



MEMORANDUM

DATE: April 26, 2016

TO: Robert Baldwin, City Manager

FROM: Marc LaFerrier, AICP, Director of Community Development

SUBJECT: Resolution in Support of the Proposed One Cent (1¢) Sales Tax for Infrastructure One Cent

The Broward County MPO is proposing to place a referendum on the November 2016 ballot so voters can decide if they want to levy an additional one cent (1¢) sales tax for infrastructure projects in Broward County. If approved, the revenues derived from the additional penny sales will be distributed to the County and the cities to fund the construction of needed infrastructure projects (i.e. roadways, transportation projects, public buildings, affordable housing, parks and conservation, emergency vehicles). The referendum on this additional penny sales tax is provided by F.S. Section 212.055 (2) entitled "Local Government Infrastructure Sales Tax". The MPO estimates that the total revenues collected from the infrastructure sales tax would be \$316M in the first year and a combined total of \$11.5B by the 25th year. The proposed distribution of the revenues to the local jurisdictions would provide 40% of the total revenues to Broward County and 60% of the total revenues for the cities. According to this methodology and estimates, Dania Beach would receive \$3.2M in the first year and total of \$117.3M by the 25th year

Concurrently, the Broward County Commissioners are also preparing a referendum for the November 2016 ballot that would allow the voters to consider a one cent (1¢) additional sales tax for regional transportation projects. This proposal would limit the capital projects eligible for funding from this source of revenue to transportation systems only (i.e. roadways, transit and bridges. F.S. Section 212.055 (1) entitled "Transportation Surtax" is the enabling legislation for Broward County's proposal. Distribution of the revenues derived from the Transportation Surtax would provide 65% of the total revenues to Broward County and 35% of the total revenues to the cities. If approved it is estimated that the funds received by Dania Beach in the first year would be \$18M and \$68.7M by the 25th year.

The MPO proposed Infrastructure Surtax would yield a significant increase in revenues received as compared with the Broward County Transportation Surtax. Furthermore, the scope of projects eligible for city projects is more comprehensive and the City may program the projects specifically for the City's needs. The attached resolution demonstrates the City of Dania Beach's support for a referendum on the Broward MPO's proposed Infrastructure Surtax (1¢ additional sales tax). The City Managers of Broward County recently met to discuss the proposed Transportation Surtax and the proposal Infrastructure Surtax. The results of the meeting indicated support for a referendum on the MPO Infrastructure Surtax.

RECOMMENDATION

Approve the Resolution