



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

#16-0460

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

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

DATE: April 5, 2016

TITLE: Resolution Establishing the Rate of a Local Government Infrastructure
Surtax and Calling for a Referendum on the Surtax

Recommendation

It is recommended that the City Commission adopt a resolution establishing the rate of a Local Government Infrastructure Surtax and calling for a referendum on the surtax as authorized in Section 212.055(2) of Florida Statutes.

Background

Florida law authorizes local governments to impose various types of local option surtaxes. The Commission has discussed two of these discretionary surtaxes, the Charter County and Regional Transportation System Surtax and the Local Government Infrastructure Surtax multiple times at Commission Conference meetings since January of 2016. The timeliness of these discussions is important because of the formal approvals required from the Broward County Board of Commissioners and/or other municipalities prior to a countywide referendum that is required to impose either tax.

The Broward Metropolitan Planning Organization (MPO) has taken the lead in educating and facilitating discussions between the County and municipalities regarding the surtax options. The MPO formed a Surtax Subcommittee consisting of the municipalities that equate to over 51% of the County's population. This subcommittee has held monthly meetings to discuss the potential surtax options and initiate action. Concurrently, MPO representatives have been meeting with representatives from Broward County. The objectives have been to discuss the "must haves" from the respective jurisdictional interests and to negotiate a compromise between the County and municipalities.

Based upon the results of these meetings and discussions, the Broward Metropolitan Planning Organization (BMPO) Board, at its regular meeting on March 10, 2016, proposed for the County to adopt a Transportation Surtax that would distribute surtax revenues to the municipalities in the County based upon population. The County was asked to adopt this surtax by April 5, 2016, or the municipalities in the County would seek to adopt a Local Government Infrastructure Surtax as authorized in Section 212.055(2), Florida Statutes.

The BMPO has provided a template for a resolution that complies with the statutory requirements of Section 212.055(2), Florida Statute (2015), which, in part, specifies that “if the governing bodies of the municipalities representing a majority of the county’s population adopt uniform resolutions establishing the rate of the surtax and calling for a referendum on the surtax, the levy of the surtax shall be placed on the ballot and shall take effect if approved by a majority of the electors of the county voting in the referendum on the surtax.” It is important to note that the statute requires that the municipalities must “adopt uniform resolutions” and therefore the individually adopted municipal resolutions cannot deviate from the template in substance.

At its January 11, 2016 meeting, the Budget Advisory Board (BAB) unanimously approved a motion recommending that the City Commission proceed with seeking the Local Government Infrastructure Surtax at a rate of one cent with the caveat that the surtax should sunset after 30 years and that the surtax funds, bonded or unbonded, not be used to supplant or reduce the City’s Ad Valorem Taxes.

Information regarding the surtax options and roadways, prepared by BMPO Staff, is attached as Exhibits 2 and 3.

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 – Resolution

Exhibit 2 – Surtax Fact Sheet

Exhibit 3 – Mileage by Municipality

Prepared by: Laura Reece, Budget Manager

Department Director: Lee R. Feldman, ICMA-CM, City Manager’s Office