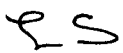


**TO:** Community Development Committee

**FROM:** Lila Stewart 

**DATE:** January 25, 2011

**SUBJECT:** Status Update on the City Commission Strategic Initiative to Continue Annexation Efforts in the Urbanized Area in order to Maintain Social, Economic and Financial Diversity (Pending Referral # 080473)

This item is to provide a forum to discuss City Commission Strategic Initiative 4.1: Develop strategies for conducting successful annexation referendums. Staff is seeking feedback and guidance to develop a strategy for annexation going forward.

While annexation has always been a function of the City, the Commission increased the priority level of annexation activity and introduced it as an Initiative at the December, 2006 Strategic Planning Retreat. The Initiative was later adopted and added to the Strategic Plan on February 12, 2007.

In FY 2007, the Joint City/County Orderly Annexation Team met regularly to develop strategies to improve and expand annexation efforts. In March 2008, the team presented a progress update at the Joint City/County Commission Meeting. The update included a background of the collaborative efforts between the City and County on annexation, the identification of 14 areas in Gainesville's Urban Reserve Area for further evaluation, and a proposal to survey residents in the 14 areas to better understand the residents' service delivery needs and interest in annexation.

In FY 2008, Butler Plaza, a large commercial/retail area, along with numerous surrounding properties completed the voluntary annexation process, effective June 1, 2008. Shortly after, staff held a "Meet & Greet" for the area business owners. City and County staff continued work on the ATA and the Orderly Annexation Plan during this time.

In FY 2009, a referendum on annexation was held on November 4, 2008 and passed with overwhelming voter approval. This referendum incorporated an area surrounding SW 20th Avenue in June 2009. This annexation complied with the first annexation that would be conducted under the Orderly Plan for Annexation. In December 2008, the City Commission approved the Orderly Plan for Annexation as required by the ATA, and extended the ATA until 2014. The County Commission approved the same plan and extension in April 2009.

In FY 2010, the City continued in accordance with the Orderly Plan for Annexation, as required by the ATA, and conducted an annexation referendum on the eastern edge of the city limits. The referendum was held in November 2009 and failed by more than 90%. New legislation in FY

2010 now restricts local governments from advocating for or spending public dollars on any item that would be voted on by residents. Due to this legislation, economic factors, and the outcome of the 2009 referendum it is necessary to develop a strategy going forward.

Specifically, staff seeks direction from the Community Development Committee on the following:

1. The City Commission adopted Annexation Policies, which included an Annexation Strategy on August 12, 2002. Staff requests feedback on the Annexation Policies and direction to update Annexation Policy #3.
2. The Orderly Plan for Annexation was adopted in December 2008 and requires the City to conduct an annexation referendum each fiscal year. Does the Community Development Committee favor amending the Orderly Plan for Annexation or moving forward with an annexation referendum in FY 2011?
3. Strategy Discussion: What is the City's annexation strategy going forward? Should the City focus on small neighborhoods or larger geographic areas? Should the City initiate annexation referendums or wait for neighborhoods to initiate?

There is no immediate fiscal impact of this discussion.