

**MEMORANDUM**

To: Honorable Chairperson and Members
Board of County Commissioners

Date: March 31, 1998

From: M. R. Stierheim
County Manager

Subject: Incorporation

Over the last several years the Board of County Commissioners has reviewed and discussed a number of reports on the issue of municipal incorporation and improving local governance and services. Through these discussions there has emerged substantial agreement that certain guiding principles should be considered when evaluating the incorporation of new municipalities. These principles are that any new city should:

- be financially viable,
- be of a size (population) that allows efficient service delivery,
- have a sense of identity,
- be inclusive, recognizing all components of Miami-Dade's socio-economic diversity,
- make a contribution to the overall socio-economic well being and improvement of the County; and
- not in any way negatively impact existing municipalities or the remaining unincorporated area.

There has also been substantial agreement that the process of improving local governance and creating new municipalities should only go forward in the context of a comprehensive plan that acknowledges self determination and that minimizes any negative impacts on the residents of the remaining unincorporated area.

None of the recent incorporations that have taken place, including the creation of the Village of Key Biscayne, have adhered to these principles. As a result the unincorporated area and the County as a whole have suffered as a result.

It is of utmost importance that the Board not allow incorporations that fail to meet adopted guidelines, and that do not generally reflect the principles articulated above. Any decision that the Board of County Commissioners makes regarding incorporation will substantially influence the governmental organization that will guide this community for the foreseeable future.

In my view there are four options that the Board should consider in order to allow areas that desire to incorporate to proceed with incorporation and to address local municipal services in the remaining unincorporated area. These options have been addressed in various ways in numerous reports that have been brought to you.

They are:

- Require that boundaries for proposed new cities be drawn in accordance with the principles articulated above.
- Require that a new city compensate for any negative fiscal impact on the remaining unincorporated area. A charter change would be required to make this option enforceable. The further incorporation of affluent (donor) municipalities without mitigation for the remainder only serves to complicate an already difficult situation.
- Require that all residents affected by the potential creation of a new municipality be allowed to vote on the incorporation.
- For those areas that may not seek to incorporate under the criteria above, create a form of local government that will enable residents to provide and enhance purely local municipal services while assuring that the County retains the capacity to guarantee a minimum level of municipal services throughout the unincorporated area and retains County-wide functions at the regional level.

These principles have much in common with the Mayor's concept of "Sustainable Areas" and with the goals that have been set forth by the Commission.

It is my recommendation that the Board:

1. Only allow the creation of new cities if they meet and abide by the above principles. The options above should apply to both new and pending incorporation applications.
2. For remaining areas of UMSA, pursue strategies to allow for the creation new local municipal governments or "towns." These units should empower locally elected officials with authority over purely local-level municipal services such as enhancements to local parks and public works, local zoning and code enforcement, and local police patrol. Under this approach, current funding mechanisms for the existing unincorporated municipal service area would remain the same with the County responsible for providing a basic level of municipal services throughout UMSA. Each "town" would be able to enhance revenues to achieve any desired level of services above that basic level in that area.

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The Board should direct staff to develop an implementation strategy for the creation of these new local municipal governmental units. That strategy could build on existing vehicles, such as the community councils, special taxing districts, and Chapter 190 F. S., and may require charter amendments or changes in the code. If the Board finds this to be a viable approach, we will proceed with developing an implementation strategy and will, if necessary, prepare any required charter amendments with the County Attorney's office.

I believe that it is imperative that the Board adopt a long term strategy because the viability of the unincorporated area is at stake.

Attached to this report is the item that was distributed on February 19, 1998.

Attachment

MIAMI-DADE COUNTY: Unincorporated Municipal Service Area (UMSA)

SUMMARY OBSERVATIONS AND RECOMMENDATIONS

by JOHN P. THOMAS

MARCH, 1998

The following observations are based upon a review of a series of reports, produced over the last decade, on the subject of incorporation in Miami-Dade County; a series of personal interviews with elected, appointed, staff, and community leaders; and an analysis of a February 19, 1998 *Report of Incorporation of UMSA* from the Miami-Dade county manager, Armando Vidal.

OBSERVATIONS

Miami-Dade County is unique among America's counties. The County Charter grants the Board of County Commissioners the authority, tools, and access to fiscal resources sufficient to address the full range of county and municipal public services throughout the county. Other counties are limited to county-type services, and sometimes municipal services, but only for the unincorporated area. Miami-Dade is a true regional government for over two million persons.

Miami-Dade is also rare in that it has over one million (1,120,000) persons living in the unincorporated area. The County Commission is the governing body for the seventh largest "city" in America. An additional one million (983,000) county residents live within one of thirty municipalities.

In the last six years, voters have made significant revisions in the County Charter, creating a new form of government. The Commission has grown from nine to thirteen members. Of perhaps even greater importance, the thirteen are now elected from single

member districts rather than county-wide. Executive/ administrative leadership now resides in the position of the elected mayor rather than an appointed manager, although the manager still exists as an appointee of the mayor rather than the Commission.

Citizens now have more direct access to their elected official. There is an assumption of improved political accountability. The mayor is now the elected official who has county-wide accountability. The degree to which Commission members feel a county-wide responsibility depends on their own judgment rather than political boundaries.

Decisions regarding municipal services belong to elected officials who owe it to the public to make informed, fully-representative choices. All citizens' interests need to be heard on these issues rather than just vocal constituents

Disaggregation of people is occurring throughout the world. In virtually every country, large-scale political boundaries are being sub-divided into smaller units because people want to be more in control of their governmental services.

In local government the most controversial, contentious, complex, and volatile issues are service quality and quantity, taxation, boundaries, and political representation. All four elements are at the heart of the incorporation subject facing Miami-Dade elected officials.

In today's world we have precise methods for measuring citizen attitudes, beliefs, understandings, and preferences, and these measures can be accurate within a few percentage points. The ballot box, however important, is the least effective tool for measuring public attitude.

Members of the Miami-Dade Board of County Commissioners seek to have the one million residents in the unincorporated area receive their municipal services through some

mechanism other than the County. There is, however, disagreement among Commissioners about the definition of "municipal services."

The creation of a city prior to the Charter was often driven more by citizen desire for boundaries rather than the need for specific services. The result is twenty-seven cities with an average population of 12,200 residents, one with forty-five persons. Among the incorporated cities there is no consistency with respect to the quantity or quality of municipal services. The diversity among the cities is so complex that it cannot be understood by the average citizen.

As with all public issues, there is in Miami-Dade a vocal minority of citizens who are knowledgeable about municipal concerns. They believe that their proposed solution to the problem of delivery of municipal services is the best one available.

Unlike any other county in America, Miami-Dade municipal services are county-wide, UMSA-wide, and are in some instances provided less than UMSA-wide. In the latter case the pattern of service shifts frequently among individual areas.

There is consensus among community leaders that the time has come for major change in the system for delivery of municipal services. The issues are so complex that there is no adequate communication system to educate fully the voters of Miami-Dade County. In addition, the mayor and commissioners can improve the delivery system but they cannot eliminate controversy or reach a uniformly acceptable solution.

There is no "magic" solution. However, unlike any other urban area in America, the Miami-Dade Charter grants county officials the authority, tools, and resources to resolve the problem.

RECOMMENDATIONS

Decision Time Frame

It is time for a series of choices regarding the delivery of municipal services. No more studies are needed because there have been enough to describe current municipal service inadequacies. The existing studies contain sufficient information to define clear choices.

Decision Mechanism

The fundamental decisions to be made concern who will provide, who will pay for, and who will govern municipal services throughout Miami-Dade County. A fully-described, hierarchical mechanism is necessary to guide decision makers. Such a mechanism should contain the definition of county services at four levels.

Level I: Traditional County Services Provided County-wide - courts, corrections, public health, social services, assessment, tax collection, vital records, elections, planning, libraries, a financial equity pool for localized municipal services

For each municipal service function there are activities which should be placed in one of the following three levels:

Level II: Municipal Services Provided County-wide - airport, seaport, mass transit, environmental regulation, water quality/quantity, law enforcement, fire protection, solid waste disposal/collection, pollution control

Level III: Municipal Services Provided Only in the UMSA - roads, streets, parks, recreation, code enforcement

Level IV: Municipal Services Provided in "Community Areas" - community police, neighborhood parks, drainage

The decision mechanism should begin by defining every municipal service. Within each service there are a large number of activities. From a cost benefit perspective, some activities need to be distributed over a wider population base than others. Each activity needs to be assigned to one of the appropriate levels above - II, III, IV. At each level the Board would need to address the questions of who delivers, who pays, and who governs.

New Governmental Entities

This exercise will undoubtedly reveal the need for new governmental entities. The form of government should follow the functions of the jurisdiction. The complexity of service responsibility will determine whether the jurisdiction should be called a city, town, or village. In Florida Statutes, the term "city" implies powers and authorities which may not be appropriate for all of these new entities.

Limitations on New Entities

The number and size of these new entities are not critical. Currently one million people live in thirty cities. It is safe to assume that another one million could live within at least that many jurisdictions. Many of the existing "cities" probably better fit a definition of town, village, condominium or neighborhood association. In those cases, the term "city" is misleading. In creating new entities, the county should assign names that fit what the jurisdiction does rather than follow the tradition of calling all new entities a city.

Lack of Uniformity

The diverse culture and transient nature of some communities will make organization very difficult. Therefore not all geographic areas will choose to organize as a new entity. The County, in a reorganized version, will continue to address service needs in those areas.

Fiscal Equity

"Revenue sharing" may be a new term when applied to UMSA but it is not a new concept. In some program areas, UMSA now delivers services without regard for ability to pay. Such "service sharing" is in actuality a form of revenue sharing.

Proposed Incorporations

Current incorporation proposals should not be delayed further. The Board of County Commissioners should set terms for incorporation which ensure that county-wide economic needs will be met.

Community Councils

Community Councils seem to be an effective means for community involvement and participation. At a minimum they provide training for neighborhood leadership, staffing, coordination, and communication.

Economic Distribution

Tax revenue from the isolated economic "jewels" should not be a windfall to neighboring entities. The County Board should ensure that taxes derived from these areas be allocated to appropriate service entities.

Transition Plan

Transition to the new municipal service arrangement will be complex. A new Miami-Dade unit may be needed to direct and staff the incorporation effort. The transition will require the same degree of attention as a seaport, airport, or any other substantial new undertaking. It will be necessary to shift resources, time, money, and staff.

Options may include a municipal services commission, department, or agency. A task group will not suffice. The new unit must have a clear scope of work, limited time frame, and adequate resources. The effort needs continuity, stability, consistency, and the perception as well as reality of objectivity. Control must remain with the county. Decisions must be politically-responsive, broadly-representative, knowledgeable, and flexible.



MEMORANDUM

To: Honorable Chair and Members
Board of County Commission

Date: July 14, 1998

From: Merrett R. Stierheim
County Manager

Subject: Incorporation

BACKGROUND

At the March 31, 1998 workshop on the incorporation issue, the Board of County Commissioners reviewed a staff report concerning the incorporation of UMMA into one or more large cities, heard a presentation from Mayor Alex Penelas on Sustainable Cities and listened and responded to the remarks of Dr. John Thomas, the consultant retained to advise the Board on this issue. The Board has been confronted with the incorporation issue for many years and it is abundantly clear that there is no easy solution.

I have considered all of the input received at that meeting, the directions provided by the Mayor, the Commission and Dr. Thomas, and the work done by staff. As I have stated in my budget message: "The current process of piecemeal incorporation is a blueprint for disaster."

Today, I am presenting a set of recommendations that I believe provide a sound start towards a solution to this issue that:

- addresses the concerns of unincorporated area residents for improved services and greater local control over those services,
- provides a path to incorporation for those who desire it without unfairly burdening the remaining unincorporated area,
- preserves critical public safety capacity within the Miami-Dade Police Department and the Miami-Dade Fire and Rescue District,
- preserves regional decision making for matters of regional significance in the Board of County Commissioners, a countywide elected body, and
- calls on all of the residents and public servants in this community, whether in the unincorporated area or in the 30 existing municipalities, to work together to carve out a new direction for Miami-Dade County governance and service delivery.

Miami-Dade is broadly recognized as a region poised to become an important "citi-state" in the 21st century. Unincorporated area residents' desires for improved services and for more local control require an approach that is appropriate to the

complex metropolitan region that Miami-Dade County has become. Many of our existing cities also face challenges in meeting the needs of their residents in the face of shrinking tax bases and an inability to expand their borders. If critical services such as police and fire are allowed to fail anywhere in the county, the whole county suffers.

Thankfully, the Miami-Dade Charter provides considerable flexibility to adopt and modify governance and service arrangements. The Charter gives you sole authority over creating new cities. It also gives you the ability to set minimum standards regarding a range of services and matters of area-wide significance.

In addition, the Miami-Dade County Home Rule Amendment authorizes the Charter to "provide a method for establishing new municipal corporations, special taxing districts and other governmental units in Miami-Dade County from time to time and provide for their government and prescribe their jurisdiction and powers."

Today I am presenting an approach to defining governance for Miami-Dade County for the foreseeable future. The several aspects of this recommendation, taken together, I believe responsibly address the concerns of all of the residents of unincorporated Miami-Dade County as well as the need for regional government.

RECOMMENDATIONS

Towns

First, I recommend that within the existing unincorporated area, and through provisions that already exist in State Law, the Board enable the creation of "towns" in the unincorporated area.

Towns would be units of local government that, with the approval of area voters, may be created by the Board of County Commissioners (BCC). They will have a board of directors whose appointment by the BCC will be determined on the basis of an election within the town area. The Board of Directors would have the power to recommend a millage of up to two mills, subject to voter approval, to complement the basic level of municipal services delivered by Miami-Dade County. The town could also have the capacity to seek other sources of funding, including grants, to provide local revenue.

A town, based on an approved Town Enhancement Plan, would be able to purchase additional levels of code enforcement, security, police patrol, landscaping, drainage, roadway and sidewalk improvements, local parks enhancements and neighborhood planning. These enhancements would be over and above a level of service established for the entire unincorporated area. The Board of Directors will be responsible for preparing the Town Enhancement Plan and a budget for both operating and capital service enhancements. Under this option, residents throughout unincorporated Dade would be assured of a measurable standard of municipal services while those areas that wish to enhance selective services may do so. This approach requires no Charter amendments.

I therefore recommend that the Board call for an ordinance that provides for the creation of Towns. Based on such action I will direct that county departments begin the process of establishing measurable minimum service standards that will provide a baseline of services that unincorporated area residents will be assured of receiving. (Attachment A provides an outline for such an ordinance.)

Sustainable Cities

Second, for those residents who desire traditional incorporation that option should remain open. However, in order to incorporate, the area seeking incorporation must meet strict criteria that ensure that the new city has a reasonable chance of succeeding and that new cities are designed to prevent the kind of "cherry-picking" of the unincorporated area that has been allowed to go forward. If those areas are not configured in such a way that the remaining unincorporated area is left financially whole, the new city must make mitigating payments to the unincorporated area or, alternatively, allow the entire area that is affected by their decision to have a say on it through an UMMA-wide vote. These provisions will at least assure that the self-determination of one area is not at the expense of another.

I recommend the adoption of an ordinance providing strict criteria for incorporation. The criteria should include a fiscal element based on an objective formula that takes both revenues and expenditures into account. I also recommend that the Board propose the appropriate charter amendments needed to require that any new city that exceeds the guidelines for sustainability make mitigation payments to the unincorporated area in the amount determined by the formula or submit the proposal to the entire unincorporated area for approval.

In addition, I recommend that the Board seek a charter amendment that will require that all new cities to remain in the Miami-Dade Fire and Rescue District, the Miami-Dade Library system and the county's solid waste system.

These critical services have been developed and planned for the entire geographic area currently served. It simply would be unjust to allow an area to pull support out from under systems that it has taken advantage of and depended upon and that have in turn depended on the full revenues and service area demands of the existing unincorporated area in their planning.

Further, I recommend that the Board of County Commissioners deny any incorporation application, including those already under consideration, unless it meets the fiscal sustainability guideline; or defer their consideration until the appropriate charter amendments have been proposed and adopted countywide.

I understand that it is not easy to deny or defer the petitions of Palmetto Bay, Miami Lakes and Doral, areas that have gone through the process up to public hearing when the Board has allowed others to move forward. I also understand, however, that if the Board were to approve these applications, others areas are lining up to make the

same arguments and apply the same pressures. I do not believe it is in the interest of the unincorporated area or the county as a whole to allow these incorporations to go forward at this time or in the near future.

Municipal Services Reorganization Board

In the long run the issues of incorporation, annexation and revenue sharing all address the very basic question of how services in a growing and diverse metropolitan area are financed, delivered and controlled. Any carving up of the current unincorporated municipal service area has far reaching implications for the broader issue of accountable and efficient municipal service delivery throughout the county. This is an issue that warrants a very broad-based public discussion that involves all of the affected parties, including the existing cities. I am therefore recommending the creation of a Municipal Services Reorganization Board to take on the project of developing a proposal for a new approach to municipal service delivery and financing.

Miami-Dade is not alone in dealing with the issue of providing accountable and efficient local government. The issue of local government services and financing is a matter of growing state-wide concern. In 1995, the Florida Advisory Council on Intergovernmental Relations issued a report entitled "Local Government Function and Formation in the Service Delivery Arena: a Review of Relevant Research and Law." That report reviewed the variety of local government functional assignments that exist in the state of Florida, examined the range of county, municipal and special district functions state-wide, and described the ways in which functions are transferred between units of government.

Following that report, in 1996, the Commission on Local Government II was established by the State Legislature. The Commission was charged with advising the legislature and the Governor on what executive, statutory, and constitutional measures related to the creation, organization, structure, powers and duties, financing and service delivery capacity of local governments in Florida should be considered.

Referring to the "Coming Crisis in Local Government," the Commission found that local governments in Florida are caught between rising demands for urban public services and a declining fiscal capacity to meet those demands. The Commission's final report recommended a constitutional amendment to introduce limited fiscal home rule in Florida that would be linked to a requirement for local governmental reform based on a voluntary process involving the local governments. In June 1998, The Legislative Committee on Intergovernmental Relations discussed the issues of incorporation, annexation and the creation of a new level of government that has some, but not all, the characteristics and capacities of a municipality and that could provide a more flexible approach to service delivery. The Committee formally adopted these as study topics for the upcoming legislative session.

Closer to home, on April 2, 1998, The Dade League of Cities adopted Resolution 98-8 which calls on the Mayor, the County Commission and the Miami-Dade League of

Cities to utilize their elective leadership, together with that of professional administration staff and programs to "... deliver efficient, equitable governmental services on a coordinated basis between regional government and local municipal entities." In addition, Dr. John Thomas, in his remarks to the Board on March 31, 1998 recommended the establishment of a new Miami-Dade unit to structure and oversee a transition to a new municipal service arrangement.

Clearly, it is time for all of Dade's elected officials, professional administrators and citizens to take a hard look at how we deliver services in the county and to respond creatively to the demands of our complex community.

I recommend that the Board direct that an ordinance be prepared to establish a Municipal Services Reorganization Board with representation from the Mayor's Office, the Board of County Commissioners, The League of Cities and the unincorporated area to develop a proposal for municipal services reorganization and, pursuant to the Miami-Dade County Home Rule Amendment, to consider the establishment of new units of government in Miami-Dade County. This proposal, among other things, will decide which entity will provide any given municipal service in the future and how that service should be financed. The proposal, upon approval by the Board of County Commissioners and review by the Dade League of Cities, would be put to the voters of all of Miami-Dade County. (Attachment B provides an outline of what such an ordinance might contain.)

Police Services

The issue of how to restructure the financing and delivery of police services in order to preserve a highly professional police force with the capacity to respond to the varied and unpredictable needs of Miami-Dade County should be the first priority of this Board.

On December 2, 1997, staff were directed to examine the issue of developing a fee-based police district to provide for the level of specialized services and service capacity that Miami-Dade as a metropolitan region would require in the event of the total incorporation of the unincorporated area and to look at such models in other metropolitan areas.

Current Service Relationships

Before making a recommendation on how police service delivery should be restructured, it is important to understand current service relationships. Two surveys were conducted regarding the current service relationships between the Miami-Dade Police Department and existing municipalities. An internal survey of the Miami Dade Police Department collected information from various units within the Department regarding the delivery of specialized services including: tactical services, centralized investigations (e.g., homicide and gangs) and administrative support services such as training (Attachment C). In addition, a questionnaire was sent to all

municipal police jurisdictions in the county asking for their view of service relationships (Attachment D).

The internal survey indicates that, with few exceptions, MDPD provides or assists in the provision of virtually all of these services to current municipalities. Only the cities of Miami, Miami Beach and Hialeah, for example, were reported as not having been supported by MDPD in homicide investigations. A total of 21 jurisdictions responded to the questionnaire. Although many jurisdictions report providing a wide range of services, most acknowledge at least drawing on the assistance of MDPD for a range of services. With respect to key police functions, only five of the 21 jurisdictions responding reported that they were able to provide homicide investigation, seven reported providing traffic homicide investigation and none provide aviation or full bomb squad services. It should be noted that this survey does not address the issue of the level of service that the city is able to provide for these functions and whether, for example, a department that provides homicide investigation has the capacity to handle multiple homicides within its jurisdiction.

MDPD services are currently funded in three ways. Services provided exclusively to unincorporated area residents (e.g., patrol and other services at the local level) are funded by the Unincorporated Municipal Service Area (UMSA). Those services provided to all of Miami-Dade County and described as countywide are funded as such. These services include the Court Services Bureau, Warrants Bureau and the Crime Laboratory. Many services, including homicide, narcotics, etc., are provided both in the unincorporated area and to municipalities. Funding for these services is "split" between UMSA and countywide general fund based on workload factors and are adjusted to account for the fact that UMSA residents also pay countywide taxes.

If the Board were to pursue a policy of total incorporation, the issue of what services should be funded totally countywide becomes increasingly urgent. If only the limited set of services that are 100% attributed to the countywide budget were retained by MDPD and all of the other services, including homicide, SRT, and other major investigative functions were shifted to individual municipalities, there would be very serious public safety consequences, as well as severe adverse fiscal impacts on many existing cities.

The Department was asked to consider what services, in their view, should be maintained at the level that is currently provided by the department in order to provide adequate service capacity. Given the need for comprehensive police services that small municipal departments are not able to support, the department believes that at a minimum the following functions should be retained by MDPD: criminal investigation, economic crimes, narcotics, tactical operations, specialized patrol, homicide investigation (including traffic homicide), aviation and training. In addition, the Department reports that there is a critical need for a level of MDPD patrol staff adequate both to respond to any large-scale emergency or disaster that would require a unified police presence and to serve as a pool of professional, well-trained staff who can be brought up through the ranks of the department into the more specialized units. (Attachment E.)

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Staff were also asked to look at examples of fee-based police districts in other metropolitan areas. This research did not discover any major metropolitan area with a fee-based police services district. There are, however, examples of contract police services.

Contract Systems

The Los Angeles County Sheriff's Department is the largest and the oldest model of police service contracting. Starting with the then new city of Lakewood in 1954, the department now contracts with 40 cities to provide the full set of law enforcement needs. Some services, including homicide and narcotics investigations, are provided countywide. For all non-countywide services, cities that do not have independent police departments may contract with the Sheriff's Department either individually or as partners in a regional contract program with other adjacent contract cities. The contracts are negotiated for specific levels of service and are based on a "one-cost" model for different levels of service. For example, in FY 1998-99, a two deputy, 56 hour deputy sheriff service unit is priced at \$428,442 per year. The Department reports that the size and structure of the department, in particular the capacity to draw from the entire force in the face of large scale emergencies, is critical in maintaining an ability to provide for public safety in the county as a whole. Historically, although some cities that had contracted did decide to go out on their own, all of those have returned finding that contracting was the most efficient and effective method of providing comprehensive police services. (Attachment F.)

In Broward County, many of the functions that are identified by MDPD as appropriate to be retained centrally are provided through the Broward Sheriff's Department. For example, the Division of the Office of the Sheriff contains, in addition to the Sheriff's office, a public information section, a legal section and the Metropolitan Intelligence Unit which coordinates with other agencies to identify, prosecute and seize the assets of narcotics organizations and other organized criminal groups. The Crime Prevention Division consists of five districts and provides a full range of police services in the small unincorporated area of the county as well as strategic intelligence, specialized police and emergency services, including aviation and marine services, crime scene and gangs throughout the county. The Department also contracts with six cities within the county (Pembroke Park, Dania, Lauderdale Lakes, Tamarac, Deerfield Beach and Weston) for all law enforcement activities.

Alternatives for Miami-Dade County

Current "Split" Method

If there are only a few, relatively small incorporations, with a large unincorporated area remaining, the current model of police services and financing could be maintained. It should be noted, however, that depending on the actual split, increasing pressure could be placed on existing countywide services and property tax rates.

A Police District

An ad valorem financing approach that separates out all services that are currently split between UMSA and the Countywide budget would require that the Board create a countywide special district to fund the costs of all of the retained MDPD functions. Under current state law, this district would be dependent and any property tax millage would be included in the County's 10 mill cap. For the unincorporated area, the current UMSA millage would be reduced to account for the fact that the costs for these services to the unincorporated area would be transferred to the new police services district. A similar reduction would occur in the Countywide millage to move all currently split services in to the district, leaving in only the sheriff's functions and the crime lab.

Pursuant to a charter amendment, the Board could require that, in addition to the unincorporated area, all new cities participate in the district. Existing cities could choose to be in the district or to provide all specialized services out of their municipal millage. The county is not legally obligated to provide specialized police services beyond those that would remain in the countywide millage to jurisdictions that did not participate in the district. However, in order to assure adequate public safety, the county could establish standards that any non-participating municipality would be required to meet. If a municipality failed to meet those standards, MDPD could take over the services and, pursuant to a charter change, collect payment from the cities.

Without a very detailed operational analysis of the costs of the retained services, it is difficult to be precise as to the millage that would be required to fund this district. The full cost of all non-local MDPD services, (all current services excluding only Community Affairs, North and South Operations, Domestic Violence and school crossing guards which would be provided only in the unincorporated area) would involve 1.5 to 2 mills to be levied against the countywide tax base. The addition of a patrol force sufficient to respond in the event of a major event would add an additional amount. This would require the countywide millage to absorb at least an additional .5 to 1 mills over the .944 mills already allocated to countywide police services.

To accommodate this increase, given the 10 mill cap, would require serious reductions in other countywide services. For those cities that do not choose to participate in the district but that are unable to provide the services, the alternative could be reduced police services in the short term and, if MDPD were to step in, the additional burden of providing for payment out of their current revenues.

Given the pressure that an ad valorem dependent special district would place on the countywide millage cap and the uncertainty regarding levels of services that could be provided by existing cities that did not choose to participate, this alternative is not a very good one.

A non ad valorem fee-based district could also be explored. This would require a substantial study similar to that conducted for the Fire and Rescue District. Given the

cost and time required, this options was not thoroughly reviewed given the Board's direction in March.

Contracting

A system modeled on the LA Sheriff's Department contract model could be developed that would allow individual cities or groups of cities, both new and existing ones, to contract with MDPD or other jurisdictions for services available over and above those few services defined as 100% countywide. If new cities contracted with MDPD for all non-local services, and if most cities did so, the capacity of the department could be preserved. Under this model, however, decisions as to whether or not to contract with MDPD and the level of services contracted for would be up to individual cities.

There are two major obstacles to implementing this model. First, it would place the full burden for payment for services that are currently split on the municipal millage of existing cities. This would place those cities that are near their municipal millage cap at a serious disadvantage. (Attachment G.) It would also place a serious burden on any new or existing city that required intensive police services. If a city were unable to provide for the safety of its residents and, under a contract for services model, the services of MDPD were unavailable, public safety countywide would be threatened.

Conclusion

In his memo to me on this issue, Police Department Director Carlos Alvarez stated, "As you know only too well, when we have been faced with civil disturbances, or natural disasters, our community has needed the leadership of a single agency to perform the tasks required to restore order and ensure public safety.... ." None of us want to go through an event like Hurricane Andrew again. I would certainly not want to go through it without the Miami-Dade Police Department at or very close to its current service capacity.

Without change in State Law or the Home Rule Charter, in my opinion all of these alternatives -- continued reliance on splitting costs between the countywide and UMSA budgets, a millage or fee based district, or a voluntary contracting model -- have serious limitations. However, if the entire unincorporated area were to be incorporated into one or several cities, an alternative to provide central, professional police services through a Sheriff's Office would be necessary. I believe that the recommended options of towns and sustainable cities is a preferable alternative to total incorporation. Therefore the current structure and financing method for delivering police services is the most appropriate. Nevertheless, in order to better position ourselves for the future, I recommend that the issue of the delivery and financing of police services in Miami-Dade County under the current service delivery structure be the first item on the agenda of the Municipal Services Reorganization Board. That committee should also be charged to develop a long-range plan for police services in the event of total incorporation.

TOWNS

Ordinance

1. Provides for the creation of towns using the safe neighborhood improvement structure in Chapter 163 of the Florida Statutes.
2. Intent: to enable areas that so desire to purchase enhanced services while maintaining the existing unincorporated area service structure.
3. Features of the ordinance
 - petition requirements
 - procedure for town creation - (BCC passes ordinance creating town upon the approval of area voters, BCC defines millage capacity of up to 2 mills).
 - governance structure - a town board of directors is appointed by BCC after a local election - requires that the 7 highest vote getters in a local election be appointed
 - defines powers of the town - including the ability to enter into contracts, control of town funds subject to approval of budget by BCC, purchase improvements such as street lighting, parks and park improvements, etc.
 - requires the preparation of a "Town Enhancement Plan" that serves as a blueprint
 - provides for the Manager to assign staff to coordinate town process
 - provides dissolution process
4. Requires that minimum service levels for UMSA services be established in order to assure that town millage supplements services provided throughout UMSA

Implementation

1. Ordinance providing for Town creation and process and amendment of Section 18-4 of the Code of Miami-Dade County relating to Safe Neighborhood Improvement Districts.
2. Establish process to define minimum service standards in UMSA

Municipal Reorganization Board

1. Establishes a Board to carry out the process of a review of municipal services and financing arrangements in the County and to recommend new service and financing arrangements.
2. Defines membership in the Board to include representation from the Mayor's Office, the Board of County Commissioners, elected officials from existing cities and the unincorporated area.
3. Provides for a concrete scope of work and timetable
5. Provides for an extensive public education process and public hearings
6. Provides that the recommendations of the Board must be reviewed by the Dade League of Cities and approved by the Board of County Commissioners.

Implementation

1. Ordinance directing that the Board be established - first reading, September 3, 1998.
2. Upon final recommendations, preparation of required charter amendments and election to approve.

