June 2, 2010

The Honorable Larry Cretul, Speaker  
Florida House of Representatives  
6911 SW Highway 200  
Ocala, FL 34476-9210

Dear Mr. Cretul:

As a result of the Deepwater Horizon/British Petroleum (BP) oil spill in the Gulf of Mexico, property values are likely to be adversely affected in areas along the coastline of Escambia and Santa Rosa Counties. The potential impact of this incident could be staggering. Under existing law, the tentative loss in property values due to the spill will not be reflected until the 2011 tax roll. Therefore, there will be no accounting for this loss in 2010, unless executive or legislative action is taken.

We are asking Governor Crist to consider an executive order imposing tax relief for property owners in 2010 in the affected counties. If he concludes an executive order is not the proper manner for granting such relief, we are asking that he call for a special legislative session or include this issue within the call for the special session. We ask you to support the Governor in this call and consider legislation to help the affected parties. The spill is also likely to impact other counties as the oil spreads.

Precedent for tax relief as the result of this type of extraordinary event was established when the Legislature passed Laws of Florida, 2004-474, in the wake of the 2004 hurricane season.

The following summarizes our view of how property values might be affected:

1.) Commercial Properties

These properties are bought and sold based primarily on their ability to produce income. When the oil hits the beaches, cancellations will ensue and an income drop is inevitable. We have already seen a drop in reservations just due to the spill itself. However, when it comes ashore, it will have a devastating effect on commercial property values along the coast.
2.) **Residential Properties – Vacant Land**

These properties are some of the hardest hit in the wake of the recession and the stigma associated with the hurricanes of 2004 - 2005. They are also struggling to keep their homes due to the high cost of insurance associated with these properties. When the oil comes ashore, these properties will suffer yet another financial blow.

We are concerned for the taxpayers of our respective counties who are already struggling with the economic down-turn and the resulting declining property values. When property values decline along the coast due to BP’s negligence, the affected citizens should be allowed some adjustment to their tax burden. Moreover, the affected counties should expect reimbursement for that revenue loss. Also, a tax increase or redistribution of the tax burden should not be passed on to the rest of our citizens.

We appreciate your commitment to Florida and our counties. Thank you, in advance, for any support you can give to our counties during this catastrophic environmental event.

Sincerely,

Gregory S. Brown, CFA    Chris Jones, CFA
Santa Rosa County Property Appraiser    Escambia County Property Appraiser

cc:  Honorable Dean Cannon
     Honorable Greg Evers
     Honorable Dave Murzin
     Honorable Clay Ford
     Honorable Matt Gaetz