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MEMORANDUM

To: Financial Impact Estimating Conference
From: John French, General Counsel, Foundation to Protect Florida's Future, Inc.
Subject: Land use amendment
Date: February 17, 2006

The Foundation to Protect Florida's Future is a nonprofit membership organization that is committed to forging a moderate and balanced consensus on major issues confronting our State, including growth management. The Foundation serves as the voice of a broad membership comprised of over a thousand individuals and businesses who share a common vision and commitment to the improvement of the quality of life of our citizens. This memorandum sets out the Foundation's perception of the bank-breaking impact of the so-called "Land Use Amendment" that must inevitably result from its referendum requirement alone. Our broader concerns over the implications on local government revenues and on Florida's economy will be sent under separate cover by Dr. Henry Fishkind.

Good data is available to project the significant costs to local government in conducting the referenda required by the amendment through the use of very modest assumptions. The actual cost incurred by the City of Tallahassee in conducting the recent Coal Plant Referendum via mail ballot provides an excellent forecasting tool for costs that are likely to be incurred in referenda around the State because:

1. The mail ballot is likely to be the method of choice in most counties due to its relative cost effectiveness.
2. The main cost components of a mail ballot—printing and postage- are relatively fixed on a per-unit basis and the few variable costs have a much tighter range than a regular "go to the polls" election.

Ballots were mailed to the 103,316 registered voters in the City of Tallahassee.¹ The Supervisor billed the City a total of \$337,275 for conducting the election.² This comes to approximately \$3.25 per registered voter.³

Information obtained from the Department of Community Affairs indicates that there was an average of 10,766 Comprehensive Plan amendments submitted by counties and

¹ Attachment A: Copy of Supervisor's web page with election results.

² Attachment B: Revised invoice to City of Tallahassee

³ Note model does NOT include the substantial costs incurred by local governments in advertising, public meetings and similar outreach efforts that explain the subject of a referendum to the public. The omission is based on the absence of data as opposed to the absence of costs.

municipalities from 1998 to 2003.⁴ We certainly would not contend that each would be subject to a separate referendum. In fact, the profound fiscal impact of the proposed amendment is easily demonstrated by going to the other extreme—by using the most conservative assumptions available within the realm of reason:

1. Almost all Comp Plan amendments are considered twice a year.
2. Governing bodies would be likely to use mail ballots and to place multiple amendments on each ballot.⁵
3. The DCA data from prior years indicates that referenda are likely to occur in counties comprising at least 95% of the registered voters of the State.⁶

This produces a very conservative calculation of the very minimum fiscal impact via the costs of the referenda alone:

$$10,501,148 \text{ registered voters (6/30/05)} \times 0.95 = 9,642,640$$

$$9,642,640 \times \$3.25 \text{ per registered voter} = \$31,332,580$$

$$\$31,332,580 \times 2 \text{ cycles per annum} = \underline{\underline{\$62,677,160}}^7.$$

This extremely conservative model demonstrates the overwhelming fiscal impact of the proposed amendment on local governments just in the conduct of the mandated referenda—an impact of an order of magnitude equal to the Bullet Train or even the Class Size Amendment when applying less conservative and far more likely assumptions. This is a bank-breaker by any reasonable standards and we strongly encourage you to determine as much in your product.

Thank you for your consideration of our information. Please contact me if you need additional information.

⁴ Attachment C: Comprehensive Plan amendment data

⁵ The costs of printing and postage will obviously increase incrementally with the number and length of the amendments on a given ballot. However and for purposes of modeling, the inevitable incremental increases are not in the calculus.

⁶ This also assumes that counties and municipalities will share a common semi-annual ballot.

⁷ The cost would be reduced in even-numbered years if local governments include referenda on the Primary or General Election ballots.