

**Indian River County
Interoffice Memorandum
Office of Management and Budget**

To: Members of the Board of County Commissioners

Through: John A. Titkanich Jr., County Administrator

Date: August 18, 2023

From: Kristin Daniels
Director, Office of Management & Budget

Subject: Public Hearing to Consider an Ordinance Imposing an Additional Cent of Tourist Development Taxes and Reallocating the Authorized Uses of Tourist Development Tax Revenue

Description and Conditions

On July 11, 2023, the Board of County Commissioners approved levying an additional cent of Tourist Development Tax effective October 1st, 2023. Per the Board's direction, Staff allocated the maximum amount of funding allowable under Florida Statute 125.0104 to Beach Renourishment projects, with the remaining proceeds being allocated towards Tourism Promotion activities. In order to impose the additional cent, an ordinance must be approved by the Board following a public hearing, and the Outside Agency Funding Policy must be updated to reflect the proposed change.

The following tables illustrate the changes to each fund's Tourist Tax allocation for the upcoming fiscal year.

Allocation of 5 Cents per Eligible Use*					
Eligible Usage Categories	1st or 2nd	3rd	4th	6th	Total
Sports Stadium (JRTC)	0.25				0.25
Tourism Promotion			1.0	1.0	2.0
Beach Restoration	1.75	1.0			2.75
Total	2.0	1.0	1.0	1.0	5.0

*Per Florida Statute 125.0104 Indian River County is not eligible to levy what is referred to in the Statute as the 5th cent.

Allocation of Estimated Revenue Received in FY 23/24				
Eligible Usage Categories	4 Cents Funding	5 Cents Funding	Increase/ (Decrease)	% Increase/ (Decrease)
Sports Stadium (JRTC)	\$517,500	\$258,750	(\$258,750)	(50%)
Tourism Promotion	\$1,725,138	\$2,070,000	\$344,862	20%
Beach Restoration	\$1,897,362	\$2,846,250	\$948,888	50%
Total	\$4,140,000	\$5,175,000	\$1,035,000	25%

This allocation decreases the Jackie Robinson Training Complex (JRTC) funding to cover the reduced amount necessary to fund the annual lease obligation, allocates an additional \$344,862 or 20% to the Tourism Development Fund, and allocates an additional \$948,888 or 50% to the Beach Renourishment Fund, as additional funding towards beach renourishment projects was the Board's main priority.

Recommendation

Staff recommends the Board approve the proposed ordinance imposing an additional cent of Tourist Development Taxes and reallocating the authorized uses of Tourist Development Tax revenue.

Attachment

Tourist Development Tax Ordinance 2023