



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#17-0427

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: May 16, 2017

TITLE: Motion Approving Three Amendments to Interlocal Agreements with
Broward County for the Distribution of Local Option Gas Taxes

Recommendation

It is recommended that the City Commission approve 2017 Amendments to Interlocal Agreements with Broward County for 1) original local option gas tax, 2) additional local option gas tax on motor fuel and 3) local option gas tax on motor fuel for transit, in substantially the form attached.

Background

Since 1988, the City has been receiving a share of taxes levied by Broward County under the terms of Interlocal Agreements. Pursuant to State Law, these taxes must be utilized for transportation-related purposes and may be distributed among the municipalities according to a distribution formula established by agreement with one or more of the municipalities representing a majority of the incorporated population within the County. The County retains the proceeds and distributes portions to eligible municipalities based on population estimates published annually by the University of Florida Bureau of Economics and Business Research (BEBR) as incorporated into the agreement through annual amendments. The three proposed amendments to the interlocal agreements are summarized below:

- The "original" local option gas tax agreement last levied in 1988 provides for Cities to receive 37.5% of the proceeds of six cents of gas tax. This amendment adjusts each City's percentage share of the 37.5% based on updated population figures.
- The "additional" local option gas tax agreement levied in 1994 provides for Cities to receive 51.27% of three cents of gas tax. The Cities' share of this gas tax has increased over the years due to annexations; however, there were no annexations of populated areas effective September 2016 so the Cities' share of the three cents of gas tax will remain the same as last year. As a result, this amendment adjusts each City's percentage share of the 51.27% based on updated population figures.

- The "transit gas tax" agreement levied in 2001 provides for Cities to receive 26% of the proceeds of one cent of gas tax. This amendment includes adjustments to each City's percentage share based on updated population figures.

The University of Florida Bureau of Economics and Business Research's (BEBR) estimates indicate that the City of Fort Lauderdale's population for Fiscal Year 2018 is 176,747 (9.6% of the incorporated County population) as compared to the Fiscal Year 2017 estimate of 175,123 (9.7% of the incorporated County population); this represents a decrease of 0.1% of the incorporated population within the County.

Fiscal Impact

The State of Florida Department of Revenue provides estimates of this revenue source in June. The amount budgeted for Fiscal Year 2018, based on the 2017 Amendment, will be determined using that estimate. The Fiscal Year 2017 budgeted amount for these three revenue sources combined is approximately \$3.2 million.

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Internal Support Cylinder, specifically advancing:

- Goal 12: Be a leading government organization, managing our resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*.

Attachments

Exhibit 1 – Local Option Gas Tax

Exhibit 2 – Additional Local Option Gas Tax

Exhibit 3 – Additional Local Option Gas Tax for Transit

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