

**CITY OF MARATHON, FLORIDA
RESOLUTION 2006-050**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, SETTING FORTH RECOMMENDATIONS TO INCLUDE IN PROPOSED LEGISLATION ON WINDSTORM INSURANCE RATES PROVISIONS TO PROTECT AFFORDABLE RENTAL HOUSING (NON-HOMESTEADED) PROPERTIES

WHEREAS, legislation has recently been introduced into the State Senate and House of Representatives to provide protection to homesteaded properties against huge windstorm premium increases; and

WHEREAS, the legislation proposes to restructure Citizens to remove the subsidy from any properties other than primary residences of Florida residents; and

WHEREAS, the legislation proposes to retain the three existing Citizens accounts (commercial- residential, personal lines, and high-risk), but limit eligibility for coverage under these accounts (single family homes, condo units, and certain condo associations) to those qualified as homestead property as defined by law, and condominium association policies only if at least 50% of the units in the association are qualified as homesteads; and

WHEREAS, the legislation proposes to retain existing requirements for Citizens rates and to add a provision stating that rates will be deemed to be inadequate if they are not sufficient to generate the funding (through cash flow, interest earnings, Cat Fund coverage, private reinsurance, and other funds) to enable Citizens to sustain a 50-year Probable Maximum Loss event in any year without creating a deficit in any Citizens account covering homestead property; and

WHEREAS, the legislation proposes to create a new Citizens account for non-homestead properties for windstorm-only policies (residential, commercial-residential, and commercial-commercial) in the Citizens high-risk area for full personal lines residential policies in the rest of the state; and

WHEREAS, there is an affordable housing crisis in the State in general, and especially in the Florida 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.

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

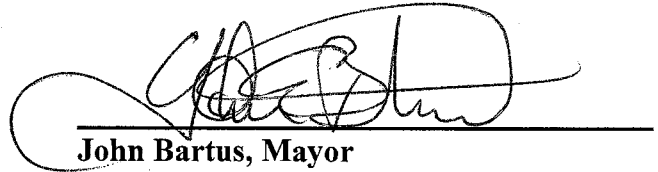
Section 1. The Council requests that the Florida Legislature revise the proposed legislation which is proposed to protect homesteaded properties from huge increases in windstorm insurance premiums to also provide for affordable rental housing to be treated the same as homesteaded properties.

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.

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.

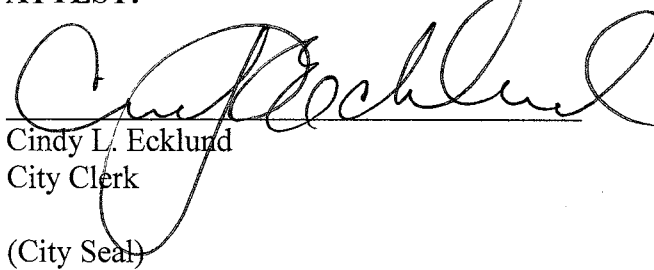
THE CITY OF MARATHON, FLORIDA



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