



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Unfinished Business

I.1.

4/4/2023

Subject:

Direction, Re: Tourism Development Council's Recommendation to use Cultural carry forward funds to pay for the Tourism + Indian River Lagoon Grant Program for the Fiscal Year 2023-24

Fiscal Impact:

\$1 million in Tourism Development Tax funds are budgeted annually for the Indian River Lagoon Grant Program from the Beach Fund (1442). A transfer of \$1 million from the Cultural Fund (1446) will occur if the Board directs.

Dept/Office:

Tourism Development Office

Requested Action:

It is requested that the Board provide direction to staff regarding the Tourist Development Council's recommendation to use Cultural carry forward funds to pay for the Tourism + Indian River Lagoon (IRL) Grant Program funded from the Tourism Development Tax (TDT) for the FY 2023-24 fiscal year.

Summary Explanation and Background:

On March 7, the Board discussed the Tourism Development Council's (TDC) recommended to suspend Tourism + Lagoon Grant funding for one year. The Board gave direction to staff to take this item back to the (TDC) for review and to make a recommendation on how to pay for Tourism + Lagoon Grants in FY23-24. The three recommendations that the TDC considered:

- Hold the \$1 million for Tourism + Lagoon Grants from the Beach Fund unless there are no named storms by September 30, 2024
- Do not award Tourism + Lagoon Grants for FY2023-2024 and increase grant fund to \$1.1 million over the following 10 years
- Use Cultural Fund to pay for Tourism + Lagoon Grants

The TDC met on March 22 and recommended, in an 8-1 vote, to use the Cultural carry forward funds in the amount of \$1 million to cover these grants. Upon approval of the Board, staff will initiate the transfer of these funds into the appropriate fund category (with County Attorney's Office guidance) in the 2023-24 budget. In addition, the TDC also voted 9-0 to recommend not diverting further funds from the Beach Fund for other uses beyond beach renourishment until that fund is once again solvent.

On February 22, 2023, the Tourist Development Council voted 9-0 to recommend that the Board of County Commissioners suspend the Tourism + IRL grant program for the FY 2023-24 year due to the allocation of the remaining balance of the Beach Funds to pay for expenses related to beach repair after Hurricanes Ian and

Nicole. Repairs for the storms will be \$22,488,179, which will utilize all Beach Funds and require an additional \$6,442,628 to be drawn from ARPA funds, as was approved by the Board on December 6, 2022. The project is FEMA eligible and staff is expecting that the Beach Fund will be reimbursed; FEMA reimbursements typically occur in about three years. Until FEMA reimbursement is received, if another storm event occurs during the 2023 hurricane season that requires repair, the Beach fund will be depleted.

Clerk to the Board Instructions:

Please provide a memo to the Tourism Development Office and the County Attorney's Office





April 5, 2023

MEMORANDUM

TO: Peter Cranis, Tourism Development Director

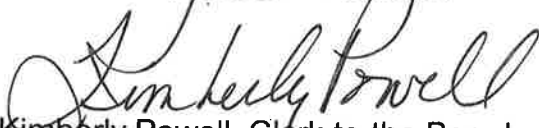
RE: Item I.1., Tourism Development Council's (TDCs) Recommendation to use Cultural Carry Forward Funds to Pay for the Tourism + Indian River Lagoon (IRL) Grant Program for the Fiscal Year 2023-24

The Board of County Commissioners, in regular session on April 4, 2023, considered direction to staff regarding the TDCs recommendation to use Cultural carry forward funds to pay for the Tourism + IRL Grant Program funded from the Tourism Development Tax (TDT) for the Fiscal Year 2023-24, but took no action.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK


Kimberly Powell, Clerk to the Board

/ds

cc: County Attorney
Each Commissioner
District 5, Chief of Staff
Finance
Budget

Re: I.1.

TG

Commissioner Goodson

Florida House of Representatives and Senate – Indian River Lagoon Appropriations

1. 1680 SPECIAL CATEGORIES GRANTS AND AIDS - INDIAN RIVER LAGOON AND LAKE OKEECHOBEE BASIN – OPERATIONS FROM LAND ACQUISITION TRUST FUND . . 350,000
Funds in Specific Appropriation 1680 are provided for operations and maintenance for five Indian River Lagoon Land/Ocean Biogeochemical Observatory water quality instruments for the St. Lucie Estuary and surrounding Indian River Lagoon areas (recurring base appropriations project).
2. 1733 SPECIAL CATEGORIES TRANSFER TO INDIAN RIVER LAGOON NATIONAL ESTUARY PROGRAM FROM GENERAL REVENUE FUND 250,000
Funds in Specific Appropriation 1733 shall be used for National Estuary Program activities necessary to achieve the total maximum daily load adopted by the Department of Environmental Protection for the Indian River and Banana River Lagoons. The Indian River Lagoon National Estuary Program shall report to the department annually on use of these funds.

Total Possible Funding = \$600,000**Florida House of Representatives (FLHOR) – Indian River Lagoon Appropriations**

1. 1692 GRANTS AND AIDS TO LOCAL GOVERNMENTS AND NONSTATE ENTITIES - FIXED CAPITAL OUTLAY GRANTS AND AIDS - INDIAN RIVER LAGOON WATER QUALITY IMPROVEMENT PROJECTS FROM GENERAL REVENUE FUND 104,900,000 (Senate request is for \$25,000,000)
 - a. From the funds in Specific Appropriation 1692, \$100,000,000 in nonrecurring funds from the General Revenue Fund is provided for water quality improvement projects within the proximity of the Indian River Lagoon.
 - b. From the funds in Specific Appropriation 1692, \$4,900,000 in nonrecurring funds from the General Revenue
2. 1705A GRANTS AND AIDS TO LOCAL GOVERNMENTS AND NONSTATE ENTITIES - FIXED CAPITAL OUTLAY GRANTS AND AIDS - WATER PROJECTS FROM GENERAL REVENUE FUND...
Brevard County - Indian River Lagoon, Micco/Little Hollywood Septic to Sewer (540 homes) (HF 0896)..... 4,500,000

Total Possible Funding = \$109,400,000

Senate – Indian River Lagoon Appropriations

1. 1692 GRANTS AND AIDS TO LOCAL GOVERNMENTS AND NONSTATE ENTITIES - FIXED CAPITAL OUTLAY GRANTS AND AIDS - INDIAN RIVER LAGOON WATER QUALITY IMPROVEMENT PROJECTS FROM GENERAL REVENUE FUND 25,000,000 (House Request is for \$100,000,000)

Funds in Specific Appropriation 1692 are provided for water quality improvement projects within the proximity of the Indian River Lagoon.

2. 1705A GRANTS AND AIDS TO LOCAL GOVERNMENTS AND NONSTATE ENTITIES - FIXED CAPITAL OUTLAY GRANTS AND AIDS - WATER PROJECTS FROM GENERAL REVENUE FUND...
 - a. Brevard County - Indian River Lagoon, Septic Upgrades to Advanced Treatment Units Phase 3 (50 sites) (SF 1476)... 250,000

Total Possible Funding = \$25,250,000

Overall Total Possible Funding for IRL Projects = \$110,250,000*

*Total uses higher FLHOR 1692 allocation

Additional Dredging Projects:

1. Brevard County - Sykes Creek Phase 2 Environmental Dredging and Interstitial Water Treatment Project (HF 1048)..... 4,324,002
2. Brevard County Eau Gallie Northeast Construction - Environmental Dredging and Interstitial Water Treatment (HF 1616)..... 5,010,244
3. Brevard County Grand Canal Phase 5 Environmental Dredging and Interstitial Water Treatment Project (HF 1245)..... 4,500,000

Total Dredging = \$13,834,246

IRL National Estuary Program Federal Funding - \$900,000

Grand Total of all Possible Funding to benefit IRL = \$124,984,246

RP- I.I.

2023-2024

Capital Project per District From Data Sheet A

Total D1	\$	1,436,215.00
Total D2	\$	2,264,703.00
Total D3	\$	-
Total D4	\$	1,125,884.00
Total D5	\$	1,675,468.00

Data Sheet B

Amount yearly to Cultural Grants Approximately	\$	800,000.00
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Data Sheet C

Opportunity for other TDT Dollars Opportunity For Capital Dollars

Total D1	\$	571,544.00	\$	411,875.00
Total D2	\$	1,300,745.00	\$	736,446.00
Total D3				
Total D4	\$	1,143,630.00	\$	1,014,371.00
Total D5	\$	202,624.00	\$	-

Proposal

1 Move All Yearly Cultural Funds to cover Allowable Tourist Driven Parks Per District of \$160,000 per district.

2 Proposal Move One Time \$6,000,000 of the excess in Capital account as a One Time improvement to Tourist Driven Parks of \$1,200,000 per district

3 After Year One - Move 50% of all Capital TDT Funds that Accumulate to the Affordable/Workforce housing fund Voter Approved 11/2022

4 Out of General Fund hire Life Guard necessary for County Beaches

A

4%

2034

5,863
3,621
4,646
5,640
1,286

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Cultural Fund 1446 Carry Forward Analysis

Data Sheet B

Commitment Items	Estimated FY 23-24 Budget \$24M	BCA/Grants & Revenues w Mid Year and \$23M TDT - FY 22-23	FY 21-22 Actuals	FY 20-21 Actuals
BCA	\$ 204,000	\$ 204,000	\$ 205,300	\$ 200,000
Cultural and Major Events Grants	\$ 480,910	\$ 389,996	\$ 286,000	\$ 248,941
Tax Collector**	\$ 28,800	\$ 27,600	\$ 21,007	\$ 15,254
Expense	\$ 713,710	\$ 621,596	\$ 512,307	\$ 464,195
% of Total TDT	\$ (960,000)	\$ (920,000)	\$ (933,226)	\$ (677,483)
Interest	\$ (9,500)	\$ (10,000)	\$ (4,719)	\$ (1,521)
Less 5% Statutory Reduction	\$ 48,000			
Balance Forward	\$ (879,843)	\$ (640,599)	\$ (274,961)	\$ (121,752)
Intra Tran to 1440 Admin	\$ 78,240	\$ 69,160	\$ 60,000	\$ 61,600
Revenue	\$ (1,723,103)	\$ (1,501,439)	\$ (1,152,906)	\$ (739,155)
Cash Forward/Funds Available	\$ (1,009,393)	\$ (879,843)	\$ (640,599)	\$ (274,961)

Cancelled/Postponed

	TDT Over Plan	No Req Reimb, Denied
Cultural Fund Increases		
FY 20-21 to FY 21-22	\$ (237,483)	\$ (13,383)
FY 21-22 to FY 22-23	\$ (233,226)	\$ (10,000)
FY 22-23 to FY 23-24	\$ (160,000)	\$ (360,004)
	\$ (630,709)	\$ (383,387)
		\$ (1,014,096)

Unawarded Major Events/Cultural Support Grants

TDT Eligible Park

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Park	City	2022 Operating Expenses	2022 Capital Expenses
District 1			
Chain of Lakes	Titusville	\$ 571,544.00	\$ 411,875.00

District 2

Cheri Down Park	Cape Canaveral	\$ 59,544.00	\$ -
Robert Murkshe Memorial Park	Cocoa Beach	\$ 31,218.00	\$ -
Kiwanis Island Park	Merritt Island	\$ 423,806.00	\$ 121,490.00
Mitchell Ellingto Park	Merritt Island	\$ 297,244.00	\$ 8,616.00
Dick Blake Park	Rockledge	\$ 149,646.00	\$ 130,780.00
McKnight Family Sports Complex	Rockledge	\$ 339,287.00	\$ 475,560.00

District 4

Viera Regional Park	Viera	\$ 1,143,630.00	\$ 1,014,371.00
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District 5

Canova Beach Park	Indian Harbour Beach	\$ 71,344.00	\$ -
Howard E Futch Memorial Park	Paradise Beach	\$ 131,280.00	\$ -