

M E M O R A N D U M

To: Tom Harmer, Town Manager
From: Carolyn Brown, Support Services Director
Report date: January 21, 2021
Meeting date: February 1, 2021
Subject: Sarasota County Surtax IV Update

Recommended Action

None, informational only.

Background

Under Florida State law, counties may impose a discretionary sales surtax to invest in local infrastructure improvements. Such surtaxes must be approved by a majority of voters in a referendum. In three successive referendums, Sarasota County voters have authorized a 1% sales surtax, on top of the 6% State sales tax, to invest in capital improvement projects for the County, School District and municipalities. The one-cent sales surtax applies to the first \$5,000 of any purchase that is subject to the State sales tax. Proceeds from the surtax may only be used to invest in public infrastructure projects such as parks, roads, sidewalks, libraries and schools; it may not be used to pay for general operating expenses.

Revenue from the infrastructure surtax is shared by the County, the School District and the municipalities. One-quarter of the revenue is allocated to the School District. The remaining 75% is distributed among the County and the municipalities based on population.

Surtax III

The current Sarasota County surtax program, Surtax III, began in 2007 and has a term of 15 years. It will expire on Dec. 31, 2024. The Town has benefited greatly from Surtax III funds with a total programmed amount of \$9.6M. These projects include:

- Bayfront Park – improvements were completed in 2017 and included a new playground, pavilion, monument signs, shelters, beach access with safety crosswalk, restrooms, fishing pier, kayak launch, dog park, resurfaced tennis court, new basketball and pickleball courts, promenade, low-impact design stormwater retention and green space for events.
- Additional Pickleball Courts – additional pickleball courts were completed at Bayfront Park in February 2020. The expansion added two new courts.
- Improvements to the Tennis Center – in 2019, the underground court irrigation system was replaced on courts 1 - 3 along with fencing repairs and court resurfacing.

- Public Safety vehicles and equipment including patrol cars for the Police Department, a marine truck, ambulances, ATV, fire trucks, fire boat and jet-ski, Police Department radios and improvements to interior space at the Police Department.
- Plans for Canal Dredging - feasibility study and bathymetric survey of canals.
- Air Conditioning Units at the Town's Public Works facility.
- Audio/Visual upgrades in the Commission Chamber including new amplifier and speakers, high definition cameras, high definition projector and close captioning software.
- Partial funding toward Comprehensive Beach renourishment project and erosion control structures.

Surtax IV

The Surtax IV referendum is scheduled for the November 1, 2022 ballot. Should the referendum pass, the program would begin in 2025 and run through 2039 with an estimated preliminary program revenue forecast amount of \$15.7M over the duration of program for the Town. That estimate may be lower based on any longer term COVID impacts. The proposed project lists will be developed, and details will be refined.

Project categories could include:

- Streets and Drainage (roadway enhancements, roundabouts, center turn lanes, drainage improvements, sidewalks/bike lanes, crosswalk safety)
- Improvements to Public Facilities (roofs, HVAC, generators, building improvements, network upgrades, community center)
- Comprehensive Beach Management (offset beach nourishment costs)
- Parks and Recreation Amenities (recreation center, Town Center improvements, tennis courts, building improvements at Tennis Center, pickleball, park improvements)
- Public Safety (ambulances, vehicles, fire trucks, fire/EMS equipment, water vessels, police equipment, police vehicles, water vessels and motors)
- Canal Dredging Program (offset canal dredging costs)

The County has launched a new website which contains educational information about the Infrastructure Surtax program along with photos of surtax-funded projects and data visualization accounting for the Surtax III program. Information from Sarasota County municipalities (including the Town of Longboat Key) are included. The link to the site is [sarasotacountysurtax.net](https://www.sarasotacountysurtax.net). They have also designed and produced signs with the "Common Cents" logo. A few of these signs have been placed within the Town (Tennis Center and Bayfront Park).

Next Steps

Town staff will begin to refine project lists and continue to work with Sarasota County to meet established deadlines. In the 3rd and 4th quarter of 2021 the County will solicit community input related to potential Surtax IV project lists by organizing public input workshops led by a task force appointed by the County Commission. They will also solicit project ideas through a web portal in late 2021. Any project proposals received that pertain to a particular municipality will be forwarded to that agency for consideration.

Town staff will provide regular status updates. Project list(s) must be approved by the Town Commission no later than March 15, 2022.

Staff Recommendation

None, informational only.

Attachments

PowerPoint Presentation (Available in Town Clerk's Office)

End of Agenda Item