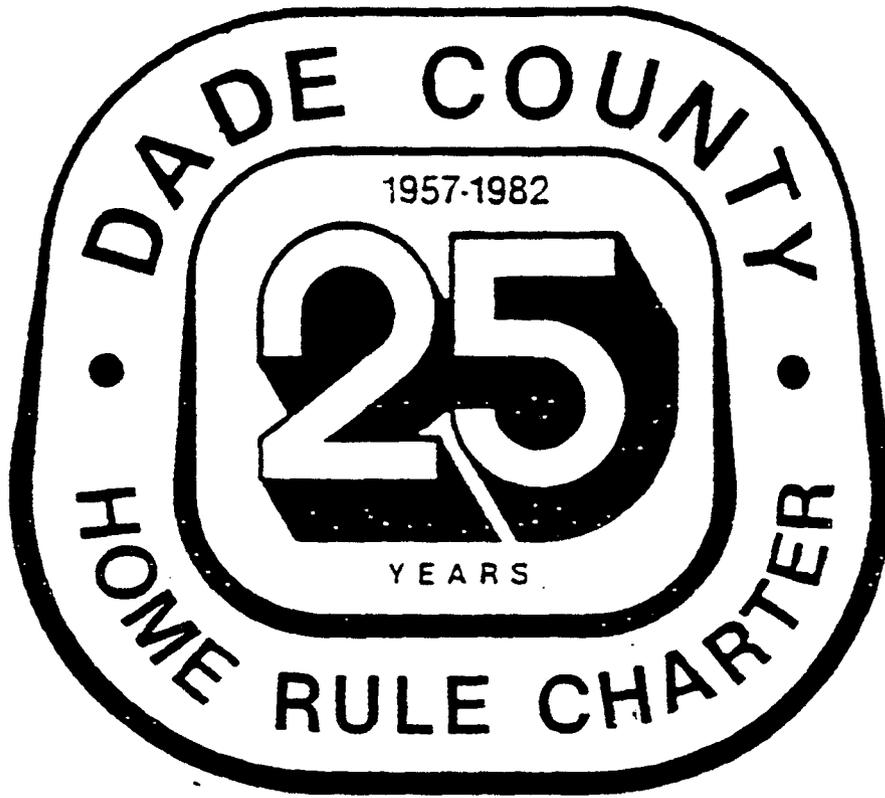


INTERIM REPORT



DADE COUNTY CHARTER REVIEW COMMISSION

January 1, 1982

TWO-TIER GOVERNMENT

Recommendation

The two-tier concept of local government should be established in Dade County:

Primary tier: Metropolitan Dade County Government, which provides core services essential to the health, welfare and safety of the entire community; metropolitan services which essentially have become metropolitan in nature; and "municipal" services currently being provided in the unincorporated area.

Secondary tier: Existing municipalities would continue to serve their citizens. Boundaries of some cities might be expanded after appropriate study.

New limited purpose municipal units should be established in the unincorporated area within the 1985 development boundaries established in the County Comprehensive Plan. Such units would have the following characteristics:

- be governed by an elected body;
- have decision-making authority over zoning issues, subject to appeal by the Planning or Zoning Directors in the event of violation of the County Comprehensive Plan; and other local issues as may be delegated by the County Commission;
- be precluded from providing directly any service currently being provided to its residents by the County;
- be authorized to purchase a higher level of service from the County if additional taxes are levied.

The proposal to develop a second tier decision-making process in the developed unincorporated area, although not new, is the pivotal element of the Charter Review Commission's proposal for a comprehensive revision of the Dade County Home Rule Charter.

In 1963, the County Planning Department in a major study of the pattern of local government, recommended creation of 14

"service areas" through the combination of some cities, annexation, and creation of several new cities. In 1972 the Frates Commission reviewed that study and recommended the establishment in the unincorporated area of several service districts to be governed by the County Commission or by a locally elected board, or establishment of municipalities. Both the 1963 and the 1972 studies looked at a division of functions between the county and the second tier of government and made recommendations for some division of services. Subsequent to these two studies, the trend has been for cities to transfer services to the County resulting in considerable uniformity of service provision. Local police services and garbage collection are two notable exceptions. Today, circumstances have changed:

- The magnitude of the problem has increased with over 300,000 residents of the unincorporated area deprived of a close-to-home governmental process to resolve local issues;
- There is widespread concern about access to the governmental decision making process which has led, in the historical absence of objective consideration of the two-tier approach, to strong support for district-elected County Commissioners;
- The tax inequity between the incorporated and unincorporated area has largely been eliminated;
- Provision of countywide services has become well established and well accepted with some being nationally acclaimed for their excellence. We believe that these circumstances offer to this County Commission an opportunity which was not considered feasible 10 or 20 years ago.

Running behind only New York, Chicago, Los Angeles, Philadelphia and Dallas, Dade County's unincorporated area

is one of the six largest "cities" in the United States. The governing body for that "city" is the Dade County Commission. Of Dade County's 1.6 million population, approximately half live in the unincorporated area; half in one of the County's 26 municipalities (not counting the "paper city" Islandia). For the citizens who reside in Dade County's cities, there is a "two-tier" government structure which gives those citizens a local governing body designed to provide, to a greater or lesser extent, local services and to serve as a public forum for local issues. Zoning, garbage collection, local public works, are common examples.

Increasing access

Many individuals and groups have appeared before the Charter Review Commission to propose a solution to a problem which is often defined as "lack of access" to government officials and "lack of accountability." These terms are generally not well defined but reflect the continuing concern identified in nearly every study which has been done about Dade's metropolitan form of government. The County Government is perceived to be "remote", as it is in fact from a geographical point of view, for many citizens. The logistics of organizing neighborhood citizens in the unincorporated area and transporting them downtown to support or fight some zoning issue is perceived as an imposition.

The solution to this problem presented to the Charter Review Commission most often is to change the charter to provide for district elections. Proponents of district elections most often perceive that a County Commissioner elected from "their" district would be "their" Commissioner and would be more responsive to district concerns than would a Commissioner from their district elected in a countywide vote.

However, another mechanism for increasing "access" to public officials gained increased support. When the possibility of creating some kind of local decision-making processes in the unincorporated area was broached to citizens appearing before recent meetings of the Charter Review Commission, the response was generally positive and sometimes enthusiastic.

The interrelationship between the County and the municipalities is covered in the charter in Article 5 and in Section 4.04, concerning municipal budgets and taxes. In Sec. 1.01, several of the powers cited relate to the interrelationships between the County and the cities. However, the relationship of the County Commission to the unincorporated area is virtually ignored in the charter. Sec. 1.01B does say that "All of these powers may be exercised in the incorporated and unincorporated areas, subject to the procedures herein provided in certain cases relating to municipalities." And in Sec. 1.01D the Board is "entitled to levy in the unincorporated areas all taxes authorized to be

levied by the municipalities and to receive from the State any revenues collected in the unincorporated areas on the same basis as municipalities." With approximately 200,000 persons scattered throughout the unincorporated area at the time the charter was adopted, the lack of attention was perhaps understandable.

Even so, one of the reasons for developing the concept of a metropolitan government was to provide some mechanism for providing services to all the citizens. The quadrupling of the population in the unincorporated area is a fact which now needs to be reckoned with.

Background

It was the Committee for Economic Development, a national study group, in 1970, which used the term "two-tier" in its report Reshaping Government in Metropolitan Areas. The CED recommended a two-tier system for metropolitan areas included in a single county (as in Dade).

In designing federal systems, it is normally argued that those functions which can be adequately conducted at the most local level in the system should be placed there, while those functions with areawide implications should be placed at higher levels. (Further), in those situations where the metropolitan area is contained within one county, a reconstituted county government should be used as the basic framework for a new area-wide government. This may, but need not include consolidation of a large dominant central city with the county government in which it is located. If there are two or more sizable cities in the county, consolidation may not be appropriate. Counties in some states already have very wide powers. An indispensable requirement is the restructuring of such counties with a suitable legislative organ, a strong chief executive, and modern management.

Following up on this study, the League of Women Voters of the United States studied two-tier government across the country and emphasized the role of the citizen:

In the renaissance of the two-tier concept, there is a strong emphasis on the citizen's role. The new proponents want more than efficiency, more than cost effectiveness built into any new structure. They want citizen access points, citizen influence on policy, citizen review of performance built in, too, at both levels . . .

While pointing out that Dade's Home Rule Charter had "established a framework of metropolitan federalism within which much has been achieved," the University of Miami in a major study of local government for the National Science Foundation, in 1976, recommended that the County Government "provide leadership in moving closer to the ideal of metropolitan federalism for those residents living in the unincorporated areas." Nearly every study of Dade's metropolitan form of government in the last 20 years has recognized the dichotomy of the two-tier/one-tier system and has recommended attention to providing some structure for the unincorporated area.

Fiscal two-tierness

Fiscally, there is a measure of two-tierness in the financing of services in the unincorporated area. By Constitution and subsequent legislation, the State mandated an end to "double taxation" and a considerable measure of equity was established when Dade County established an Unincorporated Municipal Service Area and levied an ad valorem tax.

Creation of special purpose taxing districts has also reduced inequities. The unincorporated area budget for the current year amounts to \$102,304,000 derived from revenues from the unincorporated area: utility taxes, \$46,000,000; franchise fees, \$16,000,000; state revenues sharing, \$14,700,000; a .607 mill tax which produces \$12,291,000; and other miscellaneous fees and charges. Additionally, residents in the unincorporated area pay a garbage and trash fee, a library tax and a fire rescue service tax. Residents in those municipalities which levy no property taxes for library and fire rescue services also pay these taxes. A typical homeowner in the unincorporated area pays approximately 45 percent of the County property tax bill (excluding school taxes) for services which could be called "municipal" services, the other 55 percent being the county-wide tax which funds all the core services, the cost of which all residents of the County share. Core services are those typically provided by every large county in Florida: constitutionally or legislatively mandated services (e.g. elections); services providing for the health and welfare and safety of residents (e.g. Jackson Memorial Hospital); "metropolitan" services such as traffic signalization, arterial street lighting, transit; and services serving special needs for special populations (e.g. consumer protection).

Although both the Home Rule Constitutional Amendment and the charter gave Dade County full powers to establish a two-tier form of government in Dade County with broad areawide powers residing in the County Government, neither document specified a division of powers between the County and the municipal governments. What was provided, however, was a flexible system whereby the cities could move toward a functional consolidation by the transfer of services to the County Government. What followed was a remarkable series of such service transfers (all initiated by the cities) which, while moving service delivery slowly but surely towards a countywide approach, has caused a somewhat confusing "marble cake" pattern of government. Many services are almost countywide, serving residents of the unincorporated area and most cities. For example:

- fire and rescue service except for Miami, Coral Gables, Hialeah and Miami Beach;
- housing and housing code enforcement, except for Hialeah, Miami Beach and Homestead;
- libraries serving 17 cities including Miami and Coral Gables;
- most central police services are available to and are used by municipal police departments while patrol services are provided by Metro Police in the unincorporated area and by city police in 26 cities.

The University of Miami study referred to above came to some conclusions regarding the variation in expenditure levels among the various jurisdictions in Dade County:

In summary, it appears that in Dade County, strengthening the role of county government has resulted in a substantial reduction in differences in total per capita

expenditures among jurisdictions. For those governmental services where some cities transferred their responsibilities to the county, reduction in expenditure variations among jurisdictions also occurred. Though the extent of reduction in expenditure variation was less in the case of fire than in the case of library services, it nevertheless appears clear that if further transfers in assignments of functions occur, that much greater progress would be made in reducing difference in levels of expenditures among jurisdictions. On the other hand, city funds released by transfer of functions could be reallocated to non-transferred functions. Such reallocation may reduce, or may increase, differences in per capita expenditures among jurisdictions for particular functions. Thus, it appears that strengthening the role of areawide government does reduce differences in total per capita expenditures among jurisdictions, but may increase differences in per capita expenditures among jurisdictions for particular governmental functions.

Options:

According to the terms of the constitutional amendment, the Dade County Charter "may provide a method establishing new municipal corporations, special taxing districts, and other governmental units in Dade County from time to time and provide for their government and prescribe their jurisdiction and powers." Charter provisions were written accordingly and such governmental units have been created.

Chapter 165 F.S. provides that County Commissions may create taxing districts either with or without a governing body. The Dade County Commission uses the latter system and acts as their governing body. The Charter Review Commission studied a number of options:

1. No change in the present system, recognizing that through the imposition of special taxing districts in the unincorporated area that the tax differential between residents of cities and residents of the

unincorporated area has largely been equalized. The County Commission serves as the governing board of all such districts.

2. Special purpose taxing districts (present or reconstructed) with a governing board if such districts are "the best alternative available."
3. Facilitation of incorporating additional municipalities covering the populated portions of the unincorporated area. Standards for such incorporation could be specified in the charter or reference could be made to State standards (compactness and contiguousness; minimum 5,000 population; average population density of at least 1.5 persons per acre; minimum distance of two (2) miles from existing municipality; Ch. 165.061 F.S.
4. Provision for incorporation of municipalities with powers limited by terms of the charter. The charter could not establish a taxing limit because of pre-emption by State law. However, functional limitations could be imposed.
5. Establish boards in the unincorporated area to deal just with zoning issues. Specific powers of such board would need to be spelled out in the charter.
6. Formalize a system of community advisory boards which would advise the County Commission on issues such as zoning or capital improvements. Such boards could be appointed by the County Commission or elected by neighborhoods in the manner presently being used by the Community Development Program.

How Many Cities?

"Dade County already has too many cities!" That has been the historical belief of many persons. A number of persons appearing before the Charter Commission voiced several variations on this theme with recommendations ranging from abolishing all cities and merging their functions with the County, to abolishing or merging some of the smaller municipalities. The spokesman for the Dade League of Cities agreed that some modification of existing smaller cities merited study. However, with 17 municipalities, Dade is not

out of line with large urban counties around the country. A survey of the form of government in large urban areas (see Appendix 5) showed in the ten largest counties a range of cities over 10,000 population from eight in Harris County, Texas, to 74 in Cook County, Illinois. Liberal annexation laws in Texas have probably inhibited new incorporations as the City of Houston rapidly expanded its boundaries to take in fast growing suburban areas. Available information about incorporations in Los Angeles County indicates 69 cities over 10,000 population out of a total of 81, although the actual number of municipalities may be over 90 at this writing. Incorporation there was facilitated by the "Lakewood Plan" whereby it became possible for cities to incorporate and to contract with the County for all or some of its services, thus minimizing the need for city bureaucracies.

Conclusion

Considerable interest was expressed before the Charter Commission in addressing the issue of two-tier government in Bade County as a means of increasing the citizens' access to elected officials. Extending in some way the concept of a two-tier government to the unincorporated area would provide the citizens there the advantages accruing to city residents of a local decision-making process capable of dealing with local issues.

In order to make this "access" system meaningful and democratic, the Charter Review Commission believes that the governing boards should be elected. However, in order to guard against the development of unnecessary bureaucracies, charter provisions should preclude the direct provision of any service currently being provided by the County to residents of the new unit. Taxing authority should be provided in order that local residents could "purchase" an additional level of service from the County if desired. Consider a possible limitation on the additional level of service allowed in order to preclude gross service level inequities from developing.

Initially, zoning would be the principal function of the new units. Zoning decisions would be appealable to the County Commission only in cases where the Planning Director or Zoning Director deemed a possible violation of the County Comprehensive Plan.

Additionally, the new unit might have:

- authority to recommend establishment of special taxing districts, capital improvements, local projects such as location of trash transfer stations, etc.;
- provision of desired services not presently available from the County;
- possible decision-making authority over County funds currently being expended in unincorporated areas (e.g. neighborhood park);
- other local issues currently decided upon by the County Commission.

Study Recommendation

If the two-tier approach is accepted by the County Commission, we recommend that the Charter Review Commission, or its successor, study fiscal and other details of the two-tier approach in order that specific proposals can be appropriately debated and presented to the voters as part of a charter revision package next November. The study should:

- do a countywide analysis of the cost and of any tax shifting effects of the above recommendation. For example, initial analysis shows that a typical single family residence assessed at \$80,850 with a \$20,000 homestead exemption, two blocks outside the limits of the City of South Miami, would actually pay \$5.00 less in taxes if that property were included in the city and subject to the existing city tax rate. The tax differential would vary in different parts of the County.
- determine any further limitations and authorizations which should be placed on the new governmental units.
- identify appropriate standards to be used in expanding existing city boundaries or in creating the new units.