

**LEHIGH ACRES FIRE CONTROL AND RESCUE DISTRICT
BOARD OF COMMISSIONERS
PUBLIC HEARING ON SEPTEMBER 14, 2020
MINUTES**

CALL TO ORDER

The September 14, 2020 public hearing of the Lehigh Acres Fire Control and Rescue District Board of Commissioners was held at Station 104, 3102 16th Street, SW, Lehigh Acres, FL 33976. The hearing was called to order at 6:00 p.m. by the Chair, Commissioner Kruse. After leading the Pledge of Allegiance, Comm. Kruse gave the invocation.

ROLL CALL

Commissioners Catherine Kruse, Debra Cunningham, Linda Carter, Robert Bennett and Lucia Sherman; Fire Chief Robert DiLallo, Deputy Chief Rodolfo Naranjo, Assistant Chief Ralph Ketron, Assistant Chief Ken Bennett, Division Chief Oreste Borrego, Information Technology Administrator Tim Mace, Finance Manager Anita Kressel, Public Relations Officer Katie Heck, Finance Specialist Anita Kummer, Administrative Secretary Rachel Reith, and Administrative Assistant Neils Thomsen; Attorneys Richard Pringle, Mark Lawson and Jamy Dinkins. There were 39 members of the public attending at the start, dwindling to 3 at the close of the hearing. No one from the press. A court reporter recorded the hearing. Also in attendance were two sign language interpreters.

Comm. Kruse welcomed the public attendees. She explained the purpose of this hearing. Comm. Kruse strongly encouraged public participation and explained the procedure for speaking to the board.

NON-AD VALORUM ASSESSMENT RESOLUTION FOR FY 2020/2021

Attorney Pringle introduced the proposed resolution to adopt a non-ad valorem assessment for the upcoming year. He advised that this public hearing had been properly noticed for the board to consider the simplified fire assessment as an alternative to the demand based assessment.

Attorney Lawson announced that he and Attorney Dinkins were present to introduce a better understanding of the alternative assessment methodology. He made several points, including:

- the true cost of services is the cost of availability or readiness to provide those services
- each parcel creates an overall demand whether there are calls to that parcel or not
- the district needs money to build another station and continue services
- Ad valorem property taxes do not support the services provided by the district
- the simplified method uses the property appraiser's data which must be updated each year
- the voters authorized the board's ability to select the simplified assessment method
- the simplified assessment method has been validated by the Circuit Courts and Supreme Court of Florida
- benefits to residents include lower homeowners insurance premiums
- a detailed report by Dr. Beitsch of GAI Consultants, Inc. was among the resources relied upon
- special districts are authorized to impose special assessments for emergency medical services

Mr. Lawson stressed that notices were published and mailed to property owners worldwide. An affidavit to the proposed resolution will confirm that over 125,000 notices were individually mailed to property owners using addresses provided by the Property Appraiser.

Mr. Lawson stated that the Commissioners want to extend the seven current exemptions but have determined they cannot afford to do that by using the demand based assessment method. The proposed eighth exemption for homeowners' adjoining lots has not been incorporated into the roll yet. Mr. Lawson recommended residents pay their tax bills when due and, if the eighth exemption is verified by application, a refund would be made. It is up to the board whether to continue exemptions in future years. The process allows for modification.

Attorney Pringle advised that public notices, Dr. Beitsch's report, and emails and written comments sent to the district will be made a part of the record of these proceedings.

Comm. Kruse acknowledged the noise of traffic and fans, and that talking was muffled by masks. She asked anyone having difficulty hearing to raise a hand. *[Microphone positions and speaker volumes were adjusted as needed throughout the hearing.]*

PUBLIC COMMENTS ON AGENDA ITEM

Grant McEwan introduced himself as the oldest Lehigh Acres resident to survive Covid-19. He believes the ambulance and EMT saved his life. Mr. McEwan stated good police and fire protection need money and deserve the best equipment and best training. He said the peacefulness of our community could not last if there were no police or fire service because of politics.

Mary Carter said she is a resident of Lehigh Acres, retired from the Army, proud of our county and this fire department. She wished citizens would take care of their property. Ms. Carter urged taking care of one another and taking pride in making Lehigh beautiful again. She said it is not an expensive fee to pay and the district needs money for training and equipment.

Mitch Hutchcraft announced that he represents a group of owners of 100 lots. He felt the notices were deficient in that they did not state this year's and last year's assessed values of each parcel. He said he looked up 12 and had little confidence that the assessments were fair and accurate. He calculated an aggregate 40% increase for their 100 lots. Mr. Hutchcraft stated the properties are agricultural and are maintained regularly. He said the [property] owners were [not residents of the District and] unable to vote on taxes or representation. Mr. Hutchcraft recommended using the demand based assessment method and adding different allocation based on land use.

Ron Rankin said there are thirteen quarter-acre lots on his street that back up to a 4.6 acre parcel owned by West Coast. The thirteen family-owned lots would pay \$2,106 altogether and West Coast would pay \$162. Mr. Rankin hoped this disparity would be addressed.

Peter Cronawer said this is first time he has complained in his 70 years in this country. He said he received tax bills for \$2400 from the fire department. He was worried for people with less income than he. Mr. Cronawer thought the fire stations looked elaborate and fancy.

Kathleen Williams wanted to know what non-profit groups would qualify for exemptions and who would pay for them. She has made no improvements to her house since she purchased it ten years ago and did not understand the improved value part of the assessment. Ms. Williams appreciates that firefighters perform a nasty, difficult job. She believes they receive good pay and benefits. She objected to receiving postcards that said nothing.

Francisco Ponlillo(sp?) said he bought lots a few years ago to build houses as an investment. He is concerned he cannot afford to pay two separate taxes on each lot and asked if there would be two fees every year.

Garcia Irene supports paying taxes in order to finance government. He said the improvements on his property were done before this idea [*simplified fire assessment method*] came up. He added there has never been a fire in his house, and that there were fires on empty lots. Mr. Irene believes \$165 per property would be fair. He claimed he is paying property taxes twice, one to the city and one to the district. He said the district needs to manage on a budget.

Juana Romero said she is retired and should not have to pay for fire protection. She said there is a lawyer representing the district, and therefore the district should hire a lawyer to represent the citizens. Ms. Romero asked what organization helps homeowners pay their taxes.

Erasmus Isalque objected to the \$162 rate and said the district should look elsewhere for the money it needs.

Sasha Sobel purchased land 14 years ago as an investment. The value has decreased. Ms. Sobel was paying property taxes of \$60/year. She does not agree with the proposed \$162 rate.

Joseph Colburn introduced himself as a resident of 8 years. He asked what the district did to conserve funds prior to asking for more. Mr. Colburn bought two adjoining half-acre lots and expects to pay double what someone else will pay for one half-acre lot. He asked for his Social Security disability status to be taken into consideration. He hoped the people with little would be taxed a minimum rate, and that the people who have more would pay more.

Don Gardiner spoke in favor of the simplified assessment. He will save \$122 this year compared to last year. Taxes must go up, not because of the fire department but because of the county. Two-thirds of Lehigh Acres is vacant land. Mr. Gardiner said homeowners will probably save money like him under the new simplified method. He acknowledged that lot owners will pay more. Mr. Gardiner was certain many residents mistakenly think their assessment will go up.

No one else submitted a request form. Comm. Kruse invited any one to speak and encouraged opinions both for and against.

Hugo Martin accepted the invitation. He explained that he owns land adjoining his home which he keeps mowed. He did not want to pay a higher assessment. Mr. Martin said the lots with a lot of brush, fuel, oxygen, lightning, and kids all start fires. He believes a fair assessment would differentiate between lots that are mowed and untended lots.

Peter Cronawer spoke again. He said he is 87 years old and it would not hurt him to pay the assessment for a few more years.

Comm. Kruse repeated her invitation to comment. No one else came forward. The public input portion of this hearing was closed.

Mark Lawson returned to the podium and with his notes, responded to every concern raised during public comments. Some points he made are:

METHOD – The more information we offer, the more difficult it is to present. The assessment method was explained in detail in Dr. Beitsch’s report and over the last two years. The simplified method was designed to meet the reasonable and fair standard.

PROPERTY VALUES - Researching the Property Appraiser’s records does not reveal all the changes. The quick search on the website was offered to avoid people from having to go to the Property Assessor’s office records “in process.” Mr. Lawson said the approach looks backward each year in the records and uses certified just values and land values each year. The Supreme Court approves of approaches that are updated regularly.

AGRICULTURE - The assessment method does not care about land use. Each property needs services available year round.

VOTE - Non-residents of the district do not vote here, but can come to this hearing and be heard. Property owners who are not registered to vote have not been deprived of due process.

LOT SIZES - Different size parcels were created when land was subdivided. Large scale subdivision was allowed without infrastructure. That is no longer allowed. For now, a large parcel is one parcel, and will pay more for any improvements on that parcel. When it gets later re-subdivided, the method takes that into consideration automatically.

EXEMPTIONS - The exemptions are explained in great detail in the resolution passed in June and in tonight’s proposed resolution. Mr. Lawson urged residents to apply now for exemptions. The District will work to put exemptions into place quickly.

ADJOINING LOTS – The proposed exemption on homeowner’s adjoining lots is also called a modified curtilage. If an adjoining lot were to be sold off, that lot would be charged \$162 in a subsequent year.

ANNUAL FEE – One speaker asked why she must pay when she paid last year. He explained property owners must pay each year to fund the District budget.

DOUBLE CHARGES – No one pays double fees. The district is a stand alone district and must generate its own revenue. The county does not contribute to the district.

FAIRNESS - The voters authorized the Commissioners to assess the rates. The state legislature authorized special districts to raise the assessment each year based on a five-year income average. The Supreme Court said decades ago, “There is no method of assessment that will please everyone.” The criteria is whether the assessed properties in the community receive a benefit.

STATE FUNDS - Chief DiLallo and Florida Representative Rouch worked hard to pass an appropriation bill from Florida. In the end, the governor vetoed every appropriation bill.

Mr. Lawson stressed how starved for cash the district is now. The move toward the simplified assessment method is a long-term plan intended to fix what demand based assessment does not any longer satisfy.

Comm. Kruse asked Chief DiLallo to address how the district has conserved funds over the years.

Chief DiLallo expressed his appreciation to the citizens who came to the hearing. He invited anyone to call him or PRO Heck with their concerns. Chief DiLallo asserted that the speaker with an adjoining lot will not pay two assessments. No one ever paid \$2,400 to the fire dept. In 2008, the district cut the budget to the bone, laid off personnel, closed a station, no maintenance was done, and no vehicle was purchased for ten years. Decreased response times saves lives. Vehicles must be replaced and personnel must be hired in order to provide the services property owners and the community ask for.

Chief DiLallo went on to say that, in 2015, government grants were paying our personnel and those grants ran out. The board made the difficult decision to use a demand based assessment in order to continue providing services because the tax base is too low. There are now fewer firefighters and less staff than in 2009, yet call volume has increased and our vehicles run 1,000 miles/week. In comparison, Cape Coral has 12 stations, is building their 13th, and has less area to cover.

Chief DiLallo added that, in 2002, the 5-year planning committee determined the district should have over 9 stations by now. When Lehigh Acres is completely built out, it will require 19 stations to serve this area. The district already has plans and land for a new station on Sunshine Blvd. To catch up with the growth of this community, the district needs to build stations and hire more staff. The insurance rating would go down to 2 and reduce homeowners' insurance premiums. In his four years as Fire Chief, Chief DiLallo remarked that budgeting for services has been discussed extensively at the board's monthly meetings.

Mr. Lawson reminded the audience that the board has taken extraordinary efforts for months to provide notice and information. He urged people to access the great information on the website which is updated frequently. He added that the assessment benefits property. It is not a tax.

Comm. Kruse called for a break at 7:52 pm. The hearing reconvened at 8:04 pm.

Attorney Pringle announced that the board was authorized by voters on August 18th to choose the assessment method, either simplified fire or demand based. He disclosed and acknowledged that board actions have been toward adopting the simplified fire assessment methodology. The proposed resolution was made available online on September 11th for review. Mr. Pringle identified and explained various sections of the resolution in detail, including findings of fact, stand by readiness, benefits to improved and unimproved property, annual determination of rates, where funds would be applied, and the inclusion of Dr. Beitsch's report. He mentioned that another benefit of enhanced fire services is a draw of others to the community and to our businesses. Mr. Lawson added that the resolution specifies the eight exemptions and, if distorted or abused, an exemption could be removed in the future as a matter of policy.

Mr. Pringle stressed that each board member must make its own decision whether to adopt the findings in this resolution. The resolution when adopted must be based on findings of fact within the resolution in case someone in the future were to attack the decision of the board.

Mr. Lawson agreed that the Commissioners were vested with the authority and burden of making an informed decision. He outlined the task to include having sought advice and having made an independent decision based on a rational reason.

Mr. Pringle read the title of Resolution 20-09-01 into the record.

PUBLIC COMMENTS ON AGENDA ITEMS

Comm. Kruse called for public input. There was none.

Comm. Sherman Motioned to adopt Resolution 20-09-01 as read, Comm. Carter Seconded the motion.

COMMISSIONERS' COMMENTS

Comm. Bennett was ready to vote.

Comm. Cunningham agreed with the simplified assessment method.

Comm. Sherman expressed appreciation for the comments received by the board by email, phone and from tonight's speakers. She noted that many comments were based on misinformation and misinterpretation, and some came from people who don't live here and don't understand the community. The services are required by the people that live here. In her opinion, no other solution sufficiently addresses the needs of the community as well the simplified assessment. The demand based assessment does not address the needs of the community or residents' concern about the unfair distribution of costs. The district provides ambulance service because of patients' need to be stabilized and the distance to the nearest trauma center. Comm. Sherman added that Lehigh Acres is growing fast and the simplified assessment would protect the district from economic downturn.

Comm. Carter agreed that Lehigh Acres is growing. She said everybody wants the best service and the only way to provide that is with a stabilized budget enabling the district to build stations and hire personnel. This affects all 125,000 parcels. Everybody should pay their fair share.

Comm. Kruse stated this [*assessment method*] is something the district has worked on for a very long time. She confirmed that the Commissioners have not taken it lightly, they have gone to the experts, read all the emails and letters, read Dr. Beitsch's report, including his second report, and are educated and knowledgeable in the decision to be made for the good of our district.

Roll Call vote:

Comm. Carter	aye	
Comm. Bennett	aye	
Comm. Sherman	aye	
Comm. Cunningham	aye	
Comm. Kruse	aye	The motion passed, 5:0.

ADJOURNMENT

Comm. Carter motioned to adjourn, seconded by Comm. Cunningham. The motion passed by vote 5:0. The hearing adjourned at 8:55 pm.

Date approved: September 29, 2020

Lucia Sherman, Secretary