


Memorandum



Date: January 6, 2022

To: Honorable Chairman Jose “Pepe” Diaz,
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor 

Subject: Report on the Effect of Annexations and Incorporations on Fire Rescue and Police Services –
Directive No. 192757

On November 19, 2019, the Board of County Commissioners (Board) adopted Resolution No. R-1263-19, sponsored by then Vice Chairwoman Rebeca Sosa, requesting an analysis of the impacts of future annexations and incorporations on the Miami-Dade Fire Rescue Department (MDFR) and the Miami Dade Police Department (MDPD). This report is prepared in response to that resolution and includes a comprehensive report on the history and the future of annexations and incorporations on such services.

As part of my operation to catch up on the backlog items, we are bringing you reports that were pending from the previous administration.

Background

The Miami-Dade Home Rule Charter (Charter) was adopted on May 21, 1957. As the “constitution” of Miami-Dade County, the Charter grants the Board, as the governing body of the County, the power to, among other things, amend municipal boundaries and create municipalities. Over the years, as the Board has made decisions on the issues relating to incorporation and annexation, it has balanced the right to self-determination for the residents of the Unincorporated Municipal Service Area (UMSA) while balancing the responsibility of caring for areas potentially left unincorporated. This is a difficult balance that is not always clear cut and is never taken lightly. Tax roll growth in UMSA along with the economics of providing service to a large area has been enough to keep the millage rate low for UMSA residents. As new areas incorporate, some areas may be able to remain at UMSA’s FY 2019-20 millage rate of 1.9283, while others may find it necessary to increase this amount, which will create an undue burden on residents and businesses.

According to 2020 estimates, Miami-Dade County has an estimated population of 2.8 million residents, of which 1.2 million (43 percent) reside in UMSA. The County is comprised of approximately 421 square miles within the Urban Development Boundary (UDB), of which approximately 213 square miles are within 34 municipalities, the remaining 208 square miles are in UMSA. Currently the only Municipal Advisory Committee (MAC) that is active is the North Central Municipal Advisory Committee (NCMAC), that recently began meeting. The NCMAC area comprises approximately 13 square miles and has a population of 70,807 residents, representing 6 percent of the square miles in UMSA and 3 percent of UMSA’s population. There are also 13 annexation applications that total 10.5 square miles and include 5,570 residents.

Miami-Dade Police Department

Miami-Dade County was established in 1836 and encompassed the present area of Miami-Dade, Broward, Palm Beach and Martin Counties. The original sheriff was appointed by the Governor of Florida until 1899, when the Office of the Sheriff became an elected position. The County’s area was reduced to its present 2,431 square miles and a metropolitan form of government was approved in 1957. The Dade County Sheriff’s Office was subsequently renamed the Public Safety Department (PSD). In 1960, the PSD consisted of 623 sworn personnel and in addition to providing County-wide police services, assumed responsibility for police operations at the Port of Miami and Miami International Airport. By 1966, PSD’s Metropolitan Charter included responsibility for fire protection, jail and stockade, civil defense, animal control, crime laboratory analysis and motor vehicle inspections. In the same

year, the Charter was amended to authorize the County Manager to select the PSD Director and Sheriff. By 1973, numerous ancillary responsibilities were transferred from the PSD allowing it to focus on law enforcement as sworn personnel numbered approximately 1,200 employees. As part of the national movement for professionalism in law enforcement, the PSD established standard operating procedures, rules and regulations, developed innovative community programs and departmental training programs to include the creation of Survival City which is a training area created to simulate an urban area. By 1981, the PSD was reorganized and renamed the Metro-Dade Police Department. The Department, renamed the Miami-Dade Police Department (MDPD) in 1997, has enjoyed accreditation status with the Commission on Accreditation for Law Enforcement Agencies, Inc., since July 1993, and was reaccredited in July 2016. The Department also holds state accreditation from the Commission for Florida Law Enforcement Accreditation, and, most recently, was reaccredited in June 2017.

MDPD is currently budgeted for 34,450 positions of which 3,168 are sworn personnel, making it the largest law enforcement department in the southeastern United States. MDPD is organized into 36 sections with varying areas of responsibility and has a management team led by a Police Director, three Assistant Directors, and seven Police Division Chiefs. The Department provides police patrol services in eight police districts throughout the County (Airport, South, Midwest, Hammocks, Intracoastal, Kendall, Northwest and Northside), as well as other specialized patrol units (Aviation, Special Events, Marine Patrol, Motorcycle, Bomb Disposal, Canine, Incident Management Team, Special Response Team and Dignitary Protection, Impaired Driving Enforcement and Underwater Recovery). MDPD conducts both centralized and highly specialized investigations, to include robbery, homicide, narcotics, sexual crimes, domestic crimes, child and elderly abuse and exploitation, missing persons, gang-related activities, economic crimes and credit card fraud. Additionally, MDPD established clearinghouses for the Robbery, Special Victims, Homicide and Narcotics Bureaus that gather and disseminate investigative information to departmental entities and other law enforcement agencies. MDPD also conducts public corruption and homeland security investigations. Lastly, MDPD is a committee member of the Miami-Dade County Developmental Impact Committee (DIC). MDPD reviews and makes recommendations about large-scale zoning actions and Comprehensive Development Master Plan (CDMP) applications regarding how those developments will affect the delivery of police services to the concerned areas. Since 2017, the MDPD has reviewed approximately 95 DIC and CDMP development applications.

In February of 2002, Ordinance No. 02-26, the County Code was amended to require all new municipalities to contract with MDPD for local patrol services for a minimum of three years to receive and pay for specialized police services. Prior to the code change, the Town of Miami Lakes was required to contract with MDPD. MDPD has provided contractual law enforcement services to the Town of Miami Lakes since 2000, the Village of Palmetto Bay since 2002 and the Town of Cutler Bay since 2005. The contract municipalities are set up as self-supported police districts, independent of UMSA. Current police patrol contracts have five-year terms which will all expire on September 30, 2024. The contract municipalities account for 143 sworn positions. All three current contracted municipalities requested, via contract renegotiations, more sworn staffing than originally assigned to their respective areas. While the municipalities were required to receive and pay for specialized police services, with the adoption of the County’s FY 2006-07 budget, the Board approved the phase out of specialized police service payments from these municipalities making them equal to prior incorporations. MDPD also provides school crossing guard contractual services to the cities of South Miami, Doral, Cutler Bay, Miami Lakes and the Village of Palmetto Bay. After incorporating and initially contracting with MDPD, the cities of Miami Gardens and Doral have transitioned into providing their own law enforcement departments. While no police officers were terminated by this transition, 223 sworn positions were eliminated from MDPD’s table of organization.

Presently, one MAC and 13 annexations are under various stages of review by the County. Staffing levels for these proposed incorporation areas are determined based on several factors such as population, land area and crime statistics. As noted in the table below, the projected minimum staffing level for the MAC is 148 sworn personnel. If approved by the Board and the voters of each respective MAC, the timing of the incorporations is of operational

concern for MDPD. If the MAC successfully forms a new municipality, it will be challenging for MDPD to staff the new municipality without compromising the existing services provided to UMSA residents and the rest of County. Failure to hire and replace sworn positions lost to the newly incorporated municipalities will undoubtedly impact MDPD’s ability to provide direct patrol services to UMSA.

MDPD is similarly responsible for the staffing requirements of future incorporated areas, to include requests for additional personnel. MDPD must staff the contract municipalities as self-sufficient, stand-alone, 24/7 police districts, independent of UMSA policing. MDPD must also realign district boundaries and redistribute current workloads between UMSA, specialized, countywide sheriff services and contract service provisions, which oftentimes, results in personnel deficits within MDPD.

Since 2000, there have been 20 approved annexations. While some of the annexations were inclusive of only a few blocks, other encompassed several acres as noted in Attachment A. As a result of these annexations, MDPD did not lose budgeted positions. Annexations do not necessarily impact the personnel deployed in UMSA in the same manner as incorporations. In fact, when annexations occur and personnel is not adjusted, there is more personnel available to patrol less UMSA area.

It is the responsibility of the government of Miami-Dade County and the subscribing municipalities to ensure the public safety of their citizens by providing adequate levels of police services to address any foreseeable routine or emergency situation and there is an existing and continuing possibility of the occurrence of natural or manmade disasters or emergencies and other major law enforcement problems, including those that cross jurisdictional lines, that require coordinated law enforcement efforts to ensure that preparations of this County will be adequate to deal with such activity, protect the public peace and safety, and preserve the lives and property of the people of the County. In order to ensure that law enforcement agencies are prepared to competently address these conditions as they arise, agencies engage in Mutual Aid Agreements. In accordance with Florida Statutes, Chapter 23, Florida Mutual Aid Act, MDPD has entered into mutual aid agreements with various Miami-Dade County municipalities and surrounding counties. In addition to preplanned and specified non-emergency assistance, the agreements allow response under certain emergency and unusual occurrence situations. An employee of a participating agency responding to a request for mutual aid has the same powers, duties, rights, privileges and immunities as if performing duties in the political subdivision in which normally employed. The North Operations Division Chief, in the capacity of Departmental Incident Commander, is furnished a copy of all active mutual aid agreements. Assistance from other law enforcement agencies will be in accordance with the Department's existing Mutual Aid Agreements. These agreements may be invoked for preplanned activities or in response to an emergency request for assistance from an agency which has a current agreement with MDPD. All of these efforts are centralized and coordinated through the MDPD Communications Bureau and the various radio talk groups.

Miami-Dade Fire Rescue Department

Miami-Dade Fire Rescue (MDFR) originated as a single-unit fire patrol in 1935. Beginning in 1968 with the cities of Virginia Gardens and Florida City, municipal fire departments began merging into the County department. Between 1968 and 1978, 15 municipal fire departments merged into the County department and only Hialeah, Coral Gables, Miami Beach and the City of Miami continued to provide fire and rescue services on a municipal level. In 1980, County voters approved the creation of the Miami-Dade Fire Rescue District (District) and subsequently established the Fire Board under the authority granted by Section 1.01(11) of the Charter, via Ordinance No. 80-86. One new municipal fire department was created in Miami-Dade County after the creation of the District. In 1991, the Village of Key Biscayne formed its own department after incorporation and contracts with the City of Miami for automatic aid. MDFR continues to provide service on the island from MDFR’s Key Biscayne Fire-Rescue Station 15 for the unincorporated parts of the Key and Crandon Park. Fire rescue services are currently delivered to Miami-Dade County residents and visitors by MDFR, who serves the unincorporated

areas of the County and 29 of the 34 municipalities. The Cities of Coral Gables, Hialeah, Village of Key Biscayne, Miami Beach and Miami fire rescue departments respond primarily within their corresponding service area, except for limited agreements for automatic aid and mutual aid.

MDFR has grown into the largest fire-rescue department in the southeastern United States and is among the top ten largest in the nation. With a response territory of 1,904 square miles and a resident population of more than 1.9 million, MDFR responds to more than 250,000 calls for assistance annually, making it one of the busiest departments in the nation. More than 2,700 employees staff 154 units throughout 71 fire rescue stations and several administrative facilities provide services to residents, businesses and visitors 24 hours a day, 7 days a week, 365 days a year. In addition to providing transport services through 59 advanced life support (ALS) rescue units, MDFR is a full service emergency response agency providing various specialized response capabilities such as air-rescue transport, maritime fire rescue, aircraft rescue firefighting, ocean rescue, technical rescue, hazardous materials mitigation and urban search and rescue. The department also maintains the Florida Antivenin Bank and provides inspections and code enforcement services. MDFR is internationally accredited through the Commission on Fire Accreditation International (CFAI), is one of only 288 agencies to be accredited by CFAI and remains the largest accredited fire-rescue department in the Southeast United States and second largest in the Nation.

In calendar year 2020, MDFR's 154 frontline rescue and fire suppression units were dispatched over 390,000 times to more than 242,000 emergencies. Of these, approximately 176,000 were medical emergencies. MDFR transported more than 69,800 residents and visitors to South Florida hospitals and responded to more than 25,000 fire-related incidents. In addition, MDFR personnel responded to over 40,000 non-fire rescue related calls.

MDFR Communications has interoperable capabilities via radios and infrastructure with adjoining counties and the five municipal fire rescue departments located in the County. Through the Florida Interoperability Network, MDFR can patch into other tactical channels, Public Safety Answering Points (PSAPs), agencies and units on a state-wide basis. MDFR Communications also serves as the County Warning Point and Turkey Point Alarming System for all of Miami-Dade County.

MDFR is funded through a millage rate applied to UMSA and those municipalities it serves. The operating millage is 2.4207 and the FY 2021-22 operating budget for the department is \$605 million. The County has been fortunate that the growth in the tax roll for the district has been healthy and has been able to fund enhancements to service levels. MDFR has not been impacted with incorporations since the Board adopted a policy that newly incorporated municipalities must remain in the Miami-Dade Fire Rescue District. Since there are only five other municipal fire departments, only two annexations in the last 20 years have impacted MDFR, one annexation from the City of Hialeah for a largely undeveloped area and the other was Kings Bay, an area that was first incorporated into Palmetto Bay then annexed by the City of Coral Gables. Recently, the Board denied two annexations from the City of Coral Gables that would have reduced the service area and revenue for MDFR.

Conclusion

As previously noted, the Code requires that any new municipality to contract with MDPD for a minimum of three years and remain within the Miami-Dade Fire Rescue District in perpetuity. In the case of annexations, the annexation area becomes part of the municipality and is serviced by their respective police department and fire department. As noted in the November 14, 2012 report to the Board (Attachment B), as large areas begin to incorporate, the services provided to UMSA will also need to be adjusted. Services provided to the remaining UMSA may cost more, as there may not be economies of scale of which to take advantage. The costliest service and the one of most concern is that of police. Should municipalities transition to their own police departments, MDPD will require fewer officers as there is less service area, residents and revenue. In the case of full

incorporation, MDPD could exclusively provide countywide specialized police services to certain municipalities and sheriff services (warrants, court services, central records and central crime investigation) for the entire County.

As noted above, MDFR is not impacted by future incorporations. However, MDFR is impacted by annexations from municipalities that provide their own fire and rescue services.

While this report focuses on police and fire rescue service, other County departments will be impacted by future incorporations and annexations. The Parks, Recreation and Open Spaces Department (PROS) would eventually only provide support to the regional parks, as all local parks would be turned over to new municipalities. The Building and Permitting Section of the Regulatory and Economic Resources Department would no longer exist, as all building and permitting functions would be the responsibility of the new municipality. While new municipalities are required to remain with the Department of Solid Waste Management for the disposal of waste, all public work type functions for local roads would be turned over to the new municipality. There are also other services that are provided by departments that will be discontinued, such as, code enforcement, local zoning, and Neat teams.

Another incorporation/annexation related issue is that overhead cost currently shared begins to move to the countywide budget. For example, certain policy formulation and general government activities – such as, but not limited to, the Board, Office of the Mayor, County Attorney, Audit and Management Services, and Office of Management and Budget – expenses are currently split between the countywide and UMSA budgets. If UMSA totally incorporates, most of these functions would not be reduced substantially, therefore those expenses will shift to the countywide budget. This is not to say that all of those expenses would transfer over, but a majority would. For example, of the \$484.3 million UMSA budget, \$32.4 million includes functions such as the Office of the Mayor, Board, County Attorney’s Office, Audit and Management Services, Communications, Human Resources, Internal Services, and Office of Management and Budget. Additionally, a portion of the overhead from the MDPD, Transportation and Public Works, and PROS Departments would remain and, therefore, be funded through the countywide budget. The average cost to the County resident for regional type services based on the FY 2021-22 countywide budget of \$1.82 billion is \$645.81 per person per year. The overhead type costs currently being covered by the UMSA budget, and eventually being covered by countywide revenues, would increase the countywide service cost per person by an additional \$19.72 from \$645.81 per person to \$665.53 per person per year. If these service costs were to be funded entirely from countywide ad valorem taxes, approximately a 0.172 mill increase would be needed. Additionally, the Analysis of Incorporation and Annexation within the Unincorporated Areas report provided by PMG and Associates to the Board on October of 2015, also provided the Board with information on these types of costs that would transfer over to the countywide budget and increases that would be necessary to maintain the current level of service.

Should the Board decide that the County should focus on countywide issues requiring the incorporation or annexation of all UMSA areas, I believe that educating and communicating with the residents of UMSA should be paramount. The process should follow the MAC or a similar process where public meetings are used to distribute and discuss information so that the public can make informed decisions when voting to approve any annexation or incorporation.

It is important to note that the major obstacle to these municipalities is the UMSA millage rate of 1.9283 mills. With the exception of very few municipalities, UMSA enjoys the lowest millage rate in the County. The average municipal millage rate in the County is approximately 5.3 mills, therefore, any area being annexed into an existing municipality will most likely pay a higher millage rate. Of the five (5) communities that have incorporated since 2000, one (1) has kept the same millage rate as UMSA at the time (2.447), two (2) have reduced the millage rate, and two (2) have increased the millage rate. Different communities within UMSA face different challenges and the municipal governing bodies representing these communities will determine their respective levels of service,

which will ultimately determine the millage rate.

Recommendations

Police Services

The UMSA general fund provides over \$388 million for MDPD services within UMSA. Should municipalities transition to their own departments, the MDPD would need to adjust personnel, as there would be less service area and less revenue. While the existence of a large regional force is advantageous, it is not a necessity. With advancements in communication and interagency cooperation, emergency situations in other parts of the country have been handled by departments spanning many jurisdictions. While the County does have good working relationships with municipal police departments and mutual aid agreements, if future incorporations significantly reduce the remaining unincorporated area, the County should move even more in the direction of emphasizing regional collaboration. Any UMSA areas not incorporating or annexed into an existing municipality would be serviced in the same manner in which they are being serviced today. Should the trend of annexation and incorporation continue, UMSA’s service area will decrease, as will revenues to support these services. Depending on the level of service the County will provide to the remaining UMSA areas and what areas remain, the per capita cost of service may increase. As UMSA areas are reduced and services are adjusted, at some point in time the economies of scale may no longer exist. As a result, the provision of service will cost more, requiring residents to pay more for the services they receive. Should UMSA be reduced to a point where it is no longer feasible for the County to provide municipal-type services, contracting with neighboring municipalities to provide these services may be an option.

The County should continue to provide police services to the Miami-Opa Locka Executive, Miami Executive, Miami International Airports and the Seaport. These Facilities of Countywide Significance should continue to be under the control of, and serviced by the County.

Pursuant to the Home Rule Charter, the County provides certain police services such as sheriff services, warrants, court services, central records, and central crime investigation. It is anticipated that such services will continue to be provided by the County and funded by the countywide general fund. MDPD provides these countywide services to all municipalities, with the exception of a few previously noted municipalities, which provide some investigative services through their respective departments. The Code requires that municipalities, from Miami Lakes forward, receive and pay for specialized police services through a contract with Miami-Dade. Although this requirement is still codified and would be applicable to any new municipalities, the Board allowed municipalities from Miami Lakes forward to remove this requirement from their respective charters.

Fire Rescue Services

The Miami-Dade Fire Rescue district, as noted above, does not share the same challenges as MDPD, the fire district represents 29 of the 34 municipalities in the County. As previously noted, incorporations are required to remain in the fire rescue district. A majority of the annexations since 2002 have been to municipalities that are currently serviced by MDRF. Annexations from municipalities that provide their respective fire rescue services are not common. Recently the City of Coral Gables requested an annexation that would have reduced MDRF’s service area that was tabled by the Board. When municipalities request boundary changes that may have an impact on the district, I believe it is our duty to measure the impacts and determine how those impacts can be mitigated, if possible, along with analyzing how the individuals in the annexation area are impacted by the change in service.

Attachment A – Annexations since 2002

Attachment B – Mayor’s November 14, 2012 report

Honorable Chairman Jose “Pepe” Diaz,
and Members Board of County Commissioners
Page 7

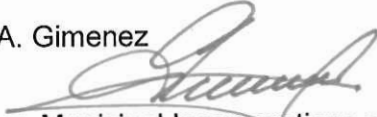
c: Geri Bonzon Keenan, County Attorney
Gerald K. Sanchez, First County Attorney
Jess M. McCarty, Executive Assistant County Attorney
Office of the Mayor Senior Staff
David Clodfelter, Director, Office of Management and Budget
Jennifer Moon, Director Office of Policy and Budgetary Affairs
Yinka Majekodunmi, CPA, Commission Auditor
Melissa Adames, Director, Clerk of the Board Division
Eugene Love, Agenda Coordinator

Annexations Since 2002

Municipality	Ordinance	Date	Acres	Population	Notes
Coral Gables	02-69	7-May-02	19	437	King's Bay
Medley	02-79	21-May-02	600	0	Section 30
Florida City	02-146	12-Sep-02	13	0	Area "E"
Medley	03-156	8-Jul-03	422	0	Section 10
North Miami	03-157	8-Jul-03	12	0	Home Depot
Hialeah	03-216	21-Oct-03	1,890	15	Partially Outside UDB
Hialeah Gardens	04-76	13-Apr-04	749	7	Partially Outside UDB
Florida City	05-111	21-Jun-05	1,728	0	Completely outside of UDB Area "C1"
Florida City	08-25	4-Mar-08	23	0	Area "F"
Homestead	08-54	6-May-08	240	0	Area NW1 & NW2
North Miami	08-69	3-Jun-08	3	0	Area "A" (3 Parcels)
Miami Shores Village	08-138	2-Dec-08	24	317	Residential area
Homestead	09-32	5-May-09	40	0	Area "SW"
Sweetwater	10-70	19-Oct-10	1,019	6,546	Sub-Area 1,3, and 4 and CBI Area
North Miami	13-31	19-Oct-10	41	702	Central City Enclave
Sweetwater/Doral	14-68	2-Apr-13		0	Right of way swap (NW 25 St)
El Portal	14-69	1-Jul-14	22	70	(2 Areas including a school)
North Miami	20-107	6-Oct-20	15.6	0	
Miami Gardens	21-143	19-Oct-21	151.1	0	
Sweetwater	21-141	19-Oct-21	1,275.1	0	
Total			8,286	8,094	

Date: November 14, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Report on Municipal Incorporations and Annexations

The issue of incorporation is a complex public policy issue. Staff has been working with areas desiring to incorporate since the Miami-Dade County Board of County Commissioners (BCC) approved Ordinance No. 12-24 on April 3, 2012, which lifted the incorporation moratorium. More specifically, staff is updating information necessary to plan for new municipalities. It is important to carefully plan future communities to ensure their composition is sustainable and service deficiencies for the remaining Unincorporated Municipal Service Area (UMSA) are not created. Consideration of annexation opportunities, as opposed to incorporation of new municipalities, should also occur.

Background

The State Constitution grants the BCC with the power to change the boundaries of municipalities and other municipal corporations through the home rule charter (Charter). Upon adoption of the Charter by the voters, the BCC was given the authority, under Section 6.05, to create new cities, which prior to the establishment of Metro government in 1957, was completely governed by state law.

The Charter provides that the BCC may create a new city after receiving a recommendation from the Planning Advisory Board (PAB), after a public hearing, and after approval of the majority of the voting electors in the proposed new municipality. The process for BCC and PAB review and approval of municipal boundary changes – annexations and incorporations – is outlined in the Miami-Dade County Code of Ordinances (Code), Chapter 20. At the time the Charter was adopted, there were 26 cities in Miami-Dade County, which comprised 65 percent of the County's total population. Today there are 34 cities with approximately 57 percent of the total population.

This subject has been carefully analyzed and discussed over the years. Since the early 1990s, various committees have made recommendations regarding incorporation and annexation policies and several reports have been completed. Over the years, the BCC has adopted legislation to change and define the way incorporations and annexations occur in the County.

This memorandum has been developed to also address directives received from Commissioner Barbara J. Jordan and Commissioner Rebeca Sosa when the BCC considered lifting the incorporation moratorium. More specifically, the following sections provide more detailed information on the incorporation and annexation process, the status of various incorporation and annexation movements, and the implications of these changes.

The following are some of the reports that have been prepared by staff, task forces, and consultants:

- Touche Ross Recommendations; A Report on Two-tier Government June 12, 1978
- 1982 County Charter Review Commission Recommendations; January 1, 1982
- *Citizen's Charter Review Committee on the Dade County Charter; Final Recommendations; April 1, 1986*
- Dade County Citizen's Advisory Committee on Countywide Incorporation; Final Recommendations; February 1992
- Citizen's Task Force on Incorporation; Final Recommendations; June 1994
- Planning Department Report: Issues Related to Incorporation; November 4, 1994

- County Manager's Report on Incorporation; Recommendations; June 6, 1995
- Planning Advisory Board Resolution on Incorporation; Recommendations; June 21, 1995
- Boundaries Commission Report on Incorporation Issues; May 1996
- Revenue Sharing Taskforce Recommendations; July 22, 1997
- County Manager's Report on Recommended Incorporation Policies; April 12, 1999
- Incorporation and Annexation Report and Policy Recommendations; July 12, 2001
- County Manager's Incorporation and Annexation Policy Recommendations; February 25, 2002
- Board of County Commissioners Incorporation and Annexation Subcommittee; October 14, 2004
- Report on Incorporation and Annexation; June 2006
- Mitigation Adjustment Policy Review Task Force; July 11, 2006

Each of these reports is available on our website at www.miamidade.gov/inc.

Code Requirements

To create a new municipality, the Code allows for two options: 1) a petition requiring consent of no less than 25 percent of the electors in the area may be circulated, or 2) a County Commissioner can present legislation. The next step is the creation of a Municipal Advisory Committee (MAC) upon the sponsorship of the commissioner in whose district the proposed municipality would be located, comprised of citizens from the proposed area, which develops a plan to study and give information and ultimately a recommendation regarding the creation of a proposed municipality. The MAC submits a report to the area's residents and ultimately to the BCC. Upon presentation of the MAC report to the BCC and after public hearing, the BCC may forward the proposed incorporation to the PAB. A staff report in accordance with the Code which answers questions such as the potential revenue sources available and if the incorporation is within the urban development boundary, is also prepared and presented to the PAB. After public hearing, the PAB may recommend approval, approval with modifications, deferral or denial of the petition. The PAB report, MAC report, and a recommendation from the Administration are submitted to the BCC. The BCC, after public hearing, may 1) call an election on the petition as presented or with modifications, 2) defer the petitioner, or 3) deny. There are a number of conditions that must be met in order for a new municipality to be created, and elements that must be included in a new municipality's charter such as retaining County solid waste service, remaining in the Fire-Rescue District, contracting with the Miami-Dade Police Department for three years, and the area's share of debt service on existing bonds.

Annexations are typically initiated by a municipal government, but may also be initiated by the BCC or the PAB. If a municipal government initiates an annexation of an area where there are more than 250 resident electors, a petition of 25 percent plus one of the proposed annexation area's resident electors must also be filed by the municipality. Annexations accepted by the BCC must be considered by the PAB, along with a staff report according to the Code that outlines certain characteristics of the area to be annexed such as will the annexation impact safety response times, is the area in a flood zone or will it be connected to government offices by public transportation. After public hearing, the PAB may recommend 1) approval 2) deferral or 3) denial of the annexation by the BCC. If the area to be annexed has fewer than 250 electors, the annexation may be approved by ordinance of the BCC. If there are more than 250 electors or if the area is developed (is over 50 percent residential), a referendum is required. As with an incorporation, after public hearing, the BCC may approve, approve with modifications, defer or deny an annexation and the election required for its approval. There are certain conditions to annexations and/or agreements negotiated with the annexing municipality that are generally required in annexations which include debt service payments, retention of utility taxes and franchise fees, and retention of garbage and refuse collection.

Charter Changes

On August 23, 2012, the BCC approved a resolution to place a question on the November 6, 2012 ballot whether to amend the Charter provisions pertaining to changes in municipal boundaries and creation of new municipalities. As it pertains to annexations, it requires the BCC to consider if the proposed annexation area includes commercial areas for the mere benefit of increasing the tax base of the annexing municipality. This ballot question was ultimately approved by the voters.

For incorporation, it provides individuals an alternative to the incorporation procedures generally described as follows:

- A minimum of five individuals (Incorporation Committee) can provide an incorporation petition to the Clerk of the Circuit Court
- The Clerk will have seven days to determine if the form is acceptable and approve the petition
- The Incorporation Committee will have 90 days to deliver a municipal charter to the BCC
- BCC shall review the appropriateness of the petition and municipal charter at a public hearing where the BCC will either approve the incorporation petition and charter as presented, or as revised by the Incorporation Committee or reject the incorporation petition and charter as presented or as revised by the Incorporation Committee
- During the 60 days following the certification of the petition, the BCC will complete a budgetary analysis, in cooperation with the petitioners, of the proposed incorporation area and schedule three public hearings
- Incorporation Committee will have six months to gather notarized signatures from 20 percent of the registered voters within the proposed incorporation area from the date the BCC has reviewed the petition
- Petitions will be submitted to the Supervisor of Elections who will canvass the signatures
- Petition will be presented to the BCC, which will hold a public hearing and decide whether to call an election to authorize the creation of a new municipality
- The new municipality will be required to remain within the Miami-Dade Fire Rescue District, and the Miami-Dade Library System, and contract with Miami-Dade Police for a minimum of three years, Miami-Dade will retain residential garbage and refuse collection, and assumption of any debt service attributable to the area.

The charter amendment is only an alternative means of accomplishing an incorporation by petition, no incorporation or annexation proposals currently underway would be impacted with the charter amendment.

Status of Current Municipal Advisory Committees

There are three MACs that completed studies and held a public hearing before the PAB prior to the incorporation moratorium.

- **Fontainebleau MAC** – The MAC was created by Resolution R-598-02 on June 4, 2002 and by Ordinance 03-109 on May 6, 2003. The MAC completed its incorporation study in December 2003. The Boundaries Commission, which no longer exists in the Code, held a public hearing on April 28, 2004 and deferred the item for 45 days requiring the MAC to prove community involvement. On September 1, 2004 the Boundaries Commission recommended that the incorporation move forward with three considerations: (1) that the budget be evaluated, (2) expansion of the boundaries be explored, and (3) community involvement be analyzed. On October 18, 2004, the PAB held a public hearing and deferred the item until such time that the municipal budget is compared to similar municipalities. On January 10, 2005, the PAB recommended denial of the incorporation.

- **North Central MAC** – The MAC was created by Resolution R-1445-01 on December 18, 2001 and by Ordinance 03-42 on March 22, 2003. The MAC completed its incorporation study in June 2004. On September 29, 2004, the Boundaries Commission held a public hearing and recommended denial of the incorporation. On December 6, 2004, the PAB held a public hearing and recommended denial of the incorporation.
- **Northeast MAC** – the MAC was created by Resolution R-341-03 on April 8, 2003, then by Ordinance No. 04-104 on May 11, 2004. The MAC completed its incorporation study in December 2004. The Boundaries Commission held a public hearing on March 23, 2005 and recommended approval of the incorporation. The PAB held a public hearing on August 8, 2005 and recommended approval of the incorporation.

County staff is in contact with the MAC chairpersons and beginning to update the MAC reports. The MAC reports include impacts to the UMSA and MAC municipal budgets that must be updated prior to consideration of these incorporations moving forward. We are also preparing detailed financial reports and overlay maps to be included with any items that move forward for consideration by the BCC.

There are two MACs that did not complete their respective studies prior to the incorporation moratorium.

- **Biscayne Gardens MAC** – The MAC was created by Resolution R-974-03 on September 9, 2003 and by Ordinance No. 04-142 on July 27, 2004. The MAC did not complete their report at the time of the moratorium.
- **Fisher Island MAC** – The MAC was created by Resolution R-838-04 on July 13, 2004 and by Ordinance No. 05-185 on October 18, 2005. The MAC did not complete their report at the time of the moratorium.

Status of Annexations

The following details annexations that are pending with the County.

Deferred by City:

- North Miami Beach – The application was submitted to the Clerk of the Board on May 9, 2005, accepted by the BCC at the June 7, 2005 meeting. The application was heard at the PAB on August 20, 2007 and had a favorable recommendation. The application was heard by the BCC Committee on October 12, 2007, and received a favorable recommendation. The City requested an indefinite deferral prior to the BCC meeting on November 6, 2007.
- Four City Annexation: The municipalities of Doral, Medley, Miami Springs and Virginia Gardens submitted annexation applications where the boundaries were conflicting. The municipalities met and have since amended the applications to include boundaries that are not in conflict. All four applications were considered by the PAB on September 8 and 20, 2010. The PAB recommended all applications be denied. The municipalities requested deferrals after the meeting.
- Medley – The application was submitted to the Clerk of the Board on July 20, 2004 and accepted by the BCC on July 21, 2009. The application was heard by the PAB on September 8, 2010 which recommended denial. Afterwards, the City requested an indefinite deferral.

- Doral – Two separate annexation applications were submitted to the Clerk of the Board on February 5, 2009 and August 13, 2009 and accepted by the BCC on March 17, 2010 and September 1, 2009, respectively. The applications were heard at the PAB on September 8, 2010 and received negative recommendations. Afterwards, the City requested an indefinite deferral.
- Miami Springs – The application was submitted to the Clerk of the Board on November 14, 2003 and accepted by the BCC on September 9, 2004. The application was heard at the PAB on September 8, 2010 and received a negative recommendation. Afterwards, the City requested an indefinite deferral.
- Virginia Gardens – The application was submitted to the Clerk of the Board on August 21, 2003 and accepted by the BCC on September 23, 2003. The application was heard at the PAB on September 8, 2010 and received a negative recommendation. Afterwards, the City requested an indefinite deferral.

In Process:

- Coral Gables – An application was submitted to the Clerk of the Board for the Ponce Davis area on October 9, 2003 and accepted by the BCC on November 4, 2003. The application was heard by the Boundaries Commission on September 1, 2004 and the recommendation was to move forward and that it include the entire High Pines enclave. The item was heard by the PAB on November 8, 2004. The PAB recommended that the BCC defer the application until the entire High Pines enclave is addressed. Additionally, the County has requested that the City also consider the Little Gables enclave. To date the City has not amended the application.
- Florida City Area H – The application was submitted to the Clerk of the Board on September 6, 2011 and accepted by the BCC on September 20, 2011. The item was heard by the PAB on February 22, 2012, and the PAB recommended approval of the application. At the PAB meeting, the City amended its application to exclude a portion of a parcel that would have been split as a result of the annexation boundaries. The item was deferred at the October BCC committee meeting, and the City is considering alternate boundaries.
- North Miami – The application was submitted to the Clerk of the Board on December 14, 2011 and accepted by the BCC on January 24, 2012. The item was heard by the PAB on August 20, 2012, and the PAB recommended approval of the application. The item was approved by the Infrastructure and Land Use Committee on October 17, 2012. The item is scheduled for BCC consideration on November 8, 2012.
- Sweetwater (FIU Engineering Campus) – The application was submitted to the Clerk of the Board on August 6, 2012 and accepted by the BCC on September 6, 2012. Staff is currently reviewing the application.

Fiscal Impact of a Proposed Incorporation or Annexation

At the April 3, 2012 BCC meeting, Commissioner Rebeca Sosa instructed the administration to provide information regarding the associated costs and the impact to services related to incorporation or annexation proposals. Many years ago, in order to gauge the monetary impact of incorporations to UMSA, an analytical "Impact to UMSA" model was created in order to identify the revenues and expenses attributable to a given area. The revenues are based on the revenues that UMSA generates as a whole and are broken down by type of revenue and are calculated, in some cases, using ratios

based on that particular year's budget. The expenses associated with the area are calculated using the same approach. For example, the police expenses are based on several factors, which include calls for service and types of crimes. The difference between the revenue for the area and expenses determines if the area is a donor, recipient, or revenue neutral as it relates to UMSA operations. However, this analysis was limited to the impact to the UMSA budget and did not consider other impacts, including other segments of the County budget.

A new approach being considered is based on the cost of services to the individual living in UMSA and the County. For example, based on the FY 2011-12 UMSA budget of \$397.253 million and a population of 1,073,747, the average cost of services to the UMSA resident for municipal type services is approximately \$370 per person per year. In order to better inform the residents, this could be compared to a per person estimate based on the budget developed by a MAC.

Another issue with the previous approach is that it does not take into consideration any costs that begin to move over to the countywide budget. For example, certain policy formulation and general government activities – such as, but not limited to the BCC, Office of the Mayor, County Attorney, Audit and Management Services, and Office of Management and Budget – are currently charged a portion of the expense to the countywide budget and a portion to the UMSA budget. Since it is unlikely that any of those functions would be reduced, even if the entirety of UMSA was incorporated, that expense will shift to the countywide budget. This is not to say that all of those expenses would transfer over, but a majority would. In the example provided earlier, of the \$397.253 million UMSA budget, \$58.336 million encompasses items such as the Mayor's Office, BCC, County Attorney's Office, Audit and Management, Information Technology, Fair Employment and Human Rights, Internal Services and Management and Budget. Additionally, a portion of the overhead from the Miami-Dade Police Department (MDPD), Public Works and Waste Management (PWWM) and Parks, Recreation and Open Spaces (PROS) would remain and therefore be funded through the countywide budget. The average cost to the County resident for regional type services based on the FY 2011-12 countywide budget of \$1.169 billion is \$475 per person. If these service costs were to be funded entirely from countywide ad valorem taxes, these costs would increase the cost per person for regional type services by an additional \$24 per person to \$499 per person per year, approximately a 0.3 mill increase.

Impact to County Operations

If large areas begin to incorporate, services provided to what remains in UMSA will need to adjust. Services provided to the remaining UMSA may cost more per capita, as there may be no economies of scale of which to take advantage. Municipal services are currently provided by PROS, Regulatory and Economic Resources (RER), and PWWM. Furthermore, the costliest service and the one of most concern is police. New municipalities are currently required to continue to use MDPD for the first three years after which they may transition into their own department. The UMSA general fund provides over \$300 million for MDPD services within UMSA. Should municipalities transition to their own departments, the MDPD will need to adjust as there is less service area and less revenue.

If the County were to fully incorporate, County government would look different than it currently does. We could just provide specialized police services to certain municipalities and sheriff services such as warrants and court services for the entire County. PROS would only provide support to the regional parks, as local parks would be turned over to new municipalities. The building and permitting section of RER would not be necessary as building and permitting functions would be the responsibility of new municipalities. While new municipalities are required to remain with PWWM for the disposal of waste, all public works-type functions for local roads would be turned over to each new municipality. There would be other services that are currently provided by County departments that would transfer to the new municipalities.

Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
Page 7

Current policy requires that future incorporated areas remain in the Fire Rescue District and continue to utilize PWWM for solid waste disposal. If this policy were to change, fire rescue and disposal fiscal and service impacts would also occur and protections would need to be in place and/or maintained to ensure that bond indebtedness is not affected by any future incorporations.

As I stated earlier, the issue of incorporation is a complex public policy issue. However, it is one that we, as a community, must address. There are very strong feelings on both sides within our community, even within neighborhoods. As we move forward, I am confident that by working collaboratively with the BCC and citizens' groups, we will be able to develop a well thought out and comprehensive plan that is in the best interest of the residents we serve.

If you have any questions, please feel free to contact Deputy Mayor Edward Marquez at 305-375-1451.

c: Robert A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Jennifer Moon, Director, Office of Management and Budget
Charles Anderson, Commission Auditor

Mayor12612