

TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Thomas Willi (954) 797-1030

SUBJECT: Resolution

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, OBJECTING TO THE RECENT WINDSTORM INSURANCE RATE INCREASE BY THE FLORIDA WINDSTORM UNDERWRITING ASSOCIATION (FWUA); URGING THE GOVERNOR OF FLORIDA AND THE FLORIDA LEGISLATURE TO CONVENE A SPECIAL SESSION OF THE FLORIDA WINDSTORM UNDERWRITING ASSOCIATION PANEL RESPONSIBLE FOR APPROVING THE RATE INCREASE; AND DIRECTING THE CITY MANAGER TO FORWARD A COPY OF THIS RESOLUTION TO THE GOVERNOR AND EACH MEMBER OF THE FLORIDA LEGISLATURE.

REPORT IN BRIEF: The Florida Windstorm Underwriting Association (FWUA) recently raised its rates as much as 268% and many homeowners are facing increases as much as \$100 - \$200 per month which could force some of these homeowners from their homes. Recent administrative and legislative actions have resulted in diminished insurance coverage for property owners. The Town of Davie and the City of Hollywood are urging Governor Jeb Bush and the Florida legislature to address the rate increase and reduction in insurance coverage as well as the structure of the FWUA. The South Florida community has formed a grassroots efforts to fight the increase and this resolution would authorize Mr. Willi and Mr. Kiar to provide reasonable assistance to petition the legislature to amend the Florida Constitution to require the Department of Insurance to provide affordable and adequate windstorm coverage to all property owners.

PREVIOUS ACTIONS: not applicable

CONCURRENCES: not applicable

FISCAL IMPACT: no

RECOMMENDATION(S): Motion to approve the resolution

Attachment(s): Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, OBJECTING TO THE RECENT WINDSTORM INSURANCE RATE INCREASE BY THE FLORIDA WINDSTORM UNDERWRITING ASSOCIATION (FWUA); URGING THE GOVERNOR OF FLORIDA AND THE FLORIDA LEGISLATURE TO CONVENE A SPECIAL SESSION OF THE FLORIDA WINDSTORM UNDERWRITING ASSOCIATION PANEL RESPONSIBLE FOR APPROVING THE RATE INCREASE; AND DIRECTING THE TOWN CLERK TO FORWARD A COPY OF THIS RESOLUTION TO THE GOVERNOR AND EACH MEMBER OF THE FLORIDA LEGISLATURE.

WHEREAS, the property owners of the State of Florida, particularly those in South Florida including the Town of Davie, face yearly threats of hurricane and tropical storm damage to their homes and property; and

WHEREAS, the Florida Windstorm Underwriting Association (FWUA) is a state-created insurer of last resort for windstorm coverage; and

WHEREAS, over 450,000 residents of Florida are in the FWUA windstorm pool, of which 65 percent live in Miami-Dade, Broward and Palm Beach Counties; and

WHEREAS, the FWUA has recently raised its windstorm rates as much as 268 percent in some communities and many homeowners are facing rate increases as much as \$100 - \$200 per month; and

WHEREAS, Florida Insurance Commissioner Bill Nelson rejected the request for the rate increase last year, but was overruled by a 2-1 vote of an arbitration panel; and

WHEREAS, Commissioner Nelson filed a lawsuit to prevent the increase but that effort and subsequent appeal ended unsuccessfully in June; and

WHEREAS, the drastic rate increase is so great as to force some homeowners out of their homes; and

WHEREAS, the South Florida community has formed a grassroots effort to fight the rate increase; and

WHEREAS, recent administrative and legislative actions have resulted in astronomical increases in insurance rates and diminished coverage for property owners throughout the state, including those in the Town of Davie; and

WHEREAS, the Town of Davie wishes to lend its support to a Citizens' Initiative to amend the Florida Constitution to require the State to provide affordable and adequate windstorm insurance for all Florida property owners.

NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. That the Town Council hereby expresses strong objection to the economically devastating windstorm insurance rate increase, and further urges the Governor of Florida and the Florida Legislature to convene a Special Legislative Session to address the approved rate increase and the reduction in coverage, as well as the structure and authority of the Florida Windstorm Underwriting Association panel responsible for these changes. The Town Council further directs the Town Clerk to forward a copy of the resolution to the Governor and each member of the Florida Legislature.

SECTION 2. That the Town Council hereby authorizes the Town Administrator and Town Attorney to provide all reasonable assistance in the process of a Citizens' Initiative petition to amend the Florida Constitution in such a way as to require the Department of Insurance to provide affordable and adequate windstorm coverage to all Florida property owners.

SECTION 3. That the Town Clerk is directed to provide copies of this resolution to the Miami-Dade League of Cities, the Florida League of Cities and to the Mayors of all Miami-Dade, Broward and Monroe County municipalities.

SECTION 4. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2001

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2001