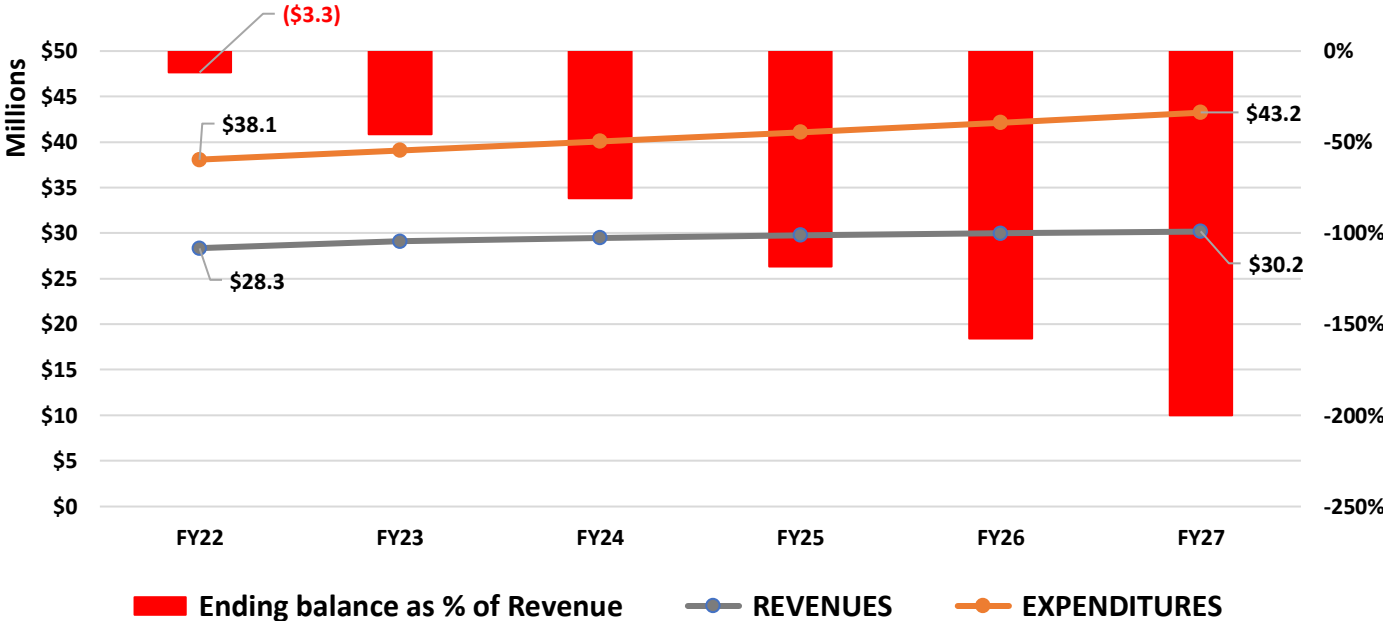




Transportation Trust Fund: Additional 5-Cent Local Option Fuel Tax

Current Transportation Trust Fund Forecast



*Assumes the extension of the Ninth Cent Fuel Tax (set to expire in December 2026).

Examples of Current Service Levels

- **Sidewalk Repairs and Maintenance**
 - **LOS D with significant repair backlog**
- **Right-of-Way Mowing**
 - **LOS C with 11 in-house and 14 contractual cycles per year**
- **Urban Forestry**
 - **LOS C with 15-year pruning cycle and 40% replacement cycle**

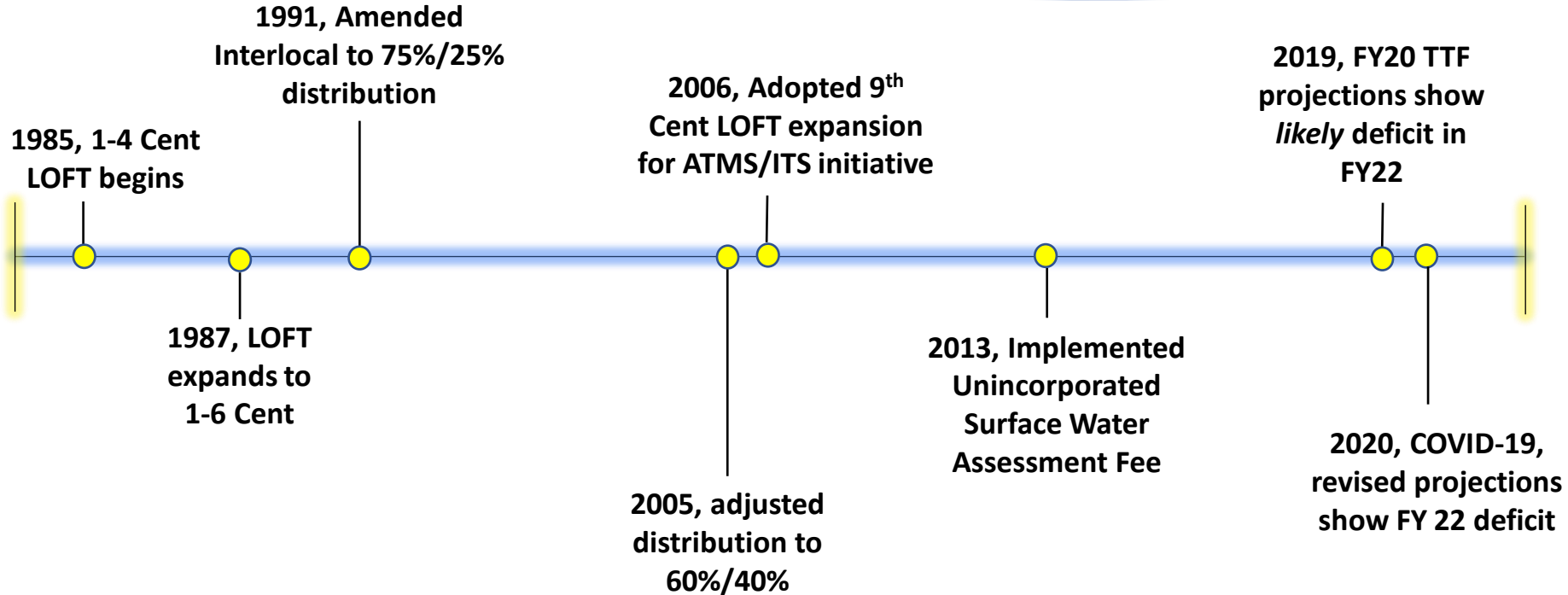


Why Additional Funding Needed



- **Estimated \$10M annual funding gap for County**
 - **Fund balance exhausted during FY22**
- **Expenditure inflation outpacing revenue growth**
 - **Gas tax not indexed to prices**
 - **Increased fuel efficiency and conversion to electric vehicles**
- **Service levels not meeting expectations**
- **Reduced gas tax revenue due to COVID-19**
- **Cities experiencing funding gaps**

Transportation Trust Fund - History



Options to Address Funding Gap



Scenario 1: Decrease Expenditures to Match Revenues

- Requires ongoing large-scale impacts to level of service (Maintenance and Operations)

Scenario 2: General Fund Subsidy

Scenario 3: Expand Local Option Fuel Tax by 5 cents

- Requires ongoing reductions and impacts to level of service (Maintenance and Operations)
- Revenue for capital related initiatives (Sidewalks/ATMS)

- **Peer Gas Taxes**
 - **36 counties including Pasco, Manatee, and Sarasota impose 12 cents**
 - **Hillsborough imposes 7 cents (same as Pinellas currently)**
- **User Fee vs Property Tax**
 - **Gas taxes are imposed on users including non-residents**
 - **Property taxes (General Fund subsidy) are imposed on property owners only**

Recommendation



- **FY22 LOFT Expansion of 5 Cents**
 - **60%/40% split with municipalities**
 - **Additional projected revenue \$54M between FY22 – FY27**
 - **Will support capital related transportation, sidewalk initiatives, and additional resurfacing projects**
- **Other Funding**
 - **One-time General Fund subsidy to address sidewalk backlog (LOS B)**
 - **Lost revenue restoration using American Rescue Plan Act funds**
 - **Repayment of transfer to capital projects fund in FY19**
- **Renew Ninth Cent in FY 27 (Set to Expire Dec. 2026)**

Sidewalk Maintenance Opportunities



- **Current LOS: D**

- **Significant backlog**
- **Replacement rate:**
 - Demand: 8 miles per year
 - Current: 3.5 miles per year
- **Annual backlog growth 10%**
- **Annual program cost: \$3.1M**

- **LOS C**

- **Backlog cleared in 24 months**
- **Backlog growth: 5-10%**
- **Replacement rate: 5.4 miles**
- **No proactive cycles**
- **Cost: \$4.47M**
- **Reoccurring:**
 - ~\$4.3M over 24 months
 - \$240K

Sidewalk Maintenance Opportunities



• **LOS B**

- **Backlog cleared in 24 months**
- **Some proactive cycles**
- **Backlog growth 0%**
- **Replacement rate: 6.3 miles**
- **Cost: \$4.77M**
- **Reoccurring:**
 - \$4.3M over 24 months
 - \$480K

• **LOS A**

- **Backlog cleared in 24 months**
- **Routine proactive cycles**
- **Backlog growth 0%**
- **Replacement rate: 8 miles**
- **Cost: \$5.43M**
- **Reoccurring:**
 - \$4.3M over 24 months
 - \$810K

Pavement Management and ADA



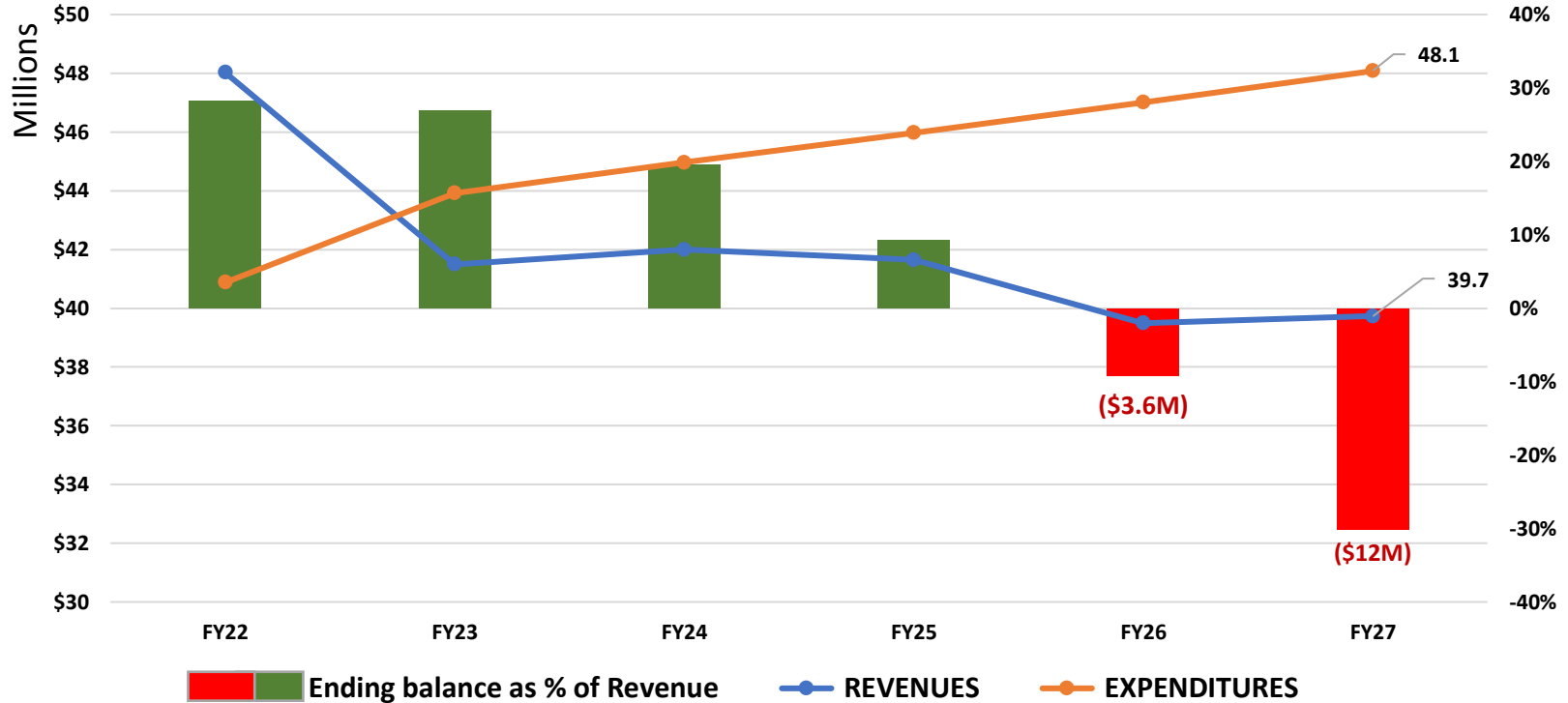
Estimated Additional Lane Miles Paved

Fiscal Year	FY22	FY23	FY24	FY25	FY26
Funding	\$177K	\$2.2M	\$3.5M	\$3.0M	\$2.5M
Lane Miles	2	23	36	31	26

Estimated Additional Lane Miles Paved and Funding Towards ADA Improvements

Fiscal Year	FY22	FY23	FY24	FY25	FY26
Funding	\$177K	\$2.2M	\$3.5M	\$3.0M	\$2.5M
ADA Funding	\$53K	\$660K	\$1.05M	\$900K	\$750K
Lane Miles	1.3	16	25	22	18

Revised Forecast - Recommendation



*Assumes the extension of the Ninth Cent Fuel Tax (set to expire in December 2026)

Next Steps



- **BCC Considers Interlocal (already sent to cities) on May 25**
- **BCC Considers Ordinance to Levy Additional LOFT in September**
- **Notify Florida Department of Revenue by October 1**
- **5 Cent Levy Imposition Commences January 1, 2022**