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Miami-Dade commissioners vote to raise property tax to 'rollback' rate

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MARICE COHN BAND / MIAMI HERALD STAFF

Kathleen McGrath, center, listens with fellow Jackson Health employees to other special interest groups who hope to convince the Miami-Dade County Commissioners to help their group with a tax increase, Monday, September 13, 2010, in the Miami-Dade County Commission Chambers.

Miami-Dade County Commissioners voted Monday night to raise the property tax rate to essentially the "rollback" rate that will offset the steep decline in property values.

The move, if confirmed by a second commission vote Sept. 23, will boost the tax bills for 60 percent of homestead property owners, even though nearly all have seen their property values plunge.

The 8-to-5 votes capped an 8-hour public hearing at County Hall Monday night where tax-weary property owners faced off with arts and social-service advocates and union leaders over the county's proposed \$7.3 billion budget. The meeting finally adjourned at 1:25 a.m. Tuesday.

Several commissioners suggested they aren't certain they will stick with their "yes" votes on the second go-around. They said they expect to hold meetings in the coming days to iron out details of concerns before the final vote.

Confronting a \$444 million budget gap, county commissioners have been grappling with tough questions about how to save county jobs and services while avoiding big tax rate hikes, a debate that will play out in various cities and counties in coming weeks. Under the plan approved by commissioners, the county would collect \$38 million less in property taxes in next fiscal year than it did this fiscal year.

Gathered in a packed house, a parade of residents -- ranging from Hialeah Mayor Julio Robaina to elderly homeowners -- made two-minute presentations, urging that property taxes be held down in the face of stubbornly high unemployment and a lingering housing crisis that has left

many homeowners under water.

"Give the relief our homeowners and businesses need," said Robaina, who opposes a property tax-rate hike and is leading an effort to hold down the budget in his own city.

But one man's fat is another man's lean: Scores of citizens, many of them representing arts and social-service programs, made counter pleas to preserve funding for programs. They urged commissioners to

pass a so-called "rollback" budget that would boost the tax rate to offset declining property values.

"It is easy to say no, but it takes more courage to say yes," said Steve Mainster, a longtime South Miami-Dade resident who said community-based organizations cannot handle more steep reductions after a round of cuts last year. "Passing the rollback budget will help many of the agencies survive."

Mainster, who headed up the Centro Campesino Farmworker Center in Homestead for more than three decades, said he spoke Monday night as a private citizen.

RAISING THE RATE

Miami-Dade Mayor Carlos Alvarez has recommended raising the tax rate nearly enough to offset the plunge in property values. His office also is looking to raise fees on a host of county services and to increase consumers' water bills.

Alvarez portrays the proposal as a tightfisted option that preserves core services while eliminating 1,199 county positions, which includes some 600 jobs that are currently filled. Still, his budget would provide pay raises for nearly all county employees and leave the budgets and perks of county executives and county commissioners mostly intact.

Indeed, under the Alvarez plan, the county would spend \$132 million on pay increases and bonuses for county workers while hiking the tax rate to bring in \$178 million from property owners.

Under the proposal, 60 percent of homesteaded property owners would pay higher taxes than in 2009, even though their property values have declined.

The mayor's total proposed budget for fiscal year 2010-11 is \$7.34 billion, comprising \$4.72 billion for operations and \$2.63 billion to fund capital projects.

That amounts to 6.3 percent less than the 2009-2010 adopted budget. However, the operating budget would drop just 1 percent under the proposal. The capital budget would drop 14 percent, primarily because big ticket projects are completed.

Under Mayor Alvarez's blueprint, the county would collect \$55 million less in property taxes than it did last year.

County commissioners will hold a second public hearing Sept. 23 before finally setting a budget for the fiscal year beginning Oct. 1.

In the vote late Monday night, commissioners voting to raise the tax rate were Dennis Moss, Barbara Jordan, Katy Sorenson, Natacha Seijas, Dorrin Rolle, Sally Heyman, Audrey Edmonson, and Bruno Barreiro. Those voting against a tax rate increase were Carlos Gimenez, Javier Souto, Joe Martinez, Jose "Pepe" Diaz, and Rebeca Sosa.

In the second vote, commissioners are able to reduce the tax rate, but can't raise it.

Representatives from a variety of community-based organizations that made a pitch for funding Monday won't get answers in the near term. Under the county plan, they will continue to get funding until spring, when a competitive process will determine how funding is doled out.

The proposed budget calls for retaining full funding for the major museums, Fairchild Tropical Botanic Garden, Vizcaya and Zoo Miami, but funding for other programs will be cut to 75 percent of the current level. That will mean winners and losers.

MAKING THEIR CASE

Hundreds gathered in the lobby of County Hall awaiting the chance to make their case to county commissioners and the mayor. The hearing played on a big screen for onlookers not in the commission chamber.

Among the crowd, some 235 signed up to speak.

Dozens of supporters of Head Start showed up to oppose changes to the early childhood education program. Many wore red T-shirts with the words, "Save Head Start. Keep It the Way It is."

"The state of Florida is one of the lowest on the pole for education in the U.S.," said Samra B. Kemp, 57, who teaches in Goulds and has been working for the social service program since 1975. "We need to educate our children at their youngest age."

But others were stridently opposed to raising the tax rate.

Angel Blanco, 79, waved a red sign that read: "We pay taxes for service not for bureaucracy with high salaries and benefits which we don't have. NO MORE TAXES."

Blanco, a Vietnam veteran, said: "They raise their salaries, yet we have less and less to survive."

Another sign in the crowd: "Mr. Mayor. We are not [an] ATM machine."

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