



CITY OF  
FORT LAUDERDALE

# Property Tax Reform and City Impacts

# Proposed Property Tax Reform

## Existing Residents

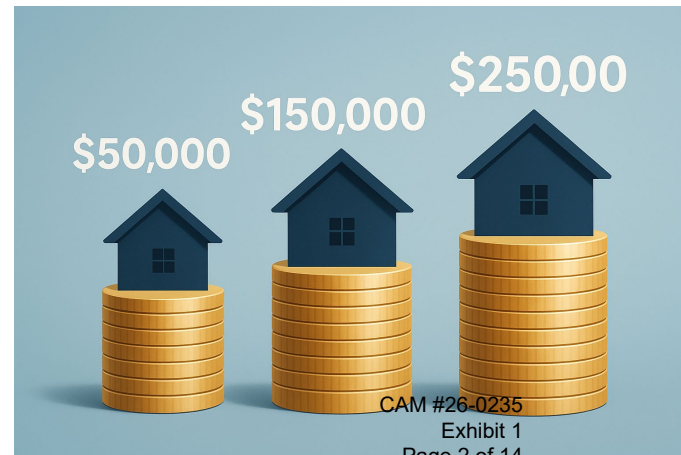
- Increase available homestead exemption, other than school district levies, from \$50,000 to \$150,000 beginning January 2027 (FY 2028 Budget)
- The exemption increases again in January 2028 to \$250,000 (FY 2029 Budget) and is indexed to increase annually based upon the federal Consumer Price Index

## New Residents

- New residents (after January 2027) could initially receive up to a \$50,000 exemption
- Only qualify for the higher exemption after five (5) years of residency

## Assessment Growth Caps

- Applies to certain non-homestead properties
- Reduce from 10% to 5%



# Proposed Property Tax Reform, continued

## Local Authority

- Cities and counties may increase homestead exemptions for respective levies up to all remaining assessed value
- Creates a pathway for phasing out ad valorem taxes over time
- Beginning January 1, 2030, cities and counties may reduce the five-year residency requirement for a critical local need

## Restricted Uses

- Limits the allowable uses of ad valorem taxes to specified categories such as public safety, infrastructure, natural resource projects, debt obligations, and obligations for local government employees' retirement benefits

# Property taxes are a major funding source for the City's defining services, which contribute to quality of life - these services could no longer be supported by property taxes if the proposed legislation is approved by voters:

- Parks, trails, and athletic fields
- Recreation and youth programming
- Non-profit organization support
- Arts and culture
- Community events
- Historic preservation
- Neighborhood beautification
- Resident communication and engagement
- Economic development
- Long-term planning
- Transportation planning
- Traffic calming



# Timeline

- **November 2026 - Election**

Florida voters will decide on the constitutional amendment during the statewide ballot

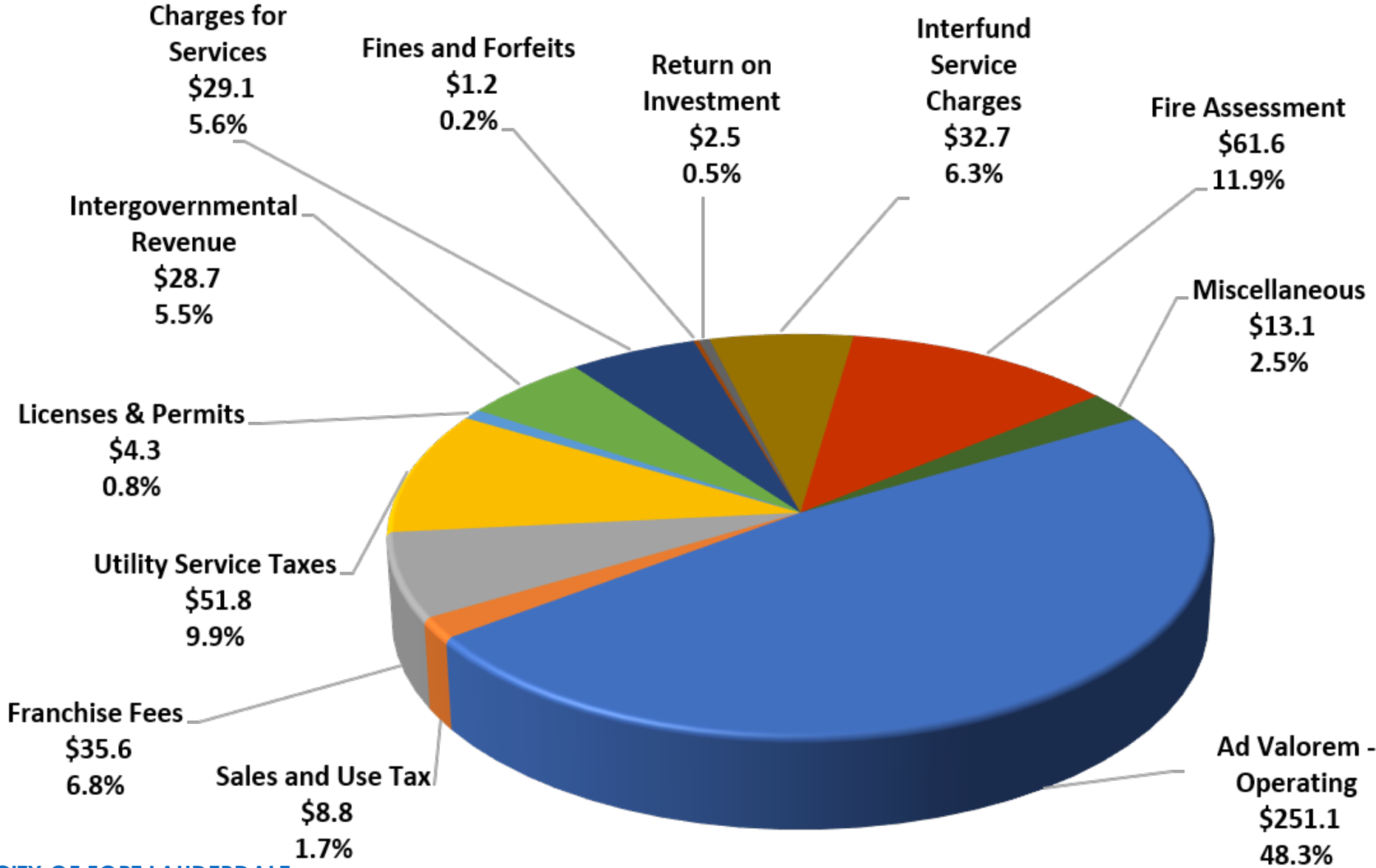
- **January 1, 2027 - Implementation**

If approved, the first phase of the amendment becomes effective which increases homestead exemption up to \$150,000

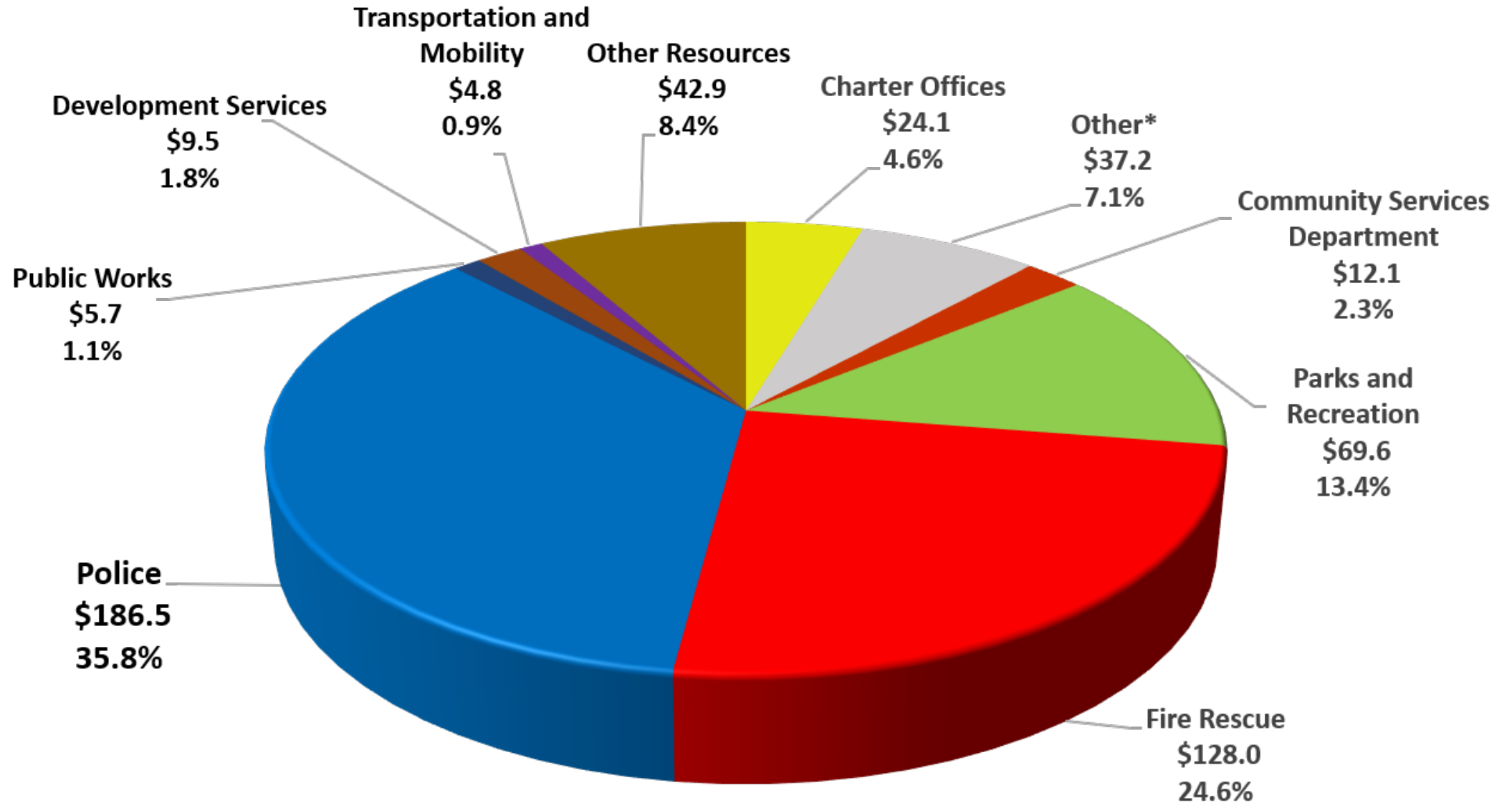
- **January 1, 2028 - Expansion**

A further increase of homestead exemption to \$250,000 begins for qualified homeowners

# General Fund Revenue Sources



# General Fund Expenses



# City's Taxable Values

Property Type	Number of Properties	Taxable Value	% of Taxable Value
Commercial	5,620	\$ 12,090,275,374	19.48%
Residential (Homestead)	38,092	18,412,197,980	29.66%
Residential (Non-Homestead)	36,992	28,409,888,140	45.77%
Industrial	1,630	2,863,215,210	4.61%
Other*	2,872	299,597,568	0.48%
<b>Total **</b>	<b>85,206</b>	<b>\$ 62,075,174,272</b>	<b>100%</b>

\*Other includes Agricultural, Governmental, and Other Miscellaneous Property Types

\*\*Analysis does not include centrally assessed properties

\*\*\*\$640,000 is the average taxable value of a single-family home



**\$2,636**

City revenue generated under current millage rate of 4.1193 for a home with a taxable value of \$640,000\*\*\*

# Summary

Key Changes	Current	FY 2028	FY 2029
Homestead Exemption	\$50,000	\$150,000	\$250,000
City Property Tax Revenue per Homestead *	\$2,636	\$2,224 <i>(Savings of \$412)</i>	\$1,812 <i>(Savings of \$824)</i>
Assessment Growth Cap <i>Certain Non-Homestead Properties</i>	10%	5%	5%
Reduction in City Revenue	-	\$17.0 Million	\$27.3 Million

*\*Based on taxable value of \$640,000 for a single-family home – the savings would be the same for any property with a taxable value equal to or above \$250,000*

# Strategies: Adapting to Revenue Changes

## Option 1: Absorb Revenue Loss through Strategic Reductions

- Reduce services such as:
  - Special events
  - Cultural affairs and public art programming
- Eliminate programs such as:
  - Not for profit contributions
- Reduce funding for annually recurring capital investments such as:
  - Roadways
  - Sidewalks
  - Streetlights
  - Facilities
- Implement workforce controls such as:
  - Hiring freeze
  - Budget for attrition
- Restructure programs such as:
  - Reduce the fleet replacement services charge from 95% to 85%

# Strategies: Adapting to Revenue Changes

## Option 2: Increase Millage Rate and Fees

- Increase millage rate by approximately 12% to offset projected revenue loss
  - Proposal changes statutory millage constraints related to the rolled-back rate and voting thresholds required to increase the millage rate
- Enhance revenues by increasing fees
  - Athletic programs
  - Summer camps
  - After school programs

# Strategies: Adapting to Revenue Changes

Option 3: Incorporate a mixture of expenditure reductions and revenue enhancements



**EXPENDITURE  
REDUCTIONS**


+



**REVENUE  
ENHANCEMENTS**

# Property Tax Public Education

- The goal is to educate residents on services funded by property tax revenue
- Engage HOAs, civic groups, advisory boards, businesses and residents
- Use presentations, email, social media, web content, newsletters, flyers and water bill messaging
- Distribute flyers at City facilities and a feature page in FTL Connect
- Provide FAQs, budget information, service examples, and opportunities for public input
- Considering service-identification language, such as “this program is funded in part by your property taxes”
- Ensure all communication is transparent and non-advocacy


**CITY OF FORT LAUDERDALE**

## Understanding Property Taxes

How City Services are Funded in Fort Lauderdale

**Property taxes play a key role in funding the services residents depend on. Here's how the system works in Fort Lauderdale:**

**In Fort Lauderdale, property tax pays for nearly half of the City's day-to-day operations.**

- About 48 cents of every City dollar comes from property tax
- Without it, the City would immediately lose almost half of the General Fund budget. That's the core funding that keeps the City running.



**60.4%**  
of the General Fund is allocated for Public Safety services such as Police and Fire, Emergency Management and lifeguards.

**The rest is spent on other services residents use every day:**

- **Parks and Recreation**  
Park maintenance, youth programs, senior programs and community events
- **Infrastructure**  
Street repairs, sidewalks, streetlights and basic neighborhood upkeep
- **Economic Development**  
Workforce development and small business and entrepreneurship support
- **Community Enhancement**  
Neighborhood traffic calming programs and community code enforcement



**The City's Budget by Department**



Department	Amount	Percentage
Police	\$186.5M	35.8%
Fire Rescue	\$128.0M	24.6%
Parks and Recreation	\$69.6M	13.4%
Transfers	\$42.9M	8.4%
Other General Government Depts.	\$37.2M	7.1%
Charter Offices	\$24.1M	4.6%
Community Services Dept.	\$12.1M	2.3%
Development Services	\$9.5M	1.8%
Public Works	\$5.7M	1.1%
Transportation and Mobility	\$4.8M	0.9%
<b>General Fund</b>	<b>\$520.4 Million</b>	










# Questions