

1 Introduced by Council President at the Request of the Mayor:
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4 **ORDINANCE 2021-**

5 AN ORDINANCE AMENDING CHAPTER 799 (LOCAL
6 OPTION GAS TAX), ORDINANCE CODE, TO: (1)
7 EXTEND THE SIX-CENT LOCAL OPTION GAS TAX FOR A
8 10 YEAR PERIOD BEGINNING SEPTEMBER 1, 2036,
9 AND CONTINUING THROUGH AUGUST 31, 2046; (2)
10 PROVIDE FOR THE LEVY OF A FIVE-CENT LOCAL
11 OPTION GAS TAX ("5-CENT LOCAL OPTION GAS TAX")
12 IN DUVAL COUNTY FOR A PERIOD OF THIRTY (30)
13 YEARS COMMENCING JANUARY 1, 2022; AND (3)
14 PROVIDE FOR THE LEVY OF A ONE-CENT LOCAL
15 OPTION GAS TAX ("9TH-CENT LOCAL OPTION GAS
16 TAX") IN DUVAL COUNTY FOR A PERIOD OF THIRTY
17 (30) YEARS, COMMENCING JANUARY 1, 2022;
18 AMENDING SECTION 761.107 (COMMITTEES), CHAPTER
19 761 (THE BETTER JACKSONVILLE PLAN), ORDINANCE
20 CODE, TO PROVIDE FOR THE BETTER JACKSONVILLE
21 PLAN FINANCIAL ADMINISTRATION COMMITTEE AND
22 PROJECT ADMINISTRATION COMMITTEE TO PROVIDE
23 REPORTING OF REVENUES AND EXPENDITURES
24 REGARDING THE LOCAL OPTION GAS TAXES TO
25 COUNCIL ON AN ANNUAL BASIS, AND EXPANDING THE
26 MEMBERSHIP OF EACH COMMITTEE; APPROVING AND
27 AUTHORIZING THE MAYOR, OR HIS DESIGNEE, AND
28 THE CORPORATION SECRETARY TO EXECUTE: (1) AN
29 INTERLOCAL AGREEMENT BETWEEN THE CITY OF
30 JACKSONVILLE AND THE JACKSONVILLE
31 TRANSPORTATION AUTHORITY FOR ALLOCATION OF THE
32 ADDITIONAL TEN YEARS OF THE SIX-CENT LOCAL

1 OPTION GAS TAX, THE 5-CENT LOCAL OPTION GAS
2 TAX AND THE 9TH-CENT LOCAL OPTION GAS TAX
3 (COLLECTIVELY, THE "LOCAL OPTION GAS TAXES");
4 AND (2) AN AMENDED AND RESTATED INTERLOCAL
5 AGREEMENT AMONG THE CITY, THE CITY OF
6 JACKSONVILLE BEACH, THE CITY OF ATLANTIC
7 BEACH, THE CITY OF NEPTUNE BEACH AND THE TOWN
8 OF BALDWIN TO PROVIDE FOR THE DISTRIBUTION
9 FORMULA FOR DIVIDING THE PROCEEDS OF THE
10 PROPOSED LOCAL OPTION GAS TAXES; PROVIDING FOR
11 FILING WITH THE FLORIDA DEPARTMENT OF STATE;
12 PROVIDING AN EFFECTIVE DATE.

13
14 **BE IT ORDAINED** by the Council of the City of Jacksonville:

15 **Section 1. Amending Chapter 799 (Local Option Gas Tax),**
16 **Ordinance Code.** Chapter 799 (Local Option Gas Tax), *Ordinance Code*,
17 is hereby amended to read as follows:

18 **CHAPTER 799. Local Option Gas Taxes.**

19 **Part 1 - Six-Cent Local Option Gas Tax**

20 **Sec. 799.101. Tax imposed; limitation.**

21 There is hereby imposed a tax, hereinafter known as the six-
22 cent local option gas tax, in the amount of six cents upon every
23 gallon of motor fuel and special fuel sold in the General Services
24 District and taxed under the provisions of F.S. Ch. 206. This tax
25 shall be effective on September 1, 2016 and shall continue through
26 August 31, ~~2036~~ 2046.

27 * * *

28 **Sec. 799.106. Distribution of tax proceeds.**

29 The proceeds of the local option gas tax shall be distributed among
30 the City and Urban Services Districts Two, Three, Four and Five, to the
31 extent that they are each eligible to receive a distribution, based upon
32 the percentage amount calculated by dividing the latest annual population

total for each such governmental unit, as calculated and certified annually by the State Department of Administration, by the latest annual population total of Duval County as likewise calculated and certified. This percentage amount shall be revised annually during the term of the tax as the population figures calculated and certified by the Department of Administration are revised. The Council Auditor shall provide the State Department of Revenue with the distribution proportions prior to August 15 of each year the tax is in effect; if a dispute shall arise with respect to the determination of distribution proportions as provided in F.S. § 336.025(5)(b), the tax proceeds shall be paid into the Local Option Gas Tax Trust Fund without distribution and held in escrow until the dispute is resolved. The City's share of proceeds from the six-cent local option gas tax shall be distributed between the City of Jacksonville and the JTA pursuant to the Interlocal Agreement between the City and JTA authorized by Ordinance 2021- -E. In the event the local municipalities do not enter into an Amended and Restated Interlocal Agreement authorized by Ordinance 2021- -E, the proceeds of the six-cent local option gas tax, as to the August 31, 2036 through August 31, 2046 time frame shall be disbursed based on the transportation expenditures of each eligible local municipality for the immediately preceding 5 fiscal years, as a proportion of the total of such expenditures for the county and all municipalities within the county, consistent with Chapter 336.025, Florida Statutes.

* * *

Part 2. - Five-Cent Local Option Gas Tax.

Sec. 799.201. - Tax imposed; limitation.

There is hereby imposed a tax, hereinafter known as the five-cent local option gas tax, in the amount of five cents upon every gallon of motor fuel sold (exclusive of diesel fuel) in the General Services District and taxed under the provisions of F.S. Ch. 206. This tax shall be effective on January 1, 2022 and shall continue

1 through December 31, 2052.

2 **Sec. 799.202. - Manner of collection.**

3 The five-cent local option gas tax shall be collected by the
4 State Department of Revenue in the same manner as other gas taxes
5 are collected pursuant to F.S. Ch. 206 and, when received by the
6 City, shall be credited to the Local Option Gas Tax Trust Fund
7 created by Section 111.515, Ordinance Code.

8 **Sec. 799.203. - Purpose of tax.**

9 The five-cent local option gas tax shall be utilized only for
10 transportation expenditures, as that term is set forth in F.S. §
11 336.025(1)(b)(3), as defined in F.S. § 336.025(7) and as
12 appropriated from time to time by the Council.

13 **Sec. 799.204. - Legislative authority.**

14 This Chapter is enacted pursuant to the authority contained in
15 F.S. § 336.025.

16 **Sec. 799.205. - Territorial application.**

17 This Chapter shall apply throughout the General Services
18 District. The City is exercising its powers as a County in the
19 enactment of this Chapter and the imposition of the five-cent local
20 option gas tax, pursuant to the authority contained in Section 3.01
21 of the Charter.

22 **Sec. 799.206. - Distribution of tax proceeds.**

23 The proceeds of the five-cent local option gas tax shall be
24 distributed among the City and Urban Services Districts Two, Three,
25 Four and Five, to the extent that they are each eligible to receive
26 a distribution, based upon the percentage amount calculated by
27 dividing the latest annual population total for each such
28 governmental unit, as calculated and certified annually by the
29 State Department of Administration, by the latest annual population
30 total of Duval County as likewise calculated and certified. This
31 percentage amount shall be revised annually during the term of the
32 tax as the population figures calculated and certified by the

1 Department of Administration are revised. The Council Auditor shall
2 provide the State Department of Revenue with the distribution
3 proportions prior to August 15 of each year the tax is in effect;
4 if a dispute shall arise with respect to the determination of
5 distribution proportions as provided in F.S. § 336.025(5)(b), the
6 tax proceeds shall be paid into the Local Option Gas Tax Trust Fund
7 without distribution and held in escrow until the dispute is
8 resolved. In the event the local municipalities do not enter into
9 an Amended and Restated Interlocal Agreement as authorized by
10 Ordinance 2021- -E, the proceeds of the five-cent local option
11 gas tax shall be disbursed based on the transportation expenditures
12 of each eligible local municipality for the immediately preceding 5
13 fiscal years, as a proportion of the total of such expenditures for
14 the county and all municipalities within the county, consistent
15 with Chapter 336.025, Florida Statutes. The City's share of
16 proceeds from the five-cent local option gas tax shall be
17 distributed between the City and the JTA pursuant to the Interlocal
18 Agreement between the City and JTA authorized by Ordinance 2021-
19 -E.

20 **Sec. 799.207. - Use of City's share of five-cent local option**
21 **gas tax.**

22 Proceeds from the five-cent local option gas tax shall be used
23 by the City, eligible municipalities within Duval County and JTA
24 only for transportation expenses as authorized and defined in
25 Section 336.025(7), Florida Statutes.

26 **Part 3. - 9th-Cent Local Option Gas Tax.**

27 **Sec. 799.301. - Tax imposed; limitation.**

28 There is hereby imposed a tax, hereinafter known as the 9th-
29 cent local option gas tax, in the amount of one cent upon every
30 gallon of motor fuel sold in the General Services District and
31 taxed under the provisions of F.S. Ch. 206. This tax shall be
32 effective on January 1, 2022 and shall continue through December

1 31, 2052.

2 **Sec. 799.302. - Manner of collection.**

3 The 9th-cent local option gas tax shall be collected by the
4 State Department of Revenue in the same manner as other gas taxes
5 are collected pursuant to F.S. Ch. 206 and, when received by the
6 City, shall be credited to the Local Option Gas Tax Trust Fund
7 created by Section 111.515, Ordinance Code.

8 **Sec. 799.303. - Purpose of tax.**

9 The 9th-cent local option gas tax shall be utilized only for
10 transportation expenditures, as that term is defined in F.S. §
11 336.025(7) as appropriated from time to time by the Council.

12 **Sec. 799.304. - Legislative authority.**

13 This Chapter is enacted pursuant to the authority contained in
14 F.S. Ch. §§ 206.41, 206.87 and 336.021.

15 **Sec. 799.305. - Territorial application.**

16 This Chapter shall apply throughout the General Services
17 District. The City is exercising its powers as a County in the
18 enactment of this Chapter and the imposition of the 9th-cent local
19 option gas tax, pursuant to the authority contained in Section 3.01
20 of the Charter.

21 **Sec. 799.306. - Distribution of tax proceeds.**

22 The proceeds of the 9th-cent local option gas tax shall be
23 distributed between the City and JTA on a 50/50 basis, pursuant to
24 the Interlocal Agreement between the City and JTA as authorized by
25 Ordinance 2021- -E.

26 **Sec. 799.307. - Use of 9th-cent gas tax.**

27 Proceeds from the 9th Cent Gas Tax shall be used by the County
28 and JTA only for transportation expenses as defined in Section
29 336.025, Florida Statutes.

30 **Section 2. Amending Section 761.107 (Committees), Chapter**
31 **761 (The Better Jacksonville Plan), Ordinance Code. Section 761.107**
32 **(Committees), Chapter 761 (The Better Jacksonville Plan), Ordinance**

Code, is hereby amended to read as follows:

CHAPTER 761. THE BETTER JACKSONVILLE PLAN.

* * *

Sec. 761.107. Committees.

(a) The FAC shall consist of the Managing Director of JEA, the Chief Administrative Officer of the City, or their respective designees, and a citizen within the financial business community of the City ~~who shall not be associated with any of the financial components of The Better Jacksonville Plan, including auditing or bonding;~~ in the alternative, a citizen who has had involvement in municipal, County or other governmental financing. In addition, five ~~two~~ private citizens who are residents of the City who are not affiliated with or employed by any business or occupation that would be involved in the implementation of The Better Jacksonville Plan Projects shall serve as members. Such involvement includes financing, planning, real estate, design, construction or other similar businesses or occupations. Two of said citizen members of the FAC shall be appointed by the Mayor (one of whom shall be the citizen within the financial business community of the City) and confirmed by Council, two shall be appointed by Council, and two shall be recommended by JTA to be confirmed by Council, in each case, for a five-year term ~~All of said citizen members of the FAC shall be appointed by the Mayor, and confirmed by the Council, for a five-year term~~ with the possibility of serving one additional five-year term in the discretion of the Mayor and confirmation by the Council; provided however, the citizen members shall serve no more than two full terms. The Council Auditor, or designee, shall be a nonvoting member. The FAC shall meet at the call of the Chair or any member, but no less than quarterly. The Chair shall rotate on an annual basis, commencing with the City's Chief Administrative Officer. The Council Auditor, or designee, and the citizen members shall not be eligible to serve as Chair. The FAC shall determine

1 and assess the general conditions of the market for municipal bonds
2 and notes (including opportunities for the efficient use of bond
3 anticipation notes, other bridge financing and refunding bonds),
4 and other appropriate financial markets, including advice regarding
5 advantageous maturities and maturity structures, sinking fund and
6 defeasance provisions, interest rate provisions, redemption
7 provisions, credit enhancement opportunities, interest rate hedging
8 opportunities, method of sale, investment opportunity and similar
9 matters. The FAC shall take into account the effect of the terms of
10 each series to be issued on all of The Better Jacksonville Plan
11 Projects in order that The Better Jacksonville Plan, as an
12 entirety, may be efficiently financed. The foregoing sentence shall
13 apply equally to any series of refunding bonds issued to refund any
14 bonds, which refunding bonds may only be issued with the unanimous
15 consent of FAC or the Mayor, as provided as follows: It is intended
16 that the issuance of bonds be provided in a manner necessary to
17 provide funds for The Better Jacksonville Plan Projects on a timely
18 basis when such projects are ready to be commenced. The FAC shall
19 meet as determined by the Chair or at the request of an individual
20 member for the purpose of coordinating the respective needs of the
21 City for the issuance of bonds with the intent that each series of
22 bonds be sized and structured in the most efficient manner
23 possible. The timing and amount of each series of bonds shall be as
24 executed by the City to timely construct The Better Jacksonville
25 Plan Projects. Upon dissent of any voting member of the FAC, as to
26 matters involving the issuance of bonds, the final determination,
27 on such issuance, will be made by the Mayor after review of
28 supportive documentation given to the Mayor and any dissenting FAC
29 member.

30 (b) The PAC shall consist of the Executive Director of the
31 Jacksonville Transportation Authority, the City's Director of
32 Public Works and the Managing Director of JEA or their respective

1 designees. In addition, ~~six~~^{two} private citizens who are residents
2 of the City and who are not affiliated with or employed by any
3 business or occupation that would be involved in the implementation
4 of The Better Jacksonville Plan Projects shall serve as members.
5 Such involvement includes financing, planning, real estate, design,
6 construction or other similar businesses or occupations. Two of
7 said citizen members of the PAC shall be appointed by the Mayor and
8 confirmed by Council, two shall be appointed by Council, and two
9 shall be recommended by JTA to be confirmed by Council, in each
10 case, for a five-year term ~~The citizen members of the PAC shall be~~
11 ~~appointed by the Mayor, and confirmed by the Council, for a five-~~
12 ~~year term~~ with the possibility of serving one additional five-year
13 term in the discretion of the Mayor and confirmation by the
14 Council; provided however, the citizen members shall serve no more
15 than two full terms. The general engineering consultant of
16 Jacksonville Transportation Authority and Public Works Department's
17 general engineering consultant, or their respective designees,
18 shall be nonvoting members. The PAC shall meet at the call of the
19 Chair or any member, but no less than quarterly. The Chair shall
20 rotate on an annual basis among committee members commencing with
21 the Executive Director of the Jacksonville Transportation
22 Authority. The nonvoting member(s) and the citizen members shall
23 not be eligible to serve as Chair. The City shall be primarily
24 responsible for the construction of The Better Jacksonville Plan
25 Projects which are referenced to the City. The PAC shall study The
26 Better Jacksonville Plan Projects with the goal of advising how to
27 construct and complete such projects in the most efficient manner
28 possible and to oversee execution of work of all such projects as
29 each such project is ready to be designed, right-of-way acquired,
30 permitted and constructed.

31 (c) The FAC and the PAC shall prepare and present to the City
32 Council, the Mayor and the Jacksonville Transportation Authority

1 Board as necessary a report on the implementation, progress, status
2 and completion of all The Better Jacksonville Plan Projects,
3 including a summary of the financing undertaken, funds expended and
4 planning, design, right-of-way acquisition and construction as of
5 the reporting date. In addition, said committees shall report on
6 the degree of cooperation of the parties hereto, and on areas of
7 concern for the timely and proper completion of The Better
8 Jacksonville Plan Projects. Such reports shall be given on an
9 annual basis, within 90 days after the end of each fiscal year
10 occurring after the effective date of The Better Jacksonville $\frac{1}{2}$
11 Cent Sales Surtax. The FAC and PAC shall also prepare and present
12 to the City Council and the Mayor a report, on an annual basis no
13 later than April 1 of each year, that such taxes are in effect,
14 regarding the revenues received, implementation, progress, status
15 and completion of the projects related to the use of the local
16 option gas taxes set forth in Chapter 799, Ordinance Code.

17 **Section 3. Manner of Collection.** The Local Option Gas
18 Taxes enacted hereby shall be collected by the State of Florida
19 Department of Revenue in the same manner as other gas taxes are
20 collected pursuant to Chapter 206, Florida Statutes and, when
21 received by the City, shall be credited to the Local Option Gas Tax
22 Trust Fund created by Section 111.515, Ordinance Code.

23 **Section 4. Use of Revenues.** The 5-cent local option gas
24 tax and the 9th-cent local option gas tax proceeds shall be utilized
25 only for transportation expenditures, as that term is defined in
26 Section 336.025(7), as appropriated from time to time by Council.
27 Pursuant to Section 336.025, Florida Statutes, and any other
28 applicable law, proceeds of the six-cent local option gas tax and
29 any interest accrued thereto shall be expended by the County, the
30 local municipalities and JTA for transportation expenditures needed
31 to meet the requirements of the capital improvements element of an
32 adopted comprehensive plan or for expenditures needed to meet

1 immediate local transportation problems and for other
2 transportation-related expenditures that are critical for building
3 comprehensive roadway networks. Further, expenditures for the
4 construction of new roads, the reconstruction or resurfacing of
5 existing paved roads, or the paving of existing graded roads shall
6 be deemed to increase capacity and such projects shall be included
7 in the capital improvements element of an adopted comprehensive
8 plan. A sample of eligible transportation projects is attached
9 hereto as **Exhibit 1**.

10 **Section 5. Approval and Authorization for Interlocal**
11 **Agreement with Jacksonville Transportation Authority.** There is
12 approved, and the Mayor, or his designee, and Corporation Secretary
13 are hereby authorized to execute and deliver, for and on behalf of
14 the City, the Interlocal Agreement between the City of Jacksonville
15 and the Jacksonville Transportation Authority substantially in the
16 form placed **On File** with the Legislative Services Division,
17 governing the distribution of the five-cent local option gas tax,
18 the 9th-cent local option gas tax, and the final 10 years (from
19 August 31, 2036 through August 31, 2046) of the six-cent local
20 option gas tax.

21 **Section 6. Approval and Authorization for Interlocal**
22 **Agreement with the City of Jacksonville Beach, the City of Atlantic**
23 **Beach, the City of Neptune Beach, and the Town of Baldwin for the**
24 **distribution formula for dividing the proceeds of the proposed**
25 **local option gas taxes.** There is hereby approved, and the Mayor, or
26 his designee, and Corporation Secretary are hereby authorized to
27 execute and deliver, for and on behalf of the City, the Amended and
28 Restated Interlocal Agreement among the City and the City of
29 Jacksonville Beach, the City of Neptune Beach, the City of Atlantic
30 Beach, and the Town of Baldwin, in substantially the form placed **On**
31 **File** with the Legislative Services Division for the distribution

formula for dividing the proceeds of the existing and proposed local option gas taxes among the County and the local municipalities as authorized hereby.

Section 7. Approval of Ordinance. Pursuant to Chapters 336.025 and 336.021, Florida Statutes, enactment of this ordinance requires approval by a majority plus one vote of the Council members present at the Council meeting at which a vote on this ordinance is taken.

Section 8. Filing with Florida Department of State. Directing the Legislative Services Division to send an electronic copy of this Ordinance upon enactment to the Secretary of State for the State of Florida in accordance with Section 125.66, Florida Statutes.

Section 9. Effective Date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

_____/s/_____

Office of General Counsel

Legislation Prepared By: John Sawyer

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5 cents and 9th cent.doc