



# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # 158-2007

## LETTER TO COMMISSION

TO: Mayor David Dermer and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: July 5, 2007

SUBJECT: 2007 Florida Legislative Session

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On May 3, 2007, the Florida Legislature approved the State's \$72 billion budget, on the day prior to the end of the Regular Session on May 4, 2007. Included in the State budget was almost \$10 million in funding for Miami Beach projects, including \$300,000 for stormwater improvements, \$294,000 for gang prevention, and funding for beach renourishment and transportaiton.

In addition to funding, action was taken on several of the City's priorities during the Legislative Session, including:

- the City's proposal for a ad valorem tax deferral for affordable rental housing (signed by the Governor on June 19, 2007);
- additional disclosure requirements for condominium conversions;
- the Tunc claims bill;

Legislation passed that increases the disclosure requirements for condominium conversions, and that extends the Teacher's Lead Program to pre-K teachers. Additionally, Bert Harris Act amendments that negatively impacted the City did not pass, and there was no legislation filed that threatened the City's WiFi initiative.

The Legislature also approved the implementing legislation for the constitutional amendment passed in November 2006, increasing the additional homestead exemption for low-income seniors from \$25,000 to \$50,000. On May 16, 2007, the Mayor and City Commission held the second reading of the ordinance adopting this additional increase, which was forwarded to the Miami-Dade County Property Appraiser prior to June 1, 2007, for application to the 2007 tax year.

There were some legislative items with negative implications for the City, most notably, the passage of House Bill 529, regarding cable reform. Additionally, the cap on the housing trust funds remains in place, and the Cultural Facilities Grant program was not funded. Although the City did not have an application pending to the program this year, the Department of State is not accepting applications for the next cycle, opting instead to roll over this year's applicants to next year.

At the May 16, 2007 City Commission meeting, the City's representatives in Tallahassee provided the Commission with a presentation on the legislative session. The final legislative report provided by the City's lobbyists is attached for review.

JMG/HF/kc

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**MEMORANDUM**

TO: Mayor David Dermer  
City Commissioners and City Manager Gonzalez  
City of Miami Beach

VIA: E-mail to Kevin Crowder

FROM: Gary Rutledge  
Fausto Gomez  
Bob Levy  
Margie Menduni  
Jon Costello  
Manny Reyes  
Jose Diaz

DATE: May 10, 2007

SUBJECT: **2007 Final Legislative Report**

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The 2007 Florida Legislative Session adjourned at 4:10 p.m. on Friday, May 4. The most popular and complicated issue, Property Tax Reform, has been left for a Special Session set for June 12-22, 2007. Diagnosed as a lean revenue year, the 2007-2008 state budget of \$71 billion, funded additional prison time for repeat offenders, an increase in per student allocations and extensive funding of the Everglades to Lake Okeechobee and its tributaries. The budget failed to provide health insurance for thousands of children and services for the disabled.

The following is a final status report on the City's legislative agenda for the 2007 Session.

## ***Funding Priorities***

### **Gang Prevention Grants**

During session, we worked with the Department of Juvenile Justice regarding two items which appeared in the appropriation worksheets for that department. One item showed a reduction of \$505,328 and one FTE for a Miami Beach Gang Prevention Grant. This was a federal grant that has concluded and it has been removed from the budget. The other item is a transfer of \$294,604 from non-recurring to recurring General Revenue. This was a recommendation made by the Department.

### **Hurricane Mitigation**

During Session, we were able to set and attend a meeting between Kevin Crowder of the City and Lisa Saliba, Policy Coordinator in the Governor's Office in regard to the \$100 million federal appropriation to Florida through the Community Development Block Grant Program. The meeting was fruitful in that Ms. Saliba indicated the willingness of the Department of Community Affairs to resubmit an action plan for these funds. The original action plan filed, proposed funding primarily to harden homes for future hurricanes rather than using the funds to deal with repairs on homes impacted by Hurricane Wilma. Subsequent to that meeting, the Department of Community Affairs announced a change in their action plan and a public meeting for input. Miami-Beach staff has also met with Miami-Dade County staff in regard to distribution of these funds. The County is due to receive \$21 million of the \$100 million.

### **Affordable Housing**

#1694. \$62.4 million for the Community Welfare Housing Innovation Program (WHIP)  
#1695. \$167,183,500 – SHIP  
( \$1 million of that for Teachers' Down Payment Association Pilot Program)

### **Stormwater**

The City received an appropriation of \$300,000 for stormwater infrastructure improvements.

### **Transportation**

The City of Miami Beach received \$2,180,896 for the Dade Boulevard bike/pedestrian improvements.

The City received \$1 million for the Venetian Causeway.

A1A/Indian Creek 44<sup>th</sup> Street to 26<sup>th</sup> Street received \$1,285,872 for resurfacing.

### West Avenue Connector

The team worked with Senator Margolis on this issue. The West Avenue Connector Bridge from Lincoln Road to S. 28 is in the DOT work plan for 2009 at a cost of \$6,810,941.

### Parks

The Miami Beach Flamingo Park Tennis Renovation was funded at \$200,000.

### Beach Renourishment

Miami-Dade County received \$2,493,400 for beach renourishment, most of which will go to the City of Miami Beach.

### Entertainment Industry Incentive

The new sales tax exemption for the entertainment industry passed this Session with an appropriation of \$25 million.

The budget has been sent to the Governor. His action date is May 24.

### *Legislative Priorities*

#### Property Tax

The Legislature did pass House Bill 333 related to a homestead exemption increase for seniors which implemented a constitutional amendment passed in the 2006 General Election. This bill provides for adjustments to the 2007 tax roll. It was signed by the Governor and applies retroactively to January 1, 2007.

We set multiple meetings for the Manager and Kevin to meet with legislators, Christian Weiss of the Governor's Office and Alan Johansen, Staff Director, in Senate Finance & Tax. The meetings were fruitful in presenting the City's perspective on property tax reform. Relationships with the Governor's Office and the Senate Finance & Tax Committee have continued with communication ongoing with Kevin Crowder.

#### Claim Bill

Senate Bill 76, which provides compensation to the Tunc family under an agreed upon settlement with the City passed this Session. The bill provides \$325,000 to the parents, Claude and Martine Tunc and \$975,000 to Sandrine Tunc, the injured. The bill limits costs incurred by attorneys and lobbyists to \$280,000. It will become effective when signed by the Governor.

### Tax Deferral on Affordable Rental Housing

The lobbying team worked diligently on passage of this language. Initially, Senator Margolis filed Senate Bill 1466 and Representative Luis Garcia had agreed to file the companion bill. However, after the bill-filing deadline, Representative Garcia decided not to pursue the bill. The team worked with Representative Mike Davis and Senator Garcia to amend the language into the affordable housing bills, 1375 and 780. The language passed in 1375.

My Safe Florida Home Program, House Bill 7057, made the following changes:

- Limits inspection to only single family homes;
- Grant eligibility was reduced to homes with insured value of \$300,000 or less;
- Grant funds can only be used for improvements to opening protection, exterior doors, including garage doors and to brace gable ends;
- By January 1, 2009, residential dwellings in wind-borne debris regions with insured value of \$750,000 or more must have opening protections or not be eligible for coverage by Citizens.

We recommend a meeting with the CFO this summer to discuss multi-family mitigation.

### Citywide Wireless Network

No legislation passed which would interfere with or prohibit the City's ability to provide a citywide Internet network.

### Cable Reform

House Bill 529 passed the Legislature and was presented to the Governor. His action date is May 10. The bill was primarily a compromise between the telecommunications and cable companies. It contains the following provisions for local governments.

- Any franchise agreement entered into by a local government prior to July 1, 2007, is not affected by the new legislation.
- Any right-of-way ordinance or agreement in effect on May 22, 1998, or any voluntary agreement entered into subsequent to that date which provides for or allows an in kind compensation by a telecommunication company is allowed.
- Local government ordinances and regulations regarding the placement and maintenance of communications facilities in the public rights-of-way remain applicable to providers of communication services.
- Any local government which, as of January 1, 2007, has an office or a department dedicated to responding to cable or video service customer complaints may continue to respond to such complaints until July 1, 2009. At that time, the

Florida Department of Agriculture and Consumer Services will have the sole authority to respond to those complaints.

- In regard to public educational and government access channels, a certificate holder shall designate a sufficient amount of capacity to allow the same number of PEG access channels that a local government has activated under the incumbent service provider according to agreements effective as of July 1, 2007.
- Provisions are in place to provide local governments with support contributions for PEG programming until the expiration of current franchise agreements or 2012, whichever occurs first.
- The permit holder is responsible for any damages resulting from the issuance of right-of-way privileges and for restoring the local government property to its original condition before installation of facilities.
- Providers are prohibited from denying access and services to any group or individual subscribers because of race or income.
- OPPAGA is required to provide a report to the Legislature by December 1, 2009 and December 1, 2014, regarding the status of competition in the cable and video service industry.
- By January 15, 2008, the Department of Agriculture and Consumer Services is to make recommendations to the Legislature regarding consumer complaints.
- A civil penalty is established for violation of anti-discriminatory policies by providers.

#### Condominium Reform

During the 2006 Legislative Session, Senator Margolis passed a bill which established a Condominium Reform Task Force to deal with issues related to condominium conversions and property insurance. As a result of that task force, the Senator filed Senate Bill 396 and worked diligently to see the legislation pass in House Bill 7031.

Senate Bill 902 also passed this Session which contained numerous condominium provisions, including the following:

- The bill prohibits local governments from adopting ordinances or regulations which would prohibit condominium unit owners or their guests from pedestrian access to public beaches contiguous to the condominium property except where necessary to protect public health and safety. The local government is not prohibited from governing activities taking place on the beach.
- It changes Florida Statute 718.110 regarding the necessity for obtaining owner permission for certain issues that do not affect their rights.
- Amends 718.114 providing that a condominium association has the authority to enter into agreements and acquire leaseholds on facilities such as country clubs, golf courses, spas and other recreational facilities.

### Bert J. Harris Act

Representative Precourt filed House Bill 1333 and Senate Peaden filed the companion, Senate Bill 2852, which would have amended the Bert Harris Act. The changes included a provision for a waiver of sovereign immunity. The team met with Representative Precourt, the League of Cities, the Miami Beach delegation members and staff and other legislators to work against this bill. The bill did not receive a hearing in either Chamber.

### Convention Center Sales Tax Refund

House Bill 41 and Senate Bill 2124 were filed by Representative Flores and Senator Constantine to provide a 50% sales tax refund to convention centers. The bill was heard in committees in both Chambers. The Senate even reduced the statewide annual cap from \$5 million to \$3 million but leadership in neither Chamber was willing to pursue this tax refund. It did not seem appropriate during a year when the Legislature was attempting to curb local government spending.

### Cellular Telephones

Legislation was filed which would have prohibited the use of cell phones while driving a motor vehicle, whether in a school zone or not. Additional legislation was filed to prevent a person with a learner's permit from using a cell phone while driving. All of these initiatives were filed in the Senate. They had no House companions and were never heard in committee.

### Equal Rights Amendment

Senate Bill 272 by Margolis and House Bill 803 by Cusack were filed but not heard by committee. The bills requested the Legislature to ratify the proposed amendment to the Constitution of the United States in regard to equal rights for men and women.

### Water Safety

The team discussed the City's desire to strengthen vessel safety regulations with regard to personal flotation devices with Representative Needleman who customarily works on boating and water safety issues. He agreed to pursue the legislation if a vehicle presented itself which it did not.

### Adoption

House Bill 789 by Brandenburg and Senate Bill 1012 by Rich were filed which would abolish restrictions against homosexual adoption in Florida. Neither bill was heard.

### Renewable Energy

House Bill 7123 is the energy packet for the 2007 Legislative Session. Of particular interest to the City, are the following provisions:

- An Energy Policy Governance Task Force is created to recommend a unified approach to state energy policy. Among its directives are to promote the state as a leader in new and innovative technologies and in cooperation with Enterprise Florida as a location for businesses having operations related to alternative and renewable energy technologies. The task force is to report to the Governor and Legislature by February 1, 2008, and is suspended on June 30, 2008.
- The bill requires the development of a greenhouse gas inventory and requires all major emitters of defined greenhouse gas to report emissions according to a methodology which will be established by rule.
- A farm to fuel grants program is established and the grants are available to municipalities.
- An incentive program is established for the purchase of bio-diesel which is described in the bill at the retail level.
- A bio-fuel production incentive program is also established.
- The Florida Building Commission is to convene a work group to develop a model residential energy efficiency ordinance. The League of Cities is included in the work group.
- The Building Commission is also to implement a public awareness campaign to promote energy efficiency.
- The Florida Public Service Commission is directed to conduct a study to recommend an appropriate renewable portfolio standard for the state.
- The Department of Community Affairs is directed to convene a work group to identify and review new or updated energy conservation standards for products that consume electricity, including but not limited to resident pool pumps, pool heaters, spas and commercial and residential appliances. A report is due to the Legislature by March 1, 2008.
- The bill establishes a green schools pilot program.

### Education

Senate Bill 1232, which passed, requires school districts to establish a career and professional academy which integrates academic curriculum with industry-specific curriculum.

Senate Bill 450 passed, which extends the Florida Teachers Lead Program Stipend to teachers of pre-kindergarten students in public schools and public charter schools.

Senate Bill 988 modifies the Jessica Lunsford Act. This bill makes a number of changes to the sexual predator statutes. Of particular interest are revisions to the background screening requirements for non-instructional contractors on school grounds. Changes to Florida Statutes 1012.467 redefines the term "non-instructional contractor." The bill also defines "school

grounds.” The definition excludes buildings and grounds when the students are not permitted access. For contracted non-instructional personnel who are not anticipated to have direct contact with students, a fingerprint-based criminal history check is required at least every five years. For the initial criminal check, a full set of fingerprints must be filed with the Florida Department of Law Enforcement which, in turn, will submit the fingerprints to the FBI. The screen results are sent to the school district which is responsible for disqualifying contractors based upon certain offenses set out in the bill. The contractor is responsible for notifying the school district that it has undergone the criminal history check.

No significant changes were made to the administration of the FCAT. There was no major legislation that subverted the local control of school boards and superintendents. There was not an attempt to equalize the 2 mill levy. Full day pre-K programs were not funded and the class size reduction was not fully funded, although per capita student funding was increased.

#### Property Insurance

Senate Bill 2498 which passed this session makes a number of changes to property insurance in the state and also serves as a glitch bill for property insurance reforms which passed during the Special Session. It provides the following changes:

- Extends to January 1, 2009 the rate freeze for Citizens Property Insurance.
- Lowers the threshold for qualifying for Citizens Insurance so that when comparable coverage is more than 15% higher than the Citizens rates, a homeowner can qualify.
- Eliminates new Florida only subsidiaries.
- A home with a replacement value of \$1 million or more need only be rejected by one rather than three insurers in order to qualify for Citizens.
- Establishes the Florida Catastrophic Storm Risk Management Center at Florida State University. The center is to promote and disseminate research on issues related to catastrophic storm loss and to assist in identifying and developing education and research grants among higher education institutions in the state and private sector.
- The bill establishes the Citizens Property Insurance Corporation Mission Review Task Force to develop a report on changes needed to return Citizens to its former role as a non-competitive residual market mechanism. The task force is to report to the Legislature by January 31, 2008.

#### *Other Issues of Interest to the City*

##### Beach Sand

Senate Bill 1472 passed this Legislative Session. It restricts the use of geo-textile containers to be used for beach armoring. It also provides for the development and maintenance of an

inventory of offshore sand sources. As filed, this bill would have required the Department of Environmental Protection to notify local County Commissioners if sand was to be taken from their area for use in another place in the state and if the Commissioners objected to the relocation of the sand. That information would have had to have been presented to the Legislature prior to funding of beach renourishment projects statewide. We worked with the Beach and Shore Restoration Society and DEP to compromise on that language whereby DEP would have to report at the time of their recommendations for statewide beach renourishment funding any sand being moved from one part of the state to another. This will ensure that the orderly process of recommending beach restoration is not disrupted.

### Growth Management

House Bill 7203 passed this session. It is a glitch bill for the growth management initiative passed two years ago. The bill contains the following:

- New language states that a comprehensive plan is deemed financially feasible for transportation and school facilities throughout the period addressed by the capital improvement schedule if it can be proved that the level of service standards can be achieved and maintained by the end of the planning period even if a particular year improvements are not concurrent with the requirements.
- The bill clarifies that financial feasibility shall apply to a 5-year planning period except in the case of long-term transportation or school concurrency management, in which case financial feasibility shall apply to a 10-year period or a 15-year period.
- The bill changes the date for the submission of the capital improvement element. It is currently due December 1, 2007, and that date is changed to December 1, 2008.
- The bill clarifies that public transit facilities exempted from concurrency requirements include airport passenger terminals and concourses, air cargo facilities and hangars for the maintenance or storage of aircraft.
- An urban service area designated as a Transportation Concurrency Exception Area is described for purposes of exemption to concurrency.
- The bill changes the July 1, 2006 due date for the compliance of transportation concurrency exception areas to the evaluation and appraisal report date.
- The bill specifies that a DRI in order to meet its transportation mitigation is not responsible for the cost of reducing or eliminating backlogs.
- The bill provides the option for local governments to establish Transportation Backlog Authorities through interlocal agreements.
- The bill establishes a pilot program in Pinellas and Broward Counties and municipalities within those counties and Jacksonville, Miami, Tampa and Hialeah for the purpose of developing an alternative state review processes with less input from the Department of Community Affairs.

- New language provides for a delay in school concurrency to the fourth year of a development or later.
- The bill names the Community Workforce Housing Innovation Pilot Program, the Representative Mike Davis Community Workforce Housing Innovation Pilot Program.

#### Public Construction Bonds

House Bill 1489 provides that the amount of bond shall equal the contract price except under certain conditions and revises the provisions regarding design built contracts passed this Session.

#### Cosmetology

Senate Bill 920 passed. The team monitored this legislation for implications to photo shoots on the beach. Nothing in the bill would change the current policy regarding a model bringing her own hairdresser to a photo shoot.

#### Towing

No bills passed this legislative session which would have changed the regulatory oversight of wrecker services.

#### Public Records Exemption for Economic Development

House Bill 7201 passed this Session which renews the public records exemption for economic development agencies. The bill defines the term "proprietary confidential business information" and "trade secret."

#### Transportation

As passed, House Bill 985 is a large transportation package. Among its provisions is the establishment of the Enhanced Bridge Program for Sustainable Transportation. The program is created to provide repairs to non-state owned bridges.

The bill also establishes the ability of counties and cities to create Transportation Backlog Authorities through interlocal agreement.

Wall murals are regulated by local governments.

It has been our pleasure to follow these and other issues for the City of Miami Beach during the 2007 Legislative Session. We look forward to representing the City during the upcoming Special Session and will keep you abreast of pre-session activities.