



## MEMORANDUM

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Date: March 5, 2026

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso  
City Manager

From: Michael Turner, Assistant City Manager

Subject: **Ordinance for the procedure to implement a non ad-valorem fire assessment  
(File ID: 26-5120)**

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### **Introduction**

Approval of the ordinance for the procedure to implement a non ad-valorem fire assessment.

### **Background**

With the uncertainty of property taxes in the future the City has looked into alternative funding mechanisms to ensure our basic, necessary services are protected and provided to the citizens. A special assessment for fire services is a first step in that direction. A fire assessment is not a tax and does not fluctuate with property values. It would be a rate, established through a consultant, and approved by the commission annually, like how stormwater and solid waste are determined. The fire assessment would be a dedicated funding source for the Fire Department, and the revenue raised by the assessment must be used for the Fire Department. The portions of the Fire Department funded by the special assessment would be removed from the General Fund budget and funded directly by the assessment creating a reduction in the General Fund budget. Emergency Medical Services provided by the Fire Department are ineligible for a special assessment and would continue to be funded by the General Fund budget.

This ordinance implements the procedure for the implementation of a non ad-valorem fire assessment. The ordinance does not obligate the Commission to implement a fire assessment; it simply authorizes the City to implement a fire assessment and provides the process of establishing rates should the City decide to move forward with implementation of a fire assessment in the future.

### **Summary of the Procedure:**

#### Authorize the assessment

City Commission decides to impose an annual fire services special assessment based on special benefit and a reasonable apportionment methodology by property class.

#### Adopt Initial Assessment Resolution

Commission adopts an initial resolution that: describes fire services/programs, sets the total assessed cost, explains the apportionment method, sets the estimated rate, optionally sets a maximum rate, and directs the City Manager to prepare the roll and send first class notices.

#### Prepare Initial Assessment Roll

City Manager prepares a roll listing each parcel, owner name, and proposed assessment amount, and makes it available for public inspection.

#### Publish Public Hearing Notice

City Clerk publishes a newspaper notice at least 20 days before the hearing, stating that a public hearing will be held and including required details (area affected, services, rate/maximum, procedure to object, collection method, and availability of roll).

#### Mail Individual Notices

City Manager mails first-class notice at least 20 days before the hearing to each owner, stating purpose, rate and maximum (if any), units used, units per parcel, total revenue, consequences of nonpayment (tax certificate/foreclosure), objection rights and deadline, and public hearing details.

#### Hold Public Hearing

City Commission holds the hearing, receives written and oral objections, and considers the proposed rate and initial assessment roll.

#### Adopt Final Assessment Resolution

After the hearing, Commission adopts a final resolution that: confirms/modifies/repeals the initial resolution, sets the actual assessment rate and any maximum, approves the final fire assessment roll and establishes the collection method (tax bill method).

#### Establish Legal Effect and Deadlines

Final resolution establishes the initial year's assessments and liens, includes a legislative determination of special benefit and fair apportionment, and provides that any legal challenge must be filed within 20 days or the matters decided become final.

### Deliver Assessment Roll for Collection

Approved final roll is delivered to the tax collector under the Uniform Assessment Collection Act, or to another designated official if an alternative collection method is used.

### Annual process in subsequent years

- Adopt Preliminary Rate Resolution (each year)
- Update Assessment Roll
- Provide Additional Notice if Required
- Hold Annual Public Hearing
- Adopt Annual Rate Resolution
- Finalize Legal Effect Each Year
- Deliver Annual Roll to Tax Collector and Make Adjustments if Needed

### Procurement

There will be costs associated with the implementation including from the Tax Collector for facilitating the collection of the assessment on the tax bill.

### Recommendation

The City Manager's Office recommends the Mayor and Commission approve the ordinance authorizing the procedure to use the uniform method of collecting non-ad valorem special assessments levied within the Incorporated area of the City of Key West for fire services.