1 **EXHIBIT 1** 2 **RESOLUTION NO. 2023-**3 4 A RESOLUTION OF THE MAYOR AND CITY COMMISSION 5 OF THE CITY OF HALLANDALE BEACH, FLORIDA. 6 ENTREATING THE FLORIDA LEGISLATURE TO EXPLORE 7 THE FEASIBILITY OF CREATING A SPECIAL ASSESSMENT 8 LOW INTEREST LOAN PROGRAM IN COLLABORATION 9 WITH LENDING AND FINANCIAL INSTITUTIONS TO 10 PROVIDE FINANCIAL ASSISTANCE TO CONDOMINIUM ASSOCIATIONS AND CONDOMINIUM OWNERS LIVING IN 11 THEIR CONDOS FULL-TIME THAT ARE IN NEED OF SUCH 12 ASSISTANCE AND FOUND TO BE IN NEED OF 13 14 EMERGENCY STRUCTURAL REPAIRS AT THE TIME OF THEIR 30-YEAR RECERTIFICATION INSPECTION OR AN 15 **EQUIVALENT RECERTIFICATION PROCESS AND/OR IN** 16 17 ACCORDANCE WITH FLORIDA SENATE BILL 154 AND HOUSE BILL 1395. AND SUBSEQUENT RECERTIFICATION 18 PROCESSES, AND TO IDENTIFY ADDITIONAL FUNDING 19 20 SOURCES; AND PROVIDING AN EFFECTIVE DATE. 21 22 WHEREAS, the City of Hallandale Beach, Florida, is densely populated with several 23 hundred condominium and homeowner associations; and 24 25 WHEREAS, the City of Hallandale Beach Commission believes that it has an 26 obligation to protect the health, safety, and welfare of its residents; and 27 28 WHEREAS, the City of Hallandale Beach Commission supports Counties and State efforts to help find alternative funding sources for condo owners who cannot afford 29 30 significant assessments; and 31 32 WHEREAS, working in unison, Senate Bill 154 and House Bill 1395 seek to clarify and expand the condominium-related legislation the Florida Legislature adopted during the 33 34 2022 Special Session as Senate Bill 4-D; and 35 36 WHEREAS, the Florida Senate and House bills have each already passed through 37 two committee stops with the unanimous support of Republicans and Democrats alike; 38

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addresses the origins of SB 4-D: "On June 24, 2021, Champlain Towers South, a 12-story

beachfront condominium building in the town of Surfside, partially collapsed resulting in the

tragic death of 98 people. In response, during Special Session, 2022, SB 4-D was enacted

WHEREAS, the Florida House of Representatives' staff analysis for HB 1395 also

 to provide building safety inspection requirements (milestone inspections) and reserve requirements (structural integrity reserve study) for condominium and cooperative association buildings; and

WHEREAS, as of April 24, 2023, SB 154 and HB 1395 proposed mandatory inspection timelines for condo buildings that are at least three stories tall and 30 years old or older, with additional inspections required every 10 years after that. According to the Florida House staff analysis of HB 1395, there are currently more than 2 million Floridians occupying condo buildings that are 30 years old or older; and

WHEREAS, according to SB 154, "If a building reaches 30 years of age before December 31, 2024, the building's initial milestone inspection must be performed before December 31, 2024;" and

WHEREAS, the new legislation would delete from the 2022 legislation the 25-year milestone inspection requirement for buildings located within three miles of the coastline. Regardless of coastline proximity, all qualifying condo buildings would be subjected to the 30-year inspection requirements; and

WHEREAS, the term "milestone inspection" refers to a structural inspection of a condo building and its load-bearing elements, walls and primary structural systems. To be conducted by a licensed architect or engineer, the milestone inspection is to determine the general structural condition of the building as it pertains to safety and to identify any maintenance, repair or replacement needed for those structural components; and

WHEREAS, as of April 24, 2023, SB 154 and HB 1395 would also require impacted condo associations and condo owners to create and set aside reserve funds for structural inspection studies and for any needed structural repairs or maintenance activities which would include roof replacements and exterior painting. Condominium owners are currently allowed to waive state-imposed reserve requirements; and

WHEREAS, after Dec. 31, 2024, condominium owners can no longer vote to waive the reserves on structural integrity items; and

WHEREAS, relief for condominium owners, especially those living on fixed incomes, is needed to ensure economically vulnerable seniors and those earning less than the median income level, do not experience housing insecurity;

WHEREAS, as of 2022 and in accordance with Miami-Dade County Code and certain municipal codes, with certain exceptions, buildings in unincorporated and incorporated areas in Miami-Dade County that are at least 40 years old must be recertified

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to ensure their structural and electrical safety, and after the initial 40-year recertification, such buildings must be recertified every ten years thereafter; and

WHEREAS, Miami-Dade County launched a program that will issue loans of up to \$50,000 to residents who live in their condos full-time. The loans are specifically for assessments levied to pay for building repairs and rehabilitation; and

WHEREAS, the Miami-Dade County Special Assessments program targets condo owners who earn no more than 140 percent of the area median income. This means a maximum annual income of \$95,610 for a one-person household, \$109,200 for a two-person household, and \$122,920 for a three-person household. These loans will have 40-year terms, during which economically vulnerable families will be responsible to make \$50 monthly payments and the remaining balance at the loan's maturity; and

WHEREAS, Miami-Dade County recertification inspections must be performed by licensed architects or engineers, who look at many aspects of each building's structure and electrical systems, including foundation, roofing systems, masonry bearing walls, steel frames, flooring, concrete framing systems, windows, wood framing, loading, electrical service, branch circuits, conduit raceways, and emergency lighting; and

WHEREAS, on November 16, 2021, the Miami-Dade County Office of the Commission Auditor completed a report entitled, "Research on Condominium Emergency Repair Funding" (the "report") that provides an overview of jurisdictions across the United States that have provided funding for condominium associations for emergency structural repairs. The report found that the State of Minnesota has a program specifically designed to provide direct financial assistance to condominium associations for emergency repairs; and

WHEREAS, the Minnesota program has provided funding to several condominium associations that have undertaken structural repairs including the replacement or repair of windows, doors, balconies, stairways, electrical systems, parking garages, ventilation, water lines, roofs, and emergency generators; and

WHEREAS, this Commission desires that the Florida State Legislature identify an eligible funding source or funding sources, including those that are specifically for housing, that can be utilized to create a low interest loan program for condominium associations and/or economically vulnerable condominium owners living in their condos full-time that are found to be in need of emergency structural repairs at the time of their 30-year recertification inspection and which do not have the funds necessary to make such repairs; and

WHEREAS, Florida TaxWatch reported the largest projected General Revenue (GR) budget surplus ever with a forecast of \$13.5 billion for the budget of FY 2023-24. The

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surplus grows to \$14.6 billion FY 2024-25 and \$15.5 billion in FY 2025-26. This Commission supports a portion of this surplus as a possible funding resource to be used to assist condominium associations and/or economically vulnerable condominium owners living in their condos full-time; and

WHEREAS, this Commission believes that the State should collaborate with lending and financial institutions to provide financial assistance to condominium associations that would not otherwise qualify for County assistance; and

WHEREAS, these and other lending and financial institutions have demonstrated their commitment to improving many communities through their community benefits programs; and

WHEREAS, these and other lending and financial institutions have an important role to play in our communities, and partnerships with Counties throughout Florida and the State to help ensure they fulfill that role for everyone.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA:

Section 1. The foregoing "Whereas" clauses are incorporated herein.

Section 2. The Mayor and Commission of the City of Hallandale Beach strongly implore the State of Florida Legislature to create a low interest loan Special Assessments Program and/or explore the feasibility of providing loans directly to condominium unit owners living in their condos full-time for the purpose set forth herein: (1) located in coastal cities; (2) found to be in need of emergency structural repairs at the time of their 30-year recertification inspection or an equivalent recertification process, and subsequent recertification processes; and (3) do not have the funds necessary to make such repairs. This Commission further encourages the Florida State Legislature to collaborate with lending and financial institutions in creating funding relief to condominium associations and/or atrisk condominium owners.

<u>Section 3.</u> The City Clerk is hereby instructed to distribute this resolution to associations known to the City and to other individuals and representatives, as appropriate, including City Clerks of other municipalities, Florida Office of Senate President Renner, Florida House of Representatives Speaker-designate Daniel Perez, Florida House Representative Vicki Lopez, Florida Senator Jennifer Bradley, the Florida Office of Senate President, the Florida Legislature, the Florida League of Cities and the Broward League of Cities.

SECTION 4. Effective Date. This Resolution shall take effect immediately upon its passage
and adoption.

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168	APPROVED AND ADOPTED thisd	ay of	2023.	
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175	SPONSORED BY: VICE MAYOR ANABELLE LIMA-TAUB			
176	ATTEST:			
177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194	JENORGEN GUILLEN CITY CLERK			
	APPROVED AS TO LEGAL SUFFICIENC AND FORM	Υ		
	JENNIFER MERINO CITY ATTORNEY			

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