CHARLOTTE COUNTY COMPREHENSIVE SHORELINE MANAGEMENT PROGRAM

FUNDING METHODOLOGY & FINANCING PLAN

Final Presentation to Board of County Commissioners

Peter A. Ravella, Principal
PAR Consulting, LLC

July 19, 2018
PARC SCOPE OF WORK

① Stakeholder & Community Engagement
   • Engage the Public in Funding Methodology and Plan
   • Coordinate with County staff & leadership
   • PARC held more than more than 20 workshops and meetings
   • Thousands of hours of community time shaped the final plan

① Develop A Funding Method For the Shoreline Program
   • Manasota Key Initial Beach Nourishment Project
   • On-going Stump Pass Operation & Maintenance
   • Don Pedro-Knight Island Initial Beach Nourishment Project

② Final Funding Methodology Report to the Board
PARC Funding Report Evolved

- **March 2017**: Project Cost Assessment & Preliminary Report
- **July 2017**: Draft Funding Methodology Report #1
- **Feb. 2018**: Draft Funding Methodology Report #2
- **May 2018**: Final Report

“PARC Final Report: Funding Methodology and Financing Plan, Charlotte County Comprehensive Shoreline Management Program,” May 5, 2018
Public Workshops & Project Process

- Oct 2016: W/S 1-2, Project Introduction & Public Outreach
- Dec 2016: W/S 3-4, Funding Tools, Concepts & Secrets
- Jan 2017: W/S 5-6, Project Costs & Funding Methods
- Jul 2017: W/S 7-8, Draft Funding Methodology & Input
- Oct 2017: Revised Funding Methodology #1
- Nov 2017: Beaches & Shores Advisory Committee Input
- Nov 2017: Revised Funding Methodology #2 & Input
- Feb 2018: W/S 9 & Revised Funding Methodology Report
- Feb 2018: BCC Presentation & Increased County Funds
- Apr 2018: Revised Funding Methodology #3
- May 2018: Final Funding Methodology Report
Funding Partners and Percent Contributions
MK & DP-KI Beach Nourishment Projects Only

<table>
<thead>
<tr>
<th>FUNDING PARTNERS</th>
<th>APPROXIMATE PERCENTAGE CONTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Florida Beach Management Funding Assistance Program</td>
<td>39%</td>
</tr>
<tr>
<td>Charlotte County $2 million per year for 8 years</td>
<td>37%</td>
</tr>
<tr>
<td>Independent MSBU Contributions From Manasota Key and DPKI</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Total**: 61%
Percent of All Funds By Source
Beach Projects and Stump Pass

- State of Florida: 39%
- County Matching Revenue: 29%
- New Manasota Key MSBU: 13%
- New Don Pedro-Knight Island MSBU: 14%
- Existing West County MSTU: 5%
**MSBU DEVELOPMENT STEPS**

- **Step 1**: Determine Beach Nourishment Costs
  - Provided by CEC Engineers

- **Step 2**: Establish Greensheet Cost Estimates
  - Provided by County Staff
  - Includes Interest, Contingency, Public Works Fee, Statutory Uncollected

- **Step 3**: Establish MSBU Revenue Demand - Capitol & O&M

- **Step 4**: Establish MSBU Boundaries & Nearshore Zones

- **Step 5**: Define & Allocate Benefits Within the MSBU
  - Recreational (REC) Benefits - 80% (Applies to all properties in the MSBU)
  - Nearshore (NS) Benefits - 20% (Applies to all properties in the NBZ)

- **Step 6**: Develop an Assessment Method for REC & NS Benefits
Special Parcels & Issues in the MSBUs

- Government-Owned Properties
- Commercial Properties
- *De minimis* or Undevelopable Properties
- Operations & Maintenance Assessments
- Potential Future Development

Please see the PARC Final Report for a Discussion of these Parcels and Issues.
Overview of MSBU Assessment Method

- **REC Assessment** - Generally, 80% of the revenue collected in the MSBU is collected through a flat-rate REC Assessment. One REC Assessment is collected for each Equivalent Dwelling Unit (EDU).

- **Nearshore Assessment** – Generally, 20% of the revenue collected in the MSBU is collected through a variable assessment on properties only within the Nearshore Benefit Zone (NBZ). This assessment is based on the size of the lot and the beach frontage length and is in addition to the REC assessment.
DP-KI MSBU Boundary and Nearshore Zone
Manasota Key MSBU Boundary and Nearshore Zone
EXAMPLE OF NBZ POINT SYSTEM

- Residential Property Points in the NBZ
  - 1 point for Every 10 Feet of Beachfront Length
  - 1 point for Every $\frac{1}{10}$th of an Acre of Land Area

- Example: 0.75 acre beachfront lot, 1 house & 50 ft of beach

  - **Lot Size:** 0.75 acres $\times$ 1 point per $\frac{1}{10}$th Acre $=$ 7.5 points
  - **Beachfront:** 50 feet $\times$ 1 point per 10 feet $=$ 5.0 points
  - Total NS Benefit Points $=$ 12.5 points

- Assume the Cost per Point $=$ $70$
- NS Benefit Assessment $=$ $70 \times 12.5$ points $=$ $875$
- Residential REC Assessment $=$ $400$

- **Total Parcel Assessment** $=$ $875 + 400 = $1,275/yr. for 8 years
Please see the Final Report for illustrations of the MSBU funding methodology.

PARC also tested the methodology on within the Manasota Key MSBU and the DP-KI MSBU.

These test calculations were provided to the County.
Final Notes

• In coordination with community stakeholders and County staff, PARC developed the Funding Methodology and Financing Plan for the County’s shoreline program, recommending the creation of two new MSBUs.

• Implementation of the funding methodology and the determination of any specific property assessments lies solely within the purview of the County.

• PARC would like to thank county staff and the island residents who worked so hard on the development of this plan.
THANK YOU