



City of Hollywood

Hollywood City Hall
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Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2023-051, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Execute The 2023 Amendment To The Interlocal Agreement With Broward County Regarding Additional Local Option Gas Tax On Motor Fuel, And The 2023 Amendment To The Interlocal Agreement With Broward County Regarding Additional Local Option Gas Tax On Motor Fuel For Transit.

Financial Management & Administration

Staff Recommends: Approval of the attached Resolution.

Explanation:

The County levies five local option gas taxes, three of which are shared with municipalities through an interlocal agreement. Pursuant to Section 336.025 of the Florida Statutes, local option gas taxes can only be used for transportation expenditures and are distributed based on municipalities representing a majority of the population of the incorporated area within the County.

The “original” six-cent local option gas tax expired August 31, 2018 and was re-established and re-levied by the County. During this time, the City entered into a 30-year interlocal agreement with the County. The proceeds of the original local option gas tax automatically renews each year pursuant to Resolution R-2018-070 adopted in 2018. The Cities’ share of the six-cent local option gas tax is 37.5%.

In addition to the six-cent local option gas tax, the City has two interlocal agreements for an additional local option gas tax and a transit gas tax. The additional local option gas tax was established on January 1, 1994 and levies an additional three-cents. The Cities’ share of the three-cent local option gas tax is 51.27%. The three-cent local option gas tax was set to expire on December 31, 2023. On January 24, 2023 the Broward County Commission voted to continue the additional three-cent local gas tax under the same terms as the existing agreement. The transit gas tax was established January 1, 2001 and levies an additional one-cent. The Cities’ share of the transit gas tax is 26%.

This resolution seeks authorization to execute the attached 2023 Amendments to the Interlocal Agreements between the City of Hollywood and Broward County for the additional three-cent local option gas tax and the one-cent transit gas tax.

Fiscal Impact:

Based on the population estimates from the most current edition of the Florida Estimates of Population, the City of Hollywood has a population of 154,909 which represents 7.94% of the total incorporated areas of Broward County which is unchanged from last year. The FY 2024 estimated local option gas tax proceeds is \$2,731,912. This estimate is based on the revised population figures and a three-year revenue trend analysis. The revenue estimate assumes FY 2022 revenues as the base and excludes FY 2020 due to the impact of COVID.

The City recognizes its share of the Local Option Gas Tax revenues collected from Broward County in a separate special revenue fund specifically designated for Gas Tax.

Exhibit 1

The 2023 Amendment to the three cents "additional" agreement retains the Cities' share at 51.27% and adjusts each City's percentage share based on updated population figures.

Exhibit 2

The 2023 Amendment to the one cent "transit" gas tax includes adjustments to each City's percentage based on updated population figures with no change in the 26% Cities' share.

This Resolution is necessary to approve the amendments to the City's existing Interlocal Agreements with Broward County for the distribution of gas tax funds to the City based on population.

Recommended for inclusion on the agenda by:

Laurette Jean, Director of Budget & Performance Management

Adam Reichbach, Assistant City Manager for Finance and Administration