**Memorandum**

**Memorandum No: 19-114**

**Date:** November 1, 2019

**To:** Honorable Mayor and Commissioners

**From:** Chris Lagerbloom, ICMA-CM, City Manager

**Re:**Additional Homestead Exemption for Low-Income Seniors

In accordance with Section 6(d), Article VII of the State Constitution, the governing authority of any municipality may adopt an ordinance to grant either or both of the following additional homestead tax exemptions:

1. A low-income senior exemption, which offers a homestead exemption not exceeding $50,000 for a senior person 65 and older not exceeding specific income requirements (Florida Statute § 196.075).
2. A long-term residency low-income senior exemption, which allows an additional homestead exemption for a person 65 or older that has resided at their household for not less than 25 years and does not exceed specific income requirements (Florida Statute § 196.075). The exemption only applies if the just value of the property on record with the Property Appraiser’s Office is less than $250,000 (Florida Statute § 196.075).

Currently, the City of Fort Lauderdale provides a low-income senior exemption but does not offer the long-term residency low-income senior exemption. The Broward County Property Appraiser’s Office has identified 42 seniors who have had homestead exemptions since 1995 within the City of Fort Lauderdale; however, it is not determinable if those seniors have resided on the property for 25 years. If all 42 were deemed eligible, then the estimated taxable value for this exemption would be $863,980. At the City’s current millage rate of 4.1193 per $1,000 of taxable value, this would result in an estimated revenue loss of $3,559.

Exhibit 1 provides a comparison of the senior exemptions offered in various municipalities in Broward County. In summary, 15 municipalities allow a $25,000 low-income senior exemption and 16 municipalities allow a $50,000 low-income senior exemption, and 14 municipalities allow the long-term residency low-income senior exemption.

It is my recommendation that the City Commission offer the long-term residency low-income senior exemption as an additional homestead exemption for a senior person 65 or older. I have directed staff to partner with the City Attorney’s Office to draft an ordinance for your consideration allowing the exemption to begin in tax year 2021.

Please contact Laura Reece, Budget Director at 954-828-5897 or LReece@fortlauderdale.gov if you have questions, concerns or would like additional information on the long-term residency low-income senior exemption.

**Attachment:**

Exhibit 1 – Broward County Comparison of Senior Exemptions

c: Rob Hernandez, Deputy City Manager

 Alain E. Boileau, City Attorney

 Jeffrey A. Modarelli, City Clerk

 John C. Herbst, City Auditor

 Department Directors

 CMO Managers