**AGENDA**
**FERNANDINA BEACH CITY COMMISSION**
**WORKSHOP**
**AUGUST 2, 2022**
**5:00 PM**
**CITY HALL COMMISSION CHAMBERS**
**204 ASH STREET**
**FERNANDINA BEACH, FL 32034**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. DISCUSSION**

3.1 **ALTERNATIVE REVENUES** - *This item is placed on the agenda at the request of Commissioner Ross.*

**4. ADJOURNMENT**

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ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING WILL NEED A RECORD OF THE PROCEEDINGS, AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE. AT THE DISCRETION OF THE MAYOR, A RECESS MAY BE SCHEDULED EVERY NINETY MINUTES.

Persons with disabilities requiring accommodations in order to participate should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired).

**CITY COMMISSION AGENDA ITEM**
*City of Fernandina Beach*

SUBJECT: Alternative Revenues

ITEM TYPE: Discussion

REQUESTED ACTION: Discussion

SYNOPSIS: Commissioner Ross wishes to discuss additional revenue opportunities such as, but not limited to, fire service fees, municipal utility taxes, special assessments, etc.

FISCAL IMPACT:

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Dale Martin, City Manager 7/22/2022
Katie Newton, Legal Assistant 7/25/2022

Monica C. Benischeck

Date: July 06, 2022

Submitted By: Monica Benischeck, Administrative Services Manager

COMMISSION ACTION:

Discussion Comments – 8/2/2022
Submitted by: Commissioner Ross

# REVENUE

## CURRENT SOURCES

**35% of Revenue for the General Fund comes from other sources than property tax:**

- **Intergovernmental** **6.7%**
  - **State and Federal Grants [variable and unpredictable]**
  - **State ½ cent sales tax - population based**
  - **OHPA – being litigated**
  - **State revenue sharing -**
- **Franchise Fees** **6.1%**
  - **Electricity**
  - **Propane Gas**
- **Sales/Use/Fuel Tax** **11.3%**
  - **Small County surtax**
  - **Local option gas tax**
  - **Insurance tax**
- **Charges for services** **7.5%**
  - **Parks & Recreation**
  - **Ambulance**
  - **Ocean Rescue**
- **Licenses & Permits** **1.6%**
- **Fines & Forfeitures** **.1%**
- **Other** **.9%**

**TOTAL $8 million +/-**

**Discussion Comments – 8/2/2022**
**Submitted by: Commissioner Ross**

# PREVIOUSLY SUGGESTED AND PREVIOUSLY REJECTED ADDITIONAL SOURCES OF REVENUE FOR THE GENERAL FUND

- **Paid Beach Parking**
- **Paid Parking Downtown**
- **Increase Electric Franchise Fee**
- **Charge Youth Leagues for Use of Playing Fields**
- **Building Department Fees**

# OTHER POSSIBILITIES

Fire Services Currently Cost the City approximately $3.1 million / year and the 5 Year Estimated Capital Costs are $3 million +/-.

- **Possibility #1 - Fire Services Assessment Fee**
  - Fire Services Assessment Fee is an annual recurring fire services special assessment program which provides a dedicated, stable source of funding for fire services excluding emergency medical services. The assessment can be used to help fund all aspects of the city's fire service program including firefighters, related facilities such as new fire stations and a training facility, apparatus, equipment and programs.
  - There are many possibilities on how to apply the fee. One example is listed below:

City Leesburg Current Fire Protection Assessment Rates:

| **Residential Property Use Categories** | **Rate per Dwelling Unit** |
|---|---|
| Residential | $ 87.00 |
| **Non-Residential Property Use Categories** | **Rate per Square Foot** |
| Commercial | $ 0.05 |
| Industrial/Warehouse | $ 0.02 |
| Institutional | $ 0.15 |
| Church | $ 0.04 |

The Fire Protection Assessment Ordinance provides for certain exemptions for the following categories of property:

a. Homesteaded, owner occupied residential parcels owned by Low Income Persons as defined in the Ordinance;
b. Mobile Home Park and Recreational Vehicle Park properties, in accordance with an

occupancy formula specified in the Ordinance; and
c. Wholly tax exempt Church property used primarily for religious purposes

- **Possibility #2 - Special Assessment Fees [SAF]**

Cities are authorized to collect special assessments by F.S. § 170.01. A special assessment is a charge "assessed against the property of a particular locality because that property derives some special benefit" from a government service provided in that locale beyond the general benefit accruing to all citizens.

A Special Assessment Fee can provide for the payment of all or any part of the costs of any such improvements by levying and collecting special assessments on the abutting, adjoining, contiguous, or other specially benefited property.

A special assessment fee can be used to partially or fully fund:

- Roads and Sidewalks
- Road lighting
- Stormwater projects
- Underground utilities
- Sea walls

- **Possibility #3 - Water Public Service Tax**

***ARTICLE IV. PUBLIC SERVICE TAX City Ordinances***

**Sec. 74-128. Same—Other utilities.**

There is hereby levied by the city on each and every purchase within the city of electricity, metered or bottled gas (natural, liquified petroleum gas, or manufactured), **water service,** and telegraph service a tax of ten percent of the total amount of the charges made by the sellers. Services competitive with those enumerated in this section shall be taxed on a comparable basis at the same rate.

The tax imposed by this section shall not be applied against any fuel adjustment charge.

(Code 1955, § 21-3; Ord. No. 731, 2-3-87; Code 1991, § 118.01)