



**MONROE COUNTY,
THE FLORIDA KEYS AREA OF CRITICAL STATE CONCERN
WORK PLAN MEMORANDUM – CHALLENGES FACING THE FLORIDA KEYS**

The Florida Keys, an Area of Critical State Concern, implemented the Rate of Growth Ordinance (ROGO) in order to protect the significant natural resources of Monroe County (MC) and to provide for the safety of its residents in the event of evacuation. The State of Florida allows issuance of 197 building permits per year for new residential development. ROGO established a competitive permit allocation system whereby only those applications with the highest scores are awarded a building permit.

Table 1 demonstrates the challenges MC faces as there are 8,168 vacant, privately owned parcels. With just 197 permits / year, it would take over 41 years worth of annual allocations to absorb the remaining private, vacant parcels. Before the Cabinet is a recommendation to allocate 10 years worth of growth ($197 \times 10 = 1970$ units). This recommendation leaves 5963 privately held vacant parcels at risk of not being able to obtain permits. This could be a State/County takings liability.

Table 1: Analysis of Vacant Parcels

TIER	NO. VACANT PARCELS	YEARS TO ALLOCATE PERMITS
No Tier (ORCA, etc.)	235	
Tier I	3979	
Tier II	393	
Tier III-A	260	
Tier III	3301	
TOTAL	8,168	41.46

In recognition of the fact that the inventory of vacant parcels exceeds the permits MC can award, the BOCC has adopted additional strategies to help transition land into public ownership to reduce the potential takings liability, and address the future build out of the Florida Keys by incentivizing development that eliminates vacant, private parcels. These strategies include:

- Incentivize Dedication of Land – the BOCC adopted an amendment to encourage additional land dedication by providing additional positive points in ROGO/NROGO
- Discouragement Policy– the BOCC adopted an amendment to discourage private applications for FLUM amendments that increase density and intensity, as required by Rule 28-20.140, F.A.C., unless mitigated by providing land (acreage or IS parcels) to County.
- Created Commercial FLUM category (no residential) - the BOCC adopted an amendment to provide options to re-designate property for other nonresidential uses (Provides alternative uses of property)

While these adopted strategies, if utilized, help off-set the costs for direct acquisition of land, it is clear from the costs outlined in Table 2 that these efforts will not serve to completely close the gap. The Growth Management Division recognizes the need for additional strategies aimed at removing buildable parcels from the inventory of privately owned vacant land. To that end, staff is currently evaluating the potential for possible future strategies including:

- Revise NROGO to make the process simpler and thus encourage nonresidential redevelopment and development (coincides with the Commercial FLUM amendment) which would give other uses to the vacant privately held land
- Reduce the current allocation rate of 197 units/year with a Comprehensive Plan amendment. This would extend the timeframe of the allocations and provide additional time to implement other strategies, such as land acquisition.
- Allow the transfer of units between jurisdictions and/or ROGO sub-areas
- Incentivize Lot Aggregation - Encourage additional aggregation by providing additional positive points in ROGO/NROGO
- Continue Land Acquisition programs to purchase additional undeveloped parcels and re-evaluate land acquisition priorities to balance growth management, habitat protection, retirement of development rights, reduction of density & intensity, future build-out of the Florida Keys, climate change, sea level rise, affordable housing, etc.
- Include land acquisition as an allowed use for the extension of the infrastructure sales tax – after completion of the wastewater facilities.
- Establish dependent taxing authority by referendum for land acquisition. At present, the only committed funding for the above referenced purchases is provided through a ½ cent Tourist Impact tax, with annual revenue to the Land Authority of approximately \$1 million to \$1.2 million. Additional revenues are provided through a State Park surcharge that generates approximately \$400,000 annually. Of this total revenue (\$1.5 million), 40% (approximately \$600,000) is typically allocated to the acquisition of conservation land in unincorporated Monroe County, with the remainder going towards purchase of parcels for affordable housing.

The above funding sources alone are not adequate to meet the land acquisition needs of Monroe County in the future, as can be noted in Table 2. As demonstrated in Table 2, at current funding levels and with the State discontinuing its aggressive land acquisition in the Florida Keys, it would take over 400 years to purchase the private, vacant parcels.

Table 2. Inventory of Private, Vacant Parcels and Approximate Land Value

AREA	NO. VACANT PARCELS	APPROXIMATE LAND VALUE	YEARS FOR MCLA TO ACQUIRE VACANT PARCELS
Unincorporated Monroe County**	8,168	\$ 248,314,487.00	413
Marathon	1,680	\$ 83,740,226.00	
Key West	349	\$ 88,603,652.00	
Islamorada	1,269	\$ 77,253,680.00	
<i>** Includes private vacant parcels in Ocean Reef and other parcels that currently have no Tier designation.</i>			
PRIVATE VACANT PARCELS IN UNINCORPORATED MONROE COUNTY BY TIER			
I	3,979	\$ 20,750,219.00	34.6
II	393	\$ 10,966,531.00	18.28
III-A	260	\$ 12,068,434.00	20.1
III	3,301	\$ 152,870,256.00	254.78
TOTAL (UNINCORPORATED)	7,933	\$ 196,655,440.00	327.76

Establishing a dependent taxing authority would generate revenue for land acquisition by adopting an ad valorem tax designated specifically for the purchase and management of conservation lands. This option

has had wide application in Florida, with over 20 Counties and over 20 municipalities (including Key West for the purchase of Key West Bight) adopting an environmental lands program based on this model. Each community has adopted programs tailored to their specific needs and voter preferences. As can be seen in Table 3 below, some have established specific revenue caps, while others have established a time frame with no revenue cap. In addition, some of the County's elected to bond the cap amount (Osceola, Lee and Volusia) and use the tax to pay for the bonds.

Table 3. Summary of Ad Valorem Tax initiatives

COUNTY	YEAR ADOPTED	MILLAGE RATE	TOTAL REVENUE	TERM
LAKE	2004	0.33	\$ 36 MILLION (cap)	5 YRS (bond issue)
LEE	1996	0.5	\$ 400 MILLION	ANNUAL RENEWAL
MIAMI-DADE	1990	0.75	\$ 90 MILLION	2 YRS
OSCEOLA	2004	0.25	\$ 60 MILLION (cap)	20 YRS (bond issue)
VOLUSIA	2000	0.20	\$ 40 MILLION (cap)	20 YRS (bond issue)

According to data from the Monroe County Property Appraiser, the total taxable value for real property in the County in 2012 was approximately \$18,691,323,445.00. Using this value, the table below depicts approximate annual revenues associated with a range of millage rates.

Table 4. Summary of potential revenue generation

TOTAL TAXABLE VALUE (MCPA)	0.75 MIL	0.50 MIL	0.25 MIL
\$ 18,691,323,445	\$ 14,018,492	\$ 9,345,661	\$ 4,672,830

In general, the process followed by the majority of jurisdictions researched is:

- Formation of a grass-roots citizens group to highlight and support the issues, initiated by residents or by the County (via contracting with TPL, etc.)
- BOCC resolution for ballot referendum
- Voters approve referendum for ad valorem tax
- BOCC adopts conservation land selection standards
- BOCC approves funding:
 - bond issue to borrow funds for purchase, or;
 - Establish a Conservation Land fund to purchase as revenue is collected

Finally, MC requests the State of Florida Division of State Lands to continue to aggressively acquire vacant, privately owned land as a State partner in the Area of Critical State Concern program.