

An analysis of alternative funding sources for homeless services: Deliverable #7

Final Report

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Purpose of this analysis

The purpose of this analysis is to identify the various funding sources that could be used to provide resources for homeless services. This includes resources forms which are currently available as well as forms for which legal mechanisms would need to be established.

Methodology

The method for this analysis consisted of the following steps:

1. Identification of funding mechanisms based on general knowledge of public finance in Florida
2. Incorporation of proposals for funding mechanisms made by the Policy Group
3. Review of alternative funding mechanisms with the office of the County Attorney for legality and status
4. Rating of alternative funding mechanisms by the Policy Group
5. Preparation of draft report
6. Review of draft report by the project manager and related staff
7. Final report

Findings

Table 1 provides in tabular form the various funding mechanisms which are or could possibly be developed which could be used to support various homeless services. This table describes the nature of the funding mechanism, its current legal status including those actions needed to implement it, the position the Policy Group took with respect to this item (if it was polled) and, where data is available, the annual amount of revenue the funding source would generate.

Table 1 is organized into two sections; taxes and fees. Taxes are distinguished from fees in that an individual citizen does not have to derive a specific benefit from a tax while he or she must from a fee. A fee is in essence a charge for a specific service for which the citizen receives a specific benefit. A tax is an extraction that can be used for any public good.

Table 2 provides a summary of various federal and state programs that can be used to fund various forms of housing support.

Figures 1 – 48 provide a summary of the polling conducted with the Policy Group. Appendix A provides a summary of local option sales tax alternatives provided by the County Attorney’s office and added here simply as added documentation for future reference.

Table 1: Summary of Public Funding Options				
Short or common title	Description	Current Status	Policy Group Polling results	Estimated revenue where available
Type: Property Taxes				
Property tax increase: option A	This would be a general increase in the property tax which could then be used to fund homeless services	Elected officials have the existing authority to enact property tax increases as long as they do not exceed their millage gap	80% of elected officials indicated they would not support a general property tax increase. See figures 1 and 2 for overall results and the elected official only results.	Depends upon the amount of millage adopted. Millage varies by the valuation of each jurisdiction. For example, in Pinellas County Government a full mil equates to approximately \$62,000,000 in revenue.
Property tax increase: option B	This would be the same mechanism as option A with the exception that the governing body would commit to using the increase to support homeless programming	Same as prior. Commitments of this nature may not be binding on future bodies depending upon the nature of the commitment.	60% of elected officials indicated they would not support such an action. 30% were willing to leave it on the table for future consideration. Figures 3 and 4 show the results	Same comments as above

General revenue fund commitment: option A	Funding for homeless services would be generated by growth in the general revenue fund.	Within the current authority of elected officials	Not polled	Depends on the budget decisions of the entity
General revenue fund commitment: option B	Funding for homeless services would be generated by dedicating a proportion of growth in the general revenue fund.	Within the current authority of elected officials	Not polled	Depends on the budget decisions of the entity
Special taxing district: option A	This would be a special taxing district with dedicated ad valorem resources purposed for homeless services	Would require legislative action and local referendum	50% of elected officials would or might support, 20% would not support and 30% were undecided. Figures 5 and 6 show the results.	Would depend upon the millage cap established for the District. If it were one mil for example it would equate to approximately \$62 million in revenue

Special taxing district: option B	This would be a special taxing district with dedicated ad valorem resources purposed for health and human services	Would require legislative action and local referendum	70% of elected officials would support, and 30% were undecided. Figures 7 and 8 show the results	Would depend upon the millage cap established for the District. If it were one mil for example it would equate to approximately \$62 million in revenue
TIFF set aside	This would apply only to CRA areas. The concept is that a portion of the property tax growth in a CRA area be dedicated to the development of housing	Within the power of a CRA board	20% of elected officials would or might support, 80% would not support. Figures 9 and 10 show the results.	Would depend upon the amount of TIFF growth and the proportion set aside

Type: General revenue swaps	The idea of a general revenue swap is to identify a service being funded from general revenue that could be funded by some other source. If funding from this other source is adopted, the general funds could then be re-directed to homeless services.			
Gas Tax swap	Jurisdictions would identify transportation services or projects being funded via general revenue that could be funded via gas tax. The gas tax would be increased to cover these costs and the general revenue funds shifted to homeless services	Within the power of elected officials to do assuming there are no bond or other commitments which would be violated.	30% of elected officials would or might support, 40% of elected officials would not or unlikely to support, 30% undecided. Figures 11 and 12 show the results.	Would depend upon the amount of general revenue being dedicated to eligible projects and services and the proportion being shifted to gas tax.
Building permit swap	Jurisdictions would identify the amount of general fund support being provided to its building permitting services and replace that with increased permit fees.	Within the power of elected officials to do assuming there are no other commitments which would be violated.	30% of elected officials would or might support, 40% of elected officials would not or unlikely to support, 30% undecided. Figures 13 and 14 show the results.	Would depend upon the amount of general revenue being dedicated to the permitting function and services and the proportion being shifted to increased fees.

General concept of GR swaps	Jurisdictions would examine other areas where general funding could be supplanted.	Within the power of elected officials to do assuming there are no other commitments which would be violated.	20% of elected officials would or might support, 30% of elected officials would not or unlikely to support, 50% undecided. Figures 15 and 16 show the results.	Would depend upon the amount of general revenue being dedicated to these function and services and the proportion being shifted to increased fees.
Type: Bonding				
General obligation bonds for housing	These are bonds issued with the full faith of the community and repayment is tied to the general fund. Bonds are issued for capital projects. The concept here is to bond for infrastructure development and attainable housing.	Elected officials can call for public referendum assuming they have bonding capacity	30% of elected officials might consider 50% would not or are unlikely to support, 20% undecided. Figures 17 and 18 show the results.	Would depend upon the amount bonded

Specific bonds	<p>There are a range of other bonding mechanisms in which repayment is tied to specific funding streams or private projects of community benefit can be provided advantageous rates such as industrial development bonds. There is the possibility that some of these could be used for infrastructure and housing. This would not be a mechanism for support on-going services.</p>	<p>Mechanisms in place assuming requirements can be met</p>	Not polled	Project specific
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Sales and transaction taxes	These are taxes placed on goods and services or transactions and authorized for local use by the state legislature.			
Local option sales tax (LOST) – general approach	These are sales taxes on goods and services with certain legislative exemptions and restrictions that local governments are authorized by the legislature to collect over and above the state’s general sales tax	Depends on whether the jurisdiction is qualified to adopt the specific tax. Specific adoption procedures vary by tax. Elected officials can adopt in most cases either by super-majority vote or by referendum.	40% of elected officials might consider 30% would not or are unlikely to support, 30% undecided. Figures 19 and 20 show the results.	Depends upon the scope and amount adopted. A full 1 cents sales tax in Pinellas County for example generates \$120 million. These revenues are shared between the county and cities.
LOST 1 – Local government infrastructure surtax	Commonly known as Penny for Pinellas. May be ½ or 1 cent	Referendum. Could possibly be used for infrastructure projects that would benefit homeless services	Not polled	The current Penny for Pinellas generates \$120 million countywide.

Indigent care and trauma center surtax	Up to ½ cent. If enacted, the government infrastructure surtax is limited to ½ cent	Extraordinary vote of County Commission or public referendum	70% of elected officials would or might consider, 10% would not or are unlikely to support, 20% undecided. Figures 21 and 22 show the results.	Would currently generate \$60 million
Charter county transit system surtax	Public transit or specified capital projects. Services can be provided to benefit homeless.	Referendum	Not polled	Currently generates \$
Gas tax	These taxes are limited to various transportation improvements. Other than some sort of swap discussed earlier these funds could not be used for homeless services	Vote of County Commission	Not polled	Not applicable

Food and beverage tax	A sales tax on restaurants and bars. The funds could be dedicated to homeless services.	Legislative authorization. Public referendum.	100% of elected officials would or might support. Figures 23 and 24 show the results.	Depends upon the structure of the tax
Resort tax	This was a concept raised during the policy group discussion. It would be a sales tax levied at resorts	Current Florida statute does not allow local governments to enact such a tax. Legislative action would be required.	20% of elected officials supported, 80% did not. Figures 25 and 26 show these results.	Would depend on the scope and size of the tax
Luxury items tax	This was a concept raised during the policy group discussion. It would be a sales tax levied on designated luxury items	Current Florida statute does not allow local governments to enact such a tax. Legislative action would be required.	100% of elected officials did not support this tax. Figures 27 and 28 show these results.	Would depend on the scope and size of the tax
Cigarette and liquor taxes and any other "sin" taxes	This would be additional sales taxes levied upon tobacco, alcohol and possible other leisure activities	The local option sales taxes would include liquor. Other actions would require legislative authorization	100% of elected officials supported this tax. Figures 29 and 30 show these results.	Would depend on the scope and size of the tax

"dining in" tax	This would be a tax levied on restaurants. It would be similar to a food and beverage tax.	Legislative authorization. Public referendum.	Not polled	Depends upon the structure of the tax
Documentary stamp tax	This would be a tax on real estate transactions which could be dedicated to support attainable housing.	Legislative authorization. Since the tax currently does not exist local action would be whatever local action the legislature would require before enactment.	40% of elected officials were supportive or willing to consider, 20% undecided and 40% were opposed. Figures 31 and 32 show the results.	Depends on the structure of the tax
Utility tax (public services tax)	This would be a tax added to utility services. It would be dedicated to assisting persons who cannot pay their utility bill.	Can be enacted locally if there is room within the authorized amounts and other commitments.	20% of elected officials were supportive or willing to consider, 10% undecided and 70% were opposed. Figures 33 and 34 show the results.	Would depend upon the size of the tax

Fees	Fees are charges appropriate to services delivered by the government. Fees can be locally waived.			
In-lieu fee	This would be a fee a developer would pay “in-lieu” of developing attainable housing in the project they are developing.	Research to develop legally acceptable approach. Assuming such could be developed; ordinance development and adoption by local governing body would be required.	80% of elected officials were supportive or willing to consider, 10% undecided and 10% were opposed. Figures 35 and 36 show the results.	Would depend on the scope of the project, developer decisions and amount of the fee
“In-lieu” fee restricted to coastal development	The same concept with a geographic limitation	Same as above	60% of elected officials in favor or willing to consider, 40% opposed. Figures 37 and 38 show the results.	Same as above

<p>Linkage fee for commercial development</p>	<p>A fee charged on significant commercial developments that impact local housing availability. The concept is that the commercial developer would pay into a fund that would support the development of attainable housing.</p>	<p>No current mechanism exists. Would require research to determine legality. If determined legal local ordinances would need to be developed and adopted.</p>	<p>50% of elected officials were supportive or willing to consider, 20% undecided and 30% were opposed. Figures 39 and 40 show the results</p>	<p>Would be determined by fee structure and number of developments to which the fee would apply.</p>
<p>Impact fee</p>	<p>A fee levied on new development to cover the infrastructure costs associated with new development. A linkage would have proven between development and affordable housing stock.</p>	<p>Local study to determine feasibility and legality and ordinance development if found to be legal and feasible</p>	<p>50% of elected officials were supportive or willing to consider, 10% undecided and 40% were opposed. Figures 41 and 42 show the results.</p>	<p>Would depend on the structure and amount of the fee and the overall amount of new development.</p>

Parking meter fees	Parking meter fees would be increased and dedicated to homeless services	Local action depending upon any bond covenants or other agreements	30% of elected officials were supportive or willing to consider, 10% undecided and 60% were opposed. Figures 43 and 44 show the results.	Would be dependent on the amount of the increase and the scope of coverage.
Parking garage fees	Same concept as above, simply applied to public parking garages	Same as above	40% of elected officials were supportive or willing to consider, 10% undecided and 50% were opposed. Figures 45 and 46 show the results.	Same as above
Franchise fee	A fee private companies pay for use of right of ways and a “franchise” to conduct business.	Local action within parameters of state statute.	10% of elected officials were willing to consider, 90% were opposed. Figures 47 and 48 show the results.	Would depend on the amount of the fee and the scope of services covered.

Table 2: Permanent Supportive Housing Funding Tools¹

Common Name or Acronym	Full Title	Source	Description and Use
Section 811	Section 811 Capital Advance/PRAC.	HUD	Provides capital grant and a project rental assistance contract (PRAC). For more than 13 years, the Section 811 Capital Advance Program has funded the creation of supportive housing through local non-profit organizations, called sponsors, who apply directly to HUD for these funds through an annual Notice Of Funding Availability (NOFA)
811 Section 8	Section 811–funded Section 8 Mainstream Housing Opportunities for Persons with Disabilities Program	HUD	Rental assistance. Since 1997, 25 percent of Section 811 funding has been competitively awarded as tenant based rental assistance through the Section 8 Mainstream Housing Opportunities for Persons with Disabilities program (Mainstream vouchers). These funds, which can be awarded to either a non-profit disability organization or to a PHA, must also be used to expand supportive housing.

¹ Florida Supportive Housing Inventory. 2004. Florida Supportive Housing Coalition.

<p>McKinney/Vento Homeless Assistance Programs</p>	<p>Shelter Plus Care (S+C) program, Section 8 Moderate Rehab Single Room Occupancy (Section 8 SRO) program, and the Supportive Housing Program (SHP).</p>	<p>HUD</p>	<p>All of these programs provide rental assistance funding for supportive housing for homeless people with disabilities. The SHP program can also provide up to \$400,000 in capital funding for permanent supportive housing, but it must be “matched” with at least an equal amount of non-McKinney/Vento capital funding. It is important to note that HUD McKinney/Vento programs can only assist people with disabilities who meet HUD’s restrictive definition of “homeless” and cannot be used for those at risk of homelessness.</p>
<p>HOME</p>	<p>Home investment partnership program</p>	<p>HUD</p>	<p>A formula grant to states and local jurisdictions that can be used for: rental housing production and rehabilitation loans and grants; acquisition of rental housing; first-time homebuyer assistance; rehabilitation loans for homeowners; and tenant-based rental assistance</p>

CDBG	Community Development Block Grant Program (CDBG)	HUD	These funds can be used for housing rehabilitation; new housing construction; purchasing land and buildings; construction of public facilities, such as shelters for homeless persons; construction of neighborhood service centers or community buildings; code enforcement, demolition, and relocation funds for people displaced because of CDBG projects; making buildings accessible to the elderly and handicapped; and public services such as employment services and health and child care.
ESG	Emergency Shelter Grant Program	HUD	The following activities can be paid for with ESG funds: renovation, major rehabilitation, or conversion of buildings for use as emergency shelter; essential services for the homeless; homeless prevention efforts; and shelter operating costs, such as maintenance, insurance, utilities, rent, and furnishings.
HOPWA	Housing Opportunities for Persons with AIDS Program	HUD	The HOPWA program funds both housing and services for people with HIV/AIDS including: housing information and coordination services; acquisition, rehabilitation and leasing of property; project-based or tenant-based rental assistance; homeless prevention activities; supportive services; housing operating costs; technical assistance; and administrative expenses.

LIHTC, Housing credits	Federal Low Income Housing Tax Credit Program	U.S. Dept of Treasury, Florida Housing Finance Corp.	The program provides competitive awards of federal tax credits (so-called 9 percent credits) to developers to assist in the creation of affordable rental housing including supportive housing.
MRBs	Mortgage Revenue Bonds for Rental Housing	Federal law authorized, FHFC administrator	provides below market-rate loans financed through the sale of tax-exempt and taxable bonds to encourage the development of affordable rental housing
Section 8	The Section 8 Housing Choice Voucher Program	HUD	Vouchers are commonly referred to as tenant-based rent subsidies because they are provided to eligible applicants to use in private market rental housing of their choice that meets program requirements. Once a rental unit is selected and approved, the Section 8 applicant pays a limited percentage of the household's income (generally 30 to 40 percent) as rent, with the balance of the rent (up to a certain "payment standard") being paid by the Public Housing Authority through the voucher program. Section 8 vouchers can also be used to develop affordable housing. Modifications to the Section 8 voucher program statute now allow PHAs to use up to 20 percent of their Section 8 funds to provide project-based assistance. Under this program option, vouchers are committed to a specific unit or units in a property for periods up to 10 years.

Section 8 set aside	Section 8 Vouchers Set Aside for People with Disabilities and People with Special Needs	HUD	<p>The Section 8 voucher set-asides for people with disabilities are provided through the following programs:</p> <ul style="list-style-type: none"> • Section 8 Mainstream Housing Opportunities for Persons with Disabilities program vouchers with five-year renewable Annual Contributions Contracts. • Section 8 Mainstream Housing Opportunities for Persons with Disabilities program vouchers with one-year renewable Annual Contributions Contracts • Section 8 “Designated Housing” Vouchers. • Section 8 “Certain Developments” Vouchers. • Family Unification Program
SHIP	State Housing Initiatives Partnership	State of Florida	<p>The SHIP program may be used for a variety of purposes including:</p> <ul style="list-style-type: none"> • Emergency repairs, • New construction, rehabilitation, acquisition of property in order to develop affordable housing, • Special needs housing development, • Down payment assistance, and • Homeownership counseling. <p>Funds for the SHIP Program are raised from the collection of documentary stamp tax revenues and are placed into a Local Government Housing Trust Fund</p>

SAIL	State Apartment Incentive Loan	State of Florida	The SAIL program provides low-interest loans solely to support the development of affordable rental housing.
HHAG	Homeless Housing Assistance Grants	State of Florida	This program offers capital grants through the designated lead agency of a Continuum of Care for the construction of new or repairs of existing housing for the homeless. The program can be used for both permanent and transitional housing for homeless persons and is currently funded million through documentary stamp tax revenue.
PLP	Predevelopment Loan Program	State of Florida	The PLP provides below market rate forgivable loans to non-profits, local governments or public housing authorities for predevelopment activities associated with the planning, financing and development of affordable housing.

Figure 1: Property tax poll, all policy group members

Increase property taxes

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

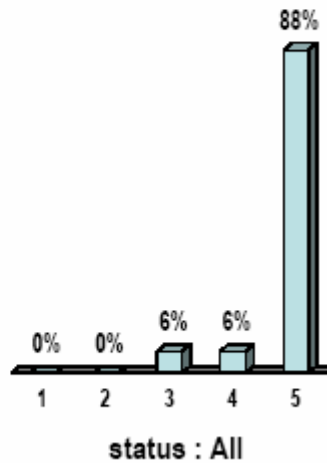


Figure 2: Property tax poll, elected officials only

Increase property taxes

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

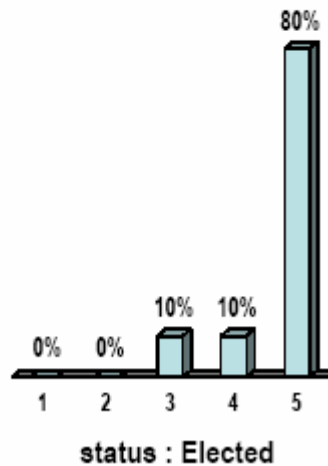


Figure 3: Dedicated property tax poll: All policy group members

Dedicated property tax increase

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

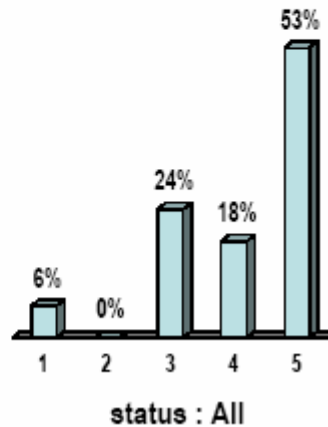


Figure 4: Dedicated property tax poll: Elected officials only

Dedicated property tax increase

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

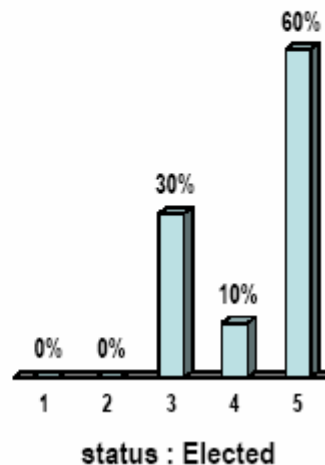


Figure 5: Special taxing district for homeless services poll, all policy group members

Special taxing district – homeless focus

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

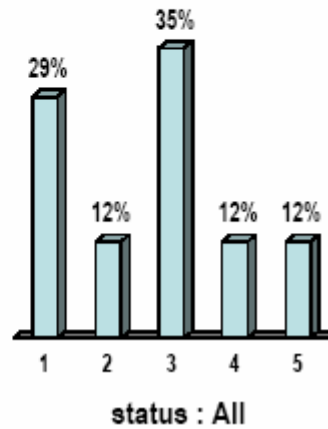


Figure 6: Special taxing district for homeless services poll, elected officials only

Special taxing district – homeless focus

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

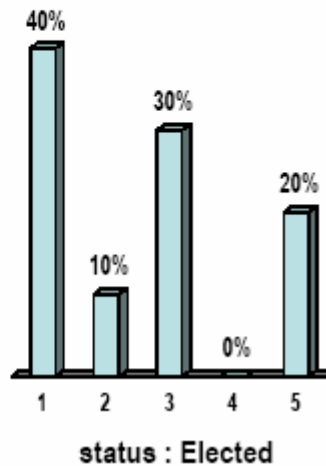


Figure 7: Special taxing district, health and human services poll, all policy group members

Special taxing district – general health and human service focus

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

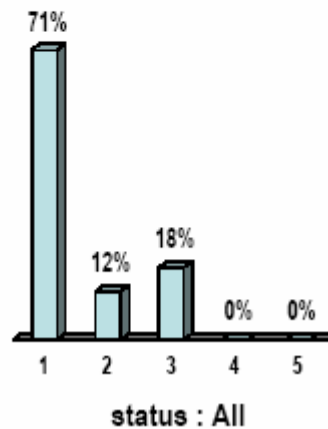


Figure 8: Special taxing district, health and human services poll, elected officials only

Special taxing district – general health and human service focus

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

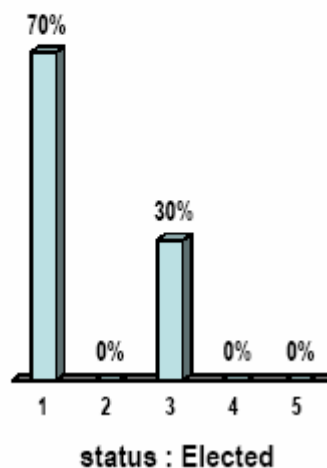


Figure 9: TIFF set aside poll, all policy group members

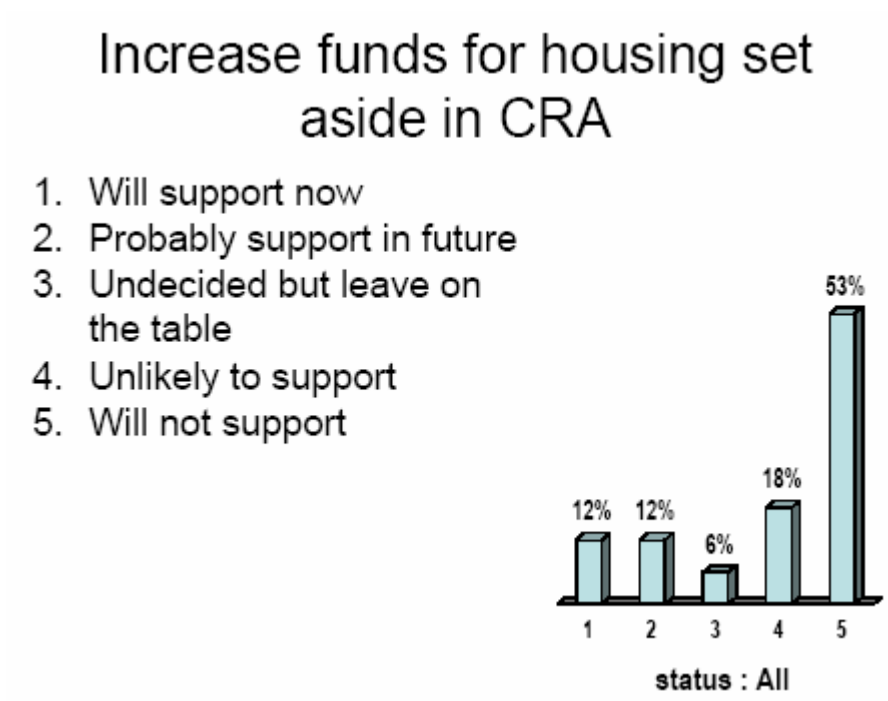


Figure 10: TIFF set aside poll, elected officials only

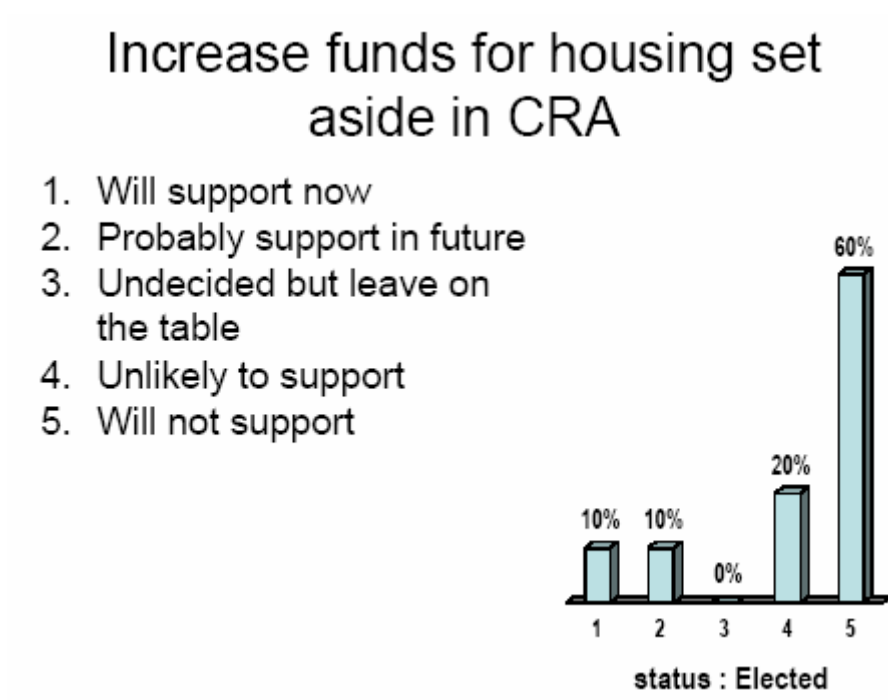


Figure 11: Gas tax – GR swap poll, all policy group members

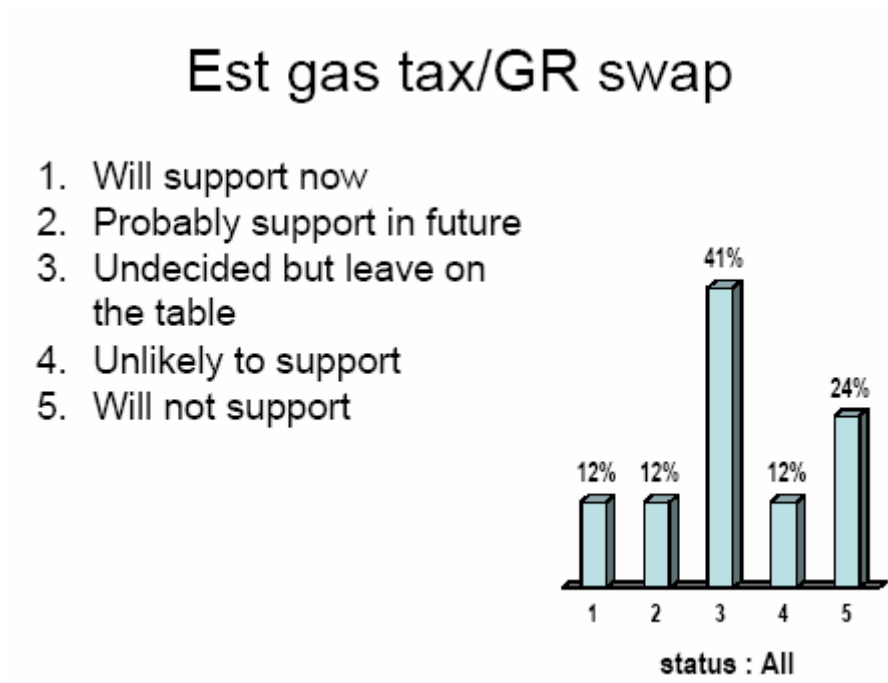


Figure 12: Gas tax– GR swap poll, elected officials only

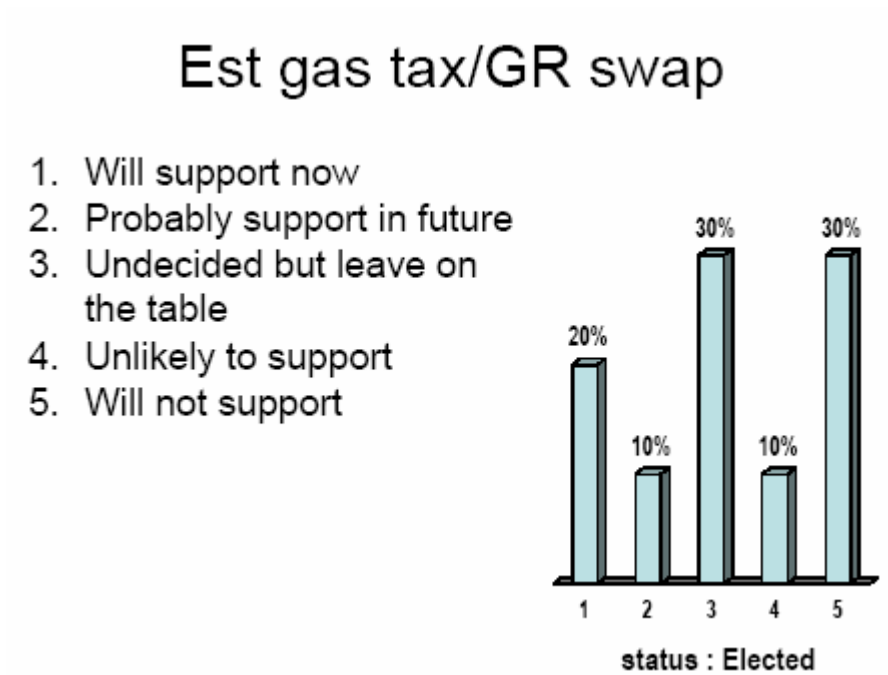


Figure 13: Permit fees/GR swap poll, all policy group members

Increased fees for building permits & do GR swap

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

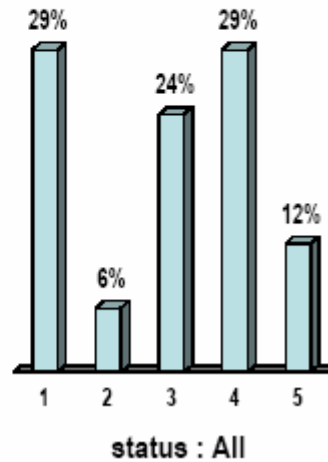


Figure 14: Permit fees/GR swap poll, elected officials only

Increased fees for building permits & do GR swap

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

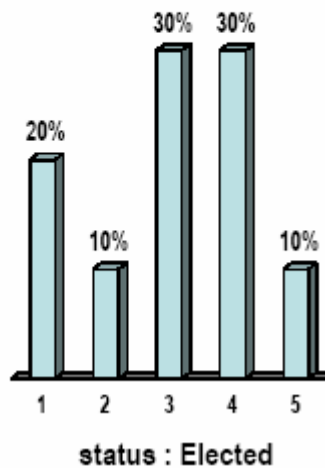


Figure 15: General concept of GR swap poll, all policy group members

Examine other fees/GR swap

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

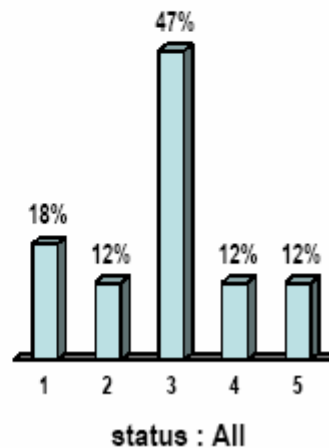


Figure 16: General concept of GR swap poll, elected officials only

Examine other fees/GR swap

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

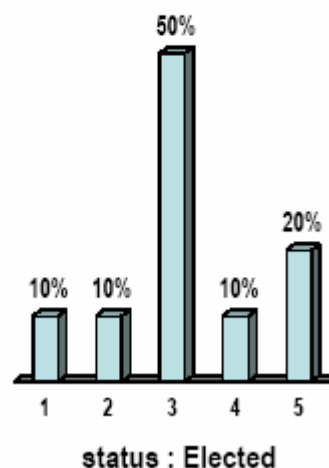


Figure 17: General obligation bonds poll, all policy group members

Issue local General Ob bonds for housing

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

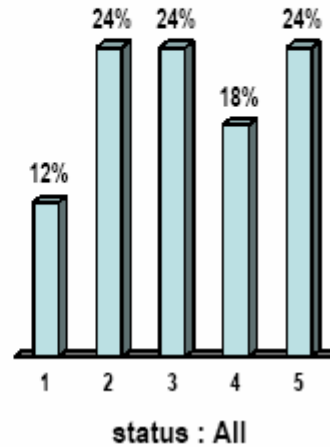


Figure 18: General obligation bonds poll, elected officials only

Issue local General Ob bonds for housing

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

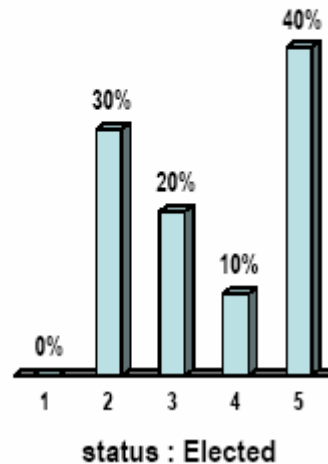


Figure 19: General support for increasing the local option sales tax poll, all policy group members

General sales tax other than Penny for Pinellas

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

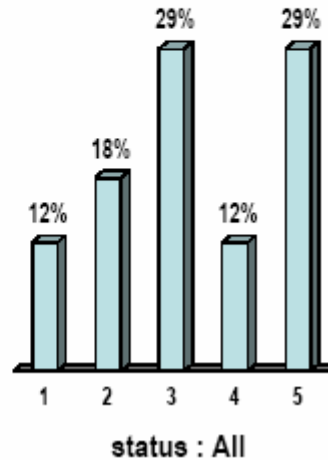


Figure 20: General support for increasing the local option sales tax poll, elected officials only

General sales tax other than Penny for Pinellas

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

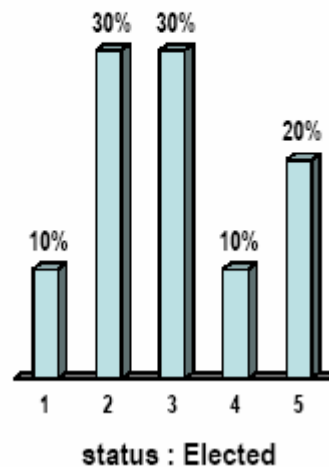


Figure 21: Indigent and Trauma sales tax poll, all policy group members

Portion of Penny for Pinellas

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

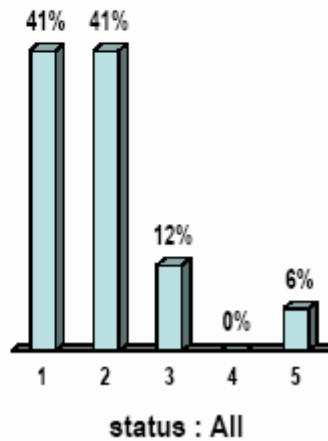


Figure 22: Indigent and Trauma sales tax poll, elected officials only

Portion of Penny for Pinellas

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

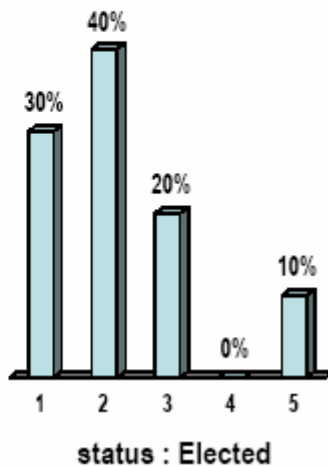


Figure 23: Food and beverage tax poll, all policy group members

Food and beverage tax

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

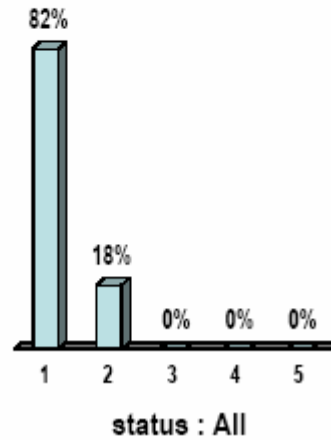


Figure 23: Food and beverage tax poll, elected officials only

Food and beverage tax

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

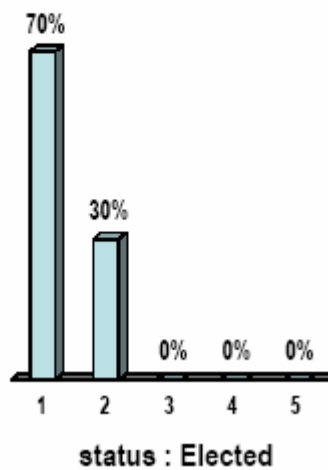


Figure 24: Resort tax poll, all policy group members

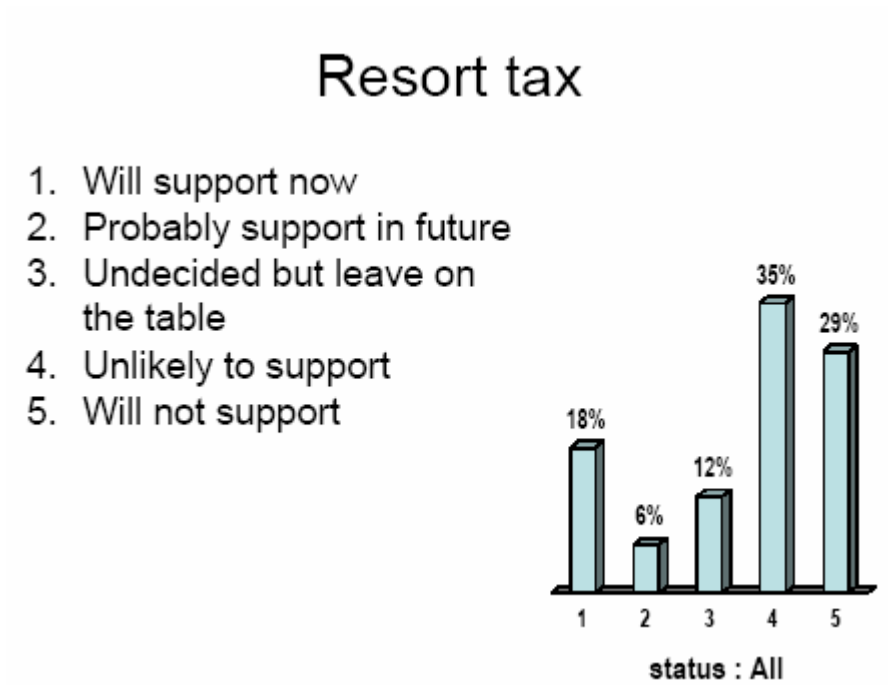


Figure 25: Resort tax poll, elected officials only

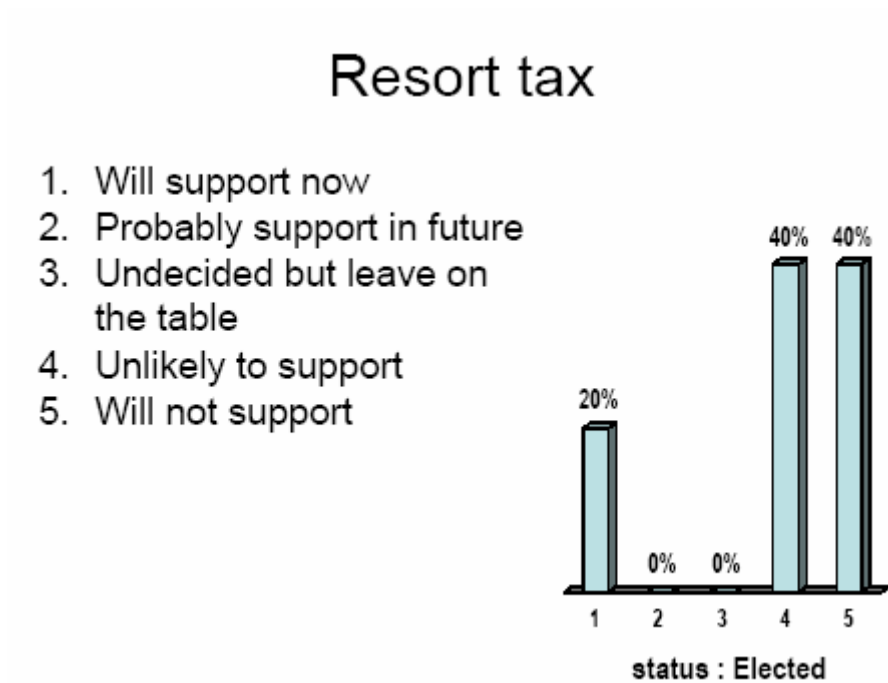


Figure 27: Luxury items tax poll, all policy group members

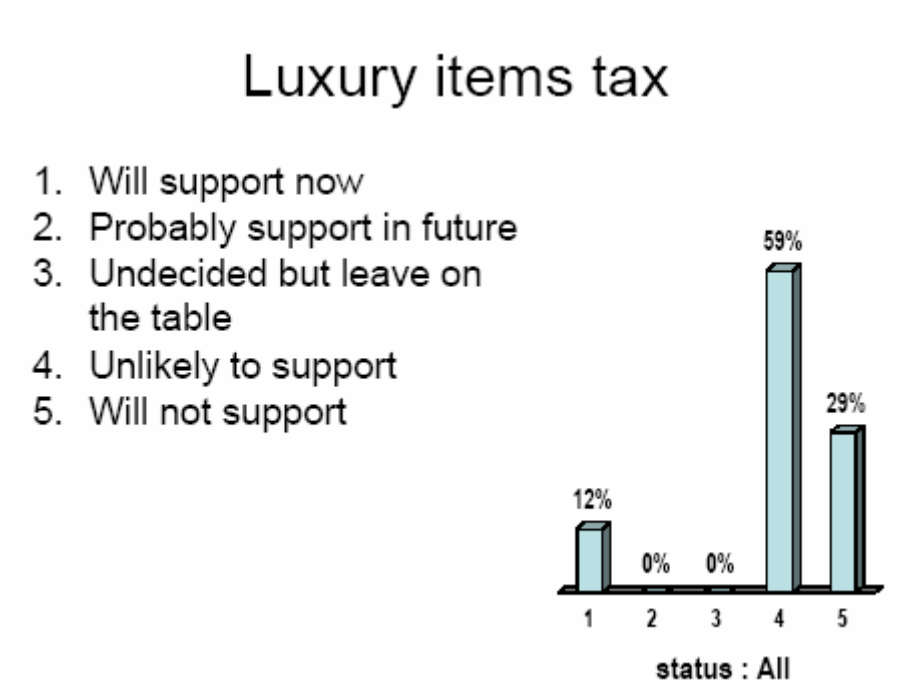


Figure 28: Luxury items tax poll, elected officials only

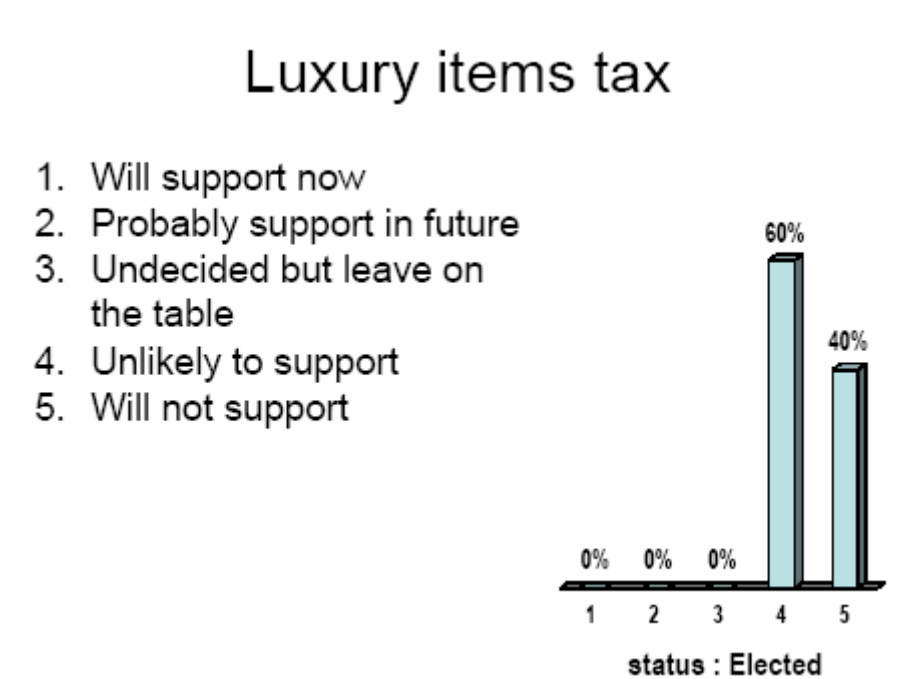


Figure 29: Cigarette and liquor taxes poll, all policy group members

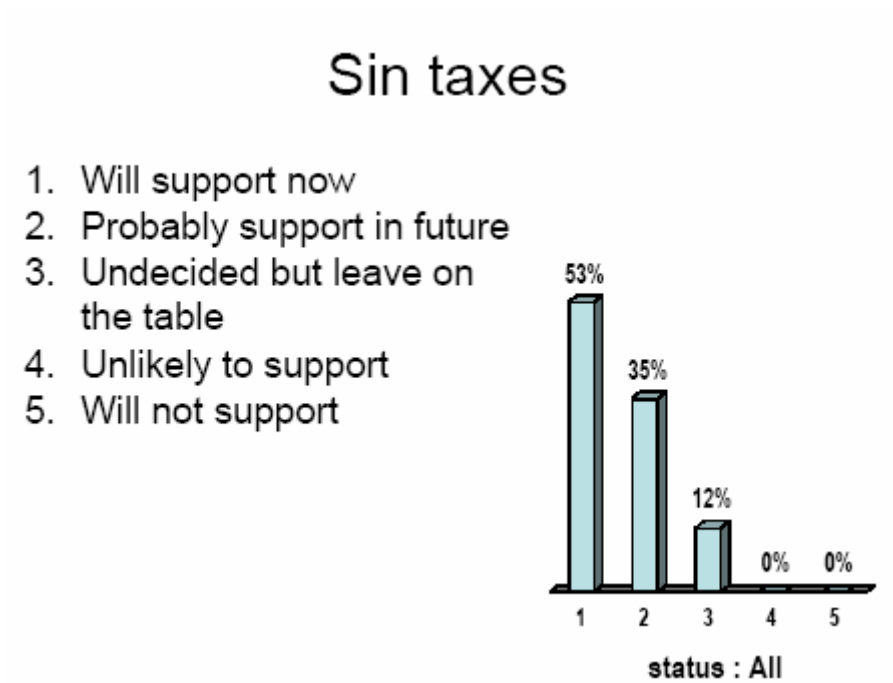


Figure 30: Cigarette and liquor taxes poll, elected officials only

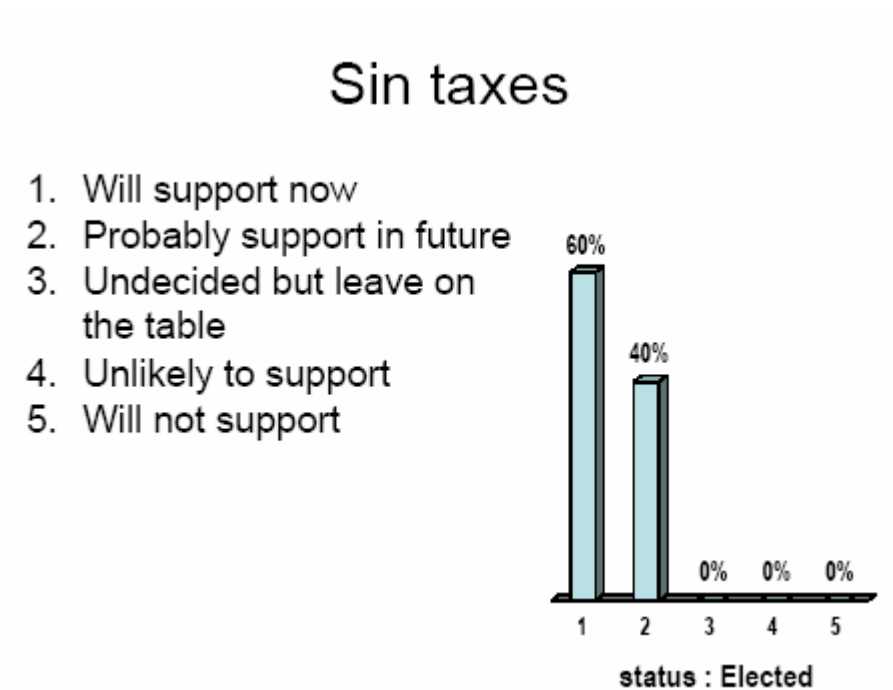


Figure 31: Documentary stamp poll, all policy group members

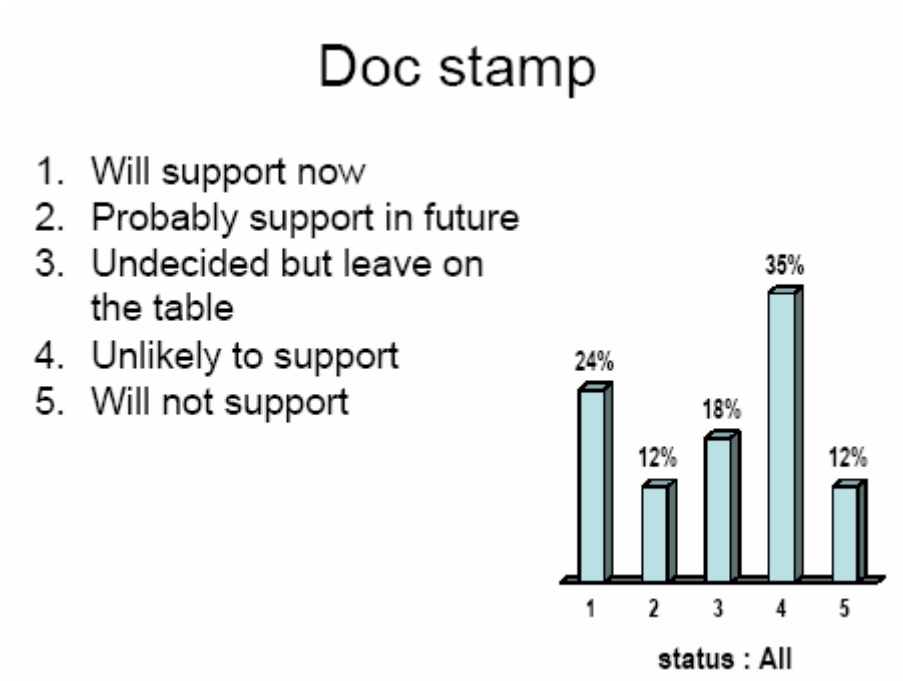


Figure 32: Documentary stamp poll, elected officials only

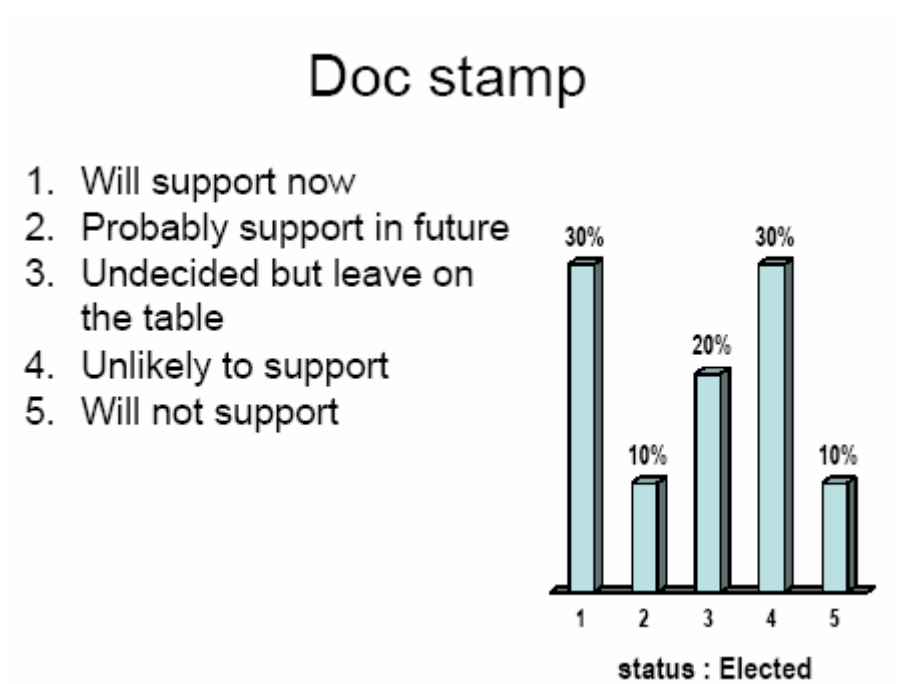


Figure 33: Utility tax poll, all policy group members

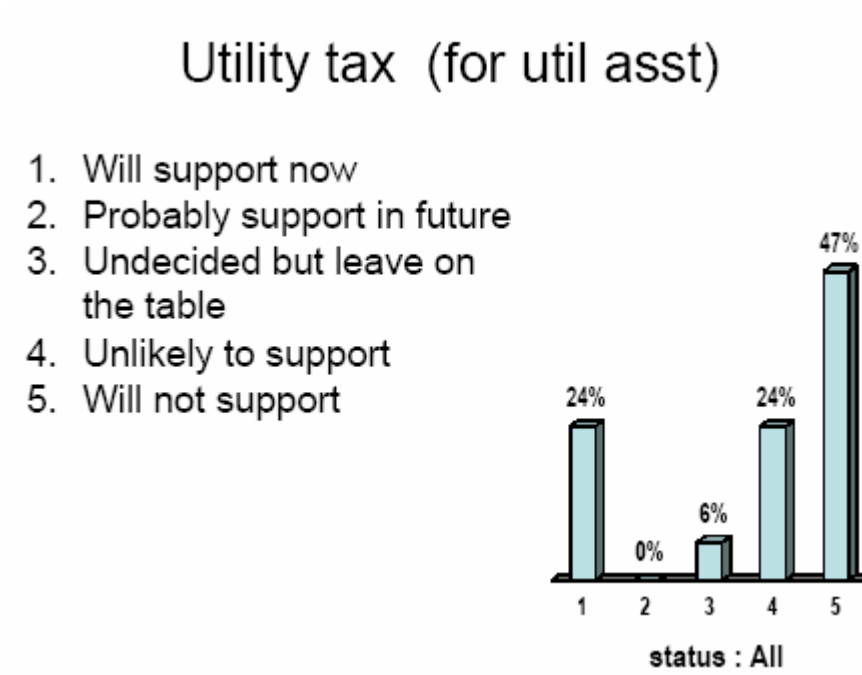


Figure 34: Utility tax poll, elected officials only

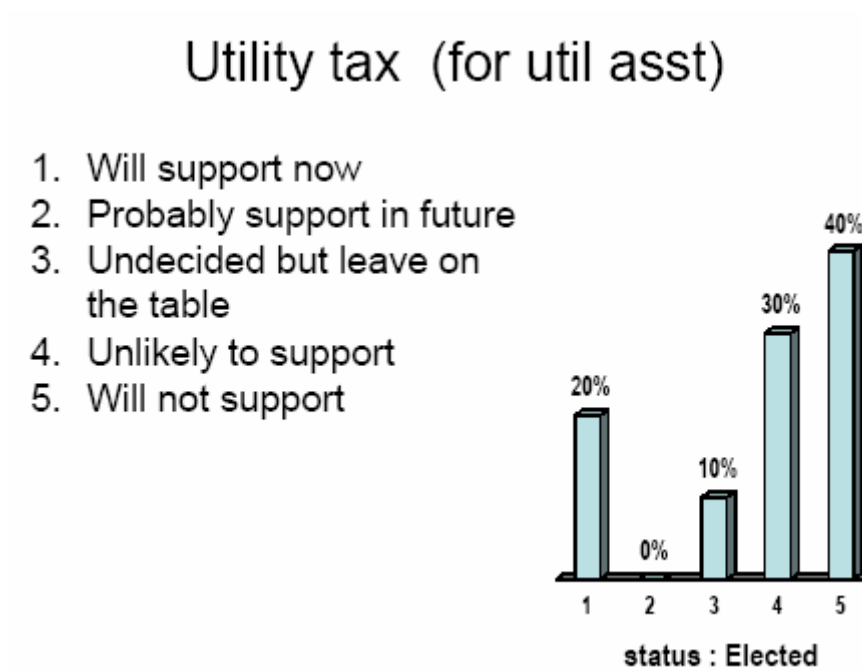


Figure 35: In-lieu fee poll, all policy group members

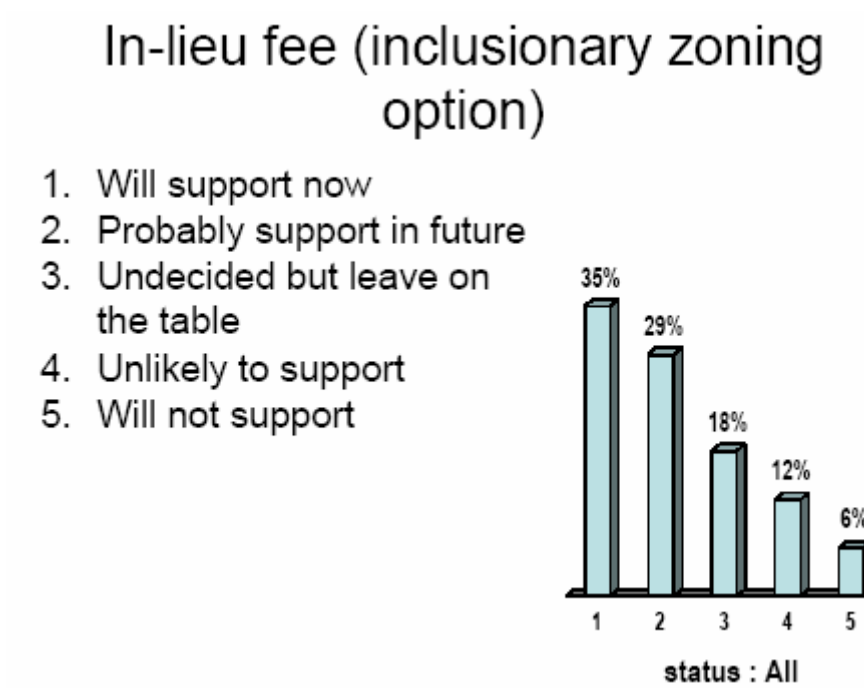


Figure 36: In-lieu fee poll, elected officials only

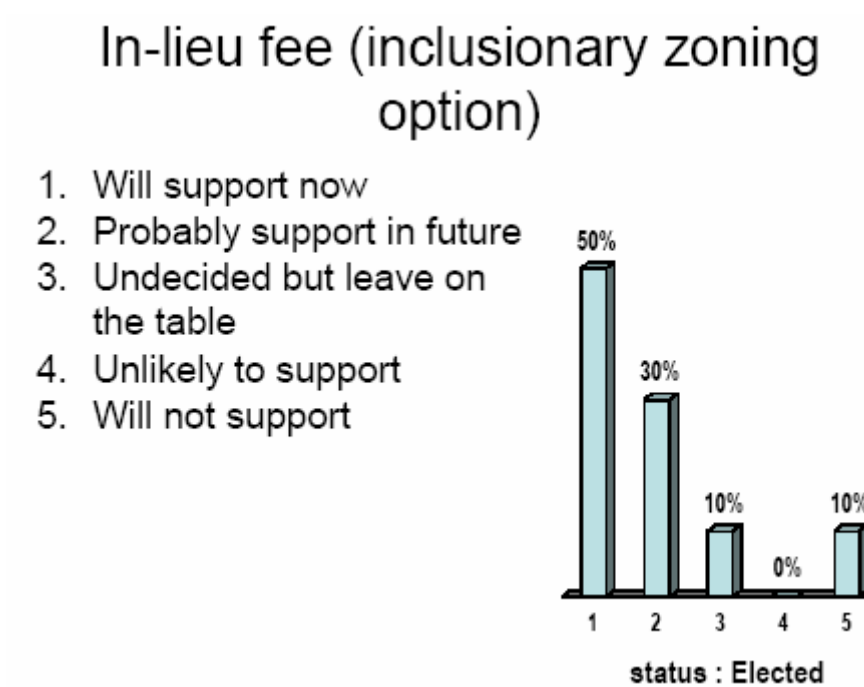


Figure 37: In-lieu fee, coastal areas only poll, all policy group members

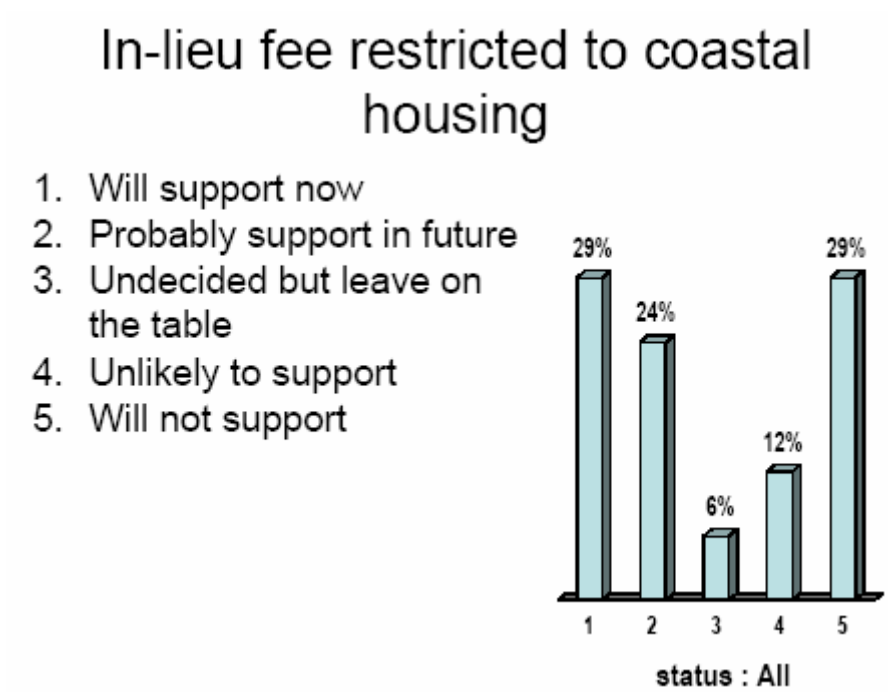


Figure 38: In-lieu fee, coastal areas only, elected officials only

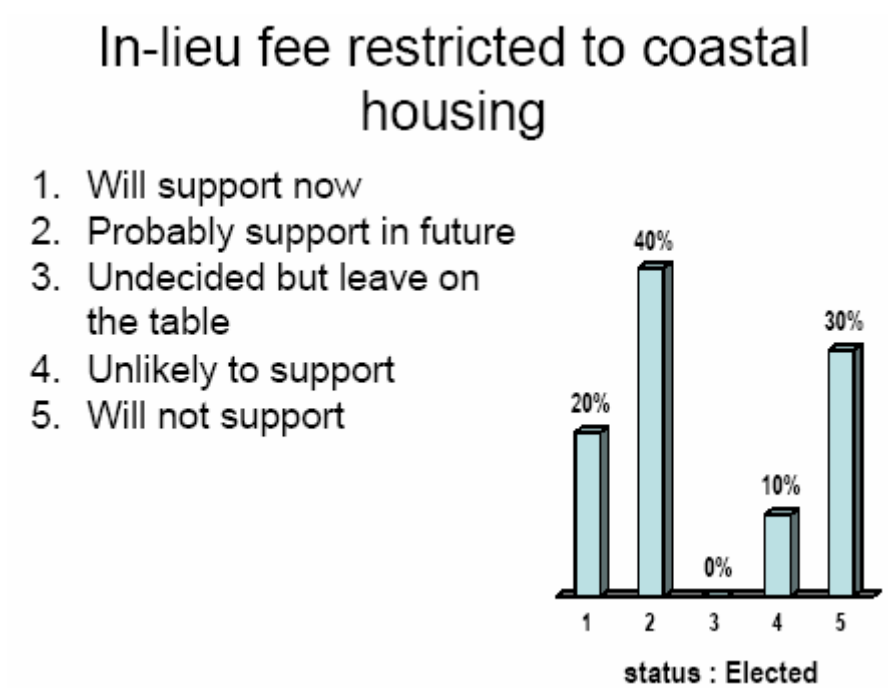


Figure 39: Linkage fee for commercial development poll, all policy group members

Linkage fee for commercial dev.

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

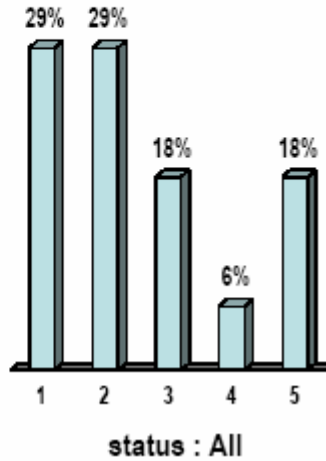


Figure 40: Linkage fee for commercial development poll, elected officials only

Linkage fee for commercial dev.

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

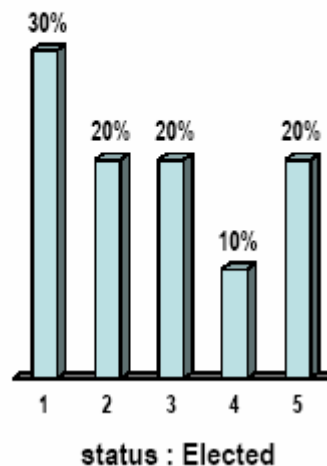


Figure 41: Impact fee poll, all policy group members

Impact fees for attainable housing

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

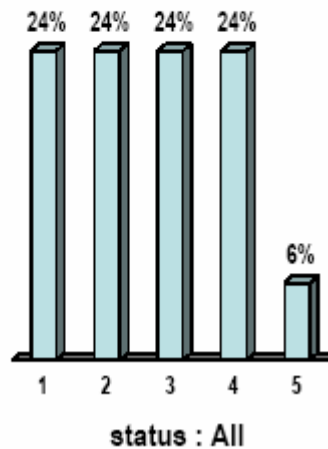


Figure 42: Impact fee poll, elected officials only

Impact fees for attainable housing

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

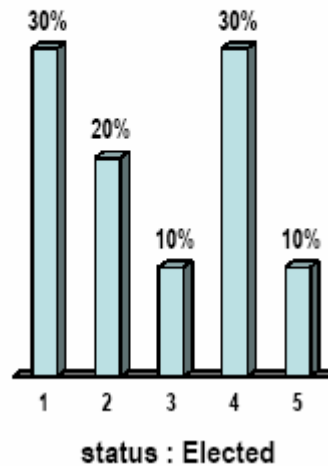


Figure 43: Parking meter fee poll, all policy group members

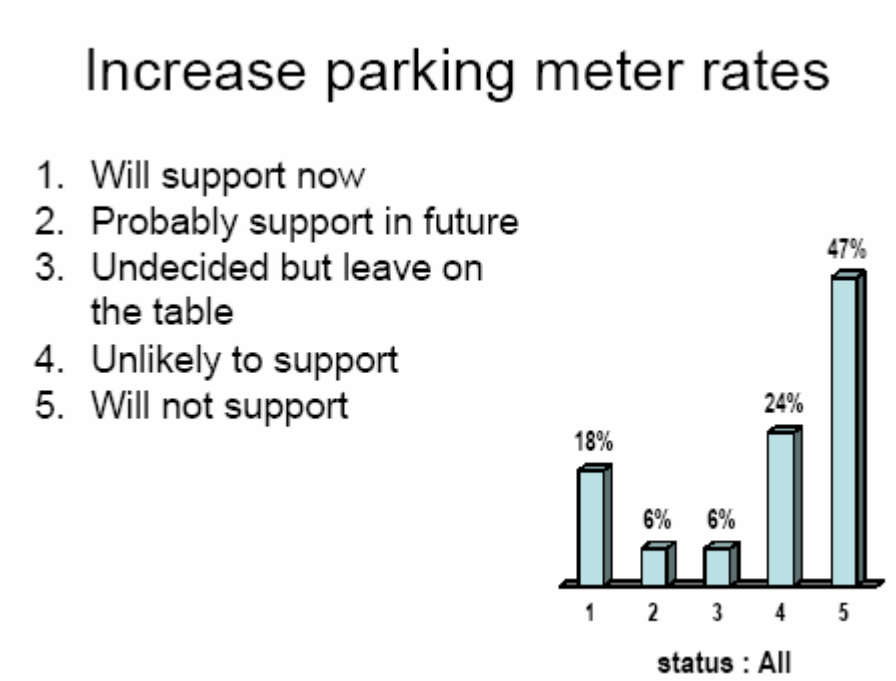


Figure 44: Parking meter fee poll, elected officials only

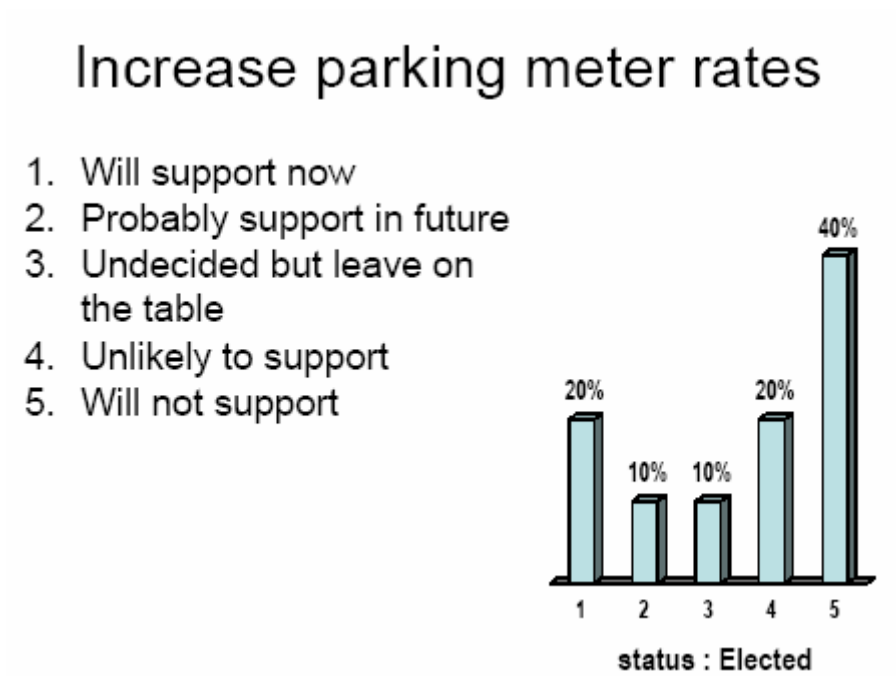


Figure 45: Public parking facilities fees poll, all policy group members

Public Parking Facilities Fee

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

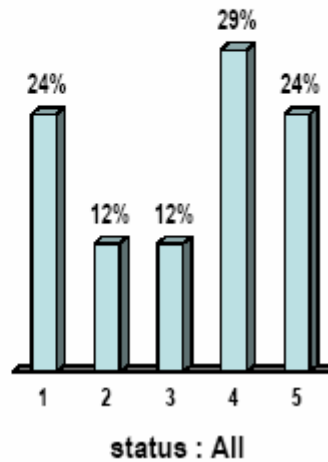


Figure 46: Public parking facilities fees poll, elected officials only

Public Parking Facilities Fee

1. Will support now
2. Probably support in future
3. Undecided but leave on the table
4. Unlikely to support
5. Will not support

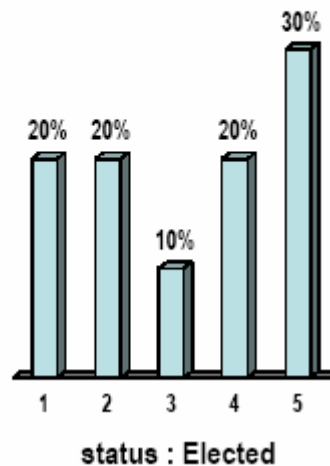


Figure 47: Franchise fee poll, all policy group members

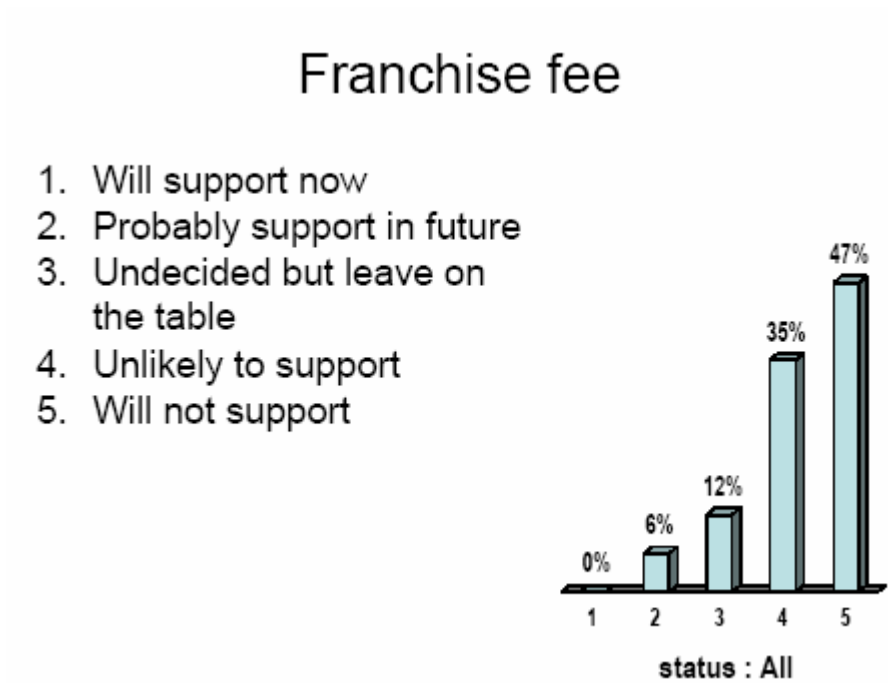
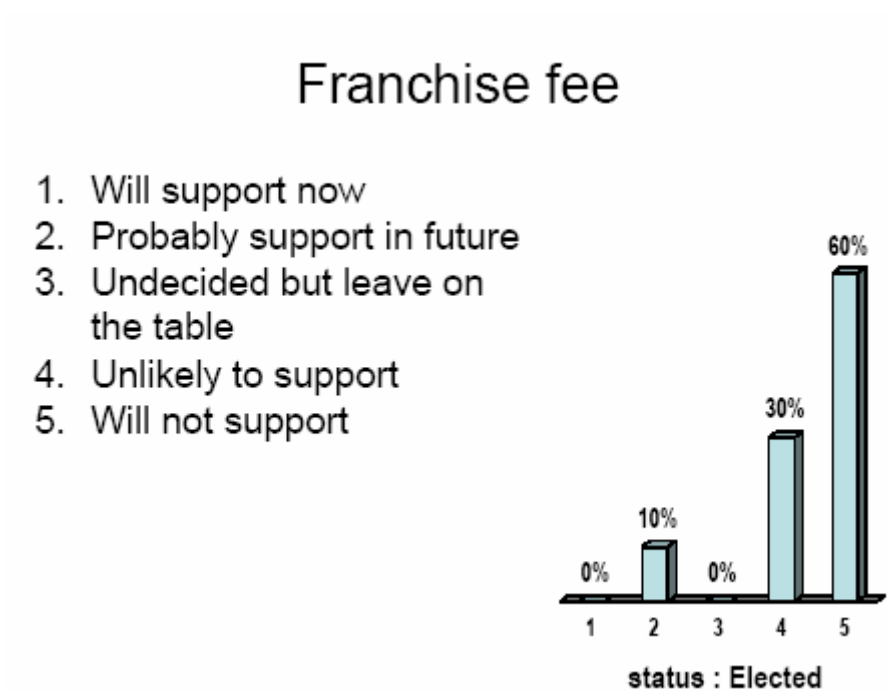


Figure 48: Franchise fee poll, elected officials only



Conclusions

Based on the above data, there are a limited number of options which are viable both from a legal/procedural perspective and from a community acceptance perspective. These options are:

Local option sales tax variants that are most supported and acceptable include a food and beverage tax and an indigent health care and trauma tax when viewed as a portion of the Penny for Pinellas funding. Increasing taxes on cigarettes and liquor are also popular options. There was also moderate support for examining the feasibility of a gas tax/general revenue swap in order to support attainable housing.

In terms of real estate related taxes and fees there is strong support for in-lieu and linkage fees. Additionally there is moderate support for a dedicated to housing documentary stamp tax. Both of these are being actively pursued by Pinellas County Government. There was mixed support for an impact fee, but sufficiently adequate to warrant further research in the area.

Finally, in terms of property taxes, there was no support for an increase in property taxes. However, there was strong support for consideration of a special taxing district focused on health and human services.

Overall, the two strategies with broadest support were a food and beverage tax and a special taxing district.

The next logical question is how much in the way of revenues would be generated from each of these preferred options and how does that compare to what we would need. These analyses are being generated in separate activities.

Appendix A: Taxing options provided by County Attorney's office

CHAPTER 8: LOCAL OPTION SALES TAXES AUTHORIZED BY THE LEGISLATURE

The Legislature has authorized seven local option sales taxes to counties, but has restricted six of them to certain types of counties. For example, only counties with a population of 50,000 or less as of April 1, 1992, may levy the Small County Surtax. See § 212.055(3), Fla. Stat. All seven sales taxes are explained in the narrative detail below. A brief explanation of their similarities is provided in the sections describing the local option sales tax base and the effective date of the levies.

In addition to the seven local sales taxes authorized for counties, the Legislature has also authorized the school boards to levy a 0.5 percent local sales tax. See § 212.055(6), Fla. Stat. The distinctions among the local option sales taxes are detailed in the chart at the end of this discussion.

8.01. The Local Option Sales Tax Base.

Substantially all of the transactions subject to taxation under the state general sales tax law, Chapter 212, Florida Statutes, constitute the local option sales tax base. See § 212.054(2), Fla. Stat. The local option sales tax base extends to all admissions, rentals of property, and sales of items of tangible personal property subject to the state sales tax and the payment for all services taxable under the state sales tax base, including commercial cleaning services, pest control services, and security services. The local option sales tax base applies only to the first \$5,000 of the purchase price of an item of tangible personal property while the state sales tax applies to the entire purchase price regardless of amount. The \$5,000 limitation of the local option sales tax does not apply to payment for services. The \$5,000 cap on other taxable transactions restricts the revenue collections of the local option sales taxes to an amount much lower than the revenues generated by the state general sales tax without

the cap.

8.02. Effective Date of Levies.

Pursuant to legislative directive, a local option sales tax may take effect only on January 1 and may be repealed effective only on December 31. § 212.054(5), Fla. Stat. The county must notify the Department of Revenue within ten days of adoption and no later than November 16th. § 212.054(7), Fla. Stat. Local government failure to provide the notice in a timely manner may result in a one year delay in the effective date of the local sales tax levy.

8.03. The Local Government Infrastructure Surtax.

The Infrastructure Surtax may be levied countywide, with referendum approval; by the governing board of the county or the governing bodies of municipalities representing a majority of the county's municipal population. The Infrastructure Surtax is limited in rate to one-half or one percent.

Duration of tax levy

The duration of the levy of the Infrastructure Surtax may vary depending upon when it was levied. If the tax was levied pursuant to a referendum held prior to July 1, 1993, it may not be levied beyond the time established in the ordinance or, if the ordinance did not limit the period of the levy, the tax may not be levied for more than 15 years. The levy of such tax may be extended only with elector approval. In the event the tax is levied subsequent to June 30, 1993, there is no statutory limit on its duration.

Sharing among the county, municipality and the school board

The tax proceeds must be shared between the county and the municipalities within the county pursuant to an interlocal agreement or pursuant to the half-cent sales tax formula provided in section 218.62, Florida Statutes.

The surtax may also be shared with the school board.

General uses

The Infrastructure Surtax revenue may be used for the purposes enumerated in section 212.055(2), Florida Statutes. The revenues may be used to finance, plan, and construct infrastructure. Additionally, surtax revenues may be used to acquire land for public recreation or conservation or protection of natural resources and to finance the closure of county-owned or municipally-owned solid waste landfills that are already closed or required to close by the order of the Department of Environmental Protection. Fifteen percent of surtax revenues may be expended on economic development activities under certain circumstances. See § 212.055(2) (d) (3), Fla. Stat. The surtax revenue may also be used for expenditures for the construction, lease, maintenance, utilities or security of courthouse facilities, as defined in section 29.008, Florida Statutes. See § 212.055(2) (c), Fla. Stat.

Special uses for small counties and areas of critical state concern

In addition to the general uses outlined above, certain counties and the municipalities within those counties may use the Infrastructure Surtax proceeds for any public purpose after certain conditions are met. The certain counties prescribed by section 212.055(2) (h) include counties with a population of 50,000 on April 1, 1992 ("Small Counties"), and counties designated as an area of critical state concern. These counties and the municipalities within those counties may use the surtax proceeds for any public purpose if the following conditions are met:

- Debt service obligations are met;
- The county's comprehensive plan is in compliance with the Growth Management Act; and
- The county adopted an amendment to the ordinance levying the surtax.

Counties that are designated areas of critical state concern may not expend more than ten percent of the Infrastructure Surtax proceeds for any public purpose other than infrastructure-needs. § 212.055(2) (f) (3), Fla. Stat.

Parks and recreational uses

The Legislature has authorized certain defined counties and municipalities to use the Infrastructure Surtax proceeds for the operation and maintenance of parks and recreation programs and facilities established with the proceeds of the surtax. §212.055(2) (g), Fla. Stat. The eligible counties are those with a population greater than 75,000 in which the taxable value of the real property is less than 60 percent of the just value of the real property. All municipalities within the eligible counties also qualify for the parks and recreational uses of the Infrastructure Surtax.

Other special uses for charter counties

Charter counties may use the revenue for the additional purpose of retiring bonds issued prior to July 1, 1987 and for bonds issued to refund such bonds. See § 212.055(2) (d) (1), Fla. Stat.

Rate limitations

The Infrastructure Surtax may be levied at a rate of one-half or one percent. The combined rate of all the local sales taxes may not exceed one percent, omitting the Charter County Transit System Surtax from this calculation limitation.

Legal authority

Section 212.055(2), Florida Statutes.

8.04. Indigent Care and Trauma Center Surtax for Certain Large Counties.

The Legislature has authorized counties with a population above 800,000, except for consolidated counties (Duval) and counties authorized to levy a . County Public Hospital Surtax (Miami-Dade), to levy a one-half percent local sales tax to fund indigent health care and trauma center care. Four counties currently meet the Surtax qualifications: Broward County, Hillsborough County, Palm Beach County and Pinellas County. The Indigent Care Surtax may be adopted by extraordinary vote of the governing board members or with referendum approval.

Limitations on uses

The Legislature has required the levying county to develop a detailed health care plan and to meet certain other requirements. See § 212.055(4), Fla. Stat. Further, the revenue must be shared with a certain type of trauma center. See § 212.055(4) (c), Fla. Stat.

Limitations on rate

The Legislature authorized the rate to be one-half percent and limited the combined rate of all the local sales taxes to one percent, omitting the Charter County. Transit System Surtax from this limitation.

Legal authority

Section 212.055(4) (a), Florida Statutes.

8.05. Indigent Care and Trauma Care Surtax for Counties with a Population of Fewer Than 800,000.

Effective July 1, 2004, counties with a population of fewer than 800,000 may seek referendum approval of a surtax for the purpose of funding trauma care services provided by a licensed trauma center.

Limitations on rate

The rate is limited to 0.25 percent. The combined rate of this Surtax and the other surtaxes except the charter county transit surtax may not exceed one percent.

Duration of tax levy

The surtax expires four years after the effective date of the surtax, unless reapproved by referendum.

Legal authority

Section 212.055(4) (b), Florida Statutes.

8.06. County Public Hospital Surtax.

Miami-Dade County is authorized to levy a one-half percent sales tax by extraordinary vote of the governing board of the county or by referendum approval. The revenues of the tax may be expended only to fund the operation, maintenance and administration of the county public general hospital. The county is required to continue to expend other county funds for the hospital in an amount equal to at least 80 percent of its 1990-1991 fiscal years' budgeted amount allocated to the county hospital. The revenues are not required to be shared with municipalities, but the revenues must be shared with an independent agency providing health care. However, the requirement to share the surtax revenue with the independent agency has been declared an unconstitutional special act. See Homestead Hosp. Inc. v. Miami-Dade County, 829 So. 2d 259 (Fla. 2002).

Limitations on rate

The Legislature authorized the rate to be one-half percent and limited the combined rate of all the local sales taxes to one percent, omitting the Charter County Transit System Surtax from this calculation.

Duration of tax levy

The Legislature did not limit the duration of the County Public Hospital Surtax levy.

Legal authority

Section 212.055(5), Florida Statutes.

8.07. Charter County Transit System Surtax.

Base and rates

Each county which adopted a charter prior to January 1, 1984; each county whose government is consolidated with one or more municipalities; and each county as defined in section 125.011(1), Florida Statutes, may levy a discretionary sales surtax of up to one percent. The eligible counties are Miami-Dade County, Duval County, Broward County, Hillsborough County, Pinellas County, Sarasota County, and Volusia County. This surtax is subject to approval of the majority vote of the electorate of the county or by a charter amendment approved by a majority of the electorate of the county.

Limitations

The proceeds from the surtax must be: (a) Used for purposes of the development, construction, equipment, maintenance, operation, supportive services, including a countywide bus system, and related costs of a fixed guideway rapid transit system; or
(b) Used for the development, construction, operation, or maintenance of

roads or bridges in the county, for the operation and maintenance of a bus and fixed guideway system, or for the payment of principal and interest on existing bonds issued for the construction of such system or roads or bridges. The proceeds may also be pledged for bonds issued to refinance existing bonds or new bonds issued. The charter county may enter into an interlocal agreement for distribution of surtax revenue to a municipality or an expressway or transportation authority; (c) In Miami-Dade County, used for the development, construction, operation, or maintenance of roads or bridges in the county, for the operation and maintenance of a bus and fixed guideway system, or for the payment of principal and interest on existing bonds issued for the construction of such system or roads or bridges. The proceeds may also be pledged for bonds issued to refinance existing bonds or new bonds issued. The charter county may enter into an interlocal agreement for distribution of surtax revenue to a municipality or an expressway or transportation authority. However, Miami-Dade County may not expend more than 25 percent of the surtax revenues on non-transit related purposes.

Legal authority

Section 212.055(1), Florida Statutes.

8.08. Small County Surtax.

Small counties may levy a one-half or one percent sales tax denominated the Small County Surtax. "Small Counties" are defined as counties with a population of 50,000 or less on April 1, 1992.

Method of imposition

The method of imposition depends on the uses of the revenue. The Small County Surtax *may* be imposed by county ordinance upon extraordinary vote of

the members of the governing board, if the revenue will be used for "operating purposes" or any other public purpose except servicing bonded indebtedness. "Extraordinary vote" is not defined, but is apparently intended to mean a majority plus one member of the governing board.

If the Small County Surtax revenues are to be used to service bonded indebtedness, the surtax must be approved by referendum and, it appears, by extraordinary vote of the governing board.

Revenue shared with municipalities

Regardless of whether the Small County Surtax is imposed by referendum or solely by the governing *body of the county*, the revenue must be shared with municipalities and *may* also be shared with the school *board*. The revenue sharing formula *may* be determined by either an interlocal agreement with the municipalities that represent a *majority of the county's* municipal population, or the half-cent sales tax formula that is provided in section 218.62, Florida Statutes.

Uses of the revenue

If approved by referendum, the *tax* revenues *may* be used for "servicing *bonded* indebtedness to finance, plan, and construct infrastructure and to acquire *land* for public recreation or conservation or protection of *natural* resources." These uses are similar to those provided in the Local Government Infrastructure Surtax.

If not subjected to referendum approval, which is solely within the governing body's discretion, the revenue *may* not be pi edged to retire bonded indebtedness, but *may* be used "for any public purpose authorized in the ordinance under which the surtax is levied." There is no requirement that the comprehensive plan be approved prior to using the revenue for operating expenses, as is required with the Infrastructure Surtax.

Duration of tax levy

There are no statutory limits on the duration of the levy.

Rate limitations

The Legislature authorized the *rate to* be either one-half or one percent, but limited the combined *rate* for all the local *sales taxes* to one percent, except *for* the Charter County Transit System Surtax, which Small Counties have *no* authority to levy.

Legal authority

Section 212.055(3), Florida Statutes.

8.09. Voter-Approved Indigent Care Surtax.

Effective July 1, 2004, counties with a population of 800,000 and less may seek referendum approval of surtax for the purpose of funding indigent health care.

Limitations on rate

For counties with a public ally supported medical school, the rate may be one half or one percent. For all other counties with a population of 800,000 or less, the rate is limited to 0.5 percent. The combined rate of this Surtax and the other surtaxes may 'not exceed one percent, except in counties with a publicly supported medical school where the rate may not exceed a combined rate of 1 .5 percent.

Duration of tax levy

There are no statutory limits on the duration of the levy. However, the authority to levy this surtax sunsets on October 1, 2005, and will be

repealed on that date unless reenacted by the Legislature prior to that date. See § 11, Ch. 2000-312, Laws of Fla.

Legal authority

Section 212.055(7), Florida Statutes.