Tentative Apportionment 2020-21 Beach Maintenance Renourishment Project

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Table 1
Annual Public and Private Benefits of the 2020-2021 Beach Renourishment Project with Storm Protection Detail

Benefits	Amount	Percentage of All Benefits
Roads Storm Protection	$21,501	0.3
Other Public Property Storm Protection	$466,284	7.1
Other Private Property Storm Protection	$2,417,881	36.7
Total Storm Protection Benefits	$2,905,666	44.1
Total Recreation Benefits	$3,685,321	55.9
Total Storm and Recreation Benefits	$6,590,987	100.0

Source: Aptim and WBS, GLJ.
Note: Totals may not add due to rounding.

2

Other Public Property mainly includes the land loss seaward of the ECL. These benefits are paid for by State Funds. Parks included as well $43,870.

Condos previously in MFAM. MFAM benefits recalculated. Each unit generates average SFAM visits. All %'s change. Interval Properties now classified as hotels, and included in the Commercial Benefit Category. County Funds cover Day Visitor benefits.

Rounding so 43.6 would be 43.7 for recreation sub-total

Table 2
Annual Public and Private Benefits of the 2020-2021 Beach Renourishment Project with Recreation Detail

Benefits	Amount	Percentage of all Benefits
Single-family Properties Recreation	$1,025,458	15.6
Condominiums Recreation	$851,763	12.9
Multi-Family <10 Properties Recreation	$385,868	5.9
Commercial Properties Recreation	$610,211	9.3
Sub-Total Private Recreation Benefits	$2,873,300	43.6
Day Visitors (funded by Lee County)	$812,021	12.3
Total All Recreation Benefits	$3,685,321	55.9
Total All Storm Protection Benefits	$2,905,666	44.1
Total All Storm and Recreational Benefits	$6,590,987	100.0

Source: Aptim and WBS, GLJ.
Note: Totals may not add due to rounding.

Other Public Property mainly includes the land loss seaward of the ECL. These benefits are paid for by State Funds. Parks included as well $43,870.

Condos previously in MFAM. MFAM benefits recalculated. Each unit generates average SFAM visits. All %'s change. Interval Properties now classified as hotels, and included in the Commercial Benefit Category. County Funds cover Day Visitor benefits.

Rounding so 43.6 would be 43.7 for recreation sub-total

Table 3
Annual Benefits to Private Property Owners on Captiva
2020-2021 Beach Renourishment

Benefit	Amount	Percentage
Single-family Recreation	$1,025,458	19.4
Condominium Recreation	$851,763	16.1
Multi-family<10 Recreation	$385,868	7.3
Commercial Recreation	$610,211	11.5
Total Private Recreational Benefits	$2,873,300	54.3
Total Private Property Storm Protection	$2,417,881	45.7
Total Private Benefits	$5,291,181	100.0

Source: Tables 1 and 2, note: Totals may not add due to rounding.

The Project Cost will be apportioned among the private property owners in the various benefit categories using these percentages
From Data Assembly tab in Benefit Analysis Report

Source: Table 1. Items don't add to total because of rounding.

Table 4
Annual Private Property Storm Protection
Benefits by Beach Zone

Beach Zone	Amount	Percentage
Upper South Seas	$904,501	37.4
Lower South Seas	$290,306	12.0
Village	$344,186	14.2
Tween Waters Road	$338,826	14.0
Upper Gold Coast	$315,811	13.1
High Erosion Gold Coast	$224,251	9.3
Total	$2,417,881	100.0

Source: Aptim.
Note: Totals may not add due to rounding. 2020-21 beach renourishment.

5

Upper South Seas Beach Zone boundary extended southward. This reduces the size of the Lower South Seas Beach Zone.

These percentages will determine the portion of the cost that is paid by storm assessments in each beach zone.

From the data assembly tab in the benefits file.

Table 5
Annual Recreational Benefits Received by
Benefit Category
for Captiva Private Properties

Benefit Category	Amount	Percentage
Single-Family	$1,025,458	35.7
Condominiums	$851,763	29.6
Multi-family< 10	$385,868	13.4
Commercial	$610,211	21.2
Total Recreational Benefits	$2,873,300	100.0

Source: WBS, GLJ.
Note: Totals may not add due to rounding.

6

From the Data Assembly Tab in the Benefit Analysis.

Table 6
Annual Private Benefits by Benefit Category

Storm Protection Beach Zone	Amount	Percentage
Upper South Seas	$904,501	17.1
Lower South Seas	$290,306	5.5
Village	$344,186	6.5
Tween Waters Road	$338,826	6.4
Upper Gold Coast	$315,811	6.0
High Erosion Gold Coast	$224,251	4.2
Total Storm Protection Benefits	$2,417,881	45.7
Recreation Property Type	**Amount**	**Percentage**
Single-family	$1,025,458	19.4
Condominiums	$851,763	16.1
Multi-family < 10	$385,868	7.3
Commercial	$610,211	11.5
Total Recreational Benefits	$2,873,300	54.3
Grand Total All Benefits	$5,291,181	100.0

Source: WBS, GLJ.
Note: Totals may not add due to rounding.

7

Source: TABLES 3 and 4

Table 7
Calculation of Cost Shares by Benefit Category
2020-21 Renourishment Project

Benefit Category	Benefit Share (%)	Cost Share (%)	Share of Cost ($)
Upper South Seas	17.1	17.1	$3,077,010
Lower South Seas	5.5	5.5	$987,588
Village	6.5	6.5	$1,170,882
Tween Waters Road	6.4	6.4	$1,152,648
Upper Gold Coast	6.0	6.0	$1,074,353
High Erosion Gold Coast	4.2	4.2	$762,876
Single-Family	19.4	19.4	$3,488,492
Condominiums	16.1	16.1	$2,897,600
Multi-family <10	7.3	7.3	$1,312,680
Commercial	11.5	11.5	$2,075,869
Total	100.0	100.0	**$18,000,000**

Source: WBS, GLJ, Totals may not add due to rounding. Share of cost in 2018 dollars, benefits are for a single year. Costs cover project life of 10 years. Just values are preliminary. Just Value for SS Employee Housing included with Commercial. Cost percentage share = Benefit percentage share.

8

Benefits refer to a single year (the average year). Costs cover the 10 years life of the project.
Cost percent share = Benefit percent share. Millage is Share of Cost divided by Just Value times 1000. 2018 Just Values are preliminary. Just Value for SS Employee Housing included with Commerical

Table 8
Calculation of Basic Millage Rates by Benefit Category
2020-21 Beach Renourishment Project

Benefit Category	Cost Share	Just Value	Basic Millage Rate
Upper South Seas	$3,077,010	$157,885,308	19.4889
Lower South Seas	$987,588	$187,363,996	5.2710
Village	$1,170,882	$56,835,757	20.6013
Tween Waters Road	$1,152,648	$199,805,282	5.7689
Upper Gold Coast	$1,074,353	$181,439,526	5.9213
High Erosion Gold Coast	$762,877	$87,357,922	8.7328
Single-Family	$3,488,492	$804,680,241	4.3353
Condominiums	$2,897,600	$354,491,001	8.1740
Multi-family <10	$1,312,680	$223,853,739	5.8640
Commercial	$2,075,869	$147,0098,332	14.1121
Total	**$18,000,000**		

Source: WBS, GLJ, 2018 dollars.

Table 9
Examples of Basic Millage Assessments by Benefit Categories
2020-21 Beach Renourishment Project

Benefit Category	Average Just Value	Average Storm Assessment	Average Recreational Assessment
Upper South Seas (SFAM)	$3,255,589	$71,558	$14.114
Lower South Seas (SFAM)	$1,872,064	$4,220	$8,116
Village (SFAM)	$2,272,758	$45,034	$9,851
Tween Waters Road (SFAM)	$3,188,173	$14,408	$13,822
Upper Gold Coast (SFAM)	$4,072,070	$25,580	$17,653
High Erosion Gold Coast (SFAM)	$3,426,808	$29,341	$14,856
Single-Family	$1,929,689	$0	$8,366
Condominiums	$658,905	$0	$5,386
Multi-family <10	$3,341,101	$0	$19,592
Commercial	$3,002,007	$0	$42,365

Source: WBS, GLJ, 2018 dollars.

Refinements to the Basic Millage Assessment Rates

- The basic millage rates have previously been refined by the CEPD Board to determine the actual millage rates used for each Renourishment project since the Restoration project in 1988-89.
- There were two sources of these refinements.
  - First, the Board was persuaded by information supplied by the public at Board Meetings and Hearings. One early change made by the Board was to provide a discount to condominium owners who had homestead exemptions on the grounds that such units generated less recreational use of the beach. A second change was to include the nonresidential and noncommercial parcels on the island in the assessment program. There are three types of such properties: institutional properties all of which are not for profits, government-owned properties including federal, state and local governments, and miscellaneous properties including utilities and submerged properties.
  - The second source of refinement came about as the detail in the NAL file of the Property Appraiser was changed by the Florida Cabinet and more information on island properties became available. The number of residential units on a parcel was added to the file and this resulted in the reclassification of some single-family parcels as Multi-family with less than 10 units. Parcels owned by for-profit enterprises were moved from the institutional to the commercial category. Information on the NAL file was also changed as part of the development of an Online Mapping System. For example, common element parcels were identified on the maps and some “non-beach” parcels were seen to be owners of beachfront common elements.
  - Changes to the NAL file are ongoing. For example, “interval” properties have been reclassified to be “hotels” since the last Renourishment project.

11

TABLE 7A in the Data Assembly Tab shows the calculation of the Revised Millage Rate.

Outline of Refinements

- Storm Protection Assessments:
  - Sunset Captiva: There is a beachfront common element parcel that is owned by the Sunset Captiva Homeowners Association. The homeowners' website states that all amenities are shared: docks, pool, tennis courts, grills and beach. All Sunset Captiva properties are now designated as Gulf-front properties in line with beachfront common element parcels in South Seas Plantation and the owners of common element parcels along the Tween Waters Road.
  - Captiva Gulf Way Improvement Association (CGWIA) Property in the Upper Gold Coast Beach Zone: this beachfront parcel has a strap number that indicates it is a common element parcel, owned by the Gulf Way Improvement Association, Inc. The Association is owned by seven properties that are east of Captiva Drive. These parcels are now designated as Gulf-front properties in line with the treatment of other common element beachfront parcels in South Seas Plantation, the Village beach zone, and the owners of common element parcels along the Tween Waters Road. The assessment will be sent to the Manager of the CWGIA and they will determine how to apportion it among the owners.
- Recreation Assessments:
  - Discounts for Homesteaded Properties. We recommend that the discount be applied to all homesteaded properties, rather than just to condominiums as in previous Renourishment Projects. More adequate data have become available as a result of a special survey undertaken of single-family homesteaded properties.
  - Institutional Properties: the Rauschenberg and Captiva Civic Association properties were previously assessed at the single-family rate. We recommend that the two Rauschenberg properties that each contain two residential units be assessed at the multi-family rate less than 10 rate. The two parcels owned by Chapel by the Sea have previously not received a recreation assessment.
  - Government Properties: the two beach parks were assessed in the early renourishments, but subsequent interlocal agreements with Lee County require that the assessments be covered by the County grant.
  - Miscellaneous Properties. There are 15 on Captiva. Three are owned by utilities (United Telephone and the Island Water Association). These were assessed in the 2014 assessment program. The remaining parcels have very low values. Some are submerged, some are rights-of-way, some are marsh and dunes. and some are drainage and irrigation parcels. They may not have been included in the 2014 assessment program

12

TABLE 7A in the Data Assembly Tab shows the calculation of the Revised Millage Rate.

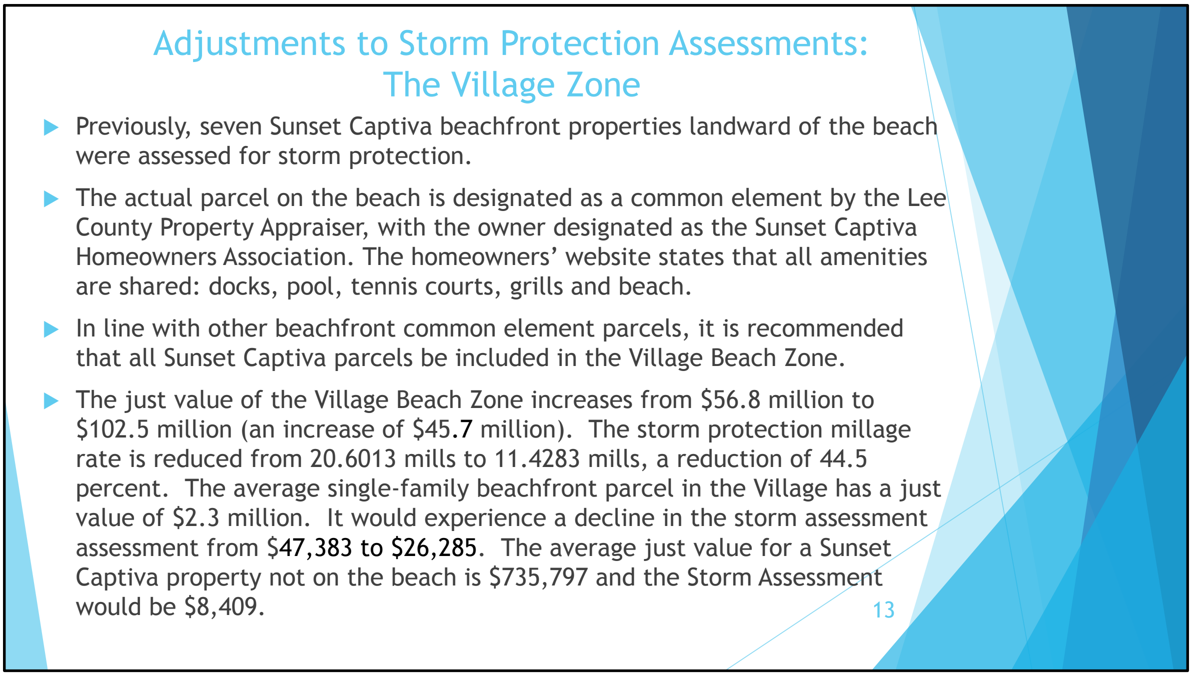

TABLE 7A in the Data Assembly Tab shows the calculation of the Revised Millage Rate.

Adjustments to Storm Protection Assessments: The Upper Gold Coast Zone

- The 40-foot right-of-way parcel owned by the Captiva Gulf Way Improvement Association (CGWIA), a Florida not-for-profit, was not previously assessed. Corporate filings with Department of State and assistance from a nearby property owner has helped to tentatively identify 7 properties on the bay side of Captiva Drive who own the right-of-way parcel, which is designated a common element parcel by the property appraiser.
- We added the just values of the parcel owners to the just value total for the Beach Zone (an extra $16.6 million). This is in line with other beachfront common element parcels. The storm protection millage rate for the Upper Gold Coast beach zone is reduced from 5.9213 mills to 5.4244 mills.
- An average single-family beachfront property with a just value of $4.1 million would pay $24,277 if the just values of the Gulf Way property owners are not included in the beach zone total and $22,240 if the Gulf Way properties are included.

TABLE 7B in the Data Assembly Tab shows the calculation of the revised millage rate.

Adjustments to Recreation Assessments: Homesteaded Properties

- There has been a substantial increase in beach use from single-family properties (16 percent in 2010 to 30 percent in 2018), partly due to increased participation in the internet-based vacation rental market.
- A mail survey was completed for 60 single-family homestead properties. The 38 responses represent a response rate of 63.3 percent. An average single-family homestead property generates 138.3 beach visits over the course of a year compared to 328.9 visits for all single-family properties. The homesteaded properties generate 42.1 percent fewer beach visits. We recommend discounting the single-family homestead basic millage rate by 42.1 percent based on lower beach usage, resulting in a revised millage rate of 1.8251.
- We recommend that the homestead exemption discount be extended to all homestead condominiums at a discounted millage rate of 3.4412, and to one unit in homesteaded MF<10 properties at a millage rate of 2.4687 reflecting the same percentage discount.
- The homestead discounts would create a shortfall of $735,464 in the $18,000,000 assessment program, or 4.1 percent. If this is the only change to the Basic Millages, all assessments would be increased by 4.1 percent.

Adjustments to Recreation Assessments: Institutional Properties and Utility Parcels

- The three gulf-front institutional properties in the Village beach zone (one owned by Rauschenberg Captiva LLC and two owned by Chapel by the Sea) have previously paid storm protection assessments.
- The eleven Rauschenberg properties and the two Civic Association properties have previously paid recreation assessments at the single-family rate. The NAL file indicates that two of the Rauschenberg parcels have two residential units. We recommend that these be assessed at the MF<10 rate.
- The two parcels owned by Chapel by the Sea have not previously been assessed for recreation. The Board may wish to include them in the recreation assessments, although one of the two parcels is occupied by a single-family home and a historic cemetery. Previous Boards felt that the cemetery did not receive recreational benefits. Disaggregating the parcel’s just value into the portion due to the single-family home and the portion due to cemetery would require the services of a professional real estate appraiser.
- If our recommendations for institutional properties are adopted, the assessment program would gain $232,999. This would reduce the shortfall from the homestead adjustments.
- The Board may wish to levy a recreational assessment at the commercial rate on the utility parcels. This would result in a revenue gain of $24,014.
- If all recommendations we make are followed and if the revenue gains are applied to offset some of the shortfall from the homestead exemption adjustment, all assessments would have be increased by 2.7 percent.

16