



June 17, 2026

Memorandum

To: Charlotte County

From: Kevin Plenzler, Director (PFM)

RE: Charlotte County Beach Renourishment Assessment Model Update

1.0 General Overview

Nabors Giblin & Nickerson, P.A. has been working with Charlotte County regarding the financing of beach renourishment activities on Manasota Key and Don Pedro-Knight Island. In 2017, Peter A. Ravella Consulting, LLC (PARC) was retained to develop a beach renourishment assessment methodology (“Methodology”) and financing plan for the implementation of the county’s Comprehensive Shoreline Management Program (CSMP). The County is reviewing additional necessary investments in its shoreline consistent with the CSMP and has engaged PFM Group Consulting, LLC (PFM) to update the application of the Methodology outlined in the 2018 PARC Report for the allocation of CSMP assessments associated with current financing of beach stabilization and renourishment project(s) and the current set of parcel data.

Since the initial assessment cycle, coastal regions of Charlotte County have continued to experience beach erosion and significant storm damage from hurricanes, including Milton, Helene, and Debby. The ongoing needs for coastal restoration and renourishment warrant the continuation for the assessment on Manasota Key and Don Pedro-Knight Island for another cycle. The beach renourishment projects on Manasota Key and Don Pedro-Knight Island have intervals of eight years, dictating the funding and re-assessment periods. On Manasota Key, the beachfront area extends 9,600 feet from the Sarasota County line at the north to the southern boundary of Englewood Beach County Park at the south end, extending from the beachfront across the island to Lemon Bay, including Sandpiper Key. On Don Pedro-Knight Island, the beachfront area extends 7,500 feet, beginning roughly two miles south of Stump Pass at the north down to the northern boundary of Don Pedro State Park.

2.0 Overview of Impacted Parcels

Initially developed by Coastal Engineering Consultants (CEC), the county’s CSMP consists of three distinct project components:

1. Regular dredging and maintenance of Stump Pass;
2. Don Pedro-Knight Island Beach Renourishment;
3. Manasota Key Beach Renourishment.



Regular dredging and maintenance of Stump Pass is funded by a separate MSTU, while the beach renourishment MSBU focuses on Manasota Key and Don Pedro-Knight Island. Within items two and three, there are two separate assessment components: assessments for regular maintenance of the shoreline, and assessments for larger capital projects including, but not limited to, rock revetments and the installation of shoreline armoring structures. In Manasota Key, this includes 2,025 unique parcels, including 982 parcels subject to Nearshore Benefit Zone (NBZ) assessment, and in Don Pedro, it includes 1,191 unique parcels, including 362 parcels subject to the additional NBZ assessment. A breakdown of parcels by type can be found in table one below:

Table 1: Parcel Count by Property Type

Parcel Type:	Manasota Key	Don Pedro-Knight Island
Residential	1,996	1,174
Commercial	23	6
Government	6	11
Total	2,025	1,191

Source: Charlotte County

3.0 Requirements of a Valid Special Assessment

A special assessment is a charge imposed against property because that property derives some special benefit from the expenditure of the monies. Increasingly, counties have utilized special assessments as a home rule revenue source to fund certain services and to construct and maintain capital facilities.

As established by case law, two requirements exist for the imposition of a valid special assessment: (1) the property assessed must derive a special benefit from the improvement or service provided; and (2) the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit. See *City of Boca Raton v. State*, 595 So. 2d 25 (Fla. 1992).

If the imposition of special assessments meets both prongs of the test, that assessment is valid under Florida law, as we understand it. In this report we address each prong of the special assessment test.

3.1 Special Benefit

The test to be applied in evaluating whether a special benefit is conferred on property by the provision of a service or facility is

whether there is a "logical relationship" between the services provided and the benefit to real property. Whisnant v. Stringfellow, 50 So. 2d 885 (Fla. 1951).



Lake County v. Water Oak Management Corp., 695 So. 2d 667, 669 (Fla. 1997). This logical relationship to property test defines the line between those services that can be funded by special assessments and those failing to satisfy the special benefit test.

The benefit required for a valid special assessment consists of more than simply an increase in market value and includes both potential increases in value and the added use and enjoyment of the property. See Meyer v. City of Oakland Park, 219 So. 2d 417 (Fla. 1969). In Meyer, the Florida Supreme Court upheld a sewer assessment on both improved and unimproved property, stating that the benefit need not be direct nor immediate but must be substantial, certain and capable of being realized within a reasonable time. Furthermore, the benefit need not be determined in relation to the existing use of the property. See City of Hallandale v. Meekins, 237 So. 2d 318 (Fla. 4th DCA 1970), aff'd, 245 So. 2d 253 (Fla. 1971).

Although the benefit derived need not be direct and immediate, the benefit must be special and peculiar to the property assessed and not a general benefit to the entire community. Thus, services and facilities which are provided by a government may be essential to the public welfare but fail to provide the special benefit necessary for the imposition of a valid assessment. For example, the Court in Crowder v. Phillips, 1 So. 2d 629 (Fla. 1941), held that a special assessment for the establishment and maintenance of a hospital did not provide a special or peculiar benefit to the real property assessed. The Court reasoned that the hospital provided benefits to the entire community because of its availability to any person but that no logical relationship existed between the construction and maintenance of the hospital and the assessed property. Additionally, in Whisnant v. Stringfellow, 50 So. 2d 885 (Fla. 1951), an assessment for the county health unit was also held to be invalid in that it benefited everyone in the county, regardless of their status as property owners.

Examples of services and facilities that possess a logical relationship to property and thus can be funded wholly or partially by special assessments are: fire protection, fire and first responder services, street improvements, parking facilities, downtown redevelopment, solid waste collection and disposal, stormwater management, beach nourishment, and water and wastewater utility improvements. Specifically, the Florida Supreme Court upheld a special assessment to fund a beach renourishment project, finding the project provided a special benefit to the assessed properties based on the additional storm protection, increased recreational opportunities, and increased marketability and property values. See Donovan v. Okaloosa County, 82 So. 3d 801, 813 (Fla. 2012).

Consistent with the Methodology in the 2018 PARC Report, PFM worked with the applicable County staff and County subconsultants associated with the proposed 2026 financing of beach stabilization and renourishment project(s) regarding the allocation of assessments associated with 2026 financing. PFM reviewed the current project information and parcel data and finds that the benefit area is still appropriate and that the methodology fairly and reasonably apportions the costs among the assessed properties.

In this case, the proposed investments in the form of beach renourishment activities (REC) and storm and beachfront protection (NBZ) benefits properties in a variety of ways. Therefore, based on this guidance it is reasonable to measure special benefits in terms of, but not necessarily limited to the following:



- Increased or maintained market value or marketability
- Enhanced use or enjoyment of the property via accessibility
- Storm protection

As discussed further in the report, the 80–20 REC–NBZ cost split applied in the 2018 methodology is being updated to reflect the incremental, additional storm protection benefits accorded to the NBZ due to the dune restoration components planned for this beach restoration project.

3.2 Fair and Reasonable Apportionment

The second prong of the special assessment test relates to the apportionment benefits. The Supreme Court in *Boca Raton*¹ found as follows.

“The apportionment of benefits is a legislative function, and if reasonable people may differ as to whether the land assessed was benefited by the local improvement, the findings of the city officials must be sustained.”

The Boca Court went on to quote from the decision in *City of Ft. Myers v. State of Florida and Langford*, 95 Fla 704, 117 So 97, 104...

“No system of appraising benefits or assessing costs has yet been devised that is not open to some criticism. None have attained the ideal position of exact equality, but if assessing boards would bear in mind that benefits actually accruing to the property improved in addition to those received by the community at large must control both as to benefits prorated and the limit of assessments for cost of improvement, the system employed would be as near the ideal as it is humanly possible to make it.”

In *Fire District No. 1* the Supreme Court quoted from its decision in *Martin v. Dade Muck Land Co.*, 95 Fla 530, 116 So. 449 as follows.

“Where public improvements are contemplated, and the method of the special assessments and the anticipated benefits are determined by direct legislative enactment, such determinations will not be disturbed by the courts, unless an abuse of power or purely arbitrary and oppressive action is clearly shown in appropriate proceedings...”

However, improper apportionment will defeat a special assessment when a special benefit is otherwise available. In *City of Ft. Lauderdale v. Carter*, 71 So. 2d 260 (Fla. 1954), a special assessment for garbage, waste and trash collection was apportioned based upon the value of the property. The Florida Supreme Court held this assessment to be invalid in that apportioning on the basis of value did not bear any reasonable relationship to the services provided. See also *St. Lucie County-Fort Pierce Fire Prevention and Control District v. Higgs*, 141 So. 2d 744 (Fla. 1962) (Court struck fire assessments imposed against property based on the ratio of the assessed value of each property to the total value of all property in the district).

¹ *City of Boca Raton*, Op. Cit.



In comparison, the Florida Supreme Court in *City of Naples v. Moon*, 269 So. 2d 355 (Fla. 1972), found that the levying of a special assessment for improved parking facilities was valid because the city established specific guidelines to measure the benefits accruing to the assessed property. The guidelines were value of the property benefited, relative floor space of each improved property, its kind, susceptibility to improvement, and the maximum annual benefits to be conferred thereon. *City of Naples*, 269 So. 2d at 358. Other methods of apportionment which have been upheld are sewer improvements on a square foot basis (*Meyer v. City of Oakland Park*, *supra*) and street improvements on a lineal front foot basis (*Bodner v. City of Coral Gables*, 245 So. 2d 250 (Fla. 1971)).

Finally, in determining the reasonableness of the apportionment, courts generally give deference to the legislative determination of a local government. In *Rosche v. City of Hollywood*, 55 So. 2d 909 (Fla. 1952), the Florida Supreme Court stated:

The apportionment of assessments is a legislative function and if reasonable men may differ as to whether land assessed was benefited by the local improvement the determination as to such benefits of the city officials must be sustained.

Id. at 913; see also *Key Colony No. 1 Condominium Assoc., Inc. v. Village of Key Biscayne*, 651 So. 2d 779 (Fla. 3d DCA 1995).

The Courts have approved many methods for allocating benefits. The *Boca Raton* Court provides good guidance on this point:

“While front foot or square foot methodologies for apportioning costs of special improvement projects are more traditional, other methods are permissible. As we stated in South Trail Fire Control District v. State, 273 So. 2d 380,384.

The manner of assessment is immaterial and may vary within the district, as long as the amount of the assessment for each tract is not in excess of the proportional benefits as compared to other assessments on other tracts.”

In practice the Florida courts have approved a wide variety of allocation, including assessed value, weighted value, equivalent residential units, trip rates, calls for service, and various engineering coefficients. As it pertains to beach renourishment projects, the Florida Supreme Court approved an apportionment methodology that spread the costs based upon storm damage reduction assessed against beach front properties and recreation benefits spread amongst properties in a greater area in proximity to the beach. See *Donovan v. Okaloosa County*, 82 So. 3d 801, 813-14 (Fla. 2012).

4.0 Summary of Project Costs

The CEC cost estimates are based on four spending categories: Design & Permitting, Construction, Monitoring, and Operations and Maintenance. As discussed, assessments are levied for the two primary cost categories: annual maintenance costs, and the financing of capital costs for larger renourishment projects. These costs are broken out separately and are both subject to the eight-year reassessment and refinancing intervals. For purposes of calculating the annual assessments, it was assumed that no state and federal dollars will be received.



Table 2 presents the capital and maintenance costs for both Manasota Key and Don Pedro-Knight Island as well as estimated annual payments associated with each set of costs, inclusive of the 7 percent gross up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.

Table 2: MSBU Capital and Maintenance Costs Summary

Manasota Key		Total	Annual
Capital		\$21,877,890	\$3,624,296
Maintenance		\$3,021,095	\$377,637
Total		\$24,898,985	\$4,001,933
Don Pedro-Knight Island		Total	Annual
Capital		\$21,860,110	\$3,621,351
Maintenance		\$2,196,751	\$274,594
Total		\$24,056,861	\$3,895,945

Source: Charlotte County, PFM Group Consulting, LLC

Table 3 summarizes the preliminary financing plan of the Series 2026 Bonds for the capital component of the beach renourishment project. PFM allocated the total as-financed capital program between Manasota Key and Don Pedro-Knight Island consistent with the capital plan provided by the County.

Table 3: Estimated Financing Details for Beach Renourishment

Category	Total Amount	Manasota Key	Don Pedro- Knight Island
		Amount	Amount
Construction Fund	\$43,622,373	\$21,820,053	\$21,802,320
Debt Service Reserve Fund	\$0	\$0	\$0
Capitalized Interest	\$0	\$0	\$0
Cost of Issuance	\$115,627	\$57,837	\$57,790
Rounding	\$0	\$0	\$0
Total Par	\$43,738,000	\$21,877,890	\$21,860,110
Rate	4.90%		
Term	8		
Net Annual Debt Service:	\$6,738,452	\$3,370,596	\$3,367,856
Gross Annual Debt Service (1):	\$7,245,647	\$3,624,296	\$3,621,351

Source: Charlotte County, Hilltop Securities, PFM Group Consulting, LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up of funding to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.



5.0 Application of Assessment Methodology

The Methodology, as established eight years prior, was applied to the updated assessment roll to determine updated assessments for the upcoming project cycle. The Project provides a direct and special benefit to all properties within the MSBU by protecting the natural beach environment, enhancing storm-damage protection for both properties and supporting infrastructure, and improving and sustaining market value, rental value, development potential, and overall marketability of affected parcels. It also expands recreational opportunities for property owners, tenants, customers, and visitors by increasing beach area and improving aesthetics. Because the presence of a healthy, accessible beach is a major factor driving residency, rentals, and commercial activity within the MSBU, it is fair and reasonable to allocate a portion of the Project costs to all tax parcels within the MSBU.

In addition to benefiting all properties, the Project also provides value to parcels outside critically eroded areas and those not receiving direct sand placement, as these properties still experience protection and enhanced marketability, and will eventually receive sand through natural longshore transport, directly expanding the beach in these areas. Properties located closer to the shoreline – within the Nearshore Beach Zone (NBZ) – receive an even greater level of benefit, including reduced shoreline-retreat risk, reduced land-loss risk, decreased need for emergency coastal armoring measures, increased property values, and more convenient access to the beach. Because these enhanced benefits accrue specifically to parcels in the NBZ, allocating a portion of the Project costs solely to these parcels is fair and reasonable.

In 2018, the total costs of the Project were divided between these two benefit categories – the enhanced recreational benefits (REC), and the nearshore benefits (NBZ). Eighty percent of project benefits derived from the enhanced recreational use (REC) benefits. The 80 percent REC allocation was considered fair and reasonable because the primary benefits of the projects accrue broadly to all properties within the MSBU boundaries through enhanced recreational use of an expanded public beach. Florida law guarantees public access to all new dry beach created seaward of the Erosion Control Line,² meaning this increased recreational value is shared widely. While properties in the Near Beach Zone (NBZ) enjoy somewhat easier access, the previous methodology report found this incremental advantage represents less than half of the remaining 20% non-recreational (NS) benefit.³

Compared to the Cycle 1 capital costs, the Cycle 2 capital costs are generally similar but include some dune protection costs that were not included in the 2018 project. While storm-protection benefits continue to be relatively modest with the beach being designed only for a 25-year storm event and many areas already rely on existing coastal armoring or natural dune features, incorporating the Cycle 2 dune restoration costs resulted in a modest shift in capital apportionment from 80-20 to 79.2-20.8 in Manasota Key and to 77.7-22.3 in Don Pedro. The Cycle 2 capital investment (compared to Cycle 1) incrementally increases the storm-protection share of benefits that accrue specifically to the nearshore zone relative to the recreation benefits. PARC's conclusion aligns with findings from the Florida Office of Economic and Demographic Research, which determined that well-maintained beaches are Florida's most significant tourism driver and provide substantial economic value, reinforcing that enhanced recreation is the dominant benefit of beach nourishment investments. The

² Florida Statutes, Chapter 161. Beach and Shore Preservation Act.

³ Peter A. Ravella Consulting, LLC, *Funding Methodology and Financing Plan: Charlotte County Comprehensive Shoreline Management Program*. February 5, 2018.



REC costs correspond to the benefits all property owners within the MSBU derive from beach maintenance and the availability of the beach area for public recreation.

The NBZ allocation of benefits derive from the enhanced or special benefit for properties in the near-beach zone (NBZ), including, but not limited to, reduced risk of shoreline retreat and flooding, coastal armoring, and proximity benefits. The nearshore allocation of 20.8 in Manasota Key and 22.3 in Don Pedro is considered fair and reasonable because the nearshore benefits, primarily related to storm protection and enhanced property value, are comparatively limited in scope. The widened beach and additional dune restoration provides only a modest level of added storm protection, and this benefit is largely confined to parcels closest to the shoreline. In many NBZ areas, existing shoreline armoring on north Manasota Key and the more landward placement of structures on Don Pedro–Knight Island already offer substantial protection, meaning future investments provide only incremental additional benefits. The nearshore zone also receives some added value from its ease of beach access, which increases both market value and rental desirability; however, these economic benefits, while stronger in the NBZ, also extend, though to a lesser degree, to properties outside it. Collectively, these factors support a modest NBZ benefit share, making the above allocations, based on maintenance or capital, both equitable and well-supported.

Once the revenue requirement has been partitioned for the REC-NBZ benefits, they must further be apportioned to the parcels within the MSBU. While all parcels within both MSBUs will pay a REC assessment, only the parcels with close proximity to the beachfront pay an additional NBZ assessment. The REC assessment apportionment methodology varies by type of property: residential, commercial, or government owned. The total REC assessment is then sub-apportioned into these three property type categories by proportion of total just value in the MSBU. The distribution of total annual local REC assessment funding by property type is summarized in Table 4.

Table 4: Annual REC Funding by Property Type*

Manasota Key		
Property Type	% Total Just Value	Annual Assessment
Residential	95.08%	\$3,015,388
Commercial	3.43%	\$108,902
Government	1.49%	\$47,137
Don Pedro-Knight Island		
Property Type	% Total Just Value	Annual Assessment
Residential	98.80%	\$2,996,707
Commercial	0.23%	\$6,986
Government	0.97%	\$29,396

Source: Charlotte County Property Appraiser and PFM Group Consulting LLC

*Annual assessments listed above include the 7.0% gross-up to the capital and maintenance assessments to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.



Residential REC assessments are apportioned by the number of equivalent dwelling units (EDUs), while commercial and government REC assessments are apportioned based on the parcel's just value as a percentage of total MSBU commercial or government just value, respectively. An assessment floor is applied for both commercial and government parcels such that no parcel is assessed for less than that of one EDU for the applicable geography.

Several parcels have unique attributes or classifications that require an individualized approach. One residential parcel in Manasota Key, Account #411901451001, has a partial conservation easement and is therefore assigned 0 EDUs and is not receiving any assessment, consistent with the parcel's treatment in the first assessment cycle. The non-easement component of the parcel in this case is insufficient for development of a dwelling unit, hence the assignment of 0 EDUs. Account #411912403003 is owned by Charlotte County and has been fully under a conservation easement since 1987. In the previous assessment cycle, when the parcel was still under a conservation easement and was developed, the parcel was assessed, therefore it will continue to be assessed in this assessment cycle, as, despite its conservation easement status, it is not subject to binding development restrictions that would exempt the property from assessment.

Nearshore Benefit Zone assessments are apportioned based on an NBZ factor – a composite score of one point for every ten feet of beachfront length and one point for every one-tenth of parcel acreage, based on information obtained from the Charlotte County Appraiser and Charlotte County's plat books. Assessments are then apportioned based on each subject parcel's percentage of total NBZ factor points. The updated assessment roll included 29 new NBZ parcels in Manasota Key and three new NBZ parcels in Don Pedro-Knight Island. The new parcels subject to the NBZ assessment are listed in Table 5. Additional detail on the assessment methodology employed can be found in the PARC report in addition to adopted resolutions 18-047 and 18-048.

Table 5: Parcels Newly Subject to NBZ Assessment

Manasota Key			Don Pedro
411912525002	411912532005	411912532012	412033151025
411912525004	411912532001	411912483005	412033151024
411912532010	411912532007	411912403006	412031476025
411912525006	411912532004	411912532000	412031251001
411912525003	411912525001	411912525000	
411912525005	411912532008	411912532002	
411912532009	411912525008	411912403006	
411912532011	411912532006	411901702145	
411912532003	411913231032		
411912525007	411912532013		

Source: Charlotte County Property Appraiser

Parcels newly subject to the NBZ were added to the assessment roll primarily as a result of a subdivision of what was previously one parcel into several separate parcels. The majority of these new NBZ parcels represent condominium units that share an existing property address



but were individually parceled and added to the assessment roll for the first time since 2018. In addition to these condominium-derived parcels, a small number of the newly added parcels reflect similar splits of previously vacant land or single-family properties that were not separately assessed in 2018.

6.0 Summary of Impacts

The annual combined maintenance and capital assessment by property type and for the NBZ is summarized in Table 6 while the detailed assessment roll by parcel is provided in Exhibit A.

Table 6: Annual Assessment by Property Type*

Manasota Key	
Residential REC (per EDU)	\$1,286.43
Commercial REC (per \$1k JV)	\$3.91
Government REC (per \$1k JV)	\$3.91
Nearshore Beach Zone (per point)	\$234.79
Don Pedro-Knight Island	
Residential REC (per EDU)	\$2,466.43
Commercial REC (per \$1k JV)	\$5.11
Government REC (per \$1k JV)	\$5.11
Nearshore Beach Zone (per point)	\$259.97

Source: Charlotte County Property Appraiser and PFM Group Consulting LLC

**Annual assessments listed above include the 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.*



Exhibit A: Assessment Roll