

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 732

SPONSOR: Senator Villalobos

SUBJECT: Miami River Commission

DATE: March 12, 2003

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Herrin</u>	<u>Yeatman</u>	<u>CP</u>	<u>Favorable</u>
2.	<u>Rhea</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable</u>
3.	_____	_____	<u>NR</u>	_____
4.	_____	_____	<u>TR</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

## I. Summary:

This bill removes language that would sunset the Miami River Commission on July 1, 2003, and provides for its continuation.

This bill repeals section 7 of ch. 98-402, Laws of Florida.

## II. Present Situation:

According to the Miami River Study Commission, “[t]he Miami River is the most studied, yet least understood and most neglected feature in South Florida.”<sup>1</sup> Originating in the Florida Everglades, the river is the largest tributary, with a drainage basin area of 69 square miles, emptying into Biscayne Bay. The bay and surrounding areas have long been a tourism destination. However, the Miami River carries a high concentration of significant pollutants that threaten the health of Biscayne Bay’s ecosystem. Efforts were made as far back as 1940 to clean up the river, but the pollution problems persist, in part, due to the non-point source pollution in the drainage basin. This pollution includes storm-water runoff, sewage leaks, pesticides, and illegal dumping throughout the drainage basin.

Today, the 5.5-mile Miami River Corridor, running from Miami International Airport to Biscayne Bay, has a significant economic impact on the area with maritime trade from 29 nations and territories in the Caribbean Basin passing through it. Thirty-two terminals handle the river’s more than \$4 billion in cargo each year. This urban river has diverse surrounding land uses including boatyards, marinas, shipping terminals, loading docks, seafood wholesalers, recreational areas, residential properties, and restaurants. Neighborhoods surrounding the river include Little Havana, Spring Garden, Overtown, Curtis Park, and Brickell.

<sup>1</sup> Miami River Study Commission Report at 1 (January 28, 1998).

Environmental degradation and water pollution have accompanied all of the various uses of the river. During the 1970's, the public showed increased concern over the river's environmental health. The Miami River Coordinating Committee, created in 1984, first served as a clearinghouse for information on the river and related issues. A 1991 Grand Jury report described the river as a "cesspool." With attention again focused on the river's health, the momentum for a new approach to stop the environmental degradation and the resolve to develop new solutions for other issues related to the river began to build.

The Legislature created the Miami River Study Commission (MRSC) in 1997 to "conduct a comprehensive study and review of the restoration and enhancement of the Miami River and Biscayne Bay."<sup>2</sup> The MRSC came into being after several failed legislative proposals to create a port authority for the Miami River. These proposals were unsuccessful, in part, because of opposition from local interest groups, businesses, residents, and the City of Miami Commission. To facilitate discussions among these groups, the Miami River Coordinating Council conducted a study and concluded that a port authority was not the best entity for dealing with all of the river-related issues. Therefore, the MRSC was authorized to consider alternatives for addressing those issues as well as the broad mandate to study enhancement and restoration of the river. To conduct the study and begin the restoration and enhancement efforts, the Legislature appropriated \$280,000.

The MRSC held 13 public meetings, taking testimony from many of the interest groups concerned about the river including governmental agencies, citizens, as well as business and civic organizations. After these hearings and reviewing existing studies, the MRSC made recommendations in the following areas: management, dredging, water quality, enforcement, derelict vessels, and land use and development. Specifically, the MRSC recommended establishing a permanent Miami River Commission to coordinate and direct efforts aimed at cleaning up the river, increasing economic development, revitalizing neighborhoods and parks, and promoting tourism.<sup>3</sup> Such a commission, according to the MRSC, would afford interested parties greater opportunity for participation.

As a result of the MRSC's recommendations, the Miami River Commission was established in 1998 as an "official clearinghouse for all public policy and projects related to the Miami River."<sup>4</sup> The broad goals of this commission include the development of coordinated plans, priorities, programs, projects and budgets intended to substantially improve the river area. To that end, the commission is to serve as an advocate for river projects and ensure that these projects are funded and implemented in a timely manner. The commission has three components including a policy committee comprised of the following voting members: the Governor, chair of the Dade delegation, chair of the South Florida Water Management District's governing board, the Miami-Dade County State Attorney, the Mayor of Miami, the Mayor of Miami-Dade County, a member of the City of Miami Commission, a member of the Miami-Dade County Commission, chair of the Miami River Marine Group, chair of the Marine Council, Executive Director of the Downtown Development Authority, chair of the Greater Miami Chamber of Commerce, two

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<sup>2</sup> *See id.*

<sup>3</sup> *See id.* at 3.

<sup>4</sup> Ch. 98-402, L.O.F., codified as amended at s. 163.06(1), Fla. Stat. (2002).

neighborhood representatives, one representative from an environmental or civic association, and three members at large. In addition, the committee includes a member of the United States congressional delegation and the Captain of the Port of Miami, representing the United States Coast Guard, as non-voting members.

The statutorily-mandated responsibilities of the policy committee are as follows:

- Coordination of a strategic plan for improvement of the river area through consolidation of existing plans or programs and monitoring the progress of the elements of those plans.
- Preparation of an integrated financial plan based on the resources available from different jurisdictional agencies.
- Provision of technical and political support, as necessary, to implement the strategic and financial plans.
- Acceptance of coordinating authority or function that is specifically defined and delegated to the committee, from any level of government, in a memorandum of understanding or other legal instrument.
- Publication of semiannual report describing the commission's and each member agency's accomplishments, and providing the status of each pending task.
- Grant applications to public and private entities for funds to enhance the committee's coordinating functions and activities and for the administration of contracts to achieve those goals.
- Coordination of a joint planning agreement between the city and county.
- Provision of a forum for the exchange of information and resolution of conflicts.
- Function as a clearinghouse for information and provide public education programs.
- Establishment of the Miami River working group (as described above).
- Election of officers and adoption of rules of procedure as necessary.
- Employment of managing director to represent the commission, and additional support staff as necessary.

Besides the policy committee, the Miami River Commission has a managing director responsible for implementing plans and programs. The third component of the commission is a working group consisting of all governmental agencies with jurisdiction in the Miami River Area. The MRSC estimated there are 36 federal, state, county, and city agencies with jurisdiction over activities occurring in and around the river.

A unanimous vote of the commission is required for certain actions. Section 163.061, F.S., requires a unanimous vote for any item, motion, directive, or policy position of the commission that would "impact or in any way diminish levels of currently permitted commercial activity" on the river. The same unanimous vote is also a prerequisite for an item, motion, directive, or policy position that would suggest, propose, or otherwise promote "additional taxes, fees, charges, or any other financial obligation on owners of riverfront property or shipping companies or operators."

The Miami River Improvement Act, contained in s. 163.065, F.S., stipulates that all state and regional agencies are to provide assistance, as available, to the commission in support of its activities. Further, the commission, in concert with the City of Miami, and Miami-Dade County, is required by the Act to consider the adoption of an urban infill and redevelopment plan and also

the development of a greenway/riverwalk and blueway, as appropriate, for a safe and attractive alternate travel system along the river.

The “Miami River Commission’s Accomplishments 2001-2002” details its efforts to accomplish statutory goals and also to realize the community’s vision of the Miami River area as a Caribbean trade center in its western part and a 24-hour destination for residents in the downtown area. The accomplishments reported include the following:

- Completion of the “Miami River Corridor Urban Infill Plan.” This plan has 68 specific proposals for improving the river’s neighborhoods, significantly reducing pollution, and promoting jobs, trade, and security.
- Continued efforts on an \$80 million dredging operation. Having worked with Miami-Dade County, the City of Miami, the Army Corps of Engineers, the Florida Inland Navigation District and the Department of Environmental Protection, the project is awaiting final approval from the Army Corps of Engineers before the project can start. This dredging of the river is vital to improving the health of the river and Biscayne Bay, and also improving navigation.
- Steady declines in crime as the result of neighborhood revitalization. This has encouraged increased economic redevelopment in the area, but with 50-foot setbacks and 20-foot riverwalks along the river for the enjoyment of pedestrians.
- Expansion of enterprise initiative zones for small businesses. Many of these small businesses are river-oriented businesses and, having demonstrated their staying power, are among some of Miami’s oldest businesses.
- Completion of a stormwater improvement plan. The commission is now in the process of implementing this plan.
- Awarded more than \$167,000 in grants for the improvement of the river.
- Successful outreach efforts through the Riverday Festival and partnering with Hands On Miami, a volunteer group, for river cleanups.
- Creation of the HUBZone (Historically Underutilized Business Zone) to assist local businesses with securing federal contracts.
- Progress on the Miami River Greenway, a project undertaken in partnership with the Trust for Public Lands. Funds have been secured and the project has been bid. These greenways would run, in various areas, from Northwest 12th Avenue to the river’s mouth, where it would connect with the Baywalk Greenway. It is hoped this project would serve as a draw for downtown and serve as the center of activity for the area.
- Publication of the Miami River Basin Water Quality Improvement Report, also available on the commission’s website<sup>5</sup>, containing 33 specific proposals to remove pollution, control stormwater runoff and improve the water quality of the river and Biscayne Bay. The report is intended to attack the root causes of pollution problems in the river and its tributaries.
- Assessment of the river’s vulnerability to a terrorist threat and proposed solutions. Responding to U.S. Senator Bob Graham’s call for a review of the nation’s shores, the Trident Group, Inc., produced a Port Vulnerability Assessment in September 2002 for the Miami River Marine Group. This report recognizes the diversity of the river’s trade and businesses, but makes recommendations for improving security after the events of

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<sup>5</sup> <http://www.miamirivercommission.org>

September 11, 2001. The Commission has indicated it will take steps to implement these recommendations.

### III. **Effect of Proposed Changes:**

**Section 1** repeals section 7 of ch. 98-402, Laws of Florida, effectively establishing a permanent Miami River Commission.

**Section 2** provides an effective date.

### IV. **Constitutional Issues:**

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

#### C. Trust Funds Restrictions:

None.

### V. **None. Economic Impact and Fiscal Note:**

#### A. Tax/Fee Issues:

None.

#### B. Private Sector Impact:

As part of its statutory mandate, the Miami River Commission has sought and received \$167,000 in grants for the improvement of the river. Any efforts directed at cleaning up the river have an economic impact. These impacts may include allowing the river to reach its full potential for the shipping industry, boaters, visitors, and residents; revitalization of neighborhoods as the result of riverwalks and greenways linking parks, businesses, and residential neighborhoods; and, downtown redevelopment. Based on the "Miami River Economic Study 2000" report, prepared by J. Kenneth Lipner, Ph.D., the Miami River hosted more than 496,000 visitors in a single year and those visitors had an average three-day stay which generates \$100 million a year in revenues. Also, according to the study, more than \$400 million in projects along the riverfront have been approved.

#### C. Government Sector Impact:

The commission's policy committee has authority over the hiring of the managing director and necessary support staff. Currently, the administrative budget for the commission is \$200,000 for salaries, benefits, and office costs.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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