

Lee County Board Of County Commissioners
Agenda Item Summary

Blue Sheet No. 20061654

1. ACTION REQUESTED/PURPOSE:

Request direction from the Board of County Commissioners to consider the implementation of a Senior Citizen Homestead Exemption up to \$25,000 for Persons age 65, and whose household income does not exceed \$20,000. The income limitation shall be adjusted annually each January 1, by the percentage change in the average cost of living index for the immediate prior year.

2. WHAT ACTION ACCOMPLISHES:

Brings the issue of the Senior Citizen Homestead Exemption before the Board of County Commissioners for consideration.

3. MANAGEMENT RECOMMENDATION:

Receive direction from the Board of County Commissioners.

4. Departmental Category:

W0 #2

5. Meeting Date: December 12, 2006

6. Agenda:

Consent

Administrative

Appeals

Public

Walk-On

7. Requirement/Purpose: (specify)

Statute

Ordinance

Admin. Code

Other

**8. Request Initiated:
Commissioner**

Department County Administration

Division Budget Services

By: Dinah Lewis, Admin Services Dir.

9. Background:

Chapter 196.075 (2) Florida Statutes allows a local jurisdiction to provide an additional homestead exemption of up to \$25,000 for homeowners age 65 or over whose annual income does not exceed \$20,000. The cities of Cape Coral, Sanibel and the town of Fort Myers Beach have presently approved this exemption. Those cities exemptions resulted in \$13,214,570 in property value exempted from taxation for FY06-07 for those millages to which the homestead exemption applied. Lee County BOCC has not exercised the exemption option to date. A projection of the revenue impact to Lee County is attached. The projection is reliable for planning purposes but is not intended as a precise calculation.

Implementation of this exemption would require an ordinance and public hearing.

NOTE: On November 7, 2006, Amendment #6 was passed that would provide counties and municipalities the ability to exempt an **additional** \$25,000 for low-income seniors raising the original \$25,000 additional exemption to \$50,000. The legislature must first implement the change by general law.

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i>	N/A	N/A	N/A	<i>[Signature]</i>	N/A	N/A	N/A	<i>[Signature]</i>	<i>[Signature]</i>

11. Commission Action:

- Approved
- Deferred
- Denied
- Other



**MEMORANDUM FROM THE
DEPARTMENT OF ADMINISTRATIVE SERVICES**

Date: December 7, 2006

To: Public Resources

From: Dinah L. Lewis
Director
Phone: (239) 335-2887
EMail: dllewis@leegov.com

A handwritten signature in black ink, appearing to read "Dinah L. Lewis", written diagonally over the typed name and contact information.

RE: **Walk-On Item for 12/12/06**

The attached item is a Walk-on for the December 12, 2006 agenda. The reason for the walk-on is that the Board directed at the December 5, 2006 meeting that this be prepared for the December 12, 2006 session.

Effect of Implementing Additional 25,000 Homestead Exemption for Persons Age 65+ With Income Less Than \$25,000

1. Methodology

2005 American Community Survey from Census Bureau - Selected Data

82,793 households out of 235,033 are headed by persons 65+ (35.2%)

53,823 households are less than \$24,999 income (22.9% of all households)

Income Profile	Percent
Less than \$10,000	4.9
10,000 to 14,999	5.0
15,000 to 24,999	13.0
25,000 to 34,999	14.9
35,000 to 49,999	16.0
50,000 to 74,999	19.3
75,000 to 99,999	11.4
100,000 to 149,999	8.9
150,000 to 199,999	2.9
200,000 or more	3.7
	100.0
Median Household Income	\$46,053
Mean Household Income	\$65,632
Number of Households 65+	82,793
Percent Income <\$24,999	22.90%
Adjusted Number of Households (Income)	18,960
Percent Homestead Exemptions (Residential Parcels Base Only) in 2005	57.59%
Based upon 141,680 parcels with homestead exemptions measured against 246,030 parcels in residential use. (Information from Property Appraiser)	
Adjusted Number of Households With Homestead Exemption meeting Age and Income Criteria	10,919
Times 50,000	25,000
Affected Taxable Value	\$272,970,798
	\$272,970,798/1000
	\$272,971

II. Revenue Impact

Fund	Assessment Base	X	2005		2006	
			Millage Rate = (FY05-06)	Potential Lost Revenue	Millage Rate = (FY06-07)	Potential Lost Revenue
General Fund	\$272,971		3.9332	\$1,073,649	3.5216	\$961,294
Capital Outlay	\$272,971		0.5124	\$139,870	0.4536	\$123,820
Conservation 2020	\$272,971		0.5000	\$136,485	0.5000	\$136,485
Library	\$272,971		0.6055	\$165,284	0.4085	\$111,509
Unincorporated Area MSTU	\$272,971		1.0028	\$273,735	0.9300	\$253,863
All Hazards	\$272,971		0.0733	\$20,009	0.0733	\$20,009
				\$1,809,032		\$1,606,980

Assumptions: 1. Board of County Commissioners approves maximum exemption amount of \$25,000.

Prepared 11/14/06 2. Board of County Commissioners elects not to apply this exemption to dependent fire districts and MSTBU's (various Municipal Service Taxing Units).