



## Memorandum

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Date: May 9, 2019

To: Rafael G. Casals, ICMA-CM  
Town Manager

From: Alex A. David, AICP  
Miami-Dade Director Office I Planning

Subject: Annexation Report Discussion and Proposal

Project: 17-9754.1

CC: Debra E. Eastman, MMC  
Town Clerk

Mitchell A. Bierman, Esq.  
Town Attorney

Calvin, Giordano and Associates, Inc. (CGA) will prepare an annexation application for submittal to Miami-Dade County. The area that is subject to this application is approximately 5,946.4 acres (9.29 square miles) in size contiguous to the Town's current southern municipal boundary (*Attachment "A"*).

The annexation area to be analyzed is described as all or portions of 56-39-23, 24, -25, -26 and -36; and, all or portions of 56-40-17, -18, -19, -20, -21, -22, -27, -29, -30 and -31. Or, South of the Town and generally bounded by: Old Cutler Road and 232<sup>nd</sup> Street to the North; US-1 to the West; 248<sup>th</sup>, 256<sup>th</sup> and 268<sup>th</sup> Streets to the South; and, Biscayne Bay to the east including the land surrounding Black Point Marina (See attached Annexation Area Map).

Several years ago, the Town expressed interest in conducting an annexation analysis of certain properties lying south and southwest of the Town's southern boundary. In late 2013, Staff was tasked with putting together an "Annexation Area Analysis". In January 2014, the Analysis was submitted to the Town Manager and consists of the same area encompassed by this proposal. The 2013 total valuation according to the Miami-Dade County Property Appraiser was approximately **\$900 Million**.

In mid-2017, Staff was tasked with acquiring updated taxable value information for this area. Based on the tax rolls for 2017 the Annexation Area's total taxable value was **\$1.35 Billion**, an increase of approximately \$450 Million or 50% since 2013. This increase may be attributable to two main factors: an increase in the value of existing properties; and, new development. The figure does include properties that have been assessed but are tax exempt such as public and charter schools and other governmental facilities (the South Dade Landfill and Water Treatment Plant are not included in the total taxable value).

If authorized, CGA will submit a formal proposal to complete the Annexation Report that is technically sound and conforms to the requirements of Chapter 20, Article I – Boundary Change Procedure of the County Code and Chapter 171.011 Florida Statutes.



## **ANNEXATION PROCESSES**

### **Town Process**

In Miami-Dade County, annexations are governed by Chapter 20, Article I – Boundary Change Procedure of the County Code and Chapter 171.011 Florida Statutes. Sections 20-3 thru 20-9 of the County Code detail the process for completing an annexation application which includes but is not limited to, data collection and analysis, role of the County's Planning Advisory Board, public hearings, County retention of certain revenues and franchise fees, areas and facilities of Countywide significance, mitigation on proposed boundary changes, and election on proposed boundary changes. The purpose of Chapter 171.011 Florida Statutes is to set forth procedures for adjusting the boundaries of municipalities through annexations or contractions of corporate limits and to set forth criteria for determining when annexations or contractions may take place.

Once the initial analysis is complete, and if the Town and the community to be annexed decide that it's in their mutual best interest to pursue a boundary change, then the first step is for the Town to initiate and adopt a Resolution after a public hearing is held consistent with the requirements set forth in Section 20-3 of the County Code. Thereafter, a Resolution of the Town Council and all pertinent documents are transmitted to the County with the annexation application to initiate the annexation process. This application process is extensive and time consuming and is only approved by the County Commission after a successful supportive vote of the population in the area to be annexed consistent with the requirements set forth in Section 20-9 of the County Code.

Prior to the production and submittal of an annexation application, the Town needs to critically examine the potential annexation area to gain an understanding of the character of the community and the costs of providing services. The proposed Town of Cutler Bay Annexation scope of work, which will provide such an examination, will be divided into four separate tasks, summarized below and addressed in detailed in the following sections of this proposal.

*Task 1 – Existing Community Characteristic Analysis* - The intent of this analysis is to evaluate the existing condition of the community to be annexed. The community characteristic analysis is performed through an evaluation of the demographics, socio-economics, environmental features, development potentials, and public safety issues.

*Task 2 – Analyzing the existing cost of services provided by the current provider*; the cost to Cutler Bay for providing those services in the future and the Town's ability to finance those services; and the effect of the resulting tax load on current Town residents and those to be annexed.



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Municipal services and related financing to be provided. These services include:

- (a) Police protection.
- (b) Fire protection.
- (c) Water supply and distribution.
- (d) Facilities for the collection and treatment of sewage.
- (e) Garbage and refuse collection and disposal.
- (f) Street lighting.
- (g) Street construction and maintenance.
- (h) Park and recreation facilities and services.
- (i) Building inspection.
- (j) Zoning administration.
- (k) Local planning services.
- (l) Special services not listed above.
- (m) General government.

Task 3 – Final boundary lines drawn as a result of negotiations with the surrounding communities, municipal advisory committees, and citizens of perspective areas. As boundaries move, multiple iterations of the analysis may be required.

If a decision is made to proceed with an annexation application the following step is necessary.

Task 4 – Preparing a formal annexation application for any areas chosen to be annexed and to guide those through the County process.

### **Detailed Town Annexation Procedure**

If the Town Council directs the evaluation to proceed within Phase 3, the Town will evaluate the annexation area to determine the impact and the resources required to provide municipal services. The following are the suggested steps to properly evaluate an annexation:

1. Town staff evaluates the area and identifies the resources and capital improvements required to provide the same level of service currently provided to Town residents and business owners
2. Staff involved in the evaluation, include, but are not limited to: Police, Code Compliance, Building, Public Works/Sanitation, Planning (land use and zoning), finance and Parks & Recreation.
3. The Finance Department, with the assistance of the County's Office of the Property Appraiser, and the Office of Management and Budget, identifies the anticipated revenues from the area (i.e. Property Tax, Sales Tax, Communication Tax, and Stormwater Utility Fees).
4. A report is compiled and presented to the Town Council for consideration. If the Town Council votes to consider the annexation, a Public Hearing is scheduled and noticed.



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5. Property owners within the proposed annexation area and those property owners within 600 feet of the area are notified of the Public Hearing.
6. A Public Hearing is held to hear comments in favor of, or against, the proposed annexation. The Town Council renders a decision whether to move forward or not with the proposed annexation.
7. If the Town Council approves moving forward with the annexation, a certified Resolution in support of the annexation is adopted and forwarded along with the following documents and information to the Miami-Dade County Clerk of the Board:
  - A) An accurate legal description of the land area;
  - B) A map or survey sketch accurately showing the location of the area involved, the existing boundaries of the municipality or municipalities affected and indicating their relationship with the annexation area;
  - C) Certificate of the County Supervisor of Registration (Elections) certifying that the area involved contains either more than, or less than two hundred fifty (250) residents who are qualified electors;
  - D) A brief statement setting forth the reasons for the annexation;
  - E) A statement declaring whether an enclave borders the municipality and whether the proposed boundary change includes such an enclave;
  - F) The following information:
    - a. Land use plan and zoning.
    - b. List of services to be provided (police protection, fire protection, water supply and distribution, collection and treatment of sewage, garbage and refuse collection and disposal, street lighting, street construction and maintenance, parks and recreation facilities and services, building inspections, zoning administration, local planning services, special services, and general government).
    - c. Timeline for supplying the services listed in Task 2.
    - d. Financing the services.
    - e. Tax load on the area to be annexed.
    - f. Identification of any areas designated as terminals in the County's Adopted Land Use Plan Map.
  - G) Certificate of the Director of the Department of Planning and Zoning certifying that the area proposed for annexation having two hundred and fifty (250) or fewer registered electors is more than fifty (50) percent developed residential.
  - H) A petition indicating the consent of twenty-five (25) percent plus one (1) of the electors in the area proposed for annexation, if the area under consideration has more than 250 registered electors.



## **Miami-Dade County Annexation Process**

The process of establishing a boundary change in Miami-Dade County is outlined in the County Code Chapter 20, Article I, entitled "Boundary Change Procedure."

Miami-Dade County has conducted several studies regarding incorporations and annexations, and over the years there have been attempts to modify the County Code to facilitate the processes, but very little has changed.

## **Miami-Dade County Annexation Procedure**

If the Resolution adopted by the municipality considering the annexation is favorable, an application that meets the requirements set forth in Chapter 20-3 of the County Code is forwarded to the County Clerk's Office. The following is an outline of the steps involved in the review and consideration of an annexation by the Board of County Commissioners (Commission):

1. County Clerk receives and reviews the application for compliance with County Code Chapter 20-3 and forwards the application for acceptance by the Commission.
2. Once the annexation application is accepted by the Commission, it is forwarded to the Office of Management and Budget (OMB) for review.
3. The OMB provides a report on the annexation application and forwards the report to the Planning Advisory Board Subcommittee entitled "Incorporation & Annexation Committee", for their review and recommendation.
4. The Incorporation & Annexation Committee makes a recommendation to the Planning Advisory Board, who holds a Public Hearing to hear comments related to the proposed boundary change.
5. The Planning Advisory Board forwards a recommendation based on criteria outlined in the County Code on the proposed annexation, and County Mayor makes a recommendation and places it on the Commission's Agenda.
6. The Commission Chairperson may assign the annexation request to the Land Use Committee (Committee) to hold a Public Hearing to consider the proposed annexation and hear any comments from the public.
7. Following the Public Hearing, if any, a recommendation from the Committee, along with the Planning Advisory Board and County Mayor recommendations are forwarded to the Commission for consideration.
8. If the proposed boundary change is approved by the Commission, the Commission directs the County Attorney to draft an ordinance modifying the municipal boundaries, so as to include the annexation.
9. If there are more than 250 resident electors in the area, or the area is developed more than 50 percent residential, the boundary change will be contingent upon an affirmative vote of the registered voters within the proposed annexation area.
10. If there are less than 250 resident electors in the area, and the area is developed less than 50 percent residential, a boundary change can occur upon the Commission's approval of the ordinance.
11. If a vote of the area electors is taken and the annexation is approved, the Commission considers adopting the Boundary Change Ordinance on Second Reading, based on the guidelines provided in the County Code. Note: The County Commission may still deny the annexation request, regardless of the outcome of the vote.



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Pursuant to the Code of Miami-Dade County, other County requirements for annexations are as follows:

1. Requires annual mitigation payment if the area is not “a revenue neutral area” (Sec. 20-8.7),
2. Retains utility tax revenues (Sec. 20-8.2) and electrical franchise revenues (Sec. 20-8.1) generated in the annexing area,
3. Requires payment of 100% of the net excess of revenues minus expenses attributable to a Commercial Business or Industrial (CBI) Areas when incorporating such an area within the boundary of an annexation or incorporation (Sec. 20-28),
4. Requires annexing municipality to pay for Bond Indebtedness (Sec. 20-8.5), that may exist within the area being annexed.
5. Requires continued payment of the fire debt service, associated with the Fire and Rescue Service District (Chapter 18, Article II, Sec. 18-32),
6. Retains regulatory control over Areas and Facilities of Countywide Significance (Sec. 20-8.6), and
7. Retains garbage and refuse collection and disposal (Sec. 20-8.4), unless delegated by the Board of County Commissioners to the municipality.

### **Post Submittal**

After acceptance by the Miami-Dade County Commission, consideration of the application is made by the Planning Advisory Board (PAB). Prior to said consideration a complete review of the application is completed by numerous Miami-Dade County Departments and a report is generated. Department reviews will take into consideration the quality, quantity, cost and timing of the services the Town will extend, financing of services and, the tax load on the area to be annexed. If the PAB recommends approval, said recommendation will be transmitted to the County Commission for consideration at public hearing.

### **Service Transition**

If the Board of County Commissioners approves the annexation through the adoption of the Boundary Change Ordinance on second reading, the County formerly notifies the municipality, and the transition of providing municipal services are discussed and coordinated between the municipality and the County's Office of Management and Budget. Interlocal Agreements, if any, are considered and executed by both agencies; maps and records are adjusted; and site-specific zoning may be considered by the municipality for the new annexed area at a future date.



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### Additional Tasks by Calvin, Giordano & Associates

Up to two (2) internal staff meetings will be held for the project kickoff and to present the draft for staff review and comment. CGA will present, at up to the (3) workshops, and at the required Town Council hearing(s) for transmittal. CGA will meet with County staff to submit the transmitted Annexation Report. Additional meeting attendance at Miami-Dade County (PAB, Commission) will be billed at a rate of \$150.00/hour, based on the existing CGA Schedule of Fees and Contract Notice to Proceed.

Any graphics or PowerPoint presentations necessary for workshops or public hearings shall be provided to the Town.

Up to ten (10) copies of the final Annexation Report, plus an electronic version, will be submitted to the Town, in addition to the original and three (3) copies delivered to Miami-Dade County.

From Notice to Proceed the estimated time to submittal with the Miami-Dade County Clerk's Office is approximately 4-5 months. This timeframe includes at least two (2) workshop and the two (2) required public hearings.

### **COSTS ASSOCIATED WITH PROJECT COMPLETION**

1. Consultant fees to complete project (up to and including submittal to Miami-Dade County Clerk of the Board) – Not to Exceed \$20,000
2. Public Notices to all property owners in the annexation area **and** within 600 feet.  
Note: 9,431 current parcel owners within proposed annexation area  
1,968 current parcel owners within 600 feet of boundary  
Total: 11,399                      Approximate Cost: \$7,000
3. Special Election – approximately \$40K for mail in and up to \$80K for precinct elections
4. Application Fee is based on acreage size: \$3,990 for the first 640 acres and \$5.13 for remaining acreage.

Approximate Proposed Annexation Area: 5,946.4 acres

Initial 640 Acres -	\$ 3,990.00
Remaining Acreage -	<u>\$27,221.83</u>
<b>Total:</b>	<b>\$31,221.83</b>

### Attachment(s)

- Attachment "A" - Proposed Annexation Area Map