

MEMORANDUM

Agenda Item No. 11(A)(2)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: October 3, 2023

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution directing the County Mayor to assess potential impacts to Miami-Dade County and the unincorporated areas regarding the continued annexation and incorporation of commercial and industrial areas and prepare a written report to this Board

Resolution No. R-886-23

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Juan Carlos Bermudez.



Geri Bonzon-Keenan
County Attorney

GBK/uw



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

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FROM: 
Gen Bonzon-Keenan
County Attorney

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Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(2)
10-3-23

RESOLUTION NO. _____ R-886-23

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO ASSESS POTENTIAL IMPACTS TO MIAMI-DADE COUNTY AND THE UNINCORPORATED AREAS REGARDING THE CONTINUED ANNEXATION AND INCORPORATION OF COMMERCIAL AND INDUSTRIAL AREAS AND PREPARE A WRITTEN REPORT TO THIS BOARD

WHEREAS, in Miami-Dade County, annexations, also referred to as municipal boundary changes, and incorporation, the process by which new municipalities are created, are governed exclusively by the Miami-Dade County Home Rule Charter and chapter 20 of the Code of Miami-Dade County (the "Code"); and

WHEREAS, various annexations and incorporations have been effectuated over the years, and numerous proposals for municipal annexations and for the creation of new municipalities have been made to the County and may currently be in various stages of County consideration or study; and

WHEREAS, many of the requested annexations are for commercial and industrial areas that are currently part of the County's unincorporated area, also referred to as the Unincorporated Municipal Service Area (UMSA); and

WHEREAS, over the years, the County administration has put forth many reports with respect to the impacts of annexation or incorporation; and

WHEREAS, for example, in Resolution No. R-1263-19, this Board requested that the County Mayor or Mayor's designee prepare a report with 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); and

WHEREAS, the report responsive to this directive recognized a number of concerns and potential challenges that MDFR and MDPD may face with respect to annexations and incorporations, and the report also included analysis related to other County departments as well as potential impacts to the countywide budget; and

WHEREAS, the report also noted that, thus far, “[t]ax 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,” but “[a]s new areas incorporate, some areas may not 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”; and

WHEREAS, in the County Mayor’s memoranda on several proposed incorporations, the administration noted that, as annexations and incorporations continue to occur, at some point in time, there will no longer be economies of scale for UMSA of which to take advantage, which may lead to increased costs and other impacts; and

WHEREAS, the County Mayor’s veto messages from December 2022 on several annexation items stated that, “[o]ver time, the cumulative effect of many annexations will result in a negative fiscal impact on the Unincorporated Municipal Service Area (UMSA), home to over 1.2 million of Miami-Dade’s total 2.7 million residents,” and “[t]his impact to the budget will ultimately require the County to adjust vital public safety services—which the UMSA budget largely goes to support—or to increase the millage rate for taxpayers of UMSA,” and “[a]nnexations of primarily industrial and commercial areas mean that less well-off areas remaining within UMSA will require more County services and funding to compensate for revenue loss”; and

WHEREAS, in addition, the County Mayor's November 14, 2022 report relating to annexation stated that, "[w]hile small annexations may not have an immediate impact on UMSA, over time these annexations will require the Board to either adjust services to the remaining UMSA areas or increase the millage rate," and "[a]lthough UMSA has been blessed with very good growth, should these annexations of high value areas continue, there will come a point where it will no longer be feasible to have an unincorporated area"; and

WHEREAS, these County Mayoral reports and analyses have been provided over the years in response to particular annexation or incorporation proposals, or in response to particular requests by this Board for information and reports; and

WHEREAS, given the concerns raised by the County Mayor's administration with respect to potential impacts to the County, including the residents and businesses in UMSA, it is important for this Board to have a comprehensive assessment and understanding of the potential impact of continued annexation and incorporation of the County's UMSA areas, and in particular, the continued annexation and incorporation of commercial and industrial areas; and

WHEREAS, there may be additional information that this Board wishes to consider, such as: (1) estimates as to what proportion of annexation requests seek to annex commercial or industrial areas that are currently part of UMSA; (2) the changes in assessed property values for various commercial and industrial areas that have taken place over time; and (3) projections for future assessed property values for such areas, or if such projections cannot be made, then how such uncertainty with respect to future assessed property values for various commercial and industrial areas could affect the long-term impacts to the County and the UMSA area from continued annexations and incorporations of such areas; (4) whether the transition with respect to constitutional officers could affect the long-term impacts to the County and UMSA from continued

annexations and incorporations; (5) whether the inflation rate or other economic considerations have impacted or otherwise changed any of the administration's prior analyses; and (6) whether continued annexation and incorporation of such areas could impact the County's and the community's ability to respond to emergencies, such as the Surfside tragedy or a major hurricane; and

WHEREAS, in addition, if there is uncertainty with respect to future projections, for example, with respect to the future use or assessed value of vacant commercial property, or with respect to future UMSA expenses, the administration should clearly identify such uncertainties and outline any risks or challenges, so that this Board may be fully aware of any limitations in the information that the administration is able to provide at any one point in time; and

WHEREAS, accordingly, this Board hereby directs the County Mayor or County Mayor's designee to analyze the potential impacts on the County and UMSA of the continued annexation and incorporation of commercial and industrial areas and prepare a written report for this Board in accordance with this resolution,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby:

Section 1. Adopts the foregoing recital clauses as if fully stated herein.

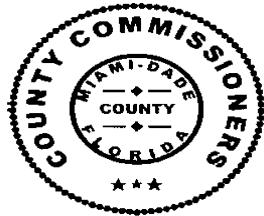
Section 2. Directs the County Mayor or County Mayor's designee to assess the potential impacts on Miami-Dade County and the Unincorporated Municipal Service Area (UMSA) of the continued annexation and incorporation of commercial and industrial areas and to prepare a written report to this Board. The analysis and written report shall, at minimum, synthesize and update the information and analysis from prior reports and memoranda on this topic that were previously prepared by the administration for this Board; provide the information

requested in this resolution with respect to uncertainties, and the potential impacts of such; and include the following additional information and analyses: (1) estimates as to what proportion of annexation requests seek to annex commercial or industrial areas that are currently part of UMSA; (2) the changes in assessed property values for various commercial and industrial areas that have taken place over time; and (3) projections for future assessed property values for such areas, or if such projections cannot be made, then how such uncertainty with respect to future assessed property values for various commercial and industrial areas could affect the long-term impacts to the County and the UMSA area from continued annexations and incorporations of such areas; (4) whether the transition with respect to constitutional officers could affect the long-term impacts to the County and UMSA from continued annexations and incorporations; (5) whether the inflation rate or other economic considerations have impacted or otherwise changed any of the administration's prior analyses; (6) whether continued annexation and incorporation of such areas could impact the County's and the community's ability to respond to emergencies, such as the Surfside tragedy or a major hurricane; and (7) any other impacts to the UMSA budget, the Countywide budget, or any other County budget that could potentially result or be affected by the continued annexation and incorporation of such areas. This report shall be placed on an agenda of the full Board without committee review, pursuant to Rule 5.06(j), within 120 days of the effective date of this resolution.

The Prime Sponsor of the foregoing resolution is Commissioner Juan Carlos Bermudez. It was offered by Commissioner **Anthony Rodriguez**, who moved its adoption. The motion was seconded by Commissioner **Danielle Cohen Higgins** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	absent
Roberto J. Gonzalez	aye	Keon Hardemon	aye
Danielle Cohen Higgins	aye	Eileen Higgins	aye
Kionne L. McGhee	aye	Raquel A. Regalado	aye
Micky Steinberg	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 3rd day of October, 2023. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Abbie Schwaderer-Raurell
James Eddie Kirtley