ORDINANCE 17-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, EXTENDING THE LEVY OF THE EXISTING ONE PERCENT LOCAL GOVERNMENT INFRASTRUCTURE SURTAX FOR AN ADDITIONAL TEN YEAR PERIOD, SUBJECT TO ELECTOR APPROVAL; PROVIDING FOR AUTHORIZATION AND LEGISLATIVE FINDINGS; CREATING SECTION 118-6 OF THE PINELLAS COUNTY CODE, PROVIDING FOR THE EXTENSION OF THE SURTAX; CREATING SECTION 118-7 OF THE PINELLAS COUNTY CODE, PROVIDING FOR USE OF THE PROCEEDS OF THE SURTAX; CREATING SECTION 118-8 OF THE PINELLAS COUNTY CODE, PROVIDING FOR AN EFFECTIVE DATE AND DURATION OF THE SURTAX; CALLING FOR A REFERENDUM ELECTION AND PROVIDING A BALLOT TITLE AND QUESTION FOR SUCH REFERENDUM; PROVIDING FOR NOTICE OF THE REFERENDUM ELECTION; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR NOTICE TO BE GIVEN TO THE PINELLAS COUNTY SUPERVISOR OF ELECTIONS AND THE FLORIDA DEPARTMENT OF REVENUE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION.

WHEREAS, Section 212.055(2), Florida Statutes, authorizes the Pinellas County Board of County Commissioners ("Board") to levy by ordinance a local government infrastructure sales surtax (hereinafter “Surtax”) of one percent (1%) upon transactions occurring in Pinellas County that are taxable under Chapter 212, Florida Statutes, subject to referendum approval; and

WHEREAS, the Surtax does not apply to certain groceries, medical products and supplies, and other specifically identified goods and services listed in Section 212.08, Florida Statutes, and unlike transactions subject to the state sales tax, applies only to the first $5,000.00 of the purchase price of an item of taxable personal property; and

WHEREAS, the Surtax may be used to finance, plan and construct infrastructure in accordance with Section 212.055(2)(d), Florida Statutes; acquire land for public recreation, conservation or protection of natural resources; acquire land for the purpose of constructing residential housing units affordable to individuals or families whose

income does not exceed certain statutorily defined income thresholds; and no more than 15% may be deposited into a trust fund for funding economic development projects having a general purpose of improving the local economy; and

WHEREAS, in 1989, the Board found and determined that a great need existed within Pinellas County to finance, plan and construct county and municipal infrastructure projects, and the levy of the Surtax for an initial ten (10) year period through January 31, 2000, was approved by a majority of those voting on the question at a referendum; and

WHEREAS, in 1997, based on a continuing need, the Board approved a ten (10) year extension of the levy of the Surtax through January 31, 2010, which was approved by a majority of those voting on the question at a referendum; and

WHEREAS, in 2007, based on a continuing need, the Board approved an additional ten (10) year extension of the levy of the Surtax, which was approved by a majority of those voting on the question at a referendum; and

WHEREAS, pursuant to the request of the Florida Department of Revenue, that extension period was adjusted to begin on January 1, 2010, in order to comply with the requirements of Section 212.054(5), Florida Statutes, and end on December 31, 2019; and

WHEREAS, the Board finds there continues to exist a great need on the part of Pinellas County and the municipalities within Pinellas County to fund infrastructure projects authorized by Section 212.055(2), Florida Statutes, and also to fund economic development projects that have a general public purpose of improving the local economy; and

WHEREAS, in 2016, the Florida Policy Institute released a report finding that insufficient affordable housing limits Florida's economic potential; and

WHEREAS, the Center of Economic Forecasting and Analysis at Florida State University annually reviews the statewide economic impact of affordable housing programs administered by the Florida Housing Finance Corporation and in 2015, estimated that $1.05 billion in affordable housing resources leveraged $4.74 billion in economic activity and 34,264 full and part-time jobs; and

WHEREAS, in addition to the stimulative effect of its construction or rehabilitation, workforce housing can benefit a local economy by reducing housing costs to affordable levels, thus creating more room in the family budget for local purchases; and

WHEREAS, the Board finds the use of Surtax proceeds to facilitate the creation of workforce housing will have a general public purpose of improving the local economy; and

WHEREAS, the Board desires to extend the existing Surtax for an additional ten (10) year period from January 1, 2020 through December 31, 2029, to fund these critical needs in Pinellas County.

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Pinellas County, Florida, in a meeting duly assembled this 1st day of August, 2017:

SECTION 1. Authorization and Legislative Findings.

This Ordinance is authorized by Chapters 125 and 212, Florida Statutes, and other applicable law. The Board of County Commissioners finds and declares that all statements set forth in the preamble of this Ordinance are true and correct and are hereby incorporated by reference as legislative findings.

SECTION 2. Article II, Chapter 118 of the Pinellas County Code is hereby created to read as follows:

ARTICLE II. INFRASTRUCTURE SURTAX.

Section 118-6. Extension of Local Government Infrastructure Surtax.

Subject to the approval of a majority of the qualified electors of Pinellas County voting in the referendum called for this purpose, there is hereby extended the levy of the local government infrastructure surtax throughout the incorporated and unincorporated areas of Pinellas County on transactions subject to the state sales tax imposed by Chapter 212, Florida Statutes. The tax shall be at a rate of one cent (1¢) for each $1.00 of the sales price or actual value received and for each fractional part of $1.00 of the sales price or actual value received. This tax shall be levied and imposed pursuant to Sections 212.054 and 212.055(2), Florida Statutes, and the rules promulgated by the Florida Department of Revenue.

Section 118-7. Use of Proceeds of Surtax.

The proceeds of the tax levied under this section shall be used by the county and the municipalities located within the county and receiving proceeds only for those uses authorized in Section 212.055(2), Florida Statutes, including but not limited to roads, bridges, flood and sewer spill prevention, water quality, trails, parks, environmental preservation and protection, public safety facilities, hurricane sheltering, vehicles, technology, land acquisition for affordable housing, and other authorized infrastructure projects; and deposit into a trust fund within the county's accounts for the purpose of funding capital projects supporting economic development which have a general public purpose of improving the local economy. The proceeds of such tax shall be allocated between the county and the municipalities by interlocal agreement.

Section 118-8. Effective Date and Duration of the Surtax.

Subject to approval of the electorate in a referendum extending the tax as provided herein, the infrastructure sales surtax levied pursuant to Section 212.055(2), Florida Statutes, shall be levied and imposed for the period commencing January 1, 2020, and ending at midnight December 31, 2029.

SECTION 3. Conduct of Referendum Election; Ballot Title and Question; Notice.

(a) The Board hereby calls a referendum election and directs the Pinellas County Supervisor of Elections to conduct such election on November 7, 2017, for the submission of a referendum question on the local government infrastructure surtax to the electors of Pinellas County.

(b) In accordance with Sections 101.161 and 212.055(2), Florida Statutes, the following ballot title and summary are approved for submission to the electors of Pinellas County, Florida, at the election called in subsection (a):

> BALLOT TITLE: **Ten (10) Year Extension of the Penny for Pinellas One-Cent (1¢) Infrastructure Sales Surtax**
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> BALLOT QUESTION: Shall the levy of the Penny for Pinellas one-cent (1¢) local infrastructure sales surtax be extended for an additional ten (10) years to finance county and municipal projects, including roads, bridges, flood and sewer spill prevention, water quality, trails, parks, environmental preservation, public safety facilities, hurricane sheltering, vehicles, technology, land acquisition for affordable housing, capital projects supporting economic development (pursuant to section 212.055(2)(d)3, Florida Statutes), and other authorized infrastructure projects.
>
> _____ FOR the one-cent sales tax
> _____ AGAINST the one-cent sales tax

(c) The Clerk of the Board shall publish notice of the referendum in accordance with Section 100.342, Florida Statutes, in the *Tampa Bay Times*, on the following dates: October 6, 2017 and October 20, 2017.

SECTION 4. Effective Date of Ordinance.

(a) This Ordinance shall take effect upon filing with the Department of State as provided in Section 125.66(2), Florida Statutes, provided that the referendum set forth in Section 3 of this Ordinance is approved by a majority of the electors of the County voting in the November 7, 2017 election.

(b) If the referendum is approved at the November 7, 2017 election, then the Clerk is directed to notify the Florida Department of Revenue within 10 days of the referendum date as provided in Section 212.054(7)(a), Florida Statutes, but no later than November 17, 2017.

SECTION 5. Severability.

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

SECTION 6. Codification.

The provisions of this Ordinance shall be included and incorporated in the Pinellas County Code as an addition thereto, and shall be appropriately numbered to conform to the uniform numbering system of the Pinellas County Code. It is the intent of the Ordinance that as part of the codification process, Section 118-2 of the current Pinellas County Code be included under the newly created "Article II. Infrastructure Surtax" referenced in Section 2 of this Ordinance, and renumbered to Section 118-5 of the Pinellas County Code. The current Articles II-VI of Chapter 118 of the Pinellas County Code shall be renumbered to become Articles III-VII respectively.

APPROVED AS TO FORM

BY: _____
Office of the County Attorney