

**REPORT OF THE METRO-DADE COUNTY
BOUNDARIES COMMISSION
ON ISSUES OF
INCORPORATION, ANNEXATION
AND COMMUNITY COUNCILS**

May, 1996

METROPOLITAN DADE COUNTY
BOUNDARIES COMMISSION

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PREFACE

Members of the Boundaries Commission conclude that strong and flexible community councils offer the best answer to improving governance in unincorporated Dade. The Commission began this process with many different points of view. After months of careful deliberation and public input, the group has reached a consensus that at this moment, community councils are the most appropriate vehicle for responding to the desires of the majority of unincorporated area residents in a forward looking and responsible fashion. These councils, as described below, will give residents a greater voice in their local affairs and will enable all communities to build on and diversify their strengths. At the same time, community councils would acknowledge: first, that the varied areas of unincorporated Dade share a common goal -- the strengthening of all neighborhoods; and second, that in the long run, these neighborhoods are made stronger by working together.

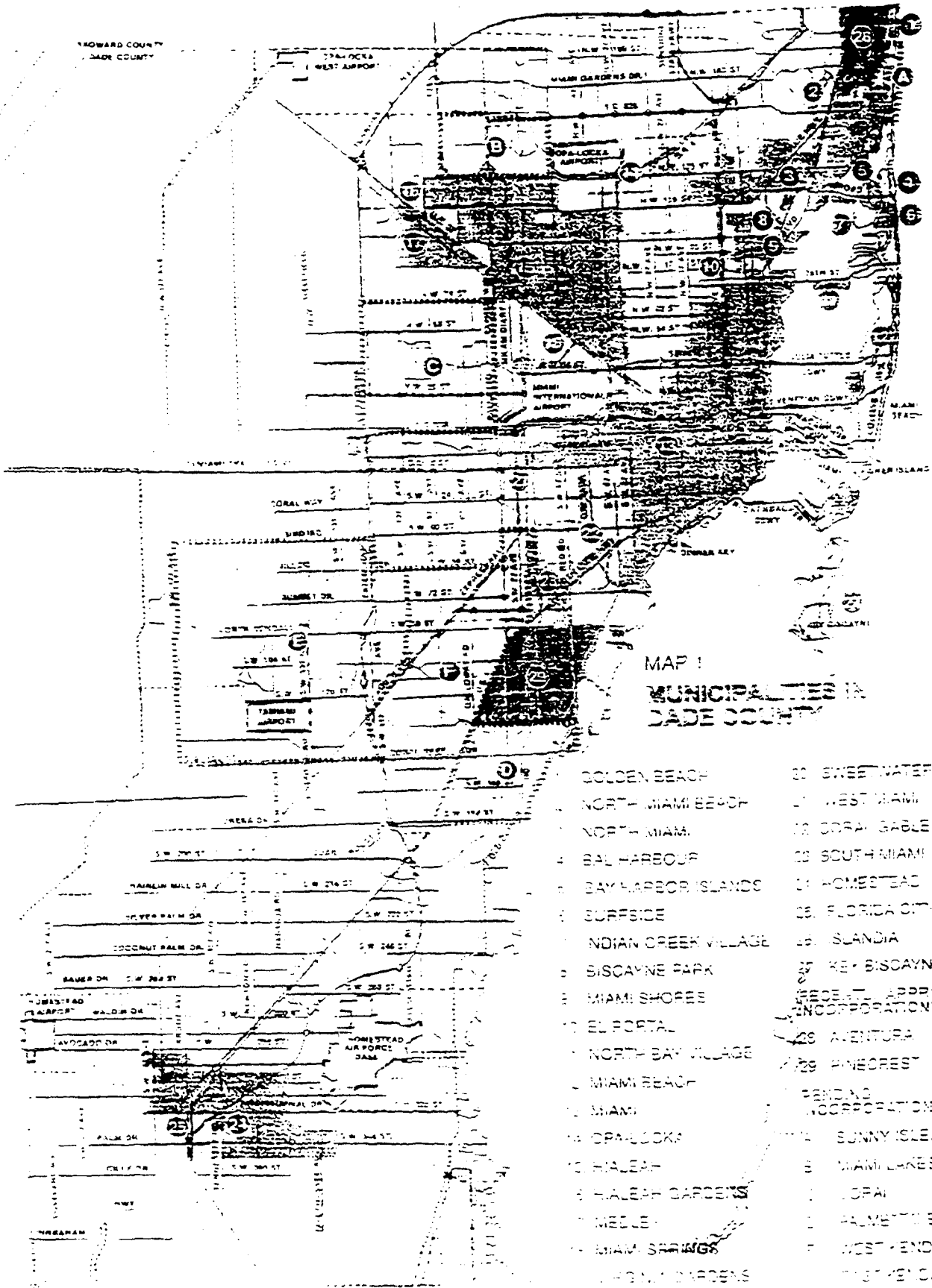
Dade County is a unique and exciting place. Over the last five years, Dade has seen significant changes in governance -- in 1992, the transition to single member districts and in the fall of 1996, the arrival of a strong mayor. The Boundaries Commission believes that Dade deserves sound and forward looking solutions.

At the same time, the Commission recognizes that some areas have begun the process of building support for becoming separate cities. The Commission believes that the continued fragmentation of Dade into small, fiscally unequal and homogeneous cities will have potentially serious consequences not only for the residents of unincorporated Dade but also for the region as a whole. The Commission discussed recommending a moratorium on incorporation -- at least until community councils were given a fair chance to develop and until an adequate and effective Countywide response to the problems of fiscal inequity and public safety had been designed and implemented. However, the Commission is not recommending such a moratorium. Instead, the Commission strongly recommends that if new cities are created they must meet specified criteria. The creation of new cities that jeopardize the well-being of other unincorporated areas and the County overall is not in the long term interests of anyone.

The majority of the members of the Boundaries Commission also agree that immediate action should be taken towards the implementation of a revenue or resource sharing program that would mitigate the potentially negative fiscal impact of the creation of new cities on the unincorporated area and that would extend to all jurisdictions in Dade County. Once such a revenue or resource sharing program is in place, the recommended fiscal equity criteria for the creation of new cities could be relaxed. The Boundaries Commission recommends that an appropriate entity be charged with thoroughly analyzing and evaluating the potential applications of various revenue sharing programs and other appropriate alternatives as a means of addressing fiscal inequity in both the unincorporated area and the metropolitan area as a whole. That entity should report back to the Board of County Commissioners no later than September 3, 1996.

The Board of County Commissioners, as the governing body of both the unincorporated area and the County as whole, has a significant and exciting opportunity to shape the future of our community. This Commission expects that this report and its recommendations will assist you in that effort.

RECENTLY APPROVED AND PENDING INCORPORATION



MAP 1
MUNICIPALITIES IN
DADE COUNTY

- | | |
|------------------------|-----------------|
| 1 GOLDEN BEACH | 20 SWEETWATER |
| 2 NORTH MIAMI BEACH | 21 WEST MIAMI |
| 3 NORTH MIAMI | 22 CORAL GABLES |
| 4 BAL HARBOUR | 23 SOUTH MIAMI |
| 5 BAY HARBOR ISLANDS | 24 HOMESTEAD |
| 6 SURFSIDE | 25 FLORIDA CITY |
| 7 INDIAN CREEK VILLAGE | 26 ISLANDIA |
| 8 BISCAYNE PARK | 27 KEY BISCAYNE |
| 9 MIAMI SHORES | 28 |
| 10 EL PORTAL | 29 |
| 11 NORTH BAY VILLAGE | 30 |
| 12 MIAMI BEACH | 31 |
| 13 MIAMI | 32 |
| 14 OPA-LOKA | 33 |
| 15 HIALEAH | 34 |
| 16 HIALEAH GARDENS | 35 |
| 17 WEDLEY | 36 |
| 18 MIAMI SPRINGS | 37 |
| 19 HIALEAH GARDENS | 38 |

RECENTLY APPROVED
INCORPORATIONS

PENDING
INCORPORATIONS

INTRODUCTION

Members of the Boundaries Commission see Dade County at important and critical crossroads. This area is widely viewed as having unique opportunities for economic growth and success in the 21st Century. The current discussion of unincorporated area governance is an important opportunity for the leadership of the County to put in place a process that benefits all unincorporated area residents and that enhances the County as a whole.

The Boundaries Commission recognizes that should the current pattern of incorporations and annexations continue with little regard to their fiscal implications, not only will there be serious negative consequences to the remaining unincorporated area but also to all the residents of Dade County. Given the number and scope of the pending applications for incorporation¹, it is timely that the County Commission addresses these seminal issues comprehensively and resolutely.

Our findings and recommendations are the product of months of diligent work and thorough debate. We have reviewed a variety of public input, read voluminous material, listened to experts and examined and reexamined our own views.

This report is submitted to the Board of County Commissioners with the expectation that it will provide the comprehensive direction that this Commission was charged to deliver and that all of the residents of Dade County deserve.

¹ See Map 1.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

1. There is a strong desire among residents of the unincorporated area to improve municipal governance by:
 - improving effectiveness of services by bringing decision making and administrative processes closer to residents;
 - enhancing efficiency of services by maintaining economies of scale of key services;
 - maintaining low costs of basic services while providing additional means for purchasing above basic services;
 - recognizing the diversity of needs and desires in the many different areas of unincorporated Dade by giving residents a greater voice.

2. There is also significant concern about the negative impact of continued incorporation and annexation on the unincorporated area and on the County as a whole. That concern seeks solutions that:
 - encourage careful consideration of the full range of problems and potentials before initiating major unincorporated area restructuring;
 - above all, avoid divisive fiscal, economic and social fragmentation of the metropolitan area.

3. The interest in incorporating new municipalities or annexing to existing ones is limited to a few areas. On the basis of the straw ballot, the survey conducted by Florida International University and public input at various meetings, it appears that most unincorporated area residents prefer non-city alternatives for governance improvements.

4. The ability to create a new city or join an existing one is not solely the right of area residents but is regulated under the County's Home Rule Charter and ordinances in the interest of the common good. As the sole governing body of the unincorporated area, the Board of County Commissioners has the responsibility to assure that incorporation and annexation actions are consistent with the interest of the larger community before allowing the area electors to determine if these same actions are in their interest.

5. The fiscal future of the unincorporated area is at risk. Strong action should be taken by the governing body responsible for the well-being of all of the unincorporated area, the Board of County Commissioners, to implement means of insuring fiscal equity lest the capacity for such action be lost in a tidal wave of fiscally unmitigated incorporations and annexations.

6. The currently adopted approach for maintaining fiscal equity of the unincorporated area by limiting financial resource losses through the application of the allowable per capita tax base range is the simplest, fairest, and easiest means available for maintaining fiscal equity in the unincorporated area. The existing County Charter fully empowers the County Commission to use this approach. Other approaches to area-wide fiscal equity will require considerable effort and consensus building. The Boundaries Commission believes that there is an immediate need to deal with the revenue/resource sharing issue. This effort should be pursued and, until such a program is in place, the tax base range approach should be continued.
7. Fire rescue and police issues are central to the incorporation and annexation process. Increased effectiveness and reduced costs of these services are often priority desires for new city proponents. Conversely, reduced effectiveness and increased costs of these same County services are serious concerns for the remaining unincorporated area and for current municipal users.
8. There is a high level of satisfaction with Metro-Dade Fire Rescue. However, if incorporation and annexation areas continue to opt out of the Fire Rescue District then the ability of the District to effectively and efficiently serve the remaining unincorporated areas and participating cities would be adversely affected.
9. There is dissatisfaction with the level of police services in the unincorporated area. Much of this stems from levels of staffing and the Department's related emphasis on response rather than patrol.
10. In a complex metropolitan area there is significant benefit to having a large and diverse law enforcement agency. The size of the Metro-Dade Police Department provides substantial economies of scale in matters such as helicopter service, specialized investigations, and training. The size of the force also enables it to deal effectively with large-scale emergencies and events such as Hurricane Andrew and the Summit of the Americas in a manner that would not be possible with many smaller departments.
11. No ability to assure that the depth and scope of law enforcement activities that are provided by the Metro-Dade Police both to the unincorporated area and the entire County could be maintained in the face of continued small incorporations. The Boundaries Commission believes that without a solid means of providing for an adequate area-wide police presence, continued erosion of the department by incremental incorporation would put the entire County in jeopardy.
12. Annexation is a valid alternative to incorporation. However, with the requirement for a willing city and willing electors or property owners, annexations have generally been successful only in instances involving vacant land or developed higher tax base residential areas seeking to avoid incorporation into new cities. Strict adherence to the process and criteria would avoid the disruption and confusion of defensive annexations. Without changes to the Charter and Code, there is little likelihood that historic lower tax

base enclave areas will be annexed. When annexation and incorporation efforts occur in the same area at the same time, it is confusing and competitive, to the detriment of both processes.

13. Initially, community councils should be used as the major means of accomplishing the desired improvements to unincorporated area governance since they offer the most advantages and the least disadvantages.

RECOMMENDATIONS

1. With the sole exception of enclave areas, the Board of County Commissioners should fully commit to the current approach for maintaining fiscal equity in the unincorporated area by adopting the present fiscal equity guideline (updated with current data) as a requirement criterion for approval of all incorporation and annexation applications and for acceptance of any such new applications.
2. Because of the generally low household incomes in significant portions of the unincorporated area, the fiscal equity guidelines should be based on an unincorporated area millage that is 85% of the municipal jurisdiction average. This would change the per capita tax base range allowable for incorporation or annexation to approximately \$24,000 to \$41,000 per capita.
3. Steps must be taken to establish an innovative revenue sharing program as an alternative and Countywide approach to providing for fiscal equity among all municipal jurisdictions. Such an approach would allow future incorporations and annexations to go forward with less restrictive fiscal criteria. Any such approach will require considerable consensus building and effort. This Boundaries Commission is prepared to begin the process of convening members of the business, academic and local government communities to start this important action.
4. The Board of County Commissioners should make all attempts to place a revenue/resource sharing proposal on the ballot of November, 1996. The Board should direct an appropriate entity to analyze more thoroughly and evaluate the potential application of various revenue sharing programs and other appropriate alternatives as a means of addressing fiscal inequity in both the unincorporated area and the metropolitan area as a whole. As part of this review, that entity should review and evaluate methods of determining the amount of revenue or resources required to ensure fiscal viability or to equalize municipal services in the participating jurisdictions. That entity should also convene and participate in a workshop of local business, academic and government representatives to discuss and develop a consensus on the opportunities and obstacles involved in such revenue sharing approaches and the elements of an education effort to develop full community understanding of the proposals. That entity should report back to the Board of County Commissioners by September 3, 1996.

Organization: The community councils should be organized to have seven members, six of which should be elected from sub-areas and one should be appointed by the Board of County Commissioners. No more than two of the elected members may be non-residents who have significant business or community involvement in the council area. Those members must be residents of Dade County. All other members must be residents of the council area. Existing County staff should be assigned to work with the community councils so as to minimize new costs associated with their implementation. Such staff may include: a local area community council administrator and administrative assistant, clerical staff and others as needed. Team Metro will develop strong linkages to the councils. Within parameters, each council should be empowered to establish their own procedures for conducting their business and select from the authorized activities those that are tailored to their needs.

Configuration: The overall council area should be large enough to reasonably accommodate local zoning issues without unduly increasing staff requirements. Within each community council area there should be a variable number of sub-areas to ensure that distinct communities have representation in the council. The boundaries of the community councils should be drawn to encompass recognized communities, i.e., Census Designated Places to the extent possible. They should not be required to meet fiscal equity guidelines. Enclave areas that are large enough not to require annexation and that do not desire to be annexed may be part of a nearby community council.

10. All incorporation or annexation requests should meet the criteria described below with the exception of enclave areas. To emphasize this important policy position, the incorporation and annexation criteria should be made requirements for the County Commission's: 1) approval of all currently ongoing requests for incorporation; and 2) acceptance and approval of all future applications.
 - Specifically, steps should be taken to make the following requirements for incorporation and annexation:
 - Boundaries:
 - Not divide a U.S. Census Designated Place, to the extent feasible.
 - Include adjacent areas of ethnic minority and lower income residents in which 10 percent of those residents have so petitioned.
 - Have contiguity and not create any unincorporated enclave area that would 1) be surrounded on more than eighty (80) percent of its boundary by one or more municipalities and 2) of a size that could not be serviced efficiently or effectively.

- Have natural or built barriers as boundaries to the extent feasible. and
- Include a mixture of residential and commercial land uses.
- Area is totally contained within the Urban Development Master Plan.
- Fiscal Equity:
 - An area proposed for incorporation and annexation should have a per capita taxable value that is between approximately \$24,000 and \$41,000.
- The following should be considered not as a guideline but as important information for making recommendations and decisions on the application:
 - The analysis of the impact of the incorporation or annexation on the ability of the County to efficiently and effectively provide services to adjacent remaining unincorporated areas should be expanded to include in particular the impact on the operations of the Metro Dade Police and Fire Rescue Departments.
 - Evidence of support:
 - The petition or application should show support of at least 10% of the area electors.
 - Alternatives:
 - There are no suitable alternatives to incorporation, including annexation to an existing city for the area as a whole or any sub-areas within it that is seeking annexation.
- With regard to current applications, these changes will likely require some reconfiguration of their boundaries to assure that these applications do not unfairly burden or restrict the potential to incorporate the remaining area. As noted, all new requests should meet the criteria prior to their formal acceptance.

BACKGROUND

BOUNDARIES COMMISSION CREATION

The Boundaries Commission was created by the Metro-Dade County Board of County Commissioners in 1995 as a result of a resolution and an ordinance². That action was taken at the conclusion of a special County Commission workshop on incorporation held in July of 1995 at which the Commission heard and discussed The Manager's Report on Incorporation, June 1995. That report was prepared in response to the Board of County Commissioners' concern with the impact of potential incorporations on the unincorporated area as a whole and its desire to consider a range of alternatives for improving governance in the unincorporated area.

BOUNDARIES COMMISSION RESPONSIBILITIES AND APPROACH

By the creating resolution and the ordinance, the Boundaries Commission was directed to:

- Conduct public education concerning a straw ballot of voters on unincorporated area governance alternatives;
- Prepare a comprehensive analysis of incorporation, annexation and their alternatives; and make recommendations on these issues, and
- Make recommendations on individual applications for incorporation and annexation.

In preparing its comprehensive report, the Commission was specifically directed to discuss and seek public input concerning the potential creation of community councils in the unincorporated area. Specifically, the Commission was requested to seek input on the range of functions and responsibilities that the Councils should have, and whether they should be elected or appointed.

Since its first meeting on December 4, the Commission has held 21 regular meetings, all open to the public.³

During the course of its regular meetings, the Commission reviewed a large amount of information and held thorough discussions on many issues. Specifically, the Commission has:

- Reviewed the history and background of the issues⁴;
- Carefully examined and discussed recently adopted changes to the County Code governing incorporation and annexation;
- Reviewed and discussed with its principal investigator, Dr. Milan Dhuly, the Florida International University Institute of Government's survey of residents concerning

² See Appendix A.

³ Copies of the minutes of these meetings are available at the office of the Department of Planning, Development and Regulation.

⁴ See Appendix B for a list of the documents distributed and discussed.

potential improvements in unincorporated area governance and other matters related to incorporation:

- Prepared an informational brochure concerning the three unincorporated government options on the March 12 straw ballot that was widely distributed to unincorporated area residents;
- Worked with the Metro-Dade Communications Department to develop a public information program concerning the straw ballot;
- Analyzed and discussed the results of the straw ballot;
- Requested and heard presentations from the Metro-Dade Fire Rescue Department and the Metro-Dade Police Department on their current operations and on the potential impacts on their operations, and on public safety in general, of the straw ballot options;
- Requested and heard a special presentation from the County Attorney on the legal aspects of the full range of means available for accomplishing fiscal equity;
- Reviewed a fiscal equity proposal presented by Randolph Espinet, Co-Vice Chair of the Planning Advisory Board calling for the designation of the commercial and industrial area west of Miami International Airport as an unincorporated tax base resource and linking it fiscally to the large unincorporated area east of the airport;
- Reviewed a draft revenue sharing proposal submitted to the Commission by Eugene Stearns, Esq., an attorney for several incorporation areas; and,
- Requested and heard a special presentation by Dr. Curtis Johnson, Chair of the Twin Cities Metropolitan Council, about the Minneapolis/St. Paul revenue sharing plan and related issues.

In addition to its regular meetings, the Boundaries Commission also held four public meetings to present information on the straw ballot issues and receive citizen input on the issues of unincorporated area governance.

PUBLIC PERCEPTIONS

The Boundaries Commission has received and reviewed public input on the issues of incorporation, annexation and alternatives from a variety of sources. These include:

- special public meetings;
- the March 12 straw ballot results;
- the Florida International University public opinion survey results; and
- annexation hearings.

PUBLIC MEETINGS

The Boundaries Commission held four public meetings. These meetings were designed to accomplish two goals:

- to inform the unincorporated area voters about the March 12 straw ballot and the three unincorporated area governance options on it;
- to obtain feedback on the issues and in particular on the concept of community councils.

The dates, locations and approximate attendance at these meetings were as follows:

<u>Area</u>	<u>Location</u>	<u>Date</u>	<u>Attendance</u>
North Dade	Highland Oaks Middle School	February 15	70
Middle Dade	Southwest High School	February 22	50
Middle Dade	Miami Killian Sr. High School	February 28	25
South Dade	South Dade Government Center	March 6	35
Total			180

Each meeting involved a presentation and discussion of the content of the straw ballot and general discussion of the question of unincorporated area governance. All of the meetings involved considerable and lively discussion among members of the public and the Boundaries Commission. No consensus emerged from these discussions; rather all points of view were represented. The following major themes emerged in these discussions:

Case-By-Case Incorporation

At several of the meetings, the Commission heard from persons currently involved in several incorporation efforts (East Kendall, Miami Lakes, Doral Park and Palmetto Bay). They spoke largely in favor of case-by-case incorporation or in favor of community councils as a temporary and interim step to full incorporation for their neighborhoods. Some argued that it was important that area residents be entitled to draw-up their own boundaries as these boundaries would best reflect the desires of residents. The proponents also stated that municipal services and access to government decision making and decision makers would be improved through the establishment of full municipal government. Some expressed the concern that their area would be left in the position of supporting the poorer areas of unincorporated Dade if they did not incorporate now.

Community Councils

Other speakers (e.g., the presidents of the Westchester Homeowners Association and the West Golden Glades Civic Association) spoke in favor of community councils. They viewed community councils as a method of maintaining resource equity for all communities and economy of scale in service delivery within the unincorporated area. They also saw community councils as a means of providing area residents with a greater voice in local affairs and as a method for building community involvement.

Some residents expressed the view that community council members should be elected and should be given greater authority than was implied by the straw ballot language⁵. Others expressed the concern that the councils might become just another and expensive layer of government without any real services improvement. On the whole, however, most who spoke to this issue agreed that if community councils were to be created, they should be given significant responsibilities. There was, however, considerable confusion evident over the role of the current Zoning Appeals Board that might be transferred to the councils and concern that council decisions might be disregarded at the County Commission level. Most indicated that they would like to see council members elected, rather than appointed.

Planned Total Incorporation

A few speakers suggested that the total incorporation of all of the unincorporated area into a single city, with its own representatives and with the potential for consolidation with existing cities over time, would resolve some of the desire for full two-tier governance while not increasing division in the County. Others suggested that multiple municipal government units throughout the unincorporated area would be a positive step, but only if the boundaries of the new cities were drawn fairly and concurrently to assure that no area was placed at risk of insufficient services.

⁵ See Appendix C for straw ballot language.

No Change

At several meetings, speakers expressed the desire for things to remain as they are, with a moratorium placed on further incorporations. These speakers objected to the fact that there was no option on the straw ballot that would allow them to make it clear that they did not want any incorporations. They indicated that they were satisfied with existing services and did not want the desires of a few pro-incorporation individuals to prevail.

STRAW BALLOT RESULTS

The Board of County Commissioners, to assist the Boundaries Commission in addressing issues of unincorporated area governance, included a non-binding, straw ballot item on the March 12 presidential preference election. The following alternatives were included on the ballot which was limited to unincorporated area electors.

- Option A -- Continue to have the County consider applications for new cities on a case by case basis.
- Option B -- Continue to have the County provide city services for residents of unincorporated Dade County, but simultaneously create community councils to serve as local zoning appeals boards with authority to make recommendations to the County Commission regarding various other governmental services.
- Option C -- Develop a plan for creating cities throughout the entire unincorporated area.

Table 1 displays the overall results of that ballot.

Table 1
Results of Straw Ballot
on Unincorporated Area Government
Percent Approving

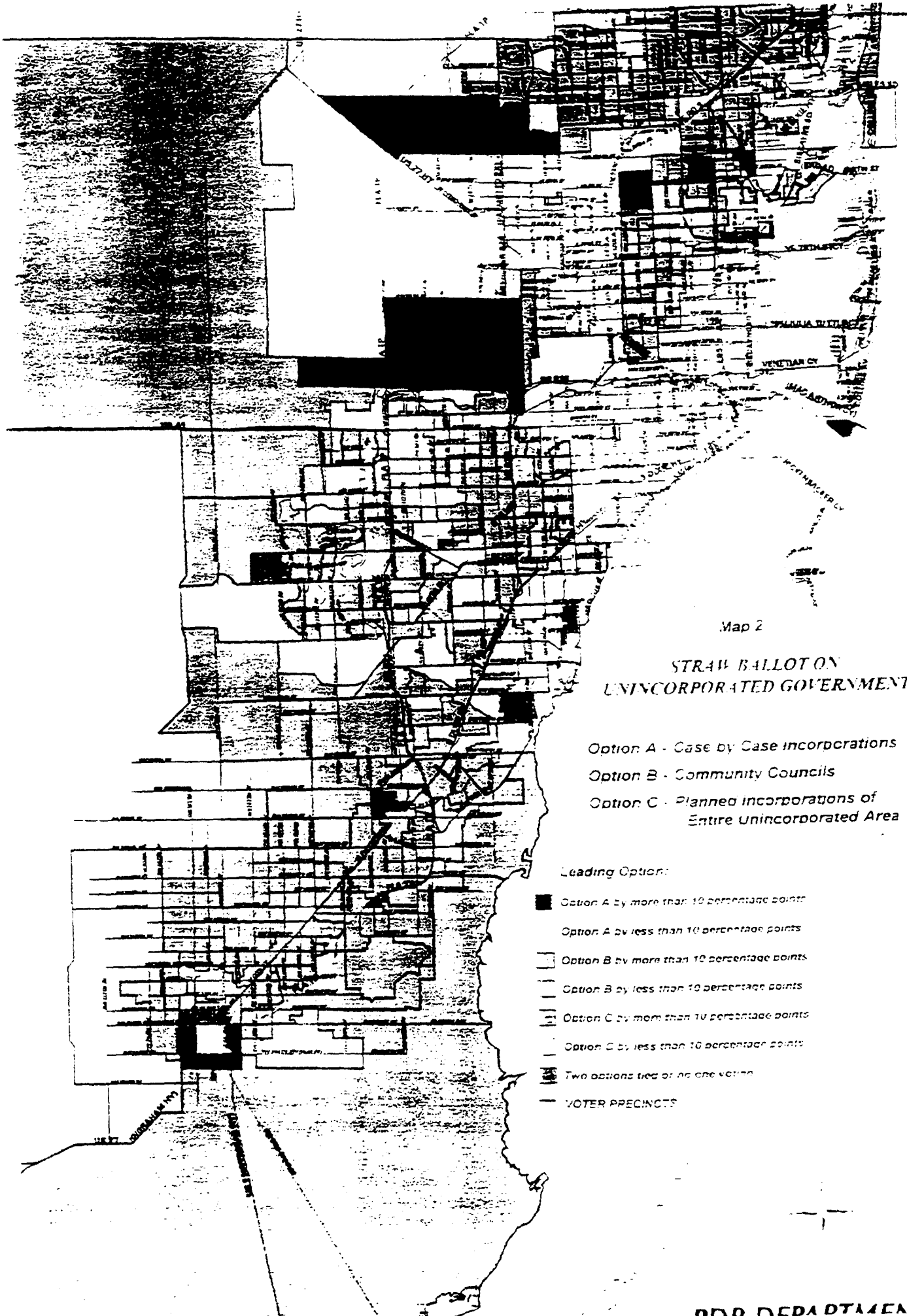
	Registered Voters	% Voting on this Ballot	A Case by Case Incorporation %	B Community Councils %	C Planned Total Incorporation %
Total	403,592	14	34	46	20
Sunny Isles	6,135	12	23	30	47
Destiny	16,330	9	24	47	29
Miami Lakes	6,339	17	49	31	20
Pinecrest	10,542	38	43	42	15
W. Kendall	51,557	13	34	46	20
E. Kendall	26,760	15	36	49	15
Palmetto Bay	9,823	19	42	42	16
Doral	2,867	11	59	29	13
Total, Less Above Areas	283,062	13	33	47	20

Proper interpretation of the straw ballot results is not entirely clear. There are indications that in several areas (East Kendall and Westchester) some voters viewed Option A as the choice that would indicate status-quo, non-incorporation. However, Option C was unquestionably an incorporation choice and Option B was both a choice for non-incorporation and for a lesser level of change. With that in mind, the option with the greatest support was the non-incorporation alternative of continuing to have municipal services provided by Metro-Dade but creating community councils throughout the unincorporated area -- Option B.

As can be seen on Table 1, some, but not all, of the areas that are currently seeking to incorporate are exceptions to this pattern of support for community councils.

It is clear that incorporation is not a priority issue with most unincorporated area residents. The majority of those unincorporated area residents who voted on this issue do not support continued case-by-case incorporation and almost as many favor the community councils alternative as any form of incorporation.

Map 2 depicts the results of the straw ballot by precinct.



Map 2

STRAW BALLOT ON UNINCORPORATED GOVERNMENT

- Option A - Case by Case incorporations*
- Option B - Community Councils*
- Option C - Planned incorporations of Entire Unincorporated Area*

Leading Option:

- Option A by more than 10 percentage points
- Option A by less than 10 percentage points
- Option B by more than 10 percentage points
- Option B by less than 10 percentage points
- Option C by more than 10 percentage points
- Option C by less than 10 percentage points
- Two options tied or no one voted
- VOTER PRECINCTS

The colors indicate the prevailing option, with the greater intensity of color showing that it won by 10 percentage points or more. Dark Green, indicating that the community council option won by a significant margin, is clearly dominant.

FLORIDA INTERNATIONAL UNIVERSITY SURVEY RESULTS

In early 1995 the Board of County Commissioners requested a survey by the Florida International University Institute of Government to examine residents' attitudes towards services. That survey included both unincorporated area residents and residents of existing cities. Separate samplings and tabulations were made of residents in areas that were considering incorporation and in the remaining unincorporated area. Aventura, which had not approved its charter when the survey was begun, was included. The survey also looked at residents' views on incorporation. The final report of that survey is now available and the Boundaries Commission reviewed the findings and spoke with the principal investigator of the study⁶.

Attitudes Towards Incorporation

Among other items, the survey asked the following question:

- If you had to make a decision today about the unincorporated area you live in, would you prefer that your area remain unincorporated, become part of a nearby city as a result of annexation, become incorporated as a city or wait for further study?

Overall, only 19% of unincorporated area respondents said that they would prefer to become incorporated; 42% preferred to wait for further study of the issue and 24 % say they would prefer to remain unincorporated. If residents of the then pending cities of Aventura and Pinecrest are removed from the sample, only 15% wanted to become incorporated and 31% preferred further study. The percentage desiring to remain unincorporated increased to 34%.

Respondents were also asked:

- Do you think that a vote on this issue should be taken in your area as soon as possible during the next few months or do you think that more time is needed before a vote is taken?

Overall, only 25% wanted a vote soon and 59% wanted more information. Removing Aventura and Pinecrest respondents, the percent who wanted to get more information rises to 65% and the percent desiring a vote soon fell to 21%.

The analysis was performed separately for registered voters and for active voters; i.e., those who had voted in the last County Commission election and in the last special election. Even among

⁶ See Appendix D for a summary of survey results.

these respondents, only a small minority expressed a preference for incorporation and by far the largest number preferred to wait for further study or to remain unincorporated.

In the final report, Dr. Dhuly described the characteristics of those most interested in voting on incorporation soon as including: "living in an upper-class neighborhood, older, higher income, White and conservative." He concluded: "There is a small and clearly defined sub-population which is not only interested in cityhood but also in voting on the issue as soon as possible. The rest of the population is simply not ready and most of these people want to wait to vote until they get more information and, when faced with a choice about their future, to wait for further study."

Alternatives To Incorporation

The survey also asked about alternatives to incorporation. The most popular option was the idea of local administrative centers.

These survey results suggest that most unincorporated area residents, including voters, are not prepared to support incorporation at this time. Although the survey was conducted in the Spring of 1995, the fact that the results of the straw ballot also suggest weak support for incorporation and support for a more moderate alternative. Though it is recognized that the voter turnout was limited, these results suggest that there has been little change in public opinion during that time despite increased media attention to it. This suggests that in the absence of a concerted effort to promote incorporation, unincorporated area residents do not support that option.

ANNEXATION HEARINGS

The Boundaries Commission has also held several hearings on proposed annexations. These included petitions to join South Miami, Hialeah Gardens, Coral Gables and Florida City. Three of these hearings involved statements from residents in the area. Their testimony may be suggestive of the views of a cross section of unincorporated area residents to changing municipal jurisdiction.

The testimony of the South Miami annexation area residents was overwhelmingly in favor of remaining unincorporated. Most expressed satisfaction with area services and were opposed to the proposed annexation. This annexation effort was begun in large part in response to residents who were opposed to becoming part of the proposed, new city of East Kendall. Residents in other areas that were not affected by the potential East Kendall incorporation were largely opposed to annexation.

At the hearing for the annexation of Deering Bay to the City of Coral Gables, the applicant's representative stated that the residents and developer would have preferred to remain unincorporated. However, having seen the rapid incorporation of Pinecrest, and aware that efforts would be underway to create the new city of Palmetto Bay which included them, they sought to become part of an existing city. Although the Boundaries Commission was precluded from considering the several applications for separations from the new city of Pinecrest to Coral

Gables. the members were aware that similar desires to not be a part of a new city sparked those requests.

These annexation hearings were not a direct measure of support for remaining unincorporated. Nonetheless they lend support to the findings of the straw ballot and the Florida International University survey that most unincorporated area residents are not interested in forming new cities or changing municipal jurisdiction at this time.

The overall findings are that while there are some highly motivated individuals and groups of individuals seeking to incorporate new cities. the majority of unincorporated area residents are not strongly inclined to incorporate at this time. In many ways unincorporated area residents express relative satisfaction with the services they are receiving and are reluctant to make any dramatic and sudden changes. The Boundaries Commission believes that individuals who are strongly pro-incorporation have been able to raise interest in the issue in some areas. This does not, however, reflect a ground swell of support for the creation of new municipalities in unincorporated Dade County. To the extent that unincorporated area residents and voters want change, they prefer it to be slow and cautious. There is more support for alternatives such as community councils or local administrative centers than for the creation of new cities.

The term "right for self determination" is often used by the proponents of annexation and incorporation. A review of the County Charter and State statutes finds there is no such legal right, to be part of a new or existing city requires the approval of both the County Commission from the standpoint of the larger community and, in most cases, also of the area electors.

CONCLUSIONS

Based on these multiple sources of public input, the Commission concludes:

1. There is a strong desire among residents of the unincorporated area to improve municipal governance by:
 - improving effectiveness of services by bringing decision making and administrative processes closer to residents;
 - enhancing efficiency of services by maintaining economies of scale of key services;
 - maintaining low costs of basic services while providing additional means for purchasing above basic services;
 - recognizing the diversity of needs and desires in the many different areas of unincorporated Dade by giving residents a greater voice.
2. There is also significant concern about the negative impact of continued incorporation and annexation on the unincorporated area and on the County as a whole. That concern seeks solutions that:

- encourage careful consideration of the full range of problems and potentials before initiating major unincorporated area restructuring;
 - above all, avoid divisive fiscal, economic and social fragmentation of the metropolitan area.
3. The interest in incorporating new municipalities or annexing to existing ones is limited to a few areas. On the basis of the straw ballot, the survey conducted by Florida International University and public input at various meetings, it appears that most unincorporated area residents prefer non-city alternatives for governance improvements.
 4. The ability to create a new city or join an existing one is not solely the right of area residents but is regulated under the County's Home Rule Charter and ordinances in the interest of the common good. As the sole governing body of the unincorporated area, the Board of County Commissioners has the responsibility to assure that incorporation and annexation actions are consistent with the interest of the larger community before allowing the area electors to determine if these same actions are in their interest.

PRIMARY ISSUES

Two sets of issues are especially relevant to an analysis of unincorporated area governance enhancement. These are fiscal equity and public safety and protection.

FISCAL EQUITY

Fiscal impacts continue to be the dominant concern about incorporation and annexation. Advocates of new cities configure boundaries for positive bottom lines. Consequently, the unincorporated area service providers are faced with the prospect of budgetary shortfalls. In his 1995 report on this issue, the County Manager estimated the County's revenue shortfalls would be between \$43.3 and \$ 61.3 million if all of the then ongoing incorporations were approved. In his proposed 1996 budget, the Manager has estimated a net loss of \$10.2 million in the UMSA budget from the incorporation of Aventura. He has recommended a reduction of 52 positions in the Police Department alone by the incorporations of Aventura and Pinecrest.

Tax Base Restriction

In his June, 1995 Report on Incorporation, the County Manager examined several approaches for dealing with fiscal equity and recommended the use of a tax base criterion for the approval of incorporation and annexation requests as the method that was most feasible and readily accomplished. The recommended fiscal equity criterion identified a per capita ad valorem tax base range (\$20,000 to \$48,000) that could be removed from the urban unincorporated area without an undue financial burden. At its low end, the criterion indicated the tax base needed to fund a minimally adequate level of municipal services at the average municipal millage rate; neither a new city nor the remaining unincorporated area should be allowed to fall below that tax base level lest they become dysfunctional. At its high end, the criterion indicated the limit of the currently above-minimum tax base of the urban unincorporated area that each incorporation and annexation should be allowed to remove: a few such actions should not be allowed to remove all of the above-minimum tax base.

It should be emphasized that in the interest of being fully equitable, the fiscal equity criterion assumed increases in the current low millage rate of the unincorporated area to the average of Dade's municipal jurisdictions -- a 75 percent increase over the present level that would be significant burden to many home owners. If it is desired to maintain the present low unincorporated area millage rate, then no tax base loss above the current approximately \$31,000 per capita level could be allowed. Also, it is intended that the guideline is to be periodically updated to reflect changed conditions.

The Board of County Commissioners recognized the potential magnitude of the impending financial problems that could result from incorporation and annexation and adopted the Manager's recommended fiscal equity provision as a "consideration guideline" rather than as a

For the formulas for developing the criterion see Appendix E.

"approval criterion". The Board also exempted most of ongoing proposed incorporations and annexations from the County Code provisions that contained the adopted guideline.

Over the ten months since the Manager's Report on Incorporation was prepared there has been much incorporation and annexation activity.⁸ Four applications encompassing \$3.4 billion in unincorporated area tax base have been approved and the number of those in process include 10 with \$13.8 billion in taxable value. Had the approved applications been held to the fiscal equity guideline, 99.9% of the lost tax base would have been retained. Additionally, 68.4% of the tax base of in-process incorporations and annexations is embodied in applications that do not meet the fiscal equity guideline.

Although the approval of all of the above analyzed incorporation and annexation applications would not place the remaining unincorporated area below the minimum fiscal equity tax base level, such actions would establish a precedent that, in all probability, could not be politically reversed or legally defended and it may limit the capacity of adjacent areas to meet the minimum guideline for incorporation.

Other Means

The Boundaries Commission reviewed a variety of other approaches to providing for fiscal equity in relation to the incorporation and annexation processes. The County Attorney reviewed with the Commission members the legal aspects of the full range of tax base restriction, revenue retention and taxation methods that might be available for dealing with this issue.⁹ Two approaches, the existing Minneapolis-St. Paul Metropolitan Area Tax Base Sharing Program and a proposed Municipal Revenue Sharing Program authored by local incorporation attorney Eugene Stearns, were reviewed in detail.

The Twin Cities Tax Base Sharing Program was selected because it is the oldest and largest such activity in existence. Curtis Johnson, Ph.D., Chair of the Twin Cities Metropolitan Council and nationally recognized authority on fiscal equity issues, reviewed the program at a special meeting of the Boundaries Commission.¹⁰ The salient aspects of the program are:

- The participating jurisdictions are 190 cities in seven counties.
- A portion of the increase in value of commercial and industrial tax base since 1971 in each jurisdiction is pooled each year and redistributed to each jurisdiction by a formula that is based on population and relative tax capacity. This added base is then taxed by each jurisdiction at the regional average millage rate.
- The ratio of tax bases among the jurisdictions has decreased from 22:1 to 4:1 over the 25 years the program has been used.
- The program required state legislation that might not be approved today.

⁸ See Appendix F for list.

⁹ See Appendix G for memo from County Attorney Robert Ginsberg.

¹⁰ See Appendix H for summary of presentation by Dr. Curtis.

The Municipal Revenue Sharing Program proposed by Eugene Stearns was reviewed by the Office of Management and Budget.¹¹ The salient aspects of that proposal are:

- It would be applicable to the unincorporated area and all cities in Dade County,
- The County Commission would be authorized to levy a property tax of up to three mills, on a phased in basis, that would be redistributed to the jurisdictions on the basis of population,
- The effect of the program would be to reduce revenues available to jurisdictions with a per capita tax base above the Countywide average and increase revenues for those jurisdictions with a per capita tax base below the Countywide average,
- If a 1 mill tax is levied, \$10 million would be redistributed to cities with below average per-capita tax base; if 3 mills, \$30 million.
- It is proposed to be implemented by means of a County Charter amendment.

At the request of the Board of County Commissioners, the Boundaries Commission also reviewed a proposal by Mr. Randolph Espinet, economist and member of the Planning Advisory Board, to retain a major commercial and industrial complex from incorporation to serve as a "County Business Resource Area" for another low tax base unincorporated community¹². Specifically, he proposed fiscally linking the non-residential portions of the Doral area west of Miami International Airport with the large unincorporated enclave area north east of the airport known as Brownsville, ENCIDA, and Model Cities. The key aspects of this proposal were:

- A commercial and industrial tax base in excess of \$1.6 billion would be fiscally tied to a residential area to raise its current low per capita tax base to an acceptable level.
- the implementation of the proposal would possibly require only a County Commission resolution.

With regard to any program seeking to generate new or reallocate existing resources among jurisdictions, the following questions should be addressed: 1) Would the amount of revenue or resources be sufficient to meet the goals of the effort?; 2) What steps (legislative and other) would be required to put the program in place?; 3) What are the obstacles to taking those steps?; 4) What would occur in the interim to address the issue or to assure that the problem is not made worse?; and, 5) Is the program legally defensible? Answers to these questions with regard to any of the above proposals are not yet available.

¹¹ See Appendix I for summary and review by the Office of Management and Budget.

¹² See Appendix J for summary of proposal.

Conclusions

With respect to the important issue of fiscal equity, the Boundaries Commission concludes:

5. The fiscal future of the unincorporated area is at risk. Strong action should be taken by the governing body responsible for the well-being of all of the unincorporated area, the Board of County Commissioners, to implement means of insuring fiscal equity lest the capacity for such action be lost in a tidal wave of fiscally unmitigated incorporations and annexations.
6. The currently adopted approach for maintaining fiscal equity of the unincorporated area by limiting financial resource losses through the application of the allowable per capita tax base range is the simplest, fairest, and easiest means available for maintaining fiscal equity in the unincorporated area. The existing County Charter fully empowers the County Commission to use this approach. Other approaches to area-wide fiscal equity will require considerable effort and consensus building. This effort should be pursued but in the meantime the tax base range approach should be continued.

Recommendations

After examining these aspects of fiscal equity, the Boundary Commission recommends that:

1. With the sole exception of enclave areas, the Board of County Commissioners should fully commit to the current approach for maintaining fiscal equity in the unincorporated area by adopting the present fiscal equity guideline (updated with current data) as a requirement criterion for approval of all incorporation and annexation applications and for acceptance of any such new applications.
2. Because of the generally low household incomes in significant portions of the unincorporated area, the fiscal equity guidelines should be based on an unincorporated area millage that is 85% of the municipal jurisdiction average. This would change the per capita tax base range allowable for incorporation or annexation to approximately \$24,000 to \$41,000 per capita.
3. Steps must be taken to establish an innovative revenue sharing program as an alternative and Countywide approach to providing for fiscal equity among all municipal jurisdictions. Such an approach would allow future incorporations and annexations to go forward with less restrictive fiscal criteria. Any such approach will require considerable consensus building and effort. This Boundaries Commission is prepared to begin the process of convening members of the business, academic and local government communities to start this important action.
4. The Board of County Commissioners should make all attempts to place a revenue/resource sharing proposal on the ballot of November, 1996. The Board should

direct an appropriate entity to analyze more thoroughly and evaluate the potential application of various revenue sharing programs and other appropriate alternatives as a means of addressing fiscal inequity in both the unincorporated area and the metropolitan area as a whole. As part of this review, that entity should review and evaluate methods of determining the amount of revenue or resources required to ensure fiscal viability or to equalize municipal services in the participating jurisdictions. That entity should also convene and participate in a workshop of local business, academic and government representatives to discuss and develop a consensus on the opportunities and obstacles involved in such revenue sharing approaches and the elements of an education effort to develop full community understanding of the proposals. That entity should report back to the Board of County Commissioners by September 3, 1996.

MUNICIPAL SERVICES

Much of the discussion concerning incorporation involves the perceived dissatisfaction of unincorporated area residents with the municipal services provided in the unincorporated area. The survey conducted by Florida International University sheds some interesting light on this matter. A major finding was that unincorporated area residents are in fact more dissatisfied with upper-tier services (such as the courts, Metro-Rail, etc.) than with lower-tier services. Incorporation would not address these services.

In terms of lower-tier services, unincorporated area residents expressed a relatively high level of satisfaction. These residents were more satisfied than dissatisfied with five of the lower-tier services considered in the study: trash and garbage collection, fire and rescue, libraries, police, and parks and recreation. Planning and zoning, roads and maintenance and code enforcement were rated more negatively than positively. It should be noted that over the past year considerable attention has been paid to improving code enforcement by the hiring of additional code enforcement officers and their assignment to Team Metro Offices.

With regard to incorporation, many factors influence the levels of services in cities. Depending on the revenues available to a new city and on the way that the officials decide to spend those revenues, a new city might be able to provide more services to residents than the unincorporated area. Typically cities spend more per person than the unincorporated area and correspondingly deliver a higher level of service. Nonetheless, many unincorporated area residents do express satisfaction with the services they receive. However, the relative satisfaction with municipal services is not uniform. Those interested in citihood were more likely than others to be concerned about services and in particular to be concerned about crime.

The Boundaries Commission determined that those services related to public safety -- both police and fire rescue -- deserved special attention in their discussions. Representatives of the Metro-Dade Fire Rescue and Metro-Dade Police Departments were invited to attend meetings of the Commission to describe their current operations and the likely impact of the three alternatives

that were contained in the straw ballot and to discuss these issues in general with the members of the Commission¹³.

¹³ See Appendix K for summary of those presentations.

Metro-Dade Fire Rescue Department

The Metro-Dade Fire Rescue Department includes several components: fire suppression, emergency medical services and special operations such as air rescue. In addition, the Department performs prevention services such as inspections, permitting and education. The Department currently provides Fire Rescue services to all of the unincorporated area and to all but five cities. These are Hialeah, Miami, Coral Gables, Miami Beach and Key Biscayne.

It is the view of the Department that a regional approach to fire rescue services is in the best interests of the unincorporated area and of the County as a whole. A regional model involves having a single jurisdiction provide Fire Rescue services throughout the area. In this model the cost of service is supported through a taxing district that broadly distributes the costs. With the exception of the cities mentioned above, Metro-Dade Fire Rescue is a regional system. The size of the District allows for both the delivery of services at a smaller per-unit cost than is possible in a small jurisdiction and a greater capacity to easily deal with large scale emergency fire or rescue situations.

The alternative model is a multi-jurisdictional system, such as exists in Broward County, with each individual jurisdiction either developing their own Fire Rescue services or contracting with other jurisdictions for them. The success of this kind of arrangement depends on complex mutual aid agreements and the willingness of each jurisdiction to contribute its fair share to the costs of services.

The Department representatives noted that a regional system may have some drawbacks in terms of neighborhood satisfaction. They indicated that the Department attempts to be as sensitive as possible to area differences in service needs. It was also noted that the successful approval of the last bond issue for the construction of new stations suggests that the District enjoys widespread community support.

Overall, the Department representatives indicated that the most negative fire rescue situation in the County would be in the transition from a largely single jurisdiction system to truly multiple jurisdiction system. They noted that in Broward, the interlocal arrangements between jurisdictions have evolved over a period of time so that a system is in place.

In terms of the three options, the Department representatives suggested that: with regard to Option A, to the extent that new cities continue to participate in the District, case by case incorporation does not pose a problem. However a new city may, as did Key Biscayne, decide to withdraw from the District. If the voters approve the separation from the district, the loss of the tax base and the necessary reconfiguration of the service area may be detrimental to the remaining district as a whole. With regard to Option B, it was suggested that community councils would have no negative effect on the district. The existence of community councils might be of service to the district in local planning. With regard to Option C, as with A, the impact of new cities throughout the unincorporated area would depend on whether or not they all remained with the District.

With regard to annexations, the Department has noted that when areas are annexed to cities that have their own fire department, there is an erosion in the District's revenues and some threat to service.

Metro Dade Police Department

The Metro-Dade Police Department described its current operation in terms of area-wide functions and municipal-type functions. The area-wide functions include: the sheriffs responsibilities (e.g., warrant services, the courts, etc.), and some law enforcement activities such as the crime lab, record keeping, and major investigations. The definition of a major investigation is not spelled out; it was suggested that it might involve serial events, such as multiple bombings, rather than a single bombing. The Department also handles emergency communications for all but Miami Beach, Coral Gables and Hialeah.

All of the funding for area-wide services comes from area wide taxes -- paid by property-owners in cities and in the unincorporated area. The operations of the eight (soon to be nine) police districts are supported by unincorporated area taxes only -- not by area-wide support. Other central and specialized law enforcement functions, such as training, special units such as canine patrol and helicopters, and major investigations are centralized and are paid for by both unincorporated area funds and area-wide funds. About 90% of the activity of these units is spent in the unincorporated area and an equivalent share of the cost is born by the unincorporated area.

It was pointed out that for some functions there are clear economies of scale. The fact that the unincorporated area law enforcement agency is so large allows it to place a substantial investment in training -- one that is not possible for small police departments. The training facilities of Metro-Dade are made available to municipal police forces on an "as-available" basis--e.g., if there is space available in a training class, an officer from Sweetwater or Miami Springs may be able to participate. The costs associated with services for other agencies are attributed to area-wide funding. The as-available sharing of services and facilities is true of helicopter services, major investigative services, the canine unit etc.. Priority is always given to unincorporated area needs and area-wide funding is used for the portion of the services that are provided area-wide.

In terms of service orientation, it was also noted that, given the size of the jurisdiction and the number of available officers, the Department operates under a response orientation rather than a patrol orientation. Without a significant infusion of new funding, a major shift to a patrol orientation is not reasonable.

With regard to straw ballot Option A, the Department stated that if the more affluent areas continued to incorporate, direct police service in the remaining unincorporated area would likely be reduced; investigative, technical and administrative support services to the County would be reduced; support to other agencies would be reduced; and the ability of the department to handle major emergencies and special events would be reduced.

With regard to Option B, the Department stated that it would have the least impact on services and may offer another source of valuable input to the Department.

With regard to Option C, if all of the new municipalities opted to have their own police force -- and there is not currently a way for the Department to provide long-term municipal law enforcement to cities -- the Department would be severely reduced. There would be no ability to shift resources from one area of the County to another for an intensive public safety or law enforcement situation; the Department's ability to assume police functions for a municipality making a request would be severely hampered; and, those centralized functions that would have to be maintained (e.g., communications, crime lab, etc.) would continue.

Conclusions

Based on these meetings the Boundaries Commission reached the following conclusions:

7. Fire rescue and police issues are central to the incorporation and annexation process. Increased effectiveness and reduced costs of these services are often priority desires for new city proponents. Conversely, reduced effectiveness and increased costs of these same County services are serious concerns for the remaining unincorporated area and for current municipal users.
8. There is a high level of satisfaction with Metro-Dade Fire Rescue. However, if incorporation and annexation areas continue to opt out of the Fire Rescue District then the ability of the District to effectively and efficiently serve the remaining unincorporated areas and participating cities would be adversely affected.
9. There is dissatisfaction with the level of police services in the unincorporated area. Much of this stems from levels of staffing and the Department's related emphasis on response rather than patrol.
10. In a complex metropolitan area there is significant benefit to having a large and diverse law enforcement agency. The size of the Metro-Dade Police Department provides substantial economies of scale in matters such as helicopter service, specialized investigations, and training. The size of the force also enables it to deal effectively with large-scale emergencies and events such as Hurricane Andrew and the Summit of the Americas in a manner that would not be possible with many smaller departments.
11. No ability to assure that the depth and scope of law enforcement activities that are provided by the Metro-Dade Police both to the unincorporated area and the entire County could be maintained in the face of continued small incorporations. The Boundaries Commission believes that without a solid means of providing for an adequate area-wide police presence, continued erosion of the department by incremental incorporation would put the entire County in jeopardy.

Recommendations

Therefore, the Commission recommends that:

5. If new incorporations are approved, they should be encouraged to remain in the Fire Rescue District. However, the configuration of new municipalities should be such that if the residents were to vote to leave the District, there would be no undue adverse impact on fire rescue services in the remaining service area.
6. The Commission recommends that the Metro-Dade Police Department, in conjunction with the County Manager's office, develop a process to assure that adequate Countywide law enforcement would continue in the face of continued incorporations.

ALTERNATIVES ANALYSIS

The Boundaries Commission reviewed and evaluated in depth the major alternatives for enhancing local governance in the unincorporated area. These included the following that were and were not included explicitly on the straw ballot:

- Annexation -- The inclusion of portions of the unincorporated area into existing cities. This was not a straw ballot option.
- Incorporation -- The creation of new cities in the unincorporated area on a case by case basis and concurrently throughout the entire unincorporated area. These were Option A and Option C on the straw ballot.
- Community councils -- The establishment of area boards in the unincorporated area to make selected decisions or recommendations on matters of local concern. This concept was encompassed in straw ballot Option B.

The Boundaries Commission reviewed and evaluated the alternatives in three ways:

- by thoroughly analyzing the alternatives,
- by developing a set of conceptual configurations depicting the potential outcomes of an alternative, and,
- in the case of the incorporation and community councils alternatives, by analyzing each option in terms of a common set of questions.

ANNEXATION

Annexation has been a popular means of bringing unincorporated areas within a municipal jurisdiction. From 1957, when the Metro-Dade government was established, up until this year there has been approximately as much land annexed as incorporated. However, virtually all of these annexations have been by owners of vacant land seeking city-provided infrastructure or liberal zoning. Prior to the most recent annexations, less than one hundred owner-occupied homes had been absorbed within existing cities within the last 25 years.

Recently, in response to increased interest in incorporation, extensive annexations of developed residential areas have been sought by home owners or city officials, often of the same area at the same time. Annexation has become an alternative to incorporation that holds some of the same benefits and burdens. Several issues of annexation were examined.

Infill Annexation

Small enclave unincorporated areas exist in several locations. As defined by the current annexation guidelines, these are areas that are bounded by cities on 80% or more of their boundaries and are of such a size that they cannot be effectively or efficiently serviced by the County. These areas exist in several locations.

The County is unable to force the annexation of these areas to an adjacent city. The County Charter requires approval by the receiving city and the majority of the voters in areas with more than 250 electors. The County Code currently also requires either property owner or voter approval in areas with less than 250 electors.

Limited "Squaring Off" Annexations

Where existing city boundaries are ragged and illogical, there is merit to squaring off these boundaries. Such action could make communities whole and make municipal services provision more efficient and effective. Again, to accomplish this requires approval of the annexing cities as well as the property owners or voters in the annexation areas. The ongoing South Miami squaring off annexation will test the viability of this approach.

Comprehensive Annexations

From time to time it has been suggested that all of Dade's urban unincorporated area be made part of existing cities. Given the smallness of many existing cities, these proposals usually have also called for the reconfiguration of Dade's municipalities into much larger units.¹⁴

The stated advantages of this approach include:

- Dividing the unincorporated area among experienced cities as opposed to totally new ones as with incorporation;
- In conjunction with city mergers, potentially helping or eliminating cities that are too small in size or without sufficient resource base to be efficient or effective.

There is now no method available for accomplishing this approach without approval of cities and annexation area residents. (See discussion of infill annexation above).

Annexation Concurrent With Incorporation

The recent incorporation proposals have in some areas resulted in a series of defensive annexation requests. These concurrent annexations are often divisive and always confusing. If a well conceived incorporation is initiated within the adopted incorporation criteria and is strongly

¹⁴ Touche Ross and Company, Report on Two-Tier Government in Miami/Dade County, 1978, p. 53.

supported, it should be allowed to run its course without hastily conceived annexations that are not consistent with the guidelines being allowed to occur first, so long as there is strict adherence to the process, including the appropriate notice to all homeowners affected in the drawing of boundaries. Adhering to the annexation guidelines and process would help eliminate defensive, "cherry picking" annexations. An additional means of overcoming this problem would be to require a stronger showing of support for incorporation before initiating the process (i.e., as with special tax districts) and then place a moratorium on concurrent annexations until the incorporation process has been completed.

Conceptual Configuration

Only the elimination of enclaves and the squaring off of irregular city boundaries was analyzed from a conceptual configuration standpoint. Map 3 shows the result of a conservative approach to these limited annexations. As noted above, there is, at present, no means of accomplishing this without County Charter and/or Code Changes.

Conclusions

With respect to annexations, the Boundaries Commission concludes:

12. Annexation is a valid alternative to incorporation. However, with the requirement for a willing city and willing electors or property owners, annexations have generally been successful only in instances involving vacant land or developed higher tax base residential areas seeking to avoid incorporation into new cities. Strict adherence to the process and criteria would avoid the disruption and confusion of defensive annexations. Without changes to the Charter and Code, there is little likelihood that historic lower tax base enclave areas will be annexed. When annexation and incorporation efforts occur in the same area at the same time, it is confusing and competitive, to the detriment of both processes.

Recommendations

With regard to annexation, the Boundaries Commission recommends:

7. Annexations and incorporations should be encouraged of enclave areas that are determined to be too small to be effectively and efficiently served by the County. To facilitate this, the County Code should be changed to remove the requirement for elector approval for the annexation of areas with 250 or less electors and to allow the Board of County Commissioners to initiate incorporation or annexation where an enclave is 100% surrounded by municipal boundaries.
8. The annexation process and criteria should be strictly adhered to, so as to avoid disruptive and confusing concurrent annexations within ongoing incorporation areas which have demonstrated a strong showing of support.

INCORPORATION AND COMMUNITY COUNCILS

The straw ballot options were used to evaluate the incorporation and community council alternatives. Although the basic dimensions of incorporation are known to most residents, the concept of community council is new and only partially dimensioned in the straw ballot language. As requested by the Board of County Commissioners, the Boundaries Commission directed considerable effort in developing the approach that could be used to permit more specific analysis of this alternative.

The following parameters were proposed to guide the consideration of the community councils alternative.

Community Councils

Number: Eight to twelve community councils should be established throughout the unincorporated area. All but one or two should be contained within the urban Development Boundary.

Purpose: Community councils will seek to provide the following benefits of incorporation and avoid the major pitfalls. They will seek to:

- increase accountability, accessibility and responsiveness to key community issues.
- improve service effectiveness by making them more responsive to community desires.
- retain service efficiencies by maintaining economies of scale.
- continue fiscal equity by preserving the ability to match needs and resources in the unincorporated area, and
- through their configuration foster a sense of community identity, inclusiveness and empowerment at the local level.

Functions: These should center on the following: zoning, planning, budgeting, communications and public services. The extent to which each community council assumes or emphasize functions beyond zoning will be locally determined. The goal is to allow different areas to develop their own agenda of activities within the options provided.

Zoning

- study and decide on community-level zoning requests.
- recommend on regional-level zoning requests.

Planning

- compile profiles of community social, physical and economic conditions,
- prepare an annual statement of community needs including development patterns and regulations, public facilities and services.
- recommend on community-related Comprehensive Development Master Plan amendments, and
- recommend on public facility locations and other infrastructure issues within the community.

Budgeting

- recommend expenditure priorities for community facilities and services and on Community Based Organization grants in the area, and
- recommend revenue needs including unincorporated area property tax millages and special taxing districts.

Communications

- conduct forums on community issues for exchange of information between community residents, property owners, business, local government and County administrators.
- disseminate information about community and County organizations, programs and activities.
- work with local Team Metro offices to facilitate and expedite community needs, in particular with regard to code enforcement.

Public Safety

- work with the Metro-Dade Fire and Police Departments to enhance public safety in their areas through better communication and service needs assessments.

Organization: The community councils should be organized to have seven members, six of which should be elected from sub-areas and one should be appointed by the Board of County Commissioners. No more than two of the elected members may be non-residents who have significant business or community involvement in the council area. Those members must be residents of Dade County. All other members must be residents of the council area. Existing County staff should be assigned to work with the community councils so as to minimize new costs associated with their implementation. Such staff may include: a local area community council administrator and administrative assistant, clerical staff and others as needed. Team Metro will develop strong linkages to the councils. Within parameters, each council

should be empowered to establish their own procedures for conducting their business and select from the authorized activities those that are tailored to their needs.

Configuration: The overall council area should be large enough to reasonably accommodate local zoning issues without unduly increasing staff requirements. Within each community council area there should be a variable number of sub-areas to ensure that distinct communities have representation in the council. The boundaries of the community councils should be drawn to encompass recognized communities, i.e., Census Designated Places to the extent possible. They should not be required to meet fiscal equity guidelines. Enclave areas that are large enough to not require annexation and that do not desire to be annexed may be part of a nearby community council.

Current Guidelines

The current incorporation guidelines were reviewed as a point of comparison for the graphics and analytical consideration of the incorporation options. The current guidelines for incorporation include three kinds of parameters:

- Fiscal -- Does the incorporation fall within the recommended range of \$20,000 to \$48,000 per-capita taxable value?
- Social -- Does the proposed boundary provide for a community that is cohesive and inclusive, specifically not dividing a Census Designated Place and not excluding an adjacent area of lower income or minority resident if a majority have petitioned to be included? ; and.
- Physical -- Does the area include a mixture of land uses and have logical boundaries?

The complete text of the guidelines as they apply to incorporation and annexation are contained in Sections 20-23 and 20-7 of the County Code.¹⁵

Conceptual Configurations

For a graphic analysis of the potential incorporation and community council alternatives, four informational maps were used to show key aspects of these characteristics as they exist within the Urban Unincorporated Area (that portion of the unincorporated area within the Urban Development Boundary of the County's Comprehensive Development Master Plan). These maps were:

- A square mile section map that depicts whether each section falls below, within or outside of the \$20,000 to \$48,000 range of allowable per capita taxable value.

¹⁵ See Appendix L.

- A map of Census Designated Places. These are communities recognized by the local community and the Census Bureau as having some identity.
- A map of racial/ethnic residential patterns based on a block level census data.
- The County Land Use Plan Map, depicting the variety of existing land uses and activity centers.

Case-by-case Incorporation

The configuration of Option A was based on the incorporation of all of the proposals that are currently in process. Although not included in this analysis, additional incorporations could be projected using the 10,000 to 20,000 person population and above average tax base that have been characteristic of recent new cities. The Option A configuration assumed that the existing guidelines are not used either to alter the boundaries of the proposed incorporation applications or deny them. This conceptual Option A pattern was overlaid on each of the three key informational maps. (See Maps 4 through 6.)

In terms of the fiscal parameter, it is clear from Map 4 that the boundaries of most of the existing applications largely ignore the fiscal equity guideline. All but two of the ongoing proposed incorporations include a disproportionate share of high taxable value area. It is noteworthy that, when those areas are removed through incorporation, there is a substantial reduction in the capacity of the remaining unincorporated area to meet the fiscal equity guidelines.

Map 5 shows that in terms of the Census Designated Places, the applications for the most part do not significantly divide any. The exception is Palmetto Bay which divides the Perrine CDP.

With regard to the ethnic and racial characteristics of the areas, there are some clear demarcations shown on Map 6. For example, there is a well established Black community to the west of Palmetto Bay, while the application area itself is largely non-Hispanic White. A low density and predominantly Hispanic community is just north of Miami Lakes and a largely Black community is northeast. However, there is no evidence that these boundaries were designed to exclude adjacent minority communities and there is also no evidence that residents in those areas would be desirous of being included in the pending incorporation.

In terms of land uses, for the most part there are mixtures of land uses. However, Palmetto Bay is largely residential while Doral includes a large industrial and commercial area.

Having reviewed these maps, members of the Commission were impressed by the extent to which these current incorporation applications would draw off a substantial share of the high per-capita tax base unincorporated area and, in the case of Doral, a large and developing share of commercial and industrial land uses¹⁶.

¹⁶ This developing commercial and industrial area is the area that was proposed by Randy Espinet as a potential resource area for the large unincorporated enclave area northeast of

Total Concurrent Incorporation

Next, a conceptual map was drawn of Option C, in accord with the adopted guidelines. The fiscal equity guidelines were used as the priority consideration in delineating nine hypothetical municipal areas. These had per capita tax bases that ranged between \$22,000 and \$30,900 and populations from 86,100 to 131,100.

Other potential configurations could be drawn. However, the existing pattern of tax base distribution in the unincorporated area places very real limits on the alternatives for which the fiscal equity guidelines could be maintained. For the potential sites to be smaller in size and greater in number would require that the fiscal equity tax base range be extended to permit lower and higher per capita tax base cities.

By design, the hypothetical municipal areas are successful with respect to fiscal equity as seen on Map 7. From other standpoints, the configuration of Area 3 is far from ideal, but there are no other possibilities for providing the large enclave area northeast of Miami International Airport with resources that would bring its \$8,000 per capita tax base within the equity range.

As shown on Map 8, the hypothetical municipal boundaries generally keep Census Designated Places whole except for those in South Dade that straddle U.S. 1, which is a dividing line for potential municipal areas. Again, the tax base patterns dictate those municipal area boundaries.

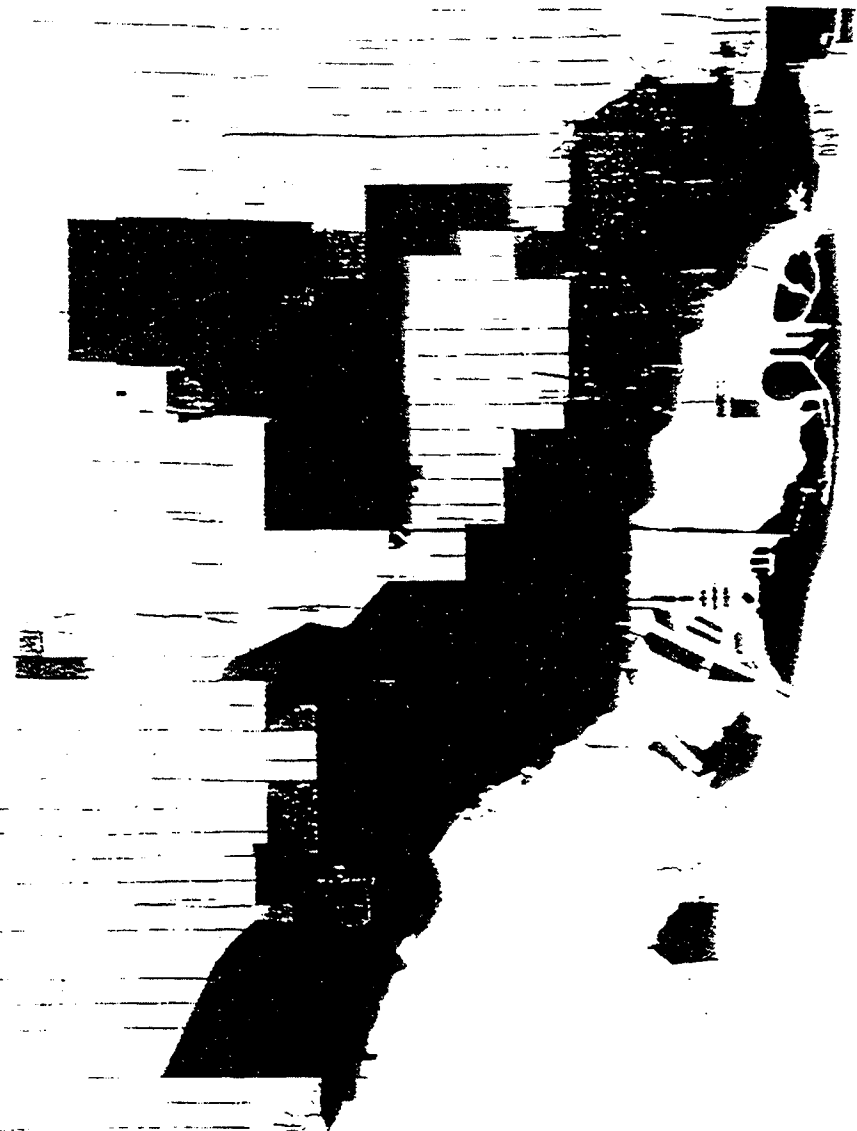
As indicated by Map 9, the hypothetical municipal boundaries are large enough to generally contain ethnically diverse populations. Since, by design, all of the unincorporated area is included in potential municipalities with fiscally equitable tax bases, there is no minority or low income exclusions.

This analysis suggests that it would be possible to configure fiscally balanced cities throughout the unincorporated area. Those cities, however, would be larger than any of the pending applications and would not reflect any real sense of recognized community.

Community Councils

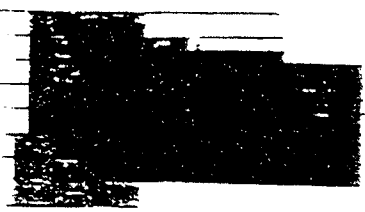
The Boundaries Commission believed that community councils should be configured in terms of recognized communities and Census Designated Places, rather than with priority consideration given to fiscal equity. As seen on Map 10, a configuration of eight such councils was drawn to conceptualize the possibilities. The configuration honors Census Designated Place boundaries. The relationship of the proposed area to fiscal equity was not mapped, since they would keep the current unincorporated tax base district. If community councils areas sought to incorporate they would be expected to meet the fiscal equity guidelines unless a substitute revenue sharing device was in place.

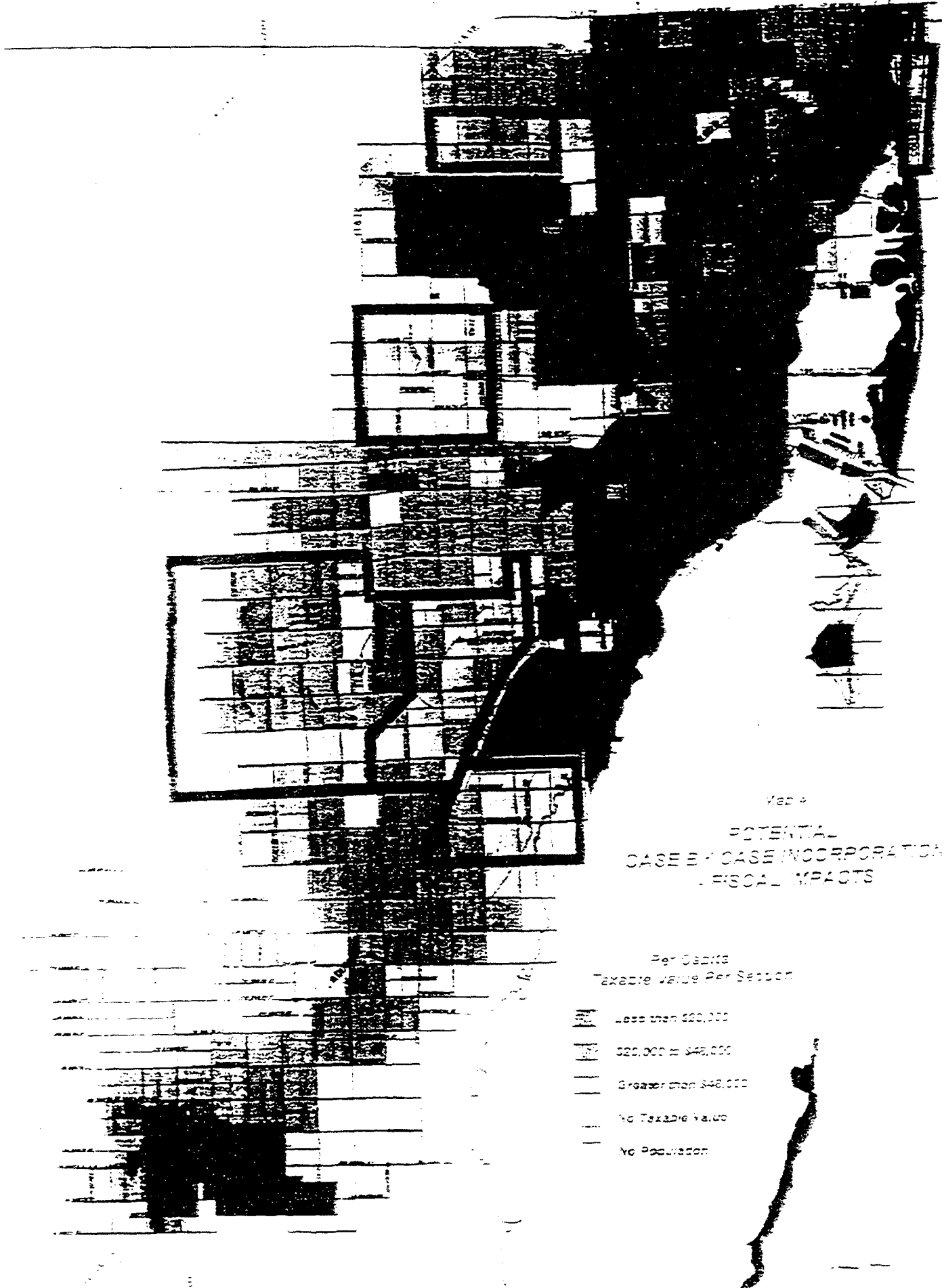
MIA. (See discussion above.)



Map 3

POTENTIAL
ENCLAVE AND
"SQUARING OFF" ANNEXATIONS

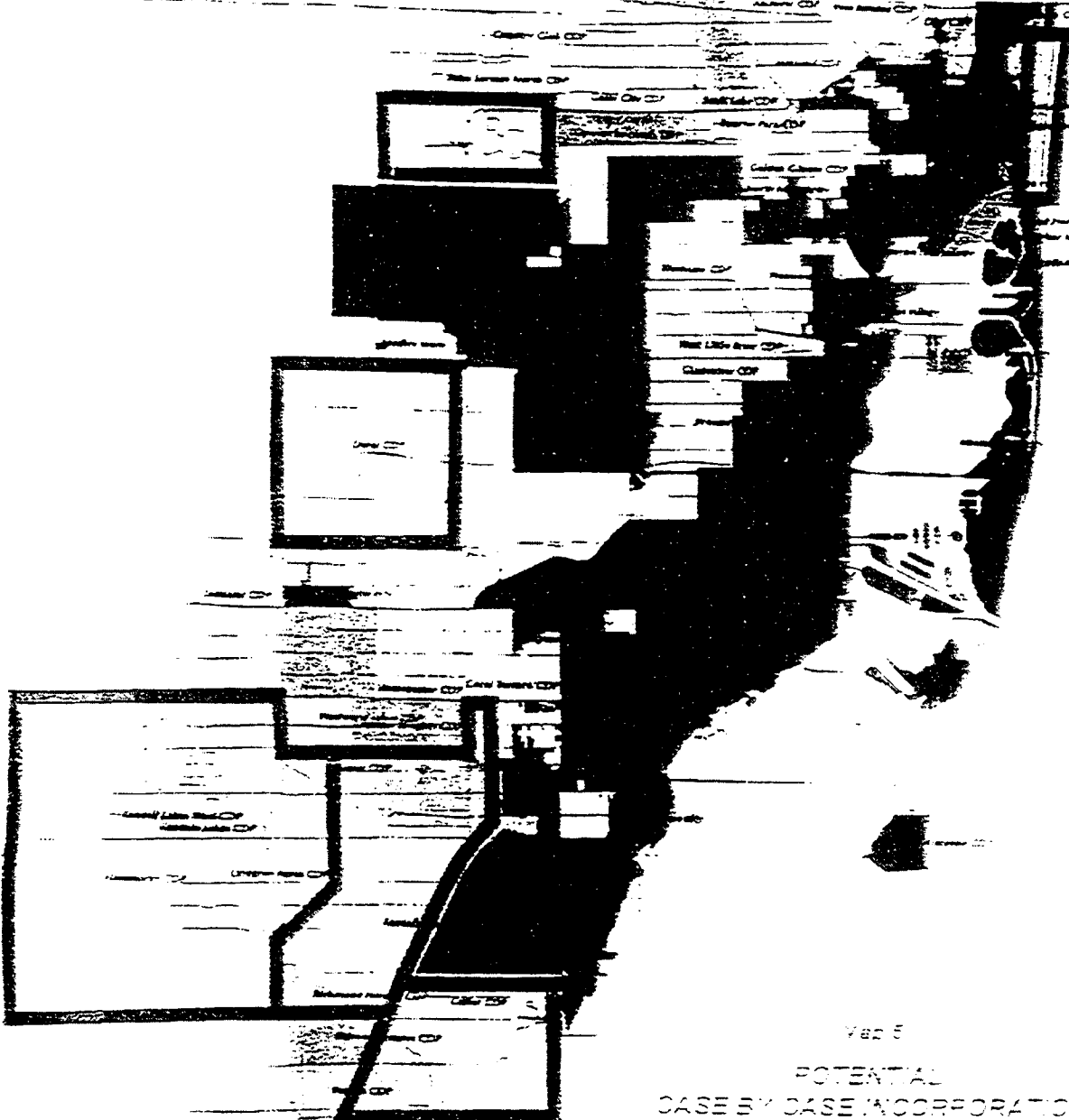




Map 9
 POTENTIAL
 CASE-BY-CASE INCORPORATION
 FISCAL IMPACTS

Per Capita
 Taxable Value Per Section

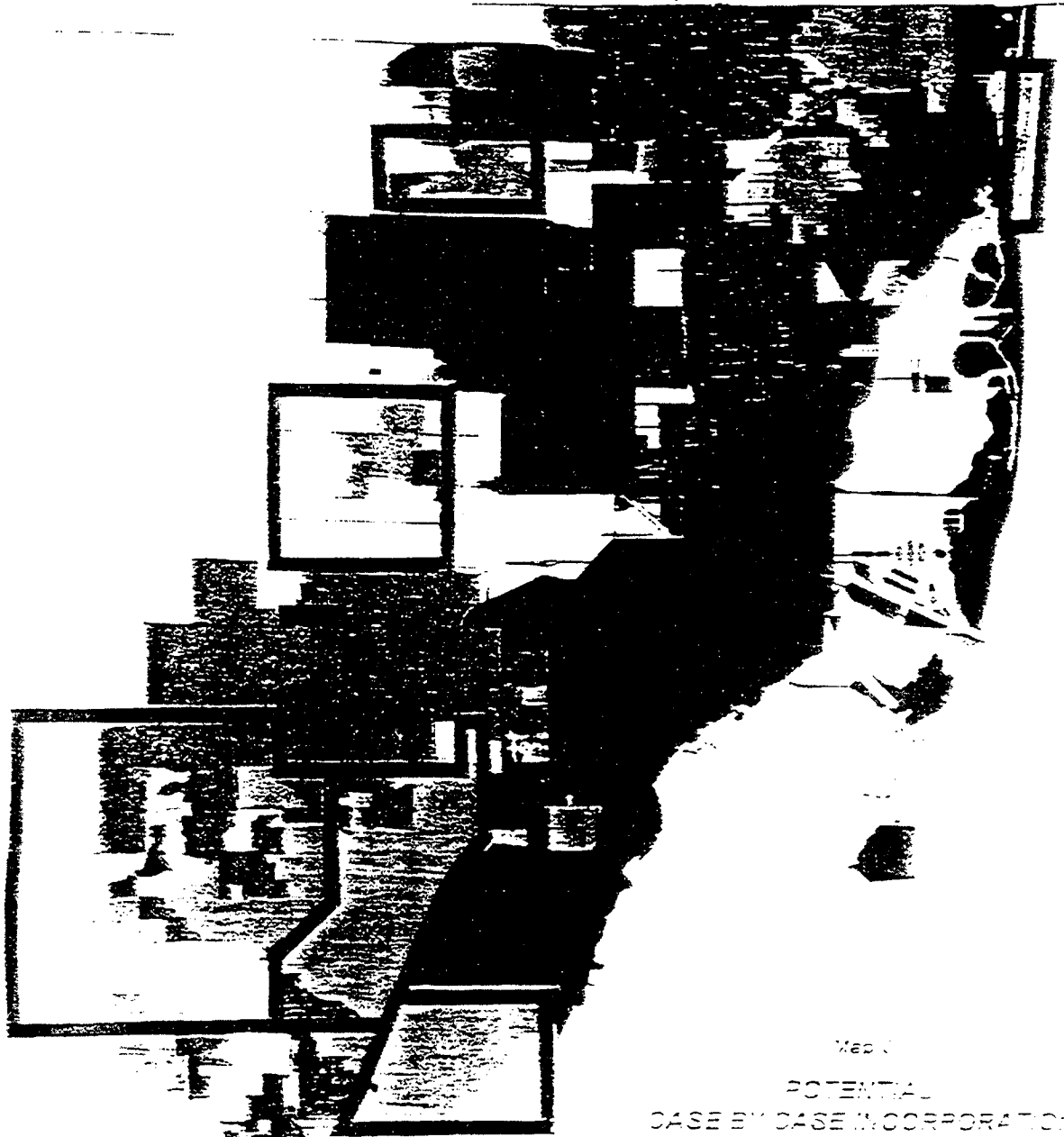
- Less than \$20,000
- \$20,000 - \$40,000
- Greater than \$40,000
- No Taxable Value
- No Population







Map 5

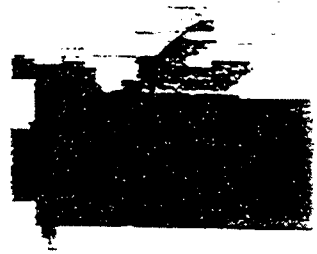
POTENTIAL
 CASE BY CASE INCORPORATION
 - COMMUNITY IMPACTS
 Census Designated Places

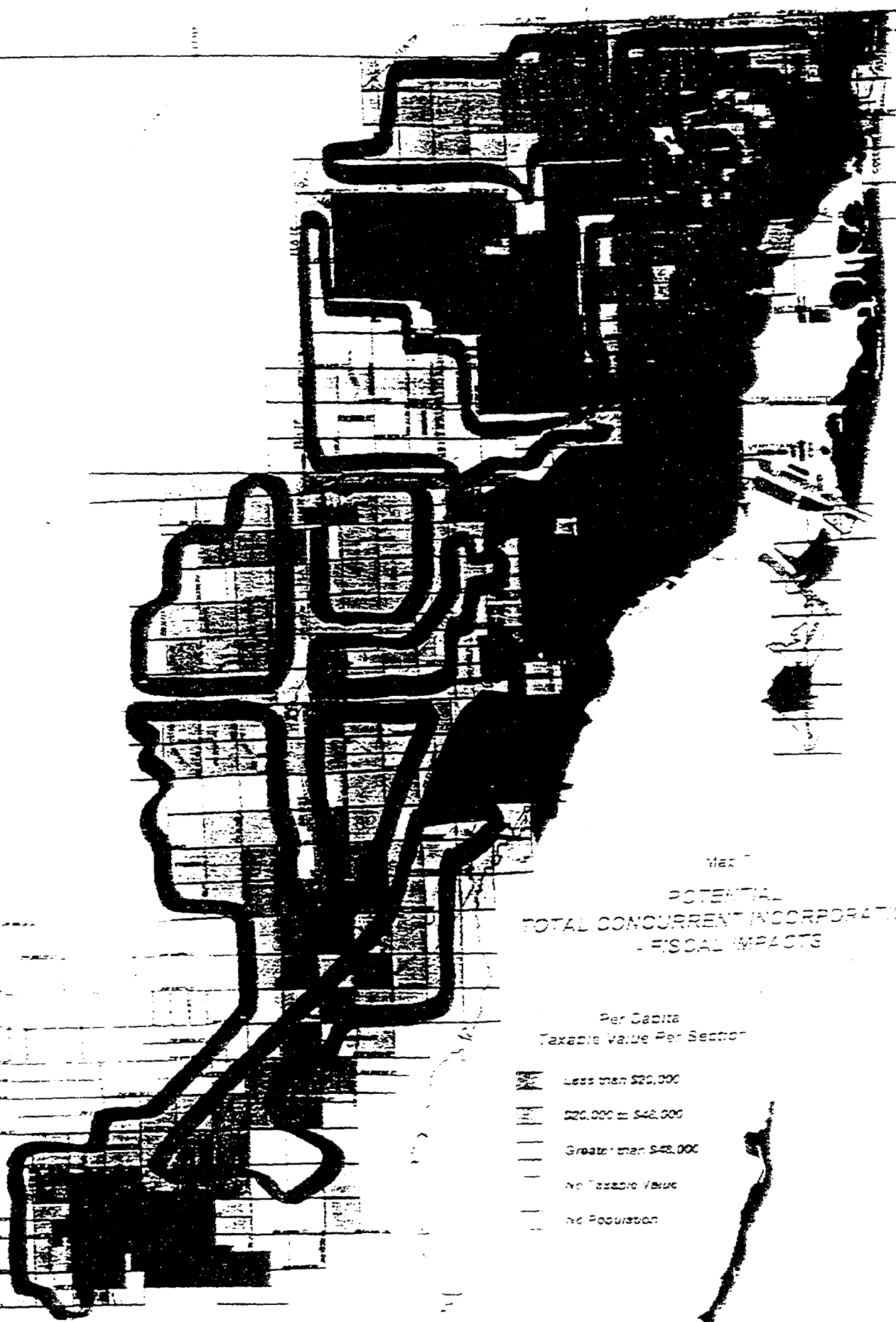




Map 1
 POTENTIAL
 CASE BY CASE INCORPORATION
 - SOCIAL IMPACTS






-  Hispanic
-  Black
-  Non-Hispanic White
-  Mixed

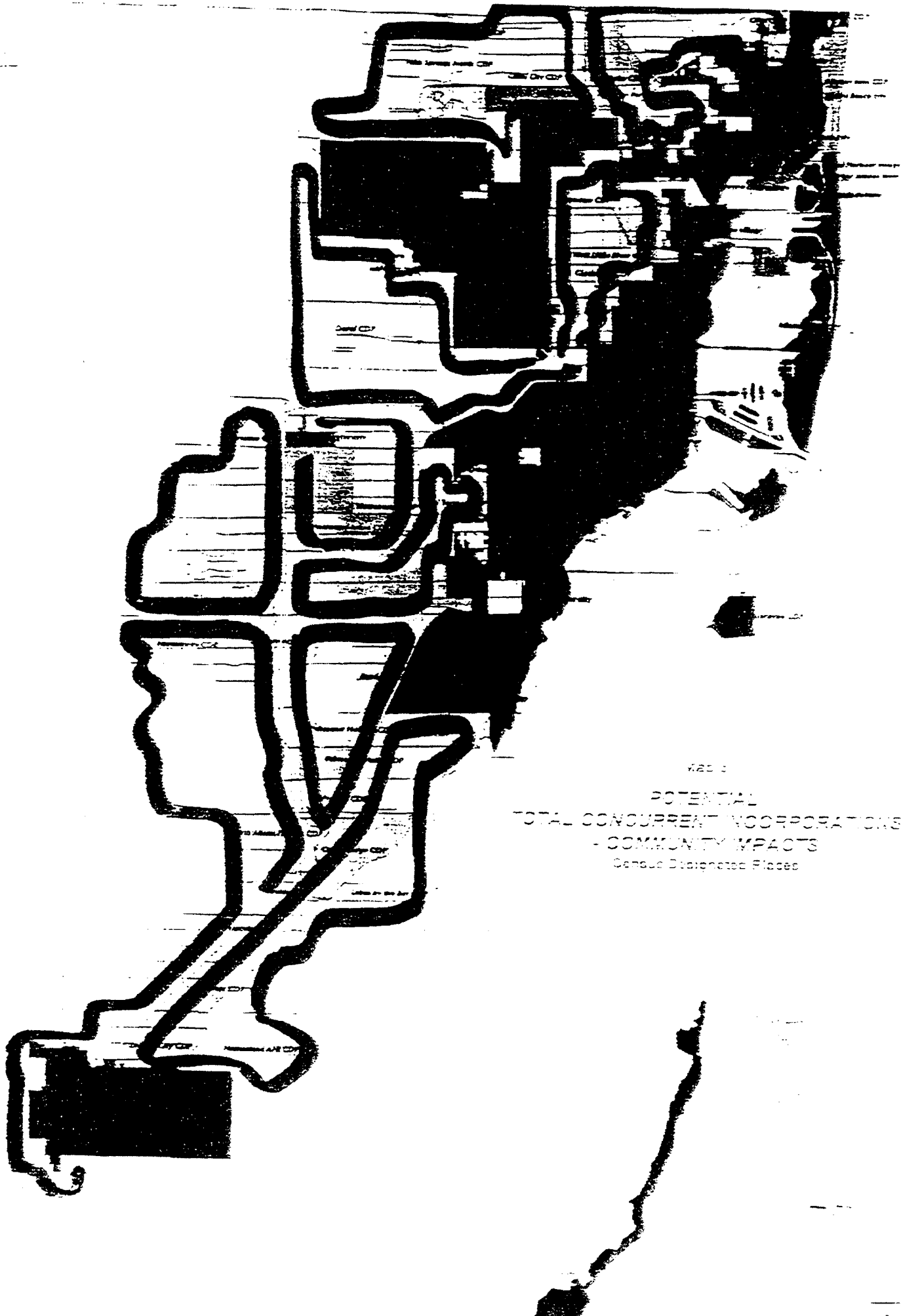




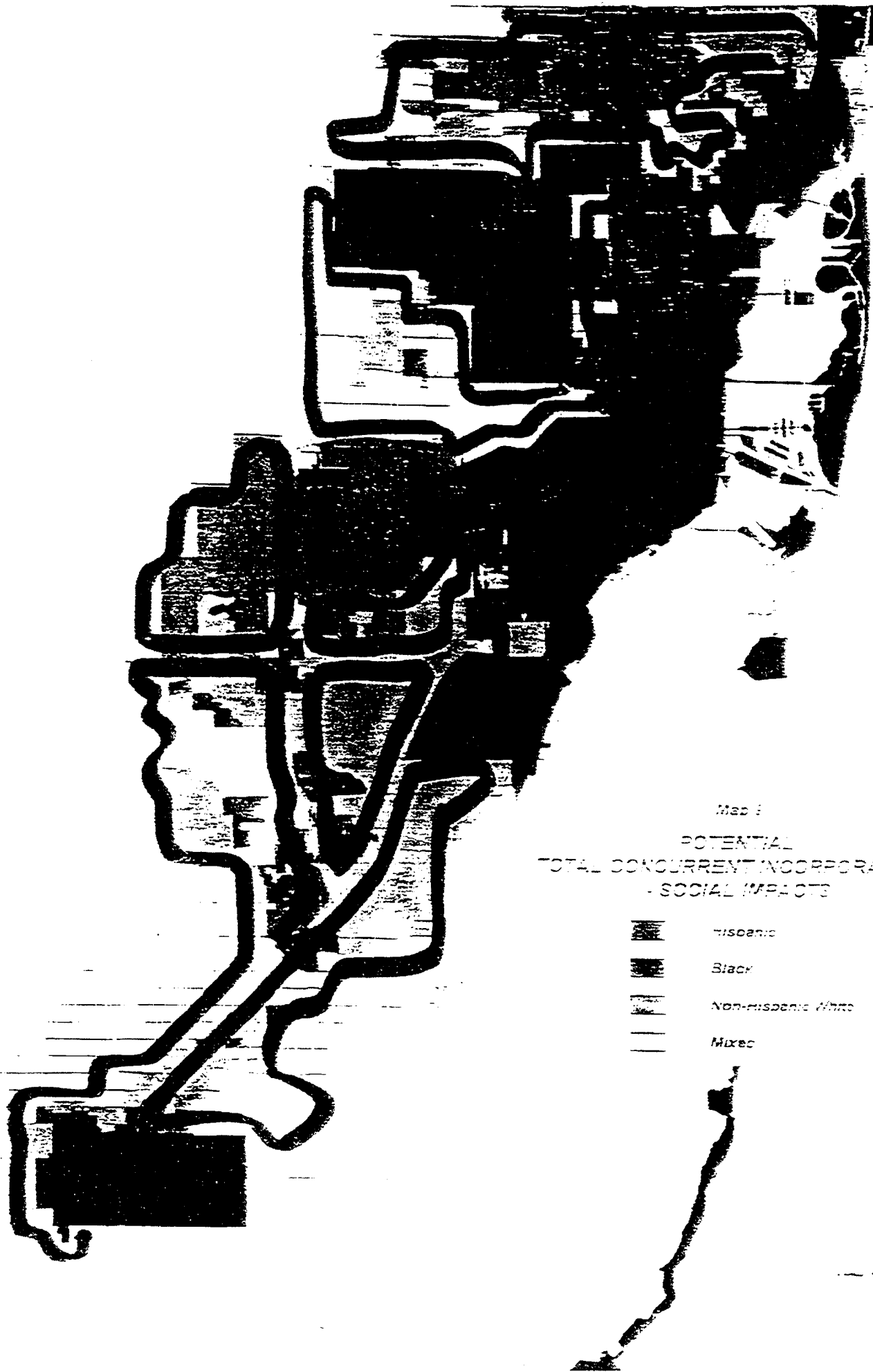
Map 7
 POTENTIAL
 TOTAL CONCURRENT INCORPORATIONS
 - FISCAL IMPACTS

Per Capita
 Taxable Value Per Section

-  Less than \$20,000
-  \$20,000 to \$40,000
-  Greater than \$40,000
-  No Taxable Value
-  No Population







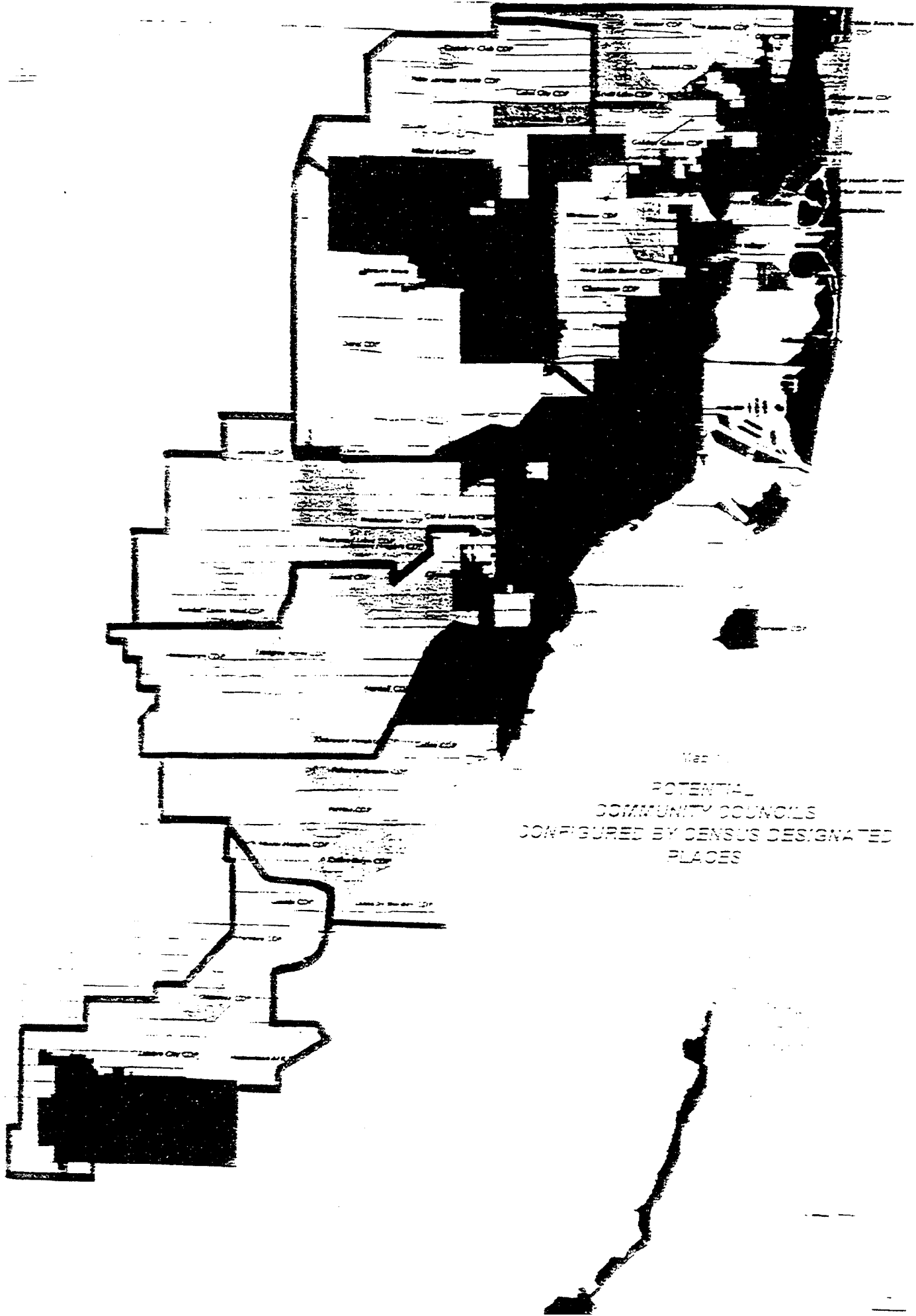
MAP 1
POTENTIAL
TOTAL CONCURRENT INCORPORATIONS
- COMMUNITY IMPACTS
Census Designated Places



Map 3

POTENTIAL
TOTAL CONCURRENT INCORPORATIONS
- SOCIAL IMPACTS

-  Hispanic
-  Black
-  Non-Hispanic White
-  Mixed



Map 1
POTENTIAL
COMMUNITY COUNCILS
CONFIGURED BY CENSUS DESIGNATED
PLACES

Analysis Of Alternatives

The Boundaries Commission also reviewed and evaluated the options with regard to a common set of questions:

- What is the impact of the option on fiscal equity?
 - Does the option minimize or exacerbate fiscal inequity?
 - What is the potential for unequal services and unequal tax effort among the new jurisdictions?
 - Are there viable alternatives in place, or likely to be in place in a timely fashion, to minimize negative effects?
- How does the option affect services (locally and in the remaining area)?
 - What effect, if any (positive, negative or neutral) would the option have on services?
 - In particular, what is the effect on public safety, i.e., police and fire rescue services?
 - Are there viable alternatives in place, or likely to be in place in a timely fashion, for minimizing negative impacts?
- How does the option affect area wide concerns?
 - What impact, if any (positive, negative or neutral) does the option have on area-wide concerns such as:
 - economic development,
 - the siting of area wide facilities or locally undesirable land uses,
 - sense of community cohesion?
- How does the option address local concerns?
 - From the perspective of the local area that may seek incorporation or become part of a community council, what impact would the option have on:
 - improved local services,
 - lower costs,
 - easier access to government services such as permits, and
 - greater local control over zoning and development decisions and local expenditures.

Table 3 presents this analysis in a matrix form.¹⁷

¹⁷ See Appendix J for a more detailed description of this analysis.

OPTIONS ANALYSIS

	<u>Incorporation</u>		<u>Non-Incorporation</u>		<u>Combined</u>
	A	C	B		
	Case-by-Case no fiscal guidelines	Concurrent by guidelines	Community Council		Mixtures of Incorporation with guidelines and Community Councils
OPTION					
ISSUES CONSIDERED					
<u>Between Jurisdictions</u>					
Impact on					
* Fiscal Equity	Likely to be Negative	Somewhat negative	Neutral		Somewhat negative
* Services/tax inequity	Likely to be Negative	Somewhat negative	Neutral		Somewhat negative
<i>Mitigation alternatives</i>	Boundaries Adjustment	Tighten fiscal range	Does not apply		Tighten fiscal range
<u>Within Jurisdictions</u>					
Impact on Services					
* Police					
- In the area	Unknown: +/-	Unknown/somewhat negative	Neutral/potential +		Somewhat negative
- Remaining area	Potentially Negative	Does not apply	Does not apply		Somewhat negative
<i>Mitigation alternatives</i>	None in place	None in place			
* Fire					
- In the area	Unknown: +/-	Unknown: +/-	Neutral/potential +		Neutral/unknown
- Remaining area	Potentially Negative	Neutral/negative	Neutral		Neutral/unknown
<i>Mitigation alternatives</i>	Yes - Fire District	Yes - Fire District			
* Other Services					
- In the area	Unknown: +/-	Unknown: +/-	Potential +		Somewhat negative
- Remaining area	Unknown: +/-	Unknown: +/-	Does not apply		Somewhat negative

OPTIONS ANALYSIS

	<u>Incorporation</u>	<u>Non-Incorporation</u>	<u>Combined</u>
	Case-by-Case no fiscal guidelines	Concurrent by guidelines	Mixture of Incorporation with guidelines and Community Councils
<u>Area wide concerns</u>			
* Economic development	Potentially Negative	Potentially Less Negative	Neutral/unknown
* Siting Area-wide facilities	Potentially Negative	Potentially Less Negative	Neutral/somewhat negative
* Area-wide cohesion	Potentially Negative	Potentially Negative	Somewhat negative
<u>Local concerns</u>			
* Services	Unknown: +/-	Unknown: +/-	Depends: +/-
* Cost	Unknown: +/-	Unknown: +/-	Depends: +/-
- Aggregate cost	Potentially Higher	Potentially Higher	Higher
- Taxes	Potentially Lower/Higher	City: Potentially Lower/Higher	UMSA: Lower/Higher
* Access	Improved	Improved	Improved/somewhat improved
* Control			
- Zoning	Greater	Greater	Greater/somewhat greater
- Budgets	Greater	Greater	Greater/recommend
<u>Other Issues</u>			
* Determination of Boundaries	By Applicants Commission Approval and Voter Approval	By Commission with Voter Approval	by Commission and Voter approval

Option A.

With regard to option A, the analysis assumes that incorporations may be approved that do not meet the fiscal guidelines. All of the pending applications (Palmetto Bay, Doral Park and Miami Lakes) were filed after the Board of County Commissioners adopted those guidelines but there is no indication that the applicants attempted to consider the fiscal equity issue. The Commission's analysis suggests that while in some cases there may be benefits in terms of improved local services, access and control to residents of areas that incorporate without adherence to the guidelines, there is a strong potential for negative impacts on the remaining unincorporated area and on the County as a whole. Those impacts range from the likely need to either decrease services or increase taxes -- or both -- in the remaining unincorporated area due to the loss of resources if largely affluent areas were to incorporate, to the more general problem of creating a climate of uncertainty for commercial development and investment. As discussed above, there are also likely to be serious consequences to public safety -- in particular law enforcement. At the current time, it is unclear how the public safety effects could be mitigated. For fiscal equity, the primary alternative would be for the Board of County Commissioners to require a reconfiguration of the proposed boundaries.

Option C.

With regard to Option C, total concurrent incorporation, the negative fiscal impacts of case-by-case incorporation would be somewhat mitigated while the benefits of increased access and increased control would obtain. These incorporation areas could also be made large enough to afford some economies of scale in costs of services and could be configured to make service provision reasonably efficient. The boundaries, however, may not have the support of local residents or electors.

Option B.

Community councils, Option B, would have less negative fiscal impacts than either incorporation alternative. They would offer area residents some increased voice and access, and if they are given authority over local zoning issues, increased control over zoning. They would offer area residents less control over other matters such as budgets and less local zoning issues.

Combination of B and A with criteria

Finally, a combination of community councils with incorporations that meet specific criteria was examined. This option would allow incorporations to proceed -- but only if they meet the criteria described below thus mitigating the negative impacts. For the remaining area, community councils would be established.

CONCLUSIONS

13. Initially, community councils should be used as the major means of accomplishing the desired improvements to unincorporated area governance since they offer the most advantages and the least disadvantages.

RECOMMENDATIONS

This Commission recommends:

9. Community councils should be created throughout the unincorporated area and should have the purposes and characteristics described on pages 32-34.
10. All incorporation or annexation requests should meet the criteria described below with the exception of enclave areas. To emphasize this important policy position, the incorporation and annexation criteria should be made requirements for the County Commission's: 1) approval of all currently ongoing requests for incorporation; and 2) acceptance and approval of all future applications.
 - Specifically, steps should be taken to make the following requirements for incorporation and annexation:
 - Boundaries:
 - Not divide a U.S. Census Designated Place, to the extent feasible,
 - Include adjacent areas of ethnic minority and lower income residents in which 10 percent of those residents have so petitioned.
 - Have contiguity and not create any unincorporated enclave area that would 1) be surrounded on more than eighty (80) percent of its boundary by one or more municipalities and 2) of a size that could not be serviced efficiently or effectively,
 - Have natural or built barriers as boundaries to the extent feasible, and
 - Include a mixture of residential and commercial land uses.
 - Area is totally contained within the Urban Development Master Plan.
 - Fiscal Equity:
 - An area proposed for incorporation and annexation should have a per capita taxable value that is between approximately \$24,000 and \$41,000.
 - The following should be considered not as a guideline but as important information for making recommendations and decisions on the application:

- The analysis of the impact of the incorporation or annexation on the ability of the County to efficiently and effectively provide services to adjacent remaining unincorporated areas should be expanded to include in particular the impact on the operations of the Metro Dade Police and Fire Rescue Departments.
 - Evidence of support:
 - The petition or application should show support of at least 10% of the area electors.
 - Alternatives:
 - There are no suitable alternatives to incorporation, including annexation to an existing city for the area as a whole or any sub-areas within it that is seeking annexation.
- With regard to current applications, these changes will likely require some reconfiguration of their boundaries to assure that these applications do not unfairly burden or restrict the potential to incorporate the remaining area. As noted, all new requests should meet the criteria prior to their formal acceptance.