
INTER-DEPARTMENTAL COMMUNICATION

Project Title: Penny Sales Tax

Overview of project: On November 8, 2016, the voters of Palm Beach County passed the following referendum:

To enhance education by improving district-owned school buildings, equipment, technology and security; purchase school buses, public safety vehicles and equipment; and equip, construct and repair roads, bridges, signals, streetlights, sidewalks, parks, drainage, shoreline and wastewater infrastructure, recreational and governmental facilities; shall the County levy a one-cent sales surtax beginning January 1, 2017 and automatically ending on or before December 31, 2026, with independent oversight by citizen committees?

As a result of the passage, the City is projected to receive \$2M in Year 1, \$23.9M over ten years. The projects selected by the City must meet the definition of allowable uses identified in the referendum.

Current status of the project:

Steps to be taken:

1. Council to determine projects and allocate funding based on the projected funding
2. Council to establish independent citizens oversight committee
3. Amend Capital Improvement Plan

Impact of the project (SWOT Analysis):

1. Strengths – Funding source to address current unfunded projects that meet the allowable uses
2. Weakness – Funding is received over a ten year period. Project priority will need to be established to meet cash flows
3. Opportunity - The City will be able to address some long capital projects requested by our constituents. Projects will also provide construction jobs, change the face of the City and spur third-party investments
4. Threats – Variable funding over the ten-year period will provide a challenge to deliver the projects on a predetermined schedule. Inflation over the ten-year period will also place pressures on project completion without additional funding. The City should provide adequate contingency in each project allocation to address this threat.

Proposed timeframe to completion:

Project needs to be completed by June 30, 2017 – Prior to discussion of the FY18-FY22 Capital Improvement Plan

Fiscal Impact: Funds Budgeted _____ Funds Not Budgeted X Amount \$23.9M

Details:

Revenues from the Penny Sales Tax were not included in the City's Five-year Capital Improvement Plan. Once the Council has determined the projects to be funded and established the allocation of the funds to the respective projects, the Capital Improvement program will need to be amended.

Monetizing the expected tax receipts is not recommended. Borrowing funds secured by the tax receipts collected over a relatively short period time would cause the City to pay interest unnecessarily. Approximately 25% of the funds would need to go to interest if the tax receipts were monetized. Based on the projects ultimately selected, a series project schedules will need to be developed to ensure the work flow matches the cash flow. If mismatches are identified in advance, project schedules can be modified.

New City Hall	Replace	Site selection, engineering, design and construction of a new City Hall Complex.	Riviera Beach	Building	50 yrs.	40 yrs.	\$15,000,000
New Library	Replace	Site selection, engineering, design and construction of a n	Riviera Beach	Building	50yrs.	40 yrs.	\$10,000,000
Palm Beach Isles	Improve	Design, permitting and construction cost for the replace of coverts for access to Palm Beach Isles	Riviera Beach	Coverts Replacement	30 - 40 yrs	30 yrs.	\$1,274,000
Roadway Connection	Improve	Includes design, permitting and construction for connection SHOVEL READY \$75M OF PROJECTS	Riviera Beach	Roadway	30 - 40 yrs	30 yrs.	\$883,400
Land for Fire Station #2	Acquisition	Purchase of land adjacent to Fire Station #2	Riviera Beach				\$750,000
New Fire Station #2	Replace	Site engineering, design and construction of a new Fire Station.	Riviera Beach	Building	50yrs	30 yrs.	\$4,500,000
New Fire Station #3	Replace	Site engineering, design and construction of a new Fire Station.	Riviera Beach	Building	50 yrs.	30 yrs.	\$4,500,000
Singer Island Phase II	Replace	Design, permitting and construction cost for roadway reconstruction in Palm Beach Isles	Riviera Beach	Roadway	30 -40 yrs	30 yrs.	\$2,842,600
Partfidge Walkway Improv.	IMPROVE		Royal Palm Beach	Sidewalk			\$52,067
Okeechobee Blvd. Lighting	IMPROVE		Royal Palm Beach	Roadway			\$970,000
Sparrow Pathway	IMPROVE		Royal Palm Beach	Sidewalk			\$750,116
Villagewide ADA Improv.	IMPROVE		Royal Palm Beach	Sidewalk			\$725,000
Basketball/Tennis Court Repair	IMPROVE		Royal Palm Beach	Parks			\$219,155
Windows Replacement	IMPROVE		Royal Palm Beach	Building			\$18,000
Renovations Cultural Center	IMPROVE		Royal Palm Beach	Building			\$133,477
Bob Marcello Park Enhancements	IMPROVE		Royal Palm Beach	Parks			\$86,195
ADA Access to Kayak	IMPROVE		Royal Palm Beach	Parks			\$75,000
Commons Amphitheatre	NEW		Royal Palm Beach	Buildings			\$550,000
Commons N. Access/Pathway	NEW		Royal Palm Beach	Sidewalk			\$470,000
Commons Park Restrooms	NEW		Royal Palm Beach	Buildings			\$320,000
Skate Park Phase II	IMPROVE		Royal Palm Beach	Parks			\$110,000
Playscape	REPLACE		Royal Palm Beach	Parks			\$1,500,000
Cultural Center Expansion	IMPROVE		Royal Palm Beach	Building			\$1,620,000
Park Furniture	REPLACE		Royal Palm Beach	Parks			\$156,000
Camellia Parking Lot	NEW		Royal Palm Beach	Parks			\$1,000,000
Commons 3 Hole Golf Course	NEW		Royal Palm Beach	Parks			\$1,225,000
Commons Parking lot paving	IMPROVE		Royal Palm Beach	Parks			\$750,000
Sports Light replacement	REPLACE		Royal Palm Beach	Parks			\$350,000
Recreation Center Expansion	IMPROVE		Royal Palm Beach	Buildings			\$3,200,000
Park Security Cameras	IMPROVE		Royal Palm Beach	Parks			\$150,000
Driveway R&R Over Inline Draining	IMPROVE		Royal Palm Beach	Drainage			\$17,500
Inline Drainage Willows Subdivision	IMPROVE		Royal Palm Beach	Drainage			\$12,500
Road Resurfacing	REPLACE		Royal Palm Beach	Roadway			\$10,250,000
Storm Drain Outfall Replacement	REPLACE		Royal Palm Beach	Drainage			\$162,000
Bus Shelters	NEW		Royal Palm Beach	Roadway			\$36,000

Subset of municipal plan

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