

1 RESOLUTION NO. 05-102

2
3 A RESOLUTION OF THE MAYOR AND VILLAGE COUNCIL OF THE
4 VILLAGE OF PALMETTO BAY, FLORIDA, RELATING TO LOBBYING
5 THE FLORIDA LEGISLATURE TO AMEND THE FWUA LEGISLATION TO
6 AMEND THE ARBITRARY WINDSTORM "LINE" OF EAST OF U.S.
7 HIGHWAY 1 AND EAST OF I-95 SO AS TO FAIRLY DISTRIBUTE RISK
8 THROUGHOUT THE STATE; AND SEEKING SUPPORT FROM ALL
9 NEIGHBORING COMMUNITIES WITH THIS INITIATIVE; PROVIDING AN
10 EFFECTIVE DATE.

11
12 WHEREAS, The Florida Legislature in November 1993 created the Florida Hurricane
13 Catastrophe Fund, under section 215.555, Florida Statutes, and also enacted the FWUA is an
14 association of private insurers, under section 627.351(2), Florida Statutes, to provide hurricane
15 and windstorm insurance to Florida residents who could not obtain an offer for coverage from
16 another insurer; and

17
18 WHEREAS, the FWUA (Citizens Insurance) is the only available source of hurricane
19 and windstorm insurance for thousands of residential property owners in Florida, for all residents
20 East of US 1 and I-95, and provides windstorm insurance coverage for all properties east of this
21 line, including the residents of the Village of Palmetto Bay, who are not able to obtain an offer of
22 coverage in the voluntary market; and

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24 WHEREAS, there have been 27 tropical events during the 2005 hurricane season,
25 including, but not limited to Hurricanes Katrina, Rita and Wilma; and,

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27 WHEREAS, weather experts predict that the future hurricane cycle for the upcoming 20
28 years shall consist of higher strength and more frequent hurricane and tropic storm activities, as
29 compared to the past 20-30 year cycle; and,

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31 WHEREAS, based upon the foregoing, the insurance industry shall be increasing
32 windstorm premiums for all Florida residents, and many insurance companies may be leaving the
33 market; and,

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35 WHEREAS, the FWUA arbitrary "windstorm insurance coverage line" requires a higher
36 insurance premium, through Citizens Property Insurance, for all those properties east of the
37 artificial line; and,

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39 WHEREAS, continued existence of this arbitrary imaginary line, with no basis in
40 science, which was created as a political compromise by the Florida Legislature and Florida
41 Insurance Commissioner as part of the FWUA, shall inordinately burden those property owners
42 east of the line, despite the fact that hurricanes affect all of Florida; and,
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1 WHEREAS, due to the devastation from the past two years' of hurricane events that
2 affected Florida, all properties east of this arbitrary line face a 40 to 50 percent increase in their
3 insurance premiums; and,
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5 WHEREAS, in addition, due to the FWUA, all those properties West of the arbitrary line
6 also shall have to pay a premium under the FWUA to help the state overcome the costs
7 associated with the past few hurricane events, however the premium shall not be as costly for
8 those West of the arbitrary line; and,
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10 WHEREAS, the elimination of the artificial and unscientific line would benefit all of
11 Florida, as the line has outlived its usefulness; as elimination of the line would create a greater
12 pool of insured persons; and ensure greater stability, security and protection for all of Florida.
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14 NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND VILLAGE
15 COUNCIL OF THE VILLAGE OF PALMETTO BAY, FLORIDA, AS FOLLOWS:
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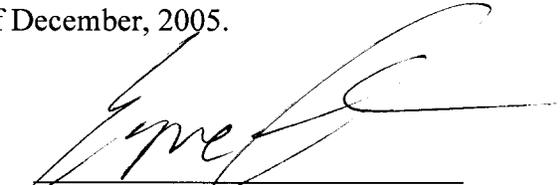
17 Section 1. The above whereas clauses are incorporated by reference.
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19 Section 2. The village council seeks the support of all neighboring communities in
20 Miami-Dade County, Broward County, Palm Beach County and all other affected communities
21 within Florida to support the village's efforts to lobby the Florida Legislature to remove the
22 arbitrary line under the FWUA legislation so that the interests of all Florida residents are further
23 protected and ensure that all residents can obtain affordable hurricane property damage insurance
24 by creating a larger pool of insured persons, and provide greater stability, security and protection
25 for all Florida property owners.
26

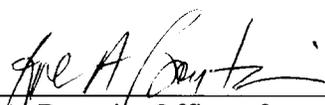
27 Section 3. This resolution shall take effect immediately upon approval.

28 PASSED and ADOPTED this 5 day of December, 2005.

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31 Attest: 
32 Meighan Pier
33 Village Clerk
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Eugene P. Flinn, Jr.
Mayor

35 APPROVED AS TO FORM:
36
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40 Eve A. Boutsis, Office of
41 Village Attorney
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1	FINAL VOTE AT ADOPTION:	
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3	Council Member Ed Feller	<u>YES</u>
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5	Council Member Paul Neidhart	<u>YES</u>
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7	Council Member John Breder	<u>YES</u>
8		
9	Vice-Mayor Linda Robinson	<u>YES</u>
10		
11	Mayor Eugene P. Flinn, Jr.	<u>YES</u>