LOXAHATCHEE GROVES INCORPORATION FEASIBILITY STUDY

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EXECUTIVE SUMMARY AND OVERVIEW

Loxahatchee Groves has existed in some form since the mid 1800's. One of its earliest incarnations was as a trading post, predating the establishment of Palm Beach County as a legal body by approximately 50 years. The development of Loxahatchee Groves as a consistent community is most closely associated with the interests of the Southern States Land & Timber Company in 1917. Since then, the community has maintained its rural lifestyle over the past 87 years, and has consistently rejected residential and commercial developments that would significantly change the community's rural character.

Consequently, with a small population of approximately 3122[1] people, the community does not technically meet the minimum population, density, or distance requirements set forth by Florida Statute. However the unique nature[2] of the community in question, as well as the stability of the community boundaries appears to favor the incorporation of Loxahatchee Groves. Furthermore, when one considers the differences in demographics, development, economics, lifestyle, and landscape relative to the rest of Palm Beach County, you can make a strong case for a separate community identity.

Palm Beach County[3] has an estimated 1,216,282 residents as of 2003 with over 570 people per square mile, with a three-year population change of over 7.5%. It is approximately 13.8% African American, 12% Hispanic, and approximately 70% Caucasian. Palm Beach County has a median age of approximately 41.4 years with an estimated median household income of $45,062.

In contrast, Loxahatchee Groves currently has approximately 3122 people with 260 people per square mile. Since there has been a County driven moratorium on development for the past few years, one can estimate a more conservative population change for Loxahatchee Groves, roughly 2.5%. There are proportionally more Asians, comparable proportion of Hispanics, and fewer Native and African Americans when compared to the rest of Palm Beach County, and the median age of Loxahatchee Groves is approximately 35 years, with a median household income of approximately $58,660.[4]

Currently, Loxahatchee Groves has one community based governing entity and one interest group. Both are established and have served community interests in Loxahatchee Groves. The first is the Loxahatchee Groves Water Control District, which manages the roads, canals, and groundwater issues in the community. The Water Control District was established in the 1917, and established the boundaries of the community shortly after the creation of Palm Beach County in 1909. The second is the Loxahatchee Groves Landowners Association, an organization of less than 10% of the property owners interested in preserving and protecting the rural atmosphere of Loxahatchee. This interest

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[1] This current population figure is derived from the Census 2000 (source: www.census.gov) numbers extrapolated with a conservative 2.5% growth rate over a three year period
[2] Source: Laws of Florida Chapter 99-425. Full text appears in Appendix F.
[3] Source: www.census.gov retrieved 6/10/04
[4] Sources: www.census.gov retrieved 6/10/04, 6/15/04, Loxahatchee Groves Base Map Project Phase 1 VPT Lab, Florida Atlantic University 6/15/04.

group is primarily concerned with issue management and planning in the community. Unlike the Water Control District is not formally recognized by Florida Statute.

The current boundaries of the Loxahatchee Groves Water Control District/ subdivision of Loxahatchee Groves are nearly identical to those established in 1917. The only boundary changes included the east side of 162nd Drive to the West and 45th Street to the North reflecting extensions to a natural boundary. The community is bounded to the East by Royal Palm Beach, by Wellington to the South, and by a number of unincorporated areas to the West and North. Both cities (Royal Palm Beach and Wellington) exist within a two-mile radius, though neither have currently expressed interest in annexing Loxahatchee Groves. This technically places Loxahatchee Groves out of compliance with Florida Statute 165.061. However, there are some markers that might be considered natural boundaries including a canal and State Road 80. Additionally, the unique identity of the community, and the stability of these boundaries appear to address this requirement in favor of Loxahatchee Groves, though it would be appropriate to request an exemption.[5]

With a population in 2000 of 3021 people, and a total acreage of 8148.07, the density of .65 does not meet the requirement of Florida Statute 165.061. Plans for controlled development could arguably address the minimum population issue. The community's rural character and emphasis on agriculture and associated industries make it unlikely that the community will achieve the 1.5 persons per acre density mandated by the State. Consequently, the community must request another exemption for this requirement.

The community has developed a charter (provided under separate cover) under the requirements of Florida Statute 165 with a Council/Manager form of Government. Estimates of both revenues and expense have been projected for five years. These tables appear in Appendix A. Expense estimates for year one were projected at current costs and levels of service with an inflation factor. For years two through five, expenses were projected based on per capita rates developed from an analysis of budgets from two neighboring and one similar city as well as from estimates for interlocal agreements. This was done to provide the most realistic budget estimates given community service desires. Revenues were estimated from current state and local formulas.

Based on the results of this study, the incorporation of Loxahatchee Groves is feasible, and the adoption of the Charter by the State Legislature is recommended.

[5] Source: Legislative Committee on Intergovernmental Relations (2001) "Overview of Municipal Incorporations in Florida." Legislative Committee on Intergovernmental Relations (February).

HISTORY, BACKGROUND, AND SCOPE

History and Background

The community known as Loxahatchee Groves is located in Palm Beach County west of West Palm Beach in one of the fastest growing counties in the US.[6] Originally developed by the Southern States Land & Timber Company in 1917, the community was named Loxahatchee Groves. The Loxahatchee Groves Water Control District was established in 1917 to address road and water management issues. Currently the community exists on 8148 acres[7] (12.73 square miles) as a rural agrarian stronghold in one of the most urbanized counties in the US.

Loxahatchee Groves Water Control District

The Loxahatchee Groves Water Control District was established in 1917 as the Loxahatchee Groves Sub Drainage District. It was designated as an independent service district devised to levy taxes on Loxahatchee Groves' residents to pay for water and road management issues in the area. It currently operates on a fee per acre schedule assessing $131.95 per acre of land as part of the non ad valorem revenues for the County. Waste management is the other component of the non ad valorem revenues for the community. Under such a structure, the community has no home rule authority.

County Tax Rates and Service Levels

Currently Palm Beach County and the Water Control District levy a combination of ad valorem and non ad valorem taxes on the community of Loxahatchee Groves. The county total ad valorem tax rate is 19.551 mills, amounting to $2,974,910. The non ad valorem revenues amount to an additional $1,183,011. These two sets of taxes fund all current community services including: trash collection, EMS, 911 services, police, fire protection, mosquito control, surface water, canal and road management, and education.

Organizational Efforts

Loxahatchee Groves has been exploring a number of options to preserve its identity and the rural character of the area. Residents formally pursued a Neighborhood Plan in the mid 1990's, while examining other alternatives to incorporation including annexation and other County level avenues for assistance.

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[6] Source: www.census.gov retrieved 6/10/04
[7] Source: www.census.gov retrieved 6/10/04, US Census Bureau geography database.

In 2003, as large-scale development began to abut the community's borders, residents of Loxahatchee Groves sought to be in charge of their future by having a reasonably planned growth of residential and commercial areas within the community's boundaries. This strategy conflicts with Palm Beach County's push for large-scale growth and dense residential development. Consequently, Loxahatchee Groves becomes politically insignificant, given its population when compared to other more densely populated areas of the County. Additionally, there has been an increasing concern on the part of the significant agricultural industry in Loxahatchee Groves about what might happen if the community is not truly governed by its residents.

Most recently, it appears that the Board of County Commissioners of Palm Beach County have begun "opening up" the western communities for new development. The current focus appears to be the agricultural area west of Twenty Mile Bend on SR 80. This action of "opening up" the western communities has raised concerns among many residents in the remaining rural areas, particularly that their lifestyle will be compromised in favor of rapid commercial growth and urbanization.

As a response to such concerns, residents were surveyed about their overall interest and potential options for dealing with these emerging issues. 60% of the respondents were interested in further exploring the possibility of becoming an incorporated municipality to continue their rural lifestyle. Residents also formed committees to further explore the possibilities of remaining an unincorporated area of Palm Beach County and annexation to adjoining cities as well as incorporation. Initial results revealed that incorporation might be the best option for the residents, and a Feasibility Study was commissioned by community representatives to explore these alternatives systematically and identify the financial viability of operating as a municipality.

REVIEW OF STATUTORY REQUIREMENTS FOR INCORPORATION AND COMPLIANCE

Statutory Requirements

The Florida Legislature through Chapter 165 of the Florida Statutes on the formation of local governments has established requirements and procedures regarding the incorporation of new municipalities within the State, as well as regulations dealing with mergers, consolidations, dissolutions and special districts. The purpose of these state requirements is to: allow orderly patterns of urban growth and land use, assure adequate quality and quantity of local public services, ensure the financial integrity of municipalities, eliminate or reduce avoidable and undesirable differentials in fiscal capacity among neighboring local governmental jurisdictions, and promote equity in the financing of municipal services.

Section 165.061 of the Florida Statutes lists several conditions as standards for incorporation, merger, and dissolution. They include:

- It must be compact and contiguous and amenable to separate municipal government.

- It must have a total population, as determined in the latest official state census, special census, or estimate of population, in the area proposed to be incorporated, of at least 1,500 persons in counties with a population of 75,000 or less, and a population of at least 5,000 in counties with a population of more than 75,000.

- It must have an average population density of at least 1.5 persons per acre or have extraordinary conditions requiring the establishment of a municipal corporation with less existing density.

- It must have a minimum distance of any part of the area proposed for incorporation from the boundaries of an existing municipality within the county of at least 2 miles or have an extraordinary natural boundary, which requires separate municipal government.

- It must have a proposed municipal charter, which prescribes the form of government and clearly defines the responsibility for legislative and executive functions, and does not prohibit the legislative body of the municipality from exercising its powers to levy any tax authorized by the Constitution or general law.

- In accordance with s. 10, Art. I of the State Constitution, the plan for incorporation must honor existing solid-waste contracts in the affected geographic area subject to incorporation. However, the plan for incorporation may provide for existing contracts for solid-waste-collection services to be honored only for 5 years or the remainder of the contract term, whichever is less, and may require that a copy of the pertinent portion of the contract or other written evidence of the duration of the contract, excluding any automatic renewals or evergreen provisions, be provided to the municipality within a reasonable time after a written request to do so.

Compliance

Loxahatchee Groves meets some of the requirements in regard to Section 165.021. There are some requirements not met, making the request for an exemption essential. Specifically, the community requests an exemption for the population size, density, and the two-mile minimum distance requirement. The following paragraphs outline compliance and mitigating circumstances for each of the exemptions supporting the granting of each.

Compact, Contiguous, and Amenable Requirement

The current boundaries of Loxahatchee Groves are compact and contiguous. They nearly perfectly reflect both the 87-year-old historic boundaries and current census block designations with only minor changes to reflect movement toward a natural boundary (e.g. canals, roads, etc.). No land outside the historic boundaries was included in this proposal. The community, acting through the water control district, granted land to the City of Royal Palm Beach on the Loxahatchee Groves periphery to accommodate commercial growth, demonstrating a commitment to addressing the concerns of its neighbors without impacting the community as a whole. This agreement with Royal Palm Beach provided some protection to the area by requiring that no part of Loxahatchee Groves can be annexed unless all of Loxahatchee Groves is annexed. Any decision to annex under this agreement currently requires a referendum to pass.

The community has a water control district that has been in existence nearly as long as the county itself. With a separate non ad valorem tax, and basic services already in place, Loxahatchee Groves represents a nearly ideal case for the “amenable to separate municipal government” clause.

Population and Density Requirement

Based on the 2000 Census data[8], the population of Palm Beach County had 1,131,184 representing over 7% of the total population of the state. The estimated population for 2003 is 1,216,282 making it one of the largest urban centers in the State. Palm Beach County is 1974 square miles (1,263,360 acres). In contrast, the 2000 Census numbers for Loxahatchee Groves reflect a population of 3021 with a density of .65 persons per acre. Currently, the population is estimated at 3122, assuming a conservative 2.5% population growth rate to reflect the moratorium on development, which ended recently. Therefore, Loxahatchee Groves does not meet the minimum population requirement of 5,000 people, nor does it meet the minimum density requirement of 1.5 people per acre.

There are mitigating conditions in this case that allow the establishment of a municipal government. The community of Loxahatchee Groves has historically been a rural, agriculturally supported area with some equestrian activities. To maintain this rural character and support its economic base, the community consciously chose to limit and manage growth. This commitment to growth management is reflected in the community proclamation appearing in Appendix C. Eventually, once the effects of the development moratorium have passed, one could conservatively estimate a 5% population growth rate. However, even with a 5% growth rate and limited development the community is unlikely to grow to 5,000 people with a density of 1.5 people per acre in the next decade without compromising its rural identity.

People in surrounding areas often assume that Loxahatchee Groves is already a municipality of some sort. Its unique identity and rich history have made this community a destination for those valuing the rural lifestyle for more than 80 years. It is very different from either Wellington or Royal Palm Beach, and the residents believe it is a community with its own identity. It is identified as a unique place in the news, on maps, and as a destination/community on the Internet. However there is a growing understanding that there is no home rule charter, no mechanism for these residents to take charge of their own destiny, and no means to preserve their chosen lifestyle.

Consequently, if we consider the unique nature of the community, particularly when compared to its urbanized neighbors, and to Palm Beach County as a whole, it represents the sort of extraordinary condition that supports waiving the minimum population and density requirements.

Two-Mile Minimum Distance Requirement

Loxahatchee Groves does not meet the two-mile minimum distance requirement from current cities in Palm Beach County. One of the reasons given for this distance requirement is to limit urban sprawl in Florida. Ironically, it is the sprawling growth of its closest neighbors (Royal Palm Beach and Wellington) that have made it impossible to

[8] Source: www.census.gov retrieved 6/10/04

meet this requirement. Furthermore, the proximity of encroachment by these two cities has raised concerns among the residents about possible annexation, which a majority of surveyed residents currently oppose.

Therefore, it becomes imperative to exempt Loxahatchee Groves from this requirement in order to maintain the spirit of the statute. By allowing the community to incorporate itself despite the distance requirement, the legislature will limit sprawl (as the legislation intended), provide some legal protection for the region's "green belt," and help maintain spaces for water table replenishment. It is reasonable and beneficial within the intent of this statute to grant this exemption to Loxahatchee Groves.

Municipal Charter Requirement

The community has been developing a municipal charter that is included under a separate cover. The Charter outlines the form of government, the responsibility for legislative and executive functions, and does not prohibit the legislative body from levying any taxes authorized by constitution or general law. The Charter provides a legal description of the community and its boundaries, the proposed dates for referendum and incorporation, and requests that the requirements in regard to the earliest date of eligibility for State Revenue Share be waived.

STUDY AREA

Loxahatchee Groves is a community located in Palm Beach County North of Southern Blvd and East of Seminole Pratt. Base maps of the area, including historical boundaries and census blocks appear in Appendix B. Its borders have remained relatively constant with its original Plat map from 1925. The only changes made in this proposal reflect the desire to capture the community within as many whole census blocks as possible to ensure data integrity and make future information updates as smooth as possible. Consequently, the maps created by the Florida Atlantic University VPT lab for the residents of Loxahatchee Groves were predominantly comprised of complete census blocks. However, there were four census blocks that did not fit completely within the boundaries at five points. Cartographers were able to estimate the information appropriate for the study through the use of a few decision rules and guidance from the residents.

The resulting map was constructed using ESRI ArcGIS 8.3. The polygon was digitized from a static map provided by the LGLA (listed as figure 1A in Appendix B) and by following existing 2000 US Census block boundaries. ESRI 2003 StreetmapUSA shape files (Publication date 12-1-2002) City, County, and Streets were used as reference points. The visualizations of this polygon appear in Appendix B, and have a relational database associated with them that can be expanded and updated to meet future community needs. Currently the database includes demographic information, and limited economic information about the community. Future expansions should include the addition of property appraisal data, capital equipment information, and other community resources.

The community is primarily zoned as Agriculture Residential (Ag-Res.), but has many of the land uses associated with the rural designation. Within its primarily Ag-Res. Designation, the community also has RR-10 and RR-5 (suburban estate) property, commercial low (1 in 10 underline), park, institutional, and commercial low office zoning. The institutional properties include the Loxahatchee Groves Elementary School, a post office, fire station, and several churches. If incorporated, the citizens of Loxahatchee Groves intend to adopt current county land use and zoning plans. After incorporation, a citizen's commission will be formed to develop a comprehensive plan as required by Florida statutes.

BASIC ASSUMPTIONS AND METHODS

Basic Assumptions
Certain assumptions have been made and should be considered when reviewing the expense and revenue projections contained within this report. Assumptions about budgetary and overall financial projections appear in Appendix A.

Revenue and Expense Assumptions

All numbers for revenues and expenses are necessarily projections into the future. Consequently, they are simply estimates. Revenues were conservatively estimated, and expenses were estimated more generously to ensure feasibility could be determined based on the sort of "lean and mean" numbers desired by the community.

Base Year

All population, revenue and expense projections were figured based on FY-2003 data. Total revenues were generated based on current information from the Palm Beach County Appraiser's Office for the 2003 fiscal year.

Inflation

Unless otherwise specified, the study used a 2.4%[9] rate of inflation interpolated from the trimmed average of the cost of living adjustments (COLAs) and State of Florida Consumer price index over a five-year period. The exact inflation factor cannot be predicted for the five years of revenues and expenses. However, the 2.4% per year was considered reasonable given the historical information available, and when applied equally to both revenue and expense sides of the budget, any actual deviations would be self correcting.

Franchise Fees

In estimating revenue, franchise fees will not be included as a revenue source for the purposes of estimating possible revenues in the attempt to determine feasibility.

General Fund and Special Revenues

For the purpose of estimation, only General Fund expenses and revenues will be addressed. Such revenues are those obtained from ad valorem taxes, state/county shared revenues, utility taxes (if any), and other miscellaneous fees collected for General Fund Revenue including occupational licenses, building permits, and charges for services, etc. General Fund expenses are those of general governmental operation including administrative services, public works, development services, parks and recreation, police, and fire services. In this case, many of these services will be maintained by the County,

[9] Source: 2004 Florida Property Tax Valuation and Income Limitation Rates.

and therefore do not currently require the community to levy fees for utility taxes, permits, franchise fees, etc.

It is understood, however, that there are often other sources of revenue available to a city. One source often used is designated revenues such as a storm water management fees. These revenues are adopted by ordinance as a source of funds in order to accomplish specific purposes. In the case of Loxahatchee Groves, this specific fee and associated services are currently part of Loxahatchee Groves Water Control District, and therefore cannot be considered as part of the general fund budget for the community unless there are substantial changes in the scope and nature of development in the community. If such a change happens, the community would then need to consider restructuring its water management to meet current state and federal standards.

As a point of information Loxahatchee Groves residents currently pay such fees to Palm Beach County. A non ad valorem fee of $131.95 per acre is assessed to fund the Water Control District, and additional fees are assessed for waste collection (currently contracted to Onyx). Any such contracts must stand, regardless of what entity governs. Therefore, residents will continue to pay these fees until the end of the contract.

First Year Service Provision

If the referendum passes, Loxahatchee Groves will become a municipality within roughly three months. This decision will arguably place the community at least one quarter into the following fiscal year if not two quarters depending on the timing of the referendum. Ad valorem taxes will have been collected for Palm Beach County, and non ad valorem revenues will have been collected for the Water Control District and waste collection. Additionally, Loxahatchee Groves will not be able to collect taxes until the following November. Consequently, to prevent any service interruptions during the first fiscal year of existence, services will continue to be provided by Palm Beach County. During this time period, the municipal council and any administrators will develop departments and services necessary for the community either internally or through contracts.

Level of Service

The decision was made to assume the same level of service for Loxahatchee Groves during the next five years as it receives currently. The assumption has also been made that the level of services for years two through five should be limited given that surveyed residents desire to maintain reasonable tax rates, and that they historically consume relatively low levels of many services.

Parks and Recreation Areas

Parks and recreation are not being considered as a general fund service in Loxahatchee Groves. The one park in Loxahatchee Groves is currently under Palm Beach County, and unless residents choose to incur the expenses associated with their upkeep, it is

recommended that Palm Beach County continues to maintain it, given that any county resident, including those in Loxahatchee Groves would continue to have access.

Population Estimates and Projections

Population for the first year FY2005 is estimated to be 3174 using the Census 2000 data and the assumption of a 2.5% growth rate over a three-year period. Using this conservative estimate, we might underestimate revenues that would accrue during the period. However, this should not be a problem, for if the population increases at a rate greater than 2.5%, associated expenditures should also increase similarly. Table 1 presents the estimated population growth for the community over a 10-year period.

Table 1 Estimated Population Growth

Year	Population	Change in 3 year increments[10]
2005	3174	
2008	3253	79
2011	3335	82
2014	3418	83

Total Revenues

Revenue projections were estimated from the current ad valorem tax rates for Palm Beach County. These revenue projections are based on 1.5-mill tax rate for the community after incorporation and include revenue from state revenue sharing, which could amount to approximately $72,036 using the FY2003 computations from the Florida DOR, and an additional $217,979 from the FY2003 half-cent sales tax revenue share. These computations are based on the total FY2003 revenues for Palm Beach County (amounting to $22,811,029 and $66,757,894 respectively) adjusted for the per capita population of Loxahatchee Groves relative to the entire county (0.00256). Table 2 presents the revenue stream for the community based on the 1.5 mill tax rate from FY 2005 to FY 2010.

Table 2: Five-Year Revenue Projection From Ad Valorem Taxes[11]

Year	Revenues	Increase
2005	$228,242	
2006	$235,090	$6,847
2007	$242,142	$7,053
2008	$249,407	$7,264
2009	$256,889	$7,482
2010	$264,595	$7,707

[10] The three year increment is consistent with current US Census Bureau measures for Palm Beach County

[11] This table represents a conservative estimate of revenue growth driven only by changes in property appreciation. It uses a 3% appreciation in value per year, and does not include any revenue sharing.

Current Services

Currently Services are provided to Loxahatchee Groves by two entities: the Loxahatchee Groves Water Control District and Palm Beach County. An assessment of these services is necessary to develop the most accurate levels and costs of services to the new municipality. Consistent with earlier discussions of revenue and expenditure estimates, this study under-represents revenues somewhat and over-represents expenditures to craft a "conservative" estimate of costs over time. Table 3 presents the basic services and their current sources for Loxahatchee Groves.

TABLE 3

Community Services	Before	After
Water	Wells[12]	Wells
Sewer	Septic	Septic
Trash	County Trash Collection, Onyx	County Trash Collection, Onyx
Electricity	FPL	FPL
Telephone	Bellsouth, other vendors	Bellsouth, other vendors
Cable	Adelphia	Adelphia
EMS	Palm Beach County Fire	Palm Beach County Fire
911	Palm Beach County Sheriffs dept	Palm Beach County Sheriffs dept
Police	Palm Beach County Sheriffs dept	Palm Beach County Sheriffs dept
Fire Protection	Palm Beach County Fire	Palm Beach County Fire
Mosquito Control	Palm Beach County	Palm Beach County
Education	Palm Beach County	Palm Beach County
Roads	Loxahatchee Groves Water Control District	Loxahatchee Groves Water Control District
Surface Water, Drainage	Loxahatchee Groves Water Control District	Loxahatchee Groves Water Control District

REVENUE PROJECTION METHODS

Several methods were used to conservatively estimate the revenues expected to accrue to the municipality of Loxahatchee Groves. First, the community expressed the desire for a minimal government as well as a minimal tax structure. Consequently, the expenditures for services were managed carefully to ensure that the tax rate could stay at the projected 1.5 mills keeping with community desires to maintain the same level of services. The

[12] The local hospital, Palms West currently purchases water from the Village of Royal Palm Beach and the elementary school purchases water from the Seminole Improvement District operated by Callery Judge Grove.

detailed projections for revenues and expenditures for the first five years appear in Appendix A. Small amounts of the revenue sharing dollars were used to establish three separate funds (revenue, contingency, and capital improvement). The first is a revenue fund to offset unforeseen increases in general expenditures. Once established, the revenue fund should help offset tax increases in the future by creating a secondary revenue stream for the municipality in addition to ad valorem taxes and state revenue sharing. The second is a contingency fund for emergency uses instead of encumbering general fund revenues. The third is a capital improvement fund. After the capital improvement fund is established it can be used to replace equipment and purchase revenue-generating spaces for the community if invested conservatively.

This study assumed a 2.8% increase per year for the State Revenue Sharing funds.[13] Additionally, revenues from ad valorem taxes assumed a 3% appreciation in property values during each period, which is conservative when compared to the market based appreciation observed over the past several years in Palm Beach County as a whole. As part of the long-range goals for this study, the choice was made to not raise the ad valorem tax rates during the first five years. The consequence of this decision is that Loxahatchee Groves will not be considered a "full service" city at the end of the study period. This outcome is consistent with community interests.

EXPENSE PROJECTIONS AND METHODS

Expenses for Loxahatchee Groves were computed for the General Fund Budget only. As with the revenue budgets, special funds and enterprise funds were not included. Expense projections for the 5 fiscal years appear in Appendix A. Expenses were developed using data from prevailing wage rates, triangulations of current service costs, and triangulations of current lease rates for similar spaces. To compute these expenses, several Florida cities were chosen. Two of them abut the proposed community (Royal Palm Beach and Wellington); one is considered a "comparable" community in Broward County; and three others from around the State of Florida were used to derive expenses for the community.

While the comparable cities vary in size and levels of service, the average per capita rates for services are valid benchmarks to evaluate feasibility. The numbers become more accurate when they are weighted to account for intangibles such as economies of scale, subtle differences in location, and subtle differences in the resident populations. It was further established that the municipality of Loxahatchee Groves would limit the amount of indebtedness in the first five years of existence as a means to alleviate potential issues that arise from communities operating with deficits early on.

IMPACT ANALYSIS

The incorporation of Loxahatchee Groves will have a fiscal impact on Palm Beach County. Specifically, the County will suffer a reduction in revenues amounting to roughly $290,000 during the first year. The reduction will be in the half-cent sales tax

[13] Source: Florida Department of Revenue accessed 7/13/04

(amounting to $217,979) and an additional reduction in the County revenue share (amounting to $72,036). However, these will be the only areas where the County would lose revenues. Additionally, Loxahatchee Groves intends to be a "business friendly" community, and if the businesses fit within the overall development plans for the community, they could provide additional revenues to the County in the form of taxes, licenses, and permits.

The communities of Royal Palm Beach and Wellington would also be impacted, albeit slightly by the incorporation of Loxahatchee Groves. Neither community would be able to expand by annexing the unincorporated properties proposed for the municipality of Loxahatchee Groves. However, there are ample unincorporated areas around each of these two communities that would allow for further expansion without disturbing Loxahatchee Groves since Royal Palm Beach could still expand to the North, West and East, while Wellington could expand South and West.

ALTERNATIVES TO INCORPORATION

Taking No Action

If the community decides to take no action, Loxahatchee Groves would continue to exist as an unincorporated community. In this scenario it would be advisable for the community to develop some sort of PAC or interest group to address community concerns about the Scripps/Biotechnology development north of the community. This would not provide the same sort of institutional insulation or support that either incorporation or annexation could, but it is a cost effective mechanism to address problems in the short term. Additionally there is a draft Annexation Charter Amendment dated 6/17/04 which has the potential to limit citizens' right to self determination both in the short and long term.

Feasibility Of Taking No Action

This is a feasible but frail alternative to incorporation. Those uncomfortable with the notion of incorporation in the near term might consider this as a viable option. An open dialogue among Loxahatchee Groves' residents and representatives must continue to ensure clear communication of needs and concerns locally. Citizens may consider establishing a Political Action Committee (PAC), but they must be aware of the varying effectiveness that any PAC's can have. PAC effectiveness is also influenced by access to policymakers, which can change during election cycles. In the long term these changes might create the need for systematic funding of the PAC to maintain its access and effectiveness.

Annexation

Other options exist for the community of Loxahatchee Groves. One option explored by the community is annexation. Annexation refers to the process whereby Loxahatchee Groves would join a neighboring community, making it part of the existing incorporated

community. Currently there are two communities that *could* possibly annex Loxahatchee Groves: the Village of Royal Palm Beach, and the Village of Wellington. Each community has their own governing and service structures that would be imposed with corresponding tax rates and restrictions.

Annexation has the potential benefit of moving the community into an existing governmental structure. However, it has several limitations including the removal of self determination from the selection of a governing body, the imposition of tax rates to fund debts incurred to fund projects that may or may not benefit Loxahatchee Groves, and the imposition of existing planning and zoning restrictions that may or may not be consistent with the goals of Loxahatchee Groves. Additionally, while *neither community* when approached by members of Loxahatchee Groves expressed an overt interest in annexing the area. Representatives of each community desired to be informed if the annexation option were being pursued, since a voluntary annexation would be beneficial to either community.

Table 4 presents the millage rates for incorporation, annexation, and taking no action. Please note that millage rates for the County and incorporated areas listed in table 4 are for the 2003-2004 fiscal year and are reasonable estimates of each alternative. A 1.5 mill tax rate for an incorporated Loxahatchee Groves would generate $228,242 in ad valorem revenues, which when paired with State revenue sharing would be more than adequate to fund incorporation, lease administrative offices, and other services a reasonable level. After including these two additional expenses, the community would still have substantial capital to reinvest or use for unforeseen/incidental expenses, rural development, and the establishment of revolving funds to ensure financial liquidity while minimizing future tax burdens on the community. Consequently, unless there was overwhelming support for annexation (community surveys have been negative on this issue to date), and the community was willing to bear the additional tax burdens, this option remains feasible, but frail when compared to incorporation.

Table 4. Cost Comparisons for Annexation

	Incorporation	Royal Palm Beach	Wellingon	Palm Beach County 2004
Millage Rate	1.5	5.99	2.7	4.5
Effective Base Millage Rate	6.0	10.49	7.2	4.5

Statutory Options

Property owners could consider Florida Statute 570.71, which appears in Appendix E. This legislation stipulates that rural lands can be protected through the process of easements and land use planning consistent with agricultural uses. Additionally, this legislation addresses limitations on construction, subdivision of lands, dumping, and hydrology issues. Any protective agreements entered into under this legislation will be

effective for a period of 30 years, and focuses on best management practices for the properties in question.

Feasibility of Statutory Options

This is a feasible, politically neutral alternative for Loxahatchee Groves, though it is a much weaker alternative when compared to incorporation. Negotiating the type of protection offered in 570.71 would require significant, broad based, coordinated political support from the entire community. The statute was designed for use by individual properties, not entire communities. It could conceivably be negotiated through current channels, but could easily become part of a political strategy around the County's Charter Amendment proposal listed above. If pursued, this strategy should include a lobbyist or set of lobbyists to ensure community interests are heard at the legislative level. Before considering such an option, there must be an open dialogue among Loxahatchee Groves' residents and representatives to discuss the positives and negatives of such an approach, including the extended time frames of these agreements. If this option is pursued, the community would need to reconsider its position at the end of the 30-year term of the agreement, and until that point would find it difficult to change existing land uses. The program created by this statute has limited if any funding currently. Even though this could provide a low cost alternative to incorporation, this option is unwieldy at best, and the community should take the time to understand the implementation and politics of this legislation as well as the legal protection and restrictions associated with it.

ALTERNATIVES TO THE COUNCIL MANAGER FORM

The commission form of government could theoretically satisfy the community's needs. Such an option would require residents to elect commissioners, forego an executive, and employ one full time person to manage daily items. The selection of a commission form would create an initial cost savings of over $70,000 compared with the council manager form, reflecting the cost of the proposed city manager's salary and benefits. The adoption of a commission form would require a strong commitment by elected officials to become the sort of truly "good aldermen" that inspired it in the 19th Century. However, considering the community's strong interest in pursuing the professional manager option, and their relative aversion to the committee governance structure required by this option, the commission form of government should be understood to be feasible, but not desirable for Loxahatchee Groves.

CONCLUSIONS

Based on the estimate of select program expenditures shown in **Appendix A**, Loxahatchee Groves would conservatively need to generate between $300,000 and $400,000 in ad valorem tax revenues to fund basic municipal services and allow for a small revenue surplus to meet future expenditures. This goal can be achieved with a 1.5-

millage rate supplemented by State Revenue Sharing. This would enable Loxahatchee Groves to avoid some of the fiscal pitfalls that surrounding communities have experienced, such as short term deficit financing, the need to raise fees, and choices to reduce or modify some services.

If the desire for services remains stable, there would be no need to collect additional revenues that cities typically rely on from residents and businesses in Loxahatchee Groves. Incorporation would not affect these, and therefore they would not be considered "new" costs associated with incorporation. These revenues, if needed and desired could be added to the community's revenue base in the future through channels described in the Charter after incorporation. Revenues generated from occupational licenses, and utility and franchise fees for electricity would be considered "new" revenues to residents and businesses in Loxahatchee Groves if they were to incorporate and chose to collect them.

As seen in Appendix D, the average homeowner would pay as much as 4.49 mills less in ad valorem taxes if Loxahatchee Groves were to incorporate when compared to being a part of Royal Palm Beach. Loxahatchee Groves would still pay 1.5 mills more than if the community were to take no action and remain unincorporated. Overall, the incorporation of Loxahatchee Groves can be accomplished reasonably, and within a relatively short time frame, if the exemptions requested earlier are granted, and the full proposal is given legislative approval.

Though incorporation appears to be financially possible, and appears to be the most appropriate option, there are a number of potential issues that could emerge during the process. Applying for revenue sharing with the State of Florida can have certain political consequences. The primary service provider for Loxahatchee Groves is Palm Beach County. As an incorporated entity, Loxahatchee Groves could reasonably be charged *additional* fees above current rates for the use of sheriff's department, fire, and other County resources, increasing the need for revenues. It does not, however, appear this will happen given previous discussions with County representatives. Second, the emphasis on a rural, agricultural lifestyle in the heart of one of the three most populous counties in the state, will likely meet with challenges in the long term, particularly in the context of development pressures from the economic expansion and demand for new residential housing. Third, Community Development Block Grant money (CDBG) is often tied both to the municipality and the County it resides within. If there are political tensions, certain grant monies might not filter down to the community, even if needed. Finally, incorporation requires a community's residents to be united behind the idea of becoming a municipality. A survey conducted in 2003 indicated approximately 60% support for incorporation, and a substantial amount of grass roots support. However, if this sentiment changes, it might be prudent to reexamine one or more of the proposed alternatives to incorporation.

FINAL RECOMMENDATION

Pending approval for the exemptions for population size, density, and the two-mile proximity issue, it is the recommendation of this study that incorporation under the council-manager form is feasible and desirable for Loxahatchee Groves. Based on the research and associated findings, the community is likely to be both sustainable and successful. Other than the exceptions noted earlier, Loxahatchee Groves meets all other requirements for incorporation. The issues where the community does not conform to statutory requirements reflect the unique environment that the community currently exists within as well as its rich history. Since the legislature has waived these requirements consistently in the past,[14] incorporation would be feasible both legally and fiscally if waivers of these requirements were provided to Loxahatchee Groves.

[14] Source: Legislative Committee on Intergovernmental Relations (2001) "Overview of Municipal Incorporations in Florida." Legislative Committee on Intergovernmental Relations (February).

Appendix A: Revenues and Expenses

General Fund Expenses: Municipality of Loxahatchee Groves

Line Item	FY2005--2006	FY2006-2007	FY2007-2008	FY2008-2009	FY2009-2010
Administration					
City Council (a)	$3,000	$3,072	$3,146	$3,221	$3,299
City Manager (b)	$85,000	$87,040	$89,129	$91,268	$93,458
City Attorney (c)	$100,000	$102,400	$104,858	$107,374	$109,951
Administrative Assistant /City Clerk(d)	$42,000	$43,008	$44,040	$45,097	$46,179
Budget Services (e)	$30,232	$30,958	$31,701	$32,461	$33,240
Personnel Services (f)	$9,760	$9,994	$10,234	$10,480	$10,731
Tax Ass/Prop Appraisal	County	County	County	County	County
Animal Control	County	County	County	County	County
Rent for Offices (g)	$25,200	$25,805	$26,424	$27,058	$27,708
Public Works	LGWCD	LGWCD	LGWCD	LGWCD	LGWCD
Development Services (h)	County	$15,041	$20,660	$15,000	$5,000
Parks and Recreation	County	County	County	County	County
Law Enforcement (i)	County	County	County	County	County
Fire and EMS	County	County	County	County	County
Startup Costs	$22,000	0	0	0	0
Operating Expenses	$8,400	$8,602	$8,808	$9,019	$9,236
Insurance	$10,000	$10,300	$10,609	$10,927	$11,255
Miscellaneous Expenses					
Reserve for contingency	$61,707	$65,635	$76,561	$66,486	$83,408
Capital Improvement	$28,707	$28,707	$29,386	$45,064	$41,605
Revenue Fund	$91,853	$99,819	$90,258	$96,853	$99,752
Total	$517,859	$530,380	$545,812	$560,310	$574,823

a. This figure represents a $50/month stipend for five council members beginning in FY2005-2006
b. This figure represents salary and benefits and was created from the trimmed averages of prevailing salaries for similar sized communities Source: National League of Cities, ICMA.
c. This figure represents a contracted amount for local attorney services not to exceed 300 hours.
d. This figure represents salary and benefits and was created from the trimmed averages of prevailing salaries for similar sized communities Source: National League of Cities, ICMA.
e. This represents a contract for budgeting and auditing services representing 50% of the prevailing salary of budget analysts in the area
f. This represents a contract for personnel services representing 20% of the prevailing salary of budget analysts in the area
g. Rents were estimated using local realtor information for a 1200sq ft property in mixed use plazas in Palm Beach County
h. Costs for development services in years two through five reflect the need for a comprehensive plan, as well as the emerging need for contract planning services
i. The cost of this service will shift to the municipality, but the amount will remain constant

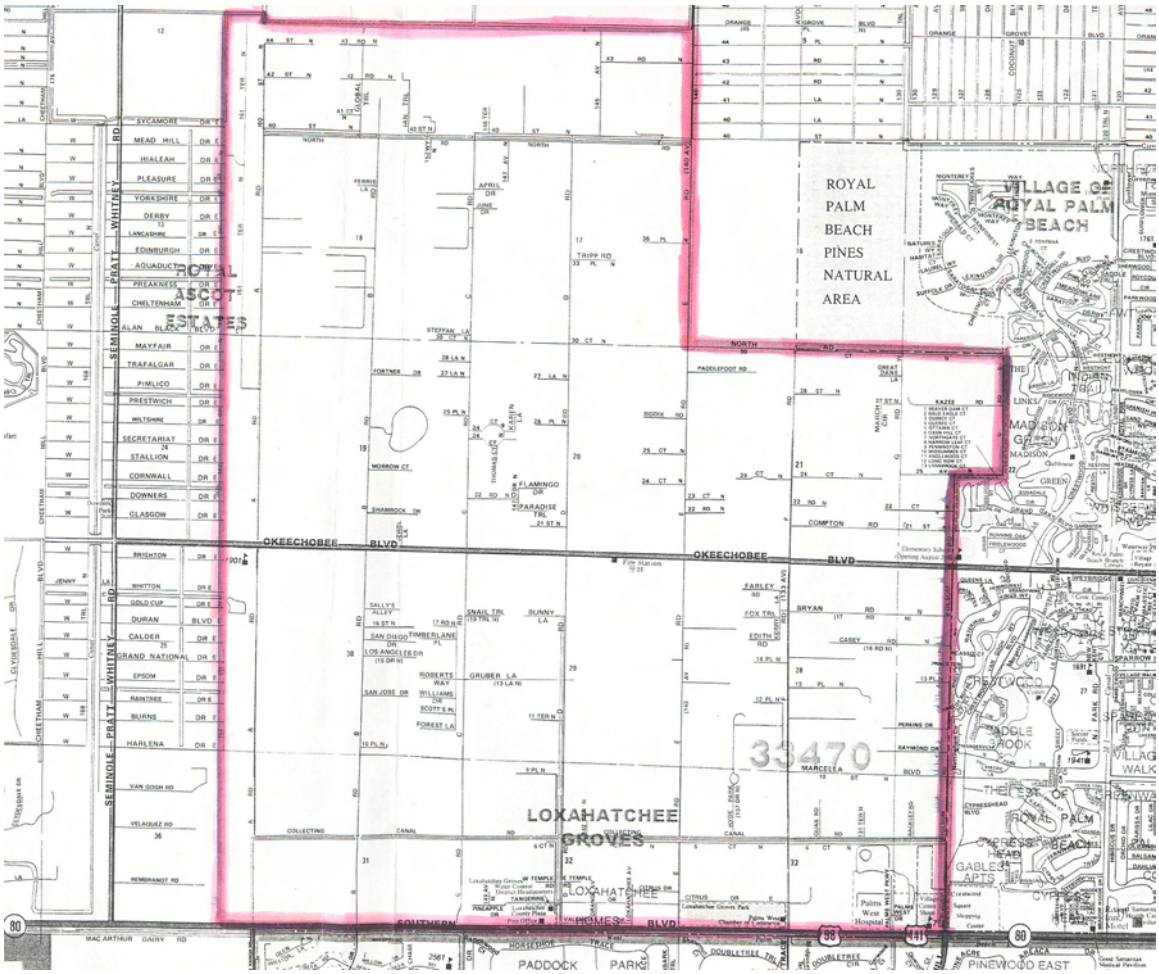
General Fund Revenues: Municipality of Loxahatchee Groves

Source	FY2005-2006	FY2006-2007	FY2007-2008	FY2008-2009	FY2009-2010
Ad Valorem Taxes	$228,242	$235,090	$242,142	$249,407	$256,889
State Revenue Sharing (a)	$72,036	$73,765	$75,535	$77,348	$79,204
Half Cent Sales Tax (b)	$217,979	$223,210	$228,568	$234,053	$239,670
Total	$518,257	$532,065	$546,245	$560,808	$575,764

Note: Revenue streams used for feasibility include a 15% cushion to reflect yearly changes in revenues including shortfalls, delinquent payments, and discounted tax rates for early payment.
(a) State Revenue sharing increases reflect a 2.7% increase based on average historical performance Source: Florida Department of Revenue. The actual number should increase dramatically due to changes in legislation in the second year.
(b) Half Cent Sales tax changes reflect 2.7% increase based on average historical performance. The actual number will be reduced by an unspecified amount to changes in legislation. However, the DOR indicated this will be offset by increases in revenue sharing distributions Source: Florida Department of Revenue.

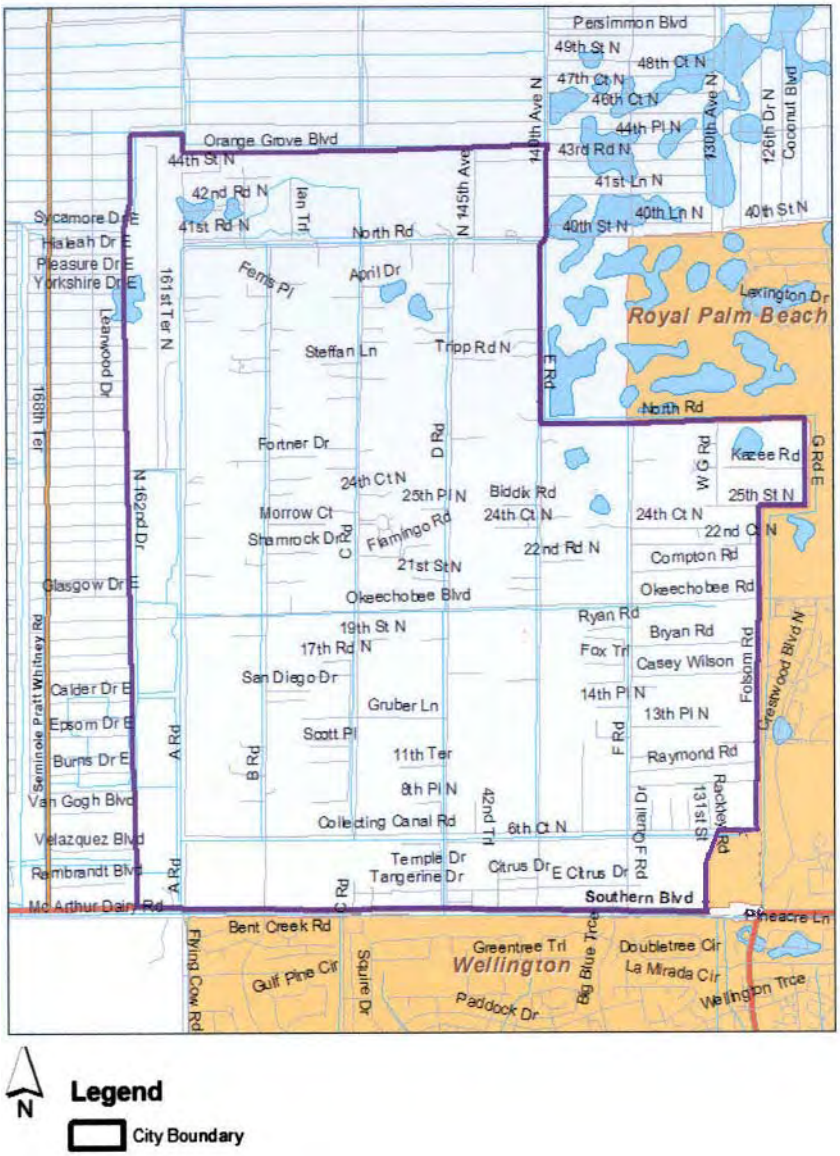
Appendix B: Community Maps

Historic Boundaries



Loxahatchee Groves Base map

Figure 1: Proposed City Boundaries



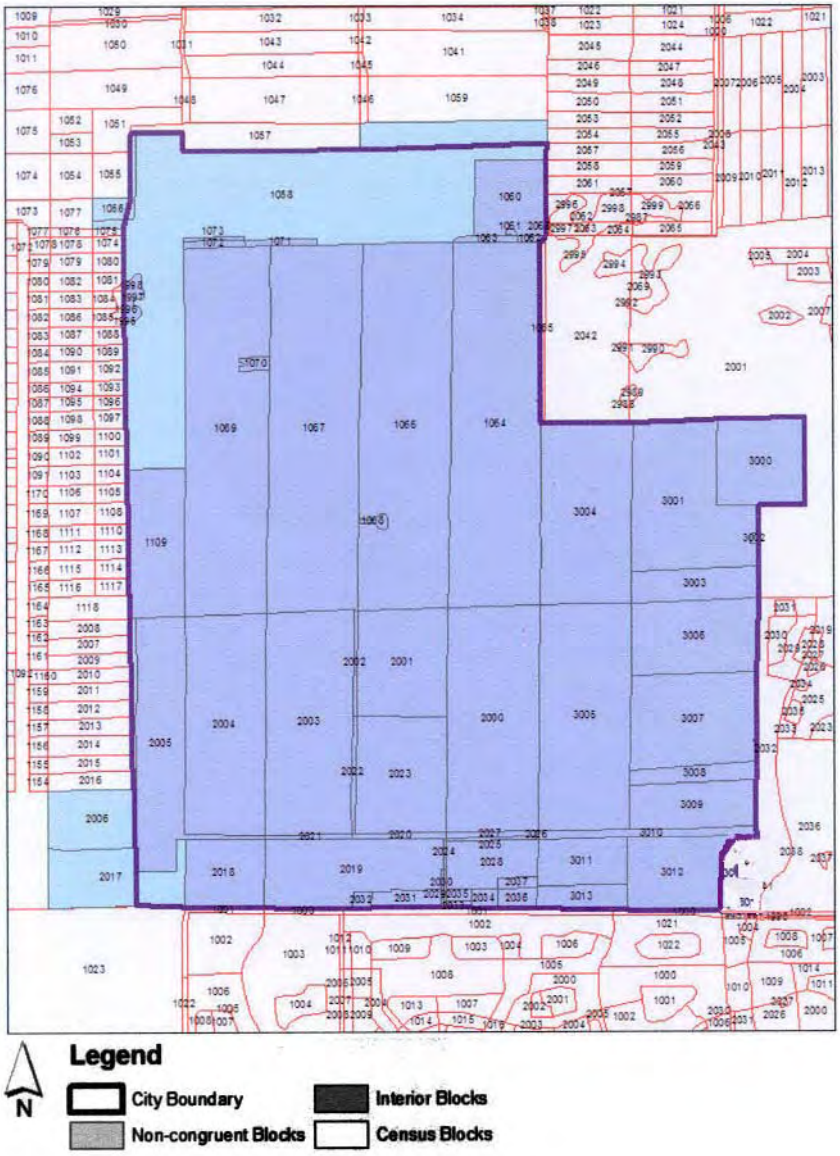
N

Legend

City Boundary

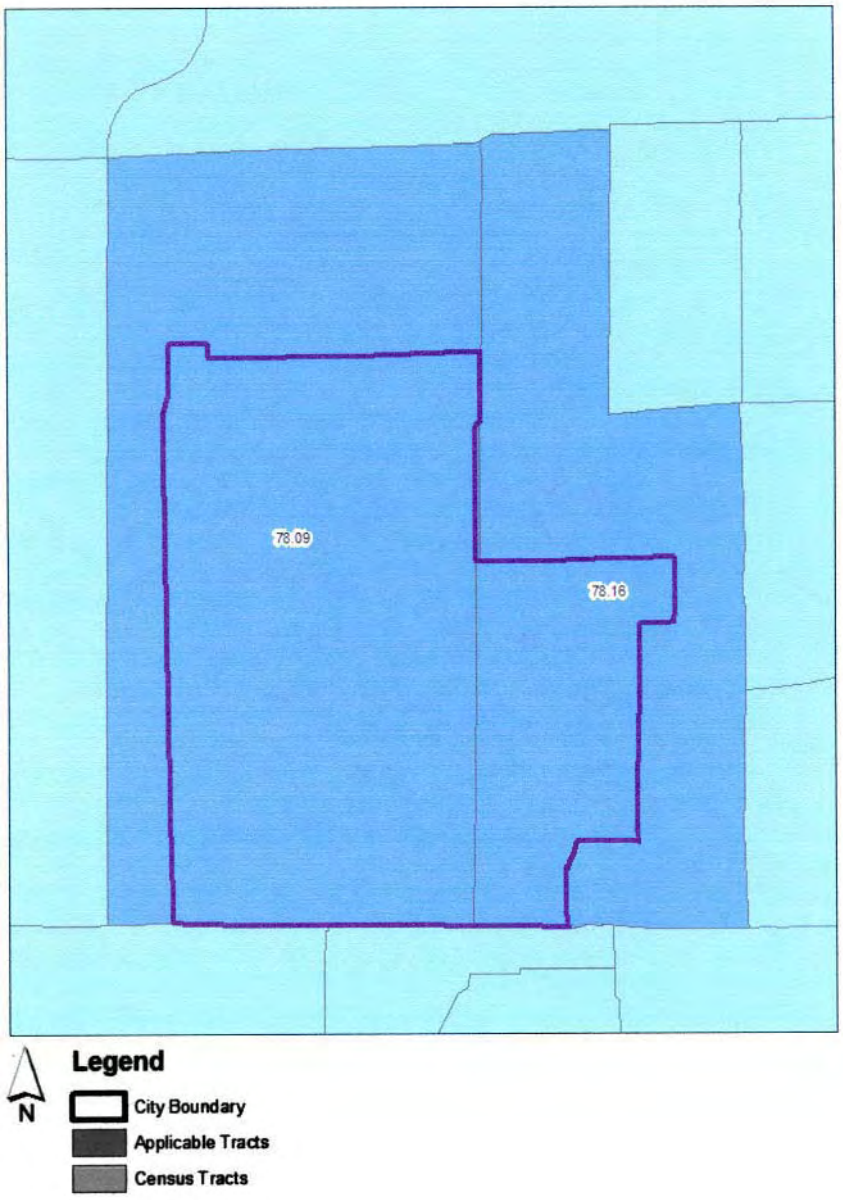
Loxahatchee Groves Base map

Figure 2: Identifying Non-congruent Census Blocks



Loxahatchee Groves Base map

Figure 4: Using Contiguous Census Tracts



Appendix C: Community Proclamation

COMMUNITY PROCLAMATION

At the conclusion of the planning process the Loxahatchee Groves Neighborhood Planning Committee prepared the following proclamation outlining fundamental tenets underlying the vision of the community.

It might be said, in idealistic fashion, that government should be all good things to all good people. In the quest to achieve this most noble goal, the forefathers of this nation, listed certain "unalienable rights" in their Declaration of Independence. These included the rights of "LIFE, LIBERTY and the pursuit of HAPPINESS". These rights are considered by those of wisdom, to be one of the main foundation blocks of our society.

It was also decided, that in certain circumstances, our individual rights must be curtailed when they unduly infringe upon the rights of others. For better or worse, it has been the trend in modern times, to define when, how and to what extent our individual rights should be curtailed in order to keep us from "infringing" on the rights of others.

As our society grows more complex and congested, regulations restricting personal freedoms continue to grow. We have now reached a point in time when those who wish to enjoy the freedoms of our forefathers must find special places to go to if they are to enjoy these rights. Historically, in Palm Beach County, those who found the need or had the desire to live with these freedoms have found such a special place in Loxahatchee Groves.

In this rare and endangered place known as Loxahatchee Groves, we are free to pursue our dreams without worry that our actions will infringe upon our neighbors' rights. In this odd and precious niche, we pass the days with our doors unlocked, our keys in our cars and our children playing and fishing on our road sides. If due to an unexpected rainstorm, you must roll up your car windows in the middle of the night, you can run outside as you are without an intolerant neighbor reporting you for lewd and lascivious behavior.

Most of us have raised families here, without ever giving a thought to the cautions that come hand in hand with urban sprawl. In these modern times, this is a condition that should be guarded; protected like any good thing that is in danger of extinction. Freedom is the heartbeat of our community. This is a heritage that should be protected for future generations.

Unfortunatelyl, highly developed surrounding communities do not enjoy the same status. They, for better of worse, are headed in the direction of becoming "mega-suburbias". Although they have the land mass that is necessary to support this, they do not have the road systems that would permit the hoards of people to enter and exit their development. In order to alleviate this problem, they demand that highways be carved through the heart of our community. They have no consideration for the fact that our dirt roads are what

preserve our communities unique lifestyle. Destroying this community would destroy one of the lifestyles that Palm Beach County and the State of Florida were founded upon.

Whether it is our children or yours who choose to enjoy these freedoms, we must protect this last community that affords them. Historical significance should be considered in striving to protect the last "Florida Frontier Community". The old one-room school house that educated the children of the pioneers of this community has been moved to the Fair Grounds and turned into an exhibit. An exhibit that is intended to show future generations what life was like in "Old Florida". It is a remembrance of an extinct way of life. We pray that the wisdom of the Board of County Commissioners do not allow those who would over run us seal a similar fate for our community.

Appendix D: FISCAL IMPACT TABLES

Current Palm Beach County Taxing Structure

Category	Cost	Rate
County	$684,727	4.5
County Debt	$44,279	0.291
Fire/Rescue	$464,093	3.05
Library	$82,213	0.5403
Library Debt Service	$6,543	0.043
Children's Services Council	$105,022	0.6902
F.I.N.D.	$5,858	0.0385
PBC Health Care Dist	$171,943	1.13
School Debt	$48,692	0.32
School Local	$395,468	2.599
School State	$860,017	5.652
SFWMD Everglades	$15,216	0.1
SO FLA Water Management	$43,214	0.284
SO FLA Water Man OKE	$47,627	0.313
Total	$2,974,910	**19.551**

Comparison Of Rates, Revenues and Expenses

Community	**Rate (Mills)**	**Revenues**	**Expenses**
Loxahatchee Groves	1.5	$518,257	$517,859
Royal Palm Beach	5.9	$22,640,322	$22,008,636
Southwest Ranches	3.0	$6,652,448	$6,652,448
Wellington	2.7	$85,584,905	$93,421,355

Sample Tax Impact of Incorporation

Current County Ad Valorem Tax Amount	**1.5 Mill Tax**	**Total Amount**
$147	$11	$158
$500	$38	$538
$1,457	$112	$1,569
$2,051	$157	$2,209
$3,302	$253	$3,555
$4,190	$321	$4,511
$5,802	$445	$6,247

Appendix E: FLORIDA STATUTE 570.71

570.71 **Conservation easements and agreements.** --

(1) The department, on behalf of the Board of Trustees of the Internal Improvement Trust Fund, may allocate moneys to acquire perpetual, less-than-fee interest in land, to enter into agricultural protection agreements, and to enter into resource conservation agreements for the following public purposes:

(a) Promotion and improvement of wildlife habitat;

(b) Protection and enhancement of water bodies, aquifer recharge areas, wetlands, and watersheds;

(c) Perpetuation of open space on lands with significant natural areas; or

(d) Protection of agricultural lands threatened by conversion to other uses.

(2) To achieve the purposes of this act, beginning no sooner than July 1, 2002, and every year thereafter, the department may accept applications for project proposals that:

(a) Purchase conservation easements, as defined in s. 704.06.

(b) Purchase rural-lands-protection easements pursuant to this act.

(c) Fund resource conservation agreements pursuant to this act.

(d) Fund agricultural protection agreements pursuant to this act.

No funds may be expended to implement this subsection prior to July 1, 2002.

(3) Rural-lands-protection easements shall be a perpetual right or interest in agricultural land, which is appropriate to retain such land in predominantly its current state and to prevent the subdivision and conversion of such land into other uses. This right or interest in property shall prohibit only the following:

(a) Construction or placing of buildings, roads, billboards or other advertising, utilities, or structures, except those structures and unpaved roads necessary for the agricultural operations on the land or structures necessary for other activities allowed under the easement, and except for linear facilities described in s. 704.06(11);

(b) Subdivision of the property;

(c) Dumping or placing of trash, waste, or offensive materials; and

(d) Activities that affect the natural hydrology of the land or that detrimentally affect water conservation, erosion control, soil conservation, or fish or wildlife habitat,

except those required for environmental restoration; federal, state, or local government regulatory programs; or best management practices.

(4) Resource conservation agreements will be contracts for services which provide annual payments to landowners for services that actively improve habitat and water restoration or conservation on their lands over and above that which is already required by law or which provide recreational opportunities. They will be for a term of not less than 5 years and not more than 10 years. Property owners will become eligible to enter into a resource conservation agreement only upon entering into a conservation easement or rural lands protection easement.

(5) Agricultural protection agreements shall be for terms of 30 years and will provide payments to landowners having significant natural areas on their land. Public access and public recreational opportunities may be negotiated at the request of the landowner.

(a) For the length of the agreement, the landowner shall agree to prohibit:

1. Construction or placing of buildings, roads, billboards or other advertising, utilities, or structures, except those structures and unpaved roads necessary for the agricultural operations on the land or structures necessary for other activities allowed under the easement, and except for linear facilities described in s. 704.06(11);

2. Subdivision of the property;

3. Dumping or placing of trash, waste, or offensive materials; and

4. Activities that affect the natural hydrology of the land, or that detrimentally affect water conservation, erosion control, soil conservation, or fish or wildlife habitat.

(b) As part of the agricultural protection agreement, the parties shall agree that the state shall have a right to buy a conservation easement or rural land protection easement at the end of the 30-year term. If the landowner tenders the easement for the purchase and the state does not timely exercise its right to buy the easement, the landowner shall be released from the agricultural agreement. The purchase price of the easement shall be established in the agreement and shall be based on the value of the easement at the time the agreement is entered into, plus a reasonable escalator multiplied by the number of full calendar years following the date of the commencement of the agreement. The landowner may transfer or sell the property before the expiration of the 30-year term, but only if the property is sold subject to the agreement and the buyer becomes the successor in interest to the agricultural protection agreement. Upon mutual consent of the parties, a landowner may enter into a perpetual easement at any time during the term of an agricultural protection agreement.

(6) Payment for conservation easements and rural land protection easements shall be a lump-sum payment at the time the easement is entered into.

(7) Landowners entering into an agricultural protection agreement may receive up to 50 percent of the purchase price at the time the agreement is entered into, and

remaining payments on the balance shall be equal annual payments over the term of the agreement.

(8) Payments for the resource conservation agreements shall be equal annual payments over the term of the agreement.

(9) Easements purchased pursuant to this act may not prevent landowners from transferring the remaining fee value with the easement.

(10) The department, in consultation with the Department of Environmental Protection, the water management districts, the Department of Community Affairs, and the Florida Fish and Wildlife Conservation Commission, shall adopt rules that establish an application process, a process and criteria for setting priorities for use of funds consistent with the purposes specified in subsection (1) and giving preference to ranch and timber lands managed using sustainable practices, an appraisal process, and a process for title review and compliance and approval of the rules by the Board of Trustees of the Internal Improvement Trust Fund.

(11) If a landowner objects to having his or her property included in any lists or maps developed to implement this act, the department shall remove the property from any such lists or maps upon receipt of the landowner's written request to do so.

(12) The department is authorized to use funds from the following sources to implement this act:

(a) State funds;

(b) Federal funds;

(c) Other governmental entities;

(d) Nongovernmental organizations; or

(e) Private individuals.

Any such funds provided shall be deposited into the Conservation and Recreation Lands Program Trust Fund within the Department of Agriculture and Consumer Services and used for the purposes of this act.

(13) No more than 10 percent of any funds made available to implement this act shall be expended for resource conservation agreements and agricultural protection agreements.

(14) The department, in consultation with the Department of Environmental Protection, the Fish and Wildlife Conservation Commission, and the water management districts shall conduct a study to determine and prioritize needs for implementing the act.

(a) The department may contract with the Florida Natural Areas Inventory for an analysis of the geographic distribution of certain types of natural resources, or

resource-based land uses that have been identified for acquisition by previous conservation and recreation land acquisition programs.

(b) The needs assessment shall locate areas of the state where existing privately owned ranch and timber lands containing resources of the type identified in paragraph (a) can be preserved or protected through implementation of the Rural and Family Lands Protection Act.

(c) The department shall report its findings to the Governor, President of the Senate, and Speaker of the House of Representatives by December 31, 2001. At a minimum, the report must include a prioritization of the types of resources to be preserved or protected, the location of privately owned ranch and timber lands containing such resources that could be preserved or protected by easements or agreements pursuant to this act, and the funding needs for the program.

History.--s. 63, ch. 2001-279; s. 5, ch. 2002-4; s. 48, ch. 2002-295.

Appendix F: All or Nothing Legislation

(d) Thence south along said North New River Canal right-of-way a distance of 5,284 feet, more or less, to the north line of Section 14, Township 44 South, Range 36 East;

(e) Thence south along said west North New River Canal right-of-way a distance of 2,641 feet, more or less, to a point on the east and west half section line of Section 14, Township 44 South, Range 36 East, being the Point of Beginning.

Section 2. Plan of Reclamation.—The Plan of Reclamation for South Shore Drainage District heretofore established is amended and, as amended, is adopted for the district and established as herein stated.

A. The existing drainage facilities and drainage system within the territorial boundaries of the district will be utilized under the amended Plan of Reclamation, including levees, canals, channels, laterals, pumping plants, and other structures.

B. The pump station building, equipment, and canal systems serving the additional lands shall be deemed to be a part of the district's amended Plan of Reclamation, which will be effective upon the transfer of the aforementioned facilities to the District by the Owner.

Section 3. Benefits assessed.—It is hereby ascertained that all lands within the boundaries of the district shall be equally benefited from the water management works, facilities, and improvements as constructed and maintained under the amended Plan of Reclamation and pursuant to the provisions of this act; and, therefore, all said lands in the district shall be assessed equally, by reason of the operation and maintenance of the district's works, facilities, and improvements pursuant to the provisions of this act.

Section 4. This act shall take effect upon becoming a law.

Approved by the Governor May 26, 1999.

Filed in Office Secretary of State May 26, 1999.

CHAPTER 99-425

Senate Bill No. 2616

An act relating to Loxahatchee Groves Water Control District, Palm Beach County; codifying the district's charter, reenacting chapter 76-455, Laws of Florida, as amended; providing for date of annual landowner's meeting and election of supervisors; providing that no person may be elected as a supervisor unless timely notice has been given of his or her intent to be elected as a supervisor; providing landowners with more than 1 acre are entitled to one additional vote for any fraction of an acre greater than one-half acre when all of said

landowner's acreage has been aggregated for purposes of voting; providing for who may be a hauling permit applicant; providing a mechanism to enforce existing provisions for fines for violation of hauling permit law violations; allowing citations for such violations to be issued by traffic enforcement agencies and treating such citations in the same manner as a noncriminal traffic infraction; providing that no land within the boundaries of the district, with the exception of one identified parcel, may be annexed by any municipality unless the municipality proposing to annex said land agrees to annex all of the real property comprising the district and such annexation is subject to the provisions set forth in s. 171.0413, F.S.; providing borrowing authority to deal with declared disasters; repealing all prior special acts of the Legislature relating to the Loxahatchee Groves Water Control District; providing that this act shall take precedence over any conflicting law to the extent of such conflict; providing severability; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Chapter 76-455, Laws of Florida, as amended, is codified, reenacted, amended and repealed as herein provided.

Section 2. The Loxahatchee Groves Water Control District is re-created and reenacted to read:

Section 1. Name and duration of district.—The name of Loxahatchee Sub-Drainage District, created by chapter 298, Florida Statutes, is changed to Loxahatchee Groves Water Control District, hereinafter known as the Loxahatchee Groves Water Control District. The corporate life of the Loxahatchee Groves Water Control District is extended perpetually.

Section 2. Landowner's meeting and election of supervisors.—

a. Election of supervisors.—Every year in the same month that a supervisor's term expires as provided in ss. 298.11 and 298.12, Florida Statutes, the district shall call a meeting of the landowners in the district for the purpose of electing a supervisor for such vacancy or existing vacancies. There shall be one ballot for each vacancy. To be elected, a candidate must have a majority of the votes on that ballot. In the event no candidate receives a majority of votes on the first ballot, a run-off ballot shall be held between the two candidates receiving the highest number of votes on the first ballot.

b. Number of votes; voting.—At such election, each and every owner of land in the district shall be entitled to vote, in person or by proxy in writing duly signed. Each landowner shall be entitled to one vote for every acre of land owned by him or her within the district. Landowners owning less than 1 acre shall be entitled to one vote. Where land is held in any form of joint ownership; votes may be cast by one owner only. Landowners with more than 1 acre are entitled to one additional vote for any fraction of an acre greater than ½ acre, when all of the landowners' acreage has been aggregated for purposes of voting.

Section 6. Restriction on annexation.—In view of the unique rural community nature of the district and a recognition by the Legislature of the appropriateness of preserving the district as a unified community, no land within the boundaries of the district may be annexed by any municipality unless the municipality proposing to annex said land agrees to annex all of the real property composing the district and such annexation is subject to the provisions set forth in s. 171.0413, Florida Statutes, including, but not limited to, the requirement that the annexation be approved in a referendum vote by the registered electors living within the boundaries of the district. However, the restrictions on annexation in this section shall not apply to that portion of the district consisting of a parcel bounded by Southern Boulevard on the south, the southern boundary of the drainage/road right-of-way known as Collecting Canal on the north, Folsom/Crestwood on the east, and the western boundary of the Palms West Hospital property on the west, said parcel being more particularly described as follows:

A parcel of land located in the County of Palm Beach, State of Florida, to wit: The point of beginning being the intersection of the easterly line of Lot 4, Block K, Loxahatchee District, according to the plat thereof on file in the Office of the Clerk of the Circuit Court recorded in Plat Book 7, Page 81, of the Public Records of Palm Beach County, Florida, and the southerly boundary of the "Collecting Canal" as shown on the Replat of Loxahatchee Groves Subdivision according to the plat thereof, recorded in Plat Book 12, Page 29, of the Public Records of Palm Beach County, Florida; thence easterly along said southerly boundary of the Collecting Canal to the easterly boundary of said Replat of Loxahatchee Groves; thence south along said easterly boundary line of the Replat of Loxahatchee Groves to the north right-of-way line of State Road 80, thence westerly along said northerly right-of-way line of State Road 80 to the easterly line of Lot 4, Block K, Loxahatchee District; thence northerly along said easterly line of Lot 4 to the Point of Beginning.

Section 7. Borrowing authority to deal with disaster.—To allow the district to deal with the financial impact of the repair, replacement, or reconstruction of works of the district or other costs incurred by the district due to a "disaster," as defined in s. 252.34(1), Florida Statutes, the district is hereby authorized to borrow such funds as the district may reasonably determine are necessary to cope with the disaster. The district is also authorized to enter into a line of credit arrangement that will permit such borrowing, but funds can be drawn on the line of credit only after a state of emergency has been declared by Palm Beach County, the Governor, or the President of the United States. The district may grant as security or collateral for borrowing under this section any local, state, or federal disaster relief payments (or similar type of payments) to be received by the district or maintenance assessments levied by the district pursuant to s. 298.54, Florida Statutes, or both.

Section 3. Except as specifically provided herein, chapter 76-455, Laws of Florida; chapter 79-540, Laws of Florida; chapter 82-355, Laws of Florida; chapter 86-432, Laws of Florida; chapter 87-519, Laws of Florida; chapter 88-502, Laws of Florida; and chapter 92-259, Laws of Florida, are repealed.

Section 4. In the event any section, or provision of this act is determined to be invalid or unenforceable, such determination shall not affect the validity of or enforceability of each other section and provision of this act.

Section 5. In the event of a conflict of the provisions of this act, with the provisions of any other act, the provisions of this act shall control to the extent of such conflict.

Section 6. This act shall take effect upon becoming a law.

Approved by the Governor May 26, 1999.

Filed in Office Secretary of State May 26, 1999.

CHAPTER 99-426

Senate Bill No. 2620

An act relating to the Plantation Acres Improvement District, Broward County; amending s. 9, chapter 82-274, Laws of Florida; increasing the compensation that each supervisor shall be entitled to receive for his or her services; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 9 of chapter 82-274, Laws of Florida, is amended to read:

Section 9. Compensation of board.—Each supervisor shall be entitled to receive for his or her services an amount not to exceed $300.00 ~~$100.00~~ per month. In addition, each supervisor shall receive reasonable traveling expenses for attending district business outside of the district. Unless the board by resolution otherwise provides, such traveling expenses shall not be in excess of the amounts provided by law for state and county officials.

Section 2. This act shall take effect October 1, 1999.

Approved by the Governor May 26, 1999.

Filed in Office Secretary of State May 26, 1999.

CHAPTER 99-427

Committee Substitute for Senate Bill No. 2622

An act relating to Monroe County; creating the City of Marathon; providing legislative intent; providing municipal boundaries and