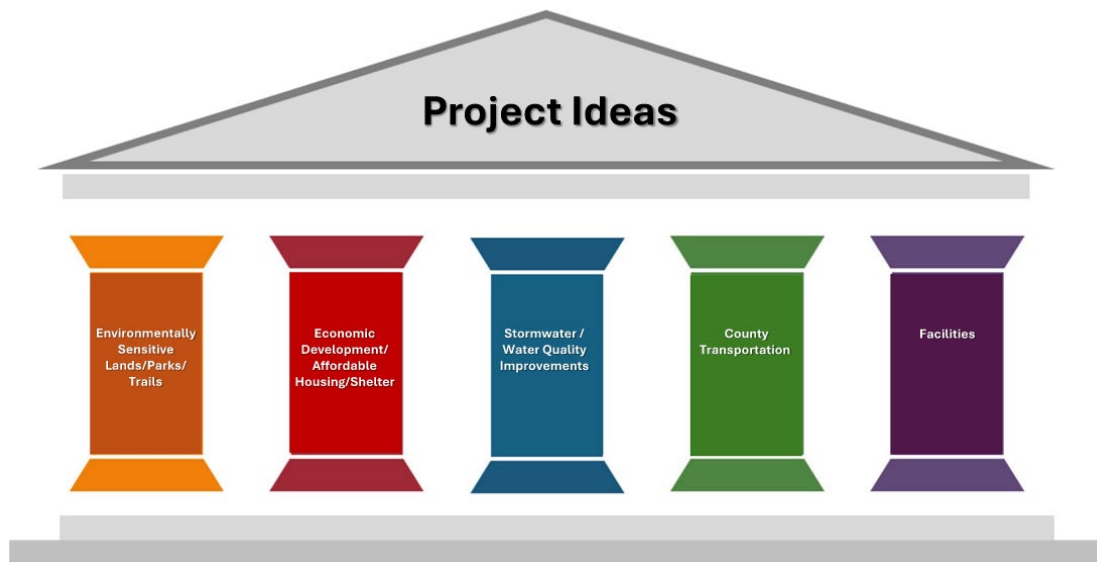


Local Government Infrastructure Surtax Proposal

Background

As directed by the Orange County BCC on December 16, 2025, continued research is needed regarding the implementation of a Local Government Infrastructure Surtax for Orange County. This surtax proposal is distinct from previous "transportation-only" attempts because it broadens the scope to include "quality of life" infrastructure. This surtax allows for expenditures such as environmentally sensitive lands, parks and trails, affordable housing and capital projects related to homelessness, stormwater and water quality, and a state-formulated allocation for Orange County's municipalities.



Timeline

Week of Jan 26	Commissioner Briefing #1 Discuss Ideas and Priorities
Week of Feb 16	Commissioner Briefing #2 Discuss Project Lists
March 2, 2026 (1:00-4:00 pm)	BCC Special Work Session



Local Government Infrastructure Surtax Proposal

Parks, Recreation, and Trails & Environmentally Sensitive Lands

Background

As directed by the Orange County BCC, continued research is needed regarding the implementation of a Local Government Infrastructure Surtax for Orange County. This briefing specifically discusses Orange County needs with respect to ***Parks, Recreation, and Trails & Environmentally Sensitive Lands.***

Parks, Recreation, and Trails

The Parks and Recreation Division has identified projects for capital funding consideration based upon studies which include the Park Growth Analysis 2021, Parks Master Plan 2016, Trails Master Plan 2022, Senior Recreation Center Study 2024, and individual park master plans. Additionally, recent vocal community interests in specialty parks are represented below.

- Horizon West Regional Park, Phase 2 and Phase 3 remain an unfunded master plan.
- The Park Growth Analysis calls for an additional seven (7) Community Parks of at least 20 acres.
- The Park Growth Analysis calls for an additional two (2) District Parks of at least 150 acres and including sports complex amenities.
- The Horizon West Trail Phase 2, the Sandspur Trail Extension, and the East Orange Trail, all identified in the Trails Master Plan, remain unfunded.
- The Parks Master Plan identified a deficiency in family campground opportunities.
- The Senior Recreation Center Study has identified growing need for a recreation center in southwest Orange County.
- Recent community input has identified the growing need for a facility to address the underserved population of disabled citizens involved in adaptive sports.
- The Museum Assessment Program 2023 identified a growing need for a secure and climate-controlled rural heritage center at Fort Christmas Historical Park.
- As Orange County's park system ages, playgrounds and restrooms require replacement to meet universal accessibility and building codes. Currently there are fifteen playgrounds which exceed twenty-five years old.



Local Government Infrastructure Surtax Proposal

Environmentally Sensitive Lands Acquisition

- Since the mid 1990's Orange County has preserved 25,139 acres of Environmentally Sensitive Lands (ESL)
- In 2022, the Orange County Board of County Commissioner earmarked \$100M to double the ESL preserved by 2030. To date, \$79M has been spent: 54 properties totaling 3,417 acres.
- Additional funding (\$120M annually) will be required to achieve the goal of doubling ESL lands within Orange County by 2030.
- Future acquisitions could be focused on the following basins: Econlockhatchee River (2156 acres), and Shingle Creek (2305 acres), St. Johns River (3400 acres) and Wekiva River (1915 acres) with a projected annual cost of ESL acquisition between \$15 and \$35M.

Capital Improvement Projects

- In FY 26/27, EPD is requesting \$1.2M for projects; past 3 prior years the requests were over \$1M.
- Johns Lake Conservation Area Boardwalk construction is estimated to be \$4M.
- Continued property acquisition will increase the number of projects.

Land Management

- In FY 25/26, EPD spent just under \$1M on land management costs related to Green PLACE properties.
- As more properties are acquired and costs rise, expenditures are expected to increase each year.



Local Government Infrastructure Surtax Proposal

Affordable Housing / Economic Development

Affordable Housing Land Acquisition

- The housing project must dedicate at least 30% of the units as affordable to households with incomes not exceeding 120% of the area median income, adjusted for household size
- **The land must be owned by a local government or by a special district** that enters into an agreement with a local government to provide the housing
- The local government or special district may enter a ground lease with a public or private person or entity for nominal or other consideration for constructing the housing project on the acquired land

Economic Development Trust Fund

- Up to 15% of funds may be allocated to deposit into a trust fund dedicated to economic development projects
- Expenditures must serve a public purpose to improve local economies, including funding operational costs and incentives related to economic development
- The ballot statement must expressly indicate the intent to make an allocation under the authority of this subparagraph
- County Attorney's office is researching use of funding at this time



Local Government Infrastructure Surtax Proposal

Stormwater / Water Quality Improvements

Background

The Stormwater Utility Phase 2 project is underway to develop a tiered rate model to get the County to a Level of Service (LOS) "B" for stormwater capital projects based on the BCC direction on May 6, 2025. To date, many projects from the Stormwater Management, Roads and Drainage, and Environmental Protection Divisions have been identified that support the need for additional funding. As a parallel effort, those capital projects that focus on stormwater, flooding and water quality improvement can also be considered for alternative funding from the infrastructure surtax.

Funding Needs

During the first phase of the Stormwater Utility feasibility, gaps for capital funding were identified as target for improvement:

Level of Service	Estimated Capital Improvement Project Backlog	CIP Implementation Plan Term	Annual CIP Budget Requirement/Funding Gap
A	Prioritized Implementation	10 Years	\$138.0 million
B	Phased Implementation	25 Years	\$55.2 million
C	Inspection-Based Implementation	50 Years	\$27.6 million
D	Critical Needs Only Implementation	100 Years	\$13.8 million
	Current Funding	>100 Years	\$10.8 million

Options

	LOS A	LOS B	LOS C	LOS D
Stormwater Utility	\$138M	\$55M	\$28M	\$14M
Infrastructure Surtax (1 Cent)	\$130M (17%)	\$48M (6%)	\$25M (3%)	\$14M (2%)
Infrastructure Surtax (1/2 Cent)	\$130M (34%)	\$48M (13%)	\$25M (6%)	\$14M (4%)



Local Government Infrastructure Surtax Proposal

Transportation: Public Works

Background

The transportation needs are extensive and are organized in three distinct categories. The **Core** transportation needs are needed to maintain and improve the network. The **Safety** needs address the known safety concerns in our community. The **Mobility** category addresses our growing community's need for continued regional movement.

Categories	Program									
	Unfunded Capital Improvement	Resurfacing	ADA Transition	Annual Sidewalk Gap Program	Lighting	Bridge Improvements	High Injury Network (Segments + Intersections)	Operational Safety	New Roadways + Two to Four Lane Widening	
	Core	+	+	+	+	+				
	Core + Safety	+	+	+	+	+	+	+		
	Core + Safety + Mobility	+	+	+	+	+	+	+	+	

The percentage of overall funding allocated to each program is listed below:

Core

- Unfunded Capital Improvements 1.9%
- Resurfacing 10.2%
- ADA Transition 2.1%
- Annual Sidewalk Gap Program 2.1%
- Lighting 2.1%
- Bridge Improvements 0.9%

Total Core
19.3%

Safety

- High Injury Network (Intersections) 0.8%
- High Injury Network (Segments) 1.8%
- Operational Safety 11.5%

Total Core + Safety
33.4%

Mobility

- New Roads + Two to Four Lane Widening 5.9%

Total
Core + Safety + Mobility
39.3%

Recommendations

County staff recommend that the infrastructure initiative implements the County's core, safety, and mobility transportation needs as noted above. The implementation of these programs account for approximately 40% of total projected revenue of \$757 million from a full-cent, 20-year term Local Government Infrastructure Surtax.



Local Government Infrastructure Surtax Proposal

Transportation: Transit

Background

As requested by Orange County, LYNX has identified projects within the County that are likely eligible for a Local Government Infrastructure Surtax. The surtax allows for capital expenditures to support public transportation but does not generally permit the use of funds for operations & maintenance expenditures. Project categories within the transit component of the most recent Orange County Transportation Plan have been included, with a few exceptions noted below, only if their development does not lead to additional operating costs.

Project Categories

Core Capital Enhancements of Existing LYNX Transit Network

- **Bus and Paratransit Vehicles** – fund on-going replacement of vehicles used for service in Orange County
- **Bus Stop Amenities and ADA Access Improvements** –funding for amenities above and beyond normal LYNX shelter program and projects identified as part of the recently completed ADA transition plan (which do not currently have an identified funding source)
- **Bus Stations and Superstops** – major refurbishment of existing locations and the addition of a new Superstops to enhance bus connections
- **Enhanced Transit Corridors** – addition of Transit Signal Priority (TSP), enhanced stops that include additional technology amenities (such as real-time signage and fare vending), and other improvements along priority corridors identified in the LYNX Transit Development Plan
- **Improved Technology in Vehicles, Stations & Superstops** – examples include real-time signage, automated fare vending kiosks, and improved fare equipment for paratransit
- **Operational Facility State of Good Repair** – enhancements to existing facilities and purchase of paratransit garage to reduce ongoing lease costs and make needed capital improvements

Transit Economic Development Projects (To be determined)

These projects would be possible only if the County chooses to designate a portion of the infrastructure surtax in a trust for economic development projects – a category that permits operational & maintenance expenditures. Capital expenditures can be matched with federal Capital Investment Grants funds and state participation.

- **Sunshine Corridor** – new rail link connecting Orlando International Airport to Destination Parkway and Disney Springs
- **Bus Rapid Transit** – projects serving an economic anchor: S.R. 436 to Orlando International Airport; Kirkman Road to Universal; and International Drive.



Local Government Infrastructure Surtax Proposal

Repurposing of Existing LYNX Capital Funds to Enhance Service

LYNX currently uses the majority of its federal formula funds for capital projects, such as those above, with most operating expenses funded by local funding partners. While this practice is due largely to federal funding rules, LYNX Board of Directors does have some ability to adjust current practice and increase the use of federal formula funds for eligible operating expenses. Such a shift would allow local funding partners to stretch existing operating contributions for added service.



Local Government Infrastructure Surtax Proposal

Facilities as allowed by Florida Statute

Project Categories

- 911 Center
- Community Centers
- Corrections' Facilities such as Dormitory Improvements, Training, Medical, and Security Improvements
- Courthouse Complex Consolidations and Court Expansion to Offsite Campus
- EPD Trailheads, Boardwalks, and Bridges
- Goldenrod Homeless Shelter
- Head Start Facilities
- Head Start Playground Shade Structures
- Health Department Women, Infants, and Children Building Replacement
- Fleet Expansion
- Mable Butler Family Center Improvements and Expansion
- Neighborhood Centers for Families
- Regional History Center Expansion
- Sheriff Sector Substations
- Supervisor of Elections/Property Appraiser/Tax Collector Building