



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Resolution/Award/Presentation

E.4.

2/24/2026

Subject:

Presentation of Local Option Gas Tax Authority - District 1

Fiscal Impact:

NA

Dept/Office:

District 1

Requested Action:

It is requested that the Board receive a presentation from Kittleson & Associates regarding the local option gas tax opportunities and identified transportation funding gaps.

Summary Explanation and Background:

As a follow-up to the January 29, 2026 Board workshop and the February 12, 2026 meeting of the Space Coast Transportation Planning Organization (SCTPO), and in conjunction with separate transportation funding agenda items scheduled for discussion on February 24, the Board is requested to receive a presentation from Kittelson & Associates regarding local option gas tax opportunities and identified transportation funding gaps.

The presentation will include key information from the February 12 SCTPO presentation titled "Funding the Future," which noted that Brevard County is one of 11 of Florida's 67 counties currently levying only 6 cents of the 12 cents in local option gas tax authorized under state law.

Reference agenda item J.2. for additional information.

Clerk to the Board Instructions:



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

February 25, 2026

M E M O R A N D U M

TO: Commissioner Katie Delaney, District 1

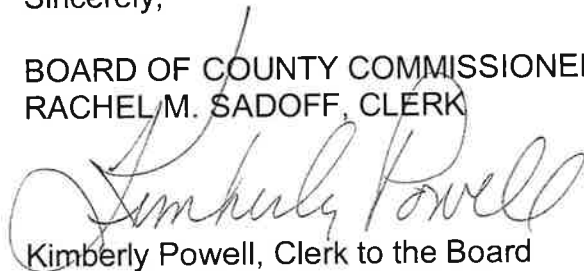
RE: Item E.4., Presentation of Local Option Gas Tax Authority

The Board of County Commissioners, in regular session on February 24, 2026, acknowledged receiving a presentation from Kittleson & Associates regarding the Local Option Gas Tax opportunities and identified transportation funding gaps.

Your continued cooperation is always appreciated.

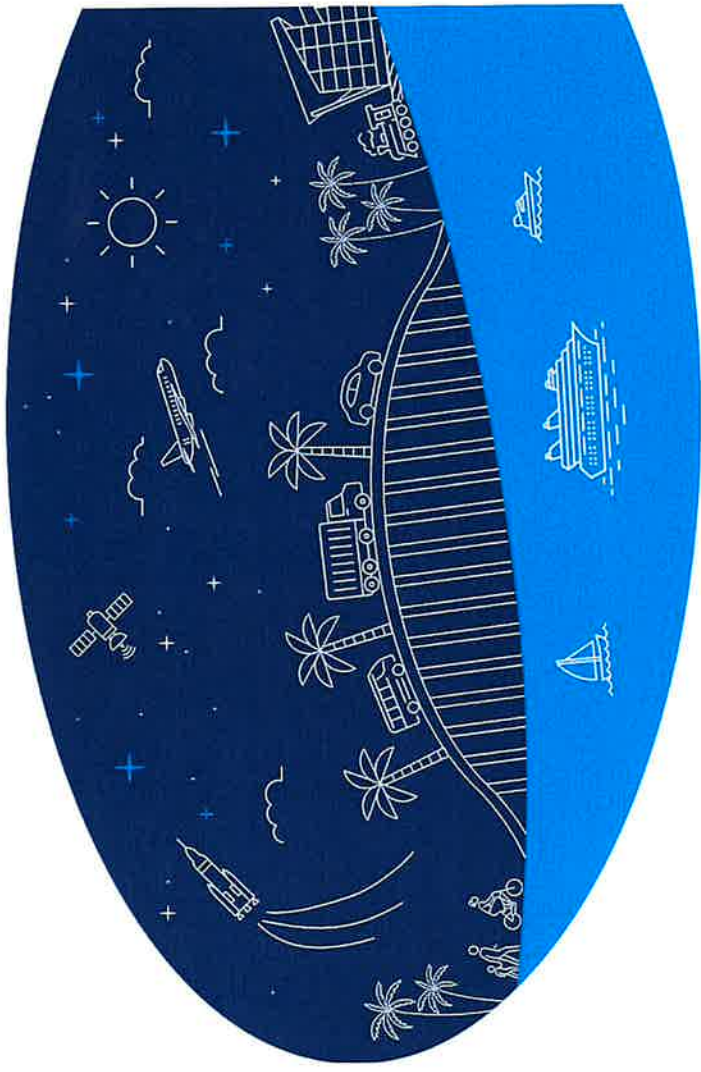
Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK



Kimberly Powell, Clerk to the Board

/ds



Funding the Future

Board of County Commissioners | 2/24/26

Agenda



Introduction



Current Local Revenue Sources



Additional Revenue Options



Next Steps

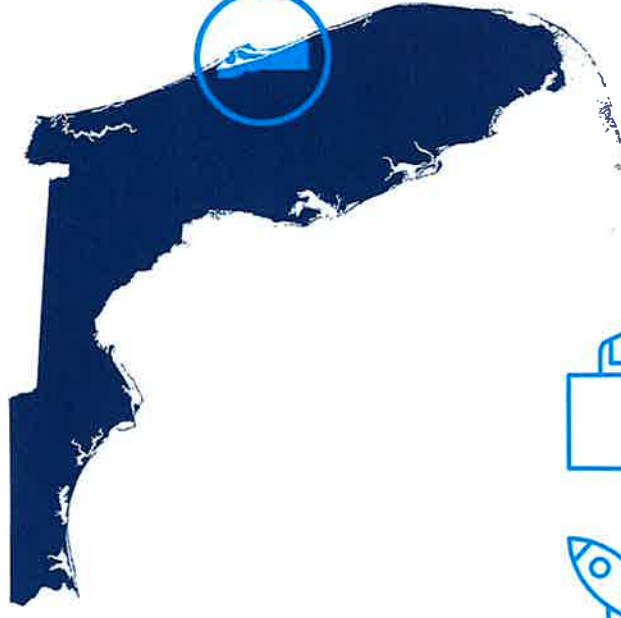
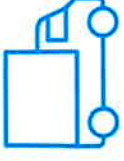
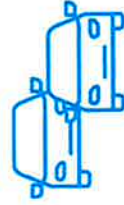




Introduction



- Current revenues cannot keep pace with infrastructure needs
- Understanding the sources of existing revenue funding is essential for long-term transportation planning
- Opportunities exist to leverage potential future local revenue to maximize state and federal funding options





From the SCTPO Board Strategic Plan



Expand and leverage regional and sustainable funding sources to increase priority project implementation

Problem: The current gas tax revenue is not a sustainable long term transportation funding source

Performance Measure: Governing Board members took an active role on the local, state, and federal level to expand and leverage transportation funding



Major Accomplishments – Last 25 Years



Widening Projects	New Interchanges	Intersection Improvements	New Trail Facilities
I-95 6-Laning	I-95 @ SJHP	Babcock St. @ Malabar Rd.	Brevard Zoo Linear Trail
US 1 6-Laning	I-95 @ Ellis Rd.	Babcock St. @ US 192	East Central Florida Regional Rail Trail
Palm Bay Rd. 6-Laning	I-95 @ Viera Blvd.	US 192 @ Wickham Rd. / Minton Rd. & Hollywood Blvd.	Space Coast Trail
Barnes Blvd. 4-Laning	I-95 @ Port St. John Parkway	Wickham Rd. @ NASA Blvd./Ellis Rd.	
Ellis Rd. 4-Laning (Upcoming)	I-95 @ Pineda Causeway	SR A1A @ SR 520	



Major Accomplishments – Last 25 Years



Design/PD&E Projects	Bridge Projects	Misc. Projects
SR 524 4-Laning Design	Pineda Causeway Bridge over FEC	SJHP New Alignment from Malabar Rd. to US 192
Clearlake Rd. 4-Laning Design	SR 528 WB Bridge Replacement (New EB Bridge)	Apollo Blvd. Extension
Malabar Rd. 4-Laning Design	Max Brewer Bridge	Annual County ITS O&M Support & TMC (Upcoming)
Babcock St. PD&E	NASA Causeway Bridge (partnership w/USDOT)	Intermodal Rail Station Support (Potential Future Project)



Major Accomplishments – Last 25 Years



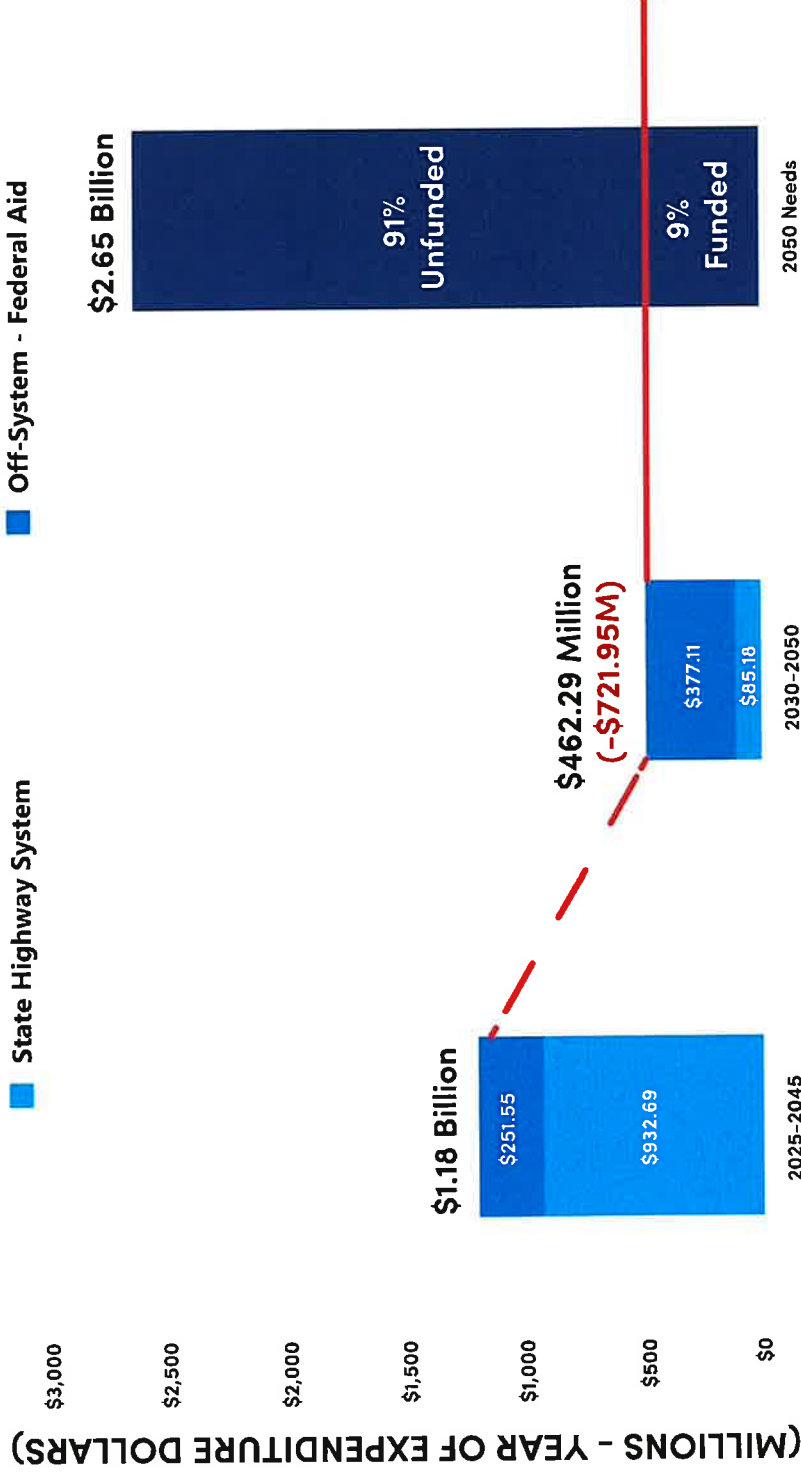
Design/PD&E Projects	Bridge Projects	Misc. Projects
SR 524 4-Lanil Design		Malabar Rd. to
Clearlake Rd. Laning Desig		nsion
Malabar Rd. Laning Design	Max Brewer Bridge	Malabar County to US 1 Support & TMC (Upcoming)
Babcock St. PD&E	NASA Causeway Bridge (partnership w/USDOT)	Intermodal Rail Station Support (Potential Future Project)

Over \$1.1B Invested in

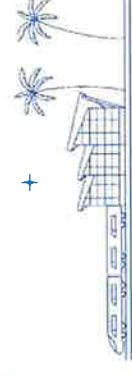
Brevard County



Measuring Unfunded Need



It is anticipated that only 9% of the \$2.65 billion in identified transportation needs will be funded within the Advance 2050 LRTP.

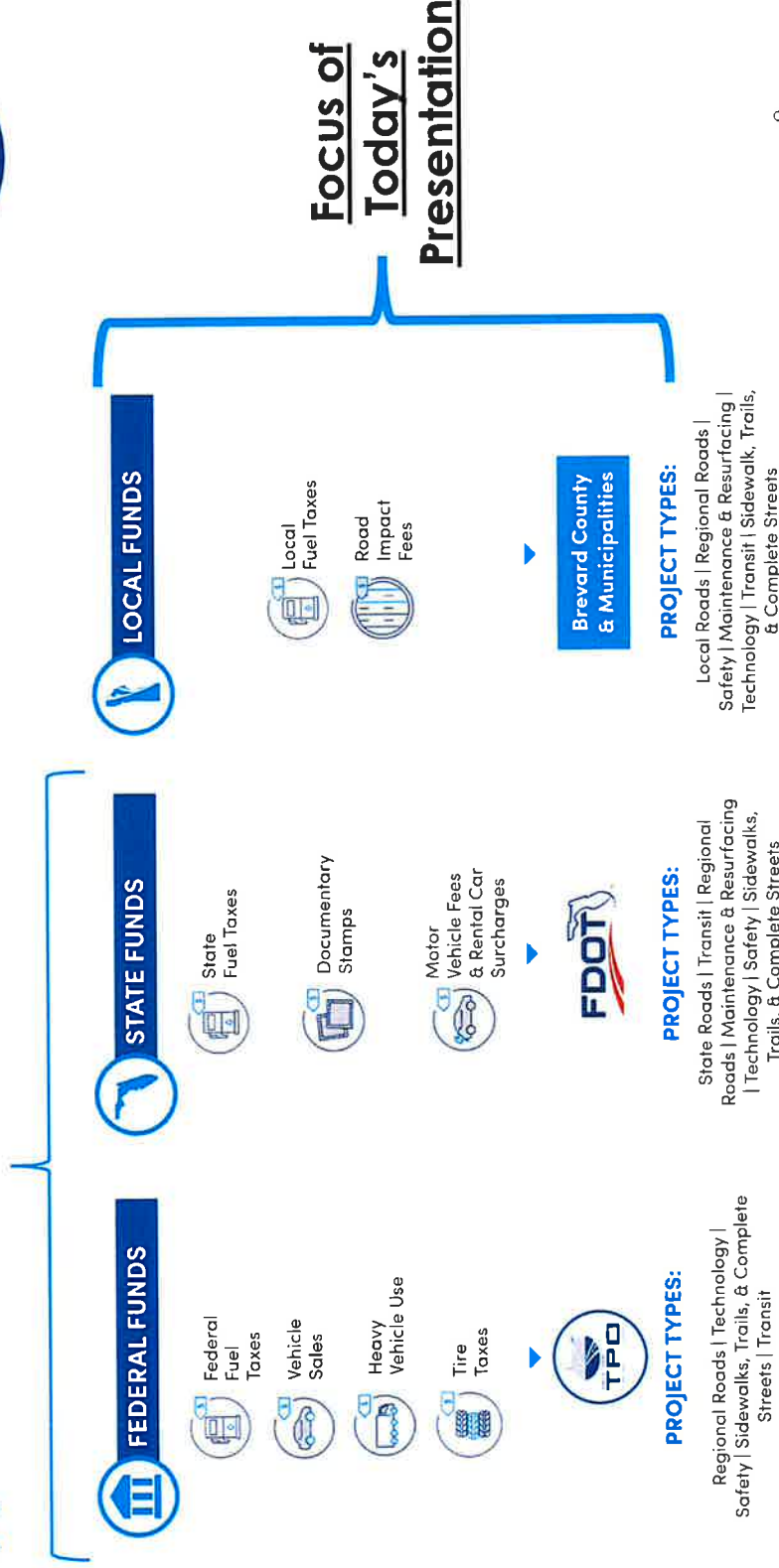




Transportation Funding Sources



Approved in SCTPO's LRTP & TIP





Current Local Revenue Sources





Constitutional Gas Tax (2-Cent)



20% Portion

Summary	
Amount	0.4 Cents/Gallon
Description	Collected Statewide. Distributed to each county based on population
Authorization	Constitution
Revenue Generated (FY25-26)	\$1.5M

80% Portion

Summary	
Amount	1.6 Cents/Gallon
Description	Repays transportation bonds issued through FDOT
Authorization	Constitution
Revenue Generated (FY25-26)	\$6.9M



Fuel Taxes



Local Option Gas Tax (6-Cent)

Summary	
Amount	6 Cents/Gallon
Description	Collected within Brevard County. Distributed to the County and municipalities based on interlocal agreement.
Authorization	Statute
Revenue Generated (FY25-26)	\$13.2M

Local Option Gas Tax (9th-Cent)

Summary	
Amount	1 Cent/Gallon
Description	Diesel portion collected statewide. Distributed to each county based on population.
Authorization	Statute
Revenue Generated (FY25-26)	\$2.2M (diesel only revenue)

County Motor Fuel Tax

Summary	
Amount	1 Cent/Gallon
Description	Collected within Brevard County. Distributed entirely to Brevard County.
Authorization	Statute
Revenue Generated (FY25-26)	\$3.4M



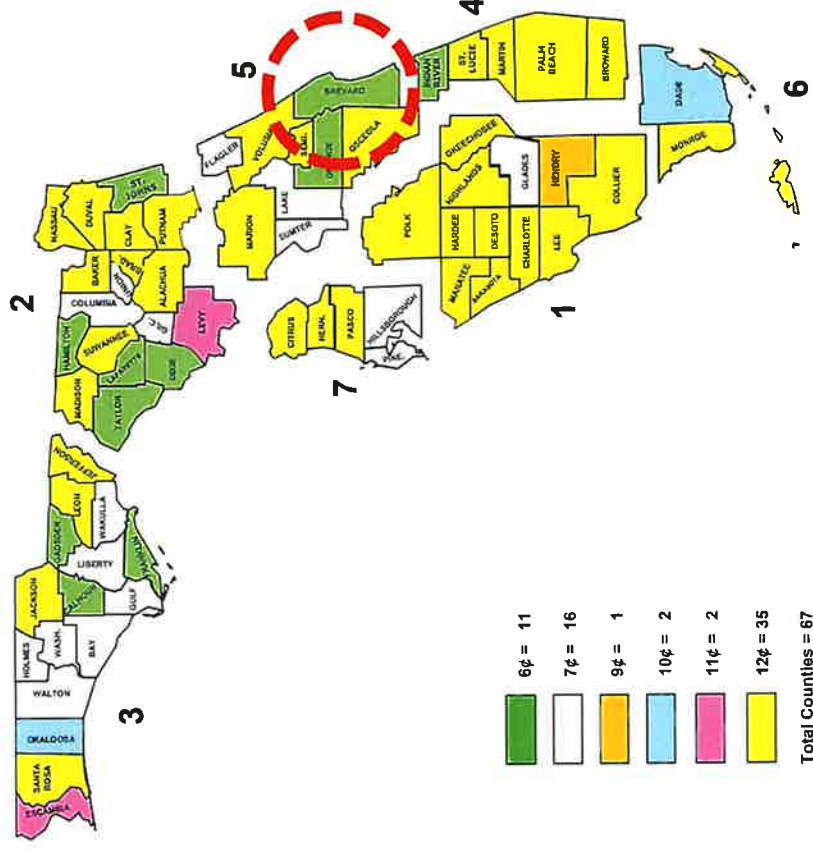
Locally Imposed Motor Fuel Taxes



- **35 counties** leveraging the max **12 cents** of fuel taxes

- Brevard is **one of 11 counties** only leveraging the minimum of **6 cents**

Tax Rates (¢/gal) as of January 1, 2026





Transportation Impact Fees



- Assessed at new development or expansion of existing use
- By land use, so different types of development pay different amounts (e.g., single-family vs. multi-family vs. commercial)
- Impact fees are collected for all 16 municipalities within the county (via inter-local agreements) as well as unincorporated areas
- \$10.5M average annual revenue; FY24 balance: \$15.9M
- Last adjusted for County in 2001
- Cities review and adjust their own



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Additional Revenue Options



Discretionary Sales Surtaxes



- **Charter County and Regional Transportation System Surtax** – Florida statute permits a sales surtax of up to 1.0%
 - Simple majority of Commissioners required for a referendum to be held at a general election
 - Can generate \$25.1M – \$100M (County Share) and \$34.4M – \$137.6M total
- **Local Government Infrastructure Surtax** – Florida statute permits a sales surtax of either 0.5% or 1.0%
 - Counties are only permitted one referendum
 - The Save Our Indian River Lagoon (SOIRL) Program (Lagoon Tax) currently levies 0.5%; scheduled to expire December 31, 2026. If the Lagoon Tax is renewed:
 - 0.5% still available to collect – would require modifying the above referendum
 - Can generate \$37.1M (County Share) and \$68.8M total



Local Option Gas Tax



- Up To 5-Cents/Gallon on Both Gas and Diesel (Orange Highlight) –
 - Can be adopted in addition to the 6-Cent LOGT by BOCC super majority or referendum
 - Requirement to distribute to cities based on 5-year transportation expenditure formula
 - Revenues can only be spent on capital improvements, not operations or maintenance
 - Can generate \$6.4M (County Share) annually

- 9th-Cent (1 Cent/Gallon) on Gasoline (Red Highlight) –

- Counties can levy by local ordinance to support transportation expenditures
- No requirement to distribute to Cities
- Can generate \$2.7M annually

Cent	Levied for Gasoline	Levied for Diesel
1-6	Y	Y
7 th	N	N
8 th	N	N
9 th	N	Y
10 th	N	N
11 th	N	N
12 th	N	N



Other Revenue Sources



- Mobility Fees –
 - Alternative to traditional impact fees
 - Require a local mobility plan that identifies multimodal networks and priority projects across all travel modes
 - Provide greater flexibility to fund sidewalks, trails, transit, and complete streets projects
 - If implemented, a mobility fee would replace transportation impact fees; they cannot be charged together
- Public Services Tax –
 - 1–10% tax levied by counties and municipalities on purchase of electricity, natural gas, etc.
 - Provides long-term, reliable revenue source, as most residents pay utility bills
 - Revenue is deposited into the General Fund, but can be restricted for transportation projects if designated
 - Can generate \$3.3M to \$33.4M annually, depending on the adopted rate



Additional Revenue Projections



From 2045 Long Range Transportation – Projections for New Revenue Sources

Funding Source	2026-2030	2031-2035	2036-2040	2041-2045	Total
	Projected Revenues ¹				
(Theoretical) Half Cent Sales Surtax ²	\$177.8	\$219.5	\$269.8	\$330.5	\$997.6
(Theoretical) One Cent Sales Surtax ²	\$355.5	\$439.0	\$539.6	\$660.9	\$1,995.0
(Theoretical) 1 to 5 Cent LOFT ³	\$36.0	\$41.5	\$47.7	\$54.6	\$179.8
(Theoretical) Ninth-Cent Fuel Tax (on non-diesel fuel)	\$16.3	\$18.9	\$21.7	\$24.8	\$81.7
Total (Half Cent Surtax)	\$230.0	\$279.9	\$339.2	\$409.9	\$1,259.0
Total (One Cent Surtax)	\$407.8	\$499.4	\$609.0	\$740.4	\$2,256.6

(1) Dollar values are in Millions, inflated for Year of Expenditure

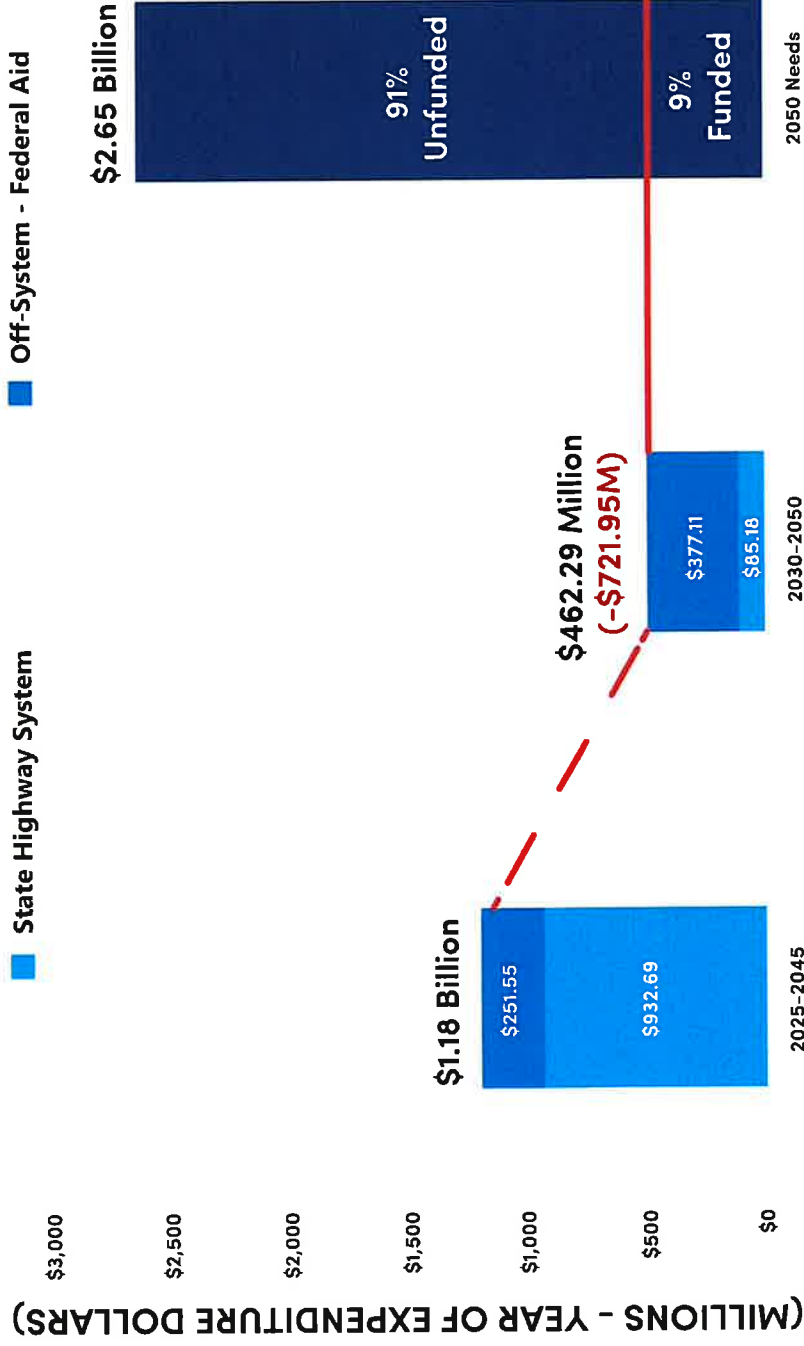
(2) Sales surtax based on distribution to County (not municipal) of current half cent distributed to all counties in Florida. The revenue currently distributed to Brevard County is not reflected in actual revenue estimates, as it is not committed to transportation expenditures.

(3) 1 to 5 cent LOFT reflects County share (net of municipal share). Totals may not sum perfectly due to rounding.

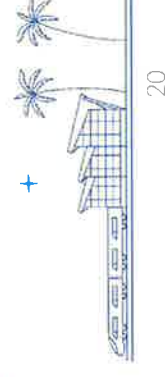
Note: Projected revenues do not include Mobility Fees or Public Services Tax. Half Cent or One Cent sales surtax could apply to either the Charter County and Regional Transportation System Surtax or the Local Government Infrastructure Surtax.



Measuring Unfunded Need

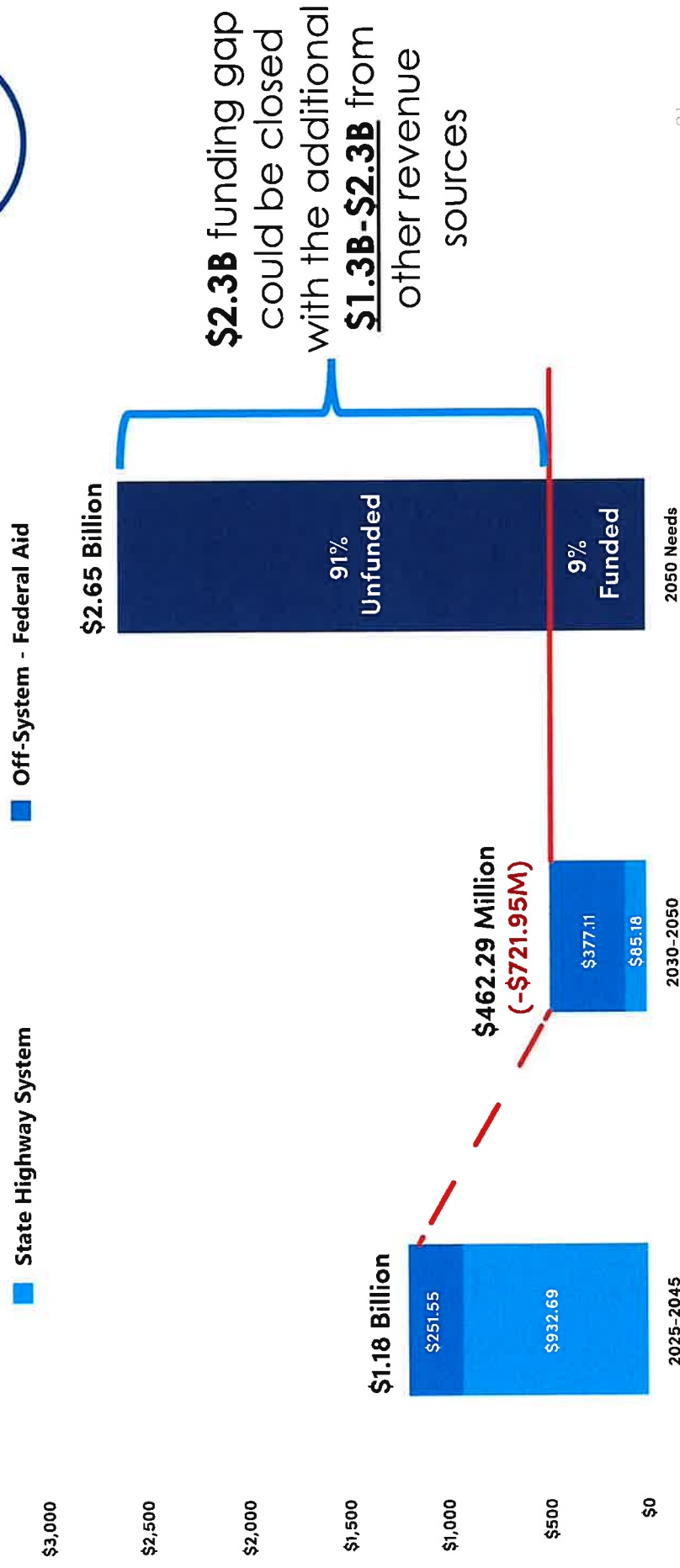


It is anticipated that only 9% of the \$2.65 billion in identified transportation needs will be funded within the Advance 2050 LRTP.





(MILLIONS - YEAR OF EXPENDITURE DOLLARS)





The Cost of Inaction



- **SR 524 Widening**
 - London Boulevard to Industry Road in the 2036 – 2040 time band is the only segment fully funded in the 2050 LRTP
 - With inflation construction is estimated to be \$4M more
- **A1A Cape Canaveral Complete Street**
 - Not funded until 2046 – 2050 time band
 - With inflation construction is estimated to be \$26M more
- **Hollywood Boulevard Widening (unfunded need only)**
- **Minton Road Intersection Improvements**
 - Not funded until 2046 – 2050 time band
 - With inflation construction is estimated to be \$11M more
- **Malabar Road Widening**
 - Construction is not funded in 2050 LRTP
- **S. Babcock Street Widening**
 - Convair Street SE to Malabar Road SE is the only segment fully funded in the 2050 LRTP
- **Micco Road Widening (unfunded need only)**

Thank You!



FUNDING & REVENUE REFERENCES FOR THE SCTPO

FUNDING THE FUTURE PRESENTATION

The following links provide reference information for the funding sources discussed in the *Funding the Future* presentation provided to the SCTPO Governing Board, Technical Advisory Committee, and Citizen Advisory Committee in February 2026.

State Managed Funding

Transportation Regional Incentive Program (§339.2819)

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0300-0399%2F0339%2FSections%2F0339.2819.html

<https://www.fdot.gov/programmanagement/lp/trip/default.shtm>

County Incentive Grant Program

<https://www.fdot.gov/programmanagement/lp/cigp/default.shtm>

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0300-0399/0339/Sections/0339.2817.html

TPO Managed Funding

Surface Transportation Block Grant

https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/policy/metrosupport/mpo-program-management-handbook/fdot-mpo-program-management-handbook_ch-3.pdf

<https://www.fhwa.dot.gov/infrastructure-investment-and-jobs-act/stbg.cfm>

Transportation Alternatives – Set Aside

https://www.fhwa.dot.gov/environment/transportation_alternatives/

Current Local Revenue Sources

Constitutional Gas Tax (§206.41)

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0206/Sections/0206.41.html

First Local Option Gas Tax (1–6 Cents) (§336.025) and (1–5 Cents) (§336.025(1)(b))

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0300-0399/0336/Sections/0336.025.html

Ninth-Cent Gas Tax (§336.021)

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0300-0399/0336/Sections/0336.021.html

County Motor Fuel Tax (§206.60)

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0206/Sections/0206.60.html

Motor Fuel Use Tax (§207.003 and §207.004)

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0207/Sections/0207.003.html

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0207/Sections/0207.004.html

Florida Impact Fee Act (§163.31801)

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0163/Sections/0163.31801.html

<https://www.brevardfl.gov/PlanningAndDevelopment/ImpactFees/ImpactFeesHome>

Brevard County Budget (FY25-26 Local Revenues)

https://www.brevardfl.gov/docs/default-source/budget/fy-2025-2026/board-agencies-2026/public-works-department-fiscal-year-2025-2026-proposed-line-item-budget.xlsx?sfvrsn=ba0d9b3_1

Additional Revenue Options**Florida Local Option Sales Surtaxes (§212.055)**

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0200-0299/0212/Sections/0212.055.html

Mobility Fees (§163.3180(5)(i))

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0163/Sections/0163.3180.html

Local Option Gas Tax

Includes the references in the Current Local Revenue Sources section, as well as the following:

<https://www.edr.state.fl.us/Content/local-government/data/county-municipal/2025LOFTrates.pdf>