

REPORT AND RECOMMENDATION

TO: Mayor and Members of City Council

FROM: Horace A. McHugh, Chief Administrative Officer
Brett Butler, City Engineer

MEETING DATE: April 27th, 2016 City Council Meeting

SUBJECT: Local Government Infrastructure Surtax

The Broward Metropolitan Planning Organization (MPO) has initiated discussions on a local option surtax to be placed the November 2016 ballot, to address transportation needs within the Broward community. There have been several conversations regarding a Transportation Surtax and Infrastructure Surtax, two options allowed under State Statutes. Exhibit A provides MPO's summary of the major differences.

Prior to last week, the Broward County Commission met in workshop sessions but did not developed consensus in their support for either. The two major areas of concern that they have expressed have been: allocation of funds between the County/Cities; and utilization of available funds (for transit, capital, operational costs, etc.). At their meeting on April 12th, 2016 the County had consensus to support a Transportation Surtax that would allocate 70% of the proceeds to the County and 30% in a trust fund for distribution to municipalities, subject to interlocal agreements. This model would limit the use to transportation-related activities, with our maximum anticipated share being approximately \$5 million.

The latest MPO proposal is for a 1 cent Local Government Infrastructure Surtax that would provide a 60% distribution to municipalities based on their population. The remaining 40% would be distributed to the County. Based on Plantation's population, this would generate an estimated \$9 million annually that could be used for Capital Improvements.

In order for this to move forward, municipalities representing 50% of the County's population need to adopt a uniform resolution of support. The County may have additional discussions on their options at their April 5th, 2016 Commission meeting and the MPO may have subsequent recommendations in response.

A resolution of support is attached, in the event Council is supportive of this Surtax being placed on the November ballot. It is recommended that the Council review the materials submitted and consider support for this item.

Exhibit A – MPO's summary of Discretionary Surtax Options

Exhibit B – Local Funding History

Exhibit C – Correspondence from MPO