THE FLORIDA PUBLIC ASSET REVENUE INITIATIVE

Leveraging Public Assets, Private-Sector Expertise, and Market Demand to Reduce Reliance on Real Estate Property Taxes

Executive Summary

Florida homeowners face increasing financial pressure from rising housing costs, insurance premiums, assessments, maintenance expenses, and property taxes. While reducing real estate property taxes can provide meaningful relief, property tax revenue supports essential local government services, including law enforcement, fire protection, emergency services, infrastructure, parks, and other public functions.

A sustainable property tax reduction strategy should therefore consider not only how government can spend less, but also how government can generate new revenue from assets already owned by the public.

The **Florida Public Asset Revenue Initiative** proposes a statewide framework for identifying appropriate tangible and intangible public assets that can responsibly generate revenue through voluntary commercial relationships and public-private partnerships.

Government owns and controls substantial assets with potential economic value. These assets include land, buildings, rooftops, parking facilities, rights and access interests, infrastructure, public venues, sponsorship opportunities, licensing rights, approved brand associations, and other tangible and intangible assets.

Many of these assets may have commercial value beyond their current governmental use.

Under this proposal, the State of Florida would establish a formal process to:

1. Identify appropriate public assets with potential revenue-generating value;
2. Determine how those assets can be responsibly used without interfering with their public purpose;
3. Use competitive procurement to select qualified private-sector businesses to develop, market, manage, or provide related commercial services;
4. Allow businesses and other customers to voluntarily purchase those services or commercial opportunities;
5. Protect the independence, integrity, and public purpose of government institutions; and
6. Dedicate eligible net revenue toward reducing reliance on real estate property taxes.

The objective is not to privatize government or sell public institutions.

The objective is to recognize that publicly owned assets can possess economic value and that government has a responsibility to manage those assets for the benefit of the taxpayers who ultimately own them.

Policy Objective

Establish a statewide framework for identifying, valuing, and responsibly leveraging appropriate tangible and intangible public assets through competitively procured private-sector partnerships, generating recurring non-tax revenue that can reduce Florida's reliance on real estate property taxes while protecting public ownership, governmental independence, free-market competition, and the public trust.

The Broader Vision

Florida should treat responsible public asset management as a core component of fiscal policy.

The state should not operate businesses merely because an opportunity exists. Nor should government commercialize assets in ways that compromise public trust, essential services, or governmental independence.

However, government should also not allow valuable public assets to remain economically underutilized simply because taxation has traditionally been the easier source of revenue.

The **Florida Public Asset Revenue Initiative** offers a different approach.

1. **The public contributes the asset.**
2. **Private enterprise contributes the expertise.**
3. **Businesses voluntarily purchase the service, access, sponsorship, lease, license, or commercial opportunity.**
4. **Government receives new non-tax revenue.**
5. **Taxpayers receive the benefit.**

The principle is straightforward:

Before government demands greater value from privately owned property through taxation, it should responsibly examine whether greater value can be generated from the assets the public already owns.

Florida has the opportunity to create a new model of public finance—one that combines responsible asset management, competitive private enterprise, public accountability, and measurable tax relief.

The Policy Principle

Before Government Taxes an Asset, It Should Examine the Assets It Already Owns

Government traditionally generates revenue primarily through taxation, fees, fines, and assessments.

However, the public sector also controls substantial tangible and intangible assets.

Private businesses routinely evaluate their assets to determine whether those assets can generate additional revenue without interfering with their primary operations. Government should be capable of conducting a similar analysis while maintaining stronger standards of transparency, ethics, public accountability, and protection of the public interest.

The central policy question is:

Can appropriate public assets generate additional revenue before government asks property owners to provide that revenue through taxation?

The **Florida Public Asset Revenue Initiative** would establish a systematic process for answering that question.

What Is a Public Asset?

For purposes of this initiative, public assets could be divided into two broad categories.

Tangible Public Assets

Tangible assets are physical assets owned, leased, controlled, or otherwise available to a public entity.

Potential examples may include:

- Underutilized government-owned land;
- Rooftops and other building surfaces;
- Parking facilities;
- Public buildings and facilities;

- Government-owned venues;
- Appropriate transportation or infrastructure assets;
- Telecommunications locations;
- Utility corridors and other legally available access interests;
- Space suitable for renewable energy infrastructure;
- Space suitable for communications equipment;
- Event and concession locations; and
- Other physical assets capable of generating revenue without materially interfering with their governmental purpose.

For example, an appropriate parcel of publicly owned land might be leased for compatible commercial use. A government-owned rooftop might be made available for telecommunications or energy infrastructure. A public venue might generate additional revenue through concessions, events, or commercial partnerships.

The public retains ownership of the assets, while receiving compensation for approved private use.

Intangible Public Assets

Government also possesses intangible assets that may have legitimate economic value.

Potential examples may include:

- Approved sponsorship opportunities;
- Official partnership designations;
- Licensing rights;
- Event partnerships;
- Public venue associations;
- Educational or public-awareness campaign partnerships;
- Tourism and economic-development promotional opportunities;
- Approved recognition programs;
- Intellectual property owned by public entities; and
- Other forms of public-sector commercial value authorized by law.

These assets must be treated with particular care because public trust, government authority, and public safety institutions should never simply be sold to the highest bidder.

However, carefully regulated sponsorships and partnerships can allow businesses to support their communities while generating revenue for public purposes.

For example, a business might become an approved community partner or sponsor of an eligible public facility, program, event, or initiative.

A sponsorship could state:

"Proud Community Partner of [Public Facility or Program]"

The business receives recognition for supporting the community. The public entity receives revenue. The identity, authority, operations, and independence of the public institution remain protected.

Government Provides the Asset. Private Enterprise Provides Expertise

A central principle of the **Florida Public Asset Revenue Initiative** is that government should generally not create new agencies or government-run businesses to perform services already available in the private sector.

Instead, Florida would use its existing competitive procurement system to engage qualified private-sector companies.

Depending on the assets and opportunity, those companies could include:

- Commercial real estate firms;
- Property and asset management companies;
- Advertising and marketing agencies;
- Sponsorship management firms;
- Telecommunications companies;
- Technology companies;
- Energy developers;
- Event management companies;
- Licensing specialists;
- Infrastructure companies; and
- Other qualified service providers.

The public entity contributes the asset or commercial opportunity.

The private-sector contractor contributes specialized expertise, technology, marketing, customer acquisition, management, and service delivery.

Private businesses and other eligible customers voluntarily purchase the resulting services, leases, sponsorships, licenses, or commercial opportunities.

The government receives revenue under a competitively negotiated contract.

This structure allows Florida to create new public revenue while supporting, rather than displacing, existing private-sector businesses.

The Role of Florida's Procurement System

Florida's procurement system would serve as a central mechanism for implementing the initiative.

The procurement function would not simply purchase goods and services on behalf of government. It would also be used, where authorized, to competitively select private-sector partners capable of helping public entities generate value from approved assets.

A public entity could:

1. Identify an asset with potential revenue-generating value;
2. Evaluate whether commercial use is legally and operationally appropriate;
3. Establish restrictions protecting the public purpose of the asset;
4. Determine the appropriate procurement or competitive selection process;
5. Solicit proposals from qualified private-sector providers;
6. Select a contractor based on qualifications, financial return, public benefit, performance standards, and other appropriate criteria;
7. Authorize the contractor to develop or manage the approved commercial opportunity;
8. Collect revenue through a lease, license, sponsorship, concession, revenue-sharing agreement, management agreement, or other legally authorized structure; and
9. Audit and publicly report the financial results.

This would create a disciplined process for converting appropriate underutilized public value into recurring public revenue.

Creating a Statewide Public Asset Inventory

One of the first steps should be the creation of a comprehensive inventory of eligible public assets.

Government cannot effectively manage the economic potential of assets it has not systematically identified.

The state should establish a process for agencies and participating public entities to identify:

- The asset;
- Its current public use;
- Available or underutilized capacity;
- Legal restrictions affecting the asset;
- Potential commercial applications;
- Estimated market value;
- Potential revenue;
- Operational risks;
- Public-interest concerns; and
- Whether private-sector expertise would be required.

The purpose would not be to require commercialization of every public asset.

Some public assets should never be commercialized.

The purpose is to identify where responsible opportunities exist and allow informed decisions to be made.

The Public Asset Opportunity Marketplace

Florida could establish a centralized platform through which approved public asset opportunities are made available to the private sector.

The platform could provide information about:

- Available leases;
- Sponsorship opportunities;
- Licensing opportunities;
- Concessions;
- Public-private commercial partnerships;
- Underutilized physical assets;
- Requests for proposals;
- Revenue-sharing opportunities; and
- Other approved uses of public assets.

This would improve transparency and allow businesses of different sizes to identify opportunities to participate.

Rather than relying on fragmented and inconsistent practices across government, Florida could establish common standards for valuation, procurement, contracting, disclosure, and revenue reporting.

Creating a New Source of Revenue for Property Tax Relief

The long-term purpose of the initiative is to develop recurring revenue that can reduce government's reliance on real estate property taxation.

Property taxes are imposed on the value of privately owned real estate.

At the same time, government itself controls substantial assets with economic value.

The **Florida Public Asset Revenue Initiative** proposes that government more effectively manage appropriate publicly owned assets before relying exclusively on increased taxation of privately owned assets.

Eligible net revenue generated through the initiative could be directed into a dedicated **Property Tax Relief and Revenue Replacement Fund**, subject to constitutional and statutory requirements.

The fund could be used to support state-authorized property tax relief and, where legally and fiscally appropriate, provide replacement revenue associated with reductions in specified non-school property taxes.

The amount of tax relief should be based on actual recurring net revenue rather than speculative projections.

This creates a fiscally responsible principle:

Generate the revenue first. Verify that it is sustainable. Then use the recurring revenue to reduce the tax burden.

A Revenue Diversification Strategy, Not a Single Revenue Source

No single public asset or sponsorship program should be presented as a replacement for Florida's entire property tax system.

The strength of this proposal comes from aggregation.

One land lease may generate limited revenue.

One sponsorship may generate limited revenue.

One telecommunications agreement may generate limited revenue.

But a statewide portfolio of thousands of appropriately managed tangible and intangible assets could create a meaningful new revenue stream.

The initiative should therefore be viewed as a **public revenue diversification strategy**.

Potential revenue streams could include:

- Lease payments;
- Licensing fees;
- Sponsorship revenue;
- Concession revenue;
- Revenue-sharing agreements;
- Royalties;
- Access fees;
- Commercial partnership revenue;
- Asset management income; and
- Other legally authorized contractual revenue.

The objective is to create a diversified portfolio of recurring non-tax revenue.

Protecting the Public Interest

The commercialization of public assets must have clear boundaries.

Not every government asset should be monetized, and not every potential sponsor or commercial relationship should be accepted.

The initiative should include strong safeguards.

Government Authority Is Not for Sale

No commercial agreement should provide:

- Preferential regulatory treatment;
- Preferential law enforcement treatment;
- Preferential emergency response;
- Influence over governmental decisions;

- Control over public employees;
- Control over public policy;
- The appearance that a private company exercises governmental authority; or
- Improper access to confidential or protected government information.

Public Safety Independence Must Be Protected

Police, fire, emergency management, and other public safety institutions require heightened safeguards.

Any sponsorship or commercial partnership involving these institutions should preserve their official identity and operational independence.

Essential Public Access Must Be Protected

A commercial agreement should not improperly restrict public access to essential government services or convert a core public service into a pay-to-access benefit.

Transparency Must Be Required

Contracts, compensation structures, revenue-sharing arrangements, and material commercial terms should be publicly available except where specific information is lawfully exempt from disclosure.

Competitive Selection Must Be the Standard

Revenue opportunities should be awarded through fair and transparent competitive processes when required or appropriate.

Conflicts of Interest Must Be Prohibited

Businesses seeking regulatory decisions, government contracts, or other official action should not be permitted to use sponsorships or commercial payments as a means of obtaining improper influence.

Local Government Participation

Because property taxes are primarily a local revenue source, the initiative should recognize the role of counties, municipalities, special districts, and other local public entities.

A statewide framework could establish:

- Model contracting standards;
- Approved procurement procedures;

- Ethics requirements;
- Sponsorship standards;
- Asset valuation methods;
- Transparency requirements;
- Revenue reporting requirements; and
- Optional centralized contracting resources.

Local governments could identify eligible assets and participate within the boundaries established by law.

Revenue generated from locally owned assets should generally benefit the public entity or taxpayers associated with those assets, subject to any state-created revenue-sharing or property-tax relief structure authorized by law.

The state should not simply capture the value of locally owned assets without an equitable framework for local participation.

Recommended Implementation

Phase I: Public Asset and Legal Review

Florida should conduct a statewide review to identify:

- Existing authority to lease, license, sponsor, or commercially use public assets;
- Existing restrictions on the commercial use of government property;
- Procurement requirements;
- Ethics and conflict-of-interest laws;
- Restrictions involving public safety agencies;
- Constitutional limitations;
- Restrictions on the use of public names, seals, insignia, and intellectual property;
- Revenue disposition requirements; and
- Existing state and local asset-management programs.

This review should identify where current law already permits revenue-generating activity and where legislative authorization or clarification is required.

Phase II: Statewide Asset Inventory

State agencies should identify appropriate tangible and intangible assets with potential revenue-generating capacity.

Assets should be classified according to:

- Current use;
- Ownership;
- Legal restrictions;
- Commercial potential;
- Estimated value;
- Risk;
- Public sensitivity; and
- Compatibility with the asset's primary governmental purpose.

Phase III: Pilot Programs

Florida should begin with a limited number of asset categories that can be carefully evaluated.

Pilot programs could test:

- Commercial leasing;
- Telecommunications infrastructure;
- Energy-related uses;
- Sponsorship programs;
- Licensing;
- Concessions; and
- Other appropriate asset categories.

Each pilot should measure:

- Gross revenue;
- Contractor compensation;
- Administrative costs;
- Net public revenue;
- Effect on the public asset;
- Market participation;
- Public response; and

- Compliance with ethical and operational safeguards.

Phase IV: Revenue Expansion and Property Tax Relief

Once recurring net revenue has been established and independently verified, the Legislature could determine how eligible revenue should be dedicated to measurable property tax relief.

The policy should avoid reducing recurring tax revenue based solely on projected or speculative commercial income.

Policy Objective: Re-enforced

Establish a statewide framework for identifying, valuing, and responsibly leveraging appropriate tangible and intangible public assets through competitively procured private-sector partnerships, generating recurring non-tax revenue that can reduce Florida's reliance on real estate property taxes while protecting public ownership, governmental independence, free-market competition, and the public trust.