

RESOLUTION NO. 19-04

A RESOLUTION OF THE CITY COUNCIL OF PANAMA CITY BEACH, FLORIDA, RELATING TO THE ADMINISTRATIVE HARDSHIP DEFERMENT ASSOCIATED WITH FIRE SERVICE PROTECTION ASSESSMENTS; PROVIDING FOR ASSOCIATED POLICY DIRECTION; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution of the City of Panama City Beach, Florida (the "City"), is adopted pursuant to Ordinance No. 1444 (the "Assessment Ordinance"), Sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. All capitalized words and terms not otherwise defined herein shall have the meaning set forth in the Assessment Ordinance, unless the context hereof otherwise requires.

SECTION 3. INTERPRETATION. Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this Resolution; and the term "hereafter" means after, and the term "heretofore" means before, the effective date of this Resolution. Words of any gender include the correlative words of the other gender, unless the sense indicates otherwise.

SECTION 4. HARDSHIP DEFERRMENT DIRECTION.

(A) As provided in Section 2.14 of the Ordinance, upon application of the owner of a Tax Parcel subject to the Fire Service Assessment, the City Manager, or his designee acting as the Assessment Coordinator may grant a hardship deferment, in which case the Tax Parcel in question will receive a deferral. The owner shall be required to execute a binding agreement encumbering the Tax Parcel and otherwise assure the City that payment in full of the Assessment and any recording cost, plus interest at an estimated cost of City funds compounded annually, shall be due over a period of time or upon sale or transfer of the property. Such agreement or a memorandum thereof shall be recorded in the Official Records of Bay County, Florida. Dependent upon the volume or demand for such deferment, the City Council may determine to release such deferments in the future. However, all funding for such hardship deferment, or the consequences of the deferment or any future release, shall be from legally available funds other than direct proceeds of other Assessments. The Assessment Coordinator is authorized to use sound public administration judgment in applying this authority and considering such applications.

(B) The policy and form of application appended hereto shall be used by the Assessment Coordinator in implementing this direction. The Assessment Coordinator is authorized to administratively make and include modifications to efficiently and fairly achieve the policy direction of the City Council, and further is to periodically report to

the City Council about the process, implementation and use of this means to address circumstances of various less fortunate property owners. Such information shall be shared in a tactful and respectful manner that works to protect the privacy of affected owners within in the law.

(C) This provision serves to promote a public purpose and the general welfare, morals and contentment of the inhabitants and residents of the City.

SECTION 5. AUTHORIZATIONS. The Mayor, the City Attorney, the City Manager, the Clerk, the Fire Chief and the Finance Director and such other officials, employees or agents of the City as may be designated by the City Council are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with this Resolution, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

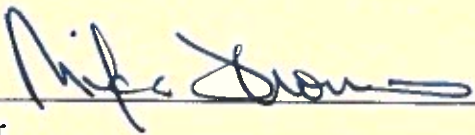
SECTION 6. SEVERABILITY. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

[Remainder of page intentionally left blank.]


SECTION 7. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage and adoption.

PASSED and APPROVED on first reading in regular session of the City Council of the City of Panama City Beach, Florida, this 25th day of October 2018.

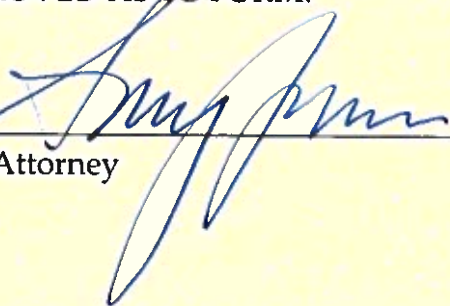
**THE CITY OF PANAMA CITY BEACH,
FLORIDA**

By: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:

By: 
City Attorney

COMPOSITE APPENDIX A

**HARDSHIP DEFERRMENT; POLICY; APPLICATION (FORM)
AND DEFERRMENT AGREEMENT (FORM)**

SECTION 2.14 OF THE ORDINANCE PROVIDES AS FOLLOWS:

ADMINISTRATIVE HARDSHIP DEFERMENT.

(A) Annually upon application of the Owner of a Tax Parcel subject to the Assessments contemplated herein, the Assessment Coordinator may grant a hardship deferment, in which case the Tax Parcel in question will receive a deferral. The owner shall be required to execute a binding agreement encumbering the Tax Parcel and otherwise assure the City that payment in full of the Assessment and any recording cost, plus interest at an estimated cost of City funds compounded annually, shall be due over a period of time or upon sale or transfer of the property. Such agreement or a memorandum thereof shall be recorded in the Official Records of Bay County, Florida. Dependent upon the volume or demand for such deferment, the City Council may determine to release such deferments in the future. However, all funding for such hardship deferment, or the consequences of the deferment or any future release, shall be from legally available funds other than direct proceeds of other Assessments. The Assessment Coordinator is authorized to use sound public administration judgment in applying this authority and considering such applications.

(B) This provision serves to promote a public purpose and the general welfare, morals and contentment of the inhabitants and residents of the City.

HARDSHIP POLICY FOR THE CITY OF PANAMA CITY BEACH

The assessment ordinance imposes a few restrictions on the granting of hardship deferrals (it does not allow complete forgiveness of assessments without further City Council action). Most of the decision-making authority is left up to the Assessment Coordinator. A hardship deferral must be requested annually by the owner of the tax parcel assessed, requires the execution of a recorded agreement encumbering the parcel and requiring payment of the assessment, recording costs, and annually compounded interest upon sale of the property (or over a period of time). The Assessment Coordinator is directed to "use sound public administration judgment" in determining whether or not to grant a deferral.

HARDSHIP ELIGIBILITY REQUIREMENTS/CHECKLIST:

1. Demonstrated annual household income below 150% of poverty level for family size.
2. Property is owned by an individual, not a business or other legal entity.
3. Current on property taxes and any other payments due any governmental entity.
4. Current on mortgage or other payments to private entities secured by the parcel.
5. Total available bank account balances of less than \$2,500 (savings, checking, money market).
6. Net value of any vehicles owned by members of the applicant's household is less than \$5,000.
7. Documented catastrophic situation resulting in a temporary, sudden and non-recurring financial duress (i.e. medical bills resulting from emergency treatment, funeral expenses of resident of household, loss of employment within last six months).

The process by which an individual may make an application for a hardship deferral is detailed below. The applicant should provide a completed application form, a copy of the applicant's most recent federal income tax return, a current pay stub (if applicable), any documents necessary to establish satisfaction of outstanding encumbrances on the property, current bank statements from all bank accounts held by the applicant or members of the applicant's household, documentation of registration of any vehicles owned by the applicant or members of the applicant's household, and any documentation necessary to authenticate the applicant's catastrophic financial situation (such as medical bills).

DEFERRAL PROCESS:

1. Applicant contacts Assessment Coordinator and obtains an Application Form
2. Applicant completes form and submits the form, with attached documentation, to the Assessment Coordinator
3. Assessment Coordinator asks for additional documentation, if necessary, and schedules meeting with applicant, if necessary
4. Assessment Coordinator informs Applicant of decision in writing
5. If approved, Applicant executes form deferral agreement
6. Assessment Coordinator records deferral agreement

WEBSITE/PUBLIC INFORMATION:

Some citizen and property owners may suffer extreme hardship in making this payment. The City Council has not budgeted for forgiveness of any assessments. However, the City Council has provided for deferral in rare situations. The City of Panama City Beach provides a process by which property owners who are facing severe financial hardship due to circumstances beyond their control may apply to the City for a hardship deferment of their annual fire protection assessment. These applications will be reviewed by the Assessment Coordinator, and a final decision will be made on each application. Please note that the City will only defer, not cancel, annual assessments for property owners facing hardships. The property owner will be responsible for ensuring that the assessment, along with costs to record the deferral and interest on the assessment amount, is repaid in a timely fashion or when the property is sold.

Individuals may qualify for deferral if their annual income meets certain criteria, they demonstrate a lack of available assets to satisfy the assessment, and they are able to demonstrate a catastrophic situation that has resulted in temporary economic hardship. If you believe that you may qualify because you are facing a temporary financial hardship, please contact the Assessment Coordinator for more information.

APPLICATION FOR HARDSHIP DEFERRAL OF FIRE SERVICE ASSESSMENT

Name of Applicant: _____ Social Security Number: ____ - ____ - ____

Name of Co-Owner: _____ Social Security Number: ____ - ____ - ____

E-mail Address: _____ Telephone Number: _____

Address of Property for Which Deferral is Sought: _____

Tax Parcel ID No. of Property: _____

Number of Dependents: ____ Annual Income of Applicant: \$ _____

Total Annual Income of Others in Household: \$ _____

Total Balance of All Bank Accounts: \$ _____

Vehicles Owned by Members of Applicant's Household:

Make	Model	Year	Value

Brief Explanation of Catastrophic Situation Creating Temporary Financial Hardship:

By signing and submitting this application, I certify that the above information is true and correct, that the property listed above is owned by me or jointly by me and other members of my household, that I am current on all property taxes and all other payments due to Bay County, the City of Panama City Beach, or any other public entity associated with the property, and that I am current on all mortgage payments or any other payments secured by the property.

Signature of Applicant

Signature of each Co-Owner

This instrument prepared by and after recording return to:

----- (Space above this line for recording data) -----

AGREEMENT

THIS AGREEMENT, made by the person(s) or entity(ies) collectively described in this Agreement as the "Owner" and on the execution page hereof, and the CITY OF PANAMA CITY BEACH ("City").

WITNESSETH:

Owner has applied for and City, by its duly authorized official, has provided a deferment of payment of the now due Fire Service Assessment in a manner provided by ordinance. This Agreement confirms and documents the deferment.

NOW, THEREFORE, in consideration of the premises, the mutual benefits to be derived from this Agreement, and for \$10 and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereby mutually agree as follows:

SECTION 1. Recitals. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. Property. The property subject to this Agreement is described as follows:

(A) Recording information of most current deed or instrument of title:

(B) Street address:

(C) Property identification number (must match with that of Fire Service Assessment):

(D) Legal description:

With all of the foregoing describing the Tax Parcel subject to the Fire Service Assessment (the "Property").

SECTION 3. Amount; Terms and Agreement to Pay.

(A) Owner has applied to defer payment. Owner understands that this is not a forgiveness of payment of the now due and unpaid Fire Service Assessment. This is a binding agreement evidencing that the Property is encumbered by a municipal lien, given to assure the City that payment in full of the Fire Service Assessment and any recording cost, plus interest at a rate of % (estimated cost of City funds) compounded annually which by accommodation is and shall be due over a period of time or upon sale or transfer of the property. This Agreement will be recorded in the Official Records of Bay County, Florida, to provide for constructive notice.

(B) This Agreement documents the agreed upon extended and deferral of payment of the Fire Service Assessment and such associated costs and interest due from the due date of the Fire Service Assessment until paid in full. The lien or nature of the lien of the Fire Service Assessment upon the Property is not altered.

(C) Amount due and owing: \$. The foregoing amount shall accrue interest on the balance from time to time remaining unpaid. Said principal and interest shall be payable in lawful money of the United States of America until paid in full.

(D) The undersigned waives presentment, demand for payment, protests associated with notice of non-payment, notice of dishonor and diligence in collection, or any other defense or counterclaim to non-payment of every kind or nature. Time is of the essence.

(E) Owner agrees to pay all costs, including reasonable attorney's fees, whether suit is brought or not, at local and appellate levels if suit is instituted; including if counsel shall be employed to enforce or collect the amounts due or protect the lien or priority thereof.

(F) All amounts due hereunder shall be due and payable in full upon the demise of the Owner, or transfer or sale of the Property for other than nominal consideration. Nominal consideration shall mean a transfer only requiring minimum documentary stamp taxes.

SECTION 4. Owner Representations and Acknowledgments. By execution hereof, the Owner represents, warrants, acknowledges, consents and declares under penalty of perjury as follows:

(A) The Owner has read this Agreement, understands that this is a legally binding agreement enforceable against the Owner, the Property, and the successors of the Owner; and, if not understood that the Owner can and should seek the advice of an attorney before signing this Agreement. This Agreement shall not be interpreted either in favor of or against either party as a result of its drafting or preparation.

(B) Owner is the record owner of the Property and the person(s) executing this Agreement are duly authorized to do so.

(C) The Owner has requested and hereby requests and consents to the payment deferral, extension and conditions associated with this Agreement, together with the terms of this Agreement.

(D) The lien of the Fire Service Assessment is superior and paramount to the interest in the Property of any owner, lessee, tenant, mortgagee, or other person except the lien of state, county, and municipal taxes, and other non-ad valorem assessments and shall be on parity with the lien of all such ad valorem property taxes and non-ad valorem assessments.

(E) This Agreement runs with, touches and concerns the Property and is binding on the Property and the Owner and all successors in interest. Owner acknowledges and covenants that the amounts due directly benefit the Property and represent a fair and reasonable apportionment of the benefits and costs to make available fire protection to the Property. Owner agrees and covenants to promptly disclose and deliver a copy of this obligation to all tenants, successors, mortgagees or other persons taking title by or who could take title by, through or under Owner.

(F) The Owner shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, from time to time such supplements hereto and such further instruments, corrective or otherwise, as may reasonably be required to carry out the intention of this Agreement.

SECTION 6. Governing Law; Non-Jury Trial. The exclusive venue of any legal or equitable action that arises out of or relates to this Agreement shall lie in State Court in Bay County, Florida. IN ANY ACTION, FLORIDA LAW SHALL APPLY AND THE PARTIES WAIVE ANY RIGHT TO JURY TRIAL.

SECTION 7. Entire Agreement; Amendment. This Agreement is the entire agreement between the parties relating to this administrative deferment of the Fire Service Assessment. Any other agreement related to this Agreement and any amendments to this Agreement, must be signed in writing by the parties, or their respective successors.

PLEASE CONTACT THE CITY OF PANAMA CITY BEACH FOR PAY OFF INQUIRIES: (850 ___ - ___)

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Owner has reviewed for accuracy the information above describing the Property, the Property's tax identification number and agrees upon the amount due and owing, and the terms hereof, and does hereby execute this Agreement.

Signed, sealed and delivered
In our presence:

OWNER:
(Name of Property Owner as shown on Tax Records)

Witness #1

By: _____
(printed name)

(Witness #1 printed name)

Witness #2

(Witness #2 printed name)

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me on this _____ day of _____
20__ by _____ as _____ of _____.
He/She is personally known to me or has produced a driver's license as identification.

(Notary Seal)

Signature of Notary Public

Name of Notary Typed, Printed or Stamped

IN WITNESS WHEREOF, the CITY OF PANAMA CITY BEACH has executed this Agreement by its duly authorized officer.

ATTEST:

CITY OF PANAMA CITY BEACH

City Clerk
(Seal)

City Manager

STATE OF FLORIDA
COUNTY OF BAY

The foregoing instrument was acknowledged before me on _____ day of _____ 20__
by _____, as City Manager of the City of PANAMA CITY BEACH, Florida. He/She
[] is personally known to me, or [] has produced a driver's license as identification.

(Notary Seal)

Signature of Notary Public

Name of Notary Typed, Printed or Stamped



CITY OF PANAMA CITY BEACH AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:
ADMIN/LEGAL

2. MEETING DATE:
OCTOBER 25, 2018

3. REQUESTED MOTION/ACTION:
CONSIDER AND APPROVE RESOLUTION APPROVING PROCESS, POLICY AND AGREEMENT FOR HARDSHIP DEFERRALS FROM THE CITY'S FIRE SERVICE ASSESSMENT

4. AGENDA

PRESENTATION
PUBLIC HEARING
CONSENT
REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)? YES NO N/A
BUDGET AMENDMENT OR N/A

DETAILED BUDGET AMENDMENT ATTACHED YES NO N/A

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)

The assessment ordinance imposes a few restrictions on the granting of hardship deferrals (it does not allow complete forgiveness of assessments without further City Council action). Most of the decision-making authority is left up to the Assessment Coordinator. A hardship deferral must be requested annually by the owner of the tax parcel assessed, requires the execution of a recorded agreement encumbering the parcel and requiring payment of the assessment, recording costs, and annual compounded interest upon sale of the property (or over a period of time). The Assessment Coordinator is directed to "use sound public administration judgment" in determining whether or not to grant a deferral.

The attached Resolution adopts a policy and agreement which gives direction and authority to the City Manager for reviewing and approving deferrals; this policy may be adjusted as needed to fit the needs of the City. However, it would be prudent to maintain a written policy and avoid deviations therefrom in order to ensure applicants for deferrals are treated equitably and in accordance with the law.

Staff recommends approval.