



City of Coral Gables  
CITY COMMISSION MEETING  
August 24, 2010

**ITEM TITLE:**

A Resolution of the City Commission of the City of Coral Gables, Florida, formally initiating Conflict Resolution Procedures provided by Chapter 164.1052, Florida Statutes, prior to initiating Litigation against Miami-Dade County, Florida in connection with the existing Cities' 20% share of the Transit Surtax; providing for the adoption of representations; providing for an effective date.

**DEPARTMENT HEAD RECOMMENDATION:**

Approval.

**BRIEF HISTORY:**

In 2002, Miami-Dade County leaders sought to place the People's Transportation Plan ("PTP") calling for a half-penny sales tax increase for public transit and funding for municipal road and transportation projects on the November ballot.

Because voters unequivocally had voted against similar tax increases in the past and the County feared a like result, County leaders sought the then-existing municipalities' ("Existing Cities") assistance to garner voter support prior to placing the PTP on the ballot.

In exchange for the Existing Cities' support and assistance, County Commissioners guaranteed that 20% of the surtax revenue would be limited to the Existing Cities and distributed among them pro rata.

As a result of that agreement and in anticipation of the referendum, County Commissioners amended the County Code and adopted Ordinance No. 02-116, which provides that 20% of the revenue generated from the sales tax increase be paid to municipalities existing at the time of the referendum, November 5, 2002, -- the Existing Cities, and that any new municipalities, incorporated after November 5, 2002, may negotiate with the County for a portion of the County's 80% share because the new cities would be carved out of the unincorporated areas serviced by the County at that time.

After the Existing Cities supported and promoted the half-penny surtax increase, voters approved the PTP.

County Manager now is proposing a "hold harmless plan" that will reduce the Existing Cities' share by providing County funding for new cities from growth in surtax revenue and that after funding reaches \$5.3 million, then the new cities will be funded out of the Existing Cities' 20% share, a radical departure from the 2002 voter-approved plan.

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**APPROVED BY:**

City Attorney	City Manager
	

**ATTACHMENT(S):**

1. Resolution