

M E M O R A N D U M

TO: Tom Harmer, Town Manager

FROM: Sue Smith, Finance Director

DATE: June 3, 2019

SUBJECT: Request for Authorization to Execute Interlocal Agreement with Manatee County for Disbursement of Tourist Development Tax (TDT) Revenues

Recommended Action

Authorize the Mayor to execute an Interlocal Agreement between the Town of Longboat Key and Manatee County for the disbursement of Tourist Development Tax Revenues.

Background

Pursuant to a Manatee County Interlocal Agreement effective October 1, 1998, the Town of Longboat Key receives revenue from Tourist Development Taxes levied by the County, as provided for in Section 125.0104 (5) (a) 4, Florida Statutes and Article II of Chapter 2-29 of the Manatee County Code of Ordinances. The initial agreement was for a term of eleven (11) years and renewed in 2008 for an additional 10 years. The current contract expired on September 30, 2018.

The County levies and collect a five percent (5%) tourist development tax, one percent (1%) of which is dedicated to pay the cost of beach nourishment. The Town receives a percentage of the total proceeds attributable to collections within the boundaries of the Town, as calculated by the Manatee Tax Collector, which is allocated for design, permitting, construction of Improvements, and maintenance of the Town's beach projects. The Town receives approximately \$253,000 annually.

Elements of this Interlocal Agreement are:

- Renews the previous contract for another ten years.
- The 50% match of funds requested for reimbursement remains unchanged.
- Eligible costs include expenses incurred in the design, permitting, construction of improvements, and maintenance of the project located within Manatee County.
- Eligible costs clarified/expanded to include debt service payments on beach related bonds.
- Language was added to allow the Town to submit prior year costs in excess of the TDT amounts available for reimbursement. (The Town may spend millions of dollars in one year but can only get reimbursed approximately \$253,000 at a time.)
- Requires the Town to submit requests for payment on a quarterly basis.

The Interlocal Agreement has been approved by the Manatee County Attorney and is presented for Town Commission approval and the Mayor's signature at

the June 3, 2019 Regular Meeting. Upon approval by the Town Commission the Agreement will be presented to the Manatee County Commission for their approval.

Staff Recommendation

Authorize the Mayor to execute an Interlocal Agreement between the Town of Longboat Key and Manatee County for the disbursement of Tourist Development Tax Revenues.

End of Agenda Item