

City of Lynn Haven, Florida

February 20, 2023

City Commission Workshop

Disclosure

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Facts/Applying the Simplified Approach To Raise Same Amount as FY22-23

- Likely 8,355 Assessable Tax Parcels with a Relative Improvement Value of \$1,266,744,592.
- Two-Tiered Assessable Cost Sharing Method
- Tier 1 (More Variable Costs) uses Relative Improvement Value.
 - \$0.60 per 1,000.
- Tier 2 (More Fixed Costs) per tax parcel.
 - \$50.00 per tax parcel.
- Fiscal Year 23-24 Preliminary Tier 1 + Tier 2 Revenue from Simplified Approach TM is \$1,177,797.
- Current Fiscal Year 22-23 NAV Revenue is \$1,176,154.71.

Some Examples

<u>Parcel</u>	<u>DOR Code</u>	<u>Capped Relative Improvement Value</u>	<u>Total Assessment</u>	<u>Prior Years Asmt.</u>	<u>Differential between Simplified Method to Current Method</u>
Median Single Family Home (3,380 SFRs with higher or lower RIV)	001	\$136,131.00	\$131.68	\$139.78	-\$8.10
Average Single Family Home (2,889 SFRs with higher RIV; 3,872 with lower RIV)	001	\$148,971.00	\$139.38	\$102.40	\$36.98
SFR Ex. Gatson Property	001	\$142,125.00	\$135.28	\$139.78	-\$4.51
SFR Ex. Gainer Property	001	\$399,329.00	\$289.60	\$139.78	\$149.82
SFR Ex. Coker Property	001	\$712,905.00	\$477.74	\$139.78	\$337.96
Apartment Complex: Pinnacle at Hammock Place	003	\$10,000,000.00	\$6,050.00	\$2,601.31	\$3,448.69
Individual Condo (Ex. Marina Bay Condo)	004	\$278,375.00	\$217.03	\$60.11	\$156.92
Condo Assoc. Parcel	009	-	non-billable	-	n/a
Large Vacant Parcel	010	\$0.00	\$50.00	\$2,263.04	-\$2,213.04
Sallie Mae Bldg	017	\$980,188.00	\$638.11	\$13,834.03	-\$13,195.92
Tire Store	025	\$546,221.00	\$377.73	\$623.42	-\$245.69

What is Different?

Method and Approach are different:

- Pervious / Impervious
 - Uses raw data; engineering measurement oriented;
 - Requires mitigation analysis;
 - Does not keep up with value changes well; and
 - Legal but lacks robust proportionality

VS

Simplified Approach

- Two-Tiered Cost Sharing (equity by divesting); based upon value of public goods and services to property owners (property owners vote with their feet).
 - Uses only certified data; economic relationship oriented;
 - No mitigation analysis required (this is not an engineering or measurement exercise, yet more proportional than any pervious/impervious approach);
 - Annually repeatable with updated accuracy between January and April to assure better certainty in budgeting for upcoming fiscal year.;
 - Better recovery of annual costs (i.e., Tax Collector fees, discounts, and annual admin) likely recovers \$75-80k annually; and
 - Uses dynamic data and indexing to keep up with change in value of a dollar.

Next Steps

- If through Commission consensus to change funding approach:
 - City Manager, Public Works Director, and City Attorney can develop a Work Order with MGLPA, showing high confidence net revenue, fixed pricing and immediate implementation calendar by early Spring for Commission review/action

Who is MGLPA?

Mark G. Lawson is a Florida Board-Certified City, County And Local Government Law attorney working in Bay County for over 25 years. His firm innovatively coordinates with approved consultants as a team using economic (Dr. Owen Beitsch), and engineering (Dr. Frederick Bloetscher) expertise and Florida (ENNEAD LLC) and national (David Taussig and Associates (DTA)) data expertise to stand up and create a single repeatable non-ad valorem assessment regime for local governments. Work is typically done by *single* negotiated fee payable substantially on completion. First year by standup and judicial validation, and thereafter annually for less than a full-time employee.

Ultimately work performed is about creating long-term support and smart working reliable annual relationships with local staff and officials. The firm and the approved consultants above, arguably produce the most robust, politically effective and legally sufficient non-ad valorem assessment programs in the State.