

Navarre & Navarre Beach, Florida

Incorporation Feasibility Study

October 2006

Presented by:

Government Services Group, Inc.
1500 Mahan Drive, Suite 250
Tallahassee, FL 32308
(850) 681-3717
(850) 224-7206 (fax)

and by:

Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
(850) 224-4070

Table of Contents

STUDY INFORMATION 1
BACKGROUND INFORMATION 4
STATUTORY PREREQUISITES (Florida Statute §165.061) 5
STATUTORY REQUIREMENTS (Florida Statute §165.041) 12

Index of Figures

Figure 1—Map of Specific Land Area Comprising the Study Area 7
Figure 2—Map of Specific Land Area Comprising the Study Area 13

Index of Tables

Table 1—County Population Estimations.....	8
Table 2—County Population Projection Estimations.....	8
Table 3—County and Study Area Voter Population Calculations.....	9
Table 4—Study Area Population Projection Estimations.....	9
Table 5—Study Area Average Population Projection Estimations.....	10
Table 6— Study Area Existing Land Use (2005).....	14
Table 7—Study Area Zoned Current Land Use.....	15
Table 8—Study Area Zoned Future Land Use.....	16
Table 9—Holley-Navarre Volunteer Fire Department Rate Structure (2006).....	18
Table 10—Navarre Beach Volunteer Fire Department Rate Structure (2006).....	18
Table 11—Holley-Navarre Water System Rate Structure (2006).....	20
Table 12—Navarre Beach Water System Rate Structure (2006).....	21
Table 13— Study Area Park & Recreation Facility Accommodations.....	23
Table 14—Santa Rosa County Transportation Impact Fee Schedule (2006).....	25
Table 15—Ad Valorem Taxing Structure within Santa Rosa County (2005).....	27
Table 16—Santa Rosa County and Study Area Taxable Value (2005).....	27
Table 17—Study Area Taxable Value and Tax Revenue (2005).....	28
Table 18—Comparable Taxable Value and Tax Revenue (2005).....	28
Table 19—Comparable Taxable Value and Tax Revenue, Municipal Millage Only (2005).....	29
Table 20—Study Area Millage Tax Revenue Matrix (2005).....	30
Table 21—Comparable Municipal Expenditures (FY 2005-06), Scenario I.....	31

Index of Tables (Continued)

Table 22—Comparable Municipal Revenues (FY 2005-06)	32
Table 23—Comparable Municipal Revenue Percentage of Budgeted General Fund (FY 2005-06).....	32
Table 24—Estimated Expenditures, Revenues, and Necessary Millage (FY 2005-06), Scenario I.....	33
Table 25—Study Area Estimated Taxable Value and Tax Revenue, Municipal Millage Only (FY 2005-06), Scenario I.....	34
Table 26—Study Area Estimated Taxable Value and Tax Revenue (FY 2005-06), Scenario I.....	35
Table 27—Comparable Municipal Expenditures (FY 2005-06), Scenario II.....	36
Table 28—Estimated Expenditures, Revenues, and Necessary Millage (FY 2005-06), Scenario II.....	37
Table 29—Study Area Estimated Taxable Value and Tax Revenue, Municipal Millage Only (FY 2005-06), Scenario II.....	38
Table 30—Study Area Estimated Taxable Value and Tax Revenue (FY 2005-06), Scenario II.....	38

Study Information

STUDY INITIATION

On October 17, 2005, the Task Force on Incorporation of the Navarre Beach Area Chamber of Commerce (Task Force) engaged Government Services Group, Inc. (GSG) and Nabors, Giblin & Nickerson, P.A. (NG&N) to initiate a study (Study) addressing the feasibility for possible incorporation of the unincorporated area comprising and surrounding Navarre and Navarre Beach, Florida (Study Area).

STUDY COMPOSITION

“The feasibility study is a compilation of information that should support the conclusion that the proposed municipality will [or will not] be a viable community.”¹

In general, the basis of a feasibility study is to provide an analytical overview of the elements and components associated with a newly incorporated government. Thus, a feasibility study not only addresses projected revenues and estimated expenditures, but also contemplates the practicality and anticipated particulars of providing and managing essential government services and programs within the newly developed municipality.

Accordingly, this Study describes the feasibility for possible incorporation of the Study Area. This Study provides a general overview and assessment of the Study Area, as well as an operational and financial comparison of the Study Area with comparable incorporated municipalities from within the State of Florida. Included within the comparisons, this Study also provides an analysis of potential benefits and possible impacts to the residents, businesses, and property owners within the Study Area. Additionally, this Study describes the methodology that was used in the determination of feasibility, presents the formulas, variables and data that served as the basis of the Study, and documents the determination of feasibility.

However, it should be noted that this Study does not attempt to provide a municipal budget or proposed municipal charter as required by Section §165.061(1)(e), Florida Statutes (2005). Likewise, this Study does not attempt to answer detailed questions regarding the form of governance or choice of services for the Study Area in the event incorporation is achieved.

STUDY FORMULATION

To develop this Study, GSG and NG&N reviewed, compared, and analyzed a multitude of components related to government services and operations. GSG and NG&N then extrapolated and pinpointed the unique aspects requested by the Task Force, as well as the specific results statutorily mandated by the Florida Legislature.

¹ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

REASONING BEHIND THE STUDY

“Examining the potential effect on others that a new municipality may have, will lead to better cooperation, coordination, and understanding among neighboring jurisdictions.”²

As discussed at the kick-off meeting held on November 17, 2005, the Task Force maintains several general concerns about the present day status and future existence of the unincorporated Navarre and Navarre Beach Study Area as a whole. Therefore, as an entity that is attuned to growth, development, and progress, the Task Force commissioned this Study in a proactive attempt to examine, review, and address these general concerns.

Thus, the overall objective of this Study is to analyze the present and future conditions of the Study Area as a whole. Therefore, encompassed within this Study is a review of the relationships and levels of interaction between existing local government and the Study Area, an analysis of the amount of resources being routed to and from the Study Area, and a determination as to the availability and feasibility of alternative and more suitable status options for the Study Area. This Study not only provides an appraisal of the feasibility of possible incorporation, but also evaluates and analyzes the present-day status and future potential of the Study Area as a whole.

PUBLIC INVOLVEMENT

This Study is a technical incorporation feasibility study that was developed solely for the preliminary purpose of providing information and education not inconsistent with the deliverables and offerings contained and outlined within. As such, public involvement at this stage was not utilized. Rather, upon completion of this Study, and based upon the results contained herein, the Task Force will then be able to more accurately evaluate and determine at what level and pace to proceed with informing the public, soliciting public comment, and engaging public involvement.

REFERENDUM

Florida Statute, Chapter 165, establishes the procedures for incorporation of municipalities. The statute requires the completion of a feasibility study and review of the study area, amongst other requirements. However, to date, there are no statutory mandates that require public participation or citizenry involvement during the incorporation feasibility process.³ Even once the feasibility process is complete, and incorporation is desired, “current standards do not contain any type of referendum requirement for municipal incorporation.”⁴

However, the Legislative Committee on Intergovernmental Relations nonetheless recommends that prior to the sponsoring of any local incorporation bill, the sponsoring local delegation survey the local citizenry within the community to determine whether sufficient support for incorporation is present and at what level the support exists.⁵ The rationale behind the recommendation is that the Legislature has historically sought to promote broad public participation and citizenry involvement by customarily deferring final incorporation determination to the local community through an incorporation

² Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

³ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

⁴ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

⁵ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

referendum.⁶ In fact, “the Legislature, by tradition, has included a provision for local referendum on incorporation within the proposed charter.”⁷ Therefore, despite the lack of a mandate requiring public participation or citizenry involvement, practicality dictates that a referendum will be needed during the incorporation process.

⁶ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

⁷ Source: Fla. Leg. Comm. Intergovtl. Rel. Rpt., “*Overview of Municipal Incorporations in Florida*,” (Feb. 2001).

Background Information

AREA AND COMMUNITY HISTORY

Located in Northwest Florida, the unincorporated area comprising and surrounding Navarre and Navarre Beach, Florida is situated in the southern most region of Santa Rosa County.

Named after the founder's wife's most adored province in northern Spain, the Navarre area was founded in 1925 by retired U.S. Army engineer Col. Guy H. Wyman.⁸ The area remained relatively unpopulated and unchanged until the 1960's, when the Navarre Beach Bridge was built.⁹ The bridge's completion resulted in an economic and developmental boom, generated mostly in part by the creation of a newly founded and stable tourism trade and the progressive establishment of several military installations within the surrounding area.

Even today, tourism continues to serve as the primary backbone and major industry for the Navarre area.¹⁰ With white sand Gulf coast beaches, untouched parks and wetlands, and distinctively unique retail stores and businesses, tourism within the Navarre area generates over \$38 million in annual local economic spending, over \$2.4 million in tax revenues, and over \$21 million in local incomes and wages.¹¹ Furthermore, continual and progressive expansion and development among local military installations and communities within the area continues to serve as a prominent factor in the overall success of this culturally diverse and economically thriving Northwest Florida coastal community.¹²

In the past ten years alone, the population within the Navarre area has more than doubled.¹³ Such explosive growth and expansion has resulted in the Navarre area being tagged as the fastest growing community within Santa Rosa County.¹⁴

⁸ Source: Navarre Beach Area Chamber of Commerce, "Our Community: History/Health Care," <http://www.navarrefl.com/location.html> (accessed December 13, 2005).

⁹ Source: Navarre Beach Area Chamber of Commerce, "Our Community: History/Health Care," <http://www.navarrefl.com/location.html> (accessed December 13, 2005).

¹⁰ Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Economic Development," <http://www.navarrefl.com/livinpa2.html> (accessed December 13, 2005).

¹¹ Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Economic Development," <http://www.navarrefl.com/livinpa2.html> (accessed December 13, 2005).

¹² Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Economic Development," <http://www.navarrefl.com/livinpa2.html> (accessed December 13, 2005).

¹³ Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Residential Information," <http://www.navarrefl.com/livein.html> (accessed December 13, 2005).

¹⁴ Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Residential Information," <http://www.navarrefl.com/livein.html> (accessed December 13, 2005).

Statutory Prerequisites

Pursuant to Section §165.061(1), Florida Statutes (2005), there are key conditions that serve to operate as prerequisites for incorporation. Absent an extraordinary condition that may permit for an exception to these key standards, the requirements are:

- The unincorporated area seeking incorporation must be compact, contiguous, and amenable to separate municipal government.
- Where the unincorporated area seeking incorporation resides in a county with a population in excess of 75,000 persons, the unincorporated area must have a population of at least 5,000 persons.
- The unincorporated area seeking incorporation must have an average population density of at least 1.5 persons per acre or have extraordinary conditions requiring the establishment of a municipal corporation with less existing density.
- The unincorporated area seeking incorporation must be at a minimum distance of 2 miles from the boundary of an already existing municipality within the county.
- The unincorporated area seeking incorporation must have a proposed municipal charter that clearly prescribes the municipality's form of government, legislative responsibilities, and executive functions, and that does not prohibit the municipality's legislative body from exercising the power to levy any tax authorized by general law or the Constitution.
- The unincorporated area seeking incorporation, through the municipality's plan for incorporation, must honor existing solid waste contracts in the incorporation-affected geographic areas, providing for existing contracts for solid waste collection services to be honored only for 5 years or the remainder of the contract term, whichever is less.

The following sections review individually each of the legislative prerequisites statutorily mandated for municipal incorporation, outlining and addressing not only components for which statutory compliance has been met, but also components for which mitigating circumstances and factors support, provide, and permit for legislative exception and statutory exemption.

COMPACTNESS, CONTIGUITY, & AMENABILITY

The first key legislative criterion to be satisfied is that of geographical contiguity. Compactness and contiguousness of the area seeking incorporation is logically associated with ease of administration by accommodating for geographical amenability to municipal incorporation.

The identified Study Area is situated within the historically preexisting Holley-Navarre and Navarre Beach Water Franchise Districts and Sewer Franchise Districts. These districts are each compact and contiguous in preexisting formation and composition in that each district is comprised of a unified and connected, compactly bounded area of land. Thus, with these compact and contiguous Water Franchise Districts and Sewer Franchise Districts having already been historically established with corresponding area boundaries already identified, a nearly ideal case exists for amenability to municipal incorporation in regard to the Study Area.

There are no areas outside of or unattached to the historically preexisting Water Franchise Districts and Sewer Franchise Districts being considered for inclusion within the encompassed Study Area.

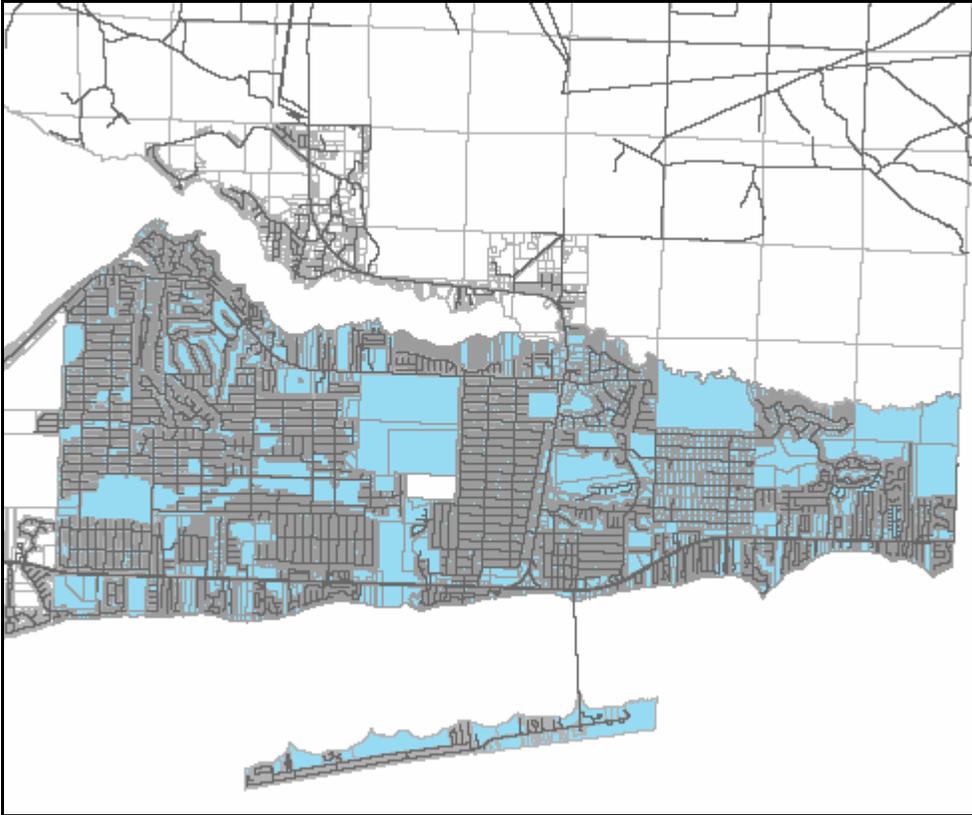
The unincorporated area of Holley is situated within the northern vicinity of the Holley-Navarre Water Franchise District and Holley-Navarre Sewer Franchise District. Holley is not being considered for inclusion within the encompassed Study Area. Holley is distinguishable and almost entirely severable from the Study Area through natural boundaries, including East Bay and East Bay River. Other than this exclusion, there are no identified enclaves or territorially isolated areas within the historically preexisting districts.

It is significant to note that the Study Area does encompass Navarre Beach, a unified and connected, compactly bounded area of land on the Santa Rosa Island severed from the mainland portion of the Study Area by the Santa Rosa Sound. However, the unique historical and present day composition of Navarre Beach supports inclusion within the Study Area.

Navarre Beach, which is congruent with the island portion of the Study Area, corresponds to the historically preexisting Navarre Beach Water Franchise District and Navarre Beach Sewer District, which are compact and contiguous in preexisting formation and composition. No area on Santa Rosa Island outside of or unattached to Navarre Beach or the historically preexisting districts is being encompassed within the Study Area. In fact, Navarre Beach, which is congruent with the island portion of the Study Area, encompasses the entire Santa Rosa County portion of Santa Rosa Island, and does not extend to include any military lands or land within Escambia County or Okaloosa County.

The Navarre Beach Bridge is located within the Study Area and crosses over the Santa Rosa Sound between the two Santa Rosa County portions of the Study Area. In fact, the only crossover pass directly between the Santa Rosa County portion of the mainland and the Santa Rosa County portion of the island is the Navarre Beach Bridge. Thus, the bridge serves as the sole contiguous connector between the county and Study Area portion of the mainland and the county and Study Area portion of the island. Therefore, while the study area is separated by an inlet, the contiguous historical formation and composition of the island coupled with the present day exclusivity of access between the two areas provides valid and legitimate argument for statutory exception and legislative exemption in favor of municipal amenability. Figure 1 displays a map of the area comprising and included within the Study Area.

Figure 1
Map of Specific Land Area Comprising the Study Area



* The one un-shaded parcel in the mid center of the shaded Study Area consist of an undeveloped woodland parcel that will be included, but is currently undesignated within the Santa Rosas County Property Appraiser's Geographical Information System.

POPULATION TOTAL

The second key legislative criterion to be satisfied is the minimum population requirement. In accordance with Section §165.061(1)(b), Florida Statutes (2005), where the unincorporated area seeking incorporation is situated within a county that possesses a population greater than 75,000 persons, the unincorporated area must possess a population of at least 5,000 persons.

The Study Area is situated within the boundaries of Santa Rosa County. Based on calculations determined from the most recently conducted United States Census, both the Bureau of Economic and Business Research and the U.S. Census Bureau reported that the total population of Santa Rosa County in 2000 was 117,743 persons.¹⁵ Table 1 outlines population estimations for Santa Rosa County as reported by both the Bureau of Economic and Business Research and the U.S. Census Bureau. Based on the population estimations reported by both the Bureau of Economic and Business Research and the U.S. Census Bureau, the annual change in population was rendered for each year. Also included within Table 1 is the annual change in population for each reported year and the overall 4-year average annual percent of change in population for each reporting agency's data set.

¹⁵ Source: U.S. Census Bureau, Population Division, "Annual Estimated of the Population for Counties of Florida: April 1, 2000 to July 1, 2004" (released April 14, 2005); and University of Florida, Warrington College of Business, Bureau of Economic and Business Research, "Florida Statistical Abstract 2004).

**Table 1
County Population Estimations**

	2000	2001	2002	2003	2004	Previous 4-year Average Annual Percent of Change ²
(Bureau of Economic and Business Research)						
Population Estimation for Santa Rosa County ¹	117,743	121,370	124,956	128,889	133,721	
						3.14%
Change in Population from previous year		3,627	3,586	3,933	4,832	
(U.S. Census Bureau)						
Population Estimation for Santa Rosa County ³	117,743	121,882	127,346	132,226	138,276	
						3.81%
Change in Population from previous year		3,433	5,464	4,880	6,050	

¹ Source: University of Florida, Warrington College of Business, Bureau of Economic and Business Research, "Florida Statistical Abstract," (2002-2004).

² Calculated by dividing the sum of the four years' Change in Population by the total sum of each of the corresponding four years' Population Estimations.

³ Source: U.S. Census Bureau, Population Division, "Annual Estimates of the Population for Counties of Florida: April 1, 2000 to July 1, 2004" (released April 14, 2005).

Extrapolating from the county population estimations reported by both the Bureau of Economic and Business Research and the U.S. Census Bureau, Table 2 outlines the corresponding population projection estimations for Santa Rosa County over the next six years. The population projection estimations are determined by multiplying the 4-year Average Annual Percent of Change by the previous year's population estimation and adding the result back into the previous year's population estimation figure.

**Table 2
County Population Projection Estimations**

	2005	2006	2007	2008	2009	2010
(Bureau of Economic and Business Research)						
Projected Population Estimation for Santa Rosa County ¹	137,920	142,251	146,717	151,324	156,076	160,976
(U.S. Census Bureau)						
Projected Population Estimation for Santa Rosa County ¹	143,544	149,013	154,691	160,584	166,703	173,054

¹ Calculated by multiplying the Previous 4-year Average Annual Percent of Change by the previous year's Population Estimation and adding the result back into the previous year's Population Estimation.

As outlined in Table 2, the Bureau of Economic and Business Research based population projection of Santa Rosa County for 2005 is estimated at 137,920 persons.¹⁶ Likewise, the U.S. Census Bureau based population projection for Santa Rosa County for 2005 is estimated at 143,544 persons.¹⁷ Therefore, regardless of which source referenced, the Study Area must possess a population of at least

¹⁶ Source: University of Florida, Warrington College of Business, Bureau of Economic and Business Research, "Florida Statistical Abstract 2004", calculated by dividing the sum of each of the previous four years' change in population by the sum of each of the corresponding years' total population, rendering an average of 3.14% annual change of the County's total population, and then multiplying that average by the previous year's total population figure and adding the result back into the corresponding previous year's total population figure.

¹⁷ Source: U.S. Census Bureau, Population Division, "Annual Estimated of the Population for Counties of Florida: April 1, 2000 to July 1, 2004" (released April 14, 2005); calculated by dividing the sum of each of the previous four years' change in population by the sum of each of the corresponding years' total population, rendering an average of 3.81% annual change of the County's total population, and then multiplying that average by the previous year's total population figure and adding the result back into the corresponding previous year's total population figure.

5,000 persons in order to satisfy Section §165.062(1)(b), Florida Statutes (2005). However, in order to determine the specific population estimations and projections for the Study Area, a percentage breakdown of the Study Area among the entire county is required. The percentage breakdown is necessary to calculate the Study Area's proportionate share of population from the countywide population projections already determined and identified.

In determining registered voter population, the Santa Rosa County Supervisor of Elections calculates the number of persons registered to each of the voter precincts. To determine the countywide registered voter population, the calculations from every voter precinct located within and throughout the county are added together. As of October 2005, Santa Rosa County was calculated to have 94,127 registered voters.¹⁸ To determine the Study Area's registered voter population, the calculations from only those voter precincts located within the Study Area are added together. As of October 2005, the Study Area was calculated to have 19,169 registered voters. Table 3 outlines the registered voter population calculations for both Santa Rosa County and the Study Area, as well as the corresponding percentage breakdowns for each as determined from the countywide registered voter population.

**Table 3
County and Study Area Voter Population Calculations**

	Total Number of Registered Voters within Identified Area	Percentage of Countywide Total Registered Voters ³
Registered Voters for Santa Rosa County ¹	94,127	100.00%
Registered Voters for Study Area ²	19,169	20.37%

¹ Source: Santa Rosa County Supervisor of Elections, "Book Closing Voter Statistics as of October 1, 2005", <http://www.santarosa.fl.gov/elections/stats.html>, (accessed 02/03/2006).

² Source: Santa Rosa County Supervisor of Elections, "Book Closing Voter Statistics as of October 1, 2005", <http://www.santarosa.fl.gov/elections/stats.html>, (accessed 02/03/2006); Calculated by adding the number of total registered voters for each voter precinct identified within the Unincorporated Navarre Study Area: Precinct 26, Precinct 29, Precinct 34, Precinct 35, Precinct 38, and Precinct 40.

³ Calculated by dividing the sum of all registered voters with the identified area by the total of all registered voters within Santa Rosa County.

*The utilization of registered voter calculations in population projections is less than exact.

A degree of variance is required for unregistered persons and persons under the registration age requirement

As determined from registered voter population calculations reported by the Santa Rosa County Supervisor of Elections, the Study Area comprises 20.37% of the entire County's registered voter population. Utilizing this same percentage allocation, the Study Area's proportionate share of the population can be estimated based on an extrapolation from the previously determined countywide population projection estimations. Table 4 outlines the Study Area's population projection estimations as extrapolated from the previously determined countywide projected population estimations for both the Bureau of Economic and Business Research and the U.S. Census Bureau.

**Table 4
Study Area Population Projection Estimations**

	2005	2006	2007	2008	2009	2010
(Bureau of Economic and Business Research)						
Population Projection Estimations for Santa Rosa County	137,920	142,251	146,717	151,324	156,076	160,976
Population Projection Estimations for Study Area ¹	28,094	28,976	29,886	30,825	31,793	32,791
(U.S. Census Bureau)						
Population Projection Estimations for Santa Rosa County	143,544	149,013	154,691	160,584	166,703	173,054
Population Projection Estimations for Study Area ¹	29,240	30,354	31,511	32,711	33,957	35,251

¹ Calculated by multiplying the Percentage of Countywide Total Registered Voters of the Study Area (20.37%) by each year's Population Projection Estimation for Santa Rosa County.

¹⁸ Source: Santa Rosa County Supervisor of Elections, "Book Closing Voter Statistics as of October 1, 2005", <http://www.santarosa.fl.gov/elections/stats.html>, (accessed 02/03/2006).

Therefore, at 20.37% of the Bureau of Economic and Business Research based population projection estimation, the total population of the Study Area in 2005 is estimated at 28,094 persons. Likewise, at 20.37% of the U.S. Census Bureau based population projection estimation, the total population of the Study Area in 2005 is estimated at 29,240 persons. Under both population projection estimations, the Study Area does possess the requisite minimum population necessitated by the legislative requirement. Therefore, the second key legislative criterion addressing minimum population for the Study Area is adequately satisfied.

However, to derive a succinct yearly population projection estimation to be used for calculation purposes within the Study, an averaging of the Bureau of Economic and Business Research based Study Area Population Projection Estimation and the U.S. Census Bureau based Study Area Population Projection Estimation for each year is utilized. Table 5 outlines the yearly population projection estimation averages derived from the Bureau of Economic and Business Research based estimations and U.S. Census Bureau based estimations.

Table 5
Study Area Average Population Projection Estimations

	2005	2006	2007	2008	2009	2010
Study Area's Population Projection Estimations for Calculation Purposes within the Study ¹	28,667	29,665	30,699	31,768	32,875	34,021

¹ Calculated by averaging the Bureau of Economic and Business Research based Study Area Population Projection Estimation and the U.S. Census Bureau based Study Area Population Projection Estimation for each year.

Based on an average of the Bureau of Economic and Business Research based estimation and the U.S. Census Bureau based estimation, the total population of the Study Area for 2005 is estimated at 28,667 persons. Accordingly, the Study Area satisfies the requisite minimum population established by statute.

POPULATION DENSITY

The third key legislative criterion to be satisfied is a minimum population density requirement within the Study Area. The statute imposes a minimum population density requirement of 1.5 persons per acre.

The total land area of the Study Area equates to approximately 15,029.12 acres or approximately 23.48 square miles.¹⁹ As stated previously, based on Santa Rosa County Registered Voter calculations extrapolated from Bureau of Economic and Business Research based projected population estimation figures, the projected total population of the Study Area for 2005 is estimated at 28,094 persons. Likewise, based on Santa Rosa County Registered Voter calculations extrapolated from U.S. Census Bureau based projected population estimation figures, the projected total population of the Study Area in 2005 is 29,240 persons.

When the extrapolated projected total population estimations of the Study Area for 2005 are divided by the total estimated land acreage of the Study Area, the population density of the Study Area equates to approximately 1.869 persons per acre (based on the Bureau of Economic and Business Research based projected population estimation figure) and approximately 1.945 persons per acre (based on the U.S. Census Bureau based projected population estimation figure). Thus, under both calculations, the third key legislative criterion addressing requisite minimum population density within the Study Area is satisfied.

¹⁹ Source: Santa Rosa County Property Appraiser, "Geographical Information System".

BOUNDARY SPACING

The fourth key legislative criterion to be satisfied is the minimum spacing requirement for adjacent or abutting incorporated municipalities. The Study Area must be at a minimum distance of two miles from the boundary of an already existing municipality within the county.

The Study Area is neither abutted by nor directly adjacent to any incorporated municipality. In fact, the only incorporated municipalities within proximity to the Study Area include Mary Ester²⁰ at 12.29²¹ miles to the east, Milton²² at 25.03²³ miles to the north, and Gulf Breeze²⁴ at 18.96²⁵ miles to the west. Therefore, the fourth key legislative criterion addressing minimum boundary spacing for the Study Area is sufficiently and adequately satisfied.

PROPOSED MUNICIPAL CHARTER

A municipality's charter is intended and designed to outline certain components consistent with municipal operation. Included among these many components are issues such as legal descriptions of the community and corresponding boundaries, the form of government to be utilized, the responsibility for legislative and executive functions, provisions ensuring legislative authority and power to levy any taxes authorized by the Florida Constitution or legislative general law, and even proposed dates for community referendum and incorporation.

However, this Study is preliminary in nature and serves solely as an educational prospectus and reference guide about the feasibility for incorporation of the Study Area. Accordingly, should it be determined that incorporation is feasible, a proposed form of municipal charter will be included and submitted under separate cover.

EXISTING SOLID WASTE SERVICE CONTRACTS

The final legislative criterion to be satisfied addresses a newly formed municipality's obligation to honor already existing solid waste contracts within the affected geographic area.

There are currently no county or municipal solid waste collection service contracts or franchise agreements within the Study Area.²⁶ Rather, each resident and business is individually responsible for addressing their own solid waste collection. Residents and businesses within the Study Area may transport their own solid waste to a designated collection site or contract with one of the multiple private solid waste hauler/collector service providers within the area.

Because Santa Rosa County does not provide solid waste collection services and maintains no existing solid waste contracts or franchise agreements, there are no issues in regard to statutorily honoring existing solid waste agreements within the affected geographic area. Therefore, the final legislative criterion addressing existing solid waste service contracts within the Study Area is not applicable.

²⁰ Incorporated Municipalities – Fla. Assn. of Counties Membership Directory, *Florida County by Cities* (23rd ed., 2005).

²¹ Mileage Distances - Map Quest, *Directions*, <http://www.mapquest.com/directions/> (accessed Nov. 11, 2005).

²² Incorporated Municipalities – Fla. Assn. of Counties Membership Directory, *Florida County by Cities* (23rd ed., 2005).

²³ Mileage Distances - Map Quest, *Directions*, <http://www.mapquest.com/directions/> (accessed Nov. 11, 2005).

²⁴ Incorporated Municipalities – Fla. Assn. of Counties Membership Directory, *Florida County by Cities* (23rd ed., 2005).

²⁵ Mileage Distances - Map Quest, *Directions*, <http://www.mapquest.com/directions/> (accessed Nov. 11, 2005).

²⁶ Source: Tom Dannheisser, County Attorney, Santa Rosa County, Florida. (Jan. 17, 2006)

Statutory Requirements

In addition to the prerequisites, elements, and issues outlined and discussed above, Section §165.041, Florida Statutes (2005) requires that any feasibility study premised on the possibility of municipal incorporation also include the following elements:

- The general location of territory subject to boundary change and a map of the area which identifies the proposed change.
- The major reasons for proposing the boundary change.
- The following characteristics of the area:
 - A list of current land use designations applied to the subject area in the county comprehensive plan.
 - A list of the current county zoning designations applied to the subject area.
 - A general statement of present land use characteristics of the area.
 - A description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known.
- A list of all public agencies, such as local governments, school districts, and special districts, whose current boundary falls within the boundary of the territory proposed for the change or reorganization.
- A list of current services being provided within the proposed incorporation area, including, but not limited to, water, sewer, solid waste, transportation, public works, law enforcement, fire and rescue, zoning, street lighting, parks and recreation, and library and cultural facilities, and the estimated costs for each current service.
- A list of proposed services to be provided within the proposed incorporation area, and the estimated cost of such proposed services.
- The names and addresses of three officers or persons submitting the proposal.
- Evidence of fiscal capacity and an organizational plan as it relates to the area seeking incorporation that, at a minimum, includes:
 - Existing tax bases, including ad valorem taxable value, utility taxes, sales and use taxes, franchise taxes, license and permit fees, charges for services, fines and forfeitures, and other revenue sources, as appropriate.
 - A 5-year operational plan that, at a minimum, includes proposed staffing, building acquisition and construction, debt issuance, and budgets.
- Data and analysis to support the conclusions that incorporation is necessary and financially feasible, including population projections and population density calculations, and an explanation concerning methodologies used for such analysis.
- Evaluation of the alternatives available to the area to address its policy concerns.
- Evidence that the proposed municipality meets the requirements for incorporation pursuant to Section §165.061, Florida Statutes (2005).

The following paragraphs review individually each of the legislative requirements statutorily mandated for municipal incorporation.

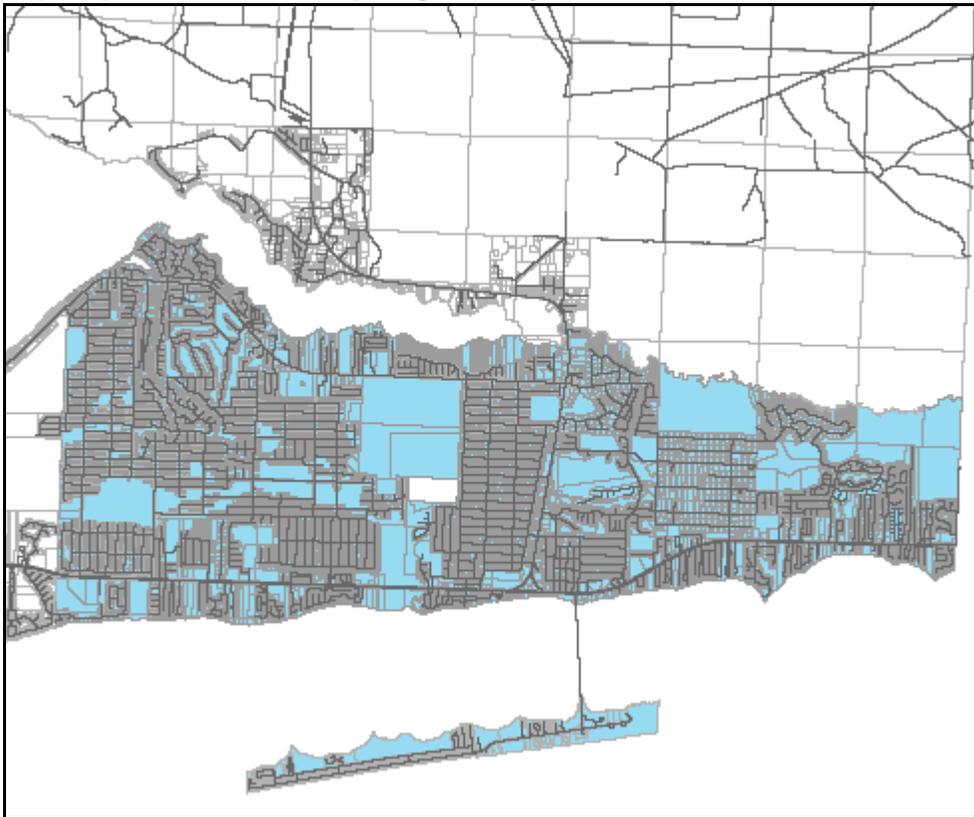
SPECIFIC STUDY AREA

During the kick-off meeting held between the Task Force and GSG on November 17, 2005, the specific land area that was to be included within the Study was identified and the boundaries were outlined.

The identified Study Area is bordered by the Santa Rosa-Okaloosa county line on the east, East Bay and East Bay River on the north, and the Santa Rosa Sound and Gulf of Mexico coastlines to the south so as to include 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.

During the data update meeting held between the Task Force and GSG in April of 2006, the specific land area identified and outlined above was reviewed, confirmed, and approved. Figure 2 displays a map of the specific land area encompassed within the Study.

Figure 2
Map of Specific Land Area Comprising the Study Area



* The one un-shaded parcel in the mid center of the shaded Study Area consist of an undeveloped woodland parcel that will be included, but is currently undesignated within the Santa Rosas County Property Appraiser's Geographical Information System.

AREA CHARACTERISTICS

As previously stated, the total land area of the Study Area equates to approximately 15,029.12 acres or approximately 23.48 square miles.²⁷ It is significant to note that 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 137 acres of military designated lands, approximately 400 acres of outdoor recreational forest and park lands, and approximately 1,785 acres of federal, state, and county government designated lands.²⁸ Furthermore, approximately 4,584 acres within the Study Area are designated as vacant residential, commercial, and industrial lands.²⁹ Table 6 and Table 7 outline the Study Area's existing land uses and current land use designations. Table 6 outlines the Study Area's existing land uses and corresponding acreage allocations as presently utilized. Table 7 outlines regulated current land uses and corresponding acreage allocations as presently designated to be utilized.

Table 6
Study Area Existing Land Use (2005)

Land Use Designation	Acreage
Single Family	4,107.48
Mobile Homes	718.06
Condominium	3.26
Multi Family (10+ Units)	19.13
Multi Family (2-9 Units)	41.02
Miscellaneous Residential	6.74
Vacant Residential	3,883.64
Commercial	385.32
Vacant Commercial	692.35
Industrial/Warehouse	52.20
Vacant Industrial	8.11
Agricultural	65.43
Government (Local/State/Federal/Military)	1,922.76
Public/Semi-Public/Educational/Churches	214.16
Forests/Parks/Recreational/Rivers/Lakes	411.55
Utilities/Gas/Electric/Telephone/Sewage Disposal	573.06
Right-of-Way	46.04
Acreage (non-agricultural)	989.95
Miscellaneous (non-specified)	888.86

Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

According to the existing land uses, approximately 32.6% of the Study Area is currently developed as residential, approximately 2.9% is currently utilized for commercial or industrial/warehouse purposes, and approximately 12.8% is currently categorized for government uses. However, approximately 25.8% of the Study Area remains vacant as developable residential land, and approximately 4.7% of the Study Area remains vacant as developable for commercial or industrial/warehouse uses.

²⁷ Source: Santa Rosa County Property Appraiser, "Geographical Information System".

²⁸ Source: Santa Rosa County Property Appraiser, "Geographical Information System".

²⁹ Source: Santa Rosa County Property Appraiser, "Geographical Information System".

Table 7
Study Area Zoned Current Land Use

Zoned Land Use	Acreage
Single Family Residential	4,712.91
Multi Family Residential (less than 5)	40.80
Multi Family Residential (more than 5)	55.13
Condominium/Townhouse	57.56
Mixed Residential/Commercial	19.36
Commercial	143.08
Office	53.97
Industrial	33.08
Institutional	210.00
Agriculture	14.04
Agriculture/Homestead	39.12
Recreation/Commercial	211.07
Recreation/Open Space	295.78
Public Owned Property	614.69
Military	661.91
Utilities	58.40
Right-of-Way	123.83
Vacant	6,234.87
Water	15.04

Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

According to the regulated current land use designations, approximately 32.4% of the Study Area is currently designated exclusively for residential purposes, approximately 1.5% is currently designated exclusively for commercial or industrial/warehouse purposes, and less than 1% is currently designated for mixed residential and commercial uses. However, 41.5% of the Study Area remains designated as vacant.

Based on historical trends, development within the Study Area is expected to continue to grow and expand greatly.³⁰ Moreover, there exist vacant lands, both residential and commercial, under existing land uses and current land use designations. Regulated future land use projections expand the Study Area's existing land uses and current land use designations. Table 8 outlines the Study Area's regulated future land uses and corresponding acreage allocations as projected to be utilized.

³⁰ Source: Navarre Beach Area Chamber of Commerce, "Living in Navarre: Residential Information," <http://www.navarrefl.com/livein.html> (accessed December 13, 2005).

Table 8
Study Area Zoned Future Land Use

Zoned Land Use	Acreage
Single Family Residential	10,244.27
Residential	756.89
Mixed Density Residential	303.31
Mixed Residential/Commercial	911.66
Commercial	916.12
Industrial	676.98
Conservation/Recreation	417.43
Utilities	21.02
Water	3.78

Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

According to regulated future land uses, approximately 75.2% of the Study Area is devoted exclusively as residential, 10.6% is devoted exclusively for commercial or industrial/warehouse purposes, and approximately 6.1% is devoted for mixed residential and commercial uses.

A component to factor into the evaluation of future land uses is projected growth. There are two major independent development projects anticipated within the Study Area. Initiated in March of 2004, The Navarre Town Center Plan entails amending the County Comprehensive Plan to encompass the creation of a Navarre Town Center District and a Heart of Navarre District within the Study Area.³¹ These overlapping districts will be part of a 10-year to 20-year build-out plan intended to create a sense of vitality and community within the area.³² Comprised of both residential and commercial sections, the districts will include multi-family housing, retail plazas, civic buildings, and recreational public spaces.³³ Through the use of traditional architecture and pedestrian oriented design, the districts intent to draw in both local residents and visiting tourists alike.³⁴

The second major development project within the Study Area is The Boardwalk at Navarre. Comprised of mixed use development, the project will sit on 20 acres fronted by Highway 98 and backed by Santa Rosa Sound.³⁵ The project is slated for construction to begin in mid-2006.³⁶ The Boardwalk at Navarre will include 50,000 square feet of retail and restaurant space, 30,000 square feet of office space, approximately 188 condominium units, and ten town home units.³⁷ Completion of the retail space is anticipated for mid-2007, while completion of the condominiums is anticipated for mid-2008.³⁸

AGENCIES & SERVICES

LAW ENFORCEMENT

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, Navarre Beach, and Holley.

³¹ Source: Santa Rosa County Board of Commissioners, "Navarre Town Center Plan," (October 28, 2004).

³² Source: Santa Rosa County Board of Commissioners, "Navarre Town Center Plan," (October 28, 2004).

³³ Source: Santa Rosa County Board of Commissioners, "Navarre Town Center Plan," (October 28, 2004).

³⁴ Source: Santa Rosa County Board of Commissioners, "Navarre Town Center Plan," (October 28, 2004).

³⁵ Source: The Charter Companies, "The Boardwalk at Navarre," <http://www.chartercompanies.com/our-projects/navarre-crossing/index.html.com>, (accessed March 6, 2006).

³⁶ Source: The Charter Companies, (March 9, 2006).

³⁷ Source: The Charter Companies, (March 9, 2006).

³⁸ Source: The Charter Companies, (March 9, 2006).

The SRSO operates locally within District Two from a designated sub-station located at 8597 High School Boulevard, Navarre, Florida 32566. The sub-station is staffed during regular business hours by an administrative assistant, a property-loss detective, and an assigned Lieutenant. Both the local high school and local elementary school are assigned their own on-site, full-time School Resource Officer.

In addition to the locally staffed personnel, District Two is continuously patrolled and monitored by 24 additional law enforcement personnel comprised of Sergeants, Corporals, and Deputy Sheriffs. These additional patrolling and monitoring personnel are available twenty-four hours a day, seven days a week. District Two also serves as the home to the SRSO Marine Unit. All personnel spend an average of six to eight hours a month involved in continuing training.

The SRSO actively provides a variety of services including public safety, business and residential security, street and traffic patrol, and four-wheeler beach patrol during tourist season. The SRSO also provides fingerprinting services and complaint filing services at the sub-station during regular business hours. In addition to these regular, locally provided services, the SRSO also provides additional services on an as-needed basis from their centrally housed Special Unit Divisions, such as the Narcotics Section, the Major Crimes Section, the Crime Scene Section, the Evidence Technician Section, the Area Impact Unit (AIM), the Special Weapons and Advanced Tactics Unit (SWAT), the Victims Advocate Section, and the Civil Service Department.

Should incorporation be sought, a decision will have to be made as to whether the Study Area will establish its own police department or contract with the SRSO to provide law enforcement services. Regardless, discussions and negotiations with the SRSO will be necessary to determine what law enforcement services will be necessary and at what level of service. If the Study Area establishes its own police department, the SRSO will still need to provide certain law enforcement services at certain levels, such as jailing services, civil services, and SWAT services. Thus, once these decisions are rendered, the SRSO will then be able to contract with the Study Area's local government to provide the desired and necessary law enforcement services at the determined and required levels of service.

FIRE RESCUE

The Holley-Navarre Volunteer Fire Department (HNVFD) and the Navarre Beach Volunteer Fire Department (NBVFD) provide fire protection and emergency response services within the Study Area.

The HNVFD operates out of four response stations located throughout the Holley-Navarre Fire Protection District (HNFPD). The HNFPD is a 50 square mile state-created Independent Special Fire Control District that encompasses the Southeast corner of Santa Rosa County. The HNFPD was created in 1980 by Special Act 80-603 and is funded through non ad-valorem assessments in accordance with the Special Act.

The HNVFD is a combination department, comprised of two full-time career personnel, thirteen part-time personnel, and a number of volunteer personnel. All personnel spend an average of four to five hours a week involved in continuing training. The HNVFD vehicle inventory is comprised of five engines, two rescue trucks, a brush truck, a zodiac boat, a command vehicle, an administrative vehicle, and a hazardous materials trailer. In 2005, the HNVFD responded to 1940 emergency calls, averaging approximately 150 calls per month.³⁹

The HNVFD is funded by Special Act through the imposition of a non-ad valorem assessment against real property situated within the HNFPD. Table 9 outlines the 2006 rate structure utilized by the HNVFD to fund and provide fire protection and emergency response services.

³⁹ Source: Holley-Navarre Volunteer Fire Department, <http://hnfd.org/home.html> (accessed February 24, 2006).

**Table 9
Holley-Navarre Volunteer Fire Department Rate Structure (2006)**

Structure Type	Rate (per annum)
Residential (family dwelling)	\$40.40
Business/Single Use Commercial (2,499 or less adjusted square feet)	\$67.34
Business/Single Use Commercial (2,500 to 7,499 adjusted square feet)	\$134.72
Business/Single Use Commercial (7,500 or more adjusted square feet)	\$336.80
Uncategorized Occupied Lots	\$40.40
Vacant Lots	\$6.73
Unimproved Acreage	\$1.22 per acre/min \$6.73
Apartment/Motel/Mobile Home (30 or less units)	\$21.55 per unit
Apartment/Motel/Mobile Home (31-50 units)	not to exceed \$673.61
Apartment/Motel/Mobile Home (51 or more units)	not to exceed \$808.33

Source: Holley-Navarre Volunteer Fire Department.

The NBVFD operates from a single response station located on Navarre Beach within the Navarre Beach Fire Protection District (NBFPD), a four-mile fire district that is comprised of a designated stretch of Santa Rosa Island. The NBVFD is a combination department, comprised of seven full-time career personnel, four part-time personnel, and a number of volunteer personnel. The NBVFD vehicle inventory is comprised of three engines, a ladder truck, a medical response truck, a brush truck, a utility truck, and a boat and jet ski for water rescue.

The NBVFD is funded through a Santa Rosa County imposed Municipal Service Benefit Unit (MSBU). Table 10 outlines the 2006 MSBU rate structure utilized by the NBVFD to fund and provide fire protection and emergency response services.

**Table 10
Navarre Beach Volunteer Fire Department Rate Structure (2006)**

Structure Type	Rate (per annum)
Residential	\$275.00
Commercial (less than 20,000 square feet)	\$400.00
Commercial (more than 20,000 square feet)	\$1,500.00
Vacant	\$15.00

Source: Navarre Beach Volunteer Fire Department

Because the HNVFD is authorized by the State of Florida, and the NBVFD is authorized by Santa Rosa County, should incorporation be sought, discussions with the HNVFD and NBVFD will be necessary to determine how to continue to provide fire prevention and emergency response services within the Study Area.

PUBLIC EDUCATION

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. In September 2006, the SRCSD reported having approximately 25,273 students registered countywide between the academic levels of pre-kindergarten

through twelfth grade during Fiscal Year 2006-07.⁴⁰ Of the total 25,273 students registered countywide, 5,548 students were registered among the six public SRCSD schools located within the Study Area.⁴¹

Each of the six public SRCSD schools located within the Study Area are individually tiered. Holley-Navarre Primary serves pre-kindergarten through second grade, West Navarre Primary serves pre-kindergarten through fifth grade, Holley-Navarre Intermediate serves third grade through fifth grade, West Navarre Intermediate serves third grade through fifth grade, Holley-Navarre Middle School serves sixth grade through eighth grade, and Navarre High School serves ninth grade through twelfth grade.⁴²

In 2006, West Navarre Intermediate, Holley-Navarre Intermediate, and Holley-Navarre Middle School all earned a grade of “A” on Florida’s A+ Plan.⁴³ Navarre High School earned a grade of “B” in 2006.⁴⁴ For various reasons, Holley-Navarre Primary and West Navarre Primary did not receive a school grading in 2006 from Florida’s A+ Plan.⁴⁵

Within Santa Rosa County, which includes the Study Area, the SRCSD Fiscal Year 2005-06 millage rate is set at 7.5880 mills per \$1,000 of assessed taxable value.⁴⁶ This tax will continue to be levied regardless of whether the Study Area seeks incorporation.

WATER MANAGEMENT

The Northwest Florida Water Management District (NFWFMD) is an independent service district devised to oversee and administer both ground and surface water resources and needs for sixteen counties within Northwest Florida, including Santa Rosa County. The NFWFMD manages approximately twenty-one percent of Florida’s total land area and eight percent of the state’s total population, encompassing 11,305 square miles and approximately 1.1 million residential customers.⁴⁷

Within Santa Rosa County, which includes the Study Area, the NFWFMD Fiscal Year 2005-06 millage rate is set at 0.0500 mills per \$1,000 of assessed taxable value.⁴⁸ This tax will continue to be levied regardless of whether the Study Area seeks incorporation.

Stormwater management throughout Santa Rosa County, including within the Study Area, is handled by the Santa Rosa County Engineering Department. The County utilizes a Stormwater Master Plan that uses historical data, reports and current monitoring programs to determine areas where stormwater is degrading surface water quality.⁴⁹ The County also utilizes countywide stormwater management plan that incorporates basin-specific master plans with adopted levels of service for stormwater quantity and quality.⁵⁰ As part of the County’s projected stormwater management goals, a number of funding sources will be considered and evaluated for revenue potential including grants (private, state, and federal),

⁴⁰ Source: Santa Rosa County District Schools, “Santa Rosa County School Board Summary Student Tally By School, Grade – ZST010-01,” September 14, 2006.

⁴¹ Source: Santa Rosa County District Schools, “Santa Rosa County School Board Summary Student Tally By School, Grade – ZST010-01,” September 14, 2006.

⁴² Source: Santa Rosa County District Schools, Office of the Assistant Superintendent for Administrative Services, “Santa Rosa County Public Schools,” July 20, 2006.

⁴³ Source: Florida Department of Education, “School Accountability Report, 2006,” <http://schoolgrades.fldoe.org/>, (accessed October 2, 2006).

⁴⁴ Source: Florida Department of Education, “School Accountability Report, 2006,” <http://schoolgrades.fldoe.org/>, (accessed October 2, 2006).

⁴⁵ Source: Florida Department of Education, “School Accountability Report, 2006,” <http://schoolgrades.fldoe.org/>, (accessed October 2, 2006).

⁴⁶ Source: Santa Rosa Tax Collector, “County Millage Rates,” <http://www.srctc.com/html/misc/millagerates.htm> (accessed February 28, 2006).

⁴⁷ Source: Northwest Florida Water Management District, “About the District,” <http://www.nwfwmd.state.fl.us/brochure/home.htm> (accessed December 30, 2005).

⁴⁸ Source: Santa Rosa Tax Collector, “County Millage Rates,” <http://www.srctc.com/html/misc/millagerates.htm> (accessed February 28, 2006).

⁴⁹ Source: Santa Rosa County Engineering Department, “Stormwater Task Force,” <http://www.santarosa.fl.gov/engineering/index.html>, (accessed March 23, 2006).

⁵⁰ Source: Santa Rosa County Engineering Department, “Stormwater Task Force,” <http://www.santarosa.fl.gov/engineering/index.html>, (accessed March 23, 2006).

stormwater utilities, Municipal Service Benefit Units (MSBU), impact fees, optional sales tax, and ad valorem tax increases.⁵¹ The County's funding requirements for stormwater consider operation and maintenance costs, in addition to required expenditures for stormwater capital improvements.⁵²

Should incorporation be sought, stormwater management and responsibility provided by the County will likely not change. However, the Study Area's local government will assume responsibility for local stormwater management, including flooding, drainage basins, and street drainage.

POTABLE WATER AND WASTEWATER

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 HNWS operates and utilizes five wells to provide day-to-day potable water services within the Study Area. The HNWS's maximum capacity for providing potable water is 7.2 million gallons per day.⁵³ In 2005, the HNWS provided approximately 3.5 million gallons per day of potable water, operating at approximately 50% capacity.⁵⁴

The HNWS utilizes wastewater treatment plants to provide wastewater processing and treatment services for the Study Area. The HNWS's maximum capacity for processing and treating wastewater is 2.99 million gallons per day.⁵⁵ In 2005, the NBWS processed and treated approximately 910,000 gallons per day of wastewater, operating at approximately 30% capacity.⁵⁶

Table 11 outlines the 2006 rate structure utilized by the HNWS to fund and provide potable water services and wastewater services.

Table 11
Holley-Navarre Water System Rate Structure (2006)

Service Type	Usage (per month)	Service Rate (per month)*
Potable Water	first 3,000 gallons	\$8.75 minimum
	3,001 to 10,000 gallons	\$3.00 per 1,000 additional gallons
	over 10,000 gallons	\$3.20 per 1,000 additional gallons
Wastewater	first 4,000 gallons	\$20.00 minimum
	over 4,000 gallons	\$2.00 per 1,000 additional gallons

Source: Holley-Navarre Water System, "Rate Schedule," (February 9, 2006).

* Additional HNWS fees and charges: a mandatory non-refundable one-time \$5.00 membership fee; a refundable per-meter potable water service deposit and wastewater service deposit.

The NBWS is a county owned and operated public potable water and wastewater utility service. The NBWS is owned by the Santa Rosa County Board of Commissioners and is operated by the Navarre Beach Division. The NBWS utilizes an outside resource (Fairpoint Utility) to provide day-to-day potable water services within the Study Area. However, the NBWS does own and maintain two locally situated potable water wells that are presently reserved for use during emergencies. The NBWS's maximum

⁵¹ Source: Santa Rosa County Engineering Department, "Stormwater Task Force," <http://www.santarosa.fl.gov/engineering/index.html>, (accessed March 23, 2006).

⁵² Source: Santa Rosa County Engineering Department, "Stormwater Task Force," <http://www.santarosa.fl.gov/engineering/index.html>, (accessed March 23, 2006).

⁵³ Source: Holley-Navarre Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2005," (2005).

⁵⁴ Source: Holley-Navarre Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2005," (2005).

⁵⁵ Source: Holley-Navarre Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2005," (2005).

⁵⁶ Source: Holley-Navarre Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2005," (2005).

capacity for providing potable water is 941,000 gallons per day.⁵⁷ In 2004, the NBWS provided approximately 320,000 gallons per day of potable water, operating at approximately 34% capacity.⁵⁸

The NBWS utilizes the locally situated Navarre Beach Wastewater Treatment Plant to provide wastewater processing and treatment services for the Study Area. The NBWS’s maximum capacity for processing and treating wastewater is 900,000 gallons per day.⁵⁹ In 2004, the NBWS processed and treated approximately 258,000 gallons per day of wastewater, operating at approximately 29% capacity.⁶⁰

Table 12 outlines the 2006 rate structure utilized by the NBWS to fund and provide potable water services and wastewater services.

Table 12
Navarre Beach Water System Rate Structure (2006)

Structure Type	Usage (per month)	Potable Water Rate (per month)	Wastewater Rate (per month)
Single Family; Multi Family; etc. (single meter per unit)	less than 3,000 gallons	\$25.38 minimum	\$28.00 minimum
	3,000 to 6000 gallons	\$4.13 per 1,000 additional gallons	\$3.72 per 1,000 additional gallons
	more than 6,000 gallons	\$4.47 per 1,000 additional gallons	\$3.72 per 1,000 additional gallons
Multi Family; Motels; etc. (single meter per complex)	less than 3,000 gallons	\$25.90 minimum	\$28.00 minimum
	3,000 to 6000 gallons	\$4.13 per 1,000 additional gallons	\$3.72 per 1,000 additional gallons
	more than 6,000 gallons	\$4.47 per 1,000 additional gallons	\$3.72 per 1,000 additional gallons
Commercial	less than 3,000 gallons	\$33.70 minimum	216% of Water Bill
	3,000 to 6000 gallons	\$4.13 per 1,000 additional gallons	216% of Water Bill
	more than 6,000 gallons	\$4.47 per 1,000 additional gallons	216% of Water Bill

Source: Navarre Beach Water System, "Water Sewer Rates," (February 9, 2006).

Should incorporation be sought, the potable water services and wastewater services provided by the HNWS and NBWS are not expected to change.

SOLID WASTE

As previously discussed, there are currently no county or municipality owned or operated solid waste collection services within the Study Area.⁶¹ Rather, each resident and business is individually responsible for addressing their own solid waste collection. Residents and businesses within the Study Area may transport their own solid waste to a designated collection site or contract with one of the multiple private solid waste hauler/collector service providers within the area.

Santa Rosa County does own and operate the Central Landfill that receives and processes solid waste collected and delivered from within the County. Current reports indicate that the maximum capacity of the Central Landfill is 593 acres of landfill with approximately 84 acres already filled.⁶² At the reported level of service of six pounds per capita per day, the Central Landfill is estimated to provide adequate solid waste capacity for at least the next 75 years.⁶³

⁵⁷ Source: Navarre Beach Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2004," (September 9, 2005).

⁵⁸ Source: Navarre Beach Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2004," (September 9, 2005).

⁵⁹ Source: Navarre Beach Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2004," (September 9, 2005).

⁶⁰ Source: Navarre Beach Water System, "Santa Rosa County Community Planning, Zoning and Development Division Utility Operational Status Report for Calendar 2004," (September 9, 2005).

⁶¹ Source: Tom Dannheisser, County Attorney, Santa Rosa County, Florida. (Jan. 17, 2006)

⁶² Source: Santa Rosa County Planning & Zoning, "Projected Solid Waste Demand and Capacity, Central Landfill – Santa Rosa County," (2003).

⁶³ Source: Santa Rosa County Planning & Zoning, "Projected Solid Waste Demand and Capacity, Central Landfill – Santa Rosa County," (2003).

Should incorporation be sought, the Study Area's local government will need to review current solid waste collection services within the Study Area and determine whether to provide alternative solid waste collection services or continue with the status quo.

LIBRARY

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 and is located at 8484 James M. Harvell Road, Navarre, Florida, 32566. The library provides a large collection of books, audiotapes, compact discs, and CD-ROMs, as well as computer availability with free internet access. The Santa Rosa County Library System is funded by the County through the general budget, which includes funding from general revenue funds and state grants (i.e. Aid to Libraries).

Regardless of incorporation, persons living within the Study Area will continue to remain Santa Rosa County citizens. Moreover, the library services and facilities located within the Study Area will continue to be utilized by both local and visiting County citizens. Therefore, should incorporation be sought, Santa Rosa County will continue to provide this countywide service.

PARKS & RECREATION

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 three park and recreational areas within the Study Area. The three park and recreational areas are Navarre Park located at Highway 98 and Navarre Beach Bridge; Navarre Soccer Park located at Deer Lane; and Navarre Sports Complex located at 2497 Pawnee Drive. Table 13 outlines the facility accommodations located at each of the three County owned and maintained park and recreation facilities located within the Study Area.

Table 13
Study Area Park and Recreation Facility Accommodations

Facility Accommodations	Navarre Park	Navarre Soccer Park	Navarre Sports Complex
Acreage	5 acres	5 acres	30 acres
Basketball Court	Yes	-	Yes
Soccer Field:	-	Yes	Yes
Football Field:	-	-	Yes
Baseball/Softball Fields:	-	-	Yes
Tee-ball Field:	-	-	Yes
Batting Cage:	-	-	Yes
Playground Area:	Yes	-	Yes
Gymnasium:	-	-	Yes
Nature Trail:	Yes	-	-
Walking/biking Path:	Yes	-	Yes
Boat Ramp	-	-	-
Pier	Yes	-	-
Pavilion	Yes	Yes	Yes
Picnic Table	Yes	Yes	Yes
Concession Stand	-	-	Yes
Bleachers	-	-	Yes
Benches	Yes	-	-
Community Center	-	-	Yes
Conference Center	-	-	Yes
Restroom	Yes	-	Yes
Portable Restroom	-	-	Yes
Garbage Can	Yes	-	Yes
Dumpster	-	-	Yes
Utilities	Yes	-	Yes
Facility Lighting	Yes	-	Yes
Perimeter Fencing	-	-	Yes
Flagpole	Yes	-	-
Parking	Yes	Yes	Yes

Source: Santa Rosa County Parks & Recreation Department, "Parks Located in the South End of the County," <http://www.santarosa.fl.gov/parks/southpk.html>, (accessed March 13, 2006).

The County owned and maintained park and recreational areas are funded through the general budget, which includes funding from general revenue funds and state grants (i.e. Boating Improvement Funds; Florida Boating Improvement Program).

Regardless of incorporation, persons living within the Study Area will continue to remain Santa Rosa County citizens. Moreover, the county owned and operated park and recreational services and facilities located within the Study Area will continue to be utilized by both local and visiting County citizens. Therefore, should incorporation be sought, Santa Rosa County will continue to provide these established services and facilities. However, community desires and preferred levels of service may require that the Study Area's local government address and develop additional park or recreational services or facilities.

Navarre Beach and Navarre Beach State Park are both also located within the boundaries of the Study Area. Navarre Beach State Park is located on Santa Rosa Island and is a state owned and maintained park.⁶⁴ In addition to its sand beaches and ocean waters, the park is also home to an 800-foot pier and a multi-use trail.⁶⁵ Should incorporation be sought, the Navarre Beach State Park's ownership and provided services are not expected to change.

Navarre Beach is located on Santa Rosa Island and is a county owned and maintained beach area. The area offers sand beaches, shore dunes, and ocean waters. The maintenance and operation of Navarre Beach is funded by the County through the general budget, which includes funding from general revenue funds, Navarre Beach Fund revenues, and state grants (i.e. Dune Restoration). According to the County, should incorporation be sought, the Study Area's local government will likely assume supervision and responsibility of Navarre Beach. The Study Area's local government will have to accordingly allocate apportioned funds for the operation and maintenance of Navarre Beach.

STREETS & ROADS

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 receives 0.4552 mills out of the County's 6.6175 millage rate. 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.

Additionally, as of January 1, 2006, all new development within Santa Rosa County will be required to pay transportation impact fees. The imposition and amount of the transportation impact fee is determined based on the type of location and type of development. Areas are identified on the chart below. The cost of construction for rural road segments is less than the cost of construction for urban road segments; therefore, the rural fee is less than the urban fee.⁶⁶ The Study Area is categorized by the County as being located within "Area 3" and considered to be "urban".⁶⁷ The collected fees will be applied toward the cost of construction for new roadway capacity projects.

Table 14 outlines the transportation impact fee schedule imposed by Santa Rosa County for "Area 3," which includes the Study Area.

⁶⁴ Source: Florida State Parks, "Florida Online Park Guide," <http://www.floridastateparks.org/navarrebeach/default.cfm>, (accessed March 14, 2006).

⁶⁵ Source: Florida State Parks, "Florida Online Park Guide," <http://www.floridastateparks.org/navarrebeach/default.cfm>, (accessed March 14, 2006).

⁶⁶ Source: Santa Rosa County Planning & Zoning, "Road Impact Fees," <http://www.santarosa.fl.gov/permits/impactfees.html>, (accessed March 21, 2006).

⁶⁷ Source: Santa Rosa County Planning & Zoning, "Road Impact Fees," <http://www.santarosa.fl.gov/permits/impactfees.html>, (accessed March 21, 2006).

Table 14
Santa Rosa County Transportation Impact Fee Schedule

Land Use Type	Impact Fee
Residential:	
Single Family Detached Unit, Mobile Homes (not in MH parks)	\$2,090
Attached Housing Unit	\$1,280
Multi-Family Unit	\$1,468
Mobile Home Space in Mobile Home Park	\$1,090
Non-residential:	
Walk-in Bank per 1,000 FT ²	\$5,343
Drive-Thru Bank per Lane	\$7,020
Mini-Warehouse per 1,000 Feet	\$410
Hotel/Motel per Room	\$1,366
Movie Theatre per 1,000 Feet	\$4,635
Church/Synagogue per 1,000 Feet	\$809
Day Care Center per 1,000 Feet	\$2,071
Quality Restaurant per 1,000 Feet	\$5,668
High-Turnover Sit-Down Restaurant per 1,000 Feet	\$6,677
Car Sales 1,000 Feet	\$4,377
Offices per 1,000 Feet	
Under 100,000 Feet	\$2,209
100,000 -199,999 Feet	\$1,574
200,000 - 399,999 Feet	\$1,676
400,000 Feet & Over	\$1,489
Medical Buildings:	
Medical Offices per 1,000 Feet	\$4,709
Hospitals per 1,000 Feet	\$1,377
Nursing Homes per 1,000 Feet	\$799
Industrial Buildings:	
Gen. Industrial per 1,000 Feet	\$1,331
Warehouse/Storage per 1,000 Feet	\$947
Commercial/Retail per 1,000 Feet:	
Under 100,000 Feet	\$2,833
100,000 -199,999 Feet	\$3,611
200,000 - 399,999 Feet	\$3,901
400,000 Feet & Over	\$4,440
Pharmacy with Drive-Thru	\$3,086
Fast Food Restaurant	\$8,684
Service Station per Fueling Station	\$1,770
Convenience Retail	\$7,751

Source: Santa Rosa County Planning & Zoning, "Impact Fee Schedule," <http://www.santarosa.fl.gov/permits/impactfees.html>, (accessed March 21, 2006).

Should incorporation be sought, the Study Area's local government will assume responsibility for most of the local streets and roads. The Study Area's local government will have to accordingly allocate apportioned funds for transportation and roadway development and maintenance. However, several of the major streets and roads will remain under the supervision and responsibility of the County and/or State of Florida. Additionally, consideration will need to be given on whether to interact with the County imposed impact fee program or to develop a separate municipally imposed impact fee program.

MOSQUITO CONTROL

Santa Rosa County provides countywide mosquito control through regional aerial spraying. There are 28 scheduled spray routes encompassing the entire county. The Mosquito Control Department aeri-ally sprays approximately 10 to 12 routes each week, rotated among routes on a weekly basis. Route schedules are determined every week based on the number of consumer calls, the number of field reports from larvacide crews, and mosquito population counts received from traps placed throughout the county. Mosquito control is funded by the County through the general budget, which includes funding from general revenue funds and state matching revenues.

Regardless of incorporation, persons living within the Study Area will continue to remain Santa Rosa County citizens. Therefore, should incorporation be sought, the County will remain the responsible provider of this countywide service.

COMMUNITY DEVELOPMENT

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.

Should incorporation be sought, the Study Area's local government will need to independently review current community development services provided by the County. The Study Area's local government will need to determine whether to assume responsibility as the provider of such services or whether to contract with the County as the continuing provider. This will have to be addressed by the Study Area's local government on a service-by-service basis.

GENERAL GOVERNMENT

Should incorporation be sought, the Study Area's local government will need to prepare to assume responsibility for certain services inherently associated with incorporation. Such inherent services, including administration, budget and finance, comprehensive planning, and growth management, will become necessitated by incorporation. These services will automatically become the responsibility of the Study Area's local government to prepare for and/or provide.

FISCAL CAPACITY

This portion of the Study provides a financial analysis of the fiscal capacity of the Study Area. The purpose behind this analysis is to examine the Study Area's range of financial possibilities and/or financial impossibilities. Necessary components include a review of estimated millage rates, a review of estimated operating expenditures, and a review of estimated ad valorem and non-ad valorem revenues. To develop this prospective analysis, the budgets from three comparable "sample" municipalities were utilized. The Fiscal Year 2005-06 budgets from the City of Aventura, City of Greenacres, and Village of

Royal Palm Beach were each utilized to estimate and project relevant financial estimations for the Study Area. The budgets from the City of Dania Beach, City of Lauderdale Lakes, and City of Oakland Park were also reviewed, but factors such as city age and city composition excluded consideration

AREA FISCAL CHARACTERISTICS

A combination of ad valorem taxes is levied within the unincorporated Study Area. Included within the combination of levied ad valorem taxes is the Northeast Florida Water Management District millage of 0.0500 mills per \$1,000 of assessed taxable value and the public education millage of 7.5880 mills per \$1,000 of assessed taxable value.

Santa Rosa County levies its own millage of 6.6175 mills per \$1,000 of assessed taxable value, of which 6.1202 mills are reserved for the County's general fund, 0.4552 mills are allocated to the Roads and Bridges Department, and 0.0421 mills are allocated to the Fines and Forfeiture Department.

Altogether, the amount of millage levied within the Study Area amounts to 14.2555 mills per \$1,000 of assessed taxable value. Table 15 outlines the current taxing structure within Santa Rosa County.

Table 15
Ad Valorem Taxing Structure within Santa Rosa County (2005)

Allocation ¹	Millage ²
Schools	7.5880
NW Florida Water Management	0.0500
General Fund	6.1202
Roads & Bridges	0.4552
Fines & Forfeitures	0.0421
Santa Rosa County Total	14.2555

¹ Source: Santa Rosa County, "Budget Summary," (FY 2005-2006).

² Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

In addition to the millage rates identified above, some property owners pay an additional MSBU amount for lighting, paving, canals, and sewage.⁶⁸ This additional taxing unit varies from property to property.⁶⁹

Within any taxing district there exists a tax base. In order to levy taxes within a taxing district, the taxable value of property against which ad valorem taxes may be levied has to be determined by excluding any tax-exempt value. Ad valorem millage rates within the taxing district are then levied against the taxable value per every \$1,000 dollars of taxable value. Table 16 outlines the taxable values for both the County and the Study Area.

Table 16
Santa Rosa County and Study Area Taxable Value (2005)

Area	Taxable Value
Santa Rosa County (total)	\$6,033,302,007
Study Area	\$1,476,042,796

Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

⁶⁸ Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

⁶⁹ Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

The Study Area's taxable value comprises approximately 24.47% of the total taxable value of Santa Rosa County. However, based on the 2005 average population projection estimations for the Study Area and Santa Rosa County, the Study Area comprises approximately only 20.37% of the total population of Santa Rosa County.

AREA FISCAL ANALYSIS

A component of the fiscal analysis for the Study Area is to review and compare what property owners within the Study Area currently pay in levied taxes versus what would be paid should incorporation be sought. The Study Area is currently subject to the taxes levied within the unincorporated area. Thus, the current millage rate levied within the Study area is 14.2555 mills per \$1,000 of assessed taxable value. Table 17 outlines the Study Area's current taxable value and resulting tax revenue.

Table 17
Study Area Taxable Value and Tax Revenue (2005)

	Population ¹	Taxable Value ²	Per Capita Taxable Value ³	Millage Rate	Tax Revenue ⁴
Study Area	28,667	\$1,476,042,796	\$51,489	14.2555	\$19,568,807

¹ Calculated by averaging the Bureau of Economic and Business Research based Population Projection Estimation for 2005 and the U.S. Census Bureau based Population Projection Estimation for 2005.

² Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

³ Calculated by dividing Taxable Value by the Study Area's average population projection estimation for 2005.

⁴ Calculated by multiplying the Study Area's Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the Millage Rate as applied per \$1,000 of taxable value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,323,996).

For comparison purposes, Table 18 outlines the current taxable values and overall resulting tax revenue for each comparable municipality. The indicated millage rates encompass all millage rates levied within the designated comparable municipality.

Table 18
Comparable Taxable Value and Tax Revenue (2005)

Comparable	Population ¹	Taxable Value ²	Per Capita Taxable Value ³	Millage Rate ⁴	Tax Revenue ⁵
Aventura	28,207	\$6,264,335,914	\$222,084	21.0963	\$122,903,508
Greenacres	30,533	\$1,458,996,925	\$47,784	21.5994	\$29,307,516
Royal Palm Beach	29,261	\$1,947,455,112	\$66,555	21.7431	\$39,379,651

¹ Source: Florida League of Cities, Inc. "The Florida League of Cities 2005-2006 Membership Directory."

² Source: County Property Appraiser's Office, Recapitulation Form for each municipality "Certification of Taxable Value" (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Source: County Property Appraiser's Office, Recapitulation Form for each municipality "Certification of Taxable Value" (2005).

⁵ Calculated by multiplying Taxable Value by Millage Rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment.

Table 19 outlines the current taxable values and resulting municipal tax revenue for each comparable municipality. However, the indicated millage rates encompass only the millage rates levied by the comparable municipality.

Table 19
Comparable Taxable Value and Tax Revenue, Municipal Millage Only (2005)

Comparable	Population ¹	Taxable Value ²	Per Capita Taxable Value ³	Municipal Millage Rate ⁴	Municipal Tax Revenue ⁵
Aventura	28,207	\$6,264,335,914	\$222,084	2.2270	\$12,974,129
Greenacres	30,533	\$1,458,996,925	\$47,784	5.5735	\$7,562,499
Royal Palm Beach	29,261	\$1,947,455,112	\$66,555	2.5900	\$4,690,835

¹ Source: Florida League of Cities, Inc. "The Florida League of Cities 2005-2006 Membership Directory."

² Source: County Property Appraiser's Office, Recapitulation Form for each municipality "Certification of Taxable Value" (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Source: County Property Appraiser's Office, Recapitulation Form for each municipality "Certification of Taxable Value" (2005).

⁵ Calculated by multiplying Taxable Value by Millage Rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment.

Within Santa Rosa County, there are three existing incorporated municipalities. The City of Milton assesses a municipal millage rate of 2.7500 in addition to the County millage, for a total levied millage rate of 17.0055.⁷⁰ The City of Jay assesses a municipal millage rate of 2.0000 in addition to the County millage, for a total levied millage rate of 16.2555.⁷¹ The City of Gulf Breeze assesses a municipal millage rate of 1.9000 in addition to the County millage, for a total levied millage rate of 16.1555.⁷²

As indicated in Table 17, the current total levied millage rate and generated tax revenue of the Study Area is readily calculable. However, Table 20 presents a matrix identifying the range of tax revenue possible under varying millage rates. To generate the range of possibilities, the matrix applies an ascending millage rate against the Study Area's taxable value.

⁷⁰ Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

⁷¹ Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

⁷² Source: Santa Rosa Tax Collector, "2005 Final Millages," <http://www.srctc.com/html/misc/millagerates.htm>, (2005).

Table 20
Study Area Millage Tax Revenue Matrix (2005)

Millage Rate	Ad Valorem Tax Revenue¹
@ 0.5000 mills	\$686,360
@ 1.0000 mills	\$1,372,720
@ 1.5000 mills	\$2,059,080
@ 2.0000 mills	\$2,745,440
@ 2.5000 mills	\$3,431,800
@ 3.0000 mills	\$4,118,159
@ 3.5000 mills	\$4,804,519
@ 4.0000 mills	\$5,490,879
@ 4.5000 mills	\$6,177,239
@ 5.0000 mills	\$6,863,599
@ 5.5000 mills	\$7,549,959
@ 6.0000 mills	\$8,236,319
@ 6.5000 mills	\$8,922,679
@ 7.0000 mills	\$9,609,039
@ 7.5000 mills	\$10,295,399
@ 8.0000 mills	\$10,981,758
@ 8.5000 mills	\$11,668,118
@ 9.0000 mills	\$12,354,478
@ 9.5000 mills	\$13,040,838
@ 10.0000 mills	\$13,727,198

¹ Calculated by multiplying the Study Area's Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the sequentially adjusted ascending millage rate as applied per \$1,000 of taxable value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

To determine and estimate the amount that property owners would pay should incorporation be sought, the budgeted expenses and budgeted revenues of the comparable municipalities were used. However, many expenditures categories and revenue sources are unique to a particular municipality. Therefore, two financial scenarios are presented. Scenario I utilizes expenditure categories that are generally common with incorporation and municipal operation. For Scenario I, select expenditures categories were identified based on commonality, consistency, and frequency of utilization among the comparable municipalities. Selected expenditure categories calculated within the comparison include costs associated with public safety, community development, community services, and general government services. Expenditure categories identified under Scenario I were utilized to estimate the general expenses commonly associated with providing services under municipal incorporation.

For Scenario II, select expenditures categories were identified based not only on commonality, consistency, and frequency of utilization among the comparable municipalities, but also based upon the unique needs and specific services identified for the Study Area. Therefore, based upon unique needs and specific services identified for the Study Area by the NABCC, select expenditure categories utilized in Scenario I have been removed. Selected expenditure categories removed from the comparison include law enforcement and library. Expenditure categories identified under Scenario II were utilized to estimate the expenses generally associated with providing services under municipal incorporation but specific to the Study Area.

While certain expenditures will vary depending on the unique needs and specific services of a particular municipality, the availability of revenue sources to most municipalities remains relatively constant. Therefore, while expenditures utilized in Scenario I and Scenario II will vary, the available revenue sources utilized in this financial analysis will remain constant throughout both scenarios.

AREA FISCAL CALCULATIONS, SCENARIO I

Utilizing the Fiscal Year 2005-06 budget for each comparable sample municipality, Table 21 outlines the selected expenditure categories and corresponding expense amounts associated with each select category.

Table 21
Comparable Municipal Expenditures (FY 2005-06), Scenario I

Select Categories	Aventura	Greenacres	Village of Royal Palm Beach
Public Safety	\$10,335,035	\$9,423,019	\$5,800,900
Law Enforcement (Police, etc.)	\$10,335,035	\$6,172,522	\$5,600,900
Fire Control			\$200,000
EMS		\$3,250,497	
Community Development	\$1,812,516	\$1,412,018	\$1,113,394
Planning & Development		\$582,871	\$753,894
Inspection & Permitting & Code & Enforcement		\$829,147	\$359,500
Community Services	\$4,634,766	\$3,764,852	\$5,129,447
Public Works		\$245,334	\$2,384,249
Parks		\$521,128	\$1,365,164
Recreation/Leisure		\$1,307,687	\$1,133,361
Cultural			\$246,673
Streets & Roads & Bridges		\$665,905	
Other/Non-designated	\$4,634,766	\$1,024,798	
General Government	\$2,695,350	\$2,783,925	\$2,468,445
Executive (Manager)	\$769,807	\$421,162	\$595,438
Legislative (Mayor, Board, Council, Commission)	\$114,587	\$184,475	\$203,816
Administrative (Clerk)	\$274,236	\$158,250	
Finance (Accounting, etc.)	\$1,280,720	\$1,383,278	\$1,177,250
Legal (General Counsel, etc.)	\$256,000	\$134,391	\$295,000
Human Resources		\$502,369	\$196,941
Non-Departmental/Miscellaneous	\$1,391,000	\$865,513	\$1,850,598
Ground/Surface Water			
Potable Water			
Wastewater			
Solid Waste		\$865,513	
Library	\$45,000		
Mosquito Control			
Other/Non-designated	\$1,346,000		\$1,850,598
Total Expenditures for Selected Categories	\$20,868,667	\$18,249,327	\$16,362,784

Source: Adopted Budget Fiscal Year 2005-2006 for each municipality.

*Other/Non-designated expenditure category encompasses various expenses including copier machine costs, postage, communication services, hurricane/storm expenses, operating supplies, commodities, insurance, etc.

Selected revenue sources calculated within the comparison include franchise fees, utility taxes, licensing and permitting revenue, revenue sharing and usage taxes, service charges and fees, and fine and forfeiture revenue. These revenue sources are being used to estimate the amount of generated revenue available for funding provided services within the Study Area. Utilizing the Fiscal Year 2005-06 budget for each comparable municipality, Table 22 outlines the selected revenue sources and corresponding revenue amounts associated with each select source.

Table 22
Comparable Municipal Revenues (FY 2005-06)

Select Revenue Sources	Aventura	Greenacres	Village of Royal Palm Beach
Franchise Fees (313)	\$2,162,000	\$1,349,965	\$1,547,939
Electric	\$1,877,000	\$1,273,080	\$1,451,839
Gas (natural; etc)	\$28,000	\$13,000	
Sanitation (solid waste; etc)	\$257,000	\$63,885	\$96,100
Utility Taxes (314-315)	\$5,655,000	\$3,375,253	\$3,598,800
Electric	\$3,187,000	\$1,547,575	\$1,648,800
Gas (natural; propane; etc.)	\$35,000	\$73,955	\$58,000
Water	\$476,000	\$290,687	\$409,400
Communications/Telecommunications	\$1,957,000	\$1,463,036	\$1,482,600
Licenses & Permits (321-329)	\$1,853,500	\$1,040,500	\$1,248,200
Licenses (occupational, etc.)	\$650,000	\$170,500	\$444,200
Permits (building; electrical; mechanical, etc.)	\$1,203,500	\$870,000	\$728,000
Sales and Use Taxes (335)	\$1,943,000	\$3,413,212	\$2,857,200
State Revenue Sharing	\$313,000	\$1,091,085	\$656,100
Half Cent Sales Tax	\$1,599,000	\$2,241,127	\$2,158,000
Alcoholic Beverage License Tax	\$6,000	\$11,000	\$12,500
County Occupational License	\$25,000	\$70,000	\$30,600
Service Charges & Fees (341-349)	\$884,000	\$2,346,475	\$368,700
Fines & Forfeitures (351-354)	\$201,500	\$117,000	\$334,000
Total Revenue for Select Non-Ad Valorem Sources	\$12,699,000	\$11,642,405	\$9,954,839

Source: Adopted Budget Fiscal Year 2005-2006 for each municipality.

Table 23 presents the percentage of revenue contributed and allocated to the total general fund budget by each of the above selected revenue sources for each of the comparable municipalities.

Table 23
Comparable Municipal Revenue Percentage of Budgeted General Fund (FY 2005-06)

Comparable	Franchise Fees	Utility Taxes	Licenses & Permits	Sales & Use Taxes	Service Charges & Fees	Fines & Forfeitures
Aventura	7.85%	20.52%	6.73%	7.05%	3.21%	0.73%
Greenacres	6.48%	16.19%	4.99%	16.37%	11.26%	0.56%
Royal Palm Beach	8.59%	19.97%	6.93%	15.85%	2.05%	1.85%

Source: Adopted Fiscal Year 2005-06 Budget for each municipality.

Ad valorem taxes for the comparable sample municipalities were purposefully omitted as a selected revenue source. Rather, ad valorem tax revenue will fund the operating expenses not covered by the other revenue sources. The difference will establish the minimum amount of ad valorem tax revenue necessary for possible incorporation viability. From that, the minimum millage rate required to generate the necessary ad valorem tax revenue will be calculated.

Utilizing selected expense data and selected revenue data for each comparable municipality, Table 24 outlines the corresponding per capita expense and revenue calculation for each comparable municipality. Using the per capita expense and revenue calculation for each comparable municipality, Table 24 also outlines the Study Area's estimated expenses and revenues based on the Study Area's average population projection estimation for 2006 to calculate. Finally, Table 24 identifies the minimum millage rate required to generate the necessary amount of ad valorem tax revenue needed to absorb the uncovered difference between the Study Area's estimated expenditures and estimated revenues.

Table 24
Estimated Expenditures, Revenues, and Necessary Millage (FY 2005-06), Scenario I

	Comparable Municipality	Per Capita for Comparable Municipality⁴	Estimate for Study Area⁵	Millage Necessary for Study Area to Cover Difference⁶
Aventura				
Selected Expenditures ¹	\$20,868,667	\$740	\$21,947,354	
Selected Non-Ad Valorem Revenue ²	\$12,699,000	\$450	\$13,355,402	
Uncovered Difference ³			\$8,591,951	
				6.2591 mills
Greenacres				
Selected Expenditures ¹	\$18,249,327	\$598	\$17,730,530	
Selected Non-Ad Valorem Revenue ²	\$11,642,405	\$381	\$11,311,432	
Uncovered Difference ³			\$6,419,099	
				4.6762 mills
Village of Royal Palm Beach				
Selected Expenditures ¹	\$16,362,784	\$559	\$16,588,701	
Selected Non-Ad Valorem Revenue ²	\$9,954,839	\$340	\$10,092,283	
Uncovered Difference ³			\$6,496,418	
				4.7325 mills

¹ Source: Calculated in Table 21 using each comparable sample municipality.

² Source: Calculated in Table 22 using each comparable sample municipality.

³ Calculated by subtracting selected expenditures from selected non-ad valorem revenues.

⁴ Calculated by dividing each comparables Selected Expenditures and Selected Non-Ad Valorem Revenue by each comparable's estimated population as reported by the Florida League of Cities, Inc. in "The Florida League of Cities 2005-2006 Membership Directory."

⁵ Calculated by multiplying the Per Capita for Comparable Municipality expenditure and revenue by the Study Area's 2006 average population projection estimation.

⁶ Calculated by multiplying the Uncovered Difference by 1000 to align with the millage rate system of per \$1000 dollars of value, and then dividing the product by the Study Area's taxable value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

The above selected expense categories and selected revenue sources do not represent a comprehensive list of all services provided or all revenue resources utilized. Moreover, there is no assumption that any of the included revenue sources or expenditures will be utilized in part or in whole by the Study Area's local government should incorporation be sought. Discretion for such a decision rests solely with the Study Area's local government and/or Santa Rosa County. The only purpose behind the inclusion of these recurring revenue sources and recurring expenditures is to better predict the minimum amount of ad valorem tax revenue necessary for possible incorporation viability.

It should be noted that capital improvements are not included nor calculated within this financial analysis. Such expenditures are sometimes large, one-time expenditures. Additionally, these expenditures are primarily unique to a particular municipality. Therefore, because such expenditures are not general enough to be transposed in every budgeting scenario, capital improvement expenditures were purposefully omitted from this financial analysis.

It should also be noted that start-up costs associated with incorporation, such as office space, buildings, facilities, vehicles, and equipment are also not included nor calculated within this financial analysis. Should incorporation be sought, the Study Area's local government would need to establish a strategy plan to provide for these initial start-up costs, such as a bonding program for capital expenditures, service provider contracts, and/or private borrowing from a financial lender.

AREA FISCAL CONCLUSION, SCENARIO I

Based on the estimated calculations tabulated in Table 24, the Study Area will need to generate, at a minimum, between \$10 and \$13.3 million in non-ad valorem revenue to fund and provide select municipal services. These non-ad valorem revenue sources could include but are not necessarily limited to franchise fees, utility taxes, licensing and permitting revenue, revenue sharing and usage taxes, service charges and fees, and fine and forfeiture revenue. Other less assured possible sources of non-ad valorem revenue include grants and interest on investments. Among these revenues, some revenue sources (fines, permits, service charges, etc.) may be set and collected directly by the municipality. Other revenue sources (sales taxes, state revenue, etc.) may be set, collected, and re-allocated to municipality by the County and/or State of Florida.

In addition to the non-ad valorem revenue, the Study Area will need to generate enough ad valorem revenue to absorb the uncovered difference between the Study Area's estimated expenditures and estimated revenues. Should incorporation be sought, the Study Area will need to generate, at a minimum, between \$6.49 and \$8.59 million in ad valorem revenue to fully support the Study Area's incorporation. Thus, the Study Area would have to impose, at a minimum, approximately 4.6762 to 6.2591 additional mills to the current millage rate tax structure. Table 25 and 26 outline the taxing effects generated from the additional necessary millage. Table 25 outlines the estimated taxable values and resulting possible municipal tax revenue using each of the three estimated necessary millage rates individually.

Table 25
Study Area Estimated Taxable Value and Tax Revenue, Municipal Millage Only (FY 2005-06), Scenario I

	Population ¹	Taxable Value ²	Per Capita Tax Value ³	Estimated Municipal Millage Rate ⁴	Estimated Municipal Tax Revenue ⁵
Study Area	29,665	\$1,476,042,796	\$49,757	6.2591	\$8,591,991
				4.6762	\$6,419,112
				4.7325	\$6,496,396

¹ Calculated by averaging the Bureau of Economic and Business Research based Population Projection Estimation and the U.S. Census Bureau based Population Projection Estimation for 2006.

² Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Source: Calculated in Table 24 using each comparable sample municipality.

⁵ Calculated by multiplying the Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the appropriate millage rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

Table 26 outlines the estimated taxable value and resulting possible tax revenue using each of the three estimated necessary millage rates in conjunction with the current Santa Rosa County millage rate.

Table 26
Study Area Estimated Taxable Value and Tax Revenue (FY 2005-06), Scenario I

	Population ¹	Taxable Value ²	Per Capita Tax Value ³	Estimated Millage Rate ⁴	Estimated Tax Revenue ⁵
Study Area	29,665	\$1,476,042,796	\$49,757	20.5146	\$28,160,798
				18.9317	\$25,987,919
				18.9880	\$26,065,204

¹ Calculated by averaging the Bureau of Economic and Business Research based Population Projection Estimation and the U.S. Census Bureau based Population Projection Estimation for 2006.

² Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Calculated by adding Santa Rosa County Total Millage Rate of 14.2555 with each estimated Millage Necessary for Study Area to Cover Difference as calculated in Table 24 using each comparable sample municipality.

⁵ Calculated by multiplying the Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the appropriate millage rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

To achieve the calculations in Table 26 and collect the minimum necessary millage to support the Study Area's incorporation, an increase in tax revenue of approximately 32.80% to 43.91% will be necessary.

AREA FISCAL CALCULATIONS, SCENARIO II

Utilizing the Fiscal Year 2005-06 budget for each comparable municipality, Table 27 outlines select expenditure categories and corresponding expense amounts as associated with the unique needs and specific services identified for the Study Area.

Table 27
Comparable Municipal Expenditures (FY 2005-06), Scenario II

Select Categories	Aventura	Greenacres	Village of Royal Palm Beach
Public Safety		\$3,250,497	\$200,000
Fire Control			\$200,000
EMS		\$3,250,497	
Community Development	\$1,812,516	\$1,412,018	\$1,113,394
Planning & Development		\$582,871	\$753,894
Inspection & Permitting & Code & Enforcement		\$829,147	\$359,500
Community Services	\$4,634,766	\$3,764,852	\$5,129,447
Public Works		\$245,334	\$2,384,249
Parks		\$521,128	\$1,365,164
Recreation/Leisure		\$1,307,687	\$1,133,361
Cultural			\$246,673
Streets & Roads & Bridges		\$665,905	
Other/Non-designated	\$4,634,766	\$1,024,798	
General Government	\$2,695,350	\$2,783,925	\$2,468,445
Executive (Manager)	\$769,807	\$421,162	\$595,438
Legislative (Mayor, Board, Council, Commission)	\$114,587	\$184,475	\$203,816
Administrative (Clerk)	\$274,236	\$158,250	
Finance (Accounting, etc.)	\$1,280,720	\$1,383,278	\$1,177,250
Legal (General Counsel, etc.)	\$256,000	\$134,391	\$295,000
Human Resources		\$502,369	\$196,941
Non-Departmental/Miscellaneous	\$1,346,000	\$865,513	\$1,850,598
Solid Waste		\$865,513	
Library			
Other/Non-designated	\$1,346,000		\$1,850,598
Total Expenditures for Selected Categories	\$10,488,632	\$12,076,805	\$10,761,884

Source: Adopted Budget Fiscal Year 2005-2006 for each municipality.

*Other/Non-designated expenditure category encompasses various expenses including copier machine costs, postage, communication services, hurricane/storm expenses, operating supplies, commodities, insurance, etc.

Table 28 outlines the corresponding per capita expense and revenue calculation for each comparable municipality utilizing the select expenditure categories and corresponding expense amounts as associated with the unique needs and specific services identified for the Study Area. Table 28 also identifies the corresponding per capita expense and revenue calculations for each, which are then utilized to outline the Study Area's estimated expenses and revenues based on the Study Area's average population projection estimation for 2006 to calculate. Finally, Table 28 identifies the minimum millage rate required to generate the necessary amount of ad valorem tax revenue needed to absorb the uncovered difference between the Study Area's estimated expenditures and estimated revenues as determined utilizing the select expenditure categories and corresponding expense amounts as associated with the unique needs and specific services identified for the Study Area.

Table 28
Estimated Expenditures, Revenues, and Necessary Millage (FY 2005-06), Scenario II

	Comparable Municipality	Per Capita for Comparable Municipality ⁴	Estimate for Study Area ⁵	Millage Necessary for Study Area to Cover Difference ⁶
Aventura				
Selected Expenditures ¹	\$10,488,632	\$372	\$11,030,782	
Selected Non-Ad Valorem Revenue ²	\$12,699,000	\$450	\$13,355,402	
Uncovered Difference ³			-\$2,324,620	N/A
Greenacres				
Selected Expenditures ¹	\$12,076,805	\$396	\$11,733,482	
Selected Non-Ad Valorem Revenue ²	\$11,642,405	\$381	\$11,311,432	
Uncovered Difference Remaining ³			\$422,051	0.3075 mills
Village of Royal Palm Beach				
Selected Expenditures ¹	\$10,761,884	\$368	\$10,910,471	
Selected Non-Ad Valorem Revenue ²	\$9,954,839	\$340	\$10,092,283	
Uncovered Difference Remaining ³			\$818,188	0.5960 mills

¹ Source: Calculated in Table 27 using each comparable sample municipality.

² Source: Calculated in Table 22 using each comparable sample municipality.

³ Calculated by subtracting selected expenditures from selected non-ad valorem revenues.

⁴ Calculated by dividing each comparables Selected Expenditures and Selected Non-Ad Valorem Revenue by each comparable's estimated population as reported by the Florida League of Cities, Inc. in "The Florida League of Cities 2005-2006 Membership Directory."

⁵ Calculated by multiplying the Per Capita for Comparable Municipality expenditure and revenue by the Study Area's 2006 average population projection estimation.

⁶ Calculated by multiplying the Uncovered Difference by 1000 to align with the millage rate system of per \$1000 dollars of value, and then dividing the product by the Study Area's taxable value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

The above selected expense categories and selected revenue sources do not represent a comprehensive list of all services provided or all revenue resources utilized. Moreover, there is no assumption that any of the included revenue sources or expenditures will be utilized in part or in whole by the Study Area's local government should incorporation be sought. Discretion for such a decision rests solely with the Study Area's local government and/or Santa Rosa County. The only purpose behind the inclusion of these recurring revenue sources and recurring expenditures is to better predict the minimum amount of ad valorem tax revenue necessary for possible incorporation viability.

It should be noted that capital improvements are not included nor calculated within this financial analysis. Such expenditures are large, one-time expenditures. Additionally, these expenditures are primarily unique to a particular municipality. Therefore, because such expenditures are not general enough to be transposed in every budgeting scenario, capital improvement expenditures were purposefully omitted from this financial analysis.

It should also be noted that start-up costs associated with incorporation, such as office space, buildings, facilities, vehicles, and equipment are also not included nor calculated within this financial analysis. Should incorporation be sought, the Study Area's local government would need to establish a strategy plan to provide for these initial start-up costs, such as a bonding program for capital expenditures, service provider contracts, and/or private borrowing from a financial lender.

AREA FISCAL CONCLUSION, SCENARIO II

Based on the estimated calculations tabulated in Table 28 utilizing the select expenditure categories and corresponding expense amounts as associated with the unique needs and specific services identified for the Study Area, the Study Area will still need to generate, at a minimum, between \$10 and \$13.3 million in non-ad valorem revenue to fund and provide select municipal services.

As outlined in Table 28, one comparable municipality's calculations indicate that the Study Area can generate sufficient non-ad valorem revenue to fund and provide the select municipal services. With law enforcement services removed from the City of Aventura's comparable expenditure category, calculations indicate that the Study Area will generate enough non-ad valorem revenue to maintain the unique needs and specific services identified for the Study Area.

However, even with the same services removed from their respective expenditure categories, two other comparable municipalities' calculations nonetheless indicate that the Study Area will still need to generate ad valorem revenue to fund and provide the unique needs and specific services identified for the Study Area, and absorb the uncovered difference between the Study Area's estimated expenditures and estimated revenues. As outlined in Table 28, the two other comparable municipalities' calculations estimate that the Study Area will still need to generate, at a minimum, between \$422,000 and \$818,000 in non-ad valorem revenue to fully support the Study Area's incorporation. Thus, the Study Area would have to impose, at a minimum, approximately 0.3075 to 0.5960 additional mills to the current millage rate tax structure. Table 29 and 30 outline the taxing effects generated from the additional necessary millage. Table 29 outlines the estimated taxable values and resulting possible municipal tax revenue using each of the two estimated necessary millage rates individually.

Table 29
Study Area Estimated Taxable Value and Tax Revenue, Municipal Millage Only (FY 2005-06), Scenario II

	Population ¹	Taxable Value ²	Per Capita Tax Value ³	Estimated Municipal Millage Rate ⁴	Estimated Municipal Tax Revenue ⁵
Study Area	29,665	\$1,476,042,796	\$49,757	N/A	N/A
				0.3075	\$422,111
				0.5960	\$818,141

¹ Calculated by averaging the Bureau of Economic and Business Research based Population Projection Estimation and the U.S. Census Bureau based Population Projection Estimation for 2006.

² Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Source: Calculated in Table 28 using each comparable sample municipality.

⁵ Calculated by multiplying the Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the appropriate millage rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

Table 30 outlines the estimated taxable value and resulting possible tax revenue using each of the two estimated necessary millage rates in conjunction with the current Santa Rosa County millage rate.

Table 30
Study Area Estimated Taxable Value and Tax Revenue (FY 2005-06), Scenario II

	Population ¹	Taxable Value ²	Per Capita Tax Value ³	Estimated Millage Rate ⁴	Estimated Tax Revenue ⁵
Study Area	29,665	\$1,476,042,796	\$49,757	14.2555	\$19,568,807
				14.5630	\$19,990,918
				14.8515	\$20,386,948

¹ Calculated by averaging the Bureau of Economic and Business Research based Population Projection Estimation and the U.S. Census Bureau based Population Projection Estimation for 2006.

² Source: Santa Rosa County Property Appraiser, "Geographical Information System," (2005).

³ Calculated by dividing Taxable Value by Population.

⁴ Calculated by adding Santa Rosa County Total Millage Rate of 14.2555 with each estimated Millage Necessary for Study Area to Cover Difference as calculated in Table 28 using each comparable sample municipality.

⁵ Calculated by multiplying the Taxable Value (\$1,476,042,796 as determined from the Santa Rosa County Property Appraiser Geographical Information System, 2005) by the appropriate millage rate as applied per \$1,000 of value, minus a cautionary 7% for assumed non-collection and/or discounts for early payment (\$103,322,996).

To achieve the calculations in Table 30 and collect the minimum necessary millage to support the unique needs and specific services associated with the Study Area's incorporation, an increase in tax revenue of approximately 0.00% to 4.18% will be necessary.