

**CITY OF MARATHON, FLORIDA  
RESOLUTION 2006-047**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MARATHON, FLORIDA, SETTING FORTH ACTIONS TO USE  
HURRICANE RECONSTRUCTION SALES TAX TO RELIEVE A  
PROPOSED INCREASE IN WINDSTORM INSURANCE RATES**

**WHEREAS**, a group of concerned citizens F.I.R.M. (Fair Insurance Rates for Monroe County) has brought countywide attention to the fact that there is a windstorm insurance premium crisis in Monroe County; and

**WHEREAS**, the cost-of-living in Monroe County is the highest in the State of Florida; and

**WHEREAS**, a home in Monroe County with an insurable value of \$350,000 in 2005, on average paid \$5,747 for windstorm insurance, will in 2006 pay nearly double at \$10,539 annually or \$878.26 per month for windstorm coverage after Citizen's Property Insurance proposed rate increase. The net annual cost of windstorm insurance on the \$350,000 home would be in the range of \$17,539 to \$28,039, if the deductible of 2% or 5% is included in the cost of the insurance; and

**WHEREAS**, a school teacher, law enforcement officer, government employee, social worker, nurse, fisherman or fixed-income retiree who owns a home in the Florida Keys does not have sufficient income to pay the current windstorm premiums much less the substantial increase proposed by Citizen's Property Insurance, and may have to consider moving from the Keys; and

**WHEREAS**, there is an affordable housing crisis in the Keys and a shortage of affordable rental housing, and any increase in windstorm premiums no doubt will be passed-on by landlords to their tenants resulting in even higher residential rental rates; and

**WHEREAS**, the building codes in Monroe County were for many years much more stringent than in other parts of the State and consideration of the heightened building code standards should be incorporated and heavily weighted in the calculation of windstorm rates; and

**WHEREAS**, the deductibles on windstorm policies are so high the homeowners generally are unable to make claims for windstorm damage or to pay for windstorm repairs, thereby making windstorm policies impractical and unaffordable; and

**WHEREAS**, the dramatic increases in windstorm insurance premiums will result in fewer people purchasing windstorm insurance if they are not required to have casualty insurance, with the result that catastrophic windstorm damage to those homes will either not be repaired or in many instances will be repaired at the expense of local, state and federal government taxpayers; and

**WHEREAS**, the history of the last two years reflects that the entire state of Florida is vulnerable to windstorm damages, especially those parts of the state where hurricane shutters and other storm-proofing techniques are not in common practice; and

**WHEREAS**, the State of Florida has estimated that the State has and will receive a "windfall" sales tax revenue in excess of \$3 billion from hurricane rebuilding efforts;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA**, that:

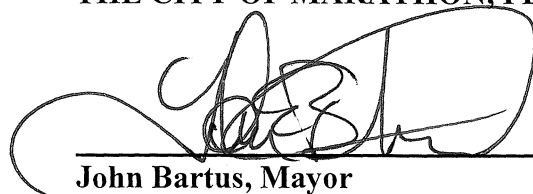
**Section 1.** The Board of County Commissioners urges Governor Bush, the Cabinet and the State Legislature to use the \$3.2 billion hurricane reconstruction sales tax windfall to provide relief to Citizens' insureds from the expected \$1.5 billion assessment.

**Section 2.** The Clerk shall send a copy of this resolution to the Honorable Jeb Bush, the Honorable Charlie Crist, the Honorable Tom Gallagher, the Honorable Charles H. Bronson, State Senators Larcenia Bullard and Rudy Garcia, and State Representatives Ken Sorensen and Dennis Ross, and the members of the Board of Governors for Citizens Property Insurance Corporation.

**Section 3.** This resolution shall take effect immediately upon its adoption.


**PASSED AND APPROVED** by the City Council of the city of Marathon, Florida, this 28th day of March, 2006.

**THE CITY OF MARATHON, FLORIDA**

  
\_\_\_\_\_  
**John Bartus, Mayor**


AYES: Bull, Pinkus, Worthington, Bartus  
NOES: None  
ABSENT: Mearns  
ABSTAIN: None

**ATTEST:**

  
\_\_\_\_\_  
Cindy L. Ecklund  
City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

  
\_\_\_\_\_  
City Attorney