



MIAMI BEACH

OFFICE OF THE CITY MANAGER
NO. LTC # 214-2007

LETTER TO COMMISSION

TO: Mayor David Dermer and Members of the City Commission
FROM: Jorge M. Gonzalez, City Manager
DATE: September 25, 2007
SUBJECT: **STATE LEGISLATIVE ISSUES**

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CITY CLERK'S OFFICE

The purpose of this LTC is to provide the Mayor and City Commission with an update regarding state legislative issues. Attached, please find a report provided by the City's lobbyists. This report includes information regarding political issues around the state, Special Session C, the 2008 Regular Session, the Taxation and Budget Reform Commission, and the Energy Commission's Advisory Group on Energy Efficiency and Conservation

Special Session C

The Florida Senate and House of Representatives have scheduled Special Session C during October 3-11, in order to cut at least \$1 billion from the current 2007-2008 State budget. The Administration will closely monitor this process and work with the City's representatives to preserve those programs from which the City receives funding.

2008 Legislative Session

Attached, please find a preliminary list of priorities for the 2008 session of the Florida Legislature, which will begin next March. Due to certain time constraints, this list will be presented for approval as the City's preliminary 2008 legislative agenda at the October 17, 2007 City Commission meeting. The final legislative agenda will be presented at the January City Commission meeting. The preliminary list is not all-inclusive; some items require further discussion by the City Commission, such as additional legislative initiatives regarding property tax reform. Below, please find the anticipated schedule:

October 17, 2007	Preliminary approval of the Legislative Agenda
November 6 & 20, 2007	Election Day and Run-Off Election
Late Nov – Early Dec	Commission meetings with the City's lobbyists
December	Presentation of Agenda to the Dade Delegation
December	Commission Committee discussion of specific issues
January 2008	Final City Commission approval of the Legislative Agenda
January 29, 2008	Election: Primary and Super-Homestead Exemption
March 4, 2008	Opening Day of the 2008 Regular Session

The Administration will also meet with the Quality in Education Committee in November and December and will present their education-related legislative recommendations as part of the City's final legislative agenda at the January 2008 City Commission meeting.

As always, please feel free to contact me should you have any questions or require additional information on this item.

JMG/HF/kc

c: Executive Staff
Kevin Crowder, Economic Development Division Director

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MEMORANDUM

T0: 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
Stephen Cline

DATE: September 21, 2007

SUBJECT: **September 2007 Monthly Report**

Political Issues

Special Elections

Special elections remain an issue in the House. On September 18, voters in Duval County elected Republican Charles McBurney to replace former Representative Mark Mahon who left his seat to take a judicial post. McBurney beat Democratic candidate Deborah Jahns-Nelsen by a vote of 79% to 20%.

In House District 34 which encompasses parts of Orange and Seminole Counties, Representative Mealor is vacating his seat to run for Chancellor the State Community College System. A Primary is scheduled for October 9 with a General election November 6. A number of

candidates met the filing deadline of September 7. Candidates include Republicans Chris Dorworth and Allen Roosa, Democrat Stephan Bacallao and Independent candidates Francisco Denis and Joe Rosier. Dorworth is viewed as the early favorite. He is the only candidate who has not previously run in opposition to Mealor.

With the recent death of Representative Mike Davis of House District 101, which encompasses parts of Broward and Collier Counties, the Governor has set election dates for his replacement. The Primary election is scheduled for October 30 with the General election to be held November 20. As you recall, Representative Mike Davis was the sponsor of the affordable housing bill which passed during the 2007 session. The lobby team worked extensively with Representative Davis to incorporate the City's language for tax deferral for affordable housing. Representative Davis was most gracious in agreeing to incorporate that language into his bill and pushing it forward. The City's recognition of his efforts would be appropriate.

Legislative Issues

Special Session C

The House and Senate have rescheduled the budget cutting session which was due to begin on September 17, to a new date, October 3-11. As of the date of this report, the official call has not been released. The Legislature is due to cut at least \$1 billion from the current 2007-2008 state budget. Speaker Rubio has recently indicated his intention to cut more in anticipation of a continuing shortfall in revenue income.

Interim Committee Meetings

Both the House and Senate have scheduled interim committee meetings for October 1-3. Prior to scheduling the Special Session, this week had been designated as an interim committee week.

Legislative Budget Commission Meeting

The Legislative Budget Commission met on September 10, 2007. Among the items which were discussed and passed include a request from the Florida Department of Transportation to increase their budget authority by \$35.4 million to implement the "95 Express" road project. This project "will provide the first critical link to the region's emerging network as managed lanes. It will connect the Miami Central Business District from I-395 North to I-595 providing 21 miles of regional linkage between Broward and Miami-Dade County. The goal of the I-95 project is to advance the region's managed lanes network to provide congestion relief to motorists and to facilitate region-wide express bus service using the network. This will be accomplished with the promotion of bus rapid transit and variable toll/congestion pricing on I-95." The Florida Department of Transportation has been awarded a federal grant to implement this innovative system-wide mobility project. The request before the Budget Commission deals with Phase 1A of the project. The project is estimated to cost \$136.4 million over the next two years. The state appropriated \$35 million during the 2007 legislative session, and \$43.4 million

is to be covered by the federal award. The remaining \$58 million will be financed with toll revenues generated from 95 Express managed lanes, once operational.

Wastewater Outfalls

The draft legislative package from DEP for the 2008 legislative session calls for the elimination of wastewater outfalls in Southeast Florida. This initiative, if passed, would be extremely expensive for Miami-Dade County. The County Mayor has requested a meeting with Governor Crist to discuss this issue. The County anticipates tripling water rates should this initiative pass during the 2008 session.

2008 Legislative Bills

We have identified the following bills of interest to the City which have been filed for the 2008 session:

- HB 5, Distribution of Proceeds from Excise Taxes on Documents
- HB 27, Firefighter and Municipal Police Pensions
- HB 29, DNA Testing
- HB 33, Presumption of Correctness for Ad Valorem Tax Assessment
- HB 37, Contracting for Efficiency or Conservation Measures by State Agencies
- HB 43, Criminal Activity
- HB 47, Civil Rights
- HB 51, Partial Payment of Property Taxes
- HB 61, Offenses Against Officers
- HB 63, Community Development Areas
- HB 73, Illegal Immigration
- SB 74, Documents Excise Taxes/State Housing Trust Fund
- HB 75, Homestead Property Assessment
- SB 76, Criminal Activity/Criminal Gangs
- SB 80, State Housing Trust Fund/Documents Excise Tax Distribution
- SB 82, Public Library Grants/State Aid
- SB 84, Outdoor Recreation/Local Government Project Grants
- SB 86, Sales Tax Exemption/Hurricane Preparedness Items
- HB 87, Protection of Ocean Lifeguards
- SB 90, United States Flag Display/Local Ordinances
- HB 101, Dangerous Dogs
- HB 111, Hurricane Preparedness
- SB 120, Residential Property Just Valuation
- HB 125, Duties of Tax Collectors
- HB 129, Just Valuation of Property
- SB 138, Imitation Firearms
- SB 148, Voluntary Pre-kindergarten Education Program
- SB 218, Firefighter and Municipal Police Pensions

- SB 228, Sales Tax on Rent
- SB 272, Street Gang Prevention/Civil Causes of Action
- SB 278, Ocean Lifeguard/Assault or Battery

Other Issues of Interest to the City of Miami Beach

Taxation and Budget Reform Commission

The Reform Commission has begun traveling the state to conduct public hearings. Public hearings are scheduled between September 20 and October 18. They will be in Miami-Dade County Commission Chamber on Wednesday, October 10, from 4:00 to 7:00 p.m. This is an excellent opportunity for the City to bring forth any particular budget or taxation issues, especially in terms of future planning.

The Sales Tax Base Review Work Group met on September 17 in Tampa. Their agenda included the following:

Dominic Calabro, President and CEO of Florida Tax Watch, made a presentation on sales tax exemptions and exclusions. He discouraged the reimplementing of sales tax on services and encouraged collection of Internet sales tax. Mr. Calabro divided sales tax exemptions into three groups, those being structural, life necessities and economic development. He noted that after adjusting for those three categories, Tax Watch had identified an additional 125-150 exemptions that could be reviewed by the Legislature to determine their justification.

Commissioner Randy Miller, a member of the Review Work Group, noted that there are currently 246 exemptions in place, totaling \$12 billion. \$2.6 billion of those exemptions fall into the categories related to household, structural economic development or miscellaneous. The rest of the exemptions are directly related to business expenditures.

Mr. Richard Schlafer, representing the Florida Institute of Certified Public Accountants, addressed the group in opposition to a tax on services.

Mr. Barney Bishop, President and CEO of Associated Industries of Florida, spoke to the group relative to the issues relating to sales tax exemptions on businesses. He pointed out that due to the current economy, this was not the best time to make any radical structural changes in tax policy. AIF does support taxing Internet sales.

Allen Douglas spoke on behalf of the Florida Chapter of the National Federation of Independent Businesses in strong opposition to taxation of services.

Energy

The legislatively established Florida Energy Commission's Advisory Group on Energy Efficiency and Conservation is working on 54 draft recommendations. The Commission will be

presenting a report to the Senate President and House Speaker by December 31, 2007. The following are draft recommendations of interest to local governments.

- Create state and municipal buildings program: extend Governor Crist's mandate to improve the efficiency of state facilities under the Executive Office of the Governor to all state facilities. Initial recommendation includes local governments. At the September 17 meeting, the advisory group recommended having this apply only to state buildings.
- Provide incentives for water utilities to save water via state funding of new research initiatives including (1) turf grass with low water requirements; (2) off-peak irrigation strategies to minimize the expansion of new wells to manage peak demand period.
- Direct (or provide incentives for) local economic development agencies to require local economic development projects to meet a recognized green standard for projects that qualify for tax increment financing.
- Create the necessary statutes that would allow the State of Florida to either become an active participating member of the Regional Greenhouse Gas Initiative or create a regional carbon cap and trade system within the Southeastern states.
- Adopt a statewide net metering policy.
- Direct the Department of Community Affairs to modify the Florida Energy Building Code to include the following improvements: adjustment to favor smaller homes and penalties for larger homes and adjustment to favor a lower percentage of window area.
- Modify the state DRI process to support fast-track permitting for green developments.
- Modify state methodology for the ranking of funding for transportation projects to give priority to development projects or economic development projects that meet green standards.
- Recommend permanent property tax exemptions for solar energy systems installations.

The Florida Energy Commission will meet on September 28 in Orlando and on October 18-19, also in Orlando.

Calendar

October 3-11	Special Session C
October 1-5	Interim Committee Meetings
November 5-9	Interim Committee Meetings
December 10-14	Interim Committee Meetings
January 7-11	Interim Committee Meetings

January 22-25
February 4-8
February 18-22
March 4

Interim Committee Meetings
Interim Committee Meetings
Interim Committee Meetings
Opening Day of the 2008 Regular Session



MIAMI BEACH

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PRELIMINARY 2008 FLORIDA LEGISLATIVE AGENDA

LEGISLATIVE PRIORITIES

Citywide Wireless Network

Oppose legislation that will limit or prohibit the City's ability to move forward with this project.

Condominium Reform

1. Create a conduit financing mechanism for major condominium repairs;
2. Reduce initial recertification requirement for condominium buildings from forty to twenty years, with renewal every ten years thereafter;
3. Authorize local government to require that condominium associations provide confirmation that all unit owners have been noticed of all common area code violations, prior to occupational license renewal.

Bert J. Harris Act

The City opposes legislation that weakens or removes the sovereign immunity provision in the Bert Harris Act, and further will work to support legislation that not only maintains, but strengthens the sovereign immunity provision.

Convention Center Sales Tax Refund

The City supports the introduction and passage of legislation in the Florida Legislature that will return 50% of the sales taxes remitted by eligible convention centers to the municipality that owns the center for economic development purposes.

Hurricane and Windstorm Mitigation

Expand the eligibility criteria for the My Safe Florida Homes Program to include hurricane mitigation measures for multi-family buildings. (Resolution No. 2006-26302)

Create a grant program that assists multi-family buildings in complying with the alternative power source requirement of Section 553.509, Florida Statutes. (Resolution No. 2006-26302)

Protection of Ocean Lifeguards

Amend Chapter 784.07, F.S., to include 'Ocean Lifeguards' for purposes of certain enhanced penalties imposed for assault or battery. In the past, there have been incidents where ocean lifeguards were assaulted on the beach while in the course of doing their jobs. Florida Statute 784.07 gives added protection to public servants who are the victims of assault and battery while in the course of performing their duties, by increasing the classification of the offense from a misdemeanor of the second degree to a misdemeanor of the first degree in the case of assault and from a misdemeanor of the first degree to a felony of the

third degree in the case of battery.

Cellular Telephones

Pursuant to Resolution 2006-26241, the City of Miami Beach urges the Florida Legislature to change Florida law to preclude cellular telephone usage by motor vehicle operators while located in a school zone.

Equal Rights Amendment

Pursuant to Resolution No. 2006-26130, the Legislature should ratify the proposed Equal Rights Amendment to the United States Constitution.

Water Safety

Pursuant to Resolution No. 2006-26413, the City supports strengthening of vessel safety regulations with regard to personal flotation device requirements to conform to federal regulations that are stricter with regard to child age requirements and vessel length.

Adoption

Pursuant to Resolution, the City urges the Florida Legislature to abolish the restriction against homosexual adoption contained in Florida Statutes.

Renewable Energy

Research innovative programs and funding opportunities for potential renewable energy initiatives in Miami Beach. Follow the recommendations of the House Energy Committee.

FUNDING PRIORITIES

COMMUNITY BUDGET ISSUE REQUESTS (CBIR):

Stormwater Infrastructure Improvements

The City will submit a CBIR to seek funding assistance for stormwater infrastructure improvements.

Wastewater Infrastructure Improvements

The City will submit a CBIR to seek funding assistance for wastewater infrastructure improvements.

Drinking Water System Infrastructure Improvements

The City will submit a CBIR to seek funding assistance for drinking water infrastructure improvements.

Other Miami Beach Funding

The City will monitor funding levels for Miami Beach based organizations during the budget process. In the past, organizations and projects that provide services to the Miami Beach community have received earmarks, such as the Miami Beach Senior Center and the meals program.

GRANT PROGRAMS:

Support full funding of City projects in the FY 08 Hazard Mitigation Grant Program and Pre-disaster Mitigation Grant Program, and for City projects submitted through Miami-Dade County to the State of Florida's FY 07/08 Domestic Security Program.

Create a grant program that assists in compliance with Section 558.509, F.S. (Alternative Power Source for certain multi-family buildings).

The City supports full funding of recreation, cultural arts and historic preservation programs.

STATE BUDGET ISSUES:

Affordable Housing

The City supports removal of the cap on the Sadowski Act Trust Funds and an increase of the funding available through the State Housing Initiatives Partnership (SHIP) and other programs.

Beach Renourishment

Fully fund beach renourishment at \$30 million.

Hurricane Mitigation / Property Insurance

Adequately fund free inspections and matching grants for hurricane mitigation improvements to multi-family buildings (apartments and condos), similar to the My Safe Florida Home Program.

Create a grant program that assists multi-family buildings in complying with the alternative power source requirement of Section 553.509, Florida Statutes.

Entertainment Industry Incentives

The City supports full funding of the Entertainment Industry Incentive Fund.