



## City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading
<b>5/19/2021</b>	<input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Other</b>	Ordinance Reading	<b>NA</b>	<b>NA</b>
		Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
		Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:				
<b>21-112</b>				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
<b>See Below</b>	<b>N/A</b>	<b>Local Option Gas Tax</b>	<b>N/A</b>	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>N/A</b>	<b>Marie M. Gouin, Director</b>	<b>Budget &amp; Program Monitoring</b>	
Strategic Plan Focus Areas:				
<input checked="" type="checkbox"/> <b>Finance &amp; Budget</b>		<input type="checkbox"/> <b>Organizational Capacity</b>	<input type="checkbox"/> <b>Infrastructure/Projects</b>	
Implementation Timeline:				
Estimated Start Date: 10/1/2021    Estimated End Date: 9/30/2022				

### SHORT TITLE:

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, APPROVING THE 2021 AMENDMENTS TO EXISTING INTERLOCAL AGREEMENTS BETWEEN BROWARD COUNTY AND THE CITY OF HALLANDALE BEACH FOR THE DIVISION AND DISTRIBUTION OF THE PROCEEDS OF LOCAL OPTION GAS TAXES IMPOSED BY BROWARD COUNTY; AND PROVIDING AN EFFECTIVE DATE.**

### STAFF SUMMARY:

**Summary:**

Staff seeks City Commission approval of amendments to two local option gas tax interlocal agreements (ILA). The ILA's are required to be adjusted by each City's percentage share based on updated population. The original Six Cents Local Option Gas Tax was renewed in 2018 for a period of 30 years (FY 2019-FY 2048) and does not need to be amended. This was approved by the City Commission in February 2018.

**Background:**

Cities within Broward County have entered into Interlocal Agreements (ILA's) for the distribution of the proceeds of the local option gas tax levied by the County. The ILA's include:

- 1) The "additional" local option gas tax levied in 1994, which authorizes Broward County to levy three-cents (\$.03) fuel tax for 30 years on every gallon of motor fuel sold in the County. The proceeds are divided and distributed between Broward County and the municipalities within it. It provides for Broward County cities to receive 51.27% of three cents of gas tax and the County to receive 48.73%; the FY 20/21 COHB Budget includes \$225,842 (including the proceeds from the transit gas tax below) from this revenue source; and
- 2) The "transit gas tax" levied in 2001, which provides for Broward County cities to receive 26% of the proceeds of one cent of gas tax. The remainder, 74% of the proceeds is distributed to the County. The levy is on every gallon of motor fuel sold within Broward County and is for a period not to exceed 30 years.

The two ILAs provide for the distribution of gas tax among Broward County cities based on population figures published annually by the University of Florida Bureau of Economics Business Research (BEER). These agreements contemplate revision of the population numbers annually using the most current published figures.

**Current Situation:**

The City received notification from Broward County to amend the two interlocal agreements requiring approval by the City Commission and to return executed to the County no later than June 1, 2021. The proposed amendments to the two ILAs incorporate adjusted population data as updated by the publication titled "Florida Estimates of Population" issued by the University of Florida. The amendment to the "additional" local option gas tax agreement adjusts the percentage of the proceeds split between Broward County and the City. More specifically, the two amendments accomplish the following:

- The 2021 amendment to the three cents "additional" local option gas tax agreement provides that the Cities' share remains at 51.27 percent. Each City's percentage share of the 51.27 percent is also adjusted based on updated population figures. Accordingly, The City of Hallandale Beach's share decreased from 1.072439% to 1.068416% due to the adjustment in population throughout the County.
- The 2021 amendment to the one cent "transit gas tax" includes adjustments to each City's percentage share based on updated population figures, with no change in the 26 percent Cities' share. The City's share decreased from 0.543855% to 0.541814%, a .002041% decrease due to population adjustments.

**Why Action is Necessary:**

The City has received notification from Broward County to amend the two interlocal agreements. The amendments for the gas tax agreements are required to adjust each City's percentage share based on updated population figures.

**Cost Benefit:**

The ILA's guarantee the City's percentage share based on updated population figures published annually by the University of Florida of Bureau of Economics and Business Research. The gas tax revenues offset expenses in the Transportation Fund.

**PROPOSED ACTION:**

City Staff recommends approval of the attached resolution, approving the 2021 amendments to the two Local Gas Tax Interlocal Agreements ("ILAs") with Broward County.

**ATTACHMENT(S):**

Exhibit 1 – Proposed Resolution

Exhibit 2 – Broward County Letter dated April 21, 2021

Exhibit A – 2021 Amendment to Three Cent "Additional" Local Option Gas Tax ILA

Exhibit B – 2021 Amendment to Fifth Cent "Transit" Local Option Gas Tax ILA

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