

RESOLUTION NO. 06-126

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3 A RESOLUTION OF THE MAYOR AND VILLAGE COUNCIL OF THE
4 VILLAGE OF PALMETTO BAY, FLORIDA, RELATING TO WINDSTORM
5 INSURANCE; URGING CITIZENS INSURANCE AND THE STATE
6 LEGISTURE TO CANCEL THE SCHEDULED 2007 RATE INCREASE;
7 FURTHER URGING THE STATE LEGISLATURE TO DEVELOP CREATIVE
8 SOLUTIONS AND PROVIDE MEANINGFULL RATE REDUCTIONS
9 DURING THE UPCOMING JANUARY 2007 SPECIAL LEGISLATIVE
10 SESSION; REITERATING THE EARLIER INITIATIVES OF THE VILLAGE
11 URGING THE STATE TO ELIMINATE THE ARBITRARY WINDSTORM
12 LINE AND TO ELIMINATE THE SURCHARGE ON OLDER HOMES; AND
13 SEEKING SUPPORT FROM ALL AFFECTED COMMUNITIES WITH
14 THESE INITIATIVES; PROVIDING AN EFFECTIVE DATE.
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16 WHEREAS, The Florida Legislature in November 1993 created the Florida Hurricane
17 Catastrophe Fund, under section 215.555, Florida Statutes, and also enacted an association of
18 private insurers, under section 627.351(2), Florida Statutes, to provide hurricane and windstorm
19 insurance to Florida residents who could not obtain an offer for coverage from another insurer;
20 and
21

22 WHEREAS, Citizens Insurance is the only available source of hurricane and windstorm
23 insurance for thousands of residential property owners in Florida, for all residents East of US 1
24 and I-95, and provides windstorm insurance coverage for all properties east of this line, including
25 the residents of the Village of Palmetto Bay, who are not able to obtain an offer of coverage in
26 the voluntary market; and
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28 WHEREAS, Citizens Insurance has scheduled another significant rate increase to take
29 effect in 2007; and,
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31 WHEREAS, Citizens Insurance continues to enforce an arbitrary "windstorm insurance
32 coverage line" that has no basis in science and results in a 40-50% increase in premiums; and,
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34 WHEREAS, Citizens Insurance continues to impose a surcharge of up to 20% for older
35 homes, regardless of their condition and hurricane resistant features and despite the fact that
36 many of these homes are built far stronger than new homes and many have also been updates
37 with new hurricane resistant features such as shutters or impact resistance glass; and,
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39 WHEREAS, the Governor-Elect and Legislative Leadership have called a Special
40 Session on Property Insurance in January 2007 and this Special Session hold the promise of
41 providing meaningful solutions to the Florida's insurance crises; and,
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1 NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND VILLAGE
2 COUNCIL OF THE VILLAGE OF PALMETTO BAY, FLORIDA, AS FOLLOWS:
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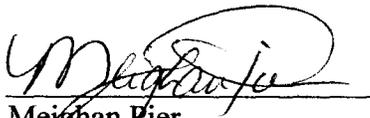
4 Section 1. The above whereas clauses are incorporated by reference.
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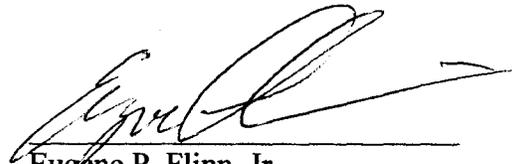
6 Section 2. The village council seeks the support of all neighboring communities in
7 Miami-Dade County, Broward County, Palm Beach County and all other affected communities
8 within Florida to support the village's efforts to urge the Florida Legislature and Citizens
9 Insurance to: a) cancel the scheduled 2007 windstorm rate increase; b) develop creative solutions
10 and meaningful rate reductions during the January 2007 Special Session; c) remove the arbitrary
11 line under the State legislation; and d) remove the unfair surcharge on older homes.
12

13 Section 3. This resolution shall take effect immediately upon approval.

14 PASSED and ADOPTED this 4th day of December, 2006.

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17 Attest:


18 Meighan Pier
19 Village Clerk
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Eugene P. Flinn, Jr.
Mayor

21 APPROVED AS TO FORM:
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26 Eve A. Bousis, Office of
27 Village Attorney
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29 FINAL VOTE AT ADOPTION:
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31 Council Member Ed Feller	<u>YES</u>
32 Council Member Paul Neidhart	<u>YES</u>
33 Council Member Shelley Stanczyk	<u>YES</u>
34 Vice-Mayor Linda Robinson	<u>YES</u>
35 Mayor Eugene P. Flinn, Jr.	<u>YES</u>