

MEMORANDUM

PHCSC
Agenda Item No. 2(A)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: January 13, 2022

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution directing the County Mayor to examine the feasibility of Miami-Dade County providing property insurance protection to eligible property owners in Miami-Dade County who are unable to find property insurance coverage in the private market, and requiring a report

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Jose "Pepe" Diaz.



Geri Bonzon-Keenan
County Attorney


GBK/uw



MEMORANDUM
(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: February 1, 2022

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No.

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Agenda Item No.

Veto _____

Override _____

RESOLUTION NO. _____

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXAMINE THE FEASIBILITY OF MIAMI-DADE COUNTY PROVIDING PROPERTY INSURANCE PROTECTION TO ELIGIBLE PROPERTY OWNERS IN MIAMI-DADE COUNTY WHO ARE UNABLE TO FIND PROPERTY INSURANCE COVERAGE IN THE PRIVATE MARKET, AND REQUIRING A REPORT

WHEREAS, Citizens Property Insurance ("Citizens") was created by the Florida Legislature as a non-profit, tax-exempt, government entity charged with providing insurance protection to Floridians who are unable to find property insurance coverage in the private market; and

WHEREAS, operated by a board of political appointees, its only source of revenue is from the insurance premiums policyholders pay; and

WHEREAS, section 627.351(6), Florida Statutes, states that the purpose of Citizens is to increase the availability of affordable property insurance in Florida, while achieving efficiencies and economies of scale; and

WHEREAS, Citizens currently insures approximately one out of every five homes in Florida, and often functions as an insurer of last resort to many Floridians; and

WHEREAS, over the past several years, the 10 percent cap rate has made Citizens a more affordable option for homeowners in high-cost regions, such as South Florida and the Orlando and Tampa metro regions; and

WHEREAS, private market insurers, unrestrained by a cap rate, have been forced by increased litigation and claims from Hurricane Irma to increase their rates to levels that have left many unable to compete with Citizens; and

WHEREAS, additionally, many insurers are refusing to sell new policies in South Florida; and

WHEREAS, as a result, Citizens is growing by about 5,000 policies a week and could reach 700,000 policies by the end of 2021, an increase from 452,000 policies in 2018; and

WHEREAS, a majority of the new and renewing customers of Citizens are in Broward, Palm Beach, and Miami-Dade counties; and

WHEREAS, recently, Citizens has been attempting to deter new customers by proposing higher rates; and

WHEREAS, higher rates in Miami-Dade County could have a detrimental effect on the local economy; and

WHEREAS, many people would be unable to afford to live in Miami-Dade County; and

WHEREAS, this Board desires a true insurer of last resort for property owners in Miami-Dade County who cannot find a private-market company willing to insure them, or can only find private-market coverage at exorbitant rates,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Directs the County Mayor or County Mayor's designee to examine the feasibility of Miami-Dade County providing property insurance protection to eligible property owners in Miami-Dade County who are unable to find insurance coverage in the private market, similar to what Florida has done with Citizens Property Insurance.

Section 2. Directs the County Mayor or County Mayor’s designee to provide a report or recommendation regarding the directive in section 1, to this Board within 30 days of the effective date of this resolution and to place the completed report on an agenda of this Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Chairman Jose “Pepe” Diaz. It was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Jose “Pepe” Diaz, Chairman	
Oliver G. Gilbert, III, Vice-Chairman	
Sen. René García	Keon Hardemon
Sally A. Heyman	Danielle Cohen Higgins
Eileen Higgins	Joe A. Martinez
Kionne L. McGhee	Jean Monestime
Raquel A. Regalado	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared this resolution duly passed and adopted this 1st day of February, 2022. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

RC

Ryan Carlin