South B
Municipal Advisory Committee

MIAMI-DADE COUNTY

History

- In 1957, with adoption of the Miami-Dade County Home Rule Amendment and Charter, incorporation and annexation authority changed from the State legislature to the Board of County Commissioners (BCC). Article 6 of the Charter provides incorporation and annexation guidelines and requirements.

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Charter Requirements

- Section 6.05 - Creation of New Municipalities
  - Only the BCC may authorize the creation of a new municipality in the unincorporated areas of the County after hearing the recommendations of the Miami-Dade County's Planning Advisory Board (PAB), after a public hearing, and after a majority vote of the electors residing within the proposed boundaries.

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Code Requirements

- Chapter 20 of the Code of Miami-Dade County governs the Annexation and Incorporation process.
- Petitions for incorporation must include consent from 25 percent of the electors in the proposed area.
- Once the petition is deemed complete, the BCC may form a Municipal Advisory Committee (MAC) to study the desirability and feasibility of creating a municipality.

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Incorporated Area v. UMSA

- At the time the Charter was adopted (May 21, 1957), twenty-six municipalities were in existence. Approximately 35% of the County's population lived in the Unincorporated Municipal Service Area (UMSA).
- Today there are 34 municipalities and about 44% of the population lives in UMSA.

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Recent Charter Changes

- On November 8, 2012, the voters approved a change to the Miami-Dade County Charter to include a process to incorporate by petition. In summary, the new incorporation charter process is as follows:

- A minimum of five individuals (Incorporation Committee) may provide an incorporation petition to the Clerk of the Circuit Court
- After reviewing the petition form at a public hearing, the Incorporation Committee will have 90 days to deliver a municipal charter to the BCC for approval
- From the date the BCC has reviewed the petition, the Incorporation Committee will have six months to gather notarized signatures from 20 percent of the registered voters within the proposed incorporation area
- During the 60 days following the certification of the petition, the BCC will complete a budgetary analysis and schedule three public hearings in the community
- Petition will be presented to the BCC; the BCC will hold a public hearing and decide whether to call an election to authorize the creation of a new municipality

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Prior Attempts to Incorporate UMSA

- In November 1997, the BCC considered an intent resolution to incorporate or annex the remaining unincorporated area by December of 2007 – no action was taken.
- In April 2002, another intent resolution was considered by the BCC to incorporate or annex the unincorporated area by January 2018 – this resolution failed by a 5-6 vote.

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Incorporation Process

- Sec. 20-20. - Petition for incorporation initiated by individual or group; creation of a Municipal Advisory Committee related to petition
- An individual or group of area residents may file a request for approval of the form of a petition with the Clerk of the Board
- The petition form shall provide for the following information about the proposed municipality:
  - General description and map of area boundaries, and
  - Statement of the reason for seeking incorporation
- The Clerk informs the BCC that a request to approve the form of a petition for incorporation and authorize the circulation of such petition has been received. The BCC may approve the form of the petition and may authorize the petitioners to circulate the petition for incorporation and obtain signatures of resident electors within the area
- In order for the submitted petition to be complete, the petition shall include consent from no less than twenty-five (25) percent of the electors in the area proposed for incorporation
- Signed petitions shall be submitted to the Clerk of the Board within 90 days of the date the County Commission approves the form
- The Clerk transmits a copy of the petition to the Office of Management and Budget for determination of completeness in accordance with the requirement of subsection (A)(1) and to the Department of Elections for certification as to the sufficiency of signatures on the petition

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Incorporation Process

- The Clerk notifies the BCC that the petition is complete and contains sufficient signatures. The County Commissioner whose district comprises the majority of the area proposed to be incorporated by the petition may sponsor an item to create a Municipal Advisory Committee ("MAC")
- The BCC may also initiate incorporation proposals which would not require a petition of the area residents
- The MAC, created by ordinance, studies the feasibility and desirability of creating a municipality
- The MAC has two years to complete the incorporation study
- Upon completion of the MAC study, the Clerk submits the MAC report to the BCC and the district commissioner may motion to have the report scheduled to be considered by the Planning Advisory Board (PAB)
- Statements contained in the MAC study will be reviewed by appropriate County departments
- A staff report will be written and sent to the PAB for their review and recommendation to the BCC
- The Planning Advisory Board Committee and Planning Advisory Board will hold a public hearing all property owners within the incorporation area and 600 feet thereof will be notified of the hearing
- The County Mayor will review the recommendations and staff report and issue a recommendation to the BCC

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Incorporation Process

- The report and the recommendations from the County Mayor and the Planning Advisory Board will be forwarded to the BCC
- The BCC Committee will consider the legislative item and make a recommendation to the full BCC
- The BCC will entertain the incorporation at a public hearing and may accept, amend or reject it

- If accepted or amended……
- The BCC will direct the Supervisor of Elections to schedule an election for the area's registered electors
- Upon an affirmative vote of the area's resident electors, the BCC may approve the incorporation
- The BCC will appoint a charter commission
- The Charter will be considered by the BCC, if approved, the proposed charter will be placed on a ballot for the resident electors to consider
- If the charter is adopted by the electors, the municipality is created

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Incorporation Requirements

- Retention of garbage and refuse collection and disposal
- Remain within the Miami-Dade Fire Rescue District in perpetuity
- Remain within the Miami-Dade Library System in perpetuity
- Contract with the Miami-Dade Police Department for three years
- Have revenue neutral boundaries or make a payment to the Municipal Services Trust Fund
- Incorporation of any commercial, business, or industrial area will require 100 percent of the net excess revenues paid to the County
- Responsible for bond indebtedness (Stormwater, QNIP)
- Areas of countywide significance – County will retain jurisdiction
- Retain authority to modify or delete restrictive covenants

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MAC Responsibilities

MAC Responsibilities

- A MAC is created by the Board of County Commissioners
- The MAC board members are appointed by the area Commissioner or Commissioners if two or more Commission Districts are represented
- The MAC board consists of residents from the study area
- The charge of the MAC is to study the feasibility of incorporation and to gauge the desirability of the areas residents to incorporate

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MAC Process

- The MAC meetings are subject to the State of Florida Sunshine Rules
- The MAC will conduct several public meetings to discuss and study the issue of incorporation
- Several County departments will make presentations as to the services the County will continue to provide and the services a new municipality will be responsible for
- The MAC will develop a pro forma budget which will determine the economic feasibility of the new municipality

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MAC Process

- The MAC will develop a conceptual agreement that will outline the responsibilities of the new municipality and the County
- The MAC will have a minimum of two public hearings presenting the findings of the feasibility study, including financial information to deliver the municipal services and sustain the proposed municipality
- The public hearings will gauge the community's interest in creating a new municipality

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Revenue Detail

Ad Valorem Taxes: Municipalities may levy up to 10 Mills for municipal purposes pursuant to s. 200.071, F.S. Currently the County levies 1.9283 mills in UMSA.
Utility Taxes: a local government operating a utility may charge fees for the services and products it provides. Currently FPL, Water and Sewer and gas companies pay this fee.
Communications Service Tax: This tax is distributed by the State and is based on the actual collections within a geographical area by service providers.
Franchise Fees: Franchise fee is fair rent for a utilities privilege to use the government right of way and consideration for the local government not to allow competition for the utility during the franchise term. Currently, MDC's rate is 6% of gross billing.
Business Taxes: Taxes paid by businesses in UMSA.
Local Government Half-cent Sales Tax: This program distributes net sales tax revenue to local governments that meet the requirements pursuant to s. 218.63 F.S. and s. 218.23 F.S.
State Revenue Sharing: State distributes a portion of sales and use tax collections to eligible municipalities. Currently USMA has a guaranteed minimum of $48.2 million.
Alcoholic Beverage Licenses: The State distributes a portion of the annual state license levied on manufacturers, distributors, vendors or brokers to the municipality and county where it was collected.
User Fees and Service Charges: Local governments can impose user fees and service charges to pay for a service as granted by the Florida Constitution. Charges for the services can include building permit fees, recreational fees, zoning fees, etc.

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Sales Tax Distribution

Current Formula: County's Unincorporated + (2/3 X County's Incorporated Population / Total County Population + (2/3 County's Incorporated Population

Proportion Formula:

A = (2/3 X County's Incorporated Population) / Total Countywide Population + (2/3 X County's Incorporated Population)

B = County's Unincorporated Population / Total Countywide Population + (2/3 X County's Incorporated Population)

Current Distribution

Total Value of Distribution Entire County	$ 234,304,805
County Portion	$ 47,481,048
Municipal Services (includes UMSA)	$ 186,823,757

New Formula: Zero + (2/3 Total County Population) / Total County Population + (2/3 Total County Population)

Proportion Formula:

A = (2/3 X County's Total Population) / Total Countywide Population + (2/3 Total County Population)

B = Zero / Total Countywide Population + (2/3 X Total County Population

New Distribution

Total Value of Distribution Entire County	$ 234,304,805
County Portion	$ 56,232,153
Municipal Services (includes UMSA)	$ 179,940,996

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Other Revenue Disbursements

- Gas Taxes – There are two County gas tax distributions that impact municipal distributions: CILOGT and LOGT

CILOGT (Capital Improvement Local Option Gas Tax) = 3 cents

- Distribution is based on state statute through inter-local agreements
  - 74 percent goes to the County and 26 percent to municipalities

LOGT (Local Option Gas Tax) = 6 cents

- Distribution is based on state statute through inter-local agreements
  - 70.4 percent goes to the County and 29.6 percent to municipalities

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Financial (UMSA Budget) - Expenses

		FY 2013-14 Budget
Office of the Mayor		$ 1,495,000
Board of County Commissioners (BCC)		4,880,000
County Attorney		4,584,000
Miami-Dade Police		312,929,000
Non-departmental - Public Safety		787,000
Cultural Affairs		3,050,000
Parks, Recreation and Open Spaces		20,277,000
Non-departmental - Recreation and Culture		102,000
Public Works and Waste Management		4,796,000
Non-departmental- Neighborhood and Infrastructure		117,000
Non-departmental - Health and Human Services		70,000
Regulatory and Economic Resources		1,263,000
Non-departmental - Economic Development		300,000
Audit and Management Services		950,000
Human Resources		2,004,000
Information Technology Services		6,624,000
Internal Services Department		13,505,000
Community Information and Outreach		2,667,000
Management and Budget		$ 1,767,000
Non-departmental - General Government		35,343,000
		$ 417,510,000

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Allocation of Municipal Costs (the "Split")

- General Fund includes tax-supported functions for both Countywide and UMSA services
- Direct service departments' budgets are allocated based on service provided
  - Parks: costs of parks, overhead and construction
  - Police: local patrol, specialized police services, overhead
  - Public Works: local roads, ROWs, overhead
  - Regulatory and Environmental Resources: code enforcement, planning
- County Administration functions allocated based on ratio of CW to UMSA expense in budget

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