




INTEROFFICE MEMORANDUM FROM THE OFFICE OF THE CITY MANAGER

TO: Mayor and Members of the City Commission

FROM: Douglas E. Smith, City Manager 

DATE: June 23, 2016

RE: Interlocal Agreement for Sales Surtax Compromise

At the June 22nd County Commission meeting the County Commission approved an Interlocal Agreement that would provide for a sales surtax compromise. Some of the provisions included in the agreement are as follows:

- Municipalities representing more than 50% of the county's total population must approve the agreement and withdraw the previous infrastructure surtax ballot measure.
- One-half percent transportation sales surtax for a thirty year period (ballot question subject to voter approval in November 2016) with 100% of the proceeds going to the County
- One-half percent infrastructure surtax for a thirty year period (ballot question subject to voter approval in November 2016) with 100% of the proceeds initially going to the municipalities with a share for the unincorporated areas of the County
- The infrastructure tax proceeds for the first twenty years will go 100% to the municipalities (plus the unincorporated areas). Starting in year twenty-one, this will be changed to 60% to the municipalities (plus the unincorporated areas) and 40% to the County.
- Municipalities will receive a pro-rata share of the infrastructure tax proceeds based upon population
- A nine member Transportation and Infrastructure Surtax Oversight Board ("Oversight Board") will be established
- Surtax proceeds may only be expended on items approved by the Oversight Board.
- On a total county-wide basis, Cities shall have a goal to spend between 13-25% of the infrastructure surtax proceeds on transportation, transit, and mobility projects.

The action before the Commission at the June 23 Special Commission Meeting is to consider a resolution that would rescind the previous infrastructure tax resolution adopted by the Commission on June 1, 2016 and approve the Interlocal Agreement for the Surtax Compromise.

Staff recommends approval.