

**LAKE COUNTY
BOARD OF COUNTY COMMISSIONERS**

**CAPITAL FACILITIES ADVISORY
COMMITTEE**

RECOMMENDATIONS

2013 through 2035



LAKE COUNTY
FLORIDA

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Respectfully,

Lake County Capital Facilities Advisory Committee

Davis Talmage III, Chairman

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RECOMMENDATIONS

The Capital Facilities Advisory Committee recommends the following for transportation needs in Lake County:

1. **AD VALOREM – Recommend ad valorem funding be utilized to maintain the Lake County road system without a millage increase; to initially start in 2013 at 2% of property values, increase 2% each year thereafter until at 8% in 2016, and remain at 8% level each year**

- + The first and foremost revenue recommendation by this Committee
- + The proposed funding estimate at 2011 values would be:
 - 2012/13 @ 2% of property taxes, approximately \$1.4 M,
 - 2013/14 @ 4% of property taxes, approximately \$2.7 M,
 - 2014/15 @ 6% of property taxes, approximately \$4 M,
 - 2015/16 @ 8% of property taxes, approx. \$5.4 M and to remain at 8% level thereafter
- + Revenue can be expended for maintenance and capital needs
- Other programs would be affected if ad valorem remains at same millage level

HISTORY: Ad valorem was a source of transportation funding before the gas taxes were received in 1984. The recommendation to use 8% of ad valorem revenue was included in option 2 of the 2008 Transportation Task Force report. Millage rate is set by Board of County Commission vote.

PROJECTION: The revenue generated during 2013-2035 using the BEBR low projection would be approximately \$126.4 million.

ACTION: Recommended unanimously by 8 - 0 Committee vote

2. **6¢ LOCAL OPTION GAS TAX – Renew each of the existing 2¢ - 2¢ - 2¢ revenue sources for an additional 30 year term using an adjusted distribution formula with the municipalities**

- + Lake County is in the process of re-structuring this funding source with the 14 municipalities between now and 2016 and adjusting the distribution formula annually based on road miles and population.
- + Gas tax is a user fee that is paid by those purchasing fuel sources
- + It is a current existing revenue source
- + Revenue can be expended for maintenance and capital needs
- Increase in fuel efficient vehicles will reduce the revenue

HISTORY: Adoption of each 2 cents occurred in 1984, 1985 and 1986 and each sunsets after 30 years. The renewal is recommended in a similar fashion: 2 cents in 2014, 2 cents in 2015 and 2 cents in 2016. This revenue has been predominantly used for maintenance. A super majority vote of the Board of County Commissioners can adopt this funding source.

PROJECTION: The estimated revenue from 2013-2035 using the re-structured distribution formula with the cities would be approximately \$111 million assuming a .5 – 1% increase annually.

ACTION: Recommended unanimously by 8 - 0 Committee vote

3. **INFRASTRUCTURE SALES TAX – Recommend a referendum to renew and re-allocate the current 1¢ sales tax for a period of 15 years and again for another 15 year term**

- a. Recommend the distribution of revenue is split 50% with municipalities
- b. Recommend half of both of the County and City portion must be expended for transportation needs

- + Recommend referendum on ballot in 2016 for a 15 year term with revenue to begin in January 2018, and to renew for an additional 15 year term when that period sunsets
- +/- Change in distribution means the School Board will no longer receive revenue after renewal
- Revenue can only be expended for capital needs (items over \$1,000 with a five year life)

HISTORY: Infrastructure Sales Tax revenue was originally approved by voters in 1987 for a 15 year term and was used for landfill closures and to construct the jail. It was shared 50% with the cities. The 2003 renewal sunsets in 2017 and the revenue is split 1/3 with School Board, 1/3 with cities and 1/3 to Lake County with the principal issues for schools and transportation. Referendum vote required to adopt.

PROJECTION: The estimated revenue from 2013-2035 using the reallocation distribution formula and a 2% annual increase would be approximately \$182 million for transportation needs in Lake County.

ACTION: Recommended 7 – 1 by Committee vote

4. **ROAD IMPACT FEES – Reinstate transportation impact fees at a discounted rate and adopt other funding sources to further offset the fee charge**

- a. Adopt the June 2010 Duncan Associates report which provides a greater discount and savings for commercial and industrial properties
- b. Adopt other funding sources for capital construction to validate the discounted impact fee rate

- + Establishes partnering relationship with developers
- + Competitive with other counties
- Must expend for capacity enhancement capital needs only
- May prevent some growth

HISTORY: Road impact fees were first utilized in 1985 in Lake County and have been re-evaluated 9 times since then. They were suspended March 2010 for one year and again in 2011 for an additional year until March 2012. The Board of County Commissioners adopts the impact fee.

PROJECTION: The estimated revenue from 2013-2035 using the Duncan report distribution formula would be approximately \$89 million for Lake County using the BEBR moderate projection each year.

ACTION: Recommended 4 - 3 by Committee vote

5. **MSTU ROADS – Utilize the unincorporated MSTU funds for transportation needs at a fixed level of \$2 million each year**

- + At 2011 property values, \$2 million would equate to a millage rate of .2415
- + Revenue can be expended for maintenance and capital needs
- Other programs funded by MSTU would be affected if there is no millage rate increase

HISTORY: The unincorporated MSTU was authorized in 1999 and was used solely for Stormwater. In 2007 through 2010 it was shared between Stormwater, Parks and Roads programs. The current 2011 distribution allotted 12% for Stormwater, 88% for Parks and 0% for Roads.

PROJECTION: The estimated revenue from 2013-2035 would total \$46 million for transportation needs.

ACTION:

6. **5¢ LOCAL OPTION GAS TAX – Recommend a referendum in 2012 to collect this additional fuel tax in 2014 for a 30 year term**

- + Gas tax is a user fee that is paid by those purchasing fuel sources
- +/- Levied on motor fuel, but not on diesel fuel
- This revenue must be expended for capital needs only

HISTORY: This tax has been available since 1993 through legislation and requires a super majority vote by the Board of County Commissioners to adopt or by a referendum.

PROJECTION: The estimated revenue from 2014-2035 would be \$73 million for Lake County, using the BEBR low projection.

ACTION: Recommended 7 – 1 by Committee vote

7. **Recommend evaluate and consider other possible transportation revenue sources, including but not limited to these:**

A Doc Stamps - Make request to Legislative Delegation to enact a transportation fee as part of doc stamps fee collection. Each real estate transaction would provide a revenue stream. Every time a property is bought or sold, a fee would be collected for road purposes.

B Tire surcharge – Collection of a surcharge on tire purchases should be considered.

C Pay per Mile – A fee collected for transportation needs based on the mileage driven

D Mobility fees – Fees are based on location. A higher fee is paid when a location is further away from services.

COPY OF RESOLUTION

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