

RESOLUTION NO. 22-07

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF SPRINGFIELD, FLORIDA, APPROVING THE FISCAL YEAR 2022-23 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, as amended by City Ordinance No. 573 (collectively 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, 2022 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 City Ordinance No. 511, 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 "Simplified 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) For several recent years the Mayor, Clerk, Financial Director, City Attorney and the City's experts and advisors were directed to and considered means and a path to adjust the Fire Service Assessment related rates, fees, and charges for a means to keep the productivity of the assessment in step with changes in improvement value, cost of service, the City's overall budget, while securing the same or better availability and provision of service. Such direction afforded the City Commission time to consider, become better informed, make and implement any changes or adjustments, and provide more certainty to City budgeting in the future.

(D) 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 after notice and a public hearing, accomplishes such actions.

(E) Last year, the City Commission modified the Assessment Ordinance to allow for indexing to keep pace with inflation and changes in value of money in the same general law manner as allowed by the Legislature for independent fire districts; provided for extraordinary individually mailed and published notice and opportunity for affected citizens and property owners to be heard; and for the first time since 2013 changed the rates and charges involved; and provided for advance notice of an indexed maximum rate of assessment.

(F) The City has duly scheduled and provided, published and other extraordinary notice of a public hearing for July 5, 2022, to consider adoption of the Fire Service Assessment Roll for Fiscal Year 2022-23.

(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 to the public, upon request, via computer terminal at City Hall during business hours.

(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, as awarded, has been substantially and duly provided.

(I) On July 5, 2022, the City Commission received and reviewed a proposed or preliminary 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 July 5, 2022, 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 2013 and this year, 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, the Final Judgment, and the Assessment Ordinance as amended, have been considered and are also hereby in context incorporated herein by reference and applicable to the amounts of assessment imposed this year.

(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. 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, along with the means and method establishing the maximum rate of assessment provided by the Assessment Ordinance, 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, the Initial Annual Assessment Resolution, and the Assessment Ordinance, as amended, 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.

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 reflective of the maximum rate of assessment for each affected Tax Parcel for the fiscal year commencing October 1, 2022, 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.

(D) The information on the City's website and published notice collectively reflect the Fire Service Assessment rates noticed are the maximum rates the City can impose for the coming Fiscal Year Fire Service Assessment.

(E) 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.

(F) A public hearing was duly held on July 5, 2022, 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 and the Fire Service Assessments from City officials, staff, experts and advisors, as well as the public and affected property owners, and then considered imposing Fire Service Assessments and the method of collection thereof as required by the Assessment Ordinance.

(G) Proof of publication of the notice and proof of mailing is attached hereto as Appendix A. The City Commission has directed and also expects to duly and substantially provide for additional extraordinary mailed reminder notice pursuant to sections 197.3632 (4) and (6) and 200.069, Florida Statutes in the manner authorized and provided for in general law and the Assessment Ordinance.

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, 2022 is \$642,508.00 This includes:

(B) The Tier 1 assessment is estimated to be \$167,777 based on relative value of improvement for each Tax Parcel (for more variable costs) revenue and the Tier 2 assessment revenue based upon the noticed rate of \$130.78 assessed per Tax Parcel (for more fixed, readiness to serve costs) is estimated to be \$474,731.

(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, 2022.

(D) The proposed rate of Fire Service Assessment for the upcoming Fiscal Year is (1) \$0.80 per thousand dollars of improvements, or fraction thereof, for each Tax Parcel as reflected in the Tax Roll (Tier 1), plus (2) \$130.78 per Tax Parcel (Tier 2).

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 building, 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 prior Fiscal Years, the City Commission determines to separately and additionally charge, impose and levy as a part of the Fire Service Assessment (1) an administrative and collection amount per Tax Parcel property noticed to be (\$7.00) to defray City costs of collection and annual administration, (2) together with any charges or fees imposed by the County, Property Appraiser and Tax Collector (estimated to be up to 2% each), and (3) any adjustments necessary to account for any statutory discounts (4%) which are necessitated when employing the use of the uniform billing method of collection on the same bill as property taxes.

(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 data 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 relatively 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, 2022. 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) (governmentally owned) 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. Upon review, Tax Parcels classified as agricultural lands within the City accordingly are to be assessed in as much as such parcels benefit from the constant availability of the City's fire protection services and facilities, similarly and in proportion to all other Tax Parcels assessed in the City.

(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.

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 maximum rate of assessment and notice thereof for use in future years, the means of notice employed by the City, 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.

(A) This is the first time the City Commission noticed by mail and adopted the maximum rate provisions by Ordinance to increases to change the rate or charges for Fire Service Assessments thereof from the prior Fiscal Year. The City duly provided for and previously noticed by mail the use of maximum rates based upon a cognizable index for ensuing years. The City Commission reserves the right and ability in the future to continue to (a) index rates as may be allowed by law, (b) increase the Fire Service Assessments in any manner provided by law, and (c) 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 3.02. DIRECTION AND AUTHORIZATION.

(A) 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.

(B) This Resolution fulfills prior City Commission direction that this Fire Service Assessment, as may be indexed by Ordinance authorization, should use the cognizable independent index feature provided by the U.S. Department of Commerce, Bureau of Economic Analysis for Fiscal Year 2022-23, and all future years.

SECTION 3.03. CONFLICTS. All resolutions or parts of predicted 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

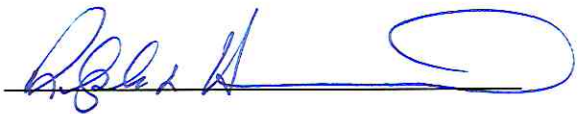
provision or application, and to this end the provisions of this Resolution are declared to be severable.

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

DULY ADOPTED this 5th day of July, 2022.



CITY OF SPRINGFIELD

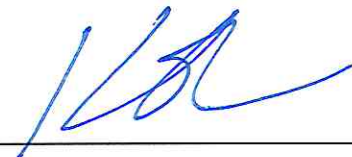
By: 

Ralph Hammond, Mayor

ATTEST:  _____

Teresa Cox, 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: July 5, 2022

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

From: Erin A. Pomeroy
Ennead LLC
1504 Copperfield Cir
Tallahassee, FL 32312

Subject: Annual Executive Summary Report for the City of Springfield

This memo summarizes the estimated 2022-23 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 Fiscal Year 2021-22 fire service Assessment rates as adjusted last year, which, incidentally, before that had remained the same since 2013, as now indexed pursuant to the City's Ordinance.

The City of Springfield in Bay County first 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 2022-23, includes rate adjustments from last year, begins to implement the indexing process noticed and adopted last year, 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 and Panama City) and Lee County (Lehigh Acres). 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 the 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 3,789 tax parcels within the boundaries of the City with a total relative improvement value of \$241,007,644. Among the 3,789 parcels, twenty-six (26) are excluded by resolution due to their "just value" being less than \$1,000 or being deemed non-billable (R-O-W, submerged lands, etc.). After removing these parcels from the roll, the "assessable" tax parcel count is 3,763. Of these are 100 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 33 "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. We will defer to the direction of the City Attorney, and unless directed otherwise, these parcels will be assessed because the City's assessment authority does not rely upon chapter 170, Florida Statutes. The roll also includes "confidential" parcels. With the adjustments for parcels removed from the roll, the total number of tax parcels used for analysis is 3,630.

BUDGET REVIEW

The budget used in this document is based an emerging 2022-23 preliminary 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 2021-22 Fire Service Assessment, except for indexing, is expected to be substantially similar this year. Because last year's budget could only recover 32% of the total SFD budget, the typical 90% maximum is reasonably not relevant.

ANNUAL INDEXING

Last year, after individually mailed and published notices to all affected property owners, the City adopted the use of a statutory process of identifying maximum rates and a cognizable annual indexing feature. Maximum rates are a method of limiting and informing of rate increases from year to year, designed to inform of a modest indexed annual rate increase to account for growth, inflation, the change in purchasing value of money, or similar purchasing or cost increase variables, and may by law only be increased from year to year in the amount not to exceed the average annual growth rate in Florida personal income over the previous five years. That information has been submitted for publication in the local *News Herald* on June 15, 2022.

Using data from the U.S. Department of Commerce, the average annual growth rate in Florida personal income over the previous five years from 2016 to 2021 forms a cognizable indexing feature judicially approved in the local Circuit Court as fair and reasoned in the manner provided by law and municipal ordinance(s). Such growth rate factor was 6.34%, however the City Commission has determined to alternatively only notice and use a 4.62% factor (based on 2016 dollars) for proposed FY 2022-23 fire assessments. Accordingly, all information and rates in this summary report reflect adjustment of only the Tier 1 and Tier 2 rates by 4.62%.

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	\$1,948,149	100%
(Relative Value of Improvements)	(Readiness to Serve)	Tier 1 + Tier 2	=	\$642,508
\$167,777 26.1%	\$474,731 73.9%	(32% 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.¹

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.²

- Cc: Ms. Teresa Cox, City Clerk
- Mr. Kevin Obos, Hand Arendall Harrison Sale LLC, City Attorney
- Mr. Mark G. Lawson, Mark G. Lawson, P.A.
- Dr. Owen M. Beitsch, GAI

Attachment: Appendix A - FUNDING EXAMPLE INFORMATION

¹ This example should assist the City Commission in its decision-making role. To provide further extraordinary notice, the City is also providing notice of the proposed sum total of the assessment to the Bay County Property Appraiser to be shown in your TRIM notice in the manner provided by section 200.069, Florida Statutes. This will include all of the nominal costs associated with using the uniform method of collection combined into a single dollar amount.

² This 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 INFORMATION

The following funding example is provided for illustrative purposes to demonstrate application of the proposed FY 2022-23 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 2022-23, 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 2022-23 rates, adjusted for uniform collection costs, generating gross revenue of \$684,930 and net assessment revenue of \$642,508³. Total amount collected for Administration and Collection Costs: \$7.00/per parcel multiplied by 3,630 parcels = \$25,410.

Net amount recovered via Tier 1 of the assessment (relative value of improvements):	\$	167,777
Net amount recovered via Tier 2 of the assessment (readiness to serve per parcel):	\$	474,731
Total amount recovered from Tier 1 & Tier 2 & Admin/Collection Cost:	\$	642,508

Proposed Rates:⁴

\$0.80 per \$1,000 in Relative Value of Improvements
\$130.78 per Parcel

“Vacant (Unimproved)” with Improvement value = \$0.00		
Tier 1 assessment (relative value of improvements) =	\$	0
Tier 2 assessment (per parcel) =	\$	130.78
Base annual assessment =	\$	130.78

“Average” SFR improvement value = \$67,591		
Tier 1 assessment (relative value of improvements) =	\$	54.07
Tier 2 assessment (per parcel) =	\$	130.78
Base annual assessment =	\$	184.85

Improvement value = \$100,000.00		
Tier 1 assessment (relative value of improvements) =	\$	80.00
Tier 2 assessment (per parcel)=	\$	130.78
Base annual assessment =	\$	210.78

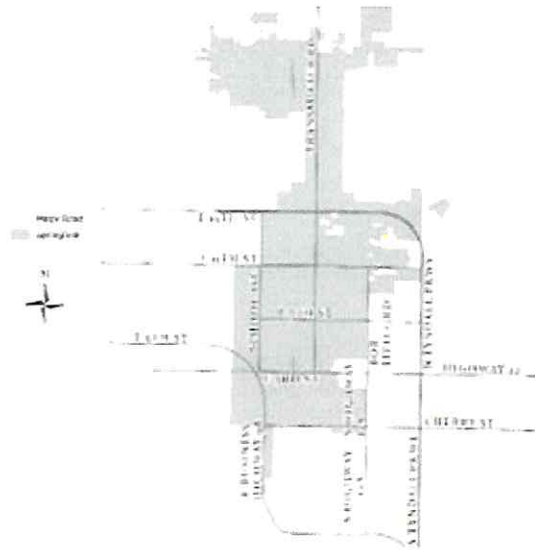
Improvement value (All Governmentally coded) = \$24,161,100		
Tier 1 assessment (relative value of improvements) =	\$	19,328.91
Tier 2 assessment (100 parcels) =	\$	13,078.00
Base annual assessment =	\$	32,406.91

Improvement value (All Institutionally coded) = \$7,124,700		
Tier 1 assessment (relative value of improvements) =	\$	5,699.77
Tier 2 assessment (33 parcels) =	\$	4,315.74
Base annual assessment =	\$	10,015.51

³ Governmentally-owned property cannot be subject to special assessment. The "cost" of exempting governmentally-coded parcels at the proposed rates shown is approximately \$32,407. Institutionally coded parcels may be exempted as a policy. The “cost” of exempting institutionally coded parcels at the proposed rates shown is approximately \$10,016. Net revenue, exempting governmentally and institutionally owned parcels is approximately \$642,508.

⁴ These rates reflect indexing as advertised by published notice on June 15, 2022.

**NOTICE OF ANNUAL HEARING
TO IMPOSE AND PROVIDE FOR COLLECTION OF NON-AD VALOREM SPECIAL ASSESSMENTS
TO FUND IN PART THE COSTS ASSOCIATED WITH
THE CONTINUAL READINESS TO PROVIDE FIRE PROTECTION**



The property subject to assessment lies within the City of Springfield, Florida.

Purpose and background. For several years the City Commission of the City of Springfield, Florida (the "City"), has adopted a special or non-ad valorem assessment to defray a portion of the annual operating and capital costs associated with the Springfield Fire Department. The City Commission's goal was to put in place a supplemental and alternative means to deal with previous budget shortfalls and work to achieve financial sustainability, so that the rates of assessment for benefited parcels might supplementally, and more equitably and efficiently fund our City's annual budget and service mission. City policies, practices, the annual fire department budget, the overall budget for the City, and other conditions in making these fire protection services and facilities constantly available within our community continue to test our fiscal stewardship. After not changing these assessment rates for 8 years, the City modestly adjusted its rates and moved to a recognized indexing system in 2021 concerning the cost of the provision of fire services, facilities, and improvements. Please keep in mind this assessment is supplemental and does not in any given year fund the full budgeted cost of these important services. The remainder of the fire protection budget will have to be funded with other legally available revenues (most of which are limited ad valorem property taxes) and other very limited revenues of the City. This is a challenging balancing process this community must address annually.

The special assessments for each parcel of property will be based on the same benefits or burdens analysis as in past years which is associated with the availability of fire protection constantly made available every day to all tax parcels. The City will continue to use the same two-tier rate structure as last year, which was the subject of judicial approval prior to the initial bill for collection being sent in 2013. Tier 1 is based on the relative improvements value associated with each tax parcel (no land value is generally used in this calculation) focused on variable and possibly some fixed costs. Tier 2 is a fixed rate per tax parcel focused on more fixed costs. This annual approach is sometimes called "Simplified Fire™" and has proven to be a good overall success for our City.

On July 5, 2022, at 5:30 p.m. the City Commission will hold a public hearing at City Hall, 408 School Avenue, Springfield, Florida, 32401, for the purpose of receiving comments on the proposed annual assessments which by general law will be collected by the County tax collector pursuant to the tax bill collection method authorized by Section 197.3632, Florida Statutes. You are invited to appear at the public hearing, and/or to file written comments or objections with the City Clerk and addressed to the City Commission at the above address. If you decide to appeal any decision made by the City Commission with respect to any matter considered at the hearing, you will need a record of the proceedings and may need to ensure that a verbatim record is made, including the testimony and evidence upon which the appeal is to be made. **More information about this assessment program assessment program is available on the City's website.**

Summary Description of the City's Fire Service Assessment for FY 2022-23. Each parcel of property assigned an identification number by the County property appraiser is considered one (1) tax parcel. If approved by the City Commission after the hearing, the rate of assessment for each tax parcel is proposed to be the sum of \$0.80 per \$1,000 of the value of improvements attributed to the tax parcel by the County property appraiser (Tier 1), plus \$130.78 per tax parcel (Tier 2), together with (i) a \$7.00 charge to defray City administration and program costs and (ii) statutory charges by the tax collector/property appraiser (estimated as approximately 2% each), plus (iii) adjustment (4%) to account for early payment statutory discounts

involved with the uniform method of collection. The dollar amount and other information concerning the proposed non-ad valorem assessment attributable to each tax parcel in the City is also available online at <https://www.springfieldfl.net> and at <http://quicksearch.ennead-data.com/springfield> or by computer terminal upon inquiry at the offices of the City Clerk, at City Hall. The total proposed revenue to be collected by the City, exclusive of the nominal amounts and adjustments described in (i), (ii), and (iii) above, is estimated to be \$642,508 for upcoming Fiscal Year 2022-23.

Payment is anticipated to be due and collected on the same bill as taxes to be mailed around November 1, 2022. This tax bill collection method is sometimes called the uniform method of collection. As a courtesy reminder, please be reminded that until paid, the fire assessment will constitute a lien against assessed property equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments. Assessments become delinquent in the same manner as for unpaid taxes, and failure to pay the upcoming assessment and your property taxes will cause a tax certificate to be issued against the property which may result in loss of title.

To provide further extraordinary notice, the City is also providing notice of the proposed sum total of the assessment to the Bay County Property Appraiser to be shown in your TRIM notice in the manner provided by section 200.069, Florida Statutes. This will include all of the nominal costs associated with using the uniform method of collection combined into a single dollar amount.

Going forward this year and in future years the City is using an indexing feature. Using maximum rates and indexing will better serve our City. This year and in the future, increases of rates can be indexed and will be limited to the previous 5 years' Florida personal income average annual growth rate unless further mailed notice is provided. The City is using this notice to inform of the proposed maximum rates for this year's non-ad valorem assessment. The updated maximum rates are those shown in this notice for FY 2022-23. These updated maximum rates inform of a modest indexed annual rate increase to account for growth, inflation, the change in purchasing value of money, or similar purchasing or cost increase variables, and may only be increased from year to year in an amount not to exceed the average annual growth rate in Florida personal income over the previous 5 years, or similar successor index. Annual fire assessment rate increase process using this personal income threshold are deemed to be within the maximum rate authorized by law. Any increases in rates from year to year beyond such index authorization will require additional individual mailed notice to all affected property owners. By this published notice, the City Commission declares and publishes the indexing information annually as a part of its annual notice procedures for adoption of the annual fire assessment. This is the same general law index feature and process used by independent fire control districts in this State.

As provided by law, this published Notice informs of and limits the maximum rates that may be set by the City Council for this year's fire assessment. Maximum rates were established in 2021, and were also set forth in the 2021 mailed notice from the City. Accordingly, the rates of the non-ad valorem fire assessment for the Fiscal Year beginning October 1, 2022, are being considered in the context of not exceeding *the average annual growth rate in Florida personal income over the previous 5 years from 2016 to 2021*, which has been determined to be 6.34%, and forms a cognizable indexing feature judicially approved in the local Circuit Court as fair and reasoned in the manner provided for by law and municipal ordinances. *Please be advised that the City's fire assessment program rates noticed above have alternately been increased by only 4.62% over those assessment rates adopted for FY 2021-22, rather than as much as 6.34% authorized by law and the City's ordinance.* The rates of the fire assessment for FY 2022-23 will not exceed those shown in this notice and will be fixed by resolution of the City Commission after the public hearing. ***Reading this notice and explanation to learn more about how the City pays and collects for its services – and how it uses your financial support as a property owner – is certainly appreciated. Thank you.***

Need Assistance? PERSONS WITH DISABILITIES NEEDING ASSISTANCE TO PARTICIPATE IN THE HEARING SHOULD CONTACT THE CITY CLERK AT LEAST 48 HOURS IN ADVANCE OF THE MEETING AT (850) 872-7570.

**PUBLISH ON OR BEFORE JUNE 15, 2022
AT THE DIRECTION OF THE CITY CLERK, CITY OF SPRINGFIELD**