts for fire and rescue services. It should be noted these exact conditions exist today, but may be exacerbated after incorporation.

The proposed City of Navarre municipal operations will unify the community’s land use, zoning, building and code regulations and inspections. The City will have enforcement authority under the proposed City Charter. Minimal number of employees will be hired, but it will establish levels of service, prioritize capital and maintenance projects, be a resource for civic organizations, and direct the contractors who will provide the actual services.

Santa Rosa County Government, the Holley Navarre Fire District and the Navarre Beach Voluntary Fire Department have boundaries lying within the proposed incorporation area that are on record with the Clerk of Courts and Property Appraisers Office. The proposed incorporation will have no effect on countywide boundaries or the boundaries of taxing authorities such as:

- Santa Rosa County General Fund
- Santa Rosa County School District
- Northwest Florida Water Management District

Local governments that currently provide services in Navarre have budgets for such services and projected expenditures are in line with other Florida communities. It is anticipated they will charge the City of Navarre at least as
much as they currently spend to provide services to unincorporated Navarre. The following is a projection of the necessary expenditures for these local governments in FY 2015 as compared to another similar size Florida city: Bonita Springs.

City of Navarre General Government cost per capita for FY 2015 $191.70

Bonita Springs General Government cost per capita for FY 2015 $273.30

Some of the additional cost for Bonita Springs is a decision to enhance recreation, cultural and police services over and above the core level of service which was available before incorporation.
This study assumes the following incorporation/revenue timeline for the City of Navarre:

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2014</td>
<td>The PAC presents the idea of Navarre incorporation to the County Commission</td>
</tr>
<tr>
<td>August 2014</td>
<td>Feasibility Report on incorporation is completed and shared with residents</td>
</tr>
<tr>
<td>September 2014</td>
<td>Feasibility Report along with Draft Charter is presented to State of Florida</td>
</tr>
<tr>
<td>November 2014</td>
<td>A non-binding straw vote on the interest of citizens on voting on possible incorporation</td>
</tr>
<tr>
<td>December 2014</td>
<td>Local Bill (Charter) is presented and passed by Local Delegation</td>
</tr>
<tr>
<td>March 2015</td>
<td>Local bill goes to Florida Legislature, and if passed</td>
</tr>
<tr>
<td>Spring and Summer 2015</td>
<td>Community debates the pros and cons of incorporation</td>
</tr>
<tr>
<td>November 2015</td>
<td>Incorporation referendum, and if passed</td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>City becomes a legal entity</td>
</tr>
<tr>
<td>March 2016</td>
<td>Council elections held</td>
</tr>
<tr>
<td>March 2016</td>
<td>City begins receiving State Shared Revenue (provided city charter is approved)</td>
</tr>
<tr>
<td>November 2016- January 2017</td>
<td>City begins receiving ad valorem tax revenue</td>
</tr>
<tr>
<td>July 2017</td>
<td>City receives first revenue sharing and sales tax if strict statutory timeline is followed</td>
</tr>
</tbody>
</table>
Local governments operate on an October 1 - September 30 fiscal year. The State of Florida however, follows a July 1- June 30 fiscal year. In order for the newly incorporated City of Navarre to qualify for ad valorem taxes and various types of state shared revenues, it must meet property appraiser deadlines and comply with state-mandated criteria for state shared revenues.

If the City of Navarre does become a legal entity by December 2015, it should begin receiving property tax revenues collected by the Santa Rosa County Tax Collector between November 2016 and January 2017. Unlike other attempted incorporations, the City of Navarre is a clearly established independent taxing district with clearly identified boundaries. This should make cooperation and coordination with the Santa Rosa County Property Appraiser that much easier.

The important dates to remember for revenue purposes are:
   Establishment of a tentative millage (following public hearings) on or before July 31, 2016
   Adoption of a final millage rate (following two public hearings) on or before September 30, 2016

With regard to state shared revenues, The City of Navarre must meet specific criteria established in F.S. 218.23(1), which states:

"To be eligible to participate in revenue sharing beyond the minimum entitlement in any fiscal year, a unit of local government is required to have:

A) Reported its finances for its most recently completed fiscal year to the Department of Banking and Finance pursuant to s. 218.32.
B) Made provisions for annual post audits of its financial accounts in accordance with provisions of law.
C) Levied, as shown on its most recent financial report pursuant to s.218.32, ad valorem taxes, exclusive of taxes levied for debt service or other special millage authorized by voters, to produce the revenue equivalent to a millage rate of 3 mills on a dollar based on the 1973 taxable values as certified by the property appraiser pursuant to s. 193.122(2) or, in order to produce revenue equivalent to that which would otherwise be produced by such 3 mill ad valorem tax, to have received a remittance from the county pursuant to s. 125.01(6)(a), collected an occupational license tax or a utility tax, levied an ad valorem tax or received revenue from any combination of these four sources. If a new municipality is incorporated, the provisions of this paragraph shall apply to the taxable values for the year of incorporation as certified by the property appraiser. This paragraph requires only a minimum amount to be raised from the ad valorem tax, the occupational license tax and the utility tax. It does not require a minimum millage rate."

Remember that the State operates on a July 1-June 30 fiscal year. The City of Navarre may not be eligible for state shared revenues until July 1, 2016,
because of the time lag between the date of incorporation and the beginning of the State fiscal year.

Revenue Timeline Findings

The City of Navarre proposed revenue timeline projects state shared revenue as of March 2016, pending approval of the necessary language in the City Charter. If this does not occur, the July 2017 date is well into the proposed municipality’s second fiscal year, the City should then be able to meet the criteria established F.S. 218.33(1). Thereafter, state shared revenue is distributed on a monthly basis. This revenue timeline appears accurate, provided incorporation and other steps toward becoming a legal entity are completed within the proposed incorporation calendar.

Presently the community of Navarre pays for many of their local government services through annual MSBU assessments to the County or annual fees to the fire departments. These annual costs amount to the equivalent of 3.248 mills based on the 2014 taxable value of $2,074,554,063. The amounts are as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>County MSBU’s</td>
<td>$81,977</td>
</tr>
<tr>
<td>Beach Fire Annual Fee</td>
<td>$653,450</td>
</tr>
<tr>
<td>Navarre Fire Annual Fee</td>
<td>$1,508,709</td>
</tr>
<tr>
<td>Solid Waste Annual Fee</td>
<td>$4,494,718</td>
</tr>
<tr>
<td>Total</td>
<td>$6,738,854</td>
</tr>
</tbody>
</table>

$6,738,854/$2,074,554,063 = 0.003248 or 3.248 mills
DEVELOPMENT OF REVENUE ANALYSIS
FOR THE CITY OF NAVARRE

For the purpose of this study the revenue analysis is based on the population and taxable value of the proposed area of incorporation for Navarre.

**Municipal Revenues**

Municipal governments utilize a wide variety of revenues to pay for services provided to their citizens. Responsible municipal governments attempt to balance their revenue sources to produce long-term solvency while utilizing a revenue mix that is compatible with local needs. Depending on these needs, municipal officials should conscientiously formulate a mix of revenues that will pay for municipal operations and services.

Florida's state constitution gives municipalities home rule authority in all areas except taxation. A municipality has the discretion to perform any public service, enact any ordinance unless specifically prohibited by the state. The constitution restricts municipalities to levying taxes that specifically have been authorized by general law enacted by the Florida Legislature. The lone exception is property tax. It is the only local revenue source authorized by the constitution and is capped at 10 mills for general operating purposes. A mill is equal to $1 of tax for each $1,000 of taxable value.

The following is an overview of general fees and revenues typically available to a municipality.

**Ad Valorem Property Tax**

Property taxes are based on the value of real and personal property. Each year the county property appraiser determines the total value of each parcel of property. The value of residential property is based solely on the value of the real estate, which includes the buildings and improvements, while commercial property includes these values in addition to all relevant personal property. This value is called "assessed value." After subtracting all lawful exemptions (i.e. Homestead, $50,000; widow, $500; widower, $500; disability $500), the remaining value is called "taxable value."

Ad valorem taxes are based on taxable value. The property tax is calculated by multiplying taxable value of property by .001, and then multiplying that number by the rate of taxation, which is referred as "mills" or "millage rate." For example, for a home assessed at $250,000 by the county property appraiser, the taxable value would be $200,000 after deducting the $50,000 Homestead exemption. If the municipality's millage rate were 5.0 mills, the property taxes would be $1,000 ($200,000 x .001=$200 x 5.0 mills = $1,000.)

All property taxes are due and payable on November 1 each year or as soon as the assessment roll is certified by the Santa Rosa County Property
Appraiser. Santa Rosa County will mail each property owner a notice of taxes due to the city and the discount rate for paying taxes (4 percent if paid in November, 3 percent if paid in December, 2 percent if paid in January and 1 percent if paid in February.) There is no discount if taxes are paid in the month of March, and taxes are considered delinquent after April 1.

The Navarre area for incorporation taxable value for the 2015 tax year was estimated by the Santa Rosa County Property Appraiser’s Office in July 2014. The taxable value is $2,074,554,063. Based on this estimate, the City of Navarre tax revenues for fiscal year 2015 per one mill levied can be projected as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable value</td>
<td>$2,074,554,063</td>
</tr>
<tr>
<td>x the percent</td>
<td>0.95</td>
</tr>
<tr>
<td>Revised Taxable Rate</td>
<td>$1,970,826,360</td>
</tr>
<tr>
<td>x millage rate</td>
<td>.001</td>
</tr>
<tr>
<td>Estimated Property Tax</td>
<td>$1,970,836</td>
</tr>
</tbody>
</table>

Revenues at 1 mill for FY 2015

Ad Valorem Property Tax Findings

Historically, Navarre property owners have taken advantage of the various discounts offered by the Santa Rosa County Tax Collector. The certificate of taxable value does not account for such discounts; therefore, a 95 percent projection represents a reasonable and prudent estimate technique used by numerous local Florida governments. For the purposes of this study we will use two options for ad valorem taxes: 0 mills and 1 mill yielding a revenue of $0 and $1,970,836 respectively for FY 2016.

Public Service Tax

The Public Service Tax, also called the "Utility Tax", is another substantial revenue source. This tax is levied by the municipality on specific utility services collected by the utility provider, even if the provider is the municipality itself. The tax is incorporated into the utility bill and is based on relative consumption.

Section 166.231 of the Florida Statutes provides authority to assess a tax based on the purchase of electricity, telephone and telegraph, water and heating fuels (natural gas, propane, fuel oil and kerosene) at a rate not to exceed 10 percent. Many municipalities apply this tax on a broader definition of telecommunications, which include intrastate long distance, cellular, pagers, etc. In this case the maximum rate allowed is 7 percent on all applicable telecommunications. Under this option all covered utilities are limited to the 7 percent cap.

Public Service Tax Findings

Because this tax has not been approved for use in unincorporated Santa Rosa County the City of Navarre incorporation analysis does not include
revenues associated with a Public Service Tax; therefore implementation of the
tax at a later date could produce two results--additional revenues to either
support programs or reduce ad valorem property taxes.

Franchise Fees

Franchise fees generate revenues in much the same way as the Public
Service Tax. Franchise fees, however, typically are levied on a company or
utility for the privilege of doing business within the municipality's jurisdiction
and/or for utilizing a municipality's right-of-way to transact business.

A 1987 Florida League of Cities survey indicates that franchise fees are
levied on electricity, telephone (1 percent maximum), water, sewer, natural gas,
cable television (5 percent maximum), solid waste collection, taxis, marinas,
mass transit and golf courses. These fees are generally levied at rates of up to 6
percent of gross billings, except where noted above.

Franchise Fees/Communication Service Tax Findings

Santa Rosa County presently levies franchise fees/communication service
tax (Telephone & Cable TV), but the county retains the revenues derived from
the collection of these fees. If the City of Navarre is incorporated, it would be
exempt from county franchise fees. Adoption of these fees by The City of
Navarre would produce revenue to the municipality with no additional fiscal
impact on community residents. Additional or increased fees adopted at a later
date could produce one of two results -- additional revenues to either support
municipal services or programs or reduce ad valorem property taxes.

Based on projections developed from using a mixture of other Florida cities of
comparable size and social-economic standards; franchise fees/communication
service tax revenue for the City of Navarre in fiscal year 2016 are estimated at
$995,276.

User Fees

The Florida Comptroller defines user fees as "voluntary payments based
on direct measurable consumption of publicly provided goods and services."
User fees are derived from charges for water, waste water, natural gas,
electricity, mass transit, garbage collection, parks and recreation, building
inspections, public transportation, special public safety services and a variety of
other services.

User fees have substantially increased as a proportionate share of a
municipal budget since the 1970's. For some services, fees are charged at rates
below the actual cost and partially are offset by taxes. This is necessary for
some services so that residents on fixed incomes are not excluded due to high
prices. For other services, user fees cover the full cost of service delivery; these
services are called enterprise operations. A golf course would be a typical
example of an enterprise operation.

In recent years it has become common for municipalities to incorporate "administrative charges" to offset indirect administrative costs computed as a percentage of gross collections on various enterprise operations, such as electric, water, natural gas, golf course, airport parking and other fee-type services. These show up on the revenue side as "transfers to the general fund" and overhead.

User Fees Findings

The City of Navarre analysis does not include revenues associated with user fees as revenues or expenditures to the general fund. It is projected all existing Santa Rosa County user fees would be adopted by the City of Navarre and pay for the services they are presently supporting.

Intergovernmental Revenue

This category is referred to as "revenue sharing." These revenues are collected by one government and shared with other governmental units. The major sources are delineated below.

Municipal Revenue Sharing

The Revenue Act of 1972 (Florida law, chapter 72-360) describes state revenues that are shared between counties and municipalities.

"Eligibility Requirements
Pursuant to s. 218.23, F.S., a local government must meet the following requirements to be eligible to participate in revenue sharing beyond the minimum element in any fiscal year:

1) Report its finances for the most recently completed fiscal year to the Department of Banking and Finance, pursuant to s 218.32 F.S., (s. 218. 23(1) (a), F.S.).
2) Make provisions for annual post audits of its financial accounts in accordance with law, pursuant to chapter 10.500 Rules of the Auditor General (s. 218.23 (1) (b), F.S.).
3) For local governments eligible in 1972, levy ad valorem taxes (excluding debt service and other special millage) that will produce the equivalent of three mills per dollar of assessed valuation, based on 1973 taxable values as certified by the property appraiser, or collect an equivalent amount of revenue from occupational license tax, or a utility tax (or both) in combination with the ad valorem tax; or for municipalities eligible after 1972, the three mill equivalency requirements will be based upon the per dollar of assessed valuation in the year of incorporation (s.218.23(1)(c), F.S.).
4) Certify that its law enforcement officers, as defined in s. 943.10(1),
F.S. meet the qualifications established by the Criminal Justice Standards and Training Commissions, its salary structure and salary plans meet the provisions of Chapter 943, Florida Statutes, and no law enforcement officer receives an annual salary less than $6,000. However, the Department of Revenue may waive the minimum law enforcement salary requirements, if the municipality or county certifies that it is levying ad valorem taxes at 10 mills (s.218.23(1)(d), F.S.).

5) Certify that its firefighters, as defined in s. 633.30(1), F.S. meet the qualifications for employment established by the Division of State Fire Marshal pursuant to ss.633.34 and 633.35, F.S. and that provisions of s.633.382, F.S. have been met (s.218.23(1)(e), F.S.).

6) Certify that each dependent special district that is budgeted separately from the general budget of the local governing authority has met the provision for an annual post audit of its financial accounts in accordance with the provisions of law (s.218.23(1)(f), F.S.).

7) Certify to the Department of Revenue that the requirements of s.200.065, F.S. ("TRIM") are met, if applicable. This certification is made annually within 30 days of adoption of an ordinance or resolution establishing the final property tax levy, or if no property tax is levied, not later than November 1 (s.218.23(1)(f), F.S.).

8) Notwithstanding the requirement that municipalities produce revenues equivalent to a millage rate of three mills per dollar of assessed value (as described in paragraph three), no unit of local government that was eligible to participate in revenue sharing in the three years prior to participating in the Local Government Half-Cent Sales Tax shall be ineligible to participate in revenue sharing, solely due to a millage or a public service tax reduction afforded by the Local Government Half-Cent Sales Tax (s.218.23(3), F.S.)."

Pursuant to s. 218.21(3), F.S., all municipalities created pursuant to general or special law and metropolitan and consolidated governments as provided in Section 6(e) and (f) of Article VIII, Florida Constitution (i.e. Metro-Dade and Jacksonville-Duval,) are eligible to participate in Municipal Revenue Sharing Program if they fulfill the necessary eligibility requirements.

However, a number of other governmental entities are judged ineligible to receive municipal revenue sharing funds. For example, Attorney General Opinion 77-21 stated that municipal service taxing units (MSTUs) sometimes referred to as municipal service benefit units (MSBUs) are not eligible to receive funds from the Municipal Revenue Sharing Trust Fund. Two additional options determined that both regional authorities (AGO 74-367) and other authorities such as housing authorities, (AGO 73-246) also are ineligible to receive municipal revenue sharing dollars.

If a local government fails to comply with the eligibility requirements, s 218.23(1)(f), F.S. provides that the revenue sharing funds forfeited by the local
government shall be deposited in the General Revenue Fund for the 12 months following a determination of noncompliance by the Department of Revenue. More typically, the revenues for an ineligible government are distributed among the remaining eligible governments until the causes for ineligibility are determined and rectified, at which time the city or county is refunded the dollars that were disbursed among all eligible municipalities or counties.

The amount and type of revenues shared with an eligible municipality is determined by the following procedure.

First, a municipality's entitlement shall be computed on the basis of the apportionment factor provided in s.218.245,F.S., and applied to the receipts in the Municipal Revenue Sharing Trust Fund that are available for distribution. The resulting amount is labeled entitlement money. This is the amount of revenue, which would be shared with a unit of local government if the distribution of the revenues appropriated were allocated on the basis of the formula computations alone.

Second, the revenue to be shared via the formula in any fiscal year is adjusted so no municipality receives less funds than the aggregate amount it received form the state in fiscal year 1971-72. The resulting amount is labeled guaranteed entitlement or hold harmless money. Those municipalities incorporated subsequent to 1972 receive no guaranteed hold harmless money.

Third, revenues shared with municipalities shall be adjusted so that no municipality receives less funds than its minimum entitlement, the amount of revenues necessary to meet its obligations as a result of pledges, assignments or trusts entered into which obligated funds received from revenue sharing sources.

Fourth, after making these adjustments and deducting the amount committed to all eligible municipalities, the remaining money in the trust fund is distributed to those municipalities that qualify to receive growth money. This final distribution to those eligible municipalities that qualify to receive additional money beyond the guaranteed entitlement is based on the ratio of additional money of each qualified municipality in proportion to the total additional money of all qualified municipalities.

Summary

In summary, the total annual distribution to a municipality, depending on the formula, will yield various combinations of guaranteed entitlement and/or growth money (associated with new construction):

1) Guaranteed entitlement money PLUS growth money,  
2) Guaranteed entitlement money only, or  
3) Growth money only.

However, the final distribution is dependent on actual collections.
Authorized Uses

According to the Department of Revenue, municipalities may assume that 35.2 percent of their total estimated Municipal Revenue Sharing distribution fiscal year 1996-97 is derived from the Municipal Gas Tax. Thus, at least 35.2 percent of each municipality’s revenue sharing distribution must be expended on transportation-related purposes.

As a second restriction, municipalities are limited in the amount of revenue sharing dollars that may be bonded. Municipalities are allowed to bond only the guaranteed entitlement portion of the distribution. This hold harmless provision of the municipal revenue sharing program guarantees a minimum allotment and thereby ensures coverage of all bonding obligations to eligible governments that qualified for revenue sharing dollars before 1972. This provision does not apply to municipalities qualifying for the revenue sharing program after 1972.

Municipalities incorporated after 1973 that wish to qualify for revenue sharing funds must demonstrate local tax effort by using the taxable value of the municipality for the year of incorporation time’s three mills. Obviously, a municipality incorporating after 1973 must demonstrate significantly higher actual ad valorem tax effort than municipalities that have been in the program since its inception.

Municipal Revenue Sharing Findings

Based on projections from the State of Florida Department of Revenue--Office of Tax Research, municipal revenue sharing money for the City of Navarre in fiscal year 2016 are estimated at $899,825. (See Appendix 6)

Local Government Half-Cent Sales Tax

Chapter 82-154, Laws of Florida, created the Local Government Half-Cent Sales Tax Program. This program generates a significant amount of revenues for local governments by distributing sales tax revenue and money from the state General Revenue Fund to counties and municipalities that meet strict eligibility requirements. The primary purpose of the tax is to provide relief from ad valorem and public sewer taxes in addition to providing revenue for local programs.

Eligibility Requirements

A county or municipality must satisfy the following requirements (spelled out in s.218.63, F.S.) to be eligible to receive an ordinary distribution:

1) Qualify to receive revenue sharing funds by satisfying all requirements contained in s.218.23 F.S. However, a municipality incorporated subsequent to the effective date of Chapter 82.154, Laws of Florida (April 19, 1982), which does not meet the applicable criteria for incorporation pursuant to s. 165.061, F.S. shall not participate in Local Government Half Cent Sales Tax.
2) Meet the millage limitation requirements outlined in s.200.065, F.S.

Local Government Half-Cent Sales Tax Findings

Based on projections from the State of Florida Department of Revenue--Office of Tax Research, the half-cent local government sales tax distribution to the City of Navarre in fiscal year 2016 is estimated at $1,580,048. (See Appendix 6)

The state estimates half-cent sales tax at 100 percent of distribution. Variation between projections and actual results are due to the combined effect of reconciling state and local Fiscal years, as well as, the seasonal nature of sales tax collections. A more reasonable and prudent technique would be to project half-cent sales tax fund at 95 percent of the state estimate.

Licenses and Permits

Municipal Occupational License Tax

According to Section 205.042, Florida Statutes, "The governing body of an incorporated municipality may levy, by appropriate ordinance or resolution, an occupational license tax for the privilege of engaging or managing any business, profession or occupation within its jurisdiction."

The occupational license tax is designed specifically to raise revenue and should not be confused with the regulatory fees referred to in Section 166.221, Florida Statutes.

Occupational license tax revenues during the pre-1970s contributed a greater portion of the municipal revenue stream than at the present time. In 1972, the Legislature froze all license rates as they were in place on Oct. 1, 1971. In 1980, the Legislature allowed local governments to raise the rates of licenses with flat rates according to a three-tier schedule; 100 percent increase for rates $100 or less, 50 percent increase for rates between $101 and $300, and a 25 percent increase for rates of more than $300. In 1982, the Legislature allowed graduated or per unit rates to increase up to 25 percent.

County Occupational Licenses

Revenues are distributed to municipalities based upon percent of population.

Insurance Agent Licenses

Florida Statutes (F.S. 624.507) authorize municipalities to require license fees not to exceed 50 percent of the State License tax specified by statutes, for agents operating within municipal boundaries.
Alcohol Beverage License

Thirty-eight percent of all alcoholic beverage license revenues collected by the state from within a municipality are returned to the municipality.

Permits

Municipalities charge permit fees for a variety of land use services, including building and related construction, planning, stormwater and zoning services. These are as delineated below:
A) Building and Related Construction Permits Includes revenue for issuance of all building, plumbing, electrical, mechanical, heating/air conditioning and similar construction permits.
B) Stormwater Fees charged for review and inspection of projects requiring stormwater Management permits.
C) Zoning and Related Fees includes all fees collected for rezoning requests, variances, special exceptions, etc.
D) Planning Fees includes comprehensive plan compliance/concurrency reviews, planned unit development, etc.

Licenses, Business Tax and Permits Findings

This report does not include revenues associated with permits because these fees typically are revenue neutral. Revenues raised from this source would pay for inspections, processing and plan review functions that will initially be provided by Santa Rosa County staff through interlocal agreement. The report does include license fee revenues for FY 2016 to FY 2020 of $75,000.

Fines and Forfeitures

This revenue category includes receipts from fines and penalties imposed from the commission of statutory offenses, violation of lawful administrative rules and regulations and for neglect of official duty. Fines include court fines, library fines, pollution control violations and violations of local ordinances. Forfeitures include revenues resulting from confiscation of deposits or bonds held as performance guarantees and proceeds from sale of contraband property seized by law enforcement agencies.

Fines and Forfeitures Findings

This report does not include revenues associated with such fines. The question of a lack of a municipal police force raises doubt as to the City’s ability to be eligible for such funds.

Motor Fuel Tax Refund

Florida Statutes provide for the first five cents of state gas tax paid by a municipality to be returned to the municipality for use in its vehicles.
Motor Fuel Tax Refund Findings

This revenue source will not be significant to the City of Navarre due to the proposed limitation on city vehicular equipment.

Investment Income

Revenues derived from investment of cash receipts and idle funds are an important, yet often overlooked source of revenue. Many local governments are recognizing the importance of establishing effective cash management/treasury programs and are restructuring their government operations to accelerate revenues, promote aggressive revenue collections and maximize cash flow.

Investment Income Findings

This study incorporates investment income of $25,000 annually from fiscal year 2016 to fiscal year 2020 with no interest income for FY 2016.

Contributions and Donations

This revenue category is comprised of various sources primarily gifts, pledges, bequests or grants from non-governmental entities. Due to the nature of this category, revenue derived from these sources can fluctuate greatly from one year to the next.

Contributions and Donations Findings

Contributions and donations generally are considered revenue neutral because those making the donation typically earmark them for specific programs or services.

Miscellaneous Revenue

The miscellaneous revenue category includes a variety of less important sources, such as permit fees, non-occupational license fees, rents, royalties, special assessments, the sale of assets, insurance compensation, etc.

Miscellaneous Revenue Findings

There is no attempt by this report to project such revenue. This is a reasonable approach considering the difficulty in developing stable projections.

Local Option Gas Tax

Municipalities in Florida Counties share in the county's 6-cent local option tax on motor fuel and special fuel. The county uses its portion for maintenance of existing roads. The cities use their share for general transportation purposes.
There is a statutory formula that establishes a minimum portion to be shared with each city.

An opinion from the Florida Attorney General States in part the following:

Section 336.025, F.S. (1992 Supp.), allows counties to impose a local option gas tax upon every gallon of motor fuel and special fuel sold in a county and taxed under the provisions of Part I or Part II, Ch. 206, F.S. (1992 Supp.).[2] Only those municipalities and counties eligible for participation in the distribution of moneys under Parts II and VI of Ch. 218, F.S., are eligible to receive moneys under this section.[3]

A county may levy the tax by ordinance adopted by a majority vote of the governing body or approval by referendum.[4] Under this procedure,

"[t]he county may, prior to June 1, establish by interlocal agreement with one or more of the municipalities located therein, representing a majority of the population of the incorporated area within the county, a distribution formula for dividing the entire proceeds of the local option gas tax among the county government and all eligible municipalities within the county."[5] (e.s.)

In the absence of an interlocal agreement, the county may, prior to June 10, adopt a resolution of intent to levy the tax.[6] If no interlocal agreement or resolution is adopted, municipalities representing more than 50 percent of the county population may, prior to June 20, adopt uniform resolutions approving the local option tax, establishing the duration of the levy and the rate authorized, and setting the date for a countywide referendum on whether to impose the tax.[7] In the event the tax is levied by county resolution or by uniform resolutions of the municipalities, the proceeds of the tax must be distributed "among the county government and eligible municipalities based on the transportation expenditures of each for the immediately preceding 5 fiscal years."[8] Any newly incorporated municipality which is eligible for participation in the distribution of moneys under Parts II and VI, Ch. 218, F.S., located in a county levying the local option gas tax is also entitled to receive a share of the tax revenues.[9]

Local Option Gas Tax Findings

Based on the existing law and the interlocal agreements Florida Counties have established with the other cities within the counties it is not clear exactly what formula was used. It is clear the distribution of this revenue is developed through political negotiations and trying to estimate what the City of Navarre portion would be is at best more art then science.

With this understanding this study decided not to include Local Option Gas Tax revenues in our revenue projection for the City of Navarre. We believe it will be in the City’s best interest to continue to allow Santa Rosa County to retain the Local Option Gas tax revenues and continue to provide all local road maintenance in the initial years following incorporation.
DEVELOPMENT OF EXPENDITURE ANALYSIS
FOR THE CITY OF NAVARRE

Municipal Expenditures

Municipal government expenditures cover a wide variety of areas. Specific areas, however, are largely dependent upon the desires and needs of the citizenry and are formulated by the municipality's elected officials. General expenditure categories for the City of Navarre will be presented within specific expenditure groups and subgroups as reported in the Florida Local Government Financial Report, which is prepared annually by the Florida Comptrollers Bureau of Local Government Finance.

General Government

The general government category includes the legislative, judicial and administrative functions of the municipal government for the benefit of the public and governmental entity as a whole. This includes total expenses for elected officials, city manager, city clerk, finance, administrative, legal counsel, comprehensive planning, elections and insurance.

Public Safety

This category also includes police and sheriff's department services, corrections, fire prevention, municipal fire services and/or contractual payments for fire fighting services from other entities. Public safety is the largest single expense area for Florida's municipalities and has shown sizable increases during the past several years. With Florida's growing population and increased demands for improved law enforcement and fire protection, this area is expected to continue to grow.

Utilities

Municipal utilities in this context refer to basic user fee services associated with enterprise fund operations of water, sewer, electric and natural gas.

Solid Waste

Three components fall under the function of solid waste: collection, disposal and recycling.

The collection aspect can take several forms. Many years ago, back door collection was the primary method. As personnel costs steadily grew, municipalities were forced to find cheaper and more cost efficient methods. Today, the majority of municipalities utilize curbside collection or they contract with a private hauler to perform all or part of the operation. In larger multi-family complexes, dumpster service is now the industry standard.
Solid waste disposal has become increasingly complex and expensive in recent years, following the passage of state and federal environmental laws. Due to these actions, virtually all municipalities have moved away from landfill operations and this has become a county function or service provided by independent districts that operate from larger tax or population bases.

While recycling of discarded goods has been performed for many years in Florida, the passage of the state's Solid Waste Management Act in 1988 has prompted the emergence of highly organized recycling programs. This act requires, among many other things that communities initiate and achieve specified levels of recycling to reduce the volume of solid waste taken to landfills by 30 percent by the end of 1994.

Roads and Streets

The construction, maintenance and improvements of the road and street network are the most expensive area of the various transportation related expenditures (other transportation related expenses are addressed in Miscellaneous Expenses). Specific expense areas associated with the road and street network include roadway and right of way operations and maintenance, roadway and right of way drainage, street lighting, traffic signage and signalization, pavement markings, traffic engineering and bridge maintenance.

Municipal road responsibilities are assigned by the state of Florida through a system termed “functional classification.” The functional classification system specifies that municipalities are responsible for the city street network. Basically, this includes all local residential streets, and short-distance connecting roads. It does not include roads, which are part of the state highway system, even though they may fall within municipal boundaries.

Stormwater and Environment

This category includes only the master drainage system, flood control and environmental related expenses incurred by the municipal government. It does not include the costs associated with stormwater runoff attributable to roads, streets or roadside drainage.

In the past, stormwater-related functions were traditionally handled as a general government service funded through the municipality's general fund. Recently some local governments have established a stormwater function as a full-fledged utility operation. The utility is placed in a separate enterprise fund with revenues generated from monthly billings on the municipality's traditional water and sewer bills or as a separate stormwater bill.
Economic Improvement

The economic improvement category is a collection of related services associated with developing and improving the economic condition of the municipality and its residents. It includes programs such as: employment training, job search, downtown and industrial development/improvement, housing and urban development, etc. These expenses are related only to those programs directly served by the municipality and exclude those performed by independent districts and authorities, which often are located within and named after the municipality.

Human Services

Human service expenditures pertain to those costs associated with the provision for the care, treatment and control of human illness, injury or handicap, and for the welfare of the municipality and its residents. This category includes all municipal costs to operate hospitals, health and rehabilitation, diagnosis and treatment of mental illness, and economic assistance to the indigent.

The function of human service assistance is primarily funded and administered by county agencies (as a function of state government) and by independent authorities and districts.

Culture and Recreation

Culture and recreation is a general category combining the expenditures of libraries, parks, recreation, cultural services, special events and special recreation facilities.

Debt Service

Debt Service is shown as a separate category due to the reporting requirements of the Florida Comptroller's Local Government Financial Report, which shows it separately rather than by functional category. This category reflects those funds spent toward principal, interest, and various handling fees associated with municipal bond issues.

The four basic forms of long-term debt are: general obligation (G.O.) bonds, revenue bonds, general revenue bonds and special tax bonds.

G.O. bonds also are known as "full faith and credit bonds" because their repayment is unconditional and based on general credit and taxing powers of the borrowing government. Since the power to levy and collect property taxes provides the basic security to these bonds, they require voter approval. G.O. bonds generally carry the lowest interest rates, and typically are used to finance general-purpose public buildings, roads, and criminal justice complexes.

Another form is a revenue bond. These are obligations in which
repayment of debt service is entirely from user fees of an enterprise operation. The most common municipal issues are for water, wastewater, electric, parking garages, civic centers, stadiums and airports.

A third type of long-term debt is a general revenue bond. This is a cross between a G.O. and a revenue bond. Like a revenue bond, it does not require a referendum; yet like a G.O. bond, it has the full faith and credit of a specific or a percentage of all general funds, non-ad valorem revenues.

A final type is the special tax bond. It, too, is similar to a G.O. bond in that it often is used for general government purposes and the repayment revenue is from a source unrelated to the project. Special tax bonds are payable from a specifically pledged tax, usually a local option sales tax or tourist tax.

Miscellaneous Expense

This category consists primarily of smaller budget functions or those, which are not widely utilized by a significant number of municipalities. These include airports, port facilities, commercial docks, mass transit systems, traffic flow enhancement services, parking facilities and miscellaneous general government services not itemized within that category.

Findings for Expenditure Analysis

This report includes administrative and finance expenditures, an additional contract cost for growth management, code enforcement, professional planning services, and general government support from Santa Rosa County. These expenditures are for a combination of municipal employees and contractual services as shown below.

<table>
<thead>
<tr>
<th>Position</th>
<th>Proposed Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Manager</td>
<td>$125,000</td>
</tr>
<tr>
<td>Assistant City Manager Contract Specialist</td>
<td>115,000</td>
</tr>
<tr>
<td>Finance Director/Comptroller</td>
<td>95,000</td>
</tr>
<tr>
<td>City Clerk/Treasurer</td>
<td>65,000</td>
</tr>
<tr>
<td>Administrative Assistant</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Total Salaries</strong></td>
<td><strong>$435,000</strong></td>
</tr>
<tr>
<td><strong>Benefits @ 35%</strong></td>
<td><strong>152,250</strong></td>
</tr>
<tr>
<td><strong>Total Salary and Benefits</strong></td>
<td><strong>$587,250</strong></td>
</tr>
</tbody>
</table>

During the first year the study only uses 50% of the Salary and Benefits due to the time necessary to hire the City Manager and then his staff. In the second through the fifth year 100% is used with an annual cost increase of 3%. 
**Contractual Services**

<table>
<thead>
<tr>
<th>Contract Services</th>
<th>Proposed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Services</td>
<td>$75,000</td>
</tr>
<tr>
<td>Growth Management</td>
<td>$50,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$175,000</strong></td>
</tr>
</tbody>
</table>

The projected salaries for administrative staff are within the average salary for Florida cities with population between 25,000 and 50,000 residents. The projected contract costs for growth management, planning and code compliance could employ one full-time planner and operating costs, rather than contracting for services.

The proposed administrative and finance expenditures can be delineated as follows:

- Personnel w/benefits: $587,250
- Operating overhead: $129,600
- Insurance: $75,000
- Local elections (First year only): $65,000
- Audit: $35,000
- Capital (one time): $175,000
- Contingency: $83,500

**Total**: $1,150,350

The above costs include all relevant expenditure categories and coupled with one month of expenses contingency factor, appear reasonable to assume the administrative and financial activities for the City of Navarre.

The final major expenditure category—parks and recreation—will continue to be provided through an interlocal agreement with Santa Rosa County or a private sector vendor and be paid for with City of Navarre general revenues.
The following is the first year (FY/2016) projections for revenues and expenditures necessary for the City of Navarre. The city will only come into existence in the fourth month of the fiscal year and start to spend dollars in the sixth month.

**Revenues**

State Shared Revenue @ 50% $1,239,937
Franchise Fees/Communication Service Tax @ 50% 479,635
Interest Earnings Business Tax and Licenses @ 50% 37,500
Ad Valorem Property Taxes @ 50% Option #1 0
**Total** $1,775,072

**Expenditures**

Salary and Benefits @ 50% $293,625
Mayor and City Council Salary 22,500
Contract Services 175,000
Operations/rent @ 50% 64,800
Insurance @ 50% 37,500
Local Elections (First year only) 65,000
Audit 35,000
Capital Equipment (One Time) 175,000
Contingency 46,250
**Total** $914,675

**Possible Reserve/(Deficit)** $860,397
A PRO FORMA PRESENTATION OF
REVENUE/EXPENSE FORECASTED
FOR A FIVE YEAR PERIOD

The purpose of a multi-year forecast is to estimate city revenues and expenditures over a designated period—usually five to ten years. Most local governments preparing a fiscal forecast use it as a tool for preparing and executing an annual budget. This type of annual or short term forecasting is necessary for a municipality to maintain a balanced budget.

Long-term fiscal forecasts are conducted for two main reasons.

1) Multi-year forecasts often show that fiscal adjustments might be needed to balance future budgets. When expenditures are projected to exceed revenues, measures must be taken to correct the imbalance. This process is called gap analysis.

2) Multi-year forecasts can help decision makers quantify and evaluate potential impacts of today's policy decision. This process is referred to as impact analysis. The multi-year fiscal forecast for the City of Navarre is designed to assist the PAC in accomplishing the following objectives:
   - To indicate to the parties in the incorporation process the presence of systematic financial planning.
   - To serve as an aid to all parties in the incorporation process in the anticipation of future fiscal issues, enabling corrective action to be taken where necessary
   - To assist all parties in operations planning
   - To strengthen estimates of revenues and expenditures in the annual budget process

Benefits and Limitations

Benefits of Forecasting
The major benefits of multi-year forecasting include:

- Identification of possible consequences of various economic policy scenarios
- Identification of future fiscal problems
- Development of sound financial management policies and practices
- Provision of information to all parties in the incorporation process (government agencies, the press, business, community, neighborhood organizations and the general public) that explains the relationship between program expansion and anticipated revenues
Limitations of Forecasting

Multi-year forecasts have the following inherent limitations.

1) Forecasts are not entirely accurate in predicting what actual revenues and expenditures will be in a particular year. Since a forecast is based on current trends, estimates may be imprecise if economic and/or financial assumptions change. Therefore, forecasts must be revised when key variable such as inflation, interest rates or business climates change unexpectedly.

2) The unlikely event that an actual budget deficit will occur is a second factor that undermines the accuracy of forecasts. State law mandates local governments to balance their budgets. But forecasting methods do not anticipate municipal decisions that close budget gaps and prevent deficits.

This study has developed a Five-year financial projection for an incorporated City of Navarre based on fiscal years 2016 through 2020. BJM Consulting, Inc. developed the assumptions used in this financial forecast.

Population

The current permanent population is estimated at 42,300 and total population (with seasonal residents) is estimated to approach 50,200. The growth in population is projected to increase at an annual rate of 3% to 47,609 in FY 2020, with a functional population of 57,366. This projection is consistent with recent growth patterns in the area.

Property Tax Base

The property tax base is projected to increase an average of 3% percent per year from FY 2016 through FY 2020. The taxable assessed value in the City of Navarre is projected at $1,971,826 for fiscal year 2016 and is expected to increase to $2,219,307,940 in fiscal year 2020.
Expenditures

Expenditures for growth management, planning/code compliance are all proposed to be provided by the following agencies:

<table>
<thead>
<tr>
<th>Service</th>
<th>Provider</th>
<th>Average Annual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Contract Services</td>
<td>Others</td>
<td>3%</td>
</tr>
<tr>
<td>County Contract Services</td>
<td>SRC Government</td>
<td>3%</td>
</tr>
</tbody>
</table>

The annual increases for these services may fluctuate from year to year due to timing of one-time capital purchases.

Internal administrative and finance services increase approximately 3 percent each year. In addition, an annual 8.3 percent contingency factor (equivalent to one month’s expenses) has been included.

Revenues

The projected millage rate for Option #1 is 0 mills and for Option #2 1 mills.

The forecast assumes the following City of Navarre Option #2 millage rates and property tax revenues:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Millage Rate</th>
<th>Property Tax Revenues @ 95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>2017</td>
<td>1</td>
<td>$2,030,981</td>
</tr>
<tr>
<td>2018</td>
<td>1</td>
<td>$2,091,910</td>
</tr>
<tr>
<td>2019</td>
<td>1</td>
<td>$2,154,668</td>
</tr>
<tr>
<td>2020</td>
<td>1</td>
<td>$2,219,308</td>
</tr>
</tbody>
</table>

This is based on budgeting 95 percent of projected ad valorem tax revenue, which is generally accepted by Florida municipal finance officers as a prudent practice.
State shared revenues are estimated as:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Projected Revenue (3% annual increase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$1,239,937</td>
</tr>
<tr>
<td>2017</td>
<td>$2,554,269</td>
</tr>
<tr>
<td>2018</td>
<td>$2,630,897</td>
</tr>
<tr>
<td>2019</td>
<td>$2,709,824</td>
</tr>
<tr>
<td>2020</td>
<td>$2,791,119</td>
</tr>
</tbody>
</table>

Franchise Fees/Communication Service Taxes are estimated as:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Projected Revenue (3% annual increase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$ 497,635</td>
</tr>
<tr>
<td>2017</td>
<td>$1,025,128</td>
</tr>
<tr>
<td>2018</td>
<td>$1,055,882</td>
</tr>
<tr>
<td>2019</td>
<td>$1,087,558</td>
</tr>
<tr>
<td>2020</td>
<td>$1,120,185</td>
</tr>
</tbody>
</table>

The forecast does not include any revenues from court fines or building permits, as they will continue to go to Santa Rosa County or private sector vendor for services rendered.

Interest earnings, Business Taxes and County Occupational Licenses are anticipated to be $37,500 in fiscal year 2016 and $100,000 in FY 2017 through FY 2020.

**Expenses**

City of Navarre Local Government Expense

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Projected Cost (3% annual increase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$ 914,675</td>
</tr>
<tr>
<td>2017</td>
<td>$1,260,350</td>
</tr>
<tr>
<td>2018</td>
<td>$1,298,161</td>
</tr>
<tr>
<td>2019</td>
<td>$1,337,106</td>
</tr>
<tr>
<td>2020</td>
<td>$1,377,218</td>
</tr>
</tbody>
</table>
Based on assumptions prepared by BJM Consulting, Inc., the financial forecast is delineated below:

### Option #1 No City Government Millage

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Shared Revenue</td>
<td>$1,239,936.50</td>
<td>$2,554,269.19</td>
<td>$2,630,897.27</td>
<td>$2,709,824.18</td>
<td>$2,791,118.91</td>
</tr>
<tr>
<td>Franchise Fees/Communication Tax</td>
<td>$497,635.00</td>
<td>$1,025,128.10</td>
<td>$1,055,881.94</td>
<td>$1,087,558.40</td>
<td>$1,120,185.15</td>
</tr>
<tr>
<td>Interest Earnings and Business Tax</td>
<td>$37,500.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>Ad Valorem Property Taxes</td>
<td>$ -</td>
<td>-</td>
<td>$ -</td>
<td>-</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$1,775,071.50</td>
<td>$3,679,397.29</td>
<td>$3,786,779.21</td>
<td>$3,897,382.58</td>
<td>$4,011,304.06</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Navarre Local Government Expense</td>
<td>$914,675.00</td>
<td>$1,260,350.00</td>
<td>$1,298,160.50</td>
<td>$1,337,105.32</td>
<td>$1,377,218.47</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$914,675.00</td>
<td>$1,260,350.00</td>
<td>$1,298,160.50</td>
<td>$1,337,105.32</td>
<td>$1,377,218.47</td>
</tr>
<tr>
<td><strong>Reserve/(Deficit)</strong></td>
<td>$860,396.50</td>
<td>$2,419,047.29</td>
<td>$2,488,618.71</td>
<td>$2,560,277.27</td>
<td>$2,634,085.59</td>
</tr>
<tr>
<td><strong>Cumulative</strong></td>
<td>$3,279,443.79</td>
<td>$5,768,062.50</td>
<td>$8,328,339.77</td>
<td>$10,962,425.36</td>
<td></td>
</tr>
</tbody>
</table>
**Option #2 New City Government Tax of 1 mill**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Shared Revenue</td>
<td>$1,239,936.50</td>
<td>$2,554,269.19</td>
<td>$2,630,897.27</td>
<td>$2,709,824.18</td>
<td>$2,791,118.91</td>
</tr>
<tr>
<td>Franchise Fees/Communication Tax</td>
<td>$497,635.00</td>
<td>$1,025,128.10</td>
<td>$1,055,881.94</td>
<td>$1,087,558.40</td>
<td>$1,120,185.15</td>
</tr>
<tr>
<td>Interest Earnings and Business Tax</td>
<td>$37,500.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>Ad Valorem Property Taxes</td>
<td>$-</td>
<td>$2,030,981.15</td>
<td>$2,091,910.59</td>
<td>$2,154,667.90</td>
<td>$2,219,307.94</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$1,775,071.50</td>
<td>$5,710,378.44</td>
<td>$5,878,689.80</td>
<td>$6,052,050.48</td>
<td>$6,230,612.00</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Navarre Local Government Expense</td>
<td>$914,675.00</td>
<td>$1,260,350.00</td>
<td>$1,298,160.50</td>
<td>$1,337,105.32</td>
<td>$1,377,218.47</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$914,675.00</td>
<td>$1,260,350.00</td>
<td>$1,298,160.50</td>
<td>$1,337,105.32</td>
<td>$1,377,218.47</td>
</tr>
<tr>
<td><strong>Reserve/(Deficit)</strong></td>
<td>$860,396.50</td>
<td>$4,450,028.44</td>
<td>$4,580,529.30</td>
<td>$4,714,945.17</td>
<td>$4,853,393.53</td>
</tr>
<tr>
<td><strong>Cumulative</strong></td>
<td>$5,310,424.94</td>
<td>$9,890,954.24</td>
<td>$14,605,899.41</td>
<td>$19,459,292.94</td>
<td></td>
</tr>
</tbody>
</table>
Impact on the Homeowner

The following is intended to give Navarre property owners a better idea of the impact incorporation will have in terms of property taxes they will pay.

Option #1

The study clearly shows the City of Navarre, using the same property tax rate currently being paid by Navarre property owners, will develop a reserve over the first five years after incorporation. It will be up to the elected officials of Navarre to decide what to do with these reserve funds, if anything.

The possible options are:

- Use the limited reserves to establish a necessary disaster reserve fund to deal with any future natural events
- Establish higher levels of service for things like code enforcement, police, economic development, road maintenance, or parks and recreation, raising the annual cost of local government and reduce the reserves
- Establish new public services creating new cost centers for local government and reduce the reserves
- Create a local Capital Improvement Plan and use the available dollars to build capital projects and reduce the reserves
- Allow the reserve to remain as projected providing a financial safety net for the community’s future.
- Some combination of the foregoing options.

The short-term financial position is due to the majority of municipal services being delivered through contractual relationships with the County or private sector vendors and the City of Navarre’s population supporting good non-ad valorem funding (SSR and Communication/Franchise Fees). The growth in local government revenues may not have an immediate positive financial impact to the new City of Navarre due to changes in the Florida Constitution controlling the growth of local government spending to a maximum of 10% without a super majority vote of the City Council. However
the financial projections clearly show that the State Shared Revenue, Franchise Fees, and other non-ad valorem revenues will cover the administrative cost of the City.

Since the reserves are not sufficient in the early years after incorporation to cover the cost of recovery after a hurricane, the study presents Option #2 as a reoccurring revenue stream of new taxes to build the disaster reserve to address such a situation in the early years. These additional reserves from the new tax will make the options listed above more of a viable choice than they would be without the new tax.
Disclaimer:
The GIS maps and data distributed by the Santa Rosa County BOCC departments are derived from a variety of public and private sector sources considered to be dependable, but the accuracy, completeness, and currency thereof are not guaranteed. The Santa Rosa County Commission makes no warranties, expressed or implied, as to the accuracy, completeness, currency, reliability, or usability for any particular purpose of information or data contained in or generated from the County Geographic Database. Additionally, the Santa Rosa Commission or any agent, servant, or employee thereof assumes no liability associated with the use of the data, and assumes no responsibility to maintain it in any matter or form.

Zoning Maps Disclaimer: Areas which are outlined as a Special Planning Areas, Protection Areas or Historic Areas may have additional limitations that regulate the use of the property. Zoning Boundaries are not static...contact us for any changes which may occur.

 santarosafl.org
INTERLOCAL AGREEMENT BETWEEN LEE COUNTY
AND TOWN OF FORT MYERS BEACH

THIS INTERLOCAL AGREEMENT is made and entered into this 5th day of
October, 1990, by and between the TOWN OF FORT MYERS BEACH, a municipal
corporation of the State of Florida, acting by and through its Town Council, the governing
body thereof, "Town", and LEE COUNTY, a political subdivision of the State of Florida,
acting by and through its Board of County Commissioners, the governing body thereof,
"County", collectively, "the Parties" hereto.

WITNESSETH:

WHEREAS, the Town Council is the governing body in and for the Town of Fort
Myers Beach; and the Board of County Commissioners is the governing body in and for
Lee County; and,

WHEREAS, both the County and town are duly empowered pursuant to Florida
Statutes, in particular Section 163.01, F.S., to enter into Interlocal Agreements for the
delegation of certain, shared municipal powers; and,

WHEREAS, pursuant to Chapter 95-494, Laws of Florida, the Town of Fort Myers
Beach, Florida has assumed all governmental, corporate and proprietary powers provided
by law to Florida municipalities as of December 31, 1995; and,

WHEREAS, in order to continue with an orderly transition of governmental powers,
duties, and services from Lee County to the Town of Fort Myers Beach for the protection
of the public health, safety and welfare of the citizens of Fort Myers Beach, the Fort Myers
Beach Town Council has determined it appropriate to delegate certain powers, duties and
authority to Lee County on an interim basis as provided for by the charter of the Town of
Fort Myers Beach;

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and conditions hereinafter set forth, the Town and the County, intending to be legally bound, hereby agree as follows:

SECTION I PURPOSE

It is the purpose and intent of this Agreement to define the terms and conditions for the Town's delegation of certain development review, permitting and enforcement authority to the County, and the terms and conditions under which the County shall provide such services. This Agreement is intended to provide to the Town, through a delegation of certain municipal authority and powers to the County, certain services relating to the implementation of the Lee County Land Development Code, to the extent said Code is effective within the Town pursuant to State law, and enforcement of regulations.

All terms and conditions of this Agreement shall be interpreted in a manner consistent with, and in furtherance of, the purpose as set forth above.

SECTION II AUTHORITY FOR AGREEMENT

The Town represents to the County that the execution and delivery of this Agreement has been duly authorized by all appropriate actions of the Governing Body of the Town, has been executed and delivered by an authorized officer of the Town, and constitutes a legal, valid and binding obligation of the Town. The County represents to the Town that the execution and delivery of this Agreement has been duly authorized by all appropriate actions of the Governing Body of the County, has been executed and delivered by an authorized officer of the County, and constitutes a legal, valid and binding obligation of the County.
SECTION III SCOPE OF SERVICES

WHEREAS, the Town desires to obtain certain services from the County, from October 1, 1999 through September 30, 2000, and

WHEREAS, the County agrees to provide said services as described below.

NOW THEREFORE, the parties agree that a contract shall exist between them consisting of the following:

| Scope of Services                                                                 | Cost                                           |
| Adamant Application Review for:                                                   | No cost to Town - Permit fees to be collected by County from the applicants and will be retained by County as compensation for services hereunder |
| a. Building Permits                                                               |                                               |
| b. Rezonings, Variances, Special Exceptions or Permits                           |                                               |
| c. Plan Review                                                                   |                                               |
| d. Environmental Permits and Review                                              |                                               |
| e. Building Inspections                                                           |                                               |
| f. Development Orders, Petitions to Vacate                                       |                                               |
| g. Contractor Licensing                                                           |                                               |
| 2. Code Compliance/Enforcement                                                    | $110,800                                       |
| 3. Other Activities                                                              | $21,600                                       |
| a. Administrative Reviews (such as Coastal Construction Letters, Administrative Deviations, Administrative Amendments, Zoning Verifications, etc.) |                                               |
| b. Provision of general Zoning and Development information to public (not covered by fees) |                                               |
| c. Monthly coordination meeting with County and Town staff (at Fort Myers Beach office) |                                               |
| d. Attendance at Local Planning Agency hearings for zoning cases                  |                                               |
| Total $132,400                                                                  |                                               |

4. County will retain all original files and records.

5. County will provide Town with records of any administrative actions, as well as staff reports for public hearing cases. County to attend public hearings for zoning cases, excluding petitions to vacate.
6. Town will provide County with copies of all ordinance changes or resolutions adopted by Town pertaining to matters covered herein.

7. Payment of permit application fees by applicants will cover costs for Item #1 listed above.

8. Costs noted in item 2 are for the levels of service implemented in mid-1999 (2 full time equivalent positions for Code Enforcement). Any future changes in level of service will result in either additional payments by the Town or credits against the quarterly payments, to be mutually agreed upon by Town and County.

9. Cost for Town to receive services from County, in addition to the fees and charges collected by County noted above, (and excluding road impact fees), totals $132,400. Payment in full for all services $132,400 is due to County in quarterly payments as listed below. Such payment shall be made by Town warrant by the due date. Nonpayment by the due date shall be grounds for the County's immediate suspension of services.

   November 15  $33,100
   January  1     $33,100
   April 1        $33,100
   July 1         $33,100

SECTION IV  RESERVATION OF CERTAIN POWERS & DUTIES TO THE TOWN

Notwithstanding the provisions of Section III above, the Town hereby specifically reserves unto itself all of the final, determinative powers exercised by the Lee County Board of County Commissioners and Lee County Hearing Examiner, with respect to final decisions concerning the implementation of the Lee County Comprehensive Plan and the Lee County Land Development Regulations as they may be amended or revised by the Town of Fort Myers Beach from time to time, with the exception of all powers, duties and final decisions exercised by the Lee County Hearing Examiner's Office with respect to code enforcement matters.

SECTION V  DURATION OF INTERLOCAL AGREEMENT

This Interlocal Agreement shall become effective upon execution by both parties and will remain in effect until September 30, 2000, except as otherwise provided herein.
SECTION VI  TERMINATION OF INTERLOCAL AGREEMENT

This Interlocal Agreement may be terminated by either party at any time, with or without cause, upon one hundred twenty (120) days written notice to the non-terminating party.

SECTION VII  LIABILITY

The parties agree that by execution of this Agreement, no party will be deemed to have waived its statutory defense of sovereign immunity, or increased its limits of liability as provided for in Section 768.28, Florida Statutes.

SECTION VIII  PRIOR AGREEMENTS

This Agreement shall supersede any other Agreements between the Town and the County relating to the delegation of certain municipal powers to the extent that the terms and provisions of any such other Agreement conflict with the terms and provisions of this Agreement.

SECTION IX  ASSIGNMENT

No assignment, delegation, transfer, or novation of this Agreement or part thereof, shall be made, unless approved by the Town and the County.

SECTION X  NOTICES

Any notices or other documents permitted or required to be delivered pursuant to this Agreement, shall be delivered to the County, at the Office of the County Manager and to the Town, at the Office of the Mayor or Town Manager.
SECTION XI AMENDMENT

This Agreement may only be amended by writing duly executed by the Town and the County.

IN WITNESS WHEREOF, the Town and the County have executed this Agreement on the day, month, and year first written above.

ATTEST:

CHARLIE GREEN, CLERK
By: [Signature]
      Deputy Clerk

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA
By: [Signature]
      Chairman

APPROVED AS TO FORM:
By: [Signature]
      Office of County Attorney

ATTEST:

TOWN OF FORT MYERS BEACH
By: [Signature]
      Town Clerk

TOWN OF FORT MYERS BEACH
By: [Signature]
      Mayor

APPROVED AS TO FORM:
By: [Signature]
      Town Attorney
AGREEMENT

BY AND BETWEEN
MIKE SCOTT, LCSO OF LEE COUNTY, FLORIDA AND
THE CITY OF BONITA SPRINGS FOR
ENHANCED LAW ENFORCEMENT SERVICES

THIS AGREEMENT, by and between the CITY OF BONITA SPRINGS, a municipal corporation organized and existing under the laws of the State of Florida, hereinafter referred to as "CITY," and Mike Scott, Sheriff of Lee County, Florida, hereinafter referred to collectively as "LCSO."

WITNESSETH:

WHEREAS, the CITY is desirous of maintaining a high level of competent professional police service in conjunction and harmony with its fiscal policies of sound, economical management; and

WHEREAS, LCSO and CITY previously agreed on a basic services agreement with a continuing high level of professional police service, and the CITY is desirous of enhancing such services upon the terms and conditions hereinafter set forth; and

WHEREAS, CITY is desirous of enhancing daily police services above and beyond basic services already rendered through contractual relationship with LCSO.

NOW THEREFORE, in consideration of the sums hereinafter set forth and for other good and valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

ARTICLE I
DEFINITIONS

For the purposes of this Agreement, the following terms shall have the respective meanings hereinafter set forth:

1.1 Agreement shall mean this Agreement for Law Enforcement Services between the CITY and LCSO. This Agreement does not replace or supplant the basic services provided by the Sheriff but is to provide enhanced services above and beyond the basic services provided through general ad valorem revenues and other regular funding. However, nothing contained within this definition should prohibit Community Outreach.
Program (COPS) funding if available.

1.2 **LCSO** shall mean the duly elected and qualified Sheriff of Lee County, Florida.

1.3 **LCSO’s Address** shall mean Lee County Sheriff’s Office, 14750 Six Mile Cypress Parkway, Ft. Myers FL 33912, (239) 477-1200.

1.4 **CITY** shall mean the City of Bonita Springs, Florida, a municipal corporation organized and existing under the laws of the State of Florida and located within the boundaries of Lee County, Florida.

1.5 **CITY’S Address** shall mean 9101 Bonita Beach Road, Bonita Springs FL 34135, (239) 390-1000.

1.6 **CITY Boundaries** shall mean the area within the municipal boundaries of the CITY.

1.7 **City Manager** shall mean the duly appointed and validly existing City Manager of the CITY. In the absence of the City Manager, the person acting in the capacity of City Manager shall have the same authority as that of the City Manager.

1.8 **Deputy Sheriff** shall mean an employee who is appointed by the Sheriff in accordance with Fla. Stat. 30.07 and who has executed any necessary oath which is required by law. This position consists of shift related duties which includes: arrest and citation of violators, crime prevention, traffic control, courtroom testimony, community policing, high visibility patrol, and others as determined by LCSO.

1.9 **District Commander** shall mean the individual appointed under Article XVI who is responsible for all employees and activities of the Bonita Springs Patrol Zone. The district commander shall hold the rank of Deputy Sheriff Captain. The duties of the district commander include compliance with provisions of this contract for law enforcement service, serve as liaison between the CITY and LCSO, and insure the maintenance of effective morale, discipline, and law enforcement service.

1.10 **Patrol Unit** shall mean one (1) marked car which shall be manned by one (1) Uniformed Officer and containing all standard support equipment and who is assigned to a Patrol within the City of Bonita Springs. Any patrol unit purchased by the City shall prominently display the City of Bonita Springs official seal and on the vehicle’s exterior the legend “paid for by the City of Bonita Springs” in letters at least two (2) inches in height and city logo and web page address and the words community policing.
1.11 **Patrol Zone** is the incorporated boundaries of the CITY that is part of the South District.

1.12 **Salaries** shall include wages, employer expenses (FICA), and employee benefits including, but not limited to, retirement benefits, health insurance benefits, workers compensation, vacation, compensatory time, and sick leave benefits.

1.13 **Sworn Personnel** shall mean any appointed deputy of the Sheriff, irrespective of the rank (i.e. Deputy Sheriff Sergeant, Deputy Sheriff Lieutenant, Deputy Sheriff Captain).

1.14 **Uniformed Deputy** means a Deputy Sheriff employed by LCSO who wears a LCSO uniform. Said deputies working Bonita pursuant to this agreement shall wear a pin on the front of the uniform. Such pin shall be provided by the City.

**ARTICLE II**

**TERM**

2.1 This Service Agreement shall remain in full force and effect commencing October 1, 2005 through September 30, 2008, the present term for Sheriff Mike Scott, all dates inclusive, conditioned upon the party’s agreement as to the consideration to be paid by the City in each applicable fiscal year. The Agreement may be commenced earlier, upon mutual consent, at a prorated rate.

2.2 The CITY shall have the option to extend the Term for three (3) additional four (4) year terms, upon the same terms and conditions contained herein, except that the Consideration payable hereunder shall be subject to mutual agreement.

2.3 Either party may terminate this Service Agreement for any reason by giving no less than ninety (90) days prior written notice to the other party.

2.4 In the event of termination, both parties shall render such aid, coordination, and cooperation that might be required for an expeditious and efficient termination of service.

**ARTICLE III**

**MANNER OF PERFORMANCE OF SERVICES**

3.1 It is the intent of LCSO to provide to the CITY its current, existing competent professional police protection within and throughout the corporate limits of CITY, and by virtue of this Agreement, enhance such services as outlined in Article IV.
3.2 In recognition of the CITY’S need to be informed of LCSO’S activities, LCSO’S District Commander and the City Manager will develop a mutually agreed upon reporting format(s) and reporting period(s), whereby LCSO will report its activities to the City Manager. At any time during the term of this Agreement, the City Manager shall have the right to make reasonable modifications to the reporting format(s) and reporting period(s).

3.3 LCSO will ensure the courtesy and professional demeanor of the assigned Deputies through internal policies and staff inspections, in-service training, and diversity training.

ARTICLE IV

STAFFING STRUCTURE

4.1 Commencing January 1, 2006, the enhanced staffing structure, eight (8) deputies of the Bonita Springs Patrol Zone in the South District, will be as follows:

<table>
<thead>
<tr>
<th>Deputy Sheriffs</th>
<th>Sergeant</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Commencing April 1, 2006 the enhanced staffing structure ten (10) deputies of the Bonita Springs Patrol Zone in the South District, will be as follows:

<table>
<thead>
<tr>
<th>Deputy Sheriffs</th>
<th>Sergeants</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td></td>
<td>10</td>
</tr>
</tbody>
</table>

Commencing January 1, 2007 the enhanced staffing structure twelve (12) deputy sheriffs of the Bonita Springs Patrol Zone in the South District, will be as follows:

<table>
<thead>
<tr>
<th>Deputy Sheriffs</th>
<th>Sergeants</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td></td>
<td>12</td>
</tr>
</tbody>
</table>

Commencing April 1, 2007 the enhanced staffing structure fourteen (14) deputies of the Bonita Springs Patrol Zone in the South District, will be as follows:

<table>
<thead>
<tr>
<th>Deputy Sheriffs</th>
<th>Sergeants</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td></td>
<td>14</td>
</tr>
</tbody>
</table>

Commencing January 1, 2008 the enhanced staffing structure sixteen (16) deputy sheriffs of the Bonita Springs Patrol Zone of the South District will be as follows:
14 deputy sheriffs
2 Sergeants
16 Total

Should commencement be desired earlier upon determination by the City Manager, the CITY shall provide LCSO, with an official "Notice to Proceed". This notice shall be issued no less than thirty (30) days prior to the date of desired commencement.

4.2 It is the responsibility of the District Commander or designee, in consultation with the City Manager, to properly assign personnel to adequately provide enhanced law enforcement services in the Bonita Springs Patrol Zone, pursuant to this Agreement.

ARTICLE V

PATROL UNITS

5.1 The District Commander shall provide the CITY with Uniformed Deputies and Sergeant(s) who, as stated in Article IV, patrol the City of Bonita Springs, each in a Patrol Unit. Each Uniformed Deputy Sheriff patrolling the Patrol Zone shall be assigned by the District Commander and work scheduled time, not to exceed forty-two hours per week, excepting holidays, overtime, off-duty detail, vacation leave, required training, court appearances, authorized sick leave, and such other absences as may be authorized by the SHERIFF or his designee.

5.2 The parties recognize that a law enforcement agency requires flexibility in order to meet society's challenge to combat crime and other social conditions. Therefore, the District Commander or his designee shall have the discretion to determine patrol staffing levels to provide adequate police services to the CITY subject to the requirements of paragraph 5.1. The LCSO recognizes that the Agreement is for enhanced services and nothing in this paragraph shall be construed as to replace community policing activities unless the circumstances warrant the modification because of lack of regular and basic patrol staffing levels in Bonita Springs and the immediate adjacent areas. Use of this discretion should be the exception and not the rule.

5.3 A professional level of service shall be provided by the patrol services contemplated by this Agreement. This professional level of service shall be in accordance with applicable laws and accepted police practices, including LCSO policies and procedures.

5.4 These patrol services shall be supervised within the discretion of the on-duty uniform patrol supervisor, with the understanding that the patrol services are enhanced services to provide community policing.
5.5 LCSO, through its Deputy Sheriffs assigned to the City of Bonita Springs, at the request of the City Manager, will provide additional enhanced services as agreed upon with the District Commander.

ARTICLE VI
CITY COUNCIL MEETINGS

6.1 At the request of the City Manager and in conformity with paragraph 5.1, one (1) Deputy Sheriff shall be present for the purpose of maintaining order at each regular or special City Council meeting during the regular shift of attending deputy.

ARTICLE VII
EMPLOYMENT RESPONSIBILITY

7.1 Any employees utilized by LCSO to fulfill the terms and conditions of this Agreement shall be deemed as employees of LCSO, not of the CITY.

7.2 Accordingly, the CITY shall not be responsible for or assume any liability for any employee’s salaries, wages, or other compensation, contributions to pension funds, insurance premiums, workers compensation funds (Chapter 441, Florida Statutes 2002), vacation, compensatory time, sick leave benefits or any other amenities of employment to any LCSO Personnel performing services, duties and responsibilities hereunder for the benefit of said CITY and the residents thereof or any other liabilities whatsoever.

7.3 Further, unless otherwise specifically provided to the contrary herein, the CITY shall not be liable for compensation, contribution, indemnity to LCSO or the employees thereof for any injury or illness, of any kind whatsoever, arising out of such employment and the performance of the service, duties, and responsibilities contemplated herein.

ARTICLE VIII
EMPLOYMENT: RIGHT OF CONTROL

8.1 LCSO shall have and maintain sole responsibility and control over the rendition of services, training, standards of performance, discipline of personnel, and other matters incident to the performance of its services, duties, and responsibilities.
described and contemplated herein, provided said control does not result in a permanent reduction in the staffing levels as provided in Article IV.

8.2 The parties acknowledge that it is important for the CITY to have LCSO personnel who are acquainted with the general make-up of the CITY including its geography; its industrial, business, and residential composition; and its law enforcement issues.

ARTICLE IX
EMPLOYMENT: AUTHORITY TO ACT

9.1 The CITY recognizes that LCSO shall be required to appoint employees as deputy sheriffs to act within the City for the purpose of enforcing this Agreement.

9.2 The CITY does hereby vest in any LCSO employee, who is appointed by the Sheriff as a deputy sheriff and certified as a law enforcement officer within Chapter 943, Florida Statutes 2002, the police powers which are necessary to implement and carry forth the services, duties, and responsibilities imposed upon LCSO by this Agreement, for the sole and limited purpose of giving official and lawful status and validity to the performance thereof by such sworn officers. Every sworn officer of LCSO so empowered hereby and engaged in the performance of the services, duties, and responsibilities described and contemplated herein shall be deemed to be a sworn officer of the CITY while performing such services, duties, and responsibilities which constitute municipal functions and are within the scope of this Service Agreement.

9.3 Accordingly, such sworn officers of LCSO are hereby vested with the power to enforce the ordinances of the CITY, to make arrests incident to the enforcement thereof, and to do such other things and perform such other acts as are necessary with respect thereto.

ARTICLE X
CONSIDERATION

10.1 The CITY agrees to pay LCSO, in consideration for the services described herein, for the fiscal year 2006, the sum set forth in Exhibit "A" attached hereto. Exhibit "A" shall be amended from year to year as made necessary by the increased costs and expenses of staffing and maintaining a Deputy Sheriff.

10.2 The consideration payable by the CITY for fiscal year 2007 and 2008 shall be subject to an annual percentage adjustment per unit cost, not to exceed a ten percent (10%) increase of the contractual consideration for the preceding year. Such
increases shall only be approved after LCSO has provided detailed financial back-up justifying the increase to the CITY.

10.3 LCSO shall have the right to temporarily fill any vacancy within the Bonita Springs District, provided the vacant position is filled by an LCSO employee that possesses skills, training and experience at least equivalent to the absent Bonita Springs Patrol Zone Deputy.

10.4 The consideration recited herein constitutes the entire consideration to be paid hereunder and upon the payment thereof, in the manner and at the times described herein, the CITY shall have no further monetary obligations to LCSO or any third party providing services described in this Service Agreement.

ARTICLE XI

ADDITIONAL SERVICES

11.1 The City Manager may request additional law enforcement services (i.e. K-9, motorcycles, foot patrol, special details) necessary to the CITY during the tenure of this Agreement.

11.2 LCSO agrees to make every reasonable effort to provide these services to the CITY and agrees to use its best efforts with Lee County Government to maintain a substation in the City, realizing the Lee County government provides buildings for the Sheriff's Office.

ARTICLE XII

AUDIT OF RECORDS

12.1 LCSO shall maintain an accurate record of all LCSO personnel employed in the Bonita Springs Patrol Zone, and their hours of actual employment. Upon request of the City Manager, LCSO agrees to provide the CITY with payroll records concerning hours of actual employment for LCSO's Bonita Springs District personnel.

12.2 LCSO agrees to provide for inspection and audit any other financial records relating to this Agreement, subject to public records exemptions.

ARTICLE XIII

FINES, FORFEITURES; PAYMENT

13.1 All law enforcement education funds levied and collected by the Clerk of the Court pursuant to Section 943.25, Florida Statutes, may be used by the LCSO for the law...
enforcement education purposes authorized in said Statutes. Apart from such funds, LCSO shall have no claim or right to any other monies or things of value which the CITY receives or may hereinafter receive by way of entitlement programs, grants or otherwise in connection with law enforcement activities.

13.2 It is hereby acknowledged between the CITY and LCSO that on occasion LCSO may receive equipment from the CITY pursuant to a grant or some other funding device which may be utilized at the sole discretion of the CITY. Prior to the purchase of any such equipment, the City Manager and District Commander shall mutually agree, in writing, to the specifications, maintenance responsibilities, and disposition procedures related to such equipment. In all cases, LCSO shall be responsible for any and all repairs or replacements necessitated by LCSO's abuse or neglect of the equipment.

ARTICLE XIV

DISTRICT COMMANDER

14.1 The District Commander shall, among other specified duties, act as liaison between the CITY and LCSO.

14.2 The parties hereby acknowledge and agree that LCSO retains the right to discipline and remove from office the District Commander or any Deputy Sheriff.

ARTICLE XV

INSURANCE

15.1 LCSO shall be self insured or maintain insurance coverage for the liabilities assumed by LCSO under this Agreement. The insurance coverage shall be in the amounts hereinafter described:

- General Liability $100,000/200,000.00
- Automobile Liability $100,000/200,000.00

15.2 LCSO shall maintain the respective coverage throughout the term of this Service Agreement, as the same may be extended in accordance with the provisions hereof.

15.3 LCSO shall provide CITY with adequate documentation concerning the coverage required hereunder, in order that the CITY, through the office of the City Clerk, may keep such documentation on file for the benefit of the public and inspection of the citizenry of CITY.
ARTICLE XVI

HOLD HARMLESS

16.1 Each party (indemnitor) hereby shall to the extent permitted by law indemnify from any liability and hold harmless the other party (indemnitee), its employees, agents, or servants against liability arising from any actions, causes of action, suits, trespasses, damages, judgments, executions, claims and demands of any kind whatsoever, in law or in equity, brought against the indemnitee its employees, agents, and servants as a result of the indemnitee, its employees, agents, or servants negligent acts or negligent omissions or willful misconduct in the performance of its obligations under this Agreement.

16.2 If the indemnitee defends any actions, causes of action, suits, trespasses, damages, judgments, executions, claims and demands of any kind whatsoever, in law or in equity, directly or approximately caused by the negligent acts or negligent omissions or willful misconduct of indemnitee, its agents, servants, or employees, indemnitee agrees to reimburse the indemnitee for all expenses, attorneys' fees, and court costs incurred in defending such actions, causes of action, suits, trespasses, damages, judgments, executions, claims and demands.

16.3 Notwithstanding anything to the contrary contained herein, LCSO and the CITY shall, at all times, be entitled to the benefits of sovereign immunity as provided in Section 768.28, Florida Statutes 2002, and common law. Nothing contained in this Agreement to the contrary shall be construed as a waiver of sovereign immunity.

ARTICLE XVII

INDEPENDENT CONTRACTOR

17.1 LCSO, for the purposes of this Service Agreement, is and shall remain an independent contractor; provided, however, such independent contractor status shall not diminish the power and authority vested in LCSO and its sworn officers pursuant to Article XI.

ARTICLE XVIII

AUTHORITY TO EXECUTE; NO CONFLICT CREATED

18.1 The Sheriff, pursuant to the powers under Article VIII of the Constitution of the State of Florida and the Statutes of the State of Florida, hereby represents that full power and authority exists to execute this Service Agreement. This includes the following:
(a) His making and execution hereof shall create a legal obligation on the part of the Sheriff's Office of Lee County, Florida.

(b) The same shall be enforceable by the CITY according and to the extent of the provisions hereof.

Nothing herein contained or no obligation on the part of LCSO to be performed hereunder shall in any way be contrary to or in contravention of any policy of insurance or surety bond required of LCSO pursuant to the Laws of the State of Florida.

18.2 The Mayor and City Clerk, by their respective executions hereof, do each represent the following to LCSO:

(a) They collectively have full power and authority to make and execute this Service Agreement on behalf of the City of Bonita Springs, pursuant to the Resolution of the City Council of CITY.

(b) Nothing herein contained is in any way contrary to or in contravention of the Charter of the City of Bonita Springs or the Laws of the State of Florida.

ARTICLE XIX

NOTICE

19.1 All notices required hereunder shall be by regular U.S. Mail and or facsimiles, and any notice required hereunder shall be addressed to the party intended to receive same at the following addresses:

CITY: City Manager
City Hall
9101 Bonita Beach Road
Bonita Springs, Florida 34135

c/o City Attorney
City Hall
City of Bonita Springs
9101 Bonita Beach Road
Bonita Springs, Florida 34135
ARTICLE XXII
NON-ASSIGNABILITY

LCSO shall not assign any of the obligations or benefits imposed hereby or contained herein, unless upon the written consent of the City Council of the CITY, which consent must be evidenced by a duly passed Resolution.

ARTICLE XX
ENTIRE AGREEMENT; AMENDMENT

20.1 The parties acknowledge, one to another, that the terms hereof constitute the entire understanding and agreement of the parties with respect hereof. No modification hereof shall be effective unless in writing, executed with the same formalities as this Agreement is executed.

ARTICLE XXI
BINDING EFFECT

21.1 This Agreement shall inure to the benefits of and be binding upon the respective parties' successors.

IN WITNESS WHEREOF, the parties hereto have caused their respective agents to execute this instrument on their behalf, at the times set forth below.

SHERIFF OF LEE COUNTY

MIKE SCOTT

2/4/06

Date

Police Service Agreement
Approved as to form and legal sufficiency subject to execution by the parties:

H:\contract\Bonita Springs – Final 11/16/05
Any projections of state shared revenues beyond the current state fiscal year (2014-2015), are based on assumptions or projections independent of the Department of Revenue.

Incorporation of Navarre Beach Revenue Sharing Estimates (Subject to meeting requirements of 218.23, F.S.)
State Fiscal Year - 2014-2015 (Annual Estimates)

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<th>Estimated 2014-15 County Revenue Sharing</th>
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<td>After Incorporation</td>
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<td>County's Share</td>
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<td>Milton</td>
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Assumptions provided by Feasibility Study
Navarre Beach population = 42,300
taxable value = 2074554063

* Source: Local Government Information Handbook 2014