

WALT DISNEY WORLD AS A RENT-FUNDED COMMUNITY – PART I

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(The following presentation on Disney World's history and development was made at on Aug. 17, 2016 at the Conference of Georgist Organizations meeting in Orlando, FL. It covers its design and land use practices; why the admission charge is a land rent; and how Disney World made far more money by land speculation than by providing entertainment.)



Summary

Walt Disney World is a private-sector community that provides collective goods, such as transit, trash collection, fire protection, and security. In effect, entrance to WDW is a payment of a site rental in order to be located there for some duration, and have access to the collective goods. There is also a residential community built by the Walt Disney Company, Celebration.

Introduction

When we see a wild animal's beautiful appearance and watch it run hither and yon, we know that beneath the furry surface there is something awesome going on, a complex brain and muscle makes its life possible. When a visitor enters the world-famous Walt Disney World, there too lies a complex economic physiology beneath the surface of the animated displays and rides. It is not just the physical works that are provided, but a mind, a governance that makes it possible. Walt Disney World too is an organism living in a world of competitive enterprise, having to sing for its supper, like other creatures in the field. It cannot command subjects to feed it, so it must attract them as a beautiful scented flower attracts bees by offering a irresistible scent that signals a most delicious nectar inside.

Walt Disney World, the world-famous resort, is a proprietary community, a corporation running a retail community and transient residential communities. It is also noteworthy as an example of proprietary autonomy. (Adapted From "Utopia for Rent: Walt Disney World" in *Public Goods and Private Communities*; Foldvary, 1994, p. 114.)

General Information

"Walt Disney World News" provides this description of Walt Disney World: Walt Disney World Resort is a 40-square-mile, world-class entertainment and recreation destination featuring four theme parks (Magic Kingdom, Epcot, Disney's Hollywood Studios, and Disney's Animal Kingdom); two water parks (Disney's Blizzard Beach and Disney's Typhoon Lagoon); 36 resort hotels (26 owned and operated by Walt Disney World, in-

cluding nine Disney Vacation Club resort properties); 63 holes of golf on four courses; two full-service spas; Disney's Wedding Pavilion; ESPN Wide World of Sports Complex; and Disney Springs, an entertainment-shopping-dining complex. Located at Lake Buena Vista Florida, 20 miles southwest of Orlando, Walt Disney World Resort opened on October 1971. The company employs 70,000 "cast members".

The Disney Company 2015 Annual Report (p. 7) describes its worldwide properties: The Company owns and operates the Walt Disney World Resort in Florida; the Disneyland Resort in California; Aulani, a Disney Resort & Spa in Hawaii; the Disney Vacation Club; the Disney Cruise Line; and Adventures by Disney. The Company manages and has effective ownership interests of 81% in Disneyland Paris, 47% in Hong Kong Disneyland Resort, and 43% in Shanghai Disney Resort. The Company also licenses our intellectual property to a third party for the operations of the Tokyo Disney Resort in Japan.

When it opened in 1971, Walt Disney World was the largest and most expensive tourist attraction ever built (Zehnder, 1975, p. 2). The territory encompasses a contiguous though irregularly-shaped tract of land in both Orange and Osceola counties. The developed part is mostly in Orange County; half the Disney land in Osceola County is leased for cattle and timber (Allen, 1989, p. 17).

The site includes a permanent wildlife conservation area of 8200 acres. Over 5000 acres of the resort have been developed (Facts & Figures, 1987, p. 1). There were 30 million visits in 1989, up to 150,000 visitors per day, three-quarters of them adults. WDW calls the visitors "guests," as a hotel would. About 70% of the guests are return customers.

Half of the revenues and two-thirds of the operating profits of The Walt Disney Company derive from its theme parks, i.e. Walt Disney Parks and Resorts (Kerwin and Fins, 1990).

The Development of WDW

Walt Disney wanted WDW to be in the South, to operate year-round, and he wanted it away from the beach so it wouldn't have to compete with the ocean for tourists. Disney chose the future location of Walt Disney World from the air when he spotted a vast tract of virgin land west of the junction of Florida's Turnpike and Interstate 4 (Shaw, 2006). Disney's father had unsuccessfully tried to raise cattle and grow oranges in that same central Florida area before moving to the Midwest (Allen, 1989, p. 13).

Disney kept his plans quiet and set up dummy corporations in order to secretly buy the land for his park so that speculators could not run up the price. To avoid holdouts as well as to keep the land prices in the area from escalating, Walt Disney had by 1964 acquired the land in small parcels using various holding companies, subsidiary corporations such as the Buena Vista Land Company. (continued on page 5)

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Some \$5 million was paid for the original 28,000 acres (Grover, 1991, p. 9), which averages to \$179 per acre. By the time plans for the park were revealed 18 months later, Disney's lawyers had purchased 27,400 acres straddling the Orange-Osceola county line at an average price of only \$182 per acre (Shaw, 2006). In October 1965, when an Orlando newspaper revealed that it was the Disney Company that was actually buying the plots, land values rose to \$1000 per acre overnight. By then, the company had acquired its desired land (McPherson et al, 2012, p. 101).

There is one man that lives on the Disney property who is not a member of the "Disney" family. He would not sell his property to Disney during the big buy-out. His house is located by the waste treatment plant, and is behind some rather large bunkers (Shaw, 2006).

One reason for including so much land, much more than is currently developed or held for conservation, was to create a buffer zone and avoid the motels, fast-food stores, and unsightly neon cacophony that developed around Disneyland in California (Clark, 1973). These developments are in part substitutes for goods sold in Disneyland, and the haphazard ugliness contrasts with the carefully planned image that WDW seeks to invoke. Hence, Disney is able to control the immediate environment around its theme parks. Disney officials learned from Disneyland that they would profit from owning the land surrounding the theme parks, which would rise in value due to the business the parks would attract (Zehnder, 1975, p. 5.)

Disney was able to obtain perhaps the greatest autonomy of any major proprietary community in the United States. Government did play a role in making the external area attractive to WDW; the network of roads in central Florida and the prospect of highway improvements influenced Disney's decision to locate there (Zehnder, 1975, p. 52). But the internal civic goods were created privately with little help or interference from state or local governments.

WDW obviously has had an impact on the development of Central Florida. The population in the greater Orlando area grew from 30,000 in 1965 to 450,000 in 1970 and 1.1 million in 1990. The labor force grew from 186,000 to 620,000 (Facts and Figures, 1990). With this growth, WDW has induced an increased land value in the area, but the surrounding developments in turn increase the value of its land, hence it is an open question how large the value received from external developments is, relative to the value exported to the region.

The Legal Foundation

Besides obtaining the land, Disney also needed self-government to fulfill his vision for WDW as a proprietary community. On November 15, 1965, Disney representatives met with government officials at Orlando to discuss zoning and other laws, Disney's commitment being contingent on reaching an agreement (Zehnder, 1975, p. 43). The governor

of Florida assured Disney of his cooperation (p. 63). The circuit court approved the request for a separate drainage district that included the WDW land and a few other small lots (p. 71). Roy Disney, Walt's brother, stated, "We must have a solid legal foundation before we can proceed with Disney World. This foundation can be assured by the legislative proposals we are presenting to the next session of the Florida legislature" (p. 87).

The Reedy Creek Drainage District (RCDD) was formed in May 1966 under Chapter 298 of the Florida code, "Drainage and Water Control." The Disney Company proposed an improvement district that would assume the functions of the drainage district, enabling WDW as landowner to control the environment and construction (p. 89).

The property that Magic Kingdom, Epcot, MGM Studio and all of the Disney World complex is in, is known in total as The Reedy Creek Improvement District. The District is a tax based and supported district, it contains two Cities, the smallest of which by land mass is Lake Buena Vista. The other area is known as the City of Bay Lake and encompasses the bulk of the land. Both Cities have residents and full public service, e.g. Fire Protection, (Reedy Creek Emergency Services), Water, sewage, Gas and Electric (Reedy Creek Energy Services), Police protection is provided by the Orange County sheriffs office and just like every other town or special district a portion of all tax money goes to State and Local Governments where required by law.

The Building, Safety and Fire Prevention Codes are all part of the original EPCOT codes and meet or in most cases exceed regulated standards. The major taxpayer within the Reedy Creek Improvement District is the Walt Disney Co.

In 1967, the Florida Legislature enacted Chapter 67-764 (House Bill No. 486) for the benefit of the Walt Disney Corporation, radically transforming the governance of the Reedy Creek Drainage District. The new law, changing it from a "Drainage District" to an "Improvement District," "abrogated nearly all state laws" concerning building and development (Berliner, 1978, p. 4). Control of the district provided WDW with administrative jurisdiction over zoning, road construction, utilities, building codes, drainage and environmental protection. The RCID law combined features of different Florida district acts into one "powerful entity" (Zehnder, 1975, p. 105).

Included within the Reedy Creek Improvement District are two towns, Lake Buena Vista at the edge of the District, and Bay Lake, which contains the theme parks. The governor signed the bill on May 12, 1967 (p. 107).

Eager for the tourist dollars and jobs Disney World would bring, the Legislature agreed with only one dissenting vote (Shaw, 2006). (continued on page 6)

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The District's 180 workers are civil servants. Its \$20 million annual operating budget is funded mainly from taxes which Disney pays to the District (De George, 1988, p. 49). The District has control over water, waste disposal, airport facilities, transportation, public utilities, and roads - the civic goods normally provided by cities and counties.

The District is governed by five supervisors who serve four-year terms. The law specifies that all board members be owners of land within the district, thereby providing for proprietary governance of a sovereign-authorized district. The board members are elected at annual meetings of the landowners. Each landowner is entitled to one vote, which may be by written proxy, for every acre or major fraction of an acre owned.

In fact, the Walt Disney Corporation (WDC) owns nearly all the land (98% according to De George, 1988) in the District, thereby controlling the Board. The Corporation has "routinely sold" to employees and other associates land within the District "on the understanding that the land must be deeded back when such a person stops being Supervisor" (Berliner, 1978, p. 5). The District boundaries match the land owned by WDW, so that governing the District is tantamount to governing WDW (p. 9).

Although Disney has its own government, the district cannot arrest or lawfully detain people on Disney property. This is handled by the Orange County or Osceola County Sheriff's Department.

The text of Chapter 67-764 recognizes the existence of "year-round resorts and recreation-oriented communities in other states and parts of the world that vie with Florida for the tourist trade," hence "appropriate measures" can be taken to promote "the creation of vacation, sports, and recreation facilities and residential communities of high quality and the utilization of the many technological advances achieved by American industry in developing new concepts in community living and recreation" (Berliner, p. 15). This is an implicit recognition that lowering the regulatory and tax costs of an enterprise will promote its growth.

The text posits external benefits from the district: "the conservation of natural resources and attractions, the creation of favorable conditions" and "utilization of new concepts, ideas, designs and technological advances in the establishment of such facilities and communities are valid public purposes and the legitimate concern of special taxing districts created for that purpose." Since these are taxes paid mainly by WDW to the District, these benefits in this case are actually those of the proprietary provision of the goods, the specialness consisting of the independence of the District from external government controls.

An objective of the District is "to provide streets, roads, bridges and street lighting facilities, to adopt zoning and building codes and regulations." Moreover, the "purposes of this Act cannot be realized except through a special taxing district having the powers hereinafter provided," the powers being necessary for the

"welfare of the District and all its inhabitants and landowners." Here again, what is politically a "special taxing district" is, economically, an autonomous proprietary governance.

The exemption from building codes has enabled WDW to use innovative methods and building materials, as proposed in the Charter. WDW built what was at the time the tallest reinforced masonry building in the United States, namely the Travelodge motel, 16 stories high. No code in the U.S. would have allowed such a building over 12 stories (De Michael, 1973, p. 61). As a result of its freedom to innovate, the Disney Company has become a premier patron of architecture, commissioning works by major architects. Constructions include hotels at WDW and an administrative building at Lake Buena Vista. (Previous to the administration of Chairman Michael Eisner in 1984, Disney buildings had been designed in-house.) As one example of innovation, the core of the Team Disney office building at Lake Buena Vista is an open cylinder fastened with a 74-foot beam at the rim, forming one of the world's largest sundials (Andersen, 1991, p. 66).

Section 9 of the Act provides for the "Powers of the District." These include the ownership of the infrastructure, utilities, transportation and recreation facilities. The powers are explicitly open-ended.

Section 10 endows the District with the power of special road districts (Berliner, p. 17). This power is exclusive of and supersedes the jurisdiction of the State Road Department of Florida and any political subdivision of the State, except for two designated state roads and Interstate Highway 4, which cut through WDW. The roads within WDW are not considered to be part of the State or county public road systems. Connections between the private and public roads are jointly determined by the District and the State (Berliner, p. 18).

Under Section 22, the budget and finances of the District are not subject to the requirements of Florida laws or State subdivisions. Section 23, declares that the jurisdiction of the Board of Supervisors with respect to traffic and safety "shall be exclusive of any and all codes, ordinances, requirements, plans, or other regulations of the respective Boards of County Commissioners of Orange and Osceola Counties ... with respect to zoning, building and construction, planning with respect to the subdividing of land, regulation of building safety, regulation of escalators, elevators and other lifting or transportation devices, regulation of amusement and recreation parks and facilities, regulation of plumbing and electrical installations and other safety or sanitary codes," although electrical and other contractors are still subject to licensing laws.

A question that arises is whether, once developed, WDW would be vulnerable to a change in the District

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authorization by the State of Florida. Section 56 of the Chapter addresses this concern. It is entitled, "Pledge by the State of Florida to the Bond Holders of the District and to the Federal Government," and states: "The State of Florida pledges to the holders of any bonds issued under this Act that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects or to levy and collect the taxes, assessments, rentals, rates, fees, tolls, fares and other charges provided for herein... until all such bonds together with interest thereon, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged."

In 1972, the District issued \$20 million of bonds, free of State taxation, for drainage and sewerage (Berliner, 1978, p. 8.), and it has issued bonds subsequently. So long as bonds exist, the State evidently pledges to keep the Act intact. Whether terms of the statute can be altered is an open question, which if it was attempted, would most likely be brought to the courts.

Section 60, recognizing its "essential public functions," provides for some tax exemption within the District. It states that "all assets and properties of the District," and the revenues derived by the District under the Act, "shall be exempt from all taxes by the State" or any of its subdivisions. As a government agency, the District is able to finance improvements with tax-free bonds, and it is exempt from the impact fees which private developers have to pay. However, the Act does not exempt business activity which would be subject to taxation in Florida if such were owned by a municipal corporation, and enterprises which are not undertaken as a "public function" are also not exempt.

It should be noted that this Chapter of Florida law does not create a sovereign entity, but only grants the District autonomy from much of sovereign law, effectively granting WDW a substantial amount of control over its land.

WDW's Collective Goods

In most cities, garbage is stuffed into cans by the residents, placed outside, and then taken to dumps or incinerators by trucks. WDW faces the same problem of garbage disposal, but as a for-profit organization, it "bears the burden" of its customers' displeasure at the sights and smells of the garbage. Besides fewer fees from the theme parks, the unpleasantness induces less shopping, and "the rent which Disney Corporation can charge will be reduced" (Levy, 1975, p. 29). Therefore WDW seeks to be squeaky-clean. "Maintenance is performed so promptly that nothing is dirty or in disrepair" (Berliner, 1978, p. 11).

The WDW garbage disposal system uses pneumatic tubes that take the refuse to a disposal plant. As Levy (1975, p. 30) notes, it is in the interest of WDW to provide the pneumatic system if the increase in rent relative to the ugly alternative is sufficient to cov-

er the monetary costs of avoiding ugliness. It is made feasible by a unitary owner which retains the residual profits. As Levy notes (p. 31), whereas some services of a city might not be economically privatized separately, they can be provided privately as elements of an entire community.

The tubes, a Swedish system named the Automatic Vacuum Collecting System (AVAC), speed the garbage to a central collecting area at 60 miles per hour, where the trash is compacted and trucked to be burned. The incinerator plant uses wet scrubbers to avoid pollution. Waste water is recycled for irrigation; it is fed into ponds where water hyacinths absorb the nutrients left after initial treatment.

The energy plan includes a waste heat recovery system. The sprinkler system is tied into the AMCS, and use of sprinklers in all buildings reduces the extent and cost of the fire-fighting department. The Dynamic Economic Energy Dispatch System (DEEDS) compares several energy-generating options at the Reedy Creek Utilities Company Central Energy Plant and selects the most cost-effective methods. High-voltage electric power is monitored by computer for WDW, a system "more sophisticated than those in most current municipal uses" ("Prototype," 1987). The photovoltaic power system atop the pyramid-shaped "Universe of Energy" building at EPCOT is one of the largest privately-funded solar power systems in the world.

Another civic service provided by WDW is fire protection. Under a sovereign government, residents provide some private preventive protection, such as extinguishers and fire-resistant materials, but they rely mainly on the public service to deal with fires. "In typical cities buildings often do not have sprinklers" (p. 30), whereas WDW has installed sprinklers in all its buildings, which provide more immediate protection.

Fire protection extends to public goods such as fireworks. Walt Disney World is the largest fireworks consumer in North America. But none are launched by gunpowder, "as Disney pioneered using compressed air to reduce fumes and gain better height and timing shows each year" (Younger, 2014).

One of the public goods provided by WDW is the conservation of the natural habitat. Its mission to conserve part of the area in its natural state may provide indirect benefits for the corporate image and utility to the owners, and it may reduce outside environmental regulation. The original planning team for the nature preserve included a Conservation Advisory Board, and it consulted with major U.S. conservation organizations. WDW established a Walt Disney World Environmental Protection Department. The conservation area includes wetlands and a stand of virgin cypress. One stated goal is to demonstrate that development can be achieved without disturbing the ecology of the adjacent areas (Zehnder, 1975, pp. 155-6). This includes a program of building new wetlands for wildlife disturbed by construction (Bloch, 1991, p. 32). (continued on page 10)

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However, aside from the designated conservation area, the undeveloped land has been stripped of its native vegetation and bulldozed into a "giant empty greenbelt" (Allen, 1989, p. 14), making the monuments of the park visible from afar.

WDW takes pride in its high-tech civic goods. The resort has the first commercial all-fiber-optics telephone system in the U.S. and the world's first completely electronic telephone company, Vista-United Telecommunications, a Disney partnership ("Prototype," 1987). The Digital Animation Control System (DACS) coordinates the hundreds of Audio-Animatronics puppets in the Magic Kingdom. DACS sends signals to the puppets, controlling their voices and gestures as well as stage lifts, doors, lighting and curtains. WDW has a computerized central monitoring system, the Automatic Monitoring and Control System (AMCS), for its utilities, which are operated in a 9.5-acre basement under the park into which trucks can drive.

WDW has made extensive use of its power to provide for innovative transportation. Services, many provided with admission to the parks and hotels, include four monorail trains (13.7 miles of beamway), ferryboats, motor launches, trams, 123 busses, and water taxis. The resort contains 125 miles of paved roads. WDW has what it calls the "fifth largest Navy in the world," with over 750 watercraft. The Mark IV Monorail system links several parks and resorts using 250-passenger trains, moving 80,000 passengers per day. To service air transport, there is a STOLport for short take-offs and landings. Much of the ground transportation is not specifically charged for, being included in the general fees.

Foot traffic has also been attended to. On Main Street, the sidewalks are paved with a resilient asphalt, which keeps legs from aching, and there are places to sit (Zehnder, 1975, p. 259).

The WDW facilities are not just a tourist-servicing business, but a community with the infrastructure and civic-goods provision equivalent to a city. The 16,000 overnight guests constitute a sizeable, if transient, residential population, in addition to the day-time visitors. All these services are financed by the guests using a combination of user fees and rental charges. The entrance fee is, in effect, a rental charge paid to WDW for the use of all the grounds and facilities during a period of time. The utilities are paid for from these rental payments. The collective goods are thus financed from rentals, just as a hotel guest pays a rental for the brief use of facilities.

The Town of Celebration

WDW is a residential community to some degree, having, aside from the hotels, some townhouses and single-family homes at Lake Buena Vista. Some dwelling units are leased, and some are purchased under condominium ownership, with the Disney Corporation retaining title to the land.

The Disney company also developed a town with permanent residents, Celebration. Michael Eisner, chairman of Walt Disney Company, sought to redeem Disney's idealistic "City of Tomorrow" by creating a high-tech town in the southern part of WDW (Andersen, 1991, p. 68). In 1990 the company obtained 2045 acres in Osceola County southwest of WDW for the new "Dream City," to be built over a 25-year period. It is a 4000-acre complex with houses, apartments, a shopping mall, schools, recreation, museums, office buildings, and a 6000-acre greenbelt. There are also time-share condominiums (Grover, 1991, p. 276; Walt Disney Company Annual Report, 1990, p. 13).

Now called "Celebration," the town is a laboratory where humanity coexists with nature, like Ebenezer Howard's garden city. It includes a Disney Institute, with classes that take advantage of WDW resources such as the conservation area (Bloch, 1991, p. 9). One of Walt Disney's aims for WDW was a city in which employees could live, and a showcase for new technology in fields such as transportation and sanitation (p. 10).

The governing documents of Celebration include the Community Charter, the Articles of Incorporation, by-laws, design guidelines, rules (use of property, activities, and conduct), and board resolutions. "The Celebration Company established the vision for the Community and, through the Governing Documents, set forth the founding principles that have guided the Community during the period of development and sale and thereafter. The land use plan for the development of the Celebration community" is called the "Master Plan" (Community Charter, 2011, p. 6), which was adopted by the Board of County Commissioners for Osceola County, Florida, in 2002.

The Governing Documents refer to the homes and home sites in the Residential Properties as "Units," whether improved or unimproved. The term "Unit" refers to the land of the Unit as well as to any structures and other improvements. In the case of a building within a condominium or other structure containing multiple dwellings which may be independently owned or conveyed, each such dwelling is a separate Unit. A parcel of land is considered a Single Unit until a subdivision plat or condominium instrument is recorded subdividing it into more than one Unit. The term does not include Common Areas or property dedicated to the public (Community Charter, 2011, p. 8).

The finances of Celebration are set forth in Chapter 12 of the Community Charter. The primary source of funding is the assessments that this chapter authorizes the Association to levy against the Units and collect from the Owner if each Unit. Assessments are secured by a lien on each Unit. Expenses for the general benefit of the members are called the "common expenses." The expenses include a reserve fund for the repair and replacement of the capital goods. The total budgeted Common Expenses, less any surplus in the Common Expense budget from prior years and any income anticipated (continued on page 11)

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from sources other than assessments against the Units, are allocated equally among all Units subject to assessment (p. 44).

All expenses that the Association incurs or expects to incur in connection with the ownership, maintenance, and operation of Exclusive Common Areas, or in providing other benefits and services to a Service Area, including any operating reserve or reserve for repair and replacement of capital items maintained for the benefit of the Service Area, are the total Service Area Expenses budgeted for each Service Area, less any surplus in such Service Area budget from prior years, allocated among all Units in the Service Area that are subject to assessment and levied as a "Service Area Assessment," "except that any portion of the assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures may be levied on each of the benefitted Units in proportion to the benefit received, as the Board may reasonably determine" (p. 44). "The Association may levy 'Special Assessments' to cover Common Expenses or Service Area Expenses that are non-routine, unanticipated, or in excess of those anticipated in the applicable budget."

Celebration is governed by three associations: the Celebration Residential Owners Association, Celebration Nonresidential Owners Association, and the Celebration Joint Committee. The Board of Directors of the Celebration Residential Owners Association, Inc., is comprised of seven owners who serve two-year staggered terms. Board members may serve two consecutive terms. The Board is required and has the fiduciary responsibility to preserve, protect and enhance the value of the association's assets as it makes decisions, establishes policies, enforces the governing documents, and builds community.

Together, the associations regulate property use and provide maintenance and operation for a number of common facilities. Celebration is decentralized into "villages": North Village, Celebration Village, South Village, West Village, Roseville Corner, East Village, Artisan Park, and Spring Lake (Celebration, 2016). Their amenities include pavilions, playgrounds, grassy areas, pools, tot lots, and basketball, tennis, and volleyball courts. The Celebration Town Hall houses the offices and personnel who manage and maintain the facilities of the town. The town services include Community services such as recreational programs and program registration, special events, common area maintenance, community meetings, newsletters, administration of community covenants, conditions and restrictions, administration of architectural review process, regulate property use, trash collection, architectural review requests, pool passes, community network passwords, information by phone or in person, coordinating security/community service representatives and public law enforcement officers.

A Celebration ID card issued by Celebration Residential Owners Association Celebration (CROA) is required for use of the amenities by the owners or by tenants via a rental agreement with CROA.

There is also a Celebration Community Development District. This special purpose governmental entity provides the financing and management of certain community-wide infrastructure improvements. The CCDD has the authority to levy annual taxes and/or assessments on the properties within the District's boundaries. The CCDD is governed by a five-member Board of Supervisors elected by property owners within the District. The CCDD is responsible for the maintenance of roadway lights, street sweeping, non-residential common area landscaping, maintenance of street trees and turf, alleyways, public parks and trails, aquatic weed and mosquito control, maintenance of the lakes, stormwater retention areas and drainage systems (Celebration Community Development District, 2016a).

"All landowners pay non-ad-valorem assessments related to capital costs and operation and maintenance costs of District facilities and services. Bonds were issued to fund these capital costs, and the bonds were secured by pledged revenues which are collected on behalf of the District in the form of non-ad-valorem assessments on the properties within the District that benefit from the capital improvements. 'Non-ad-valorem' means these are not based on property values. All landowners will pay non-ad valorem assessments related to capital costs and operation and maintenance costs of District facilities and services. Bonds were issued to fund these capital costs, and the bonds were secured by pledged revenues which are collected on behalf of the District in the form of non-ad valorem assessments on the properties within the District that benefit from the capital improvements. (Celebration Community Development District, 2016b).

The annual debt assessment collected for each property has been determined based upon use of each parcel. The District levies a debt assessment against a property based on benefit and a pro-rata share of the cost of the public infrastructure and facilities financed by the District. While these District assessments are not taxes, per se, they will appear on the property tax bill received from the Osceola County tax collector, collected in the same manner as property taxes.

The maintenance component is an annual assessment for the operations and maintenance of District infrastructure and facilities. Each year, the Board of Supervisors holds a public hearing to adopt the annual budget and set the level of operations and maintenance assessments. Included in the annual operations and maintenance assessment is an owner's pro-rata (proportional) share of the annual costs to administer the District.

The idea of a utopian community was derived in part from Disney's own boyhood experiences (his father's problems during the depression), and also from previous world fairs. The 1893 exposition in Chicago featured a "White City" of 200 buildings. The 1939 Fair in (continued on page 12)

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New York City had a utopian "Town of Tomorrow" in a "World of Tomorrow" featuring technical progress. Its exhibits were interactive, with viewers able to touch the exhibits and speak with the demonstrators (Zukin, 1991, p. 226). Zukin sees consumerism as a prime thematic intention of Walt Disney World: "information blends into an implicit call to consume: Feel! Marvel! Buy!" (p. 228). But the 1939 Fair was a "commercial disaster" (p. 227). Something more than fancy rides, technological utopia, and consumerist propaganda is needed to draw the crowds: a psychic attraction.

(TO BE CONCLUDED IN THE NEXT GROUNDSWELL)

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