CHARTER GOVERNMENT 101

Key West City Commission October 12, 2023



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Monroe County Attorney

Why are we talking about a Charter?

- To fund necessary roads & bridges improvements as well as transportation projects through a funding source known as the *Charter County Transportation Surtax*. Such funds can be used to:
 - Raise roads to address persistent tidal flooding on local roads stretching from Key West to Key Largo
 - Repair, replace, & maintain aging County maintained bridges
 - Reduce traffic through transportation programs
 - Shared with municipalities to finance similar city projects.

Flagler 9.29.23

Flagler 2022





Stillwright Point

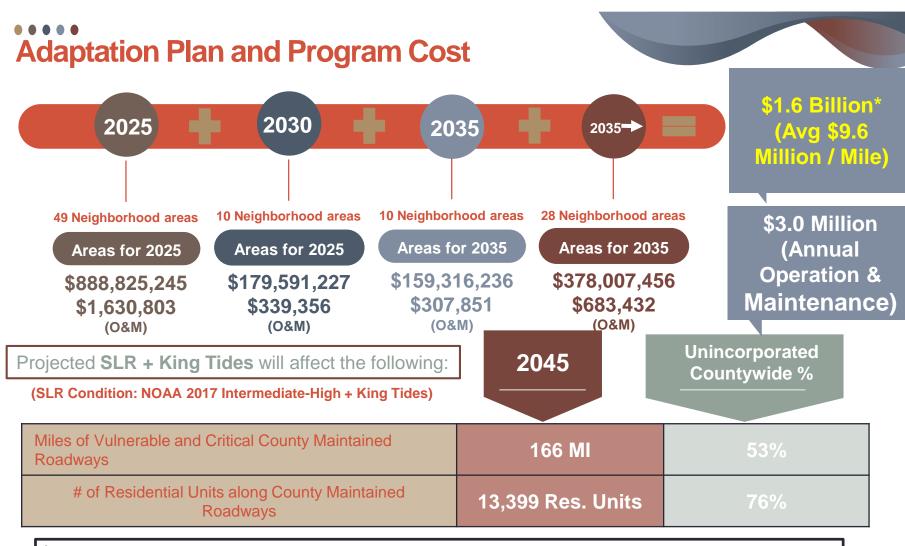
Twin Lakes





Road Flooding Projects

- County maintains 311 miles of roads
 - NOT U.S. 1 (FDOT) nor City maintained roads
 - Vast majority in unincorporated Monroe but a couple segments in Key West
- Evaluated those roads for vulnerability to increasing water levels due to climate change (SLR, King Tides, etc.)
 - 166 miles (53%) are anticipated to become vulnerable to SLR + King Tide using 2045 projections.
 - Approximately 13,399 Residences (76%) along the anticipated vulnerable limits and within approximately 260 subdivisions will have accessibility impacts
 - A total of 97 Neighborhood Areas are anticipated to be vulnerable to SLR+ King Tides for 2045



^{*} Cost estimate is conceptual and does not include design, right-of-way acquisition, harmonization/cost to cure, and legal fees. Cost estimates are preliminary and subject to change. Cost Estimate is based on 2020 Dollars.

26 County Maintained Bridges



26 County Maintained Bridges

- 26 bridges Key West to Card Sound Road
 - Most built in 1950's & 1960's with a 50 year life span
 - 21 are sole access for a neighborhood
- Currently replacing 3 bridges on Duck Key that had deteriorated more rapidly than expected, 2 more to go.
- Scheduled to replace 2 bridges on Card Sound Road
- Card Sound Bridge (large one) @ \$66million target is 2030-2031 for construction. Card Sound Fund will pay for some but not nearly all
- Similar Sound Bridge (GK) replacement \$7.3million design & replace
- Sugarloaf Blvd. Bridge replacement \$6.3m design & replace

How did we get to this point?

- County tried & failed to convince Legislature to:
 - amend transportation surtax to open it non-charter counties.
 - create a new type of tax related to sustainability efforts
- Current law allows for a Charter County Transportation Surtax
 - Charter Counties
 - Non-charter County's participating with a regional transit authority
 - Explored partnering with the SFRTA (TriRail) but:
 - annual contribution of at least \$4.5 million
 - Place transit decisions in hands of board of mainlanders
- Only viable option to utilize the Charter County Transportation Surtax is for the BOCC to propose <u>and</u> Monroe County voters to adopt a charter.

What is a County Charter?

- A County "Constitution" approved by the voters much like the City's charter.
- The document which sets forth the structure of county government and whatever limitations on county government which the voters have elected to impose.
- Vests County Commission with authority to act directly from the Florida Constitution as opposed to via legislative authorization through F.S. 125.01.

Constitutional Difference vs. Practical Difference

- Art. VIII, §1(f) Non-charter government. Counties not operating under county charters shall have such power of self-government as is provided by general or special law. The board . . . may enact . . . ordinances not inconsistent with general or special law.
- Art. VIII, §1(g) Charter government. Counties operating under county charters shall have all powers of local self-government not inconsistent with general law, or with special law approved by vote of the electors. The [BOCC] . . . may enact . . . ordinances not inconsistent with general law.
- Current version of F.S. 125.01 is construed so broadly that there is little practical difference between activities charter and non-charter counties can engage in, <u>aside from taxation and government</u> <u>structure</u>. Although, the Legislature can amend F.S. 125.01 to restrict or eliminate current authorized county activities.

Take-Away from These Slides

 Home rule power of a charter county is implemented directly from the Florida Constitution...the People of Florida.

 Home rule power of a non-charter county is authorized by the Florida Constitution but is implemented by the Florida Legislature.

What can Charter Counties do differently?

- Restructure the form of county government away from default version to one determined locally as approved by the voters.
- Eligible to levy additional types of taxes
 - Charter County Transportation Surtax referendum required
 - Municipal Utilities Tax (aka Public Services Tax) F.S. 166.231
- Recall of County Commissioners
- County ordinances could preempt municipal ordinances
- Citizen Initiatives
- Requires referendum to approve Special Acts passed by the Legislature

Which Counties have Charters?

- Alachua
- Brevard
- Broward
- Charlotte
- Clay
- Columbia 69,698
- Duval
- Hillsborough
- Lee
- Leon

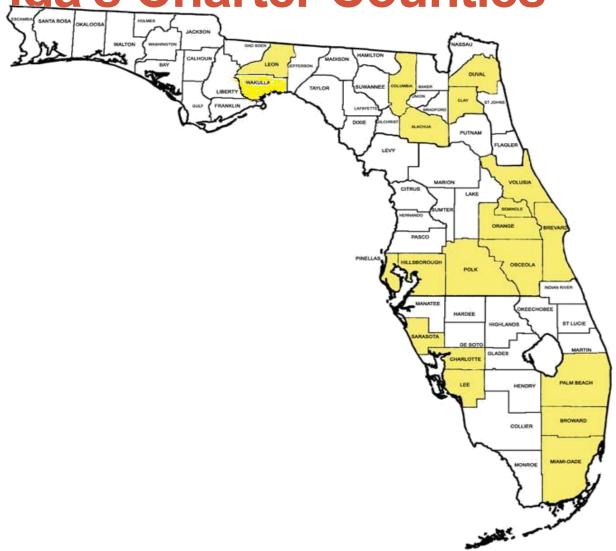
- Miami-Dade
- Orange
- Osceola
- Palm Beach
- Pinellas
- Polk
- Sarasota
- Seminole
- Volusia
- Wakulla 33,764

Monroe – 82,874

Dates of Formation

Year	County	Year	County
1957	Miami-Dade	1987	Orange
1968	Duval	1989	Seminole
1971	Sarasota	1991	Clay
1971	Volusia	1992	Osceola
1975	Broward	1994	Brevard
1980	Pinellas	1996	Lee
1983	Hillsborough	1998	Polk
1985	Palm Beach	2002	Columbia
1986	Charlotte	2002	Leon
1987	Alachua	2008	Wakulla

Florida's Charter Counties



3 Options for Proposing County Charter

- County Commission proposes via ordinance
- Charter Commission proposes charter
 - Appointed by BOCC
 - Appointed by Legislative Delegation
 - Citizen Petition
- Special Legislative Act proposes consolidation with a City
 - Monroe eligible under 1885 Constitution for consolidation with Key West & possibly the other 4 municipalities
- All 3 options require voter approval via referendum

Charter Formation

Special Act	Ordinance	Charter Commission
Duval	Alachua	Brevard
Pinellas	Hillsborough	Broward
Volusia	Lee	Charlotte
	Leon	Clay
	Orange	Columbia
	Osceola	Miami-Dade
	Palm Beach	Polk
	Seminole	Sarasota
	Wakulla	

Comparing the 2 realistic options

County Commission

- Simpler + less formal = cheaper
- No operational review
- BOCC drafts charter
- BOCC has discretion when to schedule referendum

Can be regularly scheduled election

No time mandatory frames

Charter Commission

- Formal process & rules
- Operational review required
- Panel drafts charter
- Special election required within 45-90 days after Charter Commission submits to BOCC
 - Could require special election which costs @ \$165,000 & low turnout

Drafting the Charter

County Commission F.S. 125.80 – 125.88

- BOCC drafts via ordinance
- Citizen input through normal public hearing process
- Option to appoint an advisory panel to help
- No time limits
- No review process required
- BOCC has discretion when to schedule referendum

Charter Commission F.S. 125.60 – 125.64

- Charter Commission drafts
- Panel of 11, 13, or 15
 - No Commissioners or Legislators
 - Volunteers but expenses paid
 - Appointed by BOCC or by Legislative Delegation
- May employ staff & experts
- May lease or buy equipment
- MUST conduct thorough study of county government
- 18 months to complete task
- MUST hold public hearings
- BOCC MUST schedule referendum within 45-90 days of presentation

Monroe County's Process

- BOCC initiated effort to propose a charter via ordinance
- Public will have input through:
 - Monthly BOCC discussion item.
 - BOCC Workshop Session(s): November 6, 2023 in Marathon.
 - Citizens Advisory Board? TBD
 - Public hearing process required for all ordinances prior to a Board vote on Charter Ordinance no later than August 2024
 - Referendum vote
- Target date for referendum on charter is 11/5/2024
 - General Election all voters eligible to vote, regardless of party
 - Historically, largest turnout on presidential elections

Restructure County Government

- Determine method of electing County Commissioners
- Determine form of government including legislative and executive functions
- Impose conditions and terms limits on Commissioners
- Could authorize citizen initiatives to amend charter & code

Method of Electing County Commissioners

- District types
 - At-large districts voted by entire county
 - Single member districts voted only by district residents
 - Mixture of districts and at large
- Number of Districts
 - Charter can set number of Commissioners
 - Charter Counties have 5, 7, 9, 13, and 19 member Commissions
- Section 2.1 of the draft charter retains the current structure – five commissioners who reside in their districts but who are elected countywide.

Conditions & Limitations on Office Holders

- A charter can impose conditions and limitations on office holders in addition to those imposed by Constitution
 - Term limits
 - Salaries other than those set forth in statutory formula
 - Section 2.5 of draft charter preserves the statutory formula
 - Current pay is \$36,472 per F.S. 145.031 & Office of Economic & Demographic Research

- Maybe more
 - Professional qualifications?
 - Age requirements?

Form of Government: 3 Choices

County Executive Form

- Elected BOCC serves as Legislature
- Elected County Executive has veto power & executive duties
- County Manager Form Closest to Monroe's current form so Article 3 of the draft charter proposes this form of government.
 - Elected BOCC serves as Legislature
 - Appointed County Manager shall exercise executive duties assigned in charter vs. by the BOCC

County Chair-Administrator Plan

- Elected BOCC
- County Mayor elected directly and only votes to break ties
- County Mayor appoints County Manager
- County Mayor exercises executive power along with Manager
- County Mayor could have veto power

Citizen Initiative and Binding Referenda

- In a non-charter county, all legislative power vested in the County Commission except where a statute mandates a vote of the electorate through a binding referendum.
- County Charter can:
 - Provide for process where citizens can initiate changes to charter and/or county code through petition process, bypassing the BOCC
 - Require voter approval on certain topics via binding referendum
 - Subject matter of initiative may be limited by the Charter
 - County Charter must establish the process
- BOCC has given no direction on this yet but Section 6.3.2 of the draft charter would authorize a process for citizens to petition to amend the charter = citizen's initiative.

Additional elements

- County City relationships/priority of ordinances
- Recall of County Commissioners required by law
- Relationship with Constitutional Officers
 - used to be hot topic prior to Amendment X passage in 2018
- Additional Taxing Authority

- Non-charter counties can pass an ordinance on most subjects with county-wide application but municipalities can opt out.
- County Charter can opt to make County ordinances:
 - Superior to all municipal ordinances
 - Superior on only certain subject matters
 - Inferior to all municipal ordinances (default)
- Section 1.8 of the draft charter preserves the status quo – municipal ordinances prevail over County ordinances.

1st sentence of Section 1.8 reads:

1.8 Conflict of County Ordinances with Municipal Ordinances

Except as otherwise provided by law, or in this Charter, municipal ordinances shall prevail over county ordinances to the extent of any conflict within the boundaries of the municipality.

2nd sentence of Section 1.8 reads:

To the extent that a county ordinance and a municipal ordinance shall cover the same subject without conflict, then both the municipal ordinance and the county ordinance shall be effective, each being deemed supplemental to the other.

3rd sentence of Section 1.8 reads:

Notwithstanding the provisions of Section 6.3 (amendment process) herein, this Section 1.8 may only be amended by a unanimous vote of the Board of County Commissioners to place the question on the ballot for referendum, and after the referendum is then approved by the voters at two consecutive general elections.

Why not require a supermajority vote of the electorate to amend Section 1.8?

Unconstitutional!

Citizens for Term Limits & Accountability, Inc. v. Lyons, 995 So.2d 1051 (Fla. 1st DCA 2008) (charter provision requiring a 60% vote to amend charter was violated Article X, Section 12 of the Florida Constitution provision that the phrase "vote of the electors" means a simple majority vote).

Recall of County Commissioners

- Section 2.10 of the draft charter recalls "as provided by general law."
- F.S. 100.361 establishes mandatory recall process for Commissioners:
 - Petitions must be signed by 5% of electorate as of last election
 - 30 days to garner signatures on petitions and submit
 - Officer holder can submit a defensive statement
 - Document entitled "Recall Petition and Defense" printed (2nd petition)
 - Recall organizers have 60 days to get 15% of electorate to sign 2nd petition
 - Supervisor of Elections verifies signatures for both petitions
 - Chief Judge sets election date between 35 to 65 days after SOE gives notice to official that 15% of electorate's signatures on 2nd petition verified.
- Watch the recall process as it plays out in Islamorada

Exclusive Grounds for Recall

- Malfeasance
- Misfeasance
- Neglect of duty
- Drunkenness
- Incompetence (could be mental or performance)
- Permanent inability to perform duties
- Felony conviction involving moral turpitude (broadly defined in other contexts to mean crimes constituting one's duties in dealings with members of society)

Constitutionals Remain Independent

- Currently 5 County Constitutional Officers who draw their authority directly from Constitution, not from BOCC
 - Clerk, Property Appraiser, Sheriff, Supervisor of Elections, Tax Collector
- In 2018, voters approved Amendment X which amended Art.
 VIII, Section 1(d) of the Florida Constitution to say:

"a county charter <u>may not</u> abolish the office of a sheriff, a tax collector, a property appraiser, a supervisor of elections, or a clerk of the circuit court; **transfer the duties** of those officers to another officer or office; **change the length** of the four-year term of office; or **establish any manner of selection** other than by election by the electors of the county."

 Section 5.1 of the draft charter expressly states that Constitutional Officers draw their authority from Constitution, not the Charter.

Additional Taxing Options

- Charter County Transportation System Surtax per F.S. 212.055
 - Up to 1% sales tax
 - Countywide bus system and/or rail systems
 - Road and bridge construction, operation, and maintenance
 - Draft silent on this because can't adopt surtax until charter passes
- Municipal Utility Tax per F.S. 166.231
 - A charter county "may levy a tax on the purchase of electricity, metered natural gas, liquefied gas either metered or bottled, manufactured gas either metered or bottled, and water service."
- Charter counties are treated like municipalities with respect to the ability to levy taxes.

Transportation Surtax Highlights

- Moneys raised would be used to fund and/or finance:
 - Repair, replace & maintain 26 County bridges
 - Road elevation & repair projects to address flooding
 - Transit program to reduce traffic
- Similar to the 1 cent Infrastructure sales tax, @ 2/3 paid for by tourists
- State estimate for FY 23-24, \$56 million Countywide

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 - 21 are sole access for a neighborhood (including 1 bridge for 1 house)
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More information on Roads Projects

BOCC will workshop the road elevation projects on December 12th, the afternoon before the December 13th regular meeting.

Sustainability Office

https://www.monroecounty-fl.gov/803/Sustainability

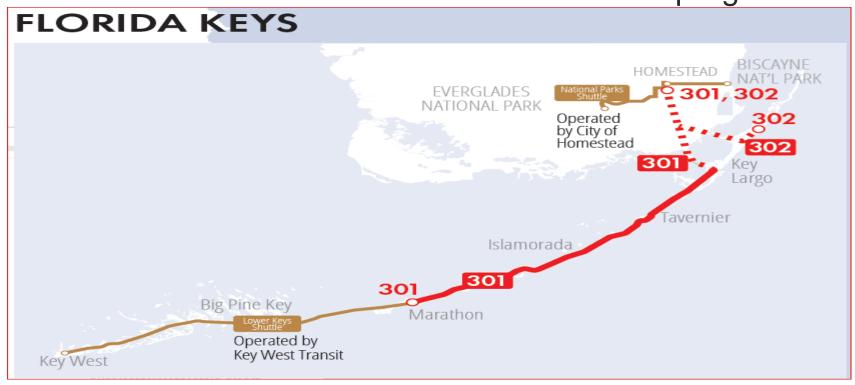
County Roads Projects

https://www.monroecounty-fl.gov/1254/County-Road-Projects

County Transportation Office

Presentation to BOCC at October 18, 2023 meeting

Current transit routes for KW & Miami-Dade programs



More Information on Transit

- https://www.monroecounty-fl.gov/1295/Transit
- https://storymaps.arcgis.com/stories/f3fa6022af724b6b91 88709b6ccb3197

Charter County Transportation Surtax

- F.S. 212.055(1)
- (a) Types of counties authorized to levy the tax
- (b) The maximum rate
- (c) Referendum process
 - 1. BOCC initiated
 - 2. Citizen initiated n/a
- (d) Authorized uses
 - 1.a. Charter Counties
 - 1.b. Regional Transit Authorities n/a
 - 2. Miami-Dade County specific rules n/a
- (e) Defines term "on-demand transportation services"
- (f) Capped at 30 years maximum without renewal

F.S. 212.055(1)(a) & (b) – Tax & Rate

(a) Each charter county that has adopted a charter, each county the government of which is consolidated with that of one or more municipalities, and each county that is within or under an interlocal agreement with a regional transportation or transit authority created under chapter 343 or chapter 349 may levy a discretionary sales surtax, subject to approval by a majority vote of the electorate of the county or by a charter amendment approved by a majority vote of the electorate of the county.

(b) The rate shall be up to 1 percent.

F.S. 212.055(1)(c) – how adopted

• (c) 1. The proposal to adopt a discretionary sales surtax as provided in this subsection and to create a trust fund within the county accounts shall be placed on the ballot in accordance with law and must be approved in a referendum held at a general election in accordance with subsection (10).

F.S. 212.055(1)(d)1.a. - Uses

- (d) 1. Except as set forth in subparagraph 2., proceeds from the surtax shall be applied to as many or as few of the uses enumerated below in whatever combination the county commission deems appropriate:
- a. Deposited by the county in the trust fund and shall be used for the purposes of development, construction, equipment, maintenance, operation, supportive services, including a countywide bus system, ondemand transportation services, and related costs of a fixed guideway rapid transit system;

F.S. 212.055(1)(d)1.c. 1st sentence Approved Uses by County

- Used by the county for
 - the planning, development, construction, operation, and maintenance of <u>roads</u> and <u>bridges</u> in the county;
 - for the planning, development, expansion, operation, and maintenance of <u>bus</u>
 and fixed guideway systems;
 - for the planning, development, construction, expansion, operation, and maintenance of <u>on-demand transportation services</u>; and
 - for the payment of principal and interest on bonds issued for the construction of fixed guideway rapid transit systems, bus systems, roads, or bridges; and such proceeds may be pledged by the governing body of the county for bonds issued to refinance existing bonds or new bonds issued for the construction of such fixed guideway rapid transit systems, bus systems, roads, or bridges.

F.S. 212.055(1)(d)1.c. 2nd & 3rd sentences – Share with Municipalities

- Pursuant to an interlocal agreement entered into pursuant to chapter 163, the governing body of the county <u>may</u> distribute proceeds from the tax to a municipality, or an expressway or transportation authority created by law to be expended for the purpose authorized by this paragraph.
- Any county that has entered into interlocal agreements for distribution of proceeds to one or more municipalities in the county shall revise such interlocal agreements no less than every 5 years in order to include any municipalities that have been created since the prior interlocal agreements were executed.

F.S. 212.055(1)(e) & (f)

- (e) As used in this subsection, the term "on-demand transportation services" means transportation provided between flexible points of origin and destination selected by individual users with such service being provided at a time that is agreed upon by the user and the provider of the service and that is not fixed-schedule or fixed-route in nature. (e.g. Freebie)
- (f) Any discretionary sales surtax levied under this subsection pursuant to a referendum held on or after July 1, 2020, may not be levied for more than 30 years.

F.S. 212.055(11) – Performance Audit

- (a) To adopt a discretionary sales surtax under this section, an independent certified public accountant licensed pursuant to chapter 473 shall conduct a performance audit of the program associated with the proposed surtax.
- (b) 1. At least 180 days before the referendum is held, the county or school district shall provide a copy of the final resolution or ordinance to the Office of Program Policy Analysis and Government Accountability.
- 2. Within 60 days after receiving the final resolution or ordinance, the Office of Program Policy Analysis and Government Accountability shall procure the certified public accountant and may use carryforward funds to pay for the services of the certified public accountant.
- 3. At least 60 days before the referendum is held, the performance audit must be completed and the audit report, including any findings, recommendations, or other accompanying documents, <u>must be made available on the official website of the county</u> or school district.
 - 4. The county or school district shall keep the information on its website for 2 years from the date it was posted.
- 5. The failure to comply with the requirements under subparagraph 1. or subparagraph 3. renders any referendum held to adopt a discretionary sales surtax void.
- (c) For purposes of this subsection, the term "performance audit" means an examination of the program conducted according to applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies. At a minimum, a performance audit must include an examination of issues related to the following:
- 1. The economy, efficiency, or effectiveness of the program.
- 2. The structure or design of the program to accomplish its goals and objectives.
- 3. Alternative methods of providing program services or products.
- 4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
- 5. The accuracy or adequacy of public documents, reports, and requests prepared by the county or school district which relate to the program.
- 6. Compliance of the program with appropriate policies, rules, and laws.
- (d) This subsection does not apply to a referendum held to adopt the same discretionary surtax that was in place during the month of December immediately before the date of the referendum.

Transportation Surtax Timeline

- Presumes 50% +1 of the voters approve charter 11/5/24.
- Referendum on transportation surtax 11/3/26 at earliest.
- No later than 180 days prior to election (5/6/26), BOCC submits ordinance proposing tax to Office of Program Policy Analysis and Government Accountability (OPPAGA)
- OPPAGA audit must be completed 60 days prior to 11/3/26 general election (9/4/26) and posted on County's website.

Alternatives to Transportation Surtax

- Find the money elsewhere
 - Grants usually require a local match, often 50% match
 - Property Taxes



- MSBU Non ad valorem assessments fix amount like solid waste
- MSTU additional tax paid by benefited neighborhood
- Open to suggestions for other funding methods
- Scale back or don't do projects
 - County bridges get repaired & upgrade through other funding sources, leaving less funds for other projects.
 - Some roads continue to get flooded
 - Traffic congestion continues

1 Penny Surtax Yields

\$56 million/year x 30 years = \$1.68 Billion over 30 years

• If the BOCC bonded those proceeds, the County's financial advisor projects that BOCC could raise \$500 million once the tax becomes effective. (January 2027)

Sales Tax

- Currently 7.5% sales tax on purchases up to \$5,000.00
 - 6 % state sales tax
 - 1 % local option sales surtax for infrastructure
 - ½ % schools
- If charter adopted and charter county transportation surtax approved by the voters,
 - 1 % local option sales surtax for transportation
- Total rate of 8.5% on purchases of up to \$5,000.00

- Question: Can a charter county change how taxes are currently earmarked? Decide how any new or existing taxes are used?
- Answer: It depends on the tax at issue since the rules may differ based upon that specific tax.
 - For example, the Florida Supreme Court struck down Hillsborough County's Charter County Transportation Surtax because the charter provision limited how that tax money could be spent in a way that was narrower than the uses specified in the statute.
 - That statute specifically vests discretion in the BOCC to decide how those tax proceeds are spent on a yearly basis, provided that the expenditures fall within the categories authorized by statute.

- Question: Single district voting is allowed in a charter government. If such a provision is not included in the original charter, what would have to happen to allow it later?
- Answer: That can happen two different ways.
 - A charter amendment would be one way.
 - Statutory process in F.S. 124.011
 - Citizen petition with 10% of registered voters
 - Earliest primary, general or otherwise called special election

- Question: Can the county seat be changed under a charter?
 - If so, how?
- Answer: No & Yes. No, it can't be changed via the charter but it could still be changed under the statutory process set forth in chapter 138 of Florida Statutes. That chapter does not distinguish between charter and non-charter counties.
 - A charter provision that spells out a different process would be an example of one that is "inconsistent with general law."

- Question: Can a county charter require partisan elections for County officers, because some current charters do but others do not?
- Answer: No for County Constitutional Officers.
 - Clerk, Property Appraiser, Sheriff, Supervisor of Elections & Tax Collector
 - Amendment X & Orange County v. Singh, 268 So.3d 668 (Fla. 2019).
- Need to research this further for County Commissioners.
 Answer may be different since they would be "charter officers" under the charter, not constitutional officers. Old AGO agrees but it was issued pre-Singh decision.

- Question: May a county charter require a candidate for office reside in the County or BOCC district for at least 6 months prior to the qualifying date?
- Answer: No.
 - The Florida Supreme Court struck down a similar provision in state statute for write in candidates so likely no.
 - Brinkmann v. Francois, 184 So.2d 504 (Fla. 2016).
 - Art. VIII, S. 1 says BOCC candidate must reside in district "at the time of election."
 - Amendment X preempts any charter provisions dealing with the 5 Constitutional Officers.

- Question: How would a county charter affect special districts such as the FKAA, KLWTD, the Mosquito Control District, etc.?
- Answer: A charter would not affect any independent special district, absent an act of the Legislature since the Legislature created those districts.
 - A charter could affect a dependent special district created by the BOCC, such as the Monroe County Land Authority.
 - Draft charter is silent on this issue.

Updated Charter Materials

www.monroecounty-fl.gov/chartercounty

Questions?

