

TOWN OF FORT MYERS BEACH — 2008 PROPOSED COMPREHENSIVE PLAN AMENDMENTS

Application #: 2008-01-TEXT

Description: Update the Capital Improvements Element to comply with new statutory requirements, including the annual update to the five-year schedule of capital improvements

Pages to be changed: Proposed changes are attached; they affect nearly every page of this element.

Discussion in E/A Report (adopted on Jan 16 '07): From Page 64–65: “C. Capital Improvements Element Updates
“New legislation in 2005 legislature strengthened the “financial feasible” requirement for capital improvement programs. “Financial feasibility” is now defined in state statutes. The existing requirement for annual updates of the comprehensive plan's five-year schedule of capital improvements has been strengthened by adding penalties for non-compliance; the procedural requirements for this update have been reduced. The comprehensive plan must be modified to comply with the new requirements by December 1, 2007. [NOTE—the statute has been amended to change this date to December 1, 2008]
“The comprehensive plan has been updated five times to revise its five-year schedule of capital improvements (see page 74 of this report).”

Additional discussion: This element has become very outdated. The attached draft contains a complete revision, in addition to making the necessary changes to comply with the 2005 state legislation. For details about the requirements of the new legislation, please refer to these publications:

- www.dca.state.fl.us/fdcp/dcp/publications/AnnualUpdateGuideCIE81606.pdf
- www.dca.state.fl.us/fdcp/DCP/publications/CIEbpm.pdf

Action by LPA: During a public hearing on March 18, 2008, the LPA recommended that the Town Council approve this element with a number of clarifying changes (those changes were later incorporated into this report). The vote was 6 to 0; Alan Mandel was absent. The minutes of the public hearing are attached.

Updates since LPA hearing: This element has been further updated since the LPA public hearing to reflect the latest information available from the 2008/2009 budget process, including a revised five-year schedule of capital improvements.

Action by Town Council: During a public hearing on November 17, 2008, the Town Council voted unanimously to transmit this amendment for state review.

DCA Objection D-11: “The proposed amendments do not revise the Capital Improvements Element to establish concurrency management system requirements for water supply, transportation, and schools that are consistent with Sections 163.3180(2)(a and c) and 1623.3180(13)(e), F.S.”

“Capital Improvements Element Policy 11-B-5 (existing policy) establishes requirements for the Town's concurrency management system. Policy 11-B-5 allows public facilities for transportation and schools to meet concurrency if the necessary facilities are in place and available to serve the development at the time of the issuance of the certificate of occupancy.

- Policy 11-B-5 is inconsistent with Section 163.3180(2)(c), F.S., because Policy 11-B-5 does not ensure that transportation facilities needed to serve new development shall be in place or under actual construction within 3 years after the local government approves a building permit or its functional equivalent that results in traffic generation.
- Policy 11-B-5 is inconsistent with Section 163.3180(13)(e), F.S., because Policy 11-B-5 does not ensure that adequate school facilities will be in place or under actual construction within 3 years after the issuance of final subdivision or site plan approval, or the functional equivalent.”

DCA Recommendation: “Revise Capital Improvements Element Policy 11-B-5 to address concurrency for transportation consistent with Section 163.3180(2)(c), F.S.”

“Revise Capital Improvements Element Policy 11-B-5 to address concurrency for schools consistent with the requirements Section 163.3180(13)(e), F.S.”

Response to DCA: This objection and recommendation do not identify any specific shortcoming with Policy 11-B-5, yet they insist that this policy be modified.

The only hint in either statement may be the statutory references about new transportation and school facilities needing to be “in place or under actual construction within 3 years.” Policy 11-B-5 does not allow a 3-year grace period, which is a leniency which is now authorized by Florida Statutes. Nothing in that statutory revision implies that a local government must offer this grace period, merely that it would now be legal for them to do so (and to offer a 1-year grace period for parks/recreation).

To avoid a legal dispute with DCA over this minor matter, Policy 11-B-5 is now proposed to be amended to add the statutorily-authorized grace periods.

DCA Objection D-12: “The Capital Improvements Element update to the Five-Year Schedule of Capital Improvements is not supported by appropriate data and analysis addressing the public facilities (transportation, sanitary sewer, solid waste, parks and recreation, and stormwater/drainage) that are needed to maintain the adopted level of service standards through to fiscal year 2012/13.”

DCA Recommendation: “Support the amendment with data and analysis addressing the five-year projected operating level of service of the public facilities and identify the need for any public facilities improvements that are to meet the adopted level of service standards. If capital improvements are needed to public facilities in order to achieve and maintain the adopted level of service standards, then revise the Five-Year Schedule of Capital Improvements to include financially feasible public facility projects that are needed to achieve and maintain level of service.”

Response to DCA: This analysis is found on Pages 11-15—11-22. No capital improvements are required to achieve or maintain the adopted level of service standards, so no revisions are needed to the Five-Year Schedule of Capital Improvements.

Proposed Final Action: The Town Council should adopt this revised amendment, as described above, as part of Ordinance 09-03.

NOTE: Minor arithmetic errors have been corrected in Tables 11-5 and 11-7, and new changes to the potable water level of service in the Utilities Element are now reflected here in Policy 11-B-1.

Final Action: The Town Council adopted this revised amendment on August 17, 2009, as part of Ordinance 09-03. (Text shown in red is new or has changed since the initial transmittal of this amendment in January 2009.)

CAPITAL IMPROVEMENTS ELEMENT

INTRODUCTION

This Capital Improvements Element evaluates the public facilities proposed in all other elements of this comprehensive plan. Specifically, this element:

- identifies various parties with fiscal responsibility for proposed capital improvements;
- analyzes the town’s fiscal capability to carry out capital improvements;
- establishes financial policies for capital improvements; and
- presents a schedule for funding and construction that balances concurrency requirements with other capital improvement that are identified in this plan; and
- meets the additional financial feasibility requirements adopted by the state legislature in 2005.

“Capital improvements” are projects to build or improve major assets that have long-term value, such as buildings, roads, and parks.¹ This element identifies revenue sources that could be used for capital improvements, and presents criteria for setting priorities among the proposed projects. (All projects to be funded must be consistent with the comprehensive plan.)

¹ “Capital improvement” means physical assets constructed or purchased to provide, improve or replace a public facility and which are large scale and high in cost. The cost of a capital improvement is generally nonrecurring and may require multi-year financing. For the purposes of this rule, physical assets which have been identified as existing or projected needs in the individual comprehensive plan elements shall be considered capital improvements. [Rule 9J-5.003(12), FAC] See Policy 11-A-6 of this plan.

This element provides the basis for creating a capital budget updating a Capital Improvements Program (CIP every year during the town’s regular budget process. The capital budget for each year is the first year of a revised five-year Capital Improvements Program (CIP).

Like this element, the CIP will contain a balanced set of revenues and capital expenditures for the next five years. After adoption each year, the five-year list of projects in the new CIP will continue to be incorporated as an update to this element. This element has been previously updated five times to revise the five-year schedule of improvements:

Table 11-1 – Prior Updating of Five-Year Schedule of Improvements

<u>Application Number:</u>	<u>Adopting Ordinance:</u>	<u>Effective Date:</u>
<u>2000-1-TEXT</u>	<u>00-15</u>	<u>11/21/2000</u>
<u>2001-1-TEXT</u>	<u>01-07</u>	<u>11/21/2001</u>
<u>2002-1-TEXT</u>	<u>02-07</u>	<u>11/15/2002</u>
<u>2003-1-TEXT</u>	<u>03-13</u>	<u>3/8/2004</u>
<u>2004-1-TEXT</u>	<u>04-13</u>	<u>5/3/2005</u>

The process of preparing this element and the CIP allows the community to be involved in implementing this comprehensive plan. Information is made available to everyone regarding when and where public projects should be expected. This process results in a reasonable multi-year spending plan, with public monitoring of whether adopted levels of service are being met (through a concurrency management system, to be discussed below). This process forces priority-setting across the entire spectrum of possible projects, allowing a realistic evaluation of what the public wants and can afford.

FINANCIAL ISSUES AT FORT MYERS BEACH

~~Two~~ Twelve years after incorporation, many local policies are still evolving. ~~The emerging~~ Today's financial policies mainly reflect the promise of a “bare-bones” government that won the support of voters to create the town in late 1995. The intent was to increase local control with a minimum of duplication. The result has been a small government with few employees, a limited budget, and extensive “contracting out” of services to public and private entities, although this approach continues to be evaluated. The town has thus far been successful in its efforts to incubate and spin off initiatives rather than attempting to solve all problems with its own resources. The town's charter requires this enterprising approach because it severely limits public debt for capital improvements.

~~Even though the town government is still new, its vision for the future has evolved over nearly a decade. Previous governmental efforts included:~~

- ~~■ the Fort Myers Beach Land Use Plan Committee, which convened in 1989 and whose plan became Goal 18 of the Lee County Comprehensive Plan; and~~
- ~~■ the Estero Island Community Redevelopment Agency, under the auspices of Lee County, which created a redevelopment plan covered the entire island. Capital needs were refined, resulting in the new Times Square pedestrian plaza and colorful sidewalks and land acquisition for a community swimming pool.~~

~~The process of developing the town's first complete~~ Each refinement of a comprehensive plan allows an updated look at the timing and location of future public investments. Vacant developable land makes up less than 3% only 8% of the town's land area (down from 8% at the time of incorporation), and even the few vacant parcels have public services available. Therefore, future public investments will be providing additional services and planning for the inevitable redevelopment of many first-generation buildings as they deteriorate or become obsolete.

Strategic public investments can guide and stimulate private investment to help create the vision of the town's future as articulated in this comprehensive plan.

~~Prior to forming a municipal government,~~ Public services at Fort Myers Beach ~~are~~ were provided through ~~a unique~~ an unusual mix of public, for-profit, and voluntary entities, as discussed in the following sections.

Decentralized Service Providers

The town is served by several independent special districts, each with an independent elected board with its own taxing authority. These include the Fort Myers Beach Library District, the Fort Myers Beach Fire Control District, and the Fort Myers Beach Mosquito Control District. Solid waste collection is contracted out by Lee County to a private firm. Sanitary sewer is provided directly by Lee County. ~~Drinking water is provided by a private firm that operates under the authority of the Florida Public Service Commission.~~ Police protection is provided by the Lee County Sheriff. ~~Lee County DOT has agreed to maintain roads and drainage as requested (using a pre-determined fee schedule), and Lee County administers zoning and issues building permits in accordance with an interlocal agreement.~~ Animal control is also contracted out.

~~All of These arrangements have proven generally satisfactory, although there are many opportunities for fine-tuning or alternatives. The fire district has been through a turbulent period, with an outgoing chairman even recommending that the fire district merge with the town (the town's charter would require an affirmative vote of both the town council and the Fire District Board to do so).~~

~~After the town adopts this comprehensive plan, a new land development code will be required. Since incorporation, Lee County has been administering much of the town's the current land development code under contract to the town., an~~ This

arrangement that has been desirable to the town but which is now being reconsidered by both parties, because of the reasonable cost and good continuity with the past, it has been acceptable to Lee County because the two codes vary only slightly. It would be much more difficult for the county to administer an entirely new code (at least initially), but the benefits of continuity plus the current economies of scale suggest that continued cooperation with Lee County would be in the town's best interest.

Potential Turn-Over of Lee County Facilities

Lee County has continued to operate most of its facilities within the town, but is now discussing the turn-over of at least some in the near future. The most immediate concerns are the town's responsibility to operate the new community swimming pool and the transition of responsibility for operating Bay Oaks community park and recreation center. The swimming pool will be built by the county using park impact fees, but the town, through the non-profit "Build-a-Pool Foundation," will be responsible for operating and maintaining the pool. The county may also wish to transfer maintenance of its other recreation facilities to the town, including the 46 water access points (36 to Gulf beaches and 10 to the Bay side).

Much of the maintenance of Bowditch Point Park, Lynn Hall Park, and the beach accesses is provided from tourist tax revenues. The tourist tax is a 3% rental fee assessed upon any living quarter (motel, house, apartment, or condo) rented for less than six months. Thirty-three percent of the total tourist tax revenues are dedicated to a fund that is used for beach and bay shoreline improvements and maintenance.

Another revenue source is metered parking at Lynn Hall Park (and potentially at the new parking lot at Bowditch Point). The county has considered this revenue as a user fee that offsets maintenance costs for that facility, based on the logic that all users (not just those who stay in lodgings) should help pay for

this maintenance. Tourist taxes cover the gap between the actual cost of maintenance and the parking revenue, thus freeing up tourist tax money for other beach or shoreline projects.

If the town agrees to operate these parks and beach accesses, it should pursue a different user fee concept, one that allocates parking meter revenues for broader but related purposes. These could include community recreation facilities that serve visitors but are not subsidized by the tourist tax (such as additional beach access points), or improved mass transit to relieve peak-season traffic congestion caused by beach users.

Lee County also continues to maintain Estero Boulevard south of Times Square. This comprehensive plan and the subsequent streetscape plan by Wilson Miller contains many suggestions for improving the appearance and functioning of Estero Boulevard, but many they may would require the consent of and considerable funding from of Lee County. If this consent is not forthcoming, the town could request the transfer of responsibility for Estero Boulevard to the town. The Transportation Element identifies many of the costs, benefits, and revenues that would be involved in such a transfer of maintenance responsibility.

The recreational facilities at Bay Oaks, which have been operated by Lee County with cost-sharing by the town, are being transferred to the town. The proposed effective date is October 1, 2009.

POSSIBLE SOURCES OF ADDITIONAL REVENUE

To date, capital improvements on Estero Island have been provided by Lee County, Florida DOT, special districts, and private companies such as Florida Cities Water Company. The town now has the opportunity and the responsibility to select and pay for its own projects. In addition to the current revenue sources (which will be described later in this element), the following revenue sources could be used by the town for capital improvements.

Potential Changes to Impact Fees

[pre-existing text has been moved to “Existing Revenue Sources”]

The town now collects transportation impact fees from new development. These fees are collected when building permits are issued and are used for capacity-enhancing transportation improvements.

Under the current fee schedule, replacing an existing building does not trigger the payment of a new fee. Once the remaining vacant property at Fort Myers Beach has been built upon, the current transportation impact fee program will cease to be a viable funding source for further transportation improvements even though it is apparent that the current transportation system is highly inadequate.

The proposed streetscape improvements to Estero Boulevard would effectively add some capacity to Estero Boulevard, which makes these improvements eligible for transportation impact fees. If a program were devised to charge impacts fees for redevelopment of property, not just for new development, this could become a viable funding source for the streetscape program.

Capacity is enhanced by streetscape improvements in many ways: sidewalks and bike paths get pedestrians out of the roadway and encourage alternate travel modes; drainage

improvements increase capacity during storm events; transit pullouts and/or a dedicated transit lane would reduce vehicle traffic by promoting an alternative mode; and underground utilities are necessary to provide the space in a limited right-of-way for the other improvements.

Because these capacity enhancements are difficult to quantify using normal engineering methods, the existing methodology would have to be updated. The model would be an “improvements-driven” impact fee. Cost estimates for capacity-enhancing elements of the streetscape program would be divided by projected redevelopment activities to determine the gross impact fee cost per unit of development.

For instance, if the town expects to get 50 new residential units each year and another 50 older homes are replaced with much larger units, that combined might be the equivalent of 100 new residential units if the impact fees were based on dwelling size. At an average per unit fee of \$5,000, that would amount to \$500,000 annually. Add another \$450,000 for nonresidential redevelopment, and transportation impact fees might bring in \$950,000. These amounts can be compared to collections from current impact fees, which are summarized in Figure 1.

The town could also consider other types of impact fees to pay for capital improvements that are necessitated by additional development or redevelopment.

Stormwater Utility Fees

A stormwater utility is a branch of municipal government whose sole purpose is stormwater management. Its funds usually come from a separate fee that is charged to owners of developed property, based on a share of the benefit each will receive from the utility. These fees cannot be used for any other purpose. The base fee is often around \$3/month for a typical home. A fee of this level covers stormwater planning, routine maintenance, and minor improvements to the system. Higher fees could

provide funding for the drainage portion of improvements to Estero Boulevard.

The Stormwater Management Element discusses the benefits of establishing a stormwater utility at Fort Myers Beach. That element suggests establishing a monitoring program, an inventory of drainage facilities, and an evaluation (in the form of a stormwater master plan) ~~by the year 2000~~ that will determine the nature of potential improvements to the stormwater system. Such evaluation will provide guidance to the town in determining the appropriate source of funds and mechanism, such as a stormwater utility, to begin carrying out selected stormwater improvements.

Utility (Public Service) Taxes

Utility taxes, also known as public services taxes, are paid by end users of specific services. These optional taxes may be levied by a municipality at rates up to 10% of the cost of electricity and water. They may also apply to telecommunications, but the 10% maximum applies to only a narrow range of these services; for instance, telephone service is capped at 7%.

One of the greatest difficulties in moving existing power lines underground is the difficulty in finding an equitable way to pay for the substantial one-time cost. A temporary surcharge could be placed on the sale of electricity within town limits, with these funds dedicated to moving the power lines along Estero Boulevard underground. This would be a logical funding source because of the link between electricity usage and improvements to the local electrical distribution system.

An FPL surcharge might bring in \$600,000 annually. Residents of unincorporated Lee County already pay such a surcharge. The town could formally agree to sunset this surcharge after 10 to 12 years when sufficient funds have been collected to place all of the Estero Boulevard power lines underground.

One characteristic of this method is that year-around residents would pay a greater share of the cost than if the same dollar amount was raised through ad valorem taxes (which are levied on the value of property, whether or not the property is occupied throughout the year). Unlike ad valorem taxes, the surcharge would not be deductible on federal income tax returns.

The City of Fort Myers levies this tax at the maximum rate of 10% of the cost of electricity, water, and bottled gas and 7% for telecommunications. Proceeds are pledged to repay the city's revenue bonds. The City of Cape Coral, Bonita Springs, and Sanibel does not charge any public services taxes.

~~In 1997 the Sanibel City Council adopted an ordinance imposing a public services tax with rates identical to those in Fort Myers. The proceeds were to be used to expand the Sanibel sewage collection system to serve the entire island and improve the treatment plant. The Sanibel ordinance included a clause that would repeal the tax if voters approved an ad valorem tax of up to 0.75 mills for the same purpose in a 1998 referendum. Voters overwhelmingly approved the referendum, effectively canceling the public services tax.~~

In 1997 the Town of Fort Myers Beach had proposed to implement a public services tax (then referred to as a utility tax) at a rate of 3% of the cost of electricity, and has an ordinance in place (but set at 0%). The Town Council placed the 3% rate before the voters in a November 1997 referendum. This tax, which would have generated about \$260,000 annually for land acquisition, was defeated: at the polls and has not been reconsidered since that time; however, it still remains an option for the town.

Dedicated Ad Valorem Millage

For many years Lee County has collected separate ad valorem millages that are dedicated solely to capital improvements. For instance, since 2000 the county has collected ad valorem taxes from all property owners at the following rates:

- FOR GENERAL CAPITAL IMPROVEMENTS: 0.5124 per \$1,000 of taxable value of property.
- FOR CONSERVATION ACQUISITIONS ONLY: 0.5000 per \$1,000 of taxable value of property (for “Conservation 20/20”)

Since incorporation, the town has decreased its annual property tax levels from 1.47 mills to 0.7093 mills. Rising property values and fiscal prudence have made these decreases possible. By not continuing to lower the tax rate as property values rise, additional funds could be generated and dedicated to, for example, improving Estero Boulevard. For instance, if the town had not decreased its millage from 0.85 to 0.75 in 2005, an additional \$250,000 would have been generated that year alone.

The town has the same ability as Lee County to establish a separate millage for capital improvements. A similar alternative would be to dedicate a fixed portion of ad valorem taxes to a specific project such as improvements to Estero Boulevard. In this manner, that portion of the millage would have no reason to exist once the specific improvements have been completed.

Franchise Fees

Franchise fees are very similar to utility (public service) taxes. Both ultimately appear on local customers' utility bills. Utility tax rates can float each year by action of the town council, whereas franchise fees are set at fixed rates for the duration of the franchise period.

~~Additional Franchise fees are a potential source of revenue to the town; they~~ are charged to the service provider for the right to

provide certain services and use town rights-of-way. Franchise fees are negotiated with various private companies (as authorized by Section 180.14 of the *Florida Statutes*) and are based on a percentage of the service provider's gross revenue.

In August of 1997 Lee County recently added a 3% franchise fee for electric service which is anticipated to now yields \$7.5 \$4 million annually for the unincorporated area (countywide). The town has never entered into a similar franchise agreement; electric bills within the town do not reflect a franchise fee and the town receives no revenue from Florida Power and Light. If the town were to charge the same 3% franchise fee as Lee County, it would yield over \$400,000 per year; at 6%, it would yield over \$800,000.

The Cities of Fort Myers, Cape Coral, and Sanibel charge franchise fees for electricity, telecommunications, cable television, and garbage hauling. At present, the only franchise fees charged by the town are for ~~cable television and~~ garbage hauling, which yields about \$80,000 per year.

Parking Fees

Currently, The town collects revenue from parking meters under the bridge and at the small public lot between Wings and La Playa. Revenue from these meters during FY 07/08 the current year is expected to be \$380,000 \$22,000. The Community Design Element calls for creating additional on-street parking downtown, all of which would produce additional revenue if the spaces are metered. These meters serve to manage parking demand so that store employees and beachgoers are directed to long-term parking spaces rather than using the prime on-street parking that is reserved for shorter-term use. The meters are also a minor source of revenue after paying the substantial costs of administration and enforcement, but their main purpose is parking management.

Community Redevelopment Agency

Prior to incorporation, Estero Island was one of the designated community redevelopment areas of the Lee County CRA. The CRA had a list of community capital projects to be funded by its “tax-increment fund” (TIF). Each year this fund received the incremental increases in ad valorem revenue caused by increases in the tax base since the CRA program began. In all, \$2,590,387 million from this source was used on Estero Island.

After incorporation However, TIF dollars were are no longer being set aside by the county. The Estero Island CRA had funds \$256,534 remaining in its budget after completion of the Times Square project; the county later agreed to ~~town has requested~~ that Lee County transfer unused ~~these~~ funds to the town. These funds were used to complete for use in the next phase of that project, the improvements to Old San Carlos Boulevard.

In place of the county’s CRA program, the town decided to establish ~~has considered establishing~~ a Downtown Redevelopment Agency (DRA) which would encompass just the Times Square area down to the Diamondhead Resort (rather than the entire island). ~~While lingering issues with the county are being resolved, the town will begin implementing further downtown improvements as spelled out in the Community Design Element. Special districts can be established to aid in funding (see discussion below):~~ A redevelopment plan was drafted around 1998 to initiate this process, but the incremental increases in ad valorem revenue have apparently never been set aside.

If the town still wishes to pursue a DRA, it would establish a new tax-increment fund to capture the increases in tax revenues generated after the new district is formed. ~~In order to capture the increment for the year beginning January 1998, an ordinance freezing the tax base would have to be adopted by June 30, 1998.~~ The town council would create a Redevelopment Trust Fund by ordinance (which must also must provide for funding

the remainder of the redevelopment plan). However, a small DRA would generate relatively little revenue, even with the funds diverted from Lee County. ~~if county approval were obtained.~~ The town can set aside its own ~~the same~~ revenues through its budgeting process, avoiding the administrative structure of a DRA, if it is willing to forgo the funds that would be diverted from Lee County and any other taxing authorities that are subject to tax increment financing.

Special Assessments Districts

The town council can establish a special assessment district within a defined area of the island to fund maintenance and/or capital improvements there, analogous to a county. ~~The council is considering this concept, often called a Municipal Service Taxing or Benefit Unit, for use in the downtown area. It~~ A special assessment could fund continuing maintenance of existing and future improvements, or could be used to build specific capital improvements such as underground utilities or sidewalks. Special assessments districts are also ideal for specialized projects such as maintenance dredging of private canals.

There are two requirements for the imposition of a valid special assessment. First, the property assessed must derive a special benefit from the improvement or service provided; and second, the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.

Special assessments can take two forms, or be a combination of the two. *Taxing* districts usually pay for on-going maintenance with a levy based on the assessed value of property. *Benefit* districts usually pay for one-time capital improvements, based on the acreage or front-footage of properties being benefitted by the improvement. The council can establish these assessments districts without a referendum.

User Fees

User fees may be charged for miscellaneous services ranging from recreational programs to photocopying. Such fees are intended to offset costs rather than provide revenue to support other governmental functions. User fees will pay for some of the cost to operate the Bay Oaks Recreation Center and the new swimming pool. User fees rarely pay for capital improvements.

Borrowing

The town charter greatly restricts borrowing. It requires the voters to approve, by referendum, the following types of borrowing:

- entering into lease purchase contracts or any other unfunded multi-year contracts for the purchase of real property or the construction of any capital improvement, the repayment of which extends in excess of thirty-six months (unless mandated by state or federal governing agencies); and
- the issuance of revenue bonds.

Revenue bonds are bonds financed by those directly benefitting from the improvements (for example, a toll bridge or a metered parking lot). The debt is paid off through charges to users of the public facilities built with bond proceeds.

A charter amendment on the November 1997 ballot would have removed restrictions on the use of bonds for the purchase of land or capital improvements, but the amendment was defeated.

In 2007, voters authorized refinancing of the town's water utility in accordance with charter requirements.

Lee County Transportation Funds

Lee County still maintains Estero Boulevard from Times Square to Big Carlos Pass and is very aware of its overcrowding and general poor condition. The drainage portion of improvements to Estero Boulevard is very considerable. A partnership with Lee County is possible whereby Lee County would pay the costs of drainage retrofits, road surfacing, and sidewalks/bike paths while the town pays for other costs.

Resort Taxes

Some towns with substantial tourist economies are allowed to tax visitor spending to pay for traveler-related services whose costs would otherwise inundate the community. For instance, the State of Montana allows such local governments to levy a 3% tax on goods and services typically sold to tourists (if approved in a local referendum); this tax applies to motels, campsites, restaurants, fast-food stores, and bars, but not to groceries.

Resort taxes are similar in some ways to tourist development taxes, such as the ~~5%~~ 3% tax that Lee County charges on transient rentals. However, tourist development taxes can only be used for statutorily defined purposes which do not include most local services used by visitors. Tourist development taxes are often used for tourism promotion, convention centers, and beach-related improvements.

Certain communities in Florida are allowed to levy a form of resort tax. For instance, Miami Beach charges 2% on retail sales of food and beverages, although it may not spend these funds for many of the purposes allowed in Montana. The Town of Fort Myers Beach cannot impose even this limited resort tax without its own special act of the state legislature (or a narrowly drawn general law such as used by Miami Beach, as found in Chapter 67-930, *Laws of Florida* as amended).

EXISTING REVENUE SOURCES

A basic principal of capital budgeting is that revenues and expenditures must be balanced (even though initial revenues may be obtained through borrowing). Therefore, until such time as any ~~since many~~ of the additional revenue-generating ideas suggested above have ~~not yet~~ been implemented, the ~~first~~ five-year schedule of capital projects is limited to that which can be paid for through existing revenue sources. This Capital Improvements Element will be updated annually to reflect additional funding sources as they are implemented, and to reflect corresponding changes to the list of expenditures. Major existing revenue sources; and funding mechanisms currently available to the town for capital improvement financing; are described below. These funds are available for capital improvements only to the extent they are not needed for annual operating expenses.

Ad Valorem Property Taxes

Ad valorem taxes are an annual tax on the value of real estate (and some personal and business property). Assessed values are determined each year by the county property appraiser. The rate of taxation, or “millage rate,” is determined annually by each governing body with taxing authority. The millage rate is the amount to be paid for each \$1,000 of value (i.e. a millage rate of 1.0 would result in \$1 for each \$1,000 of assessed value).

**11-2a — Trends in Assessed Valuation
(Based on Fort Myers Beach, 1996 – 2008 Fire District), 1992 – 96**

	<u>-----Millage-----</u>		<u>Fort Myers Beach</u>	<u>Annual</u> <u>increase in</u> <u>taxable value</u> <u>(calculated)</u>	<u>Percent</u> <u>annual</u> <u>increase</u> <u>(calcu- lated)</u>	<u>Total</u> <u>ad valorem</u> <u>taxes</u> <u>levied</u>
	<u>Town</u>	<u>Street</u> <u>Lighting</u> <u>District</u>	<u>Fire District</u> <u>(Total Assessed</u> <u>Valuation)</u> <u>Taxable</u> <u>value</u>			
1992			\$1,179,274,640	\$42,410,230	3.7%	
1993			\$1,241,651,740	\$62,377,100	5.3%	
1994			\$1,275,742,700	\$34,090,960	2.7%	
1995			\$1,314,595,750	\$38,853,050	3.0%	
1996			\$1,353,858,150	\$39,262,400	3.0%	
Average				\$43,398,748	3.6%	
1996	1.0604	0.0357	\$1,097,095,620			\$1,163,360
1997	1.0961	=	\$1,149,535,220	\$52,439,600	4.8%	\$1,260,006
1998	1.0961	=	\$1,192,180,910	\$42,645,690	3.7%	\$1,306,750
1999	1.0961	=	\$1,289,215,850	\$97,034,940	8.1%	\$1,413,109
2000	1.0961	=	\$1,387,116,900	\$97,901,050	7.6%	\$1,520,419
2001	1.0400	=	\$1,616,283,120	\$229,166,220	16.5%	\$1,680,934
2002	1.0400	=	\$1,888,027,310	\$271,744,190	16.8%	\$1,963,548
2003	1.0000	=	\$2,291,140,270	\$403,112,960	21.4%	\$2,291,140
2004	0.8500	=	\$2,656,675,540	\$365,535,270	16.0%	\$2,257,324
2005	0.7498	=	\$3,063,418,220	\$406,742,680	15.3%	\$2,296,951
2006	0.6096	=	\$3,780,475,940	\$717,057,720	23.4%	\$2,304,578
2007	0.6053	=	\$3,910,189,400	\$129,713,460	3.4%	\$2,366,838
2008	0.7093	=	\$3,443,135,660	(\$467,053,740)	-11.9%	\$2,442,216

Cities are limited to 10 mills of ad valorem taxation by Chapter 166.211 of the *Florida Statutes*. Assessed values are reduced by any exemptions allowed by law (such as the \$25,000 homestead exemption and the “Save Our Homes” exemption, and exemptions for widows and widowers, disability, government-owned, and non-profit owned property, including churches). This reduced value is known as the taxable value, which is multiplied by each millage rate levied by a local government to yield the total ad valorem tax bill to each property owner.

The total taxable value of property in the town for 2008 is \$3.4 billion. 1997 is \$1,150,357,320. The current millage rate is 0.7093, which yields about \$2.4 million each year in ad valorem taxes. 1.0961, which is equivalent to the 1996/97 rate of 1.0604 plus 0.0357 mills for the Fort Myers Beach street lighting district (which was previously charged as a separate line item on the Lee County tax bill).

State law requires that revenues be budgeted at only 95% of the full amount, assuming that only 95% of revenues may actually be collected during the year. At this rate, the estimated tax revenue from ad valorem taxes for fiscal year 1997/98 will be \$1,197,861. About 44% 42% of the town's recurring revenues come from ad valorem taxes. Ad valorem taxes can be used to fund both operating costs and capital projects.

Table 11-2a shows recent trends in assessed valuation for the Fort Myers Beach Fire District, which includes the entire Town of Fort Myers Beach, plus land along San Carlos Boulevard to about Pine Ridge Road. The average increase in assessed valuation has been 3.6% since 1992. Based on this history, this plan's forecasts of future ad valorem revenue will be based on a 3% annual increase. Given the recent extreme volatility in real estate values and tax-reform efforts by the state legislature, no increase in ad valorem revenue should be assumed for future years; further decreases are very possible.

The millage rate in recent years has been dropping at a rate roughly corresponding to increases in taxable value, yielding adequate funds to run the general governmental functions of the town. In 2008, the opposite occurred; taxable values dropped and the millage rate was increased. These minor annual adjustments to the millage rate will never generate sufficient funds for substantial capital improvements.

Impact Fees

[relocated from "Potential Sources of Additional Revenues"]

For many years Lee County has required The town requires the payment of impact fees before issuing building permits. Separate fees are paid to build community parks, regional parks, fire and emergency medical services, schools, and transportation facilities roads that are needed to keep up with the demands of growth. Upon incorporation, the town required the payment of these fees, but there are still questions over their ultimate use. Table 11-2b shows the current impact fee rates, and Figure 1 Table 11-1 shows the total impact fees collected by type and by year since Fiscal Year 00/01. incorporation.

**Table 11-2b — Selected Impact Fee Rates
(as of September 18, 2006)**

	SF <u>home</u>	MF <u>unit</u>	Hotel <u>room</u>	Retail <u>(per 1,000 sq. ft.)</u>	Restaurant
<u>Transportation</u>	\$2,971	\$2,059	\$2,237	\$5,063	\$6,504
<u>Parks – regional</u>	\$631	\$518	\$318	\$0	\$0
<u>Parks – community</u>	\$788	\$591	\$363	\$0	\$0
<u>Fire protection</u>	\$610	\$478	\$501	\$476	\$476
<u>Schools</u>	\$4,309	\$1,704	\$0	\$0	\$0
TOTAL:	\$9,309	\$5,350	\$3,419	\$5,539	\$6,980

Actual charges are slightly higher, reflecting 3% administrative charges

**Table 11-1 — Impact Fees Paid
From Incorporation Through 10-31-97**

<u>Type</u>	<u>Amount Paid</u>
Roads	\$314,725
Community Parks	\$105,698
Regional Parks	\$35,398
Fire/EMS	\$10,675

Road and community park impact fees are traditionally spent in the same districts where they are collected. All community park fees collected through the year 2001 in district 4 will be used to buy land and build the town's new swimming pool. Until completion of the pool, the current arrangement should stay in place.

Regional park impact fees are spent county-wide, but as a practical matter they have been used disproportionately along the coast for beach parks. The county should be asked to turn over regional park impact fees to the town so they could be earmarked towards acquisition of an additional beach access point at the south end of the island.

Road impact fees are more difficult. Since no further road improvements are planned by Lee County on Estero Island, the impact fees collected there will always be used on the mainland. Although mainland roads do benefit town residents, the major impacts are the reverse, with mainland traffic causing acute congestion at Fort Myers Beach during the peak season. Lee County only allows its road impact fees to build new roads (and occasionally bike paths); it will not allow other types of transportation improvements such as mass transit. Since incorporation, the town has modified its transportation should modify the current road impact fee program in favor of a system that can better offset the impacts of further growth, given the town's intractable transportation problems. Instead of limiting expenditures to new roads, the program ~~could be expanded to cover~~ now covers capital improvements such as improved mass transit, better sidewalks, off-island parking areas, and elevating roads to prevent flooding. (However, no operating costs can be paid with any impact fees.)

Fire impact fees are transferred directly to the independent fire district, s, and EMS impact fees are used only for county-wide emergency medical services. The incorporation of the town will not change the way these funds are used. School impact fees are being collected by Lee County and are transferred directly to the school district.

Impact Fee Collections, By Type of Fee

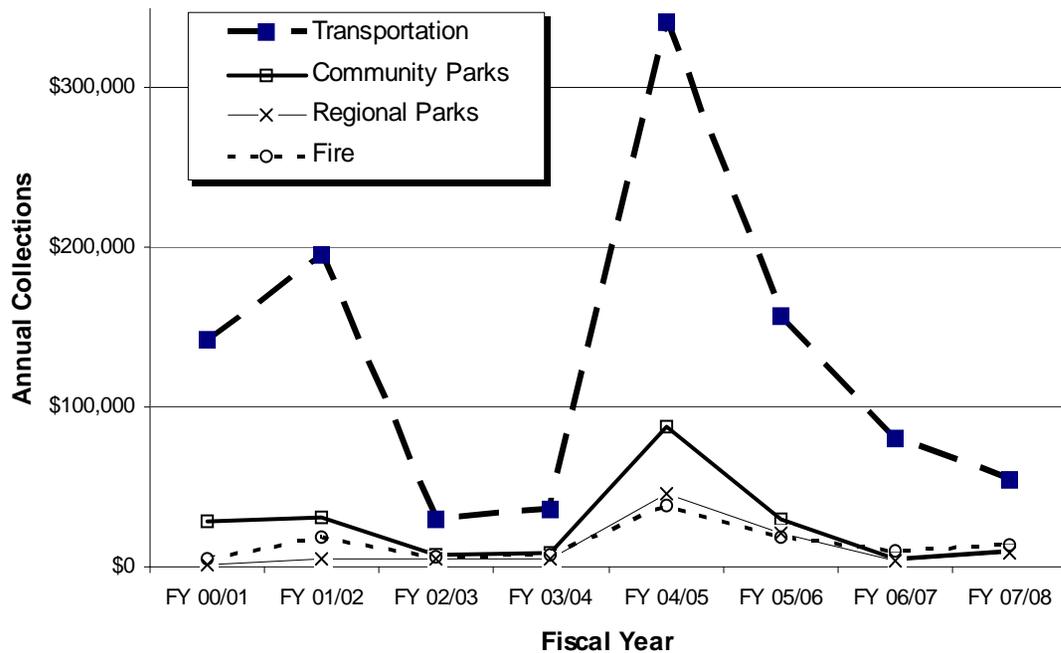


Figure 1

State Revenue Sharing

The state collects certain revenues that are then shared with municipalities and counties. Local shares are distributed according to various formulas found in state statutes. The three major state shared revenue programs are described below.

Municipal Revenue Sharing Program Trust Fund

This fund comes from 1.34% of the state sales and use tax collections, 32.4% of the tax on each pack of cigarettes, plus the 1-cent municipal gas tax, plus 12.5% ~~25%~~ of the state alternative fuel decal user fee. The share for municipalities is determined by a complex formula. For the 08/09 97/98 fiscal year ~~for the town,~~ the forecasted amount for Fort Myers Beach will be \$118,383 ~~\$88,355, budgeted at 95% as \$83,935.~~ About 26.6% ~~35%~~ of this amount results from the municipal gas tax and can be used only for transportation purposes (construction or maintenance), including transportation-related public safety activities.

Local Government Portion of Sales Tax

Revenue for this fund comes from 8.814% ~~9.653%~~ of the state sales tax, which is shared by counties and cities and is distributed using a complex by a population-based formula. Forecasted sales tax revenue for the town is \$516,079 ~~\$406,068~~ for fiscal year 08/09 97/98, ~~budgeted at 95% as \$385,760.~~ These funds are to be used for municipal-wide programs or for municipal utility tax relief (to replace declining ad valorem revenues if applicable). These funds can also be pledged for bond repayment or used directly for capital projects.

Communication Services Tax

The 2000 Florida Legislature restructured seven prior taxes on communications services into a single program. The current tax applies to cable television and telephone service (both cellular and conventional phones).

Municipalities set the rate for a portion of this tax; the current rate set by the town is the maximum allowable (5.22%). The state Department of Revenue collects the taxes and remits the relevant portion monthly. The yield to the Town of Fort Myers Beach has been increasing each year, from \$430,000 in FY 04/05 to an expected total of \$665,029 in 08/09.

Municipal Financial Assistance Trust Fund

This fund ~~generated~~ generates approximately 2 cents per pack of cigarettes (5.8% of the state tax on each pack of cigarettes) distributed to the municipalities by a ratio of each city's population (Cape Coral, Fort Myers, Sanibel, and Fort Myers Beach) to their combined population. These distributions were discontinued in 2000 when this fund was dissolved. Estimated cigarette tax collections for the town for F.Y. 97/98 are \$33,022, budgeted at 95% as \$31,370. These funds are considered to be general revenue and can be used for any public purpose.

County Revenue Sharing

Local Option Gas Taxes

Lee County has a 6-cent local option tax on motor fuel which is shared with the municipalities according to a negotiated percentage specified in interlocal agreements. These funds may be used for general transportation purposes. In addition, the county has imposed a separate additional 5-cent tax on motor fuel, which it distributes according to the same percentages. This portion of the gasoline tax may be used only for transportation expenditures consistent with each municipality's adopted comprehensive plan. The 1996 current distribution among Lee County's cities was ~~is~~ as follows:

- Town of Fort Myers Beach 2.3%
- City of Sanibel 5%
- City of Fort Myers 14%
- City of Cape Coral 23.3%
- Unincorporated Lee County 55.4%

After the incorporation of Bonita Springs, an agreement was reached to share these revenues with the new city using a 50/50 split between population and centerline miles of roads. This same formula was applied to Fort Myers Beach in 2002, reducing the town's percentage from 2.3% to 1.27%. The county committed to using the differential (1.53%) to improve transportation at Fort Myers Beach for at least four years, through FY 07/08. These funds are currently being used by Lee County to pay for the first phase of analysis and design for Estero Boulevard improvements under a contract awarded in December 2007 to McMahan Associates. The interlocal agreement that established these shares expired on September 30, 2008 and is being renegotiated.

The distributed amount to the town for F.Y. 07/08 was \$432,245. 97/98 will be \$608,766, budgeted at 95% as \$578,300. There is no rational reason for Fort Myers Beach's share to be less than half that of Sanibel. The town is attempting to renegotiate the agreement for a fairer apportionment of revenue:

Occupational Licenses/Permits/Fees

For this fiscal year the town has budgeted \$22,300 for this category. Of this amount, \$16,800 is from permits to use the right-of-way for tables in Times Square, \$3,000 is from jet ski and parasail licenses, and \$2,000 is from occupational licenses:

Occupational licenses may be required in addition to otherwise-required professional or contractor's licenses, for doing business within a certain jurisdiction. Lee County imposes an occupational license tax, and is required to apportion these revenues (after administrative expenses and any credit given for municipal license taxes) between the unincorporated area of the county and the incorporated municipalities according to a formula based on population. Currently the Town of Fort Myers Beach share would be 2.31% of the total. Although the town does not currently require local businesses to have a second occupational license to operate within its boundaries, it could do

so. Proceeds of this second license would be retained by the town (except for administrative deductions):

Because the town does not have its own police force, it does not receive any revenue from fines and forfeitures:

Counties and cities charge fees for the processing and issuance of building permits, development orders, and rezonings. Most jurisdictions charge fees in an attempt to recover some of their costs of providing these services; however, subsidies from general revenues are often provided. Currently the town contracts with Lee County for these services. Should the town choose to provide its own services and charge fees, such fees would help cover costs, as they do now, but will not provide a source of revenue that can be used for other purposes:

An annual license tax is levied on all mobile homes and park trailers that are not otherwise subject to ad valorem taxes. The taxes are collected by county tax collectors but distributed based on where the units are located. Fifty percent of this tax goes to the county school board and the remainder to the municipality where the units have been placed. Current records show about 250 mobile homes and trailers in the Town of Fort Myers Beach:

About 38% of the fees paid for alcoholic beverage licenses will be returned to the town, in accordance with Section 561.342 of the *Florida Statutes*. This tax is collected and distributed by the state Division of Alcoholic Beverages and Tobacco:

Franchise Fees

The Town of Fort Myers Beach currently receives 5.5% of gross receipts as a charges franchise fees for cable television and garbage hauling. Budgeted revenues for FY 08/09 are \$80,000. (at 95% of estimates) are \$50,566 and \$20,250 respectively.

Interest Earnings

The town will also invests and reinvest any surplus public funds in its control in any of the several options for investment allowed

by Chapter 166.261 of the *Florida Statutes*. For F.Y. 08/09 97/98, the town is budgeting \$150,000 ~~\$85,000~~ in earnings from interest.

Grants

Since incorporation, the town has been successful in obtaining numerous ~~the following~~ grants:

- Main Street Program — consists of a \$10,000 grant and technical assistance to establish a Main Street program in the downtown area.
- Florida Communities Trust — a grant of \$1,031,100 to acquire the Mound House on Connecticut Street. Over \$2 million in additional grants have been obtained to restore the house and landscape and to create a walk-in archaeological exhibit.
- Approximately \$60,000 in boater improvement funds through WCIND for public docks at Bowditch, the Mound House, and under the bridge; ~~and~~ \$16,000 for boating enforcement; and \$14,000 for a canoe/kayak landing at the Mound House.
- About \$200,000 of state tourism funds for the extension of the Times Square streetscape project.
- Approximately \$2,300,000 from the state and county to acquire the beachfront property of James and Ellie Newton and \$500,000 from the TDC for improvements to create a beach park.

Because of the uncertainty inherent in the grant process, proposed grants, like tax increases that are subject to a referendum, are not considered “committed funding sources.” If a capital improvement is needed to maintain an adopted level of service during the first three years, its funds must be committed.²

If a proposed improvement is not needed to maintain a level of service, or is not scheduled until the fourth or fifth year, it may be funded by a “planned” funding source. Proposed grants or tax

increases that are subject to a referendum may be considered as planned funding sources.³ Once the grant or tax increase is approved, it then becomes a “committed funding source” and can be used for required capital improvements in the first three years.

If a proposed capital improvement is not required to achieve or maintain an adopted level of service, proposed grants or proposed tax increases may be listed as the funding source.

Grant proceeds may also be included as revenue being carried forward (“transfer from fund balance”) if a grant was awarded in a prior year but has not yet been fully expended. Capital improvements funded by such grants may be included anywhere on the five-year schedule of improvements (provided the timing is consistent with the terms of the grant).

Miscellaneous Revenues

In addition to the existing revenue sources described above, the town also receives miscellaneous revenues from sources such as these:

- Local business tax (occupational licenses)
- Mobile home licenses
- Alcoholic beverage licenses
- Permit fees
- Fees for zoning requests
- Assessments for capital projects
- Harborage user fees

Each miscellaneous revenue source is identified in the town’s annual budget. For purposes of this capital improvements element, they are totaled as “Miscellaneous Revenues” and should be budgeted at 95% of the prior year’s actual miscellaneous revenue.

² 9J-5.003(29), *Florida Administrative Code*

³ 163.3177(3)(a)5., *Florida Statutes*

PUBLIC FACILITIES PROPOSED IN THIS PLAN

This section summarizes public facility needs identified in other elements of this comprehensive plan. Public facility needs are divided into two categories: those that are required to maintain concurrency, and others that fulfill a policy requirement and/or are recommended in other elements of this plan. At present, there are no public facility needs related to concurrency.

The following section addresses concurrency requirements by:

- identifying public facilities needed to maintain concurrency;
- analyzing the general fiscal implications of existing deficiencies and future needs;
- estimating the cost of capital improvements needed to mitigate existing deficiencies, replacements, and needs caused by new growth;
- discussing public educational and health care facilities, as required by Rule 9J-5.016; and
- discussing the concurrency process.

After the concurrency discussion, *optional* capital improvements that are suggested throughout this comprehensive plan will be reviewed.

Public Facilities Required for Concurrency

State law requires all local governments to ensure that public facilities and services will be available “concurrent” with the impacts of new development. This concurrency requirement has been mandatory since its adoption in 1986 through the “Local Government Comprehensive Planning and Land Development Regulation Act” (Chapter 163, Part II, Sections 163.3167 through 163.3215).

To measure compliance, “level-of-service” standards are established to ensure that adequate public facilities will be available for existing and future development. These standards

indicate the acceptable capacity per unit of demand (typically per person, or per dwelling unit). In the respective elements of this comprehensive plan, the following quantifiable levels of service have been established:

Potable Water Utility Level-of-Service Standards

POLICY 86-B-1: “The minimum acceptable level-of-service standards for utility services within the Town of Fort Myers Beach shall be:

for potable water service: available supply, treatment, and delivery capacity of 260 gallons per day per equivalent residential connection (ERC), and delivery of potable water at a minimum pressure of 20 pounds per square inch (psi) at the meter anywhere in the system.

for sanitary sewer service: available capacity to collect, treat, and dispose of wastewater of 175 gallons per day per equivalent residential connection (ERC).

for solid waste disposal service: the ability to collect and manage 7 pounds of municipal solid waste per person per day.”

Initial Status: The Utilities Element indicates that there is adequate facility capacity for water supply, ~~wastewater treatment, and solid waste disposal~~, and that adequate services can be expected to be available to serve new development through build-out of Fort Myers Beach.

Fiscal Implications and Estimated Cost of Capital Improvements: Expansion costs are charged directly to users by the service providers; there are no additional costs that will become the responsibility of the town.

Measurement Method: “...available capacity is based on the difference between the total permitted plant design capacity of the [former] Florida Cities Water Company’s water system south of the Caloosahatchee and the peak daily flow through this system during the previous calendar year. This difference,

measured in gallons per day, is available to serve new development in the service area.” (LDC § 2-48(a)(1))

Status in 2008: The Florida Cities water system in unincorporated Lee County has been purchased by Lee County and fully integrated into the Lee County Utilities system of five major water production plants. The town acquired the water distribution system on Estero Island and now purchases water in bulk from Lee County Utilities.

The former Florida Cities water plant south of the Caloosahatchee is known as the Green Meadows water plant and has a design capacity of 10.5 million gallons per day (MGD). Water production was 9.0 MGD in 2004, 9.6 MGD in 2005, 9.5 MGD in 2006, 7.4 MGD in 2007, and is projected to be 7.5 MGD in 2008. Major capacity increases in three other Lee County Utilities’ water plants are either under construction or complete which will reduce or eliminate the need for Lee County Utilities to purchase water from neighboring utilities to meet peak demands anywhere in the system. (SOURCE: Lee County Concurrency Report, October 2008)

There have been no reports of water pressure falling below 20 psi except immediately following Hurricane Charley in August 2004.

Implications for Future Capital Improvements: No capital improvements are needed during the next five years to maintain the adopted level of service for potable water. The town intends to make significant upgrades to the aging water distribution system in the coming years but these improvements are not required to achieve or maintain the adopted level of service.

Sanitary Sewer Level-of-Service Standard

POLICY 8-B-1: “The minimum acceptable level-of-service standards for utility services within the Town of Fort Myers Beach shall be:

for sanitary sewer service: available capacity to collect, treat, and dispose of wastewater of 175 gallons per day per equivalent residential connection (ERC).

Initial Status: The Utilities Element indicates that there is adequate facility capacity for wastewater treatment and that adequate services can be expected to be available to serve new development through build-out of Fort Myers Beach.

Fiscal Implications and Estimated Cost of Capital Improvements: Expansion costs are charged directly to users by the service providers; there are no additional costs that will become the responsibility of the town.

Measurement Method: “...available capacity is based on the difference between the total permitted plant design capacity of the Lee County Utilities’ Fort Myers Beach/Iona-McGregor service area and the peak month’s flow during the previous calendar year (divided by the number of days in that month). This difference, measured in gallons per day, is available to serve new development in the service area.” (LDC § 2-48(a)(2))

Status in 2008: The permitted design capacity of the Fort Myers Beach sewer plant is an average of 6.0 MGD. It operates slightly below capacity, currently at 5.8 MGD during the busiest day in 2007 and expected to rise about 0.1 MGD per year. (SOURCE: Lee County Concurrency Report, October 2008)

Implications for Future Capital Improvements: Although flow rates are high on the peak day due to infiltration of rainwater into the sewer system, Lee County Utilities appears to have more than adequate sewer capacity during the next five years to avoid any need to expand its treatment plant.

Solid Waste Disposal Level-of-Service Standard

POLICY 8-B-1: “The minimum acceptable level-of-service standards for utility services within the Town of Fort Myers Beach shall be: for solid waste disposal service: the ability to collect and manage 7 pounds of municipal solid waste per person per day.”

Initial Status: The Utilities Element indicates that there is adequate facility capacity for solid waste disposal and that adequate services can be expected to be available to serve new development through build-out of Fort Myers Beach.

Fiscal Implications and Estimated Cost of Capital Improvements: Expansion costs are charged directly to users by the service providers; there are no additional costs that will become the responsibility of the town.

Measurement Method: “...available capacity is based on the difference between the current capacity of Lee County’s waste-to-energy plant and current peak usage of that facility. This difference, measured in tons per day, is available to serve new development county-wide.” (LDC § 2-48(a)(3))

Status in 2008: Lee County’s waste-to-energy plant has been operating at its guaranteed capacity since 1999. Construction on a third combustion unit was completed in August 2007, which has increased capacity dramatically. Recent countywide data indicates that the average person generates 8 to 10 pounds of solid waste per day, higher than the 7-pound figure that was previously believed to be accurate and was used to set the level of service for solid waste. (SOURCE: Lee County Concurrency Report, October 2008)

Implications for Future Capital Improvements: No capital improvements are needed during the next five years to maintain the adopted level of service for solid waste disposal.

Stormwater Level-of-Service Standards

POLICY 9-D-1: “Until completion of the evaluation under Policies 6-A through 6-F, interim levels of service are hereby established for protection from flooding to be provided by stormwater and roadway facilities:

- 1) During a 3-day rainfall accumulation of 13.7 inches or less (3-day, 100-year storm as defined by SFWMD), one lane of evacuation routes should remain passable (defined as less than 6 inches of standing water over the crown). Emergency shelters and essential services should not be flooded.
- 2) During a 3-day rainfall accumulation of 11.7 inches or less (3-day, 25-year storm as defined by SFWMD), all lanes of evacuation routes should remain passable. Emergency shelters and essential services should not be flooded.
- 3) During coastal flooding of up to 4.0 feet above mean sea level, all lanes of evacuation routes should remain passable. Emergency shelters should not be flooded.”

Initial Status: There is adequate capacity in the stormwater system to meet these interim levels of service (which are admittedly minimal).

Analysis: The Stormwater Management Element suggests that the town address flooding problems and water quality problems resulting from inadequately treated run-off. Flooding occurs from two different sources: one that occurs when the Gulf of Mexico and Estero Bay rise to unusual heights due to strong on-shore winds; and flooding caused by stormwater resulting from a conveyance system which is inadequate to get excess water off of the island and into the Gulf or Bay.

That element suggests a number of steps:

- an immediate program to monitor the environmental impacts of stormwater runoff;
- the use of sound management practices to reduce contaminant levels in stormwater;

- modifying land development regulations to improve the handling of stormwater;
- preparing an inventory of all existing drainage facilities and poorly drained areas; and
- evaluating, by the year 2000, the nature of potential improvements to the system and the adoption of better levels of service.

Based on the outcome of this evaluation, the town could establish a dedicated funding source ~~within two additional years~~ to begin carrying out the selected stormwater improvements. This funding source may include revenue from gas taxes, ad valorem collections, stormwater utility fees, or other recurring sources.

Fiscal Implications and Estimated Cost of Capital Improvements:

No fiscal impact is required to meet the interim level-of-service standards. However, there will be significant costs to improve the current conditions. The costs for the monitoring program and implementation of sound management practices can be reduced through the use of knowledgeable volunteers and potential grant funding for innovative projects. The cost of a stormwater master plan to evaluate the feasibility of drainage options ~~could run from \$100,000 to \$200,000 for the northern third of the island alone.~~ is budgeted in the five-year schedule of capital improvements ~~includes these items~~ (see Table 11-7 below) and this master plan has recently gotten under way. The evaluation in a stormwater master plan will determine costs associated with selected improvements and provide guidance as to the appropriate source(s) of funds to implement improvements. If this should result in the establishment of a stormwater utility, it may then become a self-supporting enterprise.

Measurement Method: “...available capacity is based on the reported depth that evacuation routes, emergency shelters, and essential services were flooded during or after storms of varying intensities. Depths of flooding shall be as reported by emergency

services personnel, town, or county officials, or other reliable sources.” (LDC § 2-48(a)(4))

Status in 2008: Rainfall from a 3-day, 25-year storm has not occurred since this standard was adopted. Severe coastal flooding occurred during Hurricane Charley in August 2004; it significantly surpassed the 4.0-foot standard and made Estero Boulevard impassable during the storm (and for several days thereafter due to heavy accumulations of sand).

Implications for Future Capital Improvements: No capital improvements are needed during the next five years to maintain the adopted level of service for stormwater. The town has been and will continue to make significant upgrades to the town’s drainage system in the coming years but these improvements are not required to achieve or maintain the adopted level of service.

Recreation Level-of-Service Standard

POLICY 10-D-3: *“The town adopts the following standard for community parks: for each 7,500 permanent residents, 1 centrally located recreation complex that includes 2 ballfields, 2 tennis courts, outdoor basketball courts, play equipment, an indoor gymnasium, and community meeting spaces. Programming shall address all age groups and encompass active recreation, physical improvement, and social, educational, and cultural activities.”*

Initial Status: This level-of-service standard for community recreational facilities has been met. A major enhancement, an outdoor swimming pool, was constructed by is in progress with construction budgeted through the Lee County Capital Improvements Program. The county recently acquired the land from multiple owners, ~~at an estimated cost of \$760,000. Funds for Design, and permitting, and of the pool (\$200,000) are budgeted in Fiscal Year 97/98, with construction were valued at \$1,295,000 expected the following year.~~ These facilities will serve the recreational needs of the community through build-out.

Fiscal Implications and Estimated Cost of Capital Improvements: Fiscal impacts to the town are related to the long-term operation and maintenance of the community recreation center and swimming pool as those responsibilities are turned over to the town from the county. ~~As discussed in the Recreation Element, the town is working with the county to fairly~~ For many years, the town and the county have divided the cost to operate the Bay Oaks Recreation Center, and is considering additional revenue sources to offset operating costs, including user fees. Lee County wants the town to take over management of this facility as early as October 1, 2009.

In an interlocal agreement with the county, the town ~~has~~ agreed to operate and maintain a public the swimming pool. ~~The volunteer "Build-a-Pool Foundation" has committed to the town council to be responsible for raising the funds to cover the operation and maintenance, through concessions, special events, and user fees.~~ The annual cost to operate and maintain the pool (water, heat, chemicals, and staff salaries) for FY 08/09 is expected to be \$235,200, to be offset by \$70,000 in revenue. has been estimated by Lee County at \$80,000, but the county's current operating costs for their five community pools averages \$120,000 each.

Measurement Method: Available capacity is based on the existence of specified park facilities, including a recreation complex, ballfields, tennis courts, basketball courts, play equipment, gymnasium, community meeting spaces, and programming of activities. (LDC § 2-48(a)(5))

Status in 2008: The adopted standard described the facilities in existence in early 1998. All of those facilities and their programming remain in place, plus the outdoor community swimming pool next to Bay Oaks Park. In addition, the Mound House has been acquired and is in operation at this time, and Newton Park is expected to be in operation in the near future.

Implications for Future Capital Improvements: No capital improvements are needed during the next five years to maintain the adopted level of service for recreation.

Transportation Level-of-Service Standard

POLICY 7-I-2: "The peak capacity of Estero Boulevard's congested segments is 1,300 vehicles per hour. The minimum acceptable level-of-service standard for Estero Boulevard shall be that average monthly traffic flows from 10:00 A.M. to 5:00 P.M. during each month do not exceed that level for more than four calendar months in any continuous twelve-month period. Measurements from the permanent count station at Donora Boulevard shall be used for this standard."

Status: This level-of-service standard is currently being met. In 1996, the 1,300-vehicle average was exceeded only one month; in 1997, during no months.

Fiscal Implications and Estimated Cost of Capital Improvements: This plan's capital improvements for transportation are directed to sidewalks, bike paths, pedestrian crossovers, and shared parking facilities. Each of these will have some impacts on traffic circulation, but no numerical correlation can be deduced.

Measurement Method: "...available capacity is based on actual traffic counts from Lee County's permanent count station on Estero Boulevard near Donora Boulevard. The total counts in both directions for the seven hours between 10:00 A.M. and 5:00 P.M. shall be summed for all days in each month. These sums shall be divided by seven and by the number of days in that month, yielding an average traffic flow (measured in vehicles per hour) during the peak period for that month. The amount that each month's average is below the level-of-service standard of 1,300 vehicles per hour is the amount of capacity available to serve additional demand." (LDC § 2-48(a)(6))

Status in 2008: Traffic counts on Estero Boulevard near Donora Boulevard have not increased since the Comprehensive Plan was adopted in late 1998. Between October 1995 and March 1998, there had been only a single month when average hourly counts exceeded 1,300 vehicles per hour between 10:00 A.M. to 5:00 P.M. (SOURCE: Transportation Element, page 7–25)

Measurements of congestion are discussed at length in Appendix B to the Transportation Element. As a supplement to that analysis, Figure 2 shows average daily traffic data on Estero Boulevard since 1996, based on official counts from Lee County DOT. Traffic counts are taken on a quarterly basis at Avenida Pescadora and Virginia Avenue and then extrapolated to annual averages; those figures are highly dependent on the days chosen for the actual counts because traffic levels vary considerably based on tourism demands. Traffic counts have been taken every hour of every day since 1996 at Donora Boulevard; the Donora figures are the most reliable indicator of actual traffic on Estero Boulevard and are shown with a thicker line in Figure 2.

Several cautions are in order when reviewing the Donora traffic counts. First, they are annual averages rather than peak-season traffic levels. Second, unlike typical traffic counts, they cannot be used to assess the need to widen a road at the count location. Traffic levels at Donora actually reflect the serious congestion from Town Hall to the Sky Bridge; traffic toward the bridge backs up this far during busy periods, and traffic from the bridge cannot reach Donora without being slowed dramatically by the same congestion.

Figure 2 indicates that traffic levels at Donora are essentially unchanged since 1996. This has occurred despite modest additional growth within the town from vested development rights and from continued increases in tourism in the region. The reason is that peak traffic levels on Estero Boulevard are not controlled by traffic demand, but by the capacity of the busiest portion of the road, with its frequent driveways and side streets, shortage of available parking, and heavy pedestrian crossing

volumes. Increasing traffic demand at Fort Myers Beach causes longer waiting periods for motorists rather than higher traffic counts.

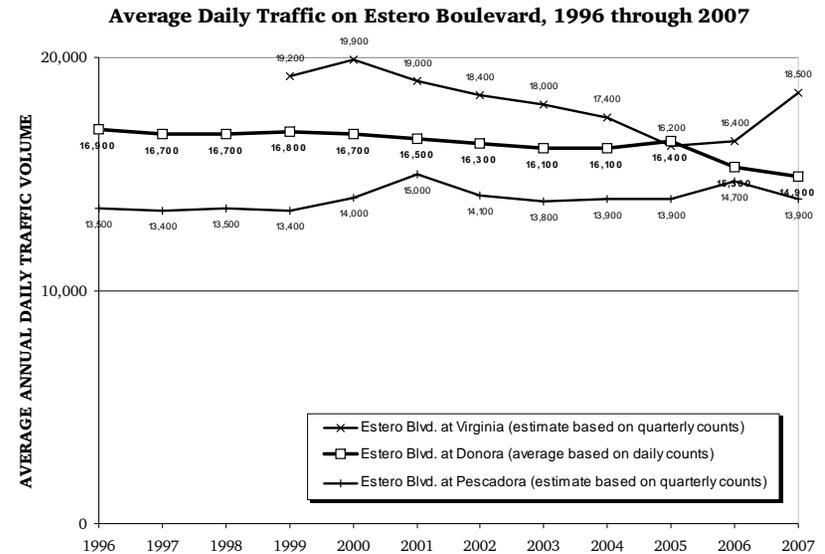


Figure 2

Implications for Future Capital Improvements: No capital improvements are needed during the next five years to maintain the adopted level of service for transportation. The numerous transportation improvements in this element’s five-year schedule of capital improvements will improve the quality of life at Fort Myers Beach but are not required to achieve or maintain the adopted level of service.

Public School Level-of-Service Standard

POLICY 16-B-1: “The minimum acceptable level-of-service standards for public schools within the Town of Fort Myers Beach shall be:.

- i. Elementary Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- ii. Middle Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- iii. High Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- iv. Special Purpose Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.

“Permanent capacity” of each of the four types of schools means the combined capacity for all schools of that each type that are located in the school district’s South Student Assignment Zone, as depicted in Figure 3 of this element. (Multi-zone magnet schools and special centers are excluded.) Permanent capacity is the capacity of permanent buildings as determined by the Florida Inventory of School Houses, 2006 edition, published by the Florida Department of Education’s Office of Educational Facilities. “Measurable programmatic change” means a change to the operation of a school and measurable capacity impacts including, but not limited to, double sessions, floating teachers, year-round schools, and special educational programs.

Initial Status: (see Public Schools Element for details)

Fiscal Implications and Estimated Cost of Capital Improvements:
The Public Schools Element demonstrates that the School District has adequate funding to continue meeting this standard.

Measurement Method: (as described in Policy 16-B-1)

Status in 2008: The Public Schools Element contains data demonstrating the this standard is being met.

Implications for Future Capital Improvements: The capital improvements needed during the next five years to maintain the adopted level of service for public schools are contained in the School District’s Five-Year District Facilities Work Program, as updated each September and as referenced in Policy 11-A-7 of this element.

Concurrency Management System

Minimum levels of service as described above must be met at all times in order for further building permits to be issued. This Capital Improvements Element must contain a policy requiring the town to maintain the adopted level-of-service standards for roads, sanitary sewer, solid waste, drainage, potable water, and parks, and provide a financially feasible plan which demonstrates that the adopted standards will be maintained (Rule 9J-5.0055 FAC). A new requirement to adopt a similar standard for public schools was added by the state in 2005.

To comply, this plan requires that development orders or building permits be issued by the town subject to the condition that, at the time of the issuance of a certificate of occupancy, the necessary facilities and services must be in place and available to serve the development being authorized, or are guaranteed to be in place through an enforceable development agreement pursuant to Section 163.320 FS or through an agreement or development order pursuant to Chapter 380 FS. Certain exceptions are described in Policy 11-B-5.

This plan’s concurrency management system ~~is will be~~ implemented through ~~§ 2-48–2-49~~ of the land development regulations which ~~specifies will specify~~ monitoring procedures and links them to the issuance of development orders and building permits.

The town has never failed to meet any of its adopted levels of service, and no shortfalls are anticipated during future planning timeframes. Thus the town's five-year schedule of capital improvements contains only improvements that the town has chosen to make to improve public services and quality of life.

Other Public Facilities Proposed in This Plan

When this plan was originally adopted in late 1998, because the town had is already reached at about 85% of its build-out population, Additional development has been mostly will be in the form of infill on the remaining vacant parcels or by replacing existing buildings, plus the unanticipated final phases of Bay Beach which have been constructed after the circuit court ruled against the town's contention that the final phases were inconsistent with this plan and were not vested. There are now 7,710 dwelling units;

Only 112 of the additional 1,028 dwelling units more are forecasted in 1998 for by build-out remain to be constructed (see the Future Land Use Element and the 2007 Evaluation and Appraisal Report). Most other development activity within the town is the voluntary replacement of existing structures which are often aging, obsolete, or just an economic underutilization of valuable land.

For instance, a single home built across two full-size lots can be demolished and replaced by two homes. In other cases, a single-story commercial building may be replaced by a two- or three-story building with residential units on the upper floors. The town's strict density limitations for new construction and its restrictions on locations for commercial buildings together limit the number of additional units that can be created in this way.

The remaining undeveloped land totals only about 28 acres of vacant platted lots and is distributed fairly evenly throughout the entire town. Most of these lots will accommodate only one

single-family home, although a small number will accommodate two or more dwellings.

The entire town is within developed service areas, so there is no ability to control the location or timing of growth through providing or withholding public services. Therefore, the timing and location of capital improvements will emphasize new optional services and improving current service (such as discussed above under stormwater and transportation).

Capital investment by the public sector can be a strong catalyst for private redevelopment to help achieve the town's vision for the future. This comprehensive plan identifies several redevelopment areas including Times Square, the entire length of Estero Boulevard, the civic center surrounding Bay Oaks, the south end near the Villa Santini Plaza, and an interconnected system of pedestrian and bicycle pathways. These and others are discussed in their respective elements and summarized below, referenced by policy number. In addition, other elements of this plan identify more direct measures to implement the town's vision. Those measures *which have a capital component as the town's responsibility* are summarized and referenced by policy number in Table 11-3 below. All of these measures are optional; none are required to achieve or maintain levels of service that have been adopted as part of this plan.

To assist in planning for these projects, Table 11-3 also identifies other entities that could help implement them and lists potential sources of funds. Many of these funding sources have not been implemented (TIF, stormwater utility), and some would be subject to referendum (utility tax); however, they are included in Table 11-3 to indicate the type of projects that could use each source of funds.

Table 11-3 — Potential Capital Improvements

<i>Project</i>	<i>Policy</i>	<i>Entity</i>	<i>Potential Funding Sources</i>
Alternative transportation modes to Bowditch Point Park (tram, trolley, public docks).	Rec 10-B-2	Town and Lee County	Grant, FDC , General, <u>WCIND</u>
Enhancements to Lynn Hall Park (beach renourishment, beach volleyball areas, <u>etc.</u> and a pedestrian path)	Design 3-D-12, Rec 10-C-1 i	Town and Lee County	Grant, TDC, General
Pedestrian-friendly walkway from beach to bay between the Lynn Hall Memorial Park parking lot and the Times Square plaza.	Design 3-D-5 ii Rec 10-C-2 i	Town	Grant, TIF, General, <u>TDC</u>
Implement Marina Plaza	Design 3-D-4 v, Rec 10-C-2 ii	Partnership: Town/business	Grant, TIF, Private
Implement Central Green and facilitate revitalization of Villa Santini Plaza	Design 3-C-1, 2 Rec 10-C-2 iii	Partnership: Town/business	General, Grant, Private, Stormfee
Implementing Matanzas Pass restoration plan and planned future improvements.	Rec 10-E-1, Cons 6-B-3	Town, Lee Co., non-profit	Grant, TDC
Acquire additional sites for conservation and public appreciation of natural resources.	Rec 10-E-3, Cons 6-b-9	Town	Utility, FDC , Impact, <u>FCT, 20/20</u>
Continue Mound House to pursue acquisition of the Long Estate implement phase 1 restoration and improvements, including dockage facilities.	Rec 10-F-2	Town	Grant, General
Acquire one or more beach access points at the southern end of the island.	Rec 10-G-1, Coastal 5-E-3	Town or Lee County	Impact, FDC , Utility
Develop a sidewalk and streetscape plan for all of Estero Boulevard and upon completion, establish a phased schedule of capital improvements to complete the network, including occasional “oasis” areas (resting places for pedestrians and bicyclists) at selected trolley stops and other strategic locations along Estero Boulevard	Design 1-A-3 Rec 10-H-3 Trans 7-E-4	Town	Grant, General
Acquire parcels or easements as part of implementation of hidden paths network.	Design 2-A-1	Town/com- munity land trust	Utility, General, Private
Create Estero Boulevard gateways or entry features	Design 2-C-1	Town or civic project	Grant, General
Develop a program for placing utilities underground that addresses both public and private sector development.	Design 2-C-5	Town and private sector	General, Private, MSTBU
Prepare a “heart of the island” plan and implement the streetscape plan for School Street and environs.	Design 3-A-4	Town	General
Replace rental space with a town hall if directed by the Town Council	Design 3-A-3	Town	General
Implement the pedestrian circulation plan along Estero Boulevard south of Times Square	Design 3-D-4 Trans 7-E-1	Town	TIF, General, MSTBU

Table 11-3 — Potential Capital Improvements

<i>Project</i>	<i>Policy</i>	<i>Entity</i>	<i>Potential Funding Sources</i>
Implement traffic circulation improvements in the downtown core area consistent with policies in Community Design Element. Capital costs would involve items such as a turn lane and/or a traffic signal.	Design 3-D-5	Town	TIF, General
Implement trolley/transit improvements in the downtown core area consistent with policies in the Transportation and Community Design Elements. Capital costs would involve providing trolley pull-off lanes on Old San Carlos and Lynn Hall Park, and cost of an open-air electric tram.	Design 3-D-6	Town	TIF, TDC, General, Grant
Implement the streetscape improvements for Old San Carlos , Crescent Street, Center Street, and First through Fifth street, including modifications to the roadway to provide on-street parking, new sidewalks, place utilities underground, landscape the public right-of-way, and implement the stormwater management exfiltration system both by private sector (as each property develops) and by public sector.	Design 3-D-4,5,6 Design 3-D-13 Trans 7-F-2	Town and private sector	MSTBU , Grant, Impact, TIF, Stormfee, Private
Build a pedestrian overpass near Times Square	Trans 7-H-1	Town and private sector	MSTBU , Grant, General, TIF, Private
Create pedestrian trails, interpretive signage (e.g. at Little Estero Island Critical Wildlife Area)	Rec 10-E-2 Cons 6-B-2	Town, DEP, FGFWFC	Grant, TDC
Participate in beach renourishment, dune creation, and construction of dune walkovers <u>at public beach accesses</u> .	Coastal 5-D-1	Town or Lee County	TDC, Grant, MSTBU , Private
Support the concept of a boardwalk along the beachfront as a private-sector effort	Design 3-D-4 iii, Rec 10-C-1 iv	Private sector	Private
Support the development of a privately owned tennis club to replace the Bay Beach Tennis Club	Rec 10-D-5	Private sector	Private
<u>Enhancements to Newton Park</u>		<u>Town</u>	<u>TDC, General</u>

Policy legend:

Trans: Transportation Element
 FLU: Future Land Use Element
 Design: Community Design Element
 Rec: Recreation Element
 Cons: Conservation Element
 Coast: Coastal Management Element
 Hous: Housing Element
 Hist: Historic Preservation Element
 StmW: Stormwater Management Element
 Util: Utilities Element

Funding legend:

Grant: Grants
 TIF: Tax Increment Financing
 Utility: Potential utility tax
 Stormfee: Potential stormwater utility fee
 Impact: Impact Fees
 General: General Fund
 Private: Private Sector
~~MSTBU: Municipal service taxing or benefit unit~~
 TDC: Tourist development tax (Lee County)
 WCIND: West Coast Inland Navigation District
 20/20: Conservation 20/20 (Lee County)
 FCT: Florida Communities Trust

Education and Health Care Facilities

Comprehensive plans are now required to identify the location and service area of the public education and public health systems, and to analyze the impact of new or improved systems on local infrastructure (Rule 9J-5.016 FAC).

There are no existing or planned public health care facilities in the Town of Fort Myers Beach. The only existing public educational facility is the Fort Myers Beach Elementary School. The service area for the elementary school includes the entire town (and beyond). The school is adequately served by roads, solid waste and wastewater disposal, potable water service, drainage, and recreation. There are no additional public educational facilities planned or needed.

Although no new schools will be needed within Fort Myers Beach or to serve students living at Fort Myers Beach, this plan was amended in 2008 to meet new state requirements for a public schools element and concurrency for schools.

Setting Priorities for Capital Improvements

The list of proposed capital projects would clearly cost far more than the revenues now available to fund them over the next five years. In any case, it is often difficult for a community to agree on which projects should be undertaken first (or at all). To provide a framework for decision-making, projects proposed to be included in the Capital Improvements Program ~~budget~~ should be evaluated annually in terms of their ability to further the objectives of the comprehensive plan.

All projects should be evaluated for financial feasibility, their impact on the town's budget, and the town's ability to operate and maintain the facility.

Priority should be given (in the following order) to projects that:

1. Remove a direct and immediate threat to the public health or safety;
2. Are directed by a court order or otherwise by law;
3. Are essential for the maintenance of the town's investment in existing infrastructure;
4. Remove an existing capacity deficiency;
5. Will accommodate new development or redevelopment anticipated by this plan.

For the purpose of further ranking projects that are otherwise equal, the following should be considered:

1. Priorities found elsewhere in the comprehensive plan;
2. Whether the facility is needed to satisfy a mandatory level-of-service standard in this comprehensive plan;
3. Whether the project competes with other facilities that have been or could reasonably be provided by other governmental entities or the private sector;
4. The revenue-generating potential of the project;
5. Whether the project leverages additional benefits to the town, such as offers to donate land or services by the private sector and/or other governmental entities.

State statutes require the following analysis:

The financial feasibility of implementing the comprehensive plan and of providing needed infrastructure to achieve and maintain adopted level-of-service standards and sustain concurrency management systems through the capital improvements element, as well as the ability to address infrastructure backlogs and meet the demands of growth on public services and facilities.⁴

The comprehensive plan contains many ideas that the town cannot afford at this time; for instance, many of the streetscape improvements for the length of Estero Boulevard. However, the definition of “financial feasibility” in state statutes is limited to the feasibility of constructing only those improvements that are necessary to meet the adopted level-of-service standards:

“Financial feasibility” means that sufficient revenues are currently available or will be available from committed funding sources for the first 3 years, or will be available from committed or planned funding sources for years 4 and 5, of a 5-year capital improvement schedule for financing capital improvements, such as ad valorem taxes, bonds, state and federal funds, tax revenues, impact fees, and developer contributions, which are adequate to fund the projected costs of the capital improvements identified in the comprehensive plan necessary to ensure that adopted level-of-service standards are achieved and maintained within the period covered by the 5-year schedule of capital improvements. The requirement that level-of-service standards be achieved and maintained shall not apply if the proportionate-share process set forth in s. 163.3180(12) and (16) is used.⁵

⁴ F.S. 163.3191(2)(c)

⁵ F.S. 163.3164(32)

ABILITY TO FINANCE CAPITAL IMPROVEMENTS

This section provides an assessment of the town’s ability to finance capital improvements based on anticipated population and revenues. ~~The purpose of This section is to demonstrate~~ that sufficient revenue is available to maintain all adopted levels of service and will be available to pay for additional desired the needed improvements at the time they are scheduled ~~or will be required~~. The fiscal assessment process consists of estimating revenues available for capital improvements and balancing these revenues with anticipated expenditures for capital improvements.

Accounting System

Currently, town’s budget is prepared and presented on a line-item and program basis, including:

- administrative costs,
- service cost centers,
- parks and recreation,
- capital improvements,
- Local Planning Agency costs,
- contractual services,
- committees,
- Main Street program, and
- reserves.

In 1998, the town began annual preparation of a capital budget and a five-year Capital Improvements Program budget which is separate from but consistent with the town’s operating budget. Capital improvements have been will be funded by transfers from the general fund and other revenue funds specifically for capital projects as they have become available. No capital improvements have been undertaken with borrowed funds.

The general fund is the principal fund which accounts for the daily recurring activities of the town. It is funded by ad valorem revenues, intergovernmental transfers, and miscellaneous revenues, as described earlier in this element.

In fiscal year 08/09 97/98, the general fund budgeted \$3,028,337 for \$219,000 in non-transportation capital projects, including development of the Newton Beach Park, improvements to the Mound House, land acquisition, and start-up funds for beach renourishment. \$20,000 for capital equipment, \$69,000 to add to the grant of \$1,031,000 to purchase the Mound House, and \$130,000 for improvements to the Mound House.

Other revenues \$3,485,000 was budgeted in fiscal year 08/09 for transportation capital projects as described in Table 11-7. to date include:

- ~~Gas taxes, which for F.Y. 97/98 is budgeted for \$578,300 for sidewalks, landscaping, and bike paths.~~
- ~~Florida Communities Trust grant — \$1,031,000 for land acquisition mound house.~~
- ~~\$60,000 for public dock construction (boater improvement grant through WCIND).~~

Forecasts of General Revenues and Expenditures

Revenue forecasts are required in capital budgeting for future years. A conservative look at recent events suggests that historic revenue increases should not be assumed to continue and that future budgeting should be based on the same revenue shown in the 2008/2009 annual budget. The following forecast is based on current trends, which indicate a 1% to 2% per year annual growth in population. The 1997 value of taxable assessed property is \$1,150,357,320, and is forecasted herein to increase at 3% per year, based on an analysis of the growth rate for the Fort Myers Beach Fire District which is larger than but encompasses the town (see Table 11-2). Consistent with the town's governmental philosophy, forecasts of millage rates are likewise kept constant at 0.7093 (see Table 11-2). 1.0961 for the 1997-2002 period. Table 11-4 provides the forecasted ad valorem proceeds.

Table 11-5 forecasts all anticipated sales tax and other shared revenues for FY 08/09 through 12/13, conservatively assuming no revenue increases in future years. A similar assumption is made about future expenditures, such as gas taxes. These shared revenues are forecasted here to increase at 1% per year. To the extent that these revenues are not budgeted for ongoing services and operations, funds may be allocated from the general fund for capital improvements.

Table 11-6 forecasts non-capital expenditures based on the town's F.Y. 97/98 budget. Some of these costs will increase over time as services are expanded, and some will decrease as needs change for categories such as committees, contractual services, Main Street program, etc. Therefore, consistent with the town's current philosophy, increases of only 2% are forecasted for most non-capital expenses over the five-year period. Table 11-6 concludes by providing a forecast of the amount likely to remain available from the general fund for capital expenditures:

Table 11-4 — Ad Valorem Revenues, 1996/97 – 2001/02

	<i>FY 96/97 (Actual)</i>	<i>FY 97/98 (Budgeted)</i>	<i>FY 98/99 (Projected)</i>	<i>FY 99/00 (Projected)</i>	<i>FY 00/01 (Projected)</i>	<i>FY 01/02 (Projected)</i>
Assessed value of real property <i>(within the town)</i> <i>(projected increase at 3% per year)</i>	\$1,096,980,740	\$1,150,357,320	\$1,184,868,040	\$1,220,414,081	\$1,257,026,503	\$1,294,737,298
Millage rate <i>(per \$1,000 of value)</i>	1.0604	1.0961	1.0961	1.0961	1.0961	1.0961
Gross Tax Estimate	-----	\$1,260,907	\$1,298,734	\$1,337,696	\$1,377,827	\$1,419,162
Less 5% <i>(budgeting requirement)</i>	-----	\$63,045	\$64,937	\$66,885	\$68,891	\$70,958
Estimated ad valorem revenue	-----	\$1,197,861	\$1,233,797	\$1,270,811	\$1,308,935	\$1,348,203

Table 11-4 — Ad Valorem Revenues, 2008/09 – 2012/13

	<i>FY 08/09 (Budgeted)</i>	<i>FY 09/10 (Projected)</i>	<i>FY 10/11 (Projected)</i>	<i>FY 11/12 (Projected)</i>	<i>FY 12/13 (Projected)</i>
Assessed value of real property <i>(zero projected increase)</i>	\$3,443,135,660	\$3,443,135,660	\$3,443,135,660	\$3,443,135,660	\$3,443,135,660
Millage rate <i>(per \$1,000 of value)</i>	0.7093	0.7093	0.7093	0.7093	0.7093
Gross Tax Estimate	\$2,442,216	\$2,442,216	\$2,442,216	\$2,442,216	\$2,442,216
Less 5% <i>(budgeting requirement)</i>	\$122,111	\$122,111	\$122,111	\$122,111	\$122,111
Estimated ad valorem revenue	\$2,320,105	\$2,320,105	\$2,320,105	\$2,320,105	\$2,320,105

Figure 3

During the period since adoption of the comprehensive plan, the town has functioned without long-term debt and has continued to build up a surplus of funds, as shown in Figure 3.

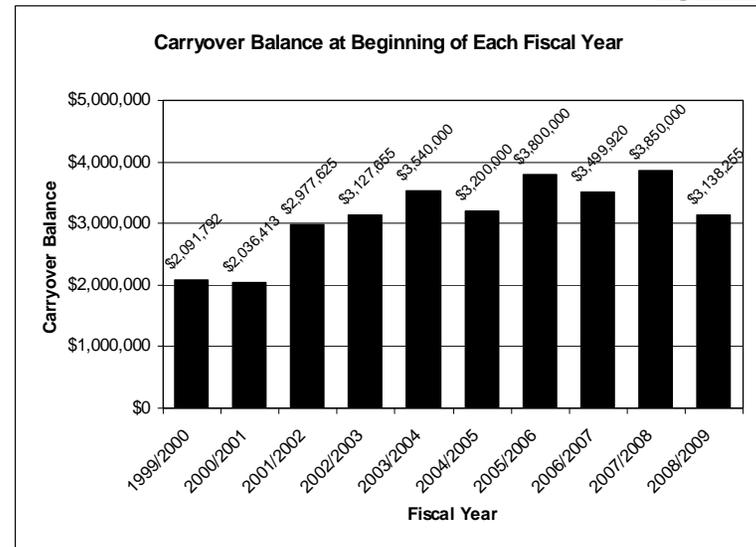


Table 11-5 — Projected Revenues Available for Operating Expenses, 1997/98 – 2001/02

<i>(revenues projected to increase by 1% annually) (revenues forecasted at 95%)</i>	<i>FY 97/98 (Budgeted)</i>	<i>FY 98/99 (Projected)</i>	<i>FY 99/00 (Projected)</i>	<i>FY 00/01 (Projected)</i>	<i>FY 01/02 (Projected)</i>
RECURRING REVENUE:					
Municipal Revenue Sharing <i>(35% or \$29,377 to be used for transportation)</i>	\$83,935	\$84,774	\$85,622	\$86,478	\$87,343
Municipal Financial Assistance Trust Fund <i>(cigarette tax)</i>	\$31,370	\$31,684	\$32,001	\$32,321	\$32,644
Local Government Half-Cent Sales Tax <i>(for municipal-wide programs)</i>	\$385,760	\$389,618	\$393,514	\$397,449	\$401,423
Gas Tax	\$578,300	\$584,083	\$589,924	\$595,823	\$601,781
Franchise Fees —cable	\$50,566	\$51,072	\$51,582	\$52,098	\$52,619
Franchise Fees —garbage hauling	\$20,250	\$20,453	\$20,657	\$20,864	\$21,072
Interest earnings	\$85,000	\$85,850	\$86,709	\$87,576	\$88,451
Parking meters	\$22,000	\$22,220	\$22,442	\$22,667	\$22,893
Occupational Licenses/Permits/Fees	\$22,300	\$22,523	\$22,748	\$22,976	\$23,205
—SUBTOTAL	\$1,279,481	\$1,292,276	\$1,305,199	\$1,318,251	\$1,331,433
Ad Valorem	??	??	??	??	??
—SUBTOTAL OF RECURRING REVENUES	\$1,279,481	\$1,292,276	\$1,305,199	\$1,318,251	\$1,331,433
NON-RECURRING REVENUE:					
Grant income	\$1,355,000	\$0	\$0	\$0	\$0
1997/98 breakdown:					
—Non-capital grants	\$64,000				
—Times Square Capital Improvements	\$200,000				
—Public docks	\$60,000				
—Land Acquisition—Mound House	\$1,031,000				
Garry Over	\$1,755,192	\$1,730,192	\$1,363,320	\$972,007	\$554,176
TOTAL GENERAL FUND REVENUE:	\$4,389,673	\$3,022,468	\$2,668,519	\$2,290,258	\$1,885,609

Table 11-6 — Projected Expenditures (based on adopted budget for 1997/98)

	<i>FY 97/98</i> <i>(Budgeted)</i>	<i>FY 98/99</i> <i>(Projected)</i>	<i>FY 99/00</i> <i>(Projected)</i>	<i>FY 00/01</i> <i>(Projected)</i>	<i>FY 01/02</i> <i>(Projected)</i>
Total Administrative Expense	\$367,704	\$375,058	\$382,559	\$390,210	\$398,015
Tax Collector's Fee	\$31,531	\$32,162	\$32,805	\$33,461	\$34,130
Total Service Costs	\$327,695	\$334,249	\$340,934	\$347,753	\$354,708
Parks and Recreation <i>(operation and maintenance)</i>	\$259,000	\$264,180	\$269,464	\$274,853	\$280,350
Total LPA	\$284,685	\$100,000	\$75,000	\$50,000	\$50,000
Total Contractual Services	\$129,600	\$132,192	\$134,836	\$137,533	\$140,283
Total Committees	\$8,000	\$8,160	\$8,323	\$8,490	\$8,659
Total Main Street program	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473
State Unemployment	\$13,000	\$13,260	\$13,525	\$13,796	\$14,072
Contingency	\$72,079	\$73,521	\$74,991	\$76,491	\$78,021
Reserves	\$269,300	\$366,872	\$391,314	\$417,831	\$446,622
End Fund Balance <i>(carry over to fund future reserves)</i>	<u>\$1,730,192</u>	<u>\$1,363,320</u>	<u>\$972,007</u>	<u>\$554,176</u>	<u>\$107,554</u>
<u>Subtotal of Expenditures</u> <i>(not including capital expenditures)</i>	\$3,522,786	\$3,093,573	\$2,726,970	\$2,336,429	\$1,944,886
<u>General Fund Revenues</u>					
<u>Minus Expenditures</u> <i>(potentially available for capital improvements)</i>	\$866,887	(\$71,105)	(\$58,451)	(\$46,171)	(\$59,277)

Table 11-5 — Revenue Projections, FY 08/09 to 12/13

	<i>FY 08/09</i>	<i>FY 09/10</i>	<i>FY 10/11</i>	<i>FY 11/12</i>	<i>FY 12/13</i>
POTENTIAL REVENUE FOR TRANSPORTATION					
CAPITAL IMPROVEMENTS:					
Municipal revenue sharing program (26.6% share from state that is limited to transportation) . .	\$31,490	\$30,000	\$30,000	\$30,000	\$30,000
Transportation impact fees	\$85,000	\$25,000	\$20,000	\$15,000	\$10,000
Local option gas tax (based on 1.02% share of \$0.11 county tax on motor fuel beginning 09-10) . .	\$250,156	\$325,000	\$325,000	\$325,000	\$325,000
Interest	\$60,000	\$0	\$0	\$0	\$0
Grants:					
North Estero Rehabilitation (grant previously approved by SFWMD)	\$350,000	\$0	\$0	\$0	\$0
North Estero Rehabilitation (grant anticipated from FEMA)	\$954,400	\$0	\$0	\$0	\$0
Stormwater, Carolina to Tropical Shores (hazard mitigation grant from FEMA)	\$131,250	\$131,250	\$0	\$0	\$0
Special assessment from Laguna Shores (60% of dredging cost)	\$190,000	\$0	\$0	\$0	\$0
Miscellaneous transportation revenues	\$242,139	\$0	\$0	\$0	\$0
Anticipated annual transportation revenue:	\$1,791,046	\$380,000	\$375,000	\$370,000	\$365,000
Less transportation revenue remaining in annual operating budget:	<u>\$444,301</u>	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$250,000</u>	<u>\$250,000</u>
Equals anticipated revenue available for transportation capital improvements:	\$1,346,745	\$130,000	\$125,000	\$120,000	\$115,000
POTENTIAL REVENUE FOR NON-TRANSPORTATION					
CAPITAL IMPROVEMENTS:					
Ad valorem property taxes	\$2,415,131	\$2,415,131	\$2,415,131	\$2,415,131	\$2,415,131
Community park impact fees	\$17,000	\$2,500	\$2,500	\$2,500	\$2,500
Regional park impact fees	\$15,500	\$2,000	\$2,000	\$2,000	\$2,000
Accumulated park impact fees from prior years (to be used for Newton Park)	\$164,000	\$0	\$0	\$0	\$0
Municipal revenue sharing program (73.4% share from state that is not limited to transportation)	\$86,893	\$150,000	\$150,000	\$150,000	\$150,000
Local government portion of sales tax	\$516,079	\$500,000	\$500,000	\$500,000	\$500,000
Communication services tax	\$665,029	\$665,029	\$665,029	\$665,029	\$665,029
Franchise fee (on garbage hauling)	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Interest earnings	\$150,000	\$0	\$0	\$0	\$0
Grants:					
Newton Park (carryover of development grant from TDC)	\$380,000	\$0	\$0	\$0	\$0
Mound House restoration (carryover of prior TDE and state grants)	\$520,932	\$0	\$0	\$0	\$0
Mound House landscape restoration phase II (grant from TDC)	\$726,405	\$0	\$0	\$0	\$0
Miscellaneous non-transportation revenues	\$589,521	\$600,000	\$600,000	\$600,000	\$600,000
Anticipated annual non-transportation revenue:	\$6,326,490	\$4,414,660	\$4,414,660	\$4,414,660	\$4,414,660
Less non-transportation revenue required for annual operating expenses:	<u>\$3,297,653</u>	<u>\$3,300,000</u>	<u>\$3,300,000</u>	<u>\$3,300,000</u>	<u>\$3,300,000</u>
Equals anticipated revenue available for non-transportation capital improvements:	\$3,028,837	\$1,114,660	\$1,114,660	\$1,114,660	\$1,114,660

FIVE-YEAR SCHEDULE OF CAPITAL IMPROVEMENTS

Table 11-7 shows the most recent proposed five-year schedule of capital improvements, as amended through FY 2008/09 to 2012/13. 98/99 to 02/03, which is the culmination of this element. Because this schedule must be balanced (expenditures cannot exceed revenues), the number of projects to be implemented is limited to existing revenue sources. If future grants are obtained for capital projects, they will also be added. Because the town's charter currently prohibits most borrowing, no forecast of the town's debt capacity is provided.

Additional projects can be added as additional revenue sources are put in place, or if listed projects are modified or deleted. As a practical matter, these updates to the Capital Improvements Program this will be evaluated during the annual budget cycle which is completed in late September of each year. Table 11-7 of this The Capital Improvements Program and this Element will be revised annually by the town council to reflect such decisions. Based on recent state legislation, the annual update to this plan can now be adopted by ordinance during the final budget hearing; the old rules, which required advance transmittal of the proposed update, have been repealed.

Table 11-7 — Revised Five-Year Schedule of Capital Improvements, FY 04/05 to 08/09

	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09
TRANSPORTATION CAPITAL IMPROVEMENTS:	(Budgeted)	(Projected)	(Projected)	(Projected)	(Projected)
Transportation/drainage maintenance, etc.	\$500,000	\$250,000	\$300,000	\$150,000	\$150,000
Transportation/canals	\$200,000	\$200,000	\$100,000	\$100,000	\$100,000
Traffic calming (side streets)	\$0	\$0	\$50,000	\$0	\$0
Estero Boulevard safety project	\$0	\$0	\$0	\$0	\$0
North Estero improvements	\$350,000	\$175,000	\$175,000	\$0	\$0
Congestion mitigation initiatives	\$1,026,000	\$375,000	\$375,000	\$375,000	\$0
Side street resurfacing	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Trolley stop improvements	\$24,000	\$0	\$0	\$0	\$0
Alternating lights	\$140,000	\$0	\$0	\$0	\$0
Parking meter improvements	\$10,000	\$0	\$10,000	\$0	\$10,000
Estero streetscape	\$0	\$0	\$0	\$0	\$0
Total of proposed annual expenditures:	\$2,350,000	\$1,100,000	\$1,110,000	\$725,000	\$360,000
Anticipated annual transportation revenue:	\$3,926,234	\$975,000	\$725,000	\$725,000	\$300,000
Anticipated year-end transportation reserves: [†]	\$1,576,234	\$1,451,234	\$1,066,234	\$1,066,234	\$1,006,234
NON-TRANSPORTATION CAPITAL IMPROVEMENTS:					
Office remodeling	\$20,000	\$5,000	\$5,000	\$0	\$0
Truck and maintenance crew equipment	\$25,000	\$24,000	\$24,000	\$24,000	\$0
GIS project	\$20,000	\$0	\$0	\$0	\$0
Software	\$15,000	\$0	\$0	\$0	\$0
Office equipment	\$30,000	\$0	\$0	\$0	\$0
Public dock below Sky Bridge	\$66,000	\$0	\$0	\$0	\$0
Conversion of Newton property	\$500,000	\$0	\$0	\$0	\$0
Land acquisition (other)	\$0	\$200,000	\$200,000	\$200,000	\$200,000
Mound House	\$325,000	\$0	\$0	\$0	\$0
Beach restoration	\$910,000	\$10,000	\$10,000	\$10,000	\$10,000
Harbor plan and anchorage	\$302,500	\$0	\$0	\$10,000	\$0
Community pool improvements	\$20,000	\$0	\$10,000	\$0	\$0
Pink Shell cottages	\$0	\$0	\$0	\$0	\$0
Bay Oaks park improvements	\$0	\$10,000	\$0	\$0	\$10,000
Neighborhood landscaping (matching funds for street trees)	\$20,000	\$10,000	\$10,000	\$10,000	\$10,000
Total of proposed annual expenditures:	\$2,253,500	\$259,000	\$259,000	\$254,000	\$230,000
Anticipated annual non-transportation revenue:	\$2,275,968	\$250,000	\$250,000	\$250,000	\$250,000
Anticipated year-end non-transportation reserves: [‡]	\$22,468	\$13,468	\$4,468	\$468	\$20,468
DOWNTOWN REDEVELOPMENT AGENCY (DRA):					
Phase II Times Square streetscape	\$0	\$0	\$0	\$0	\$0
Old San Carlos/Crescent streetscape (unpaid balance)	\$350,000	\$0	\$0	\$0	\$0
Transit improvements (tram service)	\$0	\$0	\$0	\$0	\$0
Activities (recommended by Alliance/Times Square Comm.)	\$20,000	\$0	\$0	\$0	\$0
Median pedestrian refuge & sidewalk near Seafarer's	\$200,000	\$0	\$0	\$0	\$0
Outside legal/planning services	\$30,000	\$0	\$0	\$0	\$0
Total of proposed annual expenditures:	\$600,000	\$0	\$0	\$0	\$0
Anticipated annual DRA revenue:	\$666,230	\$159,848	\$159,848	\$159,848	\$159,848
Anticipated year-end DRA reserves: [§]	\$66,230	\$226,078	\$385,926	\$545,774	\$705,622

[†]Initial transportation reserves were \$2,794,234.

[‡]Initial non-transportation reserves were \$972,468.

[§]Initial DRA reserves were \$506,382.

Table 11-7 — Revised Five-Year Schedule of Capital Improvements, FY 08/09 to 12/13

	Reduce level-of-service deficiency	Maintain adopted LOS?	Meet future LOS after growth?	Replace facility to maintain LOS?	Desirable but not related to LOS	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
TRANSPORTATION CAPITAL IMPROVEMENTS:						(Capital budget)	(Projected in CIP)	(Projected in CIP)	(Projected in CIP)	(Projected in CIP)
Transportation: stormwater master plan & early implementation	-	-	-	-	✓	\$265,000	\$0	\$0	\$0	\$0
Transportation: dredging at Laguna Shores	-	-	-	-	✓	\$475,000	\$0	\$0	\$0	\$0
Transportation: stormwater plan from Carolina to Tropical Shores	-	-	-	-	✓	\$175,000	\$175,000	\$0	\$0	\$0
North Estero Blvd. improvements (Times Square to Bowditch Point)	-	-	-	-	✓	\$2,570,000	\$710,415	\$0	\$0	\$0
Total of proposed annual expenditures:						\$3,485,000	\$885,415	\$0	\$0	\$0
Transportation reserves carried forward from prior year:						\$2,138,255	\$0	(\$755,415)	(\$630,415)	(\$510,415)
Anticipated annual transportation & related revenue for capital improvements:						\$1,346,745	\$130,000	\$125,000	\$120,000	\$115,000
Anticipated year-end transportation reserves after proposed expenditures:						\$0	(\$755,415)	(\$630,415)	(\$510,415)	(\$395,415)
NON-TRANSPORTATION CAPITAL IMPROVEMENTS:										
Conversion of Newton property (funded largely by TDC grant)	-	-	-	-	✓	\$544,000	\$0	\$0	\$0	\$0
Beach access improvements (restrooms)	-	-	-	-	✓	\$0	\$100,000	\$0	\$0	\$0
Mound House improvements (funded by state, federal & TDC grants, plus park impact fees carried forward from prior years)	-	-	-	-	✓	\$1,247,337	\$0	\$0	\$0	\$0
Beach restoration	-	-	-	-	✓	\$1,000,000	\$0	\$0	\$0	\$0
Land acquisition	-	-	-	-	✓	\$225,000	\$0	\$0	\$0	\$0
Neighborhood landscaping (matching funds for street trees)	-	-	-	-	✓	\$12,500	\$10,000	\$10,000	\$0	\$0
Capital repairs to water utility system	-	-	-	-	✓	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Acquire property and renovate existing town hall	-	-	-	-	✓	\$0	\$3,800,000	\$500,000	\$0	\$0
Total of proposed annual expenditures:						\$3,028,837	\$3,910,000	\$510,000	\$3,000,000	\$3,000,000
Non-transportation reserves carried forward from prior year if not listed on Table 11.5:						\$0	\$0	(\$2,795,340)	(\$2,190,680)	(\$4,076,020)
Anticipated annual revenue for non-transportation capital improvements:						\$3,028,837	\$1,114,660	\$1,114,660	\$1,114,660	\$1,114,660
Anticipated year-end non-transportation reserves after proposed expenditures:						\$0	(\$2,795,340)	(\$2,190,680)	(\$4,076,020)	(\$5,961,360)

GOALS - OBJECTIVES - POLICIES

Based on the analysis of capital improvements issues in this element, the following goals, objectives, and policies are adopted into the Fort Myers Beach Comprehensive Plan:

GOAL 11: To provide major public improvements that help create the safe and beautiful community envisioned in this comprehensive plan.

OBJECTIVE 11-A CAPITAL IMPROVEMENTS PROGRAM — Adopt each year, as part of the budget process, a capital improvements program (CIP) that implements this plan, ensures the availability of services at adopted levels, and carries out the fiscal policies in this element.

POLICY 11-A-1 **ROLE OF THE CIP** — As a part of the town's annual budget process, the town shall adopt a Capital Improvements Program every year that identifies all proposed capital expenditures for the ensuing five-year period, identifies the revenues to fund the expenditures, and describes each project's compliance with the criteria in Policy 11-A-4 below. The proposed CIP shall be balanced, with the proposed expenditures not greater than the amount of revenues available to fund the expenditures. A list of projects that are needed, but unfunded, may be included as an attachment to the balanced CIP. Once adopted, the new five-year schedule of capital improvements CIP shall annually be incorporated into the Capital Improvements Element.

POLICY 11-A-2 **CIP PROCESS** — The Capital Improvements Program shall be prepared, adopted, and amended according to the following process:

- i. The proposed CIP shall be developed by the Town Manager based on a review of existing facilities, level-of-service standards, current and projected deficiencies, and the capital needs as identified in this comprehensive plan.
- ii. The proposed CIP shall be reviewed by the Local Planning Agency (LPA) which shall consider the consistency of all proposed CIP expenditures with this comprehensive plan.
- iii. After reviewing the report of the LPA, the Town Council shall modify the CIP as needed and adopt it by resolution in conjunction with the annual budget.
- iv. After its adoption, the CIP may be amended by resolution of the Council. All changes to the CIP must be consistent with this comprehensive plan.

POLICY 11-A-3 **CIP FISCAL POLICIES** — All projects included in the CIP should be evaluated for financial feasibility, their impact on the town's budget, and the town's ability to operate the facility. Operating costs associated with public facilities and services programmed in the CIP shall be incorporated into the town's operating budget. The capital portion of the annual operating budget shall be consistent with the first year of the adopted CIP. Where an amendment to the CIP affects the first year, the annual operating budget shall also be amended to remain consistent with the CIP.

POLICY 11-A-4 **CIP PRIORITIES** — The following priorities shall be used in determining which projects are included in the CIP:

- i. Remove a direct and immediate threat to the public health or safety;
- ii. Are directed by a court order or otherwise by law;
- iii. Are essential for the maintenance of existing infrastructure;
- iv. Remove an existing capacity deficiency;
- v. Will accommodate new development or re-development anticipated by this plan.

POLICY 11-A-5 **OTHER CIP CRITERIA** — For the purpose of further ranking projects that are otherwise equal, the following should be considered:

- i. Priorities found elsewhere in the comprehensive plan;
- ii. Whether the facility is needed to satisfy a level-of-service standard in this plan;
- iii. Whether the project competes with other facilities that have been or could reasonably be provided by other governmental entities or the private sector;
- iv. The revenue-generating potential of the project;
- v. Whether the project leverages additional benefits to the town, such as offers to donate land or services by the private sector and/or other governmental entities.

POLICY 11-A-6 **CAPITAL IMPROVEMENT DEFINED** — A “capital improvement” is a project to acquire, build or improve a major asset that will have long-term value, such as sidewalks, roads, landscaping, beach renourishment, parks, and nature preserves. Capital improvements usually have a value of at least \$10,000 and may include planning and design studies that will lead to a physical improvement.

POLICY 11-A-7 **SCHEDULE OF IMPROVEMENTS** — Table 11-7 of this element presents the five-year schedule of capital improvements to be undertaken by the Town of Fort Myers Beach. This schedule will be updated each year through an amendment to this plan to correspond with revisions to the capital improvements program made by the town during its annual budget process.

- i. To comply with § 163.3180(13)(d), F.S., the required five-year schedule of capital improvements also includes the capacity-enhancing school improvements and summary of estimated revenues as presented by the Lee County School District through its Five-Year District Facilities Work Program, as updated each September. For FY 2008/09 through 2012/13, the specific capacity-enhancing school improvements are listed in Table 16-7 of the Public Schools Element and the formal demonstration that those improvements meet all requirements of state law is set forth in that element.
- ii. To comply with § 163.3177(3)(a)5, F.S., any capital improvements that Lee County Utilities needs to construct to achieve or maintain the potable water level of service in this plan during the next five years will be included in the town's five-year schedule of capital improvements.

OBJECTIVE 11-B LEVEL-OF-SERVICE STANDARDS — Adopt and maintain a concurrency management system that ensures that public facilities are provided in accordance with the adopted level-of-service (LOS) standards for potable water, sanitary sewer, solid waste, stormwater, recreation, and transportation.

POLICY 11-B-1 **UTILITIES LOS STANDARDS** (Repeated from Policy 8-B-1 of the Utilities Element): The minimum acceptable level-of-service standards for utility services within the Town of Fort Myers Beach shall be:

- i. for potable water service:
 - (a) Available supply, treatment, and delivery capacity of 260 gallons per day per equivalent residential connection (ERC), and delivery of potable water at a minimum pressure of 20 pounds per square inch (psi) at the meter anywhere in the system.
 - (b) Prior to issuance of building permits, the town must obtain assurances from Lee County Utilities that an adequate bulk water supply will be available to the town's water distribution system to serve new development at these same rates.
- ii. for sanitary sewer service: available capacity to collect, treat, and dispose of wastewater of 175 gallons per day per equivalent residential connection (ERC).
- iii. for solid waste disposal service: the ability to collect and manage 7 pounds of municipal solid waste per person per day.

POLICY 11-B-2 **STORMWATER LOS STANDARDS**

(Repeated from Policy 9-D-1 of the Stormwater Management Element): Until completion of the evaluation under Stormwater Management Element Policy 9-F-1 to 6, interim levels of service are hereby established for protection from flooding to be provided by stormwater and roadway facilities:

- i. During a 3-day rainfall accumulation of 13.7 inches or less (3-day, 100-year storm as defined by SFWMD), one lane of evacuation routes should remain passable (defined as less than 6 inches of standing water over the crown). Emergency shelters and essential services should not be flooded.
- ii. During a 3-day rainfall accumulation of 11.7 inches or less (3-day, 25-year storm as defined by SFWMD), all lanes of evacuation routes should remain passable. Emergency shelters and essential services should not be flooded.
- iii. During coastal flooding of up to 4.0 feet above mean sea level, all lanes of evacuation routes should remain passable. Emergency shelters should not be flooded.

POLICY 11-B-3 **RECREATION LOS STANDARD** (Repeated from Policy 10-D-3 of the Recreation Element): The town adopts the following standard for community parks: for each 7,500 permanent residents, 1 centrally located recreation complex that includes 2 ballfields, 2 tennis courts, outdoor basketball courts, play equipment, an indoor gymnasium, and community meeting spaces. Programming shall address all age groups and encompass active recreation, physical improvement, and social, educational, and cultural activities.

POLICY 11-B-4 **TRANSPORTATION LOS STANDARD** (Repeated from Policy 7-I-2 of the Transportation Element): The peak capacity of Estero Boulevard's congested segments is 1,300 vehicles per hour. The minimum acceptable level-of-service standard for Estero Boulevard shall be that average monthly traffic flows from 10:00 A.M. to 5:00 P.M. during each month do not exceed that level for more than four calendar months in any continuous twelve-month period. Measurements from the permanent count station at Donora Boulevard shall be used for this standard.

POLICY 11-B-4.5 **PUBLIC SCHOOL LOS STANDARD** (Repeated from Policy 16-B-1 of the Public Schools Element): The minimum acceptable level-of-service standards for public schools within the Town of Fort Myers Beach shall be:

- i. Elementary Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- ii. Middle Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- iii. High Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.
- iv. Special Purpose Schools: 100% of permanent capacity as adjusted by the school district annually to account for measurable programmatic changes.

"Permanent capacity" of each of the four types of schools means the combined capacity for all schools of that each type that are located in the

school district's South Student Assignment Zone, as depicted in Figure 3 of this element. (Multi-zone magnet schools and special centers are excluded.) Permanent capacity is the capacity of permanent buildings as determined by the Florida Inventory of School Houses, 2006 edition, published by the Florida Department of Education's Office of Educational Facilities. "Measurable programmatic change" means a change to the operation of a school and measurable capacity impacts including, but not limited to, double sessions, floating teachers, year-round schools, and special educational programs.

POLICY 11-B-5 **CONCURRENCY** — The town will enforce these levels of service under the concurrency requirements of Florida law by:

- i. Withholding development orders or building permits that might cause the adopted levels of service to fall below the minimum standards; or by
- ii. Issuing development orders or building permits subject to the condition that, at the time of the issuance of a certificate of occupancy, the necessary facilities and services must be in place and available to serve the development being authorized (or are guaranteed to be in place through an enforceable development agreement pursuant to Section 163.320 FS or through an agreement or development order pursuant to Chapter 380 FS).

However, for parks/recreation, transportation, and public schools, the following requirements will apply:

- iii. For parks and recreation, the facilities needed to serve new development must be

in place or under actual construction within 1 year after issuance of a certificate of occupancy; any required acreage must meet the requirements of 163.3180(2)(b), Florida Statutes.

- iv. For transportation, the facilities needed to serve new development must be in place when a building permit is issued, or under actual construction within 3 years after issuance of a building permit that results in traffic generation if the required facility is listed in Table 11-7, the Five-Year Schedule of Capital Improvements.
- v. For public schools, the facilities needed to serve new development must be in place when a final site plan is issued; or under actual construction within 3 years after issuance if the required facility is listed in Table 11-7, the Five-Year Schedule of Capital Improvements; or mitigation may be accepted by the school district in accordance with the Public Schools Element of this plan.

POLICY 11-B-6 CONCURRENCY MANAGEMENT SYSTEM

— The town’s concurrency management system shall comply with the provisions of Rule 9J-5.0055 FAC to include:

- i. The town’s commitment to maintain the adopted level-of-service standards for potable water, sanitary sewer, solid waster, stormwater, recreation, and transportation.
- ii. The town’s commitment that future CIPs and amendments to this element maintain this element’s financially feasible plan to maintain these levels of service.
- iii. A system for monitoring and ensuring adherence to the adopted level-of-service standards, the schedule of capital improvements,

and the availability of public facility capacity.

- iv. Standards for interpreting and applying level-of-service standards to applications for development orders and building permits and specifying when the test for concurrency must be met (which will be no later than issuance of a development order or permit which contains a specific plan for development, including densities and intensities).
- v. The concurrency management system shall be implemented through the Land Development Code and ensure that development orders and building permits that are issued will not result in a reduction in the levels of service below the adopted levels of service.

POLICY 11-B-7 ANNUAL CONCURRENCY ASSESSMENT —

The Town Manager shall annually prepare a formal assessment of the current status of the adopted level-of-service standards, including:

- i. existing usage of public facilities;
- ii. available capacity (committed or uncommitted); and
- iii. additional public facilities that are being planned.

Based on this assessment, the Town Council shall determine after a public hearing whether there is cause to withhold or condition building permits or development orders during the following year. Such action, as updated periodically by the Town Council, shall empower the issuance of development permits where this assessment reasonably demonstrates that sufficient capacity will be available to serve all development that is reasonably expected to occur during the period of time approved by the town

council. This assessment and its conclusions shall be published by the town at least annually.

POLICY 11-B-8 **CONCURRENCY SHORTFALLS** — Should the annual concurrency assessment indicate problems with maintaining one or more of the adopted level-of-service standards during the coming year, the Town Council shall immediately take one or more of the following actions:

- i. initiate a comprehensive plan amendment to modify the adopted level of service; or
- ii. determine which types of development permits will have significant impacts on service levels, direct that such permits shall not be granted or shall be granted conditionally (with occupancy dependent upon achievement of the adopted level of service), and set a schedule for the re-assessment of that level of service; or
- iii. immediately begin or accelerate capital improvements or other measures to offset any apparent deficiencies in levels of service. Examples would include upgrading potable water lines to improve water pressure; increasing sewage disposal or solid waste capacity; improving drainage or elevating evacuation routes at problem locations; adding recreational facilities; or improving public transit service, bicycle routes, and/or sidewalks to improve non-vehicular mobility.

The third alternative just listed is the preferred response of the Town of Fort Myers Beach to deficiencies in an adopted level of service, provided that the minimum concurrency requirements of this plan and state law are still met.

POLICY 11-B-9 **CONCURRENCY DEFERRALS AND EXEMPTIONS** — The town's concurrency management system shall allow deferrals and exemptions only as follows:

- i. Some types of development applications do not contain a specific plan for development or authorize any actual development. Such applications shall not be approved for concurrency compliance until a later stage of approvals where such impacts can be measured and then deducted from available capacity. The town may, however, evaluate probable concurrency impacts at these earlier stages as one factor in determining whether or not to approve such activities.
- ii. Development applications will be exempted from the concurrency management system only if they will create zero or insignificant impacts on public facilities; any such exemptions shall be defined in the Land Development Code.

POLICY 11-B-10 **CONCURRENCY APPLICATION** — The town's concurrency management system shall be administered ~~by the same entity that reviews development proposals~~ in accordance with the remainder of the Land Development Code. ~~(at the time this plan was adopted, the Lee County Department of Community Development was providing that service under contract).~~ However, The preparation of the annual concurrency assessment shall be the responsibility of the Town Manager, and all decisions resulting from that assessment shall be made directly by the Town Council.

OBJECTIVE 11-C CAPITAL FINANCING POLICIES — Manage the fiscal resources of the town to ensure the equitable financing of needed public facilities and services.

POLICY 11-C-1 **EXISTING DEVELOPMENT** — Existing development shall be responsible for the costs of repairing and replacing existing public facilities and for capital improvements needed to eliminate pre-1998 deficiencies. This responsibility shall be discharged through the payment of property taxes, utility fees, gas taxes, sales taxes, user fees, and taxes and fees.

POLICY 11-C-2 **NEW DEVELOPMENT** — New development and redevelopment shall bear a proportionate share of the cost of providing new or expanded public facilities and infrastructure required to maintain service levels through payment of impact fees, connection fees, site-related developer dedications, developer contributions, and other lawfully imposed charges.

POLICY 11-C-3 **IMPACT FEES** — Impact fees for designated public facilities shall be set to capture a substantial proportion of the full and real cost of the designated facility, and shall be reviewed and updated regularly. ~~The town shall continue its participation in Lee County's impact fee program for community parks, fire, and emergency medical services, but shall request Lee County to turn over regional park impact fees for use in acquiring an additional beach access at the south end of Estero Island. The town shall also establish an independent impact fee program for transportation as described in the Transportation Element.~~

POLICY 11-C-4 **GENERAL FUND** — The town will develop specific policies as to the use of general governmental revenues for capital purposes, such as setting aside each year a portion of ad valorem taxes or other general revenues (such as sales taxes, gas taxes, or utility service taxes) for capital improvements.

POLICY 11-C-5 **GRANTS** — The town will actively seek grants from federal, state, and other sources where available and when appropriate for capital facility construction. Consideration will be given to limitations and restrictions involved in such grants.

POLICY 11-C-6 **INTERNAL CONSISTENCY** — Amendments and updates to the CIP and this Capital Improvements Element shall continue to support the Future Land Use Element, be consistent with all other elements of the comprehensive plan, and where appropriate, be consistent with all other state and regional plans.

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