



## Legislation Text

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### Strategic Initiative 6.3: Parks, Recreation, & Cultural Affairs Master Plan (B)

**This item requests that the City Commission discuss and provide recommendations regarding staff negotiations with the County concerning the distribution formula of the half cent sales tax ballot initiative to fund the City's Parks, Recreation and Cultural Affairs Master Plan. \*\*ESTIMATED STAFF PRESENTATION TIME: 5 MINUTES\*\***

On February 18, 2016, the City Commission approved a list of projects that could be funded if the half cent sales tax passes in November. In addition, as requested, a list of projects on which County could possibly partner with the City was submitted. The lists were submitted to the Board of County Commissioners on February 19, 2016. The next step is to discuss the City Commission's position on the funding formula negotiations and direct staff accordingly.

The County has adopted the use of the State Default Formula with the caveat that any municipality may negotiate a different funding formula using an interlocal agreement. This was also the recommendation of the City and County Joint Task Force appointed to analyze and develop a recommendation. The State Default Formula distribution percentage for the City is 35.78%. The annual revenue estimate is \$5,818,894. In 2008, the distribution formula was 40.26% which equates to approximately \$6 million less over the eight year collection period. In addition, the City and the County each contributed \$1.5 million to the construction of the Alachua County/Gainesville Senior Recreation Center.

The County has proposed splitting the \$6 million difference in funding by asking the City to identify possible projects they could partner on up to \$3 million. There has also been some discussion that the County considers increasing the percentage to represent the \$3 million difference. There is some benefit and risk to the percentage concept in that if revenue projections are accurate revenues could be higher and everyone benefits or revenues could be lower and both parties would receive less.

Should the ballot initiative pass, the current distribution formula would generate \$6 million less than the 2008 distribution formula using the state projections.

The City commission: 1) discuss the distribution formula, 2) provide a list of prioritized negotiation outcomes, 3) direct the City Manager to negotiate the most beneficial distribution formula, and 4) direct the City Attorney's Office to prepare an interlocal agreement reflecting the final outcome.