

RESOLUTION 2018-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DAYTONA BEACH SHORES, FLORIDA RELATING TO INFRASTRUCTURE FUNDING AND REQUESTING AND SUPPORTING THE COUNTY COUNCIL OF VOLUSIA COUNTY PLACING A BALLOT QUESTION ON THE 2018 ELECTION BALLOT FOR A ONE-HALF CENT INFRASTRUCTURE SALES TAX TO BE LEVIED FOR TWENTY YEARS; PROVIDING FOR LEGISLATIVE AND ADMINISTRATIVE FINDINGS; PROVIDING FOR IMPLEMENTING ADMINISTRATIVE ACTIONS; PROVIDING FOR A SAVINGS PROVISION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 212.055(2), *Florida Statutes*, authorizes Volusia County to impose a one-half percent of one percent local government infrastructure surtax upon transactions occurring within Volusia County which are taxable under Chapter 212, *Florida Statutes*; and

WHEREAS, a one-half percent surtax, under current State sales tax laws, would result in a one-half cent surtax on each one dollar sale as specifically provided in the Florida Statutes; and

WHEREAS, funds generated by the local government infrastructure surtax authorized by Section 212.055(2), *Florida Statutes*, shall be utilized by Volusia County, the City of Daytona Beach Shores and the other municipalities of Volusia County to finance, construct, reconstruct, maintain, repair and improve public infrastructure including long term capital maintenance and useful life extension of public infrastructure projects such as new and improved sidewalks near schools, roadway improvements including expansion and major resurfacing, reducing traffic congestion, local flood control and improving water quality and such other similar uses authorized under Florida law for the use and benefit of the citizens of Volusia County and the general public; and

WHEREAS, a sales tax levied on all taxable sales to non-residents and residents alike within Volusia County and, a significant portion of the infrastructure sales tax will be paid by non-permanent residents such as short term and seasonal visitors ("Non-Permanent Residents"); historically, 40%

of all sales tax revenue in Volusia County is paid by Non-Permanent Residents according to Mid-Florida Marketing & Research, Inc.; and

WHEREAS, this is fair and equitable as Non-Permanent Residents contribute-significantly to road congestion and wear and tear on roadways and other public infrastructure; and

WHEREAS, since such infrastructure projects have a long useful life and funding would be costly to the current citizens of Volusia County, it is fair and equitable that the current and future Non-Permanent Residents and future permanent residents who will also benefit from such infrastructure improvements share in the cost of these projects; and

WHEREAS, the infrastructure sales tax will allow Volusia County, the City of Daytona Beach Shores and other municipalities within Volusia County to use current fiscal and monetary resources for other existing and needed municipal services; absent the sales tax the costly infrastructure projects identified for this infrastructure sales tax would either be further delayed or would require the use of significant portions of existing fiscal and monetary resources to fund their respective infrastructure needs; and

WHEREAS, the sales tax revenue generated by the infrastructure sales tax will be allocated pursuant to State law guaranteeing the City of Daytona Beach Shores our sister cities and Volusia County with a specified share of the revenue generated by this tax; and

WHEREAS, the revenue generated by the infrastructure sales tax may be used for matching state and federal funds to generate significantly more funding for infrastructure projects in the City of Daytona Beach Shores and in Volusia County; and

WHEREAS, adequate public infrastructure facilities of the types hereinabove described promote the safe, efficient, and uninterrupted provision of numerous general and essential public

services provided by Volusia County, the City of Daytona Beach Shores and the other municipalities within the County and other related uses as allowed under Florida law; and

WHEREAS, the proceeds of such tax shall be distributed to the county and to municipalities within the county according to distribution formula provided by Section 218.62, *Florida Statutes*; and

WHEREAS, the default formula allows a city to enter into interlocal agreement(s) with Volusia County and or a neighboring city to address infrastructure projects of mutual concern; and

WHEREAS, the City of Daytona Beach Shores recommends that a citizens' oversight committee representing each city and the county should be established to annually review projects funded by the infrastructure sales tax that will issue reports to the Volusia County Council and each municipality to insure transparency and to provide the citizens of Volusia County with the assurance that funds are being spent in the manner approved by the voters; and

WHEREAS, Section 212.055(2), *Florida Statutes*, requires voter approval in a County wide precinct referendum election prior to imposition of the local government infrastructure surtax; and

WHEREAS, this Resolution is enacted pursuant to the home rule powers of the City of Daytona Beach Shores as set forth at Article VIII, Section 2, of the *Constitution of the State of Florida*; Chapter 166, *Florida Statutes*, and other applicable controlling law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAYTONA BEACH SHORES, FLORIDA, as follows:

SECTION 1. LEGISLATIVE AND ADMINISTRATIVE FINDINGS.

(a). The City of Daytona Beach Shores has complied with all requirements and procedures of Florida law in processing this Resolution.

(b). The foregoing recitals (whereas clauses) are hereby ratified, affirmed and confirmed as being true and correct and are hereby made a part of this Resolution.

SECTION 2. SUPPORT FOR REFERENDUM ELECTION.

The City Council of the City of Daytona Beach Shores hereby requests that the Volusia County Council submit to the citizens of Volusia County at the 2018 General Election whether there should be levied a one-half cent infrastructure sales tax for twenty years.

SECTION 3. PROPOSED BALLOT LANGUAGE.

The City Council of the City of Daytona Beach Shores hereby suggests for consideration ballot summary language substantially similar to the following:

**LOCAL GOVERNMENT INFRASTRUCTURE
HALF-CENT SALES SURTAX.**

TO FUND PROJECTS FOR COUNTY AND MUNICIPAL PUBLIC FACILITIES RESTRICTED TO ROADS AND SIDEWALKS, BRIDGES, WATER QUALITY, STORMWATER AND FLOOD CONTROL, AND AMENITIES ANCILLARY TO THOSE FACILITIES, SHALL VOLUSIA COUNTY ORDINANCE _____ BE APPROVED TO LEVY A ONE-HALF CENT SALES TAX FOR TWENTY YEARS; AND TO REQUIRE THAT THE COUNTY COUNCIL ESTABLISH A CITIZENS' ADVISORY OVERSIGHT COMMITTEE TO REVIEW THE USE OF PROCEEDS?

____FOR the half-cent sales tax

____AGAINST the half-cent sales tax

SECTION 4. IMPLEMENTING ADMINISTRATIVE ACTIONS.

The City Manager is hereby authorized and directed to generally implement the provisions of this Resolution and to take any and all necessary administrative actions to bring into effect the

provisions of this Resolution in accordance with controlling law as he may deem appropriate under the *City of Daytona Beach Shores City Charter*.

SECTION 5. SAVINGS.

The prior actions of the City of Daytona Beach Shores in terms of the matters relating to City funding and fiscal matters, as well as any and all related matters, are hereby ratified and affirmed.

SECTION 6. CONFLICTS.

All ordinances or part of resolutions in conflict with this Resolution are hereby repealed.

SECTION 7. SEVERABILITY.

If any section, sentence, phrase, word, or portion of this Resolution is determined to be invalid, unlawful or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word, or portion of this Resolution not otherwise to be invalid, unlawful, or unconstitutional.

SECTION 8. EFFECTIVE DATE.

This Resolution shall take effect immediately upon passage and adoption.

CITY OF DAYTONA BEACH SHORES, FLORIDA

MAYOR, HARRY H. JENNINGS

Attest:

CITY MANAGER, MICHAEL T. BOOKER

CITY CLERK, CHERI SCHWAB

Approved as to form and legality:

CITY ATTORNEY, LONNIE GROOT

Adopted this 27th day of February, 2018.

Posted this 27th day of February, 2018.