



# SOUTH FLORIDA BUSINESS COUNCIL

## 2019 Top Five Regional Issues Watch List

The South Florida Business Council (SFBC), a partnership between the Chamber of the Palm Beaches, the Greater Fort Lauderdale Chamber of Commerce and Greater Miami Chamber of Commerce, has released its Top Five Watch List of issues that are critical to the region’s success. The Watch List gives an overview of each priority and notes key opportunities in the year ahead that will determine how these issues may unfold in South Florida.

### Top 5 Watch List:

1. Mobility/Transportation
2. Education Quality
3. Water Management
4. Affordable Housing
5. Tourism Growth



The SFBC intends to harness the power of its members to showcase the value of taking a regional approach to our most pressing needs. We must keep a spotlight on the issues of the day, speak with one voice, and ensure our legislators and local leaders take aggressive action to deliver solutions.

**- Christine Barney**  
*Chairperson of the SFBC*

The first annual South Florida Business Council Watch List identifies the top five issues impacting the South Florida region in the year ahead. The Council seeks to spotlight these issues and encourage business and political leaders to work together for regional solutions.

### 1

#### Mobility/Transportation:

**A. WHY IS THIS IMPORTANT?** The success and desirability of South Florida have led to a growing and vibrant economy, but it also has compounded our traffic problems. Increasing commute times have a direct effect on our economy through decreased worker productivity, delays in shipping and deliveries, and dissuading outside companies from moving into our community. Finding affordable solutions that can be implemented in relatively quick time frames is a must for our economy to continue its upward trajectory in the face of a population that will increase by another 1 million by 2030.

**B. KEY THINGS TO WATCH FOR IN 2019:**

- **Money matters.** Transit is expensive. Matches from the state and federal level are critical to ensuring transit solutions get the greenlight. A coordinated effort is needed to ensure funding of the many proposals in each of the three counties is secured. Look for more dialogue from transit leaders seeking regional solutions.
- **Continued trend of in-fill.** People want to live closer to where they work, and the “live, work, play” model is especially attractive to younger residents. Look for continued investment in redeveloping urban areas. Providing an attractive lifestyle that reduces commutes and eliminates cars on the road without having to build transportation infrastructure is a win win. In addition, a focus on transit-oriented development (TOD) will not only stimulate economic development, it will also increase transit ridership and reduce traffic congestion and greenhouse gas emissions.

- **Private solutions** will bring new technology. South Florida cities will seek transit public-private partnerships (P3s) to maximize innovation and minimize the burden on local governments. For example, as technology strides are made, ride-sharing companies like Lyft and Uber will partner with local governments and transit agencies to integrate their platforms with public transit. This provides passengers convenience by filling gaps in service and helps governments by boosting ridership and defraying infrastructure costs. More municipalities will work through the challenges of new technology such as dockless bike and scooter companies to meet resident and tourist demand for mobility solutions outside of the traditional transit options.
- **Threats to local resources.** A bill in the house threatening to dissolve the Miami-Dade Expressway authority (MDX) could be precedent setting by putting local toll dollars in statewide hands. It would work against home rule as it would strip the local responsibility of appointing the Transportation Planning Organization members that look at regional transit solutions away from Miami-Dade and put it in the hands of the Governor.
- **Consolidating permitting challenges.** Regional mass-transit systems are often hampered by the permitting challenges associated with construction in multiple cities, each with its own priorities, regulations, and permitting processes. Because the recently proposed expansion of Miami-Dade County's transit system (the SMART Plan) will similarly traverse multiple jurisdictions, the project would benefit greatly from consolidated permitting and decision making at the regional level.

## 2

### Education Quality

**A. WHY IS THIS IMPORTANT?** Education is the building block of economic development. Companies move here and stay here because there is strong talent to hire and because their workforce feels there is quality education for their children. K-12 education funding challenges remain — from retaining quality teachers because their salaries have lagged in national averages to modernizing buildings and equipping schools with the latest technology and securing our schools to provide students with safe places in which to learn. Additionally,

early learning programs are key to ensuring children start school prepared to learn and become skilled workers, yet these essential programs selected by voters remain underfunded.

#### **B. KEY THINGS TO WATCH FOR IN 2019:**

- **School funding.** Expect results of a state-commissioned study looking at the district cost differentials among Florida counties to offer suggestions for allocating funding based on the unique needs of some counties over others. For the first time in a long time, there is the opportunity for South Florida to get a fairer share of the tax dollars it submits to the state.
- **School choice.** Governor DeSantis has put a spotlight on making changes to expand school choice, and the debate on how this will impact public schools is expected to be intense.
- **Student safety.** There may be additional appropriations for local school districts to preventively harden schools with appropriate remedies based on the Marjory Stoneman Douglas High School Task Force report.

## 3

### Water Management

**A. WHY IS THIS IMPORTANT?** Water management sounds simple, but in South Florida there are a myriad of issues and nuances when it comes to this resource that many say is the foundation of our economy and quality of life. There are concerns about sea level rise/flooding that could drastically impact our economy. There is debate on the management of our water resources and infrastructure, particularly fresh water flow and its availability to ensure continued growth without negative environmental impacts. And there is the health of our beaches which is addressed in our watchlist item on tourism.

#### **B. KEY THINGS TO WATCH FOR IN 2019:**

- Water management remains a hot topic. Political will is stronger than ever to **avoid repeating the negative impacts** of red tides and algae blooms that plagued parts of the state last year. That means more debates on funding and how to meet the needs of the various “customers.”
- Lake Okeechobee remains front and center. Over the last 75 years, urban communities have designed their

public water supply systems to rely on the Lake when the aquifer levels are low. Below is a county-specific overview:

- This is a critical issue for Palm Beach County agriculture, one of the area's largest businesses and employers, which provides a beneficial use for Lake water every year, as well as for urban communities which depend on the Lake for water supply in times of drought.
- The water supply for Miami-Dade County is derived from a series of large wellfields, all of which were placed near South Florida Water Management District (SFWMD) canals so they could be recharged during droughts with water from Lake Okeechobee. This is the only backup water supply for drought years.
- Broward County has a more diverse water supply system, but it also requires water from Lake Okeechobee during dry periods to maintain adequate water supply and to keep environmental features in the County viable.
- **A new SFWMD board** takes its place. In its history, there has never been a time when all nine members of the SFWMD governing board and executive staff have been replaced at the same time. It will be critical to have a functioning board that understands the need for a balanced approach to managing Lake Okeechobee and the nuances that come with this essential resource.
- The **U.S. Army Corps of Engineers (USACE)** should stay the course. The USACE will play a central role in water management and should maintain its accelerated schedule for completing repairs on the Herbert Hoover Dike and developing a management plan that recognizes the ability to hold more water in Lake Okeechobee rather than sending it to the coastal environment.
- The dialogue will continue. The founding members of the SFBC joined the **Regional Climate Compact** in 2017 and will continue driving discussion on impacts such as insurance market strategies. In addition, we will continue to see education events from the **100 Resilient Cities initiative** funded by the Rockefeller Foundation.

## Affordable Housing

**A. WHY IS THIS IMPORTANT?** Affordable housing presents a tremendous challenge in South Florida. The high cost of living spaces is forcing workers farther away from job centers and on to already highly congested roads. According to HSH.com, which sells mortgage data to the home-selling industry, the median priced home in Palm Beach, Broward, and Miami-Dade counties is \$353,000, making South Florida the nation's 12th most expensive metro area. Banks would require a household income of \$78,337 to obtain a mortgage on that property, but the median household income in the South Florida metro region is just \$51,362. Finding ways to incentivize developers to build and maintain homes and apartments that workers can reasonably afford is essential to productivity and economic growth.

**B. KEY THINGS TO WATCH FOR IN 2019:**

- In 2001, legislators began diverting millions from the **Sadowski Trust Fund**, a dedicated revenue source for affordable housing programs, for other purposes. Governor DeSantis' budget fully funds the Sadowski Trust Fund at \$91.3 million. If approved, for the first time in 20 years, none of the \$30 million in sweeps from trusts will come from the Sadowski Fund. Look for impacts if the State Housing Initiative Partnership (SHIP) and State Apartment Incentive Loan (SAIL) programs receive full funding to aid income-eligible residents.
- An increased focus on **transit-oriented development**. Look for more incentives for the development of affordable housing near transit corridors and high-frequency bus routes. Some communities are modifying zoning codes to provide additional parking reductions and increased density for affordable housing developments on transit corridors. Others are calling for the amendment of the Low-Income Housing Tax Credit criteria to encourage TOD. This plan could be modified to specifically encourage the development and preservation of affordable housing near the multimodal Brightline terminals in Miami-Dade, Broward, and Palm Beach counties.

## Tourism Growth

**A. OVERVIEW OF ISSUE:** There is no mistaking that tourism is a critical industry not only in South Florida but also the state. It adds revenue not only directly to those in the hospitality industry but also to retail, arts & culture, and more. In a state that relies on sales/fuel tax vs. income tax, tourism is a key driver of our economic health. In addition, the Governor's office noted that every group of 65-70 tourists equals another job. There are many circumstances that impact South Florida's ability to remain a top tourism destination. Whether it's funding or ensuring our natural resources remain attractive, critical decisions being made this year will impact our success in the future.

**B. KEY THINGS TO WATCH FOR IN 2019:**

- **Visit Florida**, a not-for-profit corporation created as a public-private partnership by the Florida Legislature in 1996, is the state's official tourism marketing organization. Its funding is set to expire in 2019. Renewing this legislation and ensuring Visit Florida's continued existence and operation are key to Florida maintaining its position in the competitive world of tourism marketing.
- The **sharing economy** continues to advance, and the debates continue on how to give tourists the choices they want while protecting communities and local revenues. There are multiple bills filed impacting the vacation rental industry & local governments and as new options, e.g., electric scooters, enter South Florida, we need to be thoughtful and nimble in how we navigate.
- No one disputes the importance of ensuring **Florida's beaches and coral reefs** remain healthy. Look for legislation (SB 446 and HB 325) to overhaul how funding for beach preservation projects is decided. Under this coastal management bill, criteria for ranking beach and inlet sand management projects will be refined to better capture the economic importance of healthy beaches to tourism, storm damage reduction, and resource protection. For example, The Coral Reef Disease Water Quality Monitoring Project seeks \$1 million in funding to document and track the health of the Southeast Florida Coral Reef Ecosystem Conservation Area.

The SFBC explored many other issues affecting the region's business success, such as healthcare, job growth, homelessness, and workforce training. These five rose to the top of the board's criteria because of their critical regional economic impact and likelihood of turning-point legislation/activity this year.

---

## About SFBC

The SFBC is a partnership between the Chamber of the Palm Beaches, the Greater Fort Lauderdale Chamber of Commerce, and Greater Miami Chamber of Commerce. Its mission is to assist with South Florida's regional issues and use its resources to create solutions. The Chambers expect to use the power that comes from speaking with one voice to drive South Florida forward and make it a better place to live, work, and enjoy. To learn more, visit [www.soflobusinesscouncil.com](http://www.soflobusinesscouncil.com).

**Christine Barney, Chairperson**  
rbb Communications

**Jack Seiler, Chairperson-elect**  
Seiler, Sautter, Zaden, Rimes & Wahlbrink

**Joseph Chase, Chairperson-elect Designee**  
Gunster Law Firm

**Alfred Sanchez, Board Member**  
Greater Miami Chamber of Commerce

**Humberto Alonso, Board Member**  
Atkins

**Dr. Mark Rosenberg, Board Member**  
Florida International University

**Dan Lindblade, Board Member**  
Greater Fort Lauderdale Chamber of Commerce

**Heiko Dobikrow, Board Member**  
Riverside Hotel

**Juliet Murphy Roulhac, Board Member**  
Florida Power & Light Company

**Dennis Grady, Board Member**  
Chamber of Commerce of the Palm Beaches

**Evelyn Hopkins, Board Member**  
Florida Crystals Corporation

**Rick Reikenis, Board Member**  
Rick Reikenis and Associates