



ITEM SUMMARY

MEETING DATE: October 2, 2023
FROM: Andrea McCue, City Manager, Administration
SUBJECT: Resolution 2023-51 Continuation of the One-Cent Surtax

BACKGROUND

In November 2016, the voters of Palm Beach County approved an increase to the local sales tax from six (6) cents per dollar to seven (7) cents per dollar that became effective on January 1, 2017 and will automatically sunset upon the earlier occurrence of December 31, 2026 or the generation of \$2.7 billion in total revenue divided between the School District of Palm Beach County (50%), Palm Beach County (30%), and the 39 Palm Beach County municipalities (20% shared amongst them). The one-cent sales surtax can only be used for infrastructure projects.

ANALYSIS

The City's allocation of the one-cent sales surtax is \$23 million which has been used to provide for projects which directly impact the health, wellbeing, and quality of life of residents of the City. As required, all projects are approved by the Palm Beach County Surtax Oversight Committee and project expense reporting is also submitted to the Committee for review and approval.

FINANCIAL INFORMATION

Allocations are based on approval of continuation of the Surtax.

LEGAL

The City Attorney has reviewed the item and all supporting documents for legal sufficiency and compliance.

STAFF RECOMMENDATION

Staff is recommending approval of Resolution 2023-51 in support of seeking voter approval to continue the one-cent sales surtax revenue for infrastructure projects until December 31, 2036.