

RESOLUTION NO. 2019-12

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF SPRINGFIELD, FLORIDA, APPROVING THE FISCAL YEAR 2019-20 NON-AD VALOREM ASSESSMENT ROLL FOR FIRE PROTECTION SERVICES, FACILITIES AND PROGRAMS; DIRECTING CERTIFICATION OF THE ASSESSMENT ROLL AND COLLECTION PURSUANT TO THE UNIFORM ASSESSMENT COLLECTION ACT; CONFIRMING NOTICE AND IMPOSING AND LEVYING FIRE SERVICE ASSESSMENTS; PROVIDING DIRECTIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SPRINGFIELD, FLORIDA, AS FOLLOWS:

**ARTICLE I
INTRODUCTION**

SECTION 1.01. AUTHORITY. This Resolution of the City Commission (the "Commission") of City of Springfield, Florida (the "City") is adopted pursuant to City Ordinance No. 511 (the "Assessment Ordinance"), City Resolution No. 13-02 (as may be amended, supplemented and confirmed from time to time, the "Initial Annual Assessment Resolution"), sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. This Resolution is the Annual Assessment Resolution for the Fiscal Year (sometimes also called the budget year) commencing October 1, 2019 contemplated by Section 2.05 of the Assessment Ordinance. All capitalized words and terms not otherwise defined herein shall have the meanings set forth in the Assessment Ordinance and the Initial Annual Assessment Resolution.

SECTION 1.03. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) Pursuant to the Assessment Ordinance, the City adopted the Initial Annual Assessment Resolution imposing special assessments to provide for the funding of fire protection services, facilities and programs, and providing for annual collection thereof pursuant to the direct billing method of collection described in Article III of the Assessment Ordinance.

(B) Prior to commencing collection, the City obtained a judicial determination from the Circuit Court of the Fourteenth Judicial District of the State of Florida in and for Bay County that validated and confirmed, among other things, the legality and validity of the Assessment Ordinance, the Initial Annual Assessment Resolution, the reasoned ability to legally rely upon the imposition of special assessments in the form of Fire Service Assessments to annually fund fire protection essential services and fund and finance associated capital improvements and

equipment, the method of apportioning the Fire Service Assessments among the real property subject thereto (sometimes called "Springfield Fire"™), the burdens relieved and special benefit conveyed by the fire protection services and facilities funded in part through the Fire Service Assessments, the superior nature of lien of the Fire Service Assessments and the legality of all proceedings and matters in connection therewith (the "Final Judgment"). The Simplified Fire method of apportionment used by the City and its concept and premise have now been further validated by the Florida Supreme Court. Each property owner was then initially provided a direct-mailed bill for Fiscal Year 2012-13 specific to each property assessed and additional notice and information concerning the anticipated non-ad valorem Fire Service Assessment for Fiscal Year 2013-14. Additional notice was published in a newspaper of general circulation. Such notices briefly explained the collection process for an amount equivalent to any unpaid amount due and how the City Commission expected to collect unpaid assessments, or amounts equivalent thereto which otherwise create City budget shortfalls and diminish operating reserves, as well as fund and collect future year's Fire Service Assessments. All such assessments were collected, without loss of property. For each Fiscal Year since, the City has employed the Uniform Method of Collection of Fire Service Assessments.

(C) The Assessment Ordinance provides for the adoption each year of an Annual Assessment Resolution approving, confirming or amending the Fire Service Assessment Roll. This Resolution accomplishes such activity.

(D) Pursuant to section 197.3632(4)(a), no public hearing is needed to consider adoption of the Fire Service Assessment Roll for Fiscal Year 2019-20 as the proposed rates have not increased since the last public hearing, the Assessment is not being levied for the first time, the Assessment does not apply to any properties not previously noticed, and serves the same purpose as the previously adopted Assessment. However, the City has annually held a public hearing on the proposed assessment to afford extraordinary opportunity for affected citizens and property owners to be heard.

(E) The City has duly scheduled and provided published and other extraordinary notice of a public hearing for September 3, 2019, to consider adoption of the Fire Service Assessment Roll for Fiscal Year 2019-20, and included a statement of intent not to increase the rate of assessment.

(F) Notice of the September 3, 2019 public hearing was also provided as part of the annual Notice of Proposed Property Taxes and Non-Ad Valorem Assessments (also known as the TRIM Notice) in conformance with the Uniform Assessment Collection Act.

(G) Additional and extraordinary interactive notice has also been made available on the internet on the City's website at: <https://www.springfieldfl.net> or <http://quicksearch.ennead-data.com/springfield> with additional access available via computer terminal upon request available during business hours to the public at City Hall.

(H) The Fire Service Assessment Roll has heretofore been made available for inspection by the public. All notice required to be provided to a property owner in the manner required by the Uniform Assessment Collection Act and the Assessment Ordinance has been substantially and duly provided.

(I) On or before September 3, 2019, the City Commission received and reviewed a fire budget and assessment review update summary prepared by Ennead, LLC (the "Executive Summary") and has considered same along with advice and input from City officials and staff, as part of the budget consideration process for use of the Fire Service Assessment as a component part of the overall annual City budget by confirming proposed rates of assessments, and accordingly provided direction.

(J) A public hearing was held on September 3, 2019, and comments, concerns and objections of all interested persons have been duly received, heard and considered. Additionally, the City Commission again reviewed the previous and updated Executive Summary and all matters referenced and incorporated therein. All of the foregoing has been considered in the context of public discussion or comment upon the subject of funding fire protection services, facilities and programs at duly scheduled and noticed meetings and workshops of the City Commission on several occasions each year since 2103 as well as the overall fiscal and other circumstances of the City.

(K) The Assessments contemplated in this Resolution are imposed by the City Commission, not the Property Appraiser or Tax Collector. Any activity of the Property Appraiser or Tax Collector under the provisions of this Resolution shall be construed solely as ministerial.

(L) The legislative determinations and findings set forth in the Initial Annual Assessment Resolution, as amended, and the Final Judgment have again been considered and are also hereby in context incorporated herein by reference.

(M) The City Commission hereby finds and determines that the Fire Service Assessments to be imposed in accordance with this Resolution provide a proper and equitable method of funding associated fire protection services and facilities by fairly and reasonably allocating a portion of the cost thereof among specially benefitted property.

ARTICLE II ASSESSMENT

SECTION 2.01. RATIFICATION AND CONFIRMATION.

(A) The benefits to property and methods of apportionment provided for herein, and the use of proceeds of the non-ad valorem assessment to pay for capital equipment and facilities have previously been judicially validated as for proper, legal and paramount public purposes and fully authorized by law by the Circuit Court of the Fourteenth Judicial District of the State of Florida in and for Bay County; and, are hereby ratified, confirmed and advanced as being employed and similarly used by and for the purposes of this Resolution. For the purposes of

supporting and adopting this Resolution the determinations in the foregoing Final Judgment, and the Initial Annual Assessment Resolution are each also hereby supplementally incorporated herein by reference and ratified and confirmed under the circumstances and timing required to govern effectively as relevant and applicable.

(B) In consideration of the extraordinary consequences of Hurricane Michael, and the impacts on the City, its property owners, residents and businesses, disruption of the standard and uniform development of data by the Property Appraiser and Tax Collector, and promulgation of information by the Florida Department of Revenue, it is reasonable and fair that the Assessment Coordinator has directed and authorized use of data obtained from the Florida Department of Revenue, including that promulgated in November 2018, for the purposes of the Assessment Roll. Such authorization and direction shall continue until such information becomes better normalized in due course as the aberrations of impacts and community recovery are more completely reflected in collected data and information.

SECTION 2.02. PROCEDURAL COMPLIANCE.

(A) The Assessment Coordinator has caused to be prepared a preliminary Fire Service Assessment Roll that contains the following information:

(1) a summary description of each Tax Parcel (conforming to the description contained on a recently certified Tax Roll prepared and maintained by the Property Appraiser for the purpose of levying and collecting ad valorem taxes) which is intended to be subject to the Fire Service Assessment;

(2) the name of the owner of record of each Tax Parcel, as shown on the most recent certified Tax Roll, which will be updated in normal course prior to any certification of the Assessment Roll to the Tax Collector; and

(3) the proposed amount of the total Fire Service Assessment for each affected Tax Parcel for the fiscal year commencing October 1, 2019, exclusive of adjustment for statutory discounts and anticipated costs of collection and administration.

(B) In the event the City also imposes or collects an impact fee upon new growth or development for capital improvements related to fire protection, the special assessments provided for hereunder shall not include costs attributable to capital improvements necessitated by new growth or development which were included in the computation of such impact fee or which are otherwise funded by such impact fee.

(C) The City Commission duly and substantially provided the publication of notice of a public hearing. Proof of publication of the notice is attached hereto as Appendix A.

(D) The Assessment Roll shall be necessarily updated from time to time in due course, to show changes in parcel configuration or other administrative corrections. In the event the Assessment Coordinator makes any exemptions, administrative or other modifications to the

Assessment Roll authorized by the Assessment Ordinance, this Resolution or otherwise, funding for such changes to the Assessment Roll shall be funded by legally available funds other than direct proceeds of the Assessments. Such changes shall not require any recalculation or change in the rate or rates of assessment otherwise considered or adopted pursuant to the Assessment Ordinance or this Annual Assessment Resolution.

(E) A public hearing was duly held on September 3, 2019 commencing at or about 5:30 p.m. at City Hall, Springfield, Florida, at which time the Commission received and considered information and comments on the Fire Service Assessments from City officials, staff, experts and advisors, as well as the public and affected property owners, and considered imposing Fire Service Assessments and the method of collection thereof as required by the Assessment Ordinance.

(F) The information on the City's website and the published notice each explained that the prior Fiscal Year 2018-19 Fire Service Assessment rates are the maximum rates the City can impose for the coming Fiscal Year 2019-20 Fire Service Assessment.

SECTION 2.03. ESTIMATED FIRE SERVICE ASSESSED COST; RATE OF ASSESSMENT.

(A) The estimated Fire Service Assessed Cost to be recovered through Fire Service Assessments for the Fiscal Year commencing October 1, 2018 is \$479,425. This includes:

(B) The Tier 1 Assessment of \$151,538 based on relative value of improvement for each Tax Parcel (for more variable costs) and the Tier 2 Assessment of \$311,822 assessed per Tax Parcel (for more fixed, readiness to serve costs).

(C) The Fire Service Assessments established in this Annual Assessment Resolution are determined by the assessment rates prepared for consideration by the public and City Commission in the preparation of the Fire Service Assessment Roll for the Fiscal Year commencing October 1, 2019.

(D) The rate of Fire Service Assessment will remain the same as for the current Fiscal Year, and is (1) \$0.76 per thousand dollars of improvements, or fraction thereof, for each Tax Parcel as reflected in the Tax Roll (Tier 1), plus (2) \$88.31 per Tax Parcel (Tier 2), and (3) the separate and additional charge of \$4.56 to defray the City's costs of collection and administration.

SECTION 2.04. IMPOSITION OF ASSESSMENTS.

(A) Upon adoption hereof, Fire Service Assessments are to be levied and imposed throughout the entire area within the boundaries of the City and this Resolution shall be deemed to be adopted and confirmed for all purposes.

(B) Fire Service Assessments shall be imposed against Tax Parcels located within the City, the annual amount of which shall be computed for each Tax Parcel in accordance with this Resolution. When imposed, the Fire Service Assessment for each Fiscal Year shall constitute a lien upon Assessed Property equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments as provided in the Assessment Ordinance.

(C) As provided for herein, the Fire Service Assessed Cost shall be apportioned among all Tax Parcels within the City, not otherwise exempted hereunder, and including any statutorily defined parcels such as individual condominium or cooperative units with extraordinary alienability. The estimated Fire Service Assessed Cost and rate of Fire Service Assessment shall be that described in Section 2.03 hereof.

(D) In the same manner as in the current Fiscal Year, the City Commission determines to separately and additionally charge, impose and levy an administrative and collection amount per Tax Parcel of \$4.56 as a part of the assessment to defray its costs of collection and annual administration.

(E) The method of determining the Fire Service Assessments as set forth in this Annual Assessment Resolution is a fair and reasonable method to share costs and benefits of collection, administration, and the continuous availability of fire protection services, facilities and programs, among Tax Parcels of Assessed Property located within the City.

(F) The Fire Service Assessment Roll is hereby approved, and shall be modified, adjusted and certified as provided in the Assessment Ordinance and this Resolution.

(G) Collection of the Fire Service Assessments shall take place pursuant to the uniform billing method of collection described in Article III of the Assessment Ordinance.

SECTION 2.05. DIRECTION CONCERNING INTERIM ASSESSMENTS.

(A) Pursuant to Section 2.13 of the Ordinance an interim Assessment may be imposed against all property for which a Certificate of Occupancy is issued after adoption and confirmation of an Annual Assessment Resolution. The amount of the interim Assessment shall be calculated upon a monthly rate, which shall be one-twelfth of the annual rate for such property computed in accordance with the Annual Assessment Resolution for the Fiscal Year in which the Certificate of Occupancy is issued, with such monthly rate being imposed for each full calendar month remaining in the Fiscal Year after the issuance of the Certificate of Occupancy. The determination of the relative improvement value for each such Tax Parcel (Tier 1 rate) for the

purposes of calculating any interim Assessment may be based upon the estimated value of improvements listed in any permit associated with the Certificate of Occupancy, or such other similarly available date as reasonably determined by the Assessment Coordinator for such interim period only. Issuance of a Certificate of Occupancy by mistake or inadvertence, without the payment in full of the interim Assessment, does not relieve the owner of such property of the obligation full payment and timely. Such interim Assessment is due and payable on the date the Certificate of Occupancy was issued and constitutes a lien against such property as of that date. Said lien being equal in rank and dignity with the liens of all State, county, district, or municipal taxes and special assessments, and superior in rank and dignity to all other liens, encumbrances, titles and claims in and to or against the real property involved

(B) As a matter of expediency and due to the relative small amount of growth and disproportionately small amount of revenue to be collected, and the fact that assessment will be captured automatically in the ensuing Fiscal Year assessment, the City Commission makes the practical determination to not seek to collect any such unpaid interim assessments for the period prior to January 1, 2019. All costs for services and facilities attributable to same shall be paid for by legally available revenues other than any Fire Service Assessment proceeds.

SECTION 2.06. DIRECTION CONCERNING ANY EXEMPTION.

(A) Tax Parcels which are statutorily exempted from the payment of ad valorem taxes are in certain circumstances subject to the Fire Service Assessments contemplated hereunder. Tax Parcels classified or described by the Property Appraiser as institutionally tax exempt, including the following classifications: (1) vacant institutional, (2) churches & temples, (3) private schools & colleges, (4) privately-owned hospitals, (5) homes for the aged, (6) mortuary, cemetery & crematorium, (7) clubs, lodges & union halls, (8) sanitarium, convalescent & rest home, and (9) cultural organization facilities are all subject to the Fire Service Assessments contemplated hereunder. Provided, however, the City Commission recognizes the necessity to balance and manage the City's financial challenges with those of the property owners in several of the foregoing classifications of Tax Parcels, and will continue to exempt such institutionally coded Tax Parcels from Fire Service Assessments.

(B) Tax parcels comprising Government Property are not subject to the Fire Service Assessments contemplated hereunder. Such Tax Parcels include those classified or described by the Property Appraiser as government-owned, including the following: (1) military, (2) forest, parks, recreational, (3) public county schools, (4) public colleges, (5) public hospitals, (6) other county-owned property, (7) other state-owned property, (8) other federal-owned property, and (9) other municipal-owned property.

(C) The following Tax Parcel classifications are special designations used by the Property Appraiser for recordkeeping purposes and do not represent actual or assessable Tax Parcels and are not subject to the Fire Service Assessments contemplated hereunder, (1) common element, (2) header record, and (3) notes parcel.

(D) Certain Tax Parcels associated with the following classifications used by the Property Appraiser typically do not receive a special benefit from the provision of fire protection services and facilities or are infeasible or impractical to assess, and therefore are not subject to the Fire Service Assessments contemplated hereunder, (1) right-of-way, (2) rivers, lakes & submerged land, (3) sewage disposal & waste lands, and (4) outdoor recreation or parkland.

(E) The foregoing classifications of properties in this Section which are exempted are reasonably determined to be inappropriate, infeasible or impracticable to assess, and either benefit marginally or create a lesser or nominal demand or burden on the City's costs associated with readiness to serve, do not merit the expenditure of public funds to impose or collect the Fire Service Assessments, are tax exempt and/or otherwise generally serve in some respect to promote the public health, safety, morals, general welfare, security, prosperity and contentment of the inhabitants or residents of the City. The Assessment Coordinator, or his or her designee, is authorized and directed to use sound judgment in extending such determinations and guidance as the Fire Service Assessment Roll is collected. The foregoing classifications of properties not to be assessed do not include Government Property that is leased for private use.

(F) Certain Tax Parcels classified as agricultural lands have been statutorily exempted from the payment of special assessments for the provision of fire protection services pursuant to Chapter 170, Florida Statutes. However, the City's authority to impose its Fire Service Assessments derives from its home rule powers, and not Chapter 170, Florida Statutes. Any alternative means of apportionment or suggestion of limitation on imposition of assessments for fire protection services on certain agricultural parcels found in Chapter 170 is, by the terms of that Chapter, applicable only to assessments imposed pursuant to Chapter 170, which is supplemental and alternative to the City's home rule power. Notwithstanding the inapplicability of Chapter 170, Florida Statutes, to the City in this instance, and as a matter of expediency and due to the relative few number of Tax Parcels classified as agricultural lands, the City Commission makes the practical determination to exempt and not to impose or levy Fire Service Assessments thereon.

(G) Based upon the foregoing, there are relatively few exempt properties within the City. Using legally available funds other than the proceeds of the Fire Service Assessments, the City shall otherwise fund or contribute an amount equal to the Fire Service Assessments that would have been otherwise derived from such exempt properties.

(H) The City Commission has not increased or changed the rate for Fire Service Assessment or method of application thereof from the prior Fiscal Year. Provided, however, the City Commission reserves the right and ability in the future to impose Fire Service Assessments against any Tax Parcels determined to be exempt hereunder to the extent permitted by law, upon lack of reasonable cooperation or willingness to pay for a share of the Fire Service Assessment Cost, or otherwise in the event required or directed to do so by a court of competent jurisdiction.

SECTION 2.07. APPLICATION OF ASSESSMENT PROCEEDS. Proceeds derived by the City from the Fire Service Assessments, after payment of costs and expenses associated with collection and administration of the Assessments, shall be utilized for the

provision of fire protection related services, facilities, and programs associated with maintaining continual readiness to serve. In the event there is any fund balance remaining at the end of the Fiscal Year, such balance shall be carried forward and used only to fund costs associated with fire protection related services, facilities, and programs.

**ARTICLE III
GENERAL PROVISIONS**

SECTION 3.01. EFFECT OF ADOPTION OF RESOLUTION. The adoption of this Annual Assessment Resolution shall be the final adjudication of all matters and compliance presented (including, but not limited to, the method of apportionment and assessment, the rate or rates of assessment, the Assessment Roll, and the levy and lien of the Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within twenty (20) days of the effective date hereof.

SECTION 3.02. AUTHORIZATION. The Assessment Coordinator, City Manager, Mayor, City Attorney, and all other City officials, employees, agents, consultants and professionals are each and all directed and authorized to act and undertake all activities on behalf of the City to accomplish all matters necessary to timely achieve the purposes and effect of this Resolution.

SECTION 3.03. CONFLICTS. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 3.04. SEVERABILITY. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

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SECTION 3.05. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

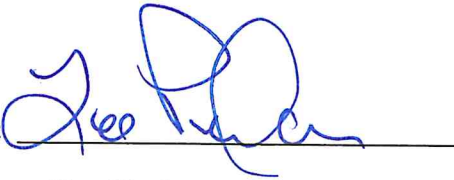
DULY ADOPTED this 3rd day of September 2019.

CITY OF SPRINGFIELD

(SEAL)


By: 

Ralph Hammond, Mayor

ATTEST: 

Lee Penton, City Clerk

APPROVED AS TO FORM:



Kevin D. Obos, City Attorney

APPENDIX A

**PROOF OF NOTICE OF PUBLICATION OF PUBLIC HEARING TO CONSIDER THE
CONTINUED ANNUAL IMPOSITION AND COLLECTION OF SPECIAL ASSESSMENTS
TO FUND FIRE PROTECTION SERVICES AND FACILITIES**



ENNEAD LLC

Date: August 29, 2019

To: Honorable Mayor Ralph Hammond and City Commission Members
City of Springfield, Florida
108 School Avenue
Springfield, Florida 32401

From: Camilla Augustine
Ennead LLC
1892 Myrick Road
Tallahassee, FL 32303

Subject: Annual Executive Summary Report for the City of Springfield

Honorable Mayor Hammond and City Commission Members:

This memo summarizes the estimated 2019-20 Fire Service Assessment revenue, describes the simplified apportionment methodology and the development of parcel-specific assessment values which have been assigned to developed and undeveloped tax parcels within the City Limits. The revenue projected is based on the application of the 2018-19 fire service Assessment rates, which, incidentally, have remained the same since 2013.

The City of Springfield in Bay County adopted a special assessment in the spring of 2013 to defray at least some part of the annual operating and capital costs associated with the Springfield Fire Department (SFD). Special assessments comprise a levy made against certain real property to recover all or part of the cost of a specific service or capital improvement deemed to benefit those real properties. When the assessment program was adopted, it was understood the reasoning and the use of the simplified funding strategy and apportionment methodology (sometimes called "Simplified Fire"TM) underlying the program would remain unaltered or evergreen. Likewise, it was also understood the amount of the actual assessment might change as City policies or practices, the annual budget, and conditions attributed to each tax parcel might change from year to year. In brief, the methodology for calculating the assessment in Springfield stems from a series of considerations associated with the relative value of all improvements in the City, the number of tax parcels in the City subject to the assessment, and an allocation of the fire department budget reflecting two defined tiers of costs. As described in Real Estate Research Consultants (RERC, now GAI Consultants, Inc., by merger) detailed reports, dated February 4, 2013, and July 7, 2014, the costs allocated to Tier 1 are those which are largely, but not exclusively, variable and indeterminate. The costs allocated to Tier 2 are largely recurring based on an expected staffing level necessary to maintain a certain standard of departmental readiness or preparedness. These latter costs are primarily labor costs and largely, but not altogether, fixed. The combination of both tiers in the adopted assessment program has logical and identified relationships to the benefits, burdens and costs of the affected tax parcels, creating a strong, rational, and proportionate funding vehicle that can be further linked to, or supplemented by, other legally available resources.

This document comments on relevant legislation or case law associated with assessments generally, summarizes findings associated with a review of the fire department budget for FY 2019-20, explores changes therein, and provides parameters for the upcoming assessment, assuring the methodology and procedures outlined in the original Simplified Fire analysis and previously implemented by the City are reasonably maintained.

LEGAL CONTEXT - SPECIAL ASSESSMENTS GENERALLY

In Florida, special assessments are a dedicated revenue source available to general purpose local governments to fund capital improvements or essential services. While discussion of the law governing special assessments included herein should not be construed as a legal opinion, there are legal guidelines to draw upon in laying out an assessment methodology which conforms to accepted principles and practices necessary to achieve legal validity. As established by Florida case law, two requirements exist for the imposition of a valid special assessment. The property assessed must derive a special benefit from the improvement or service provided; and the assessment must be fairly and reasonably apportioned among the properties receiving the special benefit. Under both Florida's case law and certain statutory components, it is well settled that the benefit required for a valid special assessment may be measured or benchmarked against something other than simply an increase in real property market value.

The concept of benefit also includes the relief of a burden or demand created by property as well as added use and enjoyment of the real property. The benefits, then, can be conceptual, but they must be capable of being evaluated by some metric and being apportioned in some reasonable manner. It is not necessary that the benefits be direct or immediate, but they must be substantial, certain, and capable of being realized within a reasonable time. The benefits must be distinguishable or different from those of non-assessed properties, but they may coincidentally extend to non-assessed properties. Specifically, Florida's case law, as well as its statutory regime relating to special assessments, supports substantial latitude both in the means by which benefit to or relief of burden created by real property is identified and determined and the subsequent manner by which an assessment itself is calculated or apportioned. Though Florida law requires that special assessments funding improvements or services must be fairly and reasonably apportioned, the State's Supreme Court has held that the method of apportionment is immaterial and may vary provided the amount of the assessment for each property does not exceed the proportional benefits it receives compared to other properties.

JUDICIAL APPROVAL OF SIMPLIFIED FIRE IN THE CITY OF SPRINGFIELD

In 2013, Mr. Lawson and Mr. Obos took the City through a judicial validation procedure which involved the City's Simplified Fire apportionment approach. The program proceeded to collections once it had obtained a favorable ruling from the Circuit Court, without appeal. On April 8, 2013 the Circuit Court in, and for Bay County, validated proposed revenue bonds based on the imposition of fire protection assessments using the Simplified Fire method made available for the City's use. This action was detailed in the original 2013 RERC (now GAI) report. This validation entailed a detailed and well-reasoned judicial approval of the assessments and the Simplified Fire apportionment methodology associated with them. The validation serves the function of providing finality to the legality of the City's chosen assessment regime.

That local governments are afforded great latitude under Florida law with respect to legislative determinations concerning special benefit and reasonable apportionment is well settled law. No single apportionment methodology has emerged as preferable in the governing case law for a given service or improvement. So long as the apportionment is reasonable and not arbitrary, the assessment is generally capable of withstanding legal challenge. The reasoned Simplified Fire assessment methodology described in this executive summary has been expressly focused upon and judicially validated in circuit court by Mr. Lawson, including Hernando County (Brooksville), Pinellas County (St. Petersburg), and Polk County (Haines City), Putnam County (City of Palatka) and Bay County (City of Springfield and City of Panama City Beach). The concept was subsequently subjected to a challenge and recently upheld by the Florida Supreme Court. The Florida Supreme Court has now also expressly confirmed the use of the two-tiered approach and legal construct (relative improvement value and per tax parcel) upon which Simplified Fire is premised. In *Morris v. City of Cape Coral*, 163 So. 2d 1174 (Fla. 2015), the Supreme Court addressed a line of reasoning from prior cases, reiterating that the determination of whether a special assessment confers a special benefit on property is not based on whether the benefit is “unique” to that property, but instead whether there is a logical relationship between the assessment on a property and the benefit conferred upon that property. Decisions that seemed to indicate the contrary, including *St. Lucie County- Ft. Pierce Fire Prevention & Control District v. Higgs*, 141 So. 2d 744 (Fla. 1962), turned solely on invalid apportionment, not on inadequate benefit to property. This holding is like the argument made by the City of Springfield and the City of Haines City in their validations and in an amicus curiae brief filed in *Morris* by Haines City and Springfield (the “Municipalities”).

The Municipalities filed an amicus brief because the Cape Coral methodology in *Morris* had been taken, almost verbatim in some instances, from the methodology in reports and work previously delivered to Haines City and Springfield and had been represented by Cape Coral in the circuit court as almost identical work and approach provided to other cities by Mr. Lawson, GAI (through its now consolidated and wholly-owned affiliate, RERC) and Ennead LLC. In fact, Cape Coral’s expert testified at the trial level hearing that the methodology of the four cities where Mr. Lawson, GAI and Ennead LLC had previously developed each of those programs (including Brooksville and St. Petersburg alongside Springfield and Haines City) and validated the Simplified Fire methodology was “almost exactly the same” as the Cape Coral methodology.

The Supreme Court opinion in *Morris* noted significant calculation errors made by Cape Coral (affecting some 8% of parcels) but determined that it could validate Cape Coral’s bonds and the fire assessment methodology despite such errors. In doing so the Supreme Court also adopted the logic and analysis in the amicus brief filed by Mr. Lawson for the Municipalities. The wider impact of *Morris* is that the legal and conceptual use of a two-tiered Simplified Fire methodology presented in this Executive Summary, and the ‘almost the same’ method used in Cape Coral, has been determined legally sufficient, valid and approved by the Supreme Court on appeal as compliant with case law and thus not arbitrary nor invalid. *Morris* should not be construed to mean that local governments considering the use of special assessments should adopt a particular apportionment methodology solely based on its use elsewhere. The failure to perform a factual and reasoned analysis specific to a set of circumstances in each community can expose another community to legal and political challenges based upon factual differences and/or well-intentioned, but unnecessary use of raw public data. Florida’s local governments vary in their needs, composition, and policies. The well settled implication is local governments are free to select an

apportionment methodology which provides competent and substantial means to share the benefits, burdens, and costs of the fire protection budget and represents the best fit in terms of cost, ease of implementation, and political acceptance not only with respect to affected landowners, but also in consideration of the staff required and resources involved with maintenance of the assessment program from year to year.

The parcel identification and classification system required by law to be maintained by the local property appraiser and tax collector will always be sustained and updated over the years as properties within Springfield develop and change. The use of such classification and statutorily required end product of each community's mass appraisal system and description of tax parcels is publicly prepared, stable, readily accessible, reasonably consistent and accurate, maintained without cost to the City and capable of being used from year to year without extraordinary consumption of resources better expended to address other fire protection related issues. Even in extraordinary and unusual circumstances such as Hurricane Michael, this data tends to normalize relatively quickly. Accordingly, the assessment approach contemplated herein reasonably relies upon such system as a stable, reasoned and standardized resource. Attempts by other methods to focus on demand characteristics, call data, or working data used by the Property Appraiser create complexities that Simplified Fire typically avoids.

PARCEL DATA REVIEW

The assignment of assessment values is based on data certified by the Bay County Property Appraiser to the Florida Department of Revenue each year. This year's analysis reveals there are approximately 3,687 tax parcels within the boundaries of the City with a total relative improvement value of \$238,259,988. Among the 3,687 parcels, twenty-two (22) are excluded by resolution due to their "just value" being less than \$1,000. Five (5) parcels are excluded by statute as they are classified as common area parcels owned by associations. An additional four (4) parcels are excluded due to their classification as Right of Way or other use that is not appropriate for development. After removing these parcels from the roll, the "assessable" tax parcel count is 3,656. Of these are 106 parcels owner by governmental entities which must be excluded since "governmentally-owned" parcels which are used by the government for public purposes cannot be assessed. An additional 40 "institutionally-owned" tax parcels (e.g. churches, non-profits, etc.) have been exempted at the City's discretion. It is noted that three (3) tax parcels designated as "agricultural" by the Bay County Property Appraiser. One appears to have a residential structure built on it. These parcels may, or may not, be subject to recent legislation affecting their assessment status after legislation became effective in 2017. With the adjustments for parcels removed from the roll and the addition of thirteen (13) "confidential" parcels, the total number of tax parcels used for analysis is 3,523.

BUDGET REVIEW

Due in part to the effects of Hurricane Michael on city-owned properties, leading to the relocation of City Hall, the budget for 2019-20 remains in flux, and, after consultation with City management, the budget used in this document is based on the 2018-19 budget. For all practical purposes, the fire department budget has remained relatively stable over a period of several years. As done in our original analysis, we considered the possible impacts, if any, of advanced life support (ALS) and emergency medical services

(EMS) on the City’s fire budget because only first response medical aid routinely delivered by firefighters can be funded through special assessments. Although the lines between first response and more intensive care may appear blurred, in the City of Springfield the role of life support and transport continues to fall almost exclusively to EMS units managed by parties other than SFD. Because of the differences between first response medical aid and ALS as these are implemented locally and because EMS is primarily a cost or activity addressed outside this budget, it can be concluded plausibly that all costs in the SFD budget are appropriate for recovery through assessments in the manner described in this report. For its part, the City has continued to avoid any overlapping EMS activities from the fire budget. To the best of our understanding, the City does not employ any fire fighters certified to provide ALS. Normally, we would recommend that the City fund no more than 90% of its fire budget through the assessment in order to provide at least a 10% contingency and avoid any technical argument as to whether assessment revenue was being used impermissibly to fund ALS functions. The estimated revenue from the 2019-20 Fire Service Assessment, however, can only recover approximately 32% of the total SFD budget, so the typical 90% maximum is reasonably not relevant.

GUIDELINES FOR CURRENT ASSESSMENTS

It is well-settled in Florida case law that local governments, should they impose an assessment, are not required to fully fund that service or improvement through the special assessment itself. The local government may determine, entirely in its own discretion, to fund some portion of the overall cost with general fund or other legally available revenues. An example of other revenues would be impact fees charged to some new developments that may require the fire department to expend additional capital resources. To be clear, a local government may not impose an assessment for the same portion of capital items purchased with impact fees. For this reason, it was verified that the City of Springfield does not collect impact fees, and none are applied to expenditures found in the SFD budget. Table 1 below summarizes the percentage allocation between the two tiers that should be sustained should the City act to modify the actual sum of the assessment adopted for the coming year.

Table 1

Tier 1	Tier 2		Total Fire Budget	\$1,517,352	100%
(Relative Value of Improvements)	(Readiness to Serve)	Admin. & Collection Cost	Tier 1 + Tier 2 + Admin & Collection Cost	=	\$479,425
\$151,538 31.65%	\$311,822 65%	\$16,065 3.35%	(31.6% of Total Fire Department Budget)		

It is recognized that in the budget process the indicated sums may change or be modified. Insubstantial modifications to the budget used will not materially affect this analysis. Because of statutory notice requirements involved with the imposition of assessments, a substantial increase in the budget used will also not have a material effect on this analysis because any increases must be funded with other legally available funds. However, a large and substantial decrease in the budget provided by the City for our use may have an impact on our analysis.

FUNDING EXAMPLES

Upon consultation with City management and using available certified data, Ennead, LLC, has supplied Appendix A which is a funding example based on the Simplified Fire apportionment method, the circumstances and guidelines above and the proposed Tier 1 and Tier 2 rates. The values and information shown in Appendix A consider adjustments for expenses of administration and collection using the same bill as for taxes. This example should assist the City Commission in its decision-making role.

LOOKING FORWARD

Going forward after FY 2019-20, and because the City has not changed its rates of assessment since 2013, the City might consider funding in FY 2020-21 approximately \$140,000 more (or 40% as opposed to 32%) of the SFD budget with the Fire Service Assessments. This, for example, could be reasonably accomplished with changing the Tier 2 rate to \$125 per tax parcel from \$88.31 and better recovering administrative costs by a charge of \$7 per tax bill instead of \$4.56. Additionally, the City may wish to also consider indexing the Fire Service Assessment rates to the rate of growth in personal income in Florida as a means to reasonably notice and incrementally match needed revenues with increased SFD costs over time. Such an indexing update can also be efficiently accomplished early in 2020, if desired.

CONNECTION WITH PRIOR WORK

This current executive summary and the appended information incorporate by reference GAI's prior Executive Summary work placed in the record before the City Commission at its public hearings on this matter since 2013. Consistent with that record, the content of this executive summary provides a reasoned review and analysis of information, facts and circumstances associated only with the City of Springfield and is exclusively for the use by the City Commission of Springfield.¹

Respectfully submitted,

C. A. Augustine, Ennead LLC

Cc: Mr. Lee Penton, City Clerk
Mr. Kevin Obos, Hand Arendall Harrison Sale LLC, City Attorney
Mr. Mark G. Lawson and James C. Dinkins, Mark G. Lawson, P.A.
Dr. Owen M. Beitsch, GAI

¹This information presents intellectual property made available for the use of the City, is copyrighted, and reproduction or use for any other purpose is prohibited.

APPENDIX A - FUNDING EXAMPLE

The following funding example is provided for illustrative purposes to demonstrate application of the proposed FY 2019-20 rates using the methodology described. The dollar amounts are approximate and may reflect minor rounding errors. The annual amount of any assessments actually imposed will depend upon direction of City Commission, its staff and fire department officials with respect to the underlying variables (such as the tax parcels to be excluded from the assessment for legal or public policy reasons and the authorized level of assessment funding). The percentage of costs attributable to each tier in a given fire department's budget may vary from year to year, and the percentage allocations for the SFD budget may be quite different from the allocations for fire department budgets in other municipalities or counties. Clearly, the City Commission has great policy flexibility in determining the level of assessment funding each year. The greater the contribution from the general fund, the lower the amount of the revenue required through assessments imposed against each tax parcel to fund the fire protection budget and vice versa.

As discussed elsewhere herein, while it is legally permissible to assess for the entire cost of providing fire protection service, (we would generally recommend a cap at 90% of the fire budget), but most jurisdictions choose to continue to pay for some portion of the overall cost through general fund transfers so as to implement and annually maintain the fire protection assessment at a politically acceptable level. The level of assessment funding may increase or decrease over time, depending on the policy determinations of the governing body. There is no need to distinguish between residential and commercial classification for purposes of calculating either tier of the assessment.

TIER 1

The first tier is derived from the relative value of improvements associated with the tax parcel (typically excluding land) as determined solely by the Bay County Property Appraiser's office from year to year, using values certified to the Department of Revenue as part of its statutory oversight process.

TIER 2

The second tier, allocated per tax parcel, focuses on the (largely) fixed costs per tax parcel necessary to provide a continuous readiness to serve. The second-tier funds portions of the fire budget that are required regardless of an occurrence of a fire event. The latter is obviously dependent upon the number of tax parcels within the City.

It is important to note that the annual assessment amounts set forth in the example do not include collection and administration costs. In FY 2019-20, the base assessment for each tax parcel will be adjusted prior to the submittal of the certified Assessment Roll to the Tax Collector, to include a pro rata share of administration and collection costs associated with the assessment program, including a portion of the fees imposed by the property appraiser, tax collector and the maximum statutory discount for the early payment of ad valorem taxes and non-ad valorem assessments, all of which are associated with use of the uniform collection method.

Example: FY 2019-20 rates, adjusted for uniform collection costs, generating gross revenue of \$520,218.31 and net assessment revenue of \$479,425¹ (31.6% of the estimated Fire Department related budget of \$1,517,352). Total amount collected for Administration and Collection Costs: \$4.56/per parcel = \$4.56 multiplied by 3,523 parcels = \$16,064.88.

Gross amount recovered via Tier 1 of the assessment (relative value of improvements):	\$	151,538
Gross amount recovered via Tier 2 of the assessment (readiness to serve per parcel):	\$	311,822
Administration and Collection Cost (\$4.56/per parcel)	\$	16,065
Total amount recovered from Tier 1 & Tier 2 & Admin/Collection Cost:	\$	479,425

Proposed Rates:

\$.76 per \$1,000 in Relative Value of Improvements
\$88.31 per Parcel

"Vacant (Unimproved)" with Improvement value = \$0.00		
Tier 1 assessment (relative value of improvements) =	\$	0
Tier 2 assessment (per parcel) =	\$	88.31
Base annual assessment =	\$	88.31

"Median" SFR improvement value = \$59,036		
Tier 1 assessment (relative value of improvements) =	\$	44.87
Tier 2 assessment (per parcel) =	\$	88.31
Base annual assessment =	\$	133.18

Improvement value = \$100,000.00		
Tier 1 assessment (relative value of improvements) =	\$	76.00
Tier 2 assessment (per parcel) =	\$	88.31
Base annual assessment =	\$	164.31

Improvement value (All Governmentally coded) = \$25,993,923		
Tier 1 assessment (relative value of improvements) =	\$	19,755.38
Tier 2 assessment (106 parcels) =	\$	9,360.86
Base annual assessment =	\$	29,116.24

Improvement value (All Institutionally coded) = \$10,716,668		
Tier 1 assessment (relative value of improvements) =	\$	8,144.67
Tier 2 assessment (40 parcels) =	\$	3,532.40
Base annual assessment =	\$	11,677.07

Total amount collected for Administration and Collection Costs² \$ 16,064.88

¹Governmentally-owned property cannot be subject to special assessment. The "cost" of exempting governmentally-coded parcels at the proposed rates shown is approximately \$29,166. Institutionally coded parcels may be exempted as a policy. The "cost" of exempting institutionally coded parcels at the proposed rates shown is approximately \$11,677. Net revenue, exempting governmentally and institutionally owned parcels, is approximately \$479,425. Amount shown on TRIM Bill also included \$30,166.64 for costs associated with using the Uniform Collection Method.

The News Herald

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State of Florida County of Bay

Before the undersigned authority personally appeared Susan Collins, who on oath says that she is a Legal Advertising Representative of The News Herald, a newspaper published at Panama City in Bay County, Florida; that the attached copy of advertisement, being a Legal Advertisement #1057581 in the matter of **NOTICE OF ANNUAL HEARING - CITY OF SPRINGFIELD** in the Bay County Court, was published in said newspaper in the issue of **August 16, 2019**.

Affiant further says that the said The News Herald is a newspaper published at Panama City, in said Bay County, Florida, *is a direct successor of the Panama City News* and that the said newspaper, *together with its direct predecessor*, has heretofore been continuously published in said Bay County, Florida, each day (*except that the predecessor, Panama City News, was not published on Sundays*) and has been entered as periodicals matter at the post office in Panama City, in said Bay County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that (s)he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in said newspaper.

Susan Collins

State of Florida

County of Bay

Sworn to and subscribed before me this **16th** day of **August**, A.D., **2019**.

By Susan Collins, Legal Advertising Representative of The News Herald,

who is personally known to me or has produced N/A as identification.

Melissa Elaine Clemmons
Notary Public, State of Florida at Large

