

CITY COUNCIL AGENDA STATEMENT



Meeting Date: June 10, 2025

To: Honorable Mayor and Council Members

Through: George Garrett, City Manager

Agenda item: **Resolution 2024-54** Authorizing The Appropriation Of \$15,000 To FIRM (Fair Insurance Rates For Monroe) With The Intent That This Amount Should Become A Part Of An Annual Budget Appropriation Until Otherwise Rescinded; Authorizing The City Manager To Sign The Appropriation To FIRM; And Providing An Effective Date

BACKGROUND

FIRM advocates for Monroe County residents, businesses and homeowners. We have fought successfully since 2006 against excessive, discriminatory and unaffordable property insurance rates.

FIRM is a grassroots organization formed in 2006 by concerned homeowners and residents in Monroe County. FIRM's fight for fair, equitable and affordable property insurance rates for homeowners, residents and business owners protects property values and contributes to housing affordability. FIRM empowers Monroe County residents to make informed decisions about property insurance coverage, the claims process, hurricane damage mitigation, and storm preparedness.

Without FIRM, it is likely that every policyholder in the Keys would be paying at least twice^{[[1]]} as much every year for windstorm insurance alone. Since 2004 Monroe County has paid^{[[1]]} Citizens over \$900 million in premiums over claims paid. FIRM's work keeps \$60 million^{[[1]]} per year in the Keys economy.

FIRM is composed of two distinct non-profit organizations:

- FIRMKeys, a 501(c) (3) community service provider that conducts research and provides information, guidance, and assistance on property insurance topics to the Monroe County community. Donations to FIRMKeys may be deductible on^{[[1]]} personal Federal Income Tax returns.
- FIRM PAC, a 501(c) (4) political advocacy group that seeks to influence government and industry policy affecting property insurance rates in Monroe County. Donations to FIRM PAC are not tax deductible on personal income tax returns, but may be deductible as expenses on business tax returns.

For more than 18 years FIRM has been Monroe County's advocate

- Lobbied local, state, and federal government lawmakers and regulators.
- Successfully challenged windstorm insurance rate increases, including a freeze on rates from 2018-2021.
- Successfully worked to return second homes used as workforce housing rentals to Citizens glide path.
- Helped repeal worst aspects of Biggert-Waters flood insurance bill.

- Supported the Homeowners Flood Insurance Affordability Act (HFIAA), which repealed the most damaging aspects of Biggert-Waters.
- Supported the successful Key West building height referendum.
- Mobilized citizen campaigns.
- Advocated for homeowners to insurance policymakers, including the Florida Commission on Hurricane Loss Projection Methodology, the Florida Governor's Office, Citizens Property Insurance Corporation, Florida Office of Insurance Regulation, Florida Division of Consumer Services, and the Insurance Consumer Advocate.
- Served on insurance policy panels including the National Association of Insurance Commissioners.

Recent wind insurance achievements

- Advocated for the reinstatement of the 10% rate cap for Citizens Property Insurance residential wind insurance policies in Monroe County through meetings and correspondence with our legislators, agency heads, and cabinet members. FIRM attended remotely the quarterly Citizens Board of Governors meetings up until the Citizens Rate Hearing in March of 2022.
- Worked with The Southern Group, FIRM's contracted lobbyists, to obtain an exemption from the 1% annual increase in Citizens glide path for Monroe County, an increase on the \$1m coverage limit, and a return to the glide path for second homes used as long-term rentals for workforce housing. As a result, second homes rented for 9 consecutive months or more were returned to the Citizens glide path—supporting those owners who support our local workforce.
- Met with CFO Jimmy Patronis, Rep. Jim Mooney, Insurance Commissioner David Altmaier, and Citizens Legislative Director Christine Ashburn during Florida Keys Day in February 2022. The meeting with the CFO strengthened FIRM's existing relationship with the Division of Consumer Services and Insurance Consumer Advocate Tasha Carter who serves under his leadership. The premium to claims ratio in Monroe County was noted by both the CFO and Commissioner Altmaier, giving weight to the idea of a Monroe County model.
- Researched the viability of a Monroe County Mutual Insurance Corporation as the final step to completion of the RIPP project. Such an endeavor would require major commitments from all stakeholders, including local governments. While not an immediate solution, the topic is not off the table for FIRM as we continue to explore all options.
- Continued the partnership begun in 2020 with the City of Key West, Monroe County and the Monroe County Extension Services for a Keyswide Home Elevation Education Project (KHEEP). The project demystified the steps of home elevation and put all of that information on FIRM's website. <https://firmkeys.org/keyswide-home-elevation-education-project/>
- FIRM Board members serve on the Community Rating System (CRS) Program for Public Information (PPI) committee. As of April 1, 2022, Monroe County is rated Class 3 in the CRS program, earning residents a 35% discount on NFIP policies. Key West is a Class 5 community with a 25% discount; Islamorada, Layton and Marathon are Class 6 communities with a 20% discount; and Key Colony Beach is a Class 7 community with a 15% discount.
- Continued relationships with all three Monroe County Realtor® associations to keep our Realtor® partners updated on windstorm and flood insurance issues.
- Updating our FIRM website: Expanded a comprehensive flood map landing page; updated the Keyswide Home Elevation Education landing page; and added a Risk Rating 2.0 landing page that includes a live dashboard. Insurance agents from anywhere in the country can input rating data in our landing page database to illustrate the true premium increases triggered by the new methodology. The website also features a Hurricane Ian Resource page.

- Co-sponsored “Oceana Phenomena: Sea Level Stories – The art of Jane Lawton Baldrige” with First Horizon Foundation and The Studios of Key West. The exhibit ran the month of October 2022 and featured Jane’s multi-media interpretations of her life-time on the sea. Using three-dimensional figures, Jane’s work aims to make the viewer aware of the reality of sea level rise outside of the use of graphs and data.
- FIRM was successful in restoring second homes rented as workforce housing to the Citizens glide path.
- FIRM officers and/or its representatives attended virtually and in person and/or testified at: ^[SEP]o Citizens Rate Hearing in March ^[SEP]o Citizens Board of Governors Meetings in June, September, and December ^[SEP]o Monroe County Delegation meeting ^[SEP]o Florida Realtors District 4 Town Hall Meeting with state legislative candidates ^[SEP]o Met with Congressman Carlos Gimenez, State Senator Ana Maria Rodriguez and State Representative Jim Mooney.
- FIRM continued efforts to develop and seek approval for revised windstorm insurance mitigation forms that would correctly recognize Monroe County building codes and provide for associated windstorm premium credits. The ^[SEP]revised form has been submitted to the City of Key West Building Department.

Recent Flood insurance accomplishments

- FIRM’S efforts in support of the National Flood Insurance Program (NFIP) reauthorization and modification include:
- Membership in the Coalition for Sustainable Flood Insurance (CSFI), a national coalition of approximately 250 organizations across 35 states, focused on advocating for a stronger policy framework for the NFIP.
- Lobbying Members of Congress for Reauthorization of the National Flood Insurance Program with meaningful reforms including affordability, mitigation funding, program expansion, transparent rate structure, reduced program costs, and support for resilient communities.
- Aligning FIRM’s legislative position regarding NFIP reforms with those of Monroe County and the Florida Association of Counties to maximize legislative impact.
- Supporting and working with Monroe County staff on re-authorization of the NFIP.
- Attending National Association of Realtors Legislative Meetings in Washington, DC.
- Publicizing the issues surrounding reauthorization of the NFIP.
- Challenging FEMA’s Risk Rating 2.0 Methodology for lack of transparency and removal of mitigation incentives in a white paper submitted to members of Florida’s legislative delegation and to FEMA’s Assistant Administrator David ^[SEP]Maurstad.

CONSISTENCY CHECKLIST:





| | Yes | No |
|-------------------------------|---------------|---------------|
| 1. Comprehensive Plan | <u> X </u> | <u> </u> |
| 2. Other – 2010 Sewer Mandate | <u> </u> | <u> X </u> |

FISCAL NOTE:

Funding will be appropriated annually through the budget process. Funding for the FY25 contribution is available in the City Council’s budget with a line item transfer that the City Manager can approve.

RECOMMENDATION:

Approval

| | | |
|--|--|--|
| NPO-25-31 City Funding of Nonprofits Status: Complete Submitted On: 5/7/2025 | Primary Location No location Owner No owner information | Applicant  Caroline Horn  305-294-3476  firm@firmkeys.org  1200 Fourth St. PMB 850 Key West, FL 33040 |
|--|--|--|

Grant Info

| | |
|--|--|
| Nonprofit Name* | Grant Amount* ? |
| Fair Insurance Rates in Monroe | 13000 |
| Briefly describe how the funding will be utilized* Research, travel, legal and other professional costs incurred in advocating for affordable windstorm and flood insurance rates, support of NFIP reauthorization, flood insurance ratemapping and Risk Rating 2.0, funding for mitigation projects, community outreach and education related to mitigation methods, the claims process, property insurance coverage and storm preparedness, and support for local governments in managing the impacts of state and federal windstorm and flood insurance requirements on their citizens. | |
| Is there supplemental funding being sought?* ? | Amount of Supplemental Funding* ? |
| Yes | 115000 |

Evaluation Criteria

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|---|--|
| The organization will provide services that have been identified by the City as fulfilling a needed service with minimal or no duplication by other organizations.* | The organization is able to provide the services cost efficiently and with a high quality of service.* |
| Yes | Yes |
| The organization provides services in the City of Marathon.* | The organization has received funding from the City in previous years.* |
| Yes | Yes |

What was accomplished with the funds?*

In 2024 FIRM took steps to bring benefits to Monroe County residents by strengthening important relationships, collaborating on legislative reforms, and completing the upgrade of our website that offers greater access to information. Since 2006, FIRM has saved Monroe County windstorm and flood insurance policy holders more than \$900 million in insurance premiums. Major achievements in 2024 included:

FIRM collaborated with Sen. Ana Maria Rodriguez, Rep. Jim Mooney and the Monroe County legislative team to file two bills addressing Monroe County's most pressing windstorm insurance concerns. As a result, the requirement for Citizens policyholders to purchase matching contents coverage for flood insurance was repealed.

FIRM supports the Monroe County FEMA Flood Mitigation Assistance (FMA) Grant Program which serves residents in the County and the municipalities. FIRM serves as a resource to direct participants to contractors who have agreed to assist with the project estimation and completion. Seven additional contractors and structural engineers applied to participate and were added to the FIRMKeys website via the Keyswide Home Elevation Education Project. <https://firmkeys.org/keyswide-home-elevation-education-project/>

FIRM has a close relationship with Florida's Insurance Consumer Advocate (ICA). In 2023-2024 FIRM assisted that office to develop and disseminate the Monroe County Homeowners Insurance Consumer Survey. My Safe Florida Home and My Safe Florida Condo Pilot Program are administered through the Division of Financial Services and the ICA office. FIRM promotes those projects and assists residents with the application process. Residents with complex insurance issues often need the intervention of ICA, and FIRM helps to facilitate that process.

Members of FIRM's Board of Directors serve on the Community Rating System (CRS) Program for Public Information (PPI) committee. Marathon is a Class 6 community with a 20% discount. The County overall has saved \$24 million that will continue to increase by \$7.5 million annually if the County continues to maintain program and regulatory status.

FIRM is a long time member of the Coalition for Sustainable Flood insurance and provided support to the Louisiana Attorney General's lawsuit against FEMA over its Risk Rating 2.0 methodology. Florida is one of ten states to join the lawsuit which is currently moving through the courts.

FIRM's Monroe County Property Insurance Users Guide is continually updates to reflect the changes in FEMA's Risk Rating 2.0 and the statutory changes enacted by the Florida Legislature. A Spanish language version of the Guide was created in 2024.

Currently FIRM is collaborated with staff of the three Habitat for Humanity branches in Monroe County to connect with resources and personnel to create carve-outs and/or credits that will allow them to continue to provide safe and affordable housing for their residents. This project is on-going.

FIRM Board members met with the Counselors of Real Estate (CRE) Consulting Corps for NAS Key West to provide them with information about the impacts of windstorm and flood insurance on the housing market in Key West and Monroe County.

In 2024 FIRM's upgraded website went live offering users a more comprehensive and streamlined experience. The new design seamlessly links related topics in a user-friendly format designed to help visitors easily find the information they need.

FIRM continued efforts to develop and seek approval for revised windstorm insurance mitigation forms that would correctly recognize Monroe County building codes and provide for associated windstorm premium credits. The revised form has been submitted to Consumer Advocate Tasha Carter, Citizens CEO Tim Cerio and Insurance Commissioner Michael Yaworsky. In early February 2025 FIRM submitted the proposed Monroe County specific mitigation form and accompanying white paper to the Windstorm Mitigation Discounts Rule Making Workshop.

The organization has received funding from Monroe County or other government agencies in previous years. *

Yes

The organization has the administrative and financial stability to deliver the services for which it is requesting funding from the City. *

Yes

Award

Council Score Average

—

Awarded by Council?

—

Award Amount

—

Award Resolution



No File Uploaded

Attachments

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| | Proof of Nonprofit Status IRSAffirmationLetter.July2023.pdf Uploaded by Caroline Horn on Apr 14, 2025 at 1:45 PM | REQUIRED |
| | Additional Evidence FIRMAnnualReport.2024-FINAL.pdf Uploaded by Caroline Horn on May 7, 2025 at 1:42 PM | REQUIRED |
| | Annual Budget of Nonprofit FIRMKeys.ProfitLoss.2024.DRAFT1.pdf Uploaded by Caroline Horn on May 7, 2025 at 1:46 PM | REQUIRED |
| | Tax Exempt Organization Search Details _ Internal Revenue Service.pdf Tax Exempt Organization Search Details _ Internal Revenue Service.pdf Uploaded by Maria Covelli on May 7, 2025 at 2:07 PM | |

Record Activity

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|--|------------------------|
| Caroline Horn started a draft Record | 04/14/2025 at 12:07 pm |
| Caroline Horn added file IRSAffirmationLetter.July2023.pdf | 04/14/2025 at 1:45 pm |
| Caroline Horn added file FIRMAnnualReport.2024-FINAL.pdf | 05/07/2025 at 1:42 pm |
| Caroline Horn added file FIRMKeys.ProfitLoss.2024.DRAFT1.pdf | 05/07/2025 at 1:46 pm |
| Caroline Horn submitted Record NPO-25-31 | 05/07/2025 at 1:50 pm |

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|---|-----------------------|
| OpenGov system altered approval step Completeness Check, changed status from Inactive to Active on Record NPO-25-31 | 05/07/2025 at 1:50 pm |
| OpenGov system assigned approval step Completeness Check to Maria Covelli on Record NPO-25-31 | 05/07/2025 at 1:50 pm |
| OpenGov system changed the deadline to May 22, 2025 on approval step Completeness Check on Record NPO-25-31 | 05/07/2025 at 1:50 pm |
| Maria Covelli added file Tax Exempt Organization Search Details _ Internal Revenue Service.pdf to Record NPO-25-31 | 05/07/2025 at 2:07 pm |
| Maria Covelli approved approval step Completeness Check on Record NPO-25-31 | 05/07/2025 at 2:07 pm |
| Maria Covelli completed Record NPO-25-31 | 05/07/2025 at 2:07 pm |

Timeline

| Label | Activated | Completed | Assignee | Due Date | Status |
|----------------------|----------------------|----------------------|---------------|-----------|-----------|
| ✔ Completeness Check | 5/7/2025, 1:50:14 PM | 5/7/2025, 2:07:51 PM | Maria Covelli | 5/22/2025 | Completed |

Sponsored by: Garrett

**CITY OF MARATHON, FLORIDA
RESOLUTION 2024-54**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA AUTHORIZING THE APPROPRIATION OF \$15,000 TO FIRM (FAIR INSURANCE RATES FOR MONROE) WITH THE INTENT THAT THIS AMOUNT SHOULD BECOME A PART OF AN ANNUAL BUDGET APPROPRIATION UNTIL OTHERWISE RESCINDED; AUTHORIZING THE CITY MANAGER TO SIGN THE APPROPRIATION TO FIRM; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, each year that the City has provided grant awards to local Marathon and Keys No-profits, FIRM has applied and been awarded grant funds; and

WHEREAS, in off grant funding years, FIRM has still been awarded funds in many cases to carry out their mission for Marathon and the Florida Keys; and

WHEREAS, the City Council indicated at its May meeting that they would prefer funding FIRM annually for the purposes that they serve to Marathon and the community of the Florida Keys as they work to control windstorm and flood insurance rates instead of considering them in the mix of non profit grant funded programs; and

WHEREAS, the City Council asked that staff draft a Resolution documenting this intent and directing that a specific amount be provided to FIRM each year for its insurance lobbying efforts, understanding that amount must be appropriated in each years City budget, and

WHEREAS, FIRM advocates for Monroe County residents, businesses and homeowners. We have fought successfully since 2006 against excessive, discriminatory and unaffordable property insurance rates; and

WHEREAS, FIRM is a grassroots organization formed in 2006 by concerned homeowners and residents in Monroe County. FIRM's fight for fair, equitable and affordable property insurance rates for homeowners, residents and business owners, protects property values and contributes to housing affordability. FIRM empowers Monroe County residents to make informed decisions about property insurance coverage, the claims process, hurricane damage mitigation, and storm preparedness; and

WHEREAS, Without FIRM, it is likely that every policyholder in the Keys would be paying at least twice^{[[SEP]]} as much every year for windstorm insurance alone. Since 2004 Monroe County has paid^{[[SEP]]} Citizens over \$900 million in premiums over claims paid. FIRM's work keeps \$60 million^{[[SEP]]} per year in the Keys economy; and

WHEREAS, FIRM is composed of two distinct non-profit organizations:

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WHEREAS, For more than 18 years FIRM has been Monroe County's advocate

- Lobbied local, state, and federal government lawmakers and regulators.
- Successfully challenged windstorm insurance rate increases, including a freeze on rates from 2018-2021.
- Successfully worked to return second homes used as workforce housing rentals to Citizens glide path.
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- Supported the successful Key West building height referendum.
- Mobilized citizen campaigns.
- Advocated for homeowners to insurance policymakers, including the Florida Commission on Hurricane Loss Projection Methodology, the Florida Governor's Office, Citizens Property Insurance Corporation, Florida Office of Insurance Regulation, Florida Division of Consumer Services, and the Insurance Consumer Advocate.
- Served on insurance policy panels including the National Association of Insurance Commissioners.

WHEREAS, approval of this Resolution is in the best interest of the City in protecting the health, safety, and welfare of the City,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein by this reference.

Section 2. The City Council authorizes the appropriation of \$15,000 To FIRM (Fair Insurance Rates For Monroe) with the intent that this amount should become a part of an annual budget appropriate until otherwise rescinded and authorizing the City Manager to sign the appropriation to firm

Section 3. This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
MARATHON, FLORIDA, THIS 10th DAY OF JUNE, 2025.**

THE CITY OF MARATHON, FLORIDA

Mayor Lynn Landry

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

**Diane Clavier, City Clerk
(City Seal)**

**APPROVED AS TO FORM AND LEGALITY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

Steve Williams, City Attorney

