

**City of Tamarac**  
**Interoffice Memorandum**  
**Financial Services Department**  
**ADMINISTRATIVE DIVISION**

**To: Michael C. Cernech, City Manager**  
**From: Christine Cajuste, Interim Director Financial Services**  
**Date: July 1, 2020**  
**Re: FY2021 Fire Rescue Assessments – TR #13434**

**Recommendation:**

The Director of Financial Services recommends initiating the annual process of updating the Assessment Roll and re-imposing Fire Rescue special assessments as put forth under TR# 13434 for the provision of Fire Rescue services within the City of Tamarac for the Fiscal Year beginning October 1, 2020.

**Issue:**

Since FY1997, the City of Tamarac annually assesses property within its City limits to fund all or a portion of the cost of the provision of Fire Rescue services, facilities, and programs. Re-imposing these annual assessments is again recommended for FY 2021. TR #13434 describes the method of assessing the Fire Rescue costs against assessed property located within the City, directs the preparation of an assessment roll, authorizes a public hearing, and directs the provision of a notice for the public hearing.

**Background:**

In June of 1996, the City of Tamarac implemented a recurring annual fire rescue special assessment program to provide a portion of the funding for the City's fire rescue services and facilities with the adoption of Ordinance No. O-96-8. This assessment is an equitable and efficient method of allocating and apportioning the Fire Rescue Assessed Cost among parcels of assessed property. In addition, it is fair and reasonable and consistent with the decision from the Florida Supreme Court in the case of City of North Lauderdale v. SMM Properties, Inc., 825 So. 2d 343 (Fla. 2002), to exclude from the Fire Rescue Assessed Cost amounts determined to constitute the Emergency Medical Services Cost.

Estimated Exempt Buy Down:

Institutional property whose use is exempt from ad valorem taxation under Florida law provide facilities and uses to the ownership, occupants, membership as well as the public in general that otherwise might be requested or required to be provided by the City and such property uses serve a legitimate public purpose and provide a public benefit. Therefore, it is fair and reasonable not to impose Fire Rescue Assessments upon buildings located on such parcels of institutional property whose building use is wholly exempt from ad valorem taxation under Florida law. Accordingly, no Fire Rescue Assessment has been imposed upon a building located on a parcel of institutional property whose building use is wholly exempt from ad valorem taxation under Florida law.

Also, during the 2010 legislative session, CS/HB 1129 was adopted by the Florida Legislature (the "Local Bill"), and the City annexed new properties which became subject to the City's fire rescue assessment. However, based upon the legislative findings set forth in the Local Bill the City provides a partial exemption as described in the Local Bill from the fire rescue assessment for the properties located within the area annexed by the City. The County's current rate for residential and multi-family is \$190 requiring a subsidy from the City of \$160 per parcel. For commercial and industrial properties the amount necessary to make up the difference between the City's rate per square foot and the County's rate for per square foot is calculated on a property by property basis. This requirement is recurring year over year and will be in place until such time as there is no unincorporated county land or the rates in unincorporated Broward County exceed the City's Fire Assessment rates.

In order to annually re-impose these Fire Rescue assessments, the ordinance requires the City Commission to adopt an annual rate resolution each fiscal year which occurs during its budget adoption process. The Resolution establishes the rate of assessment and approves the assessment roll for the upcoming fiscal year, with such amendments as the City Commission deems appropriate after hearing comments of all interested parties.

Accordingly, an updated assessment roll must be made available for inspection by the public and a notice of public hearing must be published and mailed as required by the terms of the Ordinance providing notice to all interested persons of an opportunity to be heard.

TR #13434 establishes these functions and sets the public hearing date for September 14, 2020 at 5:05 p.m. in the City Commission Chambers and coincides with the first public hearing of the FY 2021 Millage Rates and Budget.

**Fiscal Impact:**

This assessment sets the residential property rate per dwelling unit at \$350 which is the same rate as FY 2020 and is the fifth year at the same rate. This represents a fire rescue assessment fee funded at 98% of allowable costs. The fire rescue assessment fees will provide an estimated gross revenue in the amount of \$14,617,482, an estimated exempt buy-down of \$685,445 for an estimated net revenue of \$13,932,037 (including the annexed Prospect Bend area see discussion above regarding the Local Bill) resulting in a budgeted assessment of \$13,235,435 at 95% of the gross assessment for Fire Rescue services. The 95% takes into account discounts and non-payment of the property tax bill. The overall Fire Rescue budget proposed for FY 2021 is \$25,431,461.

In addition, Assisted Living Facilities are combined with the Institutional grouping. Consequently, there are currently three non-residential property use categories: Commercial, Industrial/Warehouse, and Institutional. The fire assessment rates will be set indicated on the following page.

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| <b>Five Year Average Fire Assessment Rates (Fiscal Year 2016-17 through Fiscal Year 2020-21) (98.48% Funding)</b> |   |                   |                               |                      |
|---|---|-------------------|-------------------------------|----------------------|
| <b>Residential Property Use Categories</b>  | <b>Dwelling Units</b>                                   |                   |                               |                      |
| Residential   | \$350   |                   |                               |                      |
| <b>Non-Residential Property Use Categories</b>  | <b>Building Classifications (in square foot ranges)</b> | <b>Commercial</b> | <b>Industrial / Warehouse</b> | <b>Institutional</b> |
|   | ≤ 1,999   | \$541             | \$112                         | \$926                |
|   | 2,000 – 3,499   | \$1,082           | \$223                         | \$1,852              |
|   | 3,500 – 4,999   | \$1,894           | \$389                         | \$3,241              |
|   | 5,000 – 9,999   | \$2,705           | \$556                         | \$4,630              |
|   | 10,000 – 19,999   | \$5,410           | \$1,112                       | \$9,260              |
|   | 20,000 – 29,999   | \$10,820          | \$2,223                       | \$18,519             |
|   | 30,000 – 39,999   | \$16,230          | \$3,334                       | \$27,779             |
|   | 40,000 – 49,999   | \$21,639          | \$4,445                       | \$37,038             |
|   | ≥ 50,000  | \$27,049          | \$5,556                       | \$46,297             |
| *Estimated Gross Revenue: \$14,617,482; Estimated Exempt Buy-down: \$685,445; Estimated Net Revenue: \$13,932,037 |   |                   |                               |                      |

After approval of the final assessment resolution, the non-ad valorem assessment roll will be certified and sent to the Tax Collector.