



## Legislation Text

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**File #: 110874., Version: 2**

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Charter County and Regional Transportation System Surtax (B)

**This item is to provide an update to the City Commission on action that the Alachua County Board of County Commissioners took at their May 22, 2012 meeting.**

At their May 22, 2012 meeting the Alachua County Board of County Commissioners voted 3 -2 (Commissioners Byerly and DeLaney dissenting) to reject the transit portion of the surtax for the 2012 ballot. A second motion passed 3 - 2 (Commissioners Byerly and DeLaney dissenting) that included the acceptance of the City of Gainesville Agreement with the super majority language for the roads portion of the surtax.

Based on previous actions of the County Commission and negotiations between the City and County staff, the smaller municipalities were going to receive a combined 13.54% and the City of Gainesville and Alachua County would split the remaining revenue 50/50. This proposal provided 43.23% (\$12.9 million/year) of the total revenue to the City of Gainesville. After the County Commission took action to split the referendum into two ballots, the presumption was that the City of Gainesville would receive the total revenue from the ¼ cent transit surtax (\$7.5 million/year) and the 24.31% of the roads surtax (\$5.5 million/year). However, based on the most recent County Commission action the City of Gainesville will receive 24.31% (\$5.5 million) of the referendum.

Subsection 212.055(1)(d)(4), Florida Statutes, provides that proceeds from the surtax levied may be distributed according to an Interlocal agreement between the County governing body and the governing bodies of the municipalities. The City of Gainesville is required to enter into an Interlocal Agreement if we are to receive any of the funds that would be generated from the surtax if it was to pass. Staff recommends that the Commission send a letter to the County Commission requesting that they 1) reconsider the transit surtax Interlocal agreement and if not then 2) renegotiate the distribution formula for the ¾ cent road Interlocal Agreement to be a 50% split of the revenue (less the 13.54% to the smaller municipalities) and to eliminate the prohibition on the use of the proceeds on transit and sidewalks.

As currently contained in the Interlocal Agreement the ¾ cent surtax for roads is projected to raise \$337,500,000 over the 15 year period with 24.31% (approximately \$82,500,000) transmitted to the City of Gainesville or \$5,500,000 annually. Amounts will vary depending on actual revenues.

The City Commission discuss and take action as deemed appropriate.