

Osceola voters reject proposed penny sales tax by 2-to-1 margin



By **Ryan Gillespie**

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Pedestrian intersection near the Osceola County Courthouse at W Emmett Street in downtown Kissimmee, on Friday, November 3, 2017. (Ricardo Ramirez Buxeda / Orlando Sentinel)

Osceola voters were clear Tuesday on their stance on a proposed penny sales-tax increase: No way.

By a more than 2-to-1 margin, voters swamped the measure that was expected to bring in about \$2 billion over 30 years. The plan was meant to shore up transportation funding gaps, allowing the rapidly growing county to move forward on various projects to widen roads, fill in potholes, build new sidewalks and make other improvements.

The extra tax went down to defeat, with 67% opposed and 33% backing it. About 18 percent of registered voters cast ballots.

Had it been approved, Osceola would have jumped to the maximum level allowed by state law at 8.5 cents. The proposal was met with fierce blowback from outspoken citizens, state Rep. Mike La Rosa, R-St. Cloud, and the county's Republican Executive Committee.

"I think voters spoke pretty overwhelmingly tonight [Tuesday]," La Rosa said. "It was very hard to find folks that were in favor of it whatsoever — most folks were jazzed up and knew they had to go out there and have their voices heard."

Also Tuesday, Volusia County voters followed suit and downed a half-cent sales tax for transportation, but by a narrower margin than in Osceola — 55 percent opposed and 45 in favor, according to unofficial results. That special election was conducted through mail-in ballots. Turnout in Volusia was about 25%.

Osceola opponents, while agreeing that transportation upgrades are needed as the county's population swells, decried the extra penny as unnecessary and said county officials should look within its \$1.2 billion budget for the money it needs. Had the initiative been approved, Osceola residents would have joined Hillsborough county at the maximum rate.

The county could also bring forward another referendum in the coming years. In Hillsborough County, voters rejected 1% sales-tax initiatives in 2010 and 2014 before signing off on it last year.

Osceola also could fall in line with Orange County, where Mayor Jerry Demings announced this month a 2020 penny sales tax measure for transportation needs. That tax would take Orange County's sales tax to 7.5%, and the mayor said would be used primarily to build a robust transit system with his eyes on expansions to Lynx and SunRail.

La Rosa said he couldn't imagine a scenario in which he'd support a sales-tax increase.

"On the financial side, I think the answer is to dig deeper," he said. "Find additional resources and really look at where their spending is."

In the buildup to Election Day, Osceola County Commission Chairwoman Cheryl Grieb wrote in an Orlando Sentinel guest column in which she wrote that “doing nothing to address these needs is no longer an option,” and acknowledged that past commissions had been too lax on developers.

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However, she said now developers pay the highest impact fees in the state — \$22,000 per new home.

In prior interviews, she batted back La Rosa’s argument, stating that much of the county’s \$1-plus billion budget is restricted funds, meaning they couldn’t be used to solve its problems.

“The referendum represented an opportunity for Osceola County voters to weigh in on our transportation infrastructure and future planning efforts. We will discuss the results of the special sales surtax referendum at the next meeting of the Board of County Commissioners,” Grieb said in a statement through a county spokeswoman.

Now faced with a no vote, it’s unclear where the county could go to find the necessary money for vital upgrades.

Previously, Grieb hadn’t ruled out looking at raising the property tax rate, a move Atlee Mercer, who helped run a committee supporting the penny, would support.

Mercer, a former county commissioner and property appraiser, said he doesn’t envy the county’s position.

“I would not want to be in the commissioner’s chair right now. They have a rock-and-a-hard-place decision,” he said. “We did our best to convince people to pass it and our opponents ruthlessly did their best to distort it.”

Commissioners unanimously decided in February to schedule a referendum on the penny sales tax and launched a three-month campaign toward Tuesday’s vote.

The initiative was well funded, backed by a political action committee called Fix the Traffic!, which raised \$295,200.

Much of its backing came from construction, engineering, surveyors and attorneys. The bulk of the money was spent on television and communications groups, including at least \$131,108 to Consensus Communications, an Orlando firm, and \$70,000 to SRH Media in Maryland.

Osceola County also spent \$121,000 — including an estimated \$84,000 to Consensus Communications — and other costs including brochures, utility bill stuffers and other advertisements.

The county’s contract with Consensus Communications caps the deal at \$100,000 and was for educational workshops and for the “development of information media to educate citizens on the factual aspects” of the initiative.

While the group opposing it, a Tallahassee PAC called One Penny Too Many, raised \$25,140.20, with most of the money coming from another committee run by La Rosa.



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