Miami's Downtown Component of Metrorail

Public-Private Coventure Financing Using a Special Assessment District

February 1984

NOTICE

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Miami's Downtown Component of Metrorail:

Public-Private Coventure Financing Using a Special Assessment District

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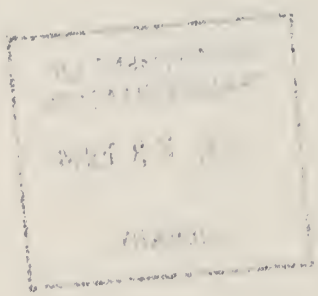

ACKNOWLEDGEMENTS

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In addition, special local participation and support was provided by Mark Samet of Dade County, who previously served as Project Manager of the DCM benefit assessment implementation program.

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PREFACE

On September 19, 1981, a committee of thirteen local Downtown Miami private sector business community and five public or quasi-public representatives unanimously endorsed a resolution to implement a private/public coventure funding program involved in the implementation of a benefit assessment district to provide sufficient revenue to pay the principle and interest and market placement costs of $20 million in municipal bonds. In addition, their consensus support was given to: 1) the negotiation of $10 million in additional funding through station cost sharing agreements; and 2) if necessary, use of tax increment financing to ensure that this system would be implemented.

This case study report documents the step-by-step process of consensus building that was required to achieve this precedent-setting decision. The report also delineates the Federal, State and Local implications of this decision on future fixed guideway system development in the State of Florida and throughout the United States. While at the time the decision was reached, the outlook for fixed guideway system development in the United States was tenuous, these individuals' collective actions became a "beacon" to the entire State of Florida that cooperative private/public sector efforts could be achieved and that private sector (i.e., local business community) involvement would be essential to the future development of "new fixed guideway systems." The action by the local business community of Downtown Miami was not in any sense a contribution — it was a calculated investment — that was successful.

The most immediate tangible result of this decision is that in early 1985 the Miami Downtown People Mover will be in revenue operation. This precedent for Private/Public Coventure financing and its respective local jurisdictions has altered the State of Florida's financial strategy for new fixed guideway system implementation. Without the timely and challenging commitments and fortitude of local DPM professionals, namely, Simon Zweighaft, Project Manager for the Dade County Transit Administration, Roy Kenzie, Director of the Downtown Miami Development Authority, and legal counsel Stuart Simon, this historically significant event would not have occurred.

I. INTRODUCTION

Background

On March 10, 1981, the initial Federal budget recommendations prepared by the Office of Management and Budget (OMB) called for the elimination of all financial support for Downtown People Mover Projects. In the subsequent months, the official posture of the Urban Mass Transportation Administration (UMTA) evolved to "limited support" for only those systems which were functionally integrated with a regional rapid transit system. Under this policy framework, Miami was originally to receive only limited capital support of approximately $11 million to construct a downtown people mover system. During a site visit to Miami, Mr. Arthur Teele, Jr. (the UMTA Administrator) stated that the Miami Downtown Component of Metrorail DCM Project could proceed only if Dade County/City of Miami officials could develop a "full funding" program that included evidence of major financial support from the downtown business community (i.e., private sector).

To address the overall funding problem, the Dade County Manager, Merrit Stierheim, requested that a Private Sector Task Force be formed. This Task Force was established and chaired by Alexander McWolfe, Jr., Chairman of the Board, Southwest First National Bank of Miami. On August 3, 1981, Robert J. Harmon & Associates, Inc. (RHA) was engaged by the Miami Downtown Development Authority to provide professional economic and financial consultative support in the area of establishing a "full funding" program for the Miami DCM Private Sector Task Force. Mr. Simon Zweighaft was appointed Project Manager for the Dade County Transportation Administration. The Miami Downtown Development Authority (DDA) provided liaison with the private sector and overall project coordination support. Peter Andolina was the senior Miami DDA staff person who provided this key assistance.

This case study report documents the chronological events, key issues, technical analysis inputs and bases of resolution that led to consensus decision to provide private sector financial support to the DCM System.

Overview of the Outcome

During a concentrated two-month period, the Task Force met with members of the Miami Downtown Development Authority and Dade County Transportation Department personnel to review all key aspects of the funding problem. The most critical issues addressed during these working sessions included: 1) capital and operating construction cost estimates of the system; 2) annual cash flow funding needs over the entire construction schedule; 3) existing capital funding commitments; 4) alternative funding sources; 5) relationship of funding option to economic benefits to be derived by the downtown business sector from the DCM; and 6) the need for formulating a complete funding package.

The Private Sector Miami DCM Task Force proceeded to focus the financial analysis on critical implementation issues. The primary concerns expressed related to ensuring that: 1) inflation impacts were fully taken into account in the capital cost estimates; 2) the downtown business sector's financial support be directly related to the monetary benefits derived from the system; and 3) a realistic full funding program could be established.

To address these concerns, the DCM Task Force examined a full spectrum of potential funding sources. Each candidate funding resource was analyzed to determine: (1) the adequacy of its revenue potential; (2) the equitability of the applications to the DCM (including the funding approach's impact on the composition and pace of commercial and residential development in Downtown Miami); (3) the acceptability by the downtown business community and/or residents of the City of Miami; and (4) the extent of the implementation efforts required to secure the subject funding sources. Based on this evaluation, several candidate funding sources including retail sales tax, gasoline tax, and a special development tax were eliminated from further consideration.

The final outcome of the economic study and task force work sessions consisted of a consensus resolution recommending a five-part local initiatives DCM capital funding program. The key elements of this project funding program are as follows:

1) Creation of a "non-ad valorem" special assessment district in the Miami central business district (CBD) to support and service a $20 million municipal bond issue;

2) Support for the County to pursue: leverage leasing, connector fees and shared station costs and property deductions to procure further private sector financial support of the DCM system; and

3) Decision that the remaining capital funding requirements should be met primarily through the dedication of the Miami CBD's share of tax increment financing revenues.

[The exact wording of the Task Force resolution is presented on the following page.]

Significance

The timely consensus decision reached by the Miami DCM Private Sector Task Force proved to be pivotal in securing the $64 million in capital funding that was being sought from the Urban Mass Transportation Administration (UMTA). The fiscal year 1982 U.S. Department of Transportation multi-year appropriation bill incorporated a financial provision for approximately $26 million for the construction of the Miami DCM system. An equal DOT financial appropriation was approved for fiscal year 1983. The Dade County offer to fund all capital costs above the two-thirds/one-third Federal/local matching funds agreement of the original DCM capital cost estimate is fully met by the local initiatives funding program (outlined in the above-referenced Task Force consensus resolution) and allocation of Section 9 UMTA funding.

The configuration and overall design of the Miami DCM will reinforce the pace of Miami Downtown development and ensure the ultimate functional linkage of the entire CBD area. The leadership exhibited by the private sector representatives on the DCM Task Force set a national precedent, demonstrating that local communities (led by principal private sector business leaders) will support major fixed guideway transportation improvements that reinforce the growth and economic vitality of their Downtown areas.

The succesful implementation of the private/public coventure funding program for the Miami DCM heralded a new era of private sector initiative in fixed guideway transit

DOWNTOWN COMPONENT OF METRORAIL PRIVATE SECTOR TASK FORCE

Chairman Alexander McWolfe, Jr.

This Committee was formed at the request of the County Manager. It recommends to the Commission that, in terms of the private sector's funding contribution to the DCM project, the County create a special assessment district in the Downtown Core Area to be served by the system, with the following conditions:

a) That the special assessments be levied on a non-ad valorem basis.

b) That the amount of the special assessment be established to support and service a $20 million bond issue.

c) That the amount of the special assessments be modified each year so that new improvements can be utilized to reduce assessments in subsequent years.

d) That the County pursue the following additional sources of revenue for funding the DCM project:

   1) Private sector leverage leasing.

   2) Property dedication and connector fees.

   3) Station cost sharing, all of which are described in the report of Consultant, Robert J. Harmon & Associates, Inc., dated September 14, 1981.

The Committee further recommends that any additional shortfall in station cost sharing, property dedication, connector fees or private sector leverage leasing be made up through the use of tax increment financing, which would dedicate a portion of the total city and county ad valorem tax revenues from the Downtown Core Area to the DCM project. To that end, the County is requested to take those steps necessary to have the Downtown area designated as a redevelopment district.

system funding throughout the State of Florida. For example, the Orlando Metropolitan Area recently (i.e., on November 16, 1983) organized a similiar type of private sector Task Force with the charge of formulating a $250 million private/public coventure funding program for the proposed Southwest Corridor Transit System.

Even more recently, on January 12, 1984, the City of Fort Lauderdale and the Fort Lauderdale Downtown Development Authority organized a private sector task force to develop a full private/public coventure funding program for a $50 million downtown people mover (DPM) project. The feasibility of comparable financial approaches to a State-wide high speed rail line and the Tri-County (West Palm, Broward and Dade) transit alternatives is under evaluation through the Florida Department of Transportation. 1/

Service Area Boundaries

The service area of the committed first stage of the Miami Downtown Component of Metrorail (DCM) essentially coincides with the definition of the central area of the Downtown Development Authority (See Figure 1, exhibited on the following page). The service area is bounded by the Miami River on the South, Biscayne Bay on the West, Port Boulevard on the North and I-95 on the East. Through the system's functional integration at the Government Center rapid transit station, it provides comprehensive Downtown circulation and distribution service for the Miami Regional Rapid Transit System. Also shown in Figure 1 is the formally adopted first and second stage DPM alignment. The ten (10) station configuration of the first stage system directly links new planned CBD commercial development projects (e.g. the Barnett Center, Holiday Inn and Hyatt Hotels and the Miami Center) with the Government Center and the major Miami Downtown retail core.

The DCM service area includes nearly 85 percent of all commercial development in Downtown Miami. In addition, over 75 percent of all committed and planned development (between 1984 and 1990) will occur in this portion of the Miami CBD. In total, there is currently over 16,000,000 leasable square feet of commercial, government, residential and

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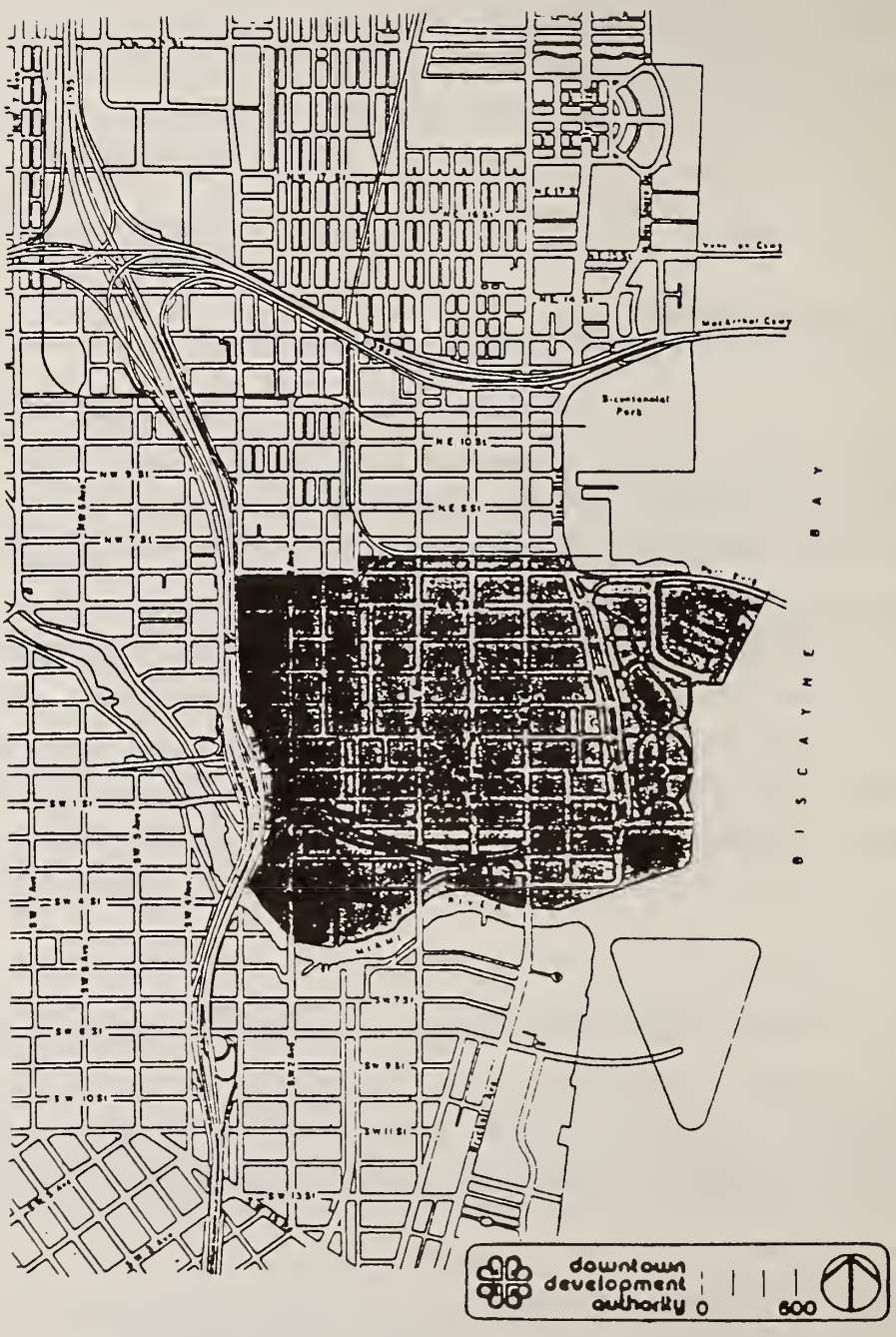
1/ Robert J. Harmon & Associates, Inc. (RHA) is serving as senior economist and financial program consultant on each of these projects.

FIGURE 1

Downtown Component of Metrorail "DCM"

(Stage One Service Area)



SOURCE: Miami Downtown Development Authority

parking facility space located in the Miami DCM service area. By 1990, this total supply of commercial/residential development (within this defined DCM service area) is expected to exceed 25,000,000 square feet. Based on announced development plans, the scale of commercial/residential development served by the Miami DCM's first stage system will increase by at least 50 percent during the 1990s.

Implementation Requirements

In order to implement the special assessment district, Dade County made a definitional change in Statute 18 to allow the sale of the $20 million in municipal bonds to support transportation projects (without the requirement of a regional referendum). The authority for implementing this type of assessment district without referendum already existed under Florida Statutes. A complete copy of this ordinance #82-72 is presented in Appendix A of this case study report.

The assessment levy to support $20 million in capital bonds would represent initially an assessment rate of approximately eighteen cents (i.e, $.18) per leasable square foot of commercial space (including vacant parcels and private parking garages). With the anticipated future growth of the Miami CBD area served by the DCM, this levy would decrease to approximately eight cents (i.e., $.08) per square foot of commercial space between the years 1995 and 2000 (when the bonds would be expected to be retired).

The Dade County Appraisal Office's existing fundamental measurement of building space is termed "adjusted square feet." [2/] As cited on page I-3 of this report, the private sector endorsed and legally adopted a "non-ad valorem" assessment based on a "net leasable" square feet measurement of building space. Therefore, in addition to the legal pronouncements and related bond certification and placement efforts, it was necessary to establish an appraisal procedure to establish the net leasable square feet or equivalent for each eligible parcel and building in the DCM's defined service area[3/] prior to implementation of the benefit assesment district.

2/ A detailed explanation of how this measurement is derived is contained in the Building Assessment Manual.

3/ Houses of worship and religious institution properties were exempted by an ordinance passed by the Miami City Council.

II. THE CONSENSUS BUILDING PROCESS

Background

This chapter documents the step-by-step process that was followed to achieve consensus downtown business community (i.e., private sector) support for the full funding program to implement the Miami People Mover System. The process can best be described as an objective consensus building effort that was initiated without a predetermined answer. While there was general private business community support for the Miami Downtown People Mover System, there was serious doubt about whether there were adequate alternative sources of funding, including private sector sources, to meet the needs of the requisite full funding program. At the outset, the Task Force members challenged every standing assumption involving system implementation cost, operating pro forma and committed funding. This infusion of business acumen and private sector financial expertise was essential to the successful implementation of the Miami Downtown Component of Metro Rail (DCM) project.

In the review of each issue that was eventually resolved by the Task Force the case study analysis describes the private sector viewpoint and presents the analysis documents that provided key inputs into their deliberations. It is important to note that the only predisposition of the Task Force members was to determine if there was a viable and politically acceptable means to secure full funding for the Miami DCM project. Some of the members began their participation with doubts regarding even the economic premise for real estate related "value capture" or private/public coventure funding techniques.

Formation of the Private Sector Task Force

The formulation of the full funding program to implement the Miami DCM began with a request of Merrett Stireheim, the Dade County Manager, to the Miami Chamber of Commerce to form a private sector task force to ascertain in view of the changing Federal funding policies, how the people mover project could be funded. The Task Force's membership was composed of senior representatives of the financial community (i.e., Lester Freeman, Senior Vice President of Southeastern National Bank of Miami, N.A.; and John R. Benbow, Vice Chairman of the Board, Barnett Bank of Miami, N.A.)

downtown merchants and businessmen (i.e., Richard McEwen, Chairman of the Board of Burdines, Florida; and William Ruben, and Alvark Chapman, Chairman of New World Center Action Committee); Chairman of the Board, Jordan Marsh of Florida, Inc.; and the real estate development community (i.e. Martin Fein, Partner of Fein, Jackson, Block, Klein, Colan & Simon, P.A.; and Theodore Hollo, President of Florida East Coast Properties, Inc.). The initial committee members were selected by the Chairman and the core group was expanded upon by suggestion of these initial members. In addition to the private sector representatives Barbara Levenson, member of New World Action Committee and Roy Kenzie, Director of the Miami Downtown Development Authority served as ad hoc members. A complete listing of the membership of the Downtown Component of Metro Rail Task Force is presented in the appendix of this case study report. Given this broad spectrum of private sector representation, the fact that the Task Force unanimously endorsed a private/public coventure funding program explains why there is a firm basis for expecting this mode of financing to become the standard for the United States transit industry.

FIRST TASK FORCE WORKING SESSION

The committee held its initial meeting on August 5, 1981 in the board room of the Southeastern First National Bank of Miami, N.A. Robert J. Harmon & Associates, Inc. (RHA) made a presentation to the Miami DCM Private Sector Committee regarding precedents for private/public coventure financing. The precedents that were documented at this meeting were Saint Paul (Minnesota), Los Angeles (California) and Miami (Florida). In addition to the precedent downtown people mover projects, RHA described the principles of private/ public coventure financing. The last portion of the presentation was devoted to a discussion of the magnitude and type of private sector economic benefits that would be generated by the Miami DCM system. An executive summary of the private sector benefits analysis is contained in Appendix C.

During the previous year, the Miami downtown business community had supported a 4¢ per square foot assessment that would have been applied for station maintenance and vehicle refurbishment. [4/] The precedent benefit assessment proposals endorsed and recommended

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4/ This assessment district commitment was based on a private sector benefit/cost evaluation of the Miami DCM, prepared by Robert J. Harmon & Associates, Inc. (RHA) in 1980.

by the downtown business community of St. Paul and Los Angeles were designated for capital costs ranging from $10 million to $25 million, which would have required levies of 10¢ to 15¢ per net leasable square feet. The committee also focused on other sources of private/public coventure financing that would be supported through real estate investment such as station cost-sharing. Additional inquiries were made about the potential for direct private sector investment in the vehicles and command and control systems.

Outcome

As a result of those initial meetings, the Task Force requested that an overall set of guidelines and a list of key principles be prepared for the second work session. In particular, the Task Force expressed the need to fully understand the capital cost and operating pro forma assumptions that were the bases for the capital cost estimates of record. The Task Force strongly concurred with the consultant's recommendation that the financial program would need to be developed on a consensus basis rather than the traditional financial plan report.

All subsequent work sessions were scheduled on an every-other-week schedule to meet an October 1, 1981 deadline for resolution. The consensus view was that it would be too late to secure the previously committed Federal funding for the project, if the program went beyond the referenced date. The Downtown Development Authority agreed to coordinate sending the working papers to the Task Force members before the next work session.

Technical Issue — Financial Framework

Description

The development of a financial framework for the full funding program of the Miami DCM involved synthesizing sound public financing guidelines which are highlighted on the following page, as well as delineating key private sector financing elaborate principles that needed to be met. Finally, all critical issues needed to be enumerated at the outset of the process in order to assure the participants that the committee's recommendations

would be acceptable to their counterparts in the private sector. The Committee had the power, based on a consensus resolution, to recommend Dade County action.

Private Sector Viewpoint

The private sector participants eventually felt that all the issues needed to be "put on the table" and thoroughly examined before any commitments (let alone consensus support) could be developed. An underlying concern regarding the private/public coventure approach was the precedent for other infrastructure improvements planned for the Miami Downtown Area. While an extremely positive outlook was held regarding the future development of downtown Miami, it was noted by several Task Force members that new development projects were requiring start-up lease levels in the $22-$25 per foot range. Critical as the people mover system is to future development in downtown Miami, it was a consensus view of the Task Force that its local funding should not in any way become a deterrent to future investment or negatively affect the on-going development momentum.

Technical Analysis Inputs

The following discussion summarizes the overall guidelines, key principles and critical issues that became the financial framework utilized by the Committee to formulate the full funding program that was eventually implemented to conduct the Miami Downtown People Mover. A brief description of each portion of the financial framework is presented below.

Guidelines for the Full Funding Program were as follows:

- The funding program needed to be adequate to meet the full construction cost of the system.

- The sustainability of the funding program would be measured in its capability to keep pace with inflation and allow for contingencies.

- The criterion of equitability required that the incidence of burden fall on those who are receiving economic gain from the system in proportion to their return.

- Political acceptability of the program is the ultimate test.

- Finally, the implementation and on-going administration of the funding program should, if at all possible, be undertaken within the context of an established revenue collection process.

Key Financial Principles That Were Established At The Outset Were:

- The funding source must be dedicated.

- The local and private/public coventure funding portion of the funding program should maximize Federal/State support and, if possible, qualify for retroactive application or local share match.

- The full funding program must have adequate allowance for inflation.

- The importance of maintaining development momentum and the competitive standing of the Miami downtown must be fully considered.

- The implication of the precendents being set and the need for sound procedural guidelines must be recognized in the final full funding program.

Critical Strategy and Procedures Highlighted Early On Were:

- The critical issues, on one hand, represent features of the full funding strategy, such as establishing a fall back position and the selection of at least one "true" private business community funding source.

- In addition, procedural issues on the means to achieve consensus, the real deadline and what constituted "bottom line" commitment were also prominent in the Task Force approach.

- Finally, it would not be accepted by the downtown business community under the Private/Public Coventure portion of the program unless it: (1) were related to quantifiable benefits and (2) took into account the full range of viable options.

SECOND TASK FORCE WORK SESSION

The second work session of the Task Force was held on August 11, 1981. The predominant focus of this session was the capital funding cash flow needs of the Miami Downtown Component of Metrorail (DCM). Figure 2 shown on the following page depicts the estimate of the system capital funding cash flow needs that were prepared by RHA based on the capital cost estimate developed when Miami originally submitted their demonstration grant application to the Urban Mass Transportation Administration in 1976. The Task Force members seriously challenged the outlook for higher levels of Federal funding of approximately $64.0 million [5/] and the adequacy of relying on the capital cost estimate that was restricted to the Federal guidelines of 7% annual inflation. At the time, the Dade County Transportation Administration was preparing a revised estimate that would take fully into account both the higher levels of inflation and project delays. However, the Task Force was informed that this estimate would not be available until several weeks hence.

The second major topic of concern was the operational pro forma of the DCM System. The existing policies of no transfer fares and overall ridership levels were examined. The benefits of reduced bus traffic in the downtown area and importance of the Miami DCM to the entire Metro Rail System were highlighted in the presentation made by the Dade County Transportation Administration. Also described in this presentation were the assumption and methodology utilized to estimate future DCM ridership levels.

Outcome

The results of the second work session were two-fold. The Task Force accepted the operational pro forma analysis of the DCM and concluded that they would only focus on capital construction funding needs of the system. The Task Force reserved the option to request future private sector participation in the operational planning of the system if the private business community made a financial commitment to the capital costs. This condition had been one of the basis for downtown Miami business community's prior tentative commitment to a 4¢ per square foot benefit assessment for station

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5/ The detailed engineering estimate (completed in October) took into account variances in inflation rate by construction element and indicated a final estimate of $119 million.

FIGURE 2

FUNDING ANALYSIS OF CAPITAL COST REQUIREMENTS

Committed Sources of Capital Funds		Amounts (in millions)
Federal (UMTA)		$37.5*
County		17.2
City		2.3
	Subtotal	$57.0
State		4.0-10.0**
	TOTAL	$64.0

UNMET CAPITAL FUNDING NEEDS

- Stated in 1981 dollars, at least $30 million in additioanl capital funds are needed.
- Sources for this funding include: a potential benefit assessment district, development fees, station cost sharing, tax shelter investment, etc.
- State funding is a variable.
- Additional Federal funding cannot be determined at this time.
- 7% inflation is 14% actual.
- Unmet capital needs: $30 million + inflation + time slipping $50 million.

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* Includes fiscal years 1981 and 1982. Assumes no $26 million in 1983 from Federal government.

** Current legislation restricts amount to an established percentage of Federal capital funding.

SOURCE: Robert J. Harmon & Associates, Inc.

maintenance and vehicle refurbishment. The Task Force requested further analysis by RHA of construction cost needs of the Miami DCM System prior to the third scheduled Task Force work session why - to deal with potential worst case inflation scenarios.

Technical Issue — Capital Cost Needs

Description

The original DCM capital cost estimates of $94.5 million prepared in 1976 for the UMTA grant application was considered inadequate for the purpose of financial planning because it was the county's opinion that the agreed to-not professionally estimated-rate of inflation of 7%, did not reflect actual/known inflation levels that had occurred in the ensuing years. The Committee did not want to stop the consensus building momentum to wait until a detailed engineering cost estimate was completed. Therefore, a sensitivity analysis taking into account both inflation and contingencies was requested. RHA prepared this sensitivity analysis for presentation at the next scheduled work session.

Private Sector Outlook

The Task Force believed it could not proceed to consider alternate funding sources until an actual future capital cost estimate could be agreed upon. At a minimum, the known time delays and actual 1976-1981 inflation levels needed to be taken into account. Otherwise, their concern was that the whole process would need to be repeated at a later date. It was also believed that it would not be possible to gain full private sector support for a recommended full funding program unless this issue was satisfactorily resolved.

Technical Inputs

For the "purposes of financial planning," RHA prepared a sensitivity analysis of the DCM capital cost estimates. In this analysis, RHA assumed no change in unit values but measured the impact of the higher inflation rates and a 5% contingency. The analysis also took into account the time delays that had occurred since 1976 when the capital cost estimate was prepared. The key assumptions made in conducting this analysis are shown below. Also shown are the key observations that were derived from this sensitivity

evaluation. The overall results of the sensitivity analysis of the previous capital cost estimate are presented in Figure 3 shown on the following page.

Key Assumptions

- Original grant estimate did not include an allowance for contingency and reflected an UMTA-mandated 7% inflation coverage to be covered by a "full funding" agreement.

- A minimum 5% contingency allowance should be provided for in the capital cost estimate.

- Actual inflation was estimated at 10-12% during the 1980-1984 construction period.

- The construction schedule is currently delayed by approximately four months due primarily to UMTA-related matters.

Key Observations

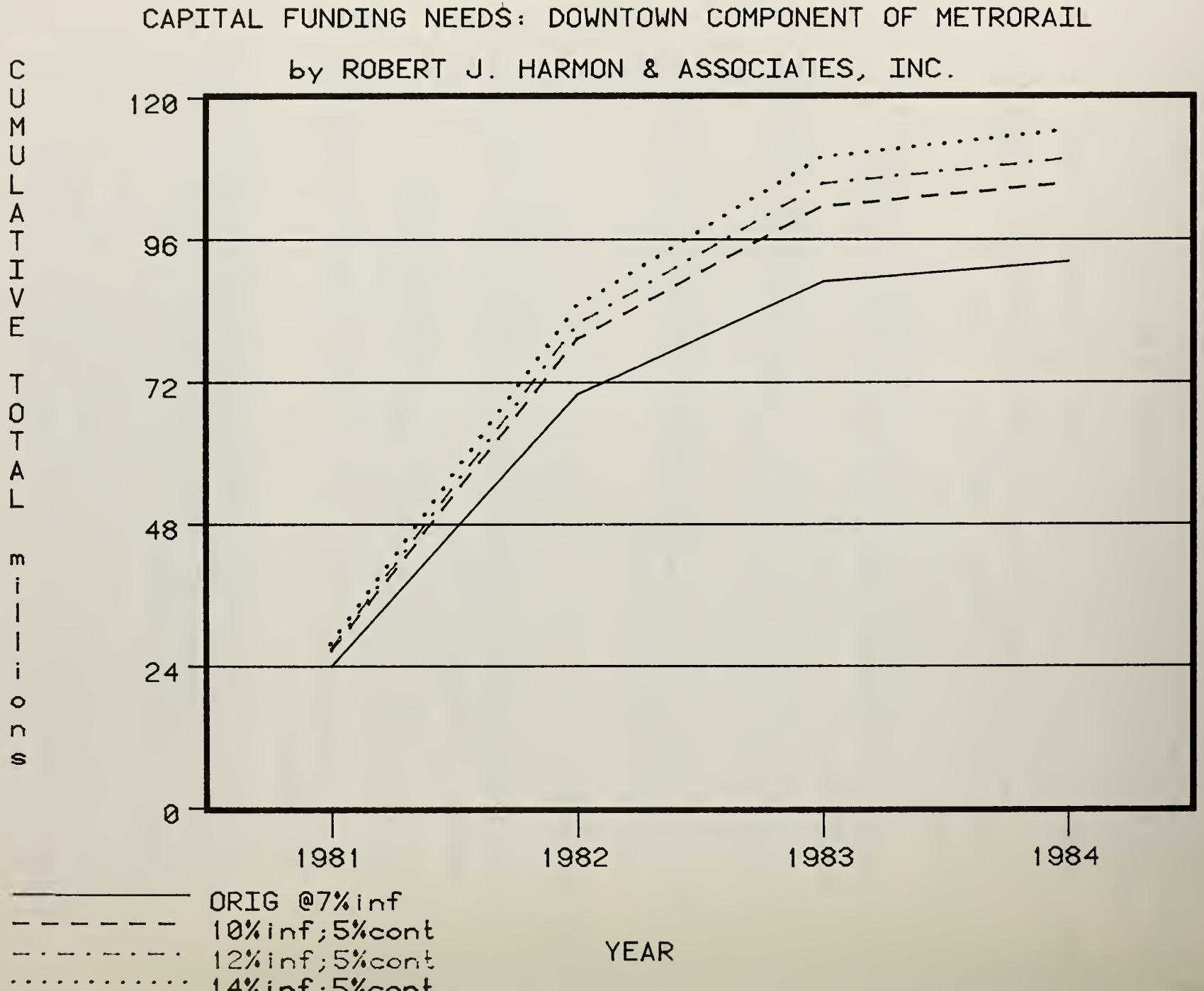
- Next year (i.e., Fiscal Year 1982) is peak funding year due to ROW acquisition and initiation of major construction.

- Incremental capital funding is not needed until after October 1982.

- The most realistic range of actual cumulative capital expenditure is between $110-$120 million.

- The difference between $92-$115 million the mid range of this estimate does not represent a cost overrun, but reflects a valid allowance for adjustment of start-up costs and inflation impacts.

FIGURE 3


CAPITAL FUNDING NEEDS: DOWNTOWN COMPONENT OF METRORAIL
by ROBERT J. HARMON & ASSOCIATES, INC.
CUMULATIVE TOTAL millions
120
96
72
48
24
0
1981
1982
1983
1984
YEAR
ORIG @7%inf
10%inf;5%cont
12%inf;5%cont
14%inf;5%cont

Based on the Task Force deliberation on this topic, they adopted the estimated range of $110-$115 million as the capital cost estimate that would be utilized for financial planning purposes. In addition, it was agreed that the final allowance for contingency would not be established until the funding source evaluation was completed. At that time the Task Force members were inclined to recommend a 10% contingency program, but no formal request was made.

THIRD TASK FORCE WORKING SESSION

The third working session of the Committee was held on August 26, 1981. The primary focus of their working session was to examine the revenue capacity of an initial set of candidate funding sources. The initial set of funding sources included: 1) a benefit assessment district; 2) a tax sheltered private investment vehicle; 3) a new development fee; 4) station cost sharing; and 5) connector fees. RHA prepared a complete profile description of each of these funding sources. This profile provided a brief description of the funding source, national precedents of their utilization for transit systems, the implementation requirements, application to the Miami DCM and their advantages and trade-offs.

The revenue potential of these revenue sources was not calculated in advance of the working session. Instead, a two-part working document was prepared for the Task Force members to calculate the estimates in an open meeting. In this manner, the Task Force members would have the ability to better recommend which assumptions should be utilized in preparing the final estimates. In partial, the purpose of this effort, was to gain the private sectors insights into what would be preceived as equitable level of recapture of the quantifiable economic benefits that could be recaptured. An example of an actual worksheet utilized in this effort is presented in Figure 4 shown on the following page.

Outcome

The Task Force made two recommendations in the third working session. First, the Task Force requested RHA to further investigate the City of San Francisco's developer fee program and to complete a comparable profile description of a 1¢ gasoline tax, tax increment financing and a sales tax. Secondly, the Task Force requested further

FIGURE 4

CAPITAL FUNDING POTENTIAL

		Cost/Ft.^{2}	Cost
I.	**BENEFIT ASSESSMENT DISTRICT**		
A.	Current Annual Revenue Potential	$0.10	_____
		$0.15	_____
		$0.20	_____
	Capital Funding Capacity	$0.10	_____
		$0.15	_____
		$0.20	_____
B.	Future Annual Revenue Potential	$0.10	_____
		$0.15	_____
		$0.20	_____
	Capital Funding Capacity	$0.10	_____
		$0.15	_____
		$0.20	_____
II.	**TAX SHELTER/DIRECT INVESTMENT POTENTIAL**		
	Capital Funding Capacity		
	Initial Investment		_____
	Future Investment (low)		_____
	Future Investment (high)		_____
III.	**NEW DEVELOPMENT FEE**		
	Capital Funding Potential (1981-1985)	$1.00	_____
		$3.00	_____
		$5.00	_____
	Capital Funding Potential (1985-1990)	$1.00	_____
		$3.00	_____
		$5.00	_____
	Capital Funding Potential (1990 and Beyond)	$1.00	_____
		$3.00	_____
		$5.00	_____
IV.	**STATION COST SHARING**		
	Capital Funding Potential		
	Current Land Negotiations		_____
	(1981-1985) Potential		_____
	(1985 and Beyond) Potential		_____
V.	**CONNECTOR FEES/OTHER FUTURE REVENUE OPTIONS**		
	Capital Funding Capacity		
	Connector Fees		_____
	Development Transfers		_____
	TOTAL		_____

SOURCE: Robert J. Harmon & Associates, Inc.

examination of bonding assumptions relating to term and rate that would be most appropriate regardless of which funding sources received final consideration. [This step of ensuring that every possible candidate private/public coventure funding source is examined has proven to be pivotal to each of the success of securing consensus private sector support.]

Considerable attention was also given to the application of a Safe Harbor Leasing program as part of the full funding program. Members of the Task Force offered contacts to further verify the details of how this investment could be utilized in Miami. Although a decision was not made, the Task Force stated that it was likely that more than one funding source would be needed to meet the unsecured capital funding requirements of the Miami DCM.

Technical Issue — Influence of Interest Rates/Repayment Periods

Description

The repayment period and the interest rates that would be required to retire future revenue bonds supporting the capital construction costs of Miami DCM directly impact the annual revenue requirements of the selected funding sources. The tenure or length of the repayment period also affects the marketability of the bonds. The sustainability of the revenue source and its soundness as viewed by the bond market would affect the suitability determination of the Task Force.

Private Sector Outlook

The Miami DCM Task Force expressed the strong opinion that they wanted competitive but realistic interest rate assumptions to be utilized in the bonding capacity estimation of the candidate funding sources. In addition, the key banker on the Task Force expressed doubts that the terms of the bonds could be far more than twenty years (and might need to be less) in order to be accepted. Furthermore, it was stated that the use of a revenue stream from a new funding instrument (such as, tax increment or benefit assessment) would result in a more difficult market placement effort than traditional bond repayment sources (such as sales tax).

Technical Analysis Input

A complete set of sensitivity analysis charts was prepared by RHA depicting the influence of both interest rate ranges and different payback periods. This analysis covered bond repayment periods ranging from 10 to 30 years and interest rates of 9-12%. The discussion topics, key observations and the follow-up actions that were recommended as a result of this analysis are shown below.

Discussion Topics

- Value of DPM bond phasing
- Impact of variance in interest rate
- Pre-bond sale commitments
- Early bird retirement considerations
- Starting date of revenue collection
- Legal distinctions required to allow parallel tax shelter investment

Key Observations

- Major consideration should be given to bonds with twenty years or less payback periods.
- Bond program should fully consider financial implications for the funding of future DPM system extensions.
- Capital costs sharing through tax shelter investment offers significant potential to reduce the system's bonding requirements.

Suggested Follow-Up Actions

- Development of prototypical bond schedule
- Confirmation of supportable interest rates
- Determination of procedures that maximize bonding capacity of confirmed revenue sources.

Examples of the actual sensitivity analysis charts are shown in Figures 5 and 6 on the following pages.

FIGURE 5

ANNUAL REVENUE REQUIRED TO RETIRE A (20 YEAR) SERIALIZED ANNUITY BOND ($ Millions)

Bond Amount	INTEREST RATE						
	9%	9.5%	10%	10.5%	11%	11.5%	12%
$10.0	$1.095	$1.135	$1.175	$1.215	$1.256	$1.297	$1.339
$15.0	$1.650	$1.695	$1.755	$1.815	$1.890	$1.950	$2.010
$20.0	$2.200	$2.260	$2.340	$2.420	$2.520	$2.600	$2.680
$25.0	$2.750	$2.825	$2.925	$3.025	$3.150	$3.250	$3.350
$30.0	$3.300	$3.390	$3.510	$3.630	$3.780	$3.900	$4.020
$35.0	$3.850	$3.955	$4.095	$4.235	$4.410	$4.550	$4.690
$40.0	$4.400	$4.520	$4.680	$4.840	$5.040	$5.200	$5.360
$45.0	$4.950	$5.085	$5.265	$5.445	$5.670	$5.850	$6.030
$50.0	$5.500	$5.650	$5.850	$6.050	$6.300	$6.500	$6.700

SOURCE: Robert J. Harmon & Associates, Inc.

FIGURE 6

20 YEAR CAPITAL BOND VALUE SUPPORTED BY DEDICATED REVENUE RESOURCES ($ Millions)

Annual Net Revenue	INTEREST RATE						
	9.0	9.5	10.0	10.5	11.0	11.5	12.0
$1.0	$ 9.13	$ 8.81	$ 8.51	$ 8.23	$ 7.96	$ 7.71	$ 7.47
$1.5	$13.69	$13.22	$12.77	$12.35	$11.94	$11.56	$11.20
$2.0	$18.26	$17.62	$17.03	$16.46	$15.93	$15.42	$14.94
$2.5	$22.82	$22.03	$21.29	$20.58	$19.91	$19.27	$18.67
$3.0	$27.39	$26.44	$25.54	$24.69	$23.89	$23.13	$22.41
$3.5	$31.95	$30.84	$29.80	$28.81	$27.87	$26.98	$26.14
$4.0	$36.51	$35.25	$34.06	$32.92	$31.85	$30.84	$29.88
$4.5	$41.08	$39.65	$38.31	$37.04	$35.83	$34.69	$33.61
$5.0	$45.64	$44.06	$42.57	$41.16	$39.82	$38.55	$37.35
$5.5	$50.21	$48.47	$46.83	$45.27	$43.80	$42.40	$41.08
$6.0	$54.77	$52.87	$51.08	$49.39	$47.78	$46.25	$44.81
$6.5	$59.34	$57.28	$55.34	$53.50	$51.76	$50.11	$48.55
$7.0	$63.90	$61.68	$59.60	$57.62	$55.74	$53.96	$52.28

SOURCE: Robert J. Harmon & Associates, Inc.

[The deliberation on these issues proved to be very foresightful. In order to place the benefit assessment supported bonds, Dade County eventually was required to utilize utility excise revenues as a primary source to be repaid by the benefit assessment revenues.]

FOURTH TASK FORCE WORKING SESSION

The Fourth Working Session of the Private Sector DCM Task Force was held on September 3, 1983. The primary focus of this session was to evaluate alternate funding scenarios (i.e., alternate combination of candidate funding sources). The funding scenarios that were derived included: 1) maximum non-local funding; 2) mid-range local funding; 3) no additional Federal funding. The unmet capital needs of these three funding scenarios ranged from $15 million to $55 million. A full description of each of the three funding scenarios is presented in Figures 7, 8 and 9 (shown on the following pages).

Also included in the funding scenario profiles were estimates of the bonding capacities of each of the seven candidate funding sources still under serious consideration. The bonding capacity estimates indicated that the individual funding source could solely meet the remaining capital needs of the Miami DCM System under each funding scenario. For example, a sales tax of 1/2¢ could meet capital needs of $15 to $55 million at a 3 or 4:1 coverage factor, while a benefit assessment district could only provide adequate revenues to pay the principal, interest and provide the reserve fund for $15-$20 million bonding program. Revenue sources which represented direct capital contribution such as station cost sharing were termed capital estimates instead of bonding capacity. The estimates of bonding capacity were based on a 20-year payback period and an 11% interest rate which were consistent with the results of the previously completed technical analysis.

Outcome

This work session was pivotal to reaching consensus on a full funding program for the Miami DCM because the first candidates on the funding list was narrowed to a fixed set. The sales tax and gasoline tax were dropped from further consideration as candidate funding sources because both required a regional referendum. The uncertainties associated with their implementation and validity as a Private/Public Coventure funding instrument were other factors cited for this decision. It was unanimously decided to delete the new development fee because of the belief it would deter future development of the Miami Downtown. The Downtown Development Authority was also excluded from further consideration as a direct funding source due to the multiplicity of demands that were then being made it.

FIGURE 7

FUNDING SCENARIO (I)
(Maximum Non Local Funding)

Sources of Capital Funds	Amounts (in millions)
Federal (UMTA)	$63.5
State	11.5
County	17.2
City	2.3
TOTAL	$94.5

Unmet Capital Needs: $15-20 Million

Local/Private/Business Community Funding Options

Options	Bonded/Capital Revenue Potential (in millions)
Station Cost Sharing/Dedicated Property	$5-$10
Downtown Development Authority	$4-$5
Private Sector Tax Shelter*	$10-$25
Tax Increment Funding**	$15-$20
Assessment district	$15-$20
Sales Tax	$15-$20
Gasoline Tax	$15-$20

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* Depends on structuring and source of lease revenue.

** Larger amount not required.

SOURCE: Robert J. Harmon & Associates, Inc.

FIGURE 8

FUNDING SCENARIO (II)
(Mid-Range Local Funding)

Sources of Capital Funds	Amounts (in millions)
Federal (UMTA)	$47.5*
State	11.5
County	17.2
City	2.3
TOTAL	$78.5

Unmet Capital Needs $30 - 37 Million

Local/Private/Business Community Funding Options

Options	Bonded/Capital Revenue Potential (in millions)
Station Cost Sharing/Dedicated Property	$5-$10
Downtown Development Authority	$4-$5
Private Sector Tax Shelter**	$10-$25
Tax Increment Funding***	$30-$37
Assessment District	$15-$20
Sales Tax***	$30-$37
Gasoline Tax***	$30-$37

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* Assumes $10 of $26 million request honored.

** Depends on structuring and source of lease revenue.

*** Larger amount not required.

SOURCE: Robert J. Harmon & Associates, Inc.

FIGURE 9

FUNDING SCENARIO (III)
(No Additional Local Funding)

Sources of Capital Funds	Amounts (in millions)
Federal (UMTA)	$37.5
State	4.4
County	17.2
City	2.3
TOTAL	$61.4

Unmet Capital Needs: $50-55 Million

Local/Private/Business Community Funding Options

Options	Bonded/Capital Revenue Potential (in millions)
Station Cost Sharing/Dedicated Property	$5-$10
Downtown Development Authority	$4-$5
Private Sector Tax Shelter*	$10-$25
Tax Increment Funding**	$50-$55
Assessment district	$15-$20
Sales Tax	$50-$55
Gasoline Tax***	$30-$40

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* Depends on structuring and source of lease revenue.

** Larger amount not required.

*** Current capacity would not meet unmet capital requirements of $50-55 million.

SOURCE: Robert J. Harmon & Associates, Inc.

At the conclusion of this work session, the Task Force recommended that four candidate revenue sources be refined for further consideration. These funding sources included: 1) tax increment financing; 2) benefit assessment district; 3) shared station costs; and 4) lease back/tax shelter. RHA was directed to finalize revenue estimates of these funding sources and make a cross comparison of each.

There were also several legal questions raised regarding the implementation of tax increment financing and a benefit assessment district. The presence of Stuart Simon, Esq., the former Dade County Public Attorney and the current Dade County Public Attorney, was requested for the next work session in order that he might directly respond to these questions. The principal concern of the Task Force related to whether a non-ad valorem assessment district could be established without a referendum and the length of time required to implement tax increment financing and the lease back/tax shelter mechanisms. Resolution of the overall implementation issues was scheduled as the first item on the agenda of the next scheduled work session.[6/]

Technical Issue — Quantifiable Economic Benefits

Description

During the course of work sessions three and four, several questions were raised regarding the type and level of quantifiable economic benefits which might result from the Miami DCM. The two principal issues related to (1) how retail merchants benefit and (2) whether distinctions could be made between small older buildings and large new buildings. A related economic benefit issue was the geographic locus of the real estate influence of the DCM station.

Private Sector Viewpoint

The Committee members expressed two types of concerns. The first related to the distinction between businesses and buildings directly connected to a Miami DCM Station and those within a reasonable walking distance. Secondly, would the fiscal impact of the candidate funding sources significantly alter the operational pro forma of existing or future businesses? [The final resolution of the geographic locus of the economic impact of the DCM did not occur until the final implementation program for the benefit assessment district was formally adopted.]

6/ Ultimately the local statute concerning benefit assessment was revised to ensure this capability.

Previously, RHA had prepared a detailed private sector benefit assessment analysis of the impact of the operation of the Miami DCM.[7/] This report was the primary technical basis utilized to address the two issues noted above. Figure 10 (shown on the next page) summarizes the estimated annual private sector economic benefits for four categories of benefit recipients. These include: 1) incremental lease revenues; 2) recapture of retail sales profits; 3) recapture of lodging facility profits; 4) employee parking cost savings; and 5) residential property values. The overall analysis showed that the quantifiable private sector economic benefits generated by the Miami DCM were at least four to five times the level of Private/Public Coventure funding support (i.e., measured in annual revenue requirements) than potential benefits under a full funding program.

FIFTH TASK FORCE WORK SESSION

The fifth and final work session of the Miami DCM Committee was held on September 15, 1981. The agenda for this meeting called for resolution of the remaining legal questions regarding tax increment financing and especially the referendum requirements of a benefit assessment district. RHA had expressed the opinion that a referendum was not needed under the prescribed conditions that: 1) the Private Sector Miami DCM Committee recommended a benefit assessment (i.e., albeit demonstrating downtown business community/local initiative requesting Dade County/City of Miami to improve the levy); and 2) the assessment formula was not based on ad valorem taxes.

After a lengthy discussion, the private and public sector legal counsels agreed that a referendum would not be required. The Dade County Attorney's Office later testified to this opinion at public hearings, but a formal written opinion was not developed. The concern was then expressed regarding the high probability of legal suits by disenchanted project owners and the need for exemption.[8/]

Subsequently, the Committee reviewed each of the final candidate revenue sources. Figure 11 (shown on the following page) shows the points of comparison that were made in the evaluation of these revenue sources. Based on this comparison, a determination was made that the tax increment financing should be utilized as a back-up resource for

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7/ See Private Sector Economic Benefits of the Miami DCM, prepared by Robert J. Harmon & Associates, Inc. for Dade County Transportation Authority (October 1980).

8/ Although there was a threat of legal suit, none was filed in the time period allowed for such actions before the bonds were certified for sale.

FIGURE 10

SUMMARY OF PRIVATE SECTOR ECONOMIC BENEFITS*
(Stemming from Operation of the Miami DPM)
Initial Ten Years of System Operation

Time Period: (1985-1989)

Year	Incremental Lease Revenue	Re-Capture of Retail Sales Profits	Re-Capture of Lodging Facility Profits	Employer Parking Cost Savings	Residential Property Values	Total
1985	$3,025,000	$ 50,000	$350,000	$3,200,000	$ 825,000	$ 7,850,000
1986	4,900,000	1,050,000	825,000	3,825,000	1,675,000	12,675,000
1987	5,175,000	1,125,000	650,000	4,075,000	1,709,000	12,734,000
1988	5,475,000	1,175,000	675,000	4,326,000	1,743,000	13,383,000
1989	5,775,000	1,225,000	725,000	4,800,000	1,777,000	14,102,000

Time Period: (1990-1994)

1990	5,125,000	1,275,000	750,000	4,825,000	1,813,000	14,788,000
1991	5,475,000	1,350,000	800,000	5,175,000	1,849,000	15,549,000
1992	6,850,000	1,425,000	25,000	5,500,000	1,886,000	18,486,000
1993	7,225,000	1,500,000	850,000	5,825,000	1,924,000	17,324,000
1994	7,600,000	1,575,000	900,000	6,200,000	1,963,000	18,238,000

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* Estimated in constant 1980 dollars.

SOURCE: Robert J. Harmon & Associates, Inc.

FIGURE 11

SUMMARY COMPARISON OF CANDIDATE REVENUE SOURCES FOR THE MIAMI DOWNTOWN COMPONENT OF METRORAIL

Candidate Revenue Sources	(1) Tax Increment	(2) Assessment District	(3) Shared Station Costs	(4) Lease Back
Revenue Potential	Up to $25 Million	$9-18 Million	$5 Million*	$8-10 Million
Administrative Requirements	Extended Time No Referendum	Within 3 Months After Legal Ruling on Referendum Issue	Immediate	Within 3-6 Months Additional Financial/ Legal Analysis
Precedent	Legal Precedent on Traffic Congestion as a Pre-Condition	Special Case Application	National but No Local Precedent for Guidelines	New Application of Established Financing Techniques
Equitability	Directly Relating the Proportion Share of Resource Is the Remaining Equitability Question	Most Directly Releated to System-Wide Benefits	Direct to Beneficiary (Determined by Private Negotiation)	Excellent (Determined in Private Market Place)

* Could increase, depending on Internal Revenue Service Ruling on Resale Rights.

SOURCE: Robert J. Harmon & Associates, Inc.

unforeseen capital cost needs and/or future stages of the system. Since the Safe Harbor leasing technique was not under consideration for all new equipment purchases, the Committee concurred that these funding mechanisms should be evaluated by the Dade County Transit Authorities as a means of reducing future capital cost expenditures.

SUMMARY

The final recommendations of the Miami DCM Task Force shown in the Chart on page I-4 represents a total Private/Public Coventure funding commitment of 25% of the system's construction cost. In addition to meeting the known funding gap, the recommending full funding program provided contingency funding through application of tax increment financing. Overall, the recommended program met the public financing principles of adequacy, sustainability, equitability and acceptability. The implementation of the benefit assessment portion of the program would require a one-time site inspection of all buildings located in the Miami CBD. Subsequently, the entire program could be administered with the County's ongoing property tax revenue collecting procedures.

The other objective of establishing a dedicated fund that would not deter the momentum for continued growth of the Miami areas was also achieved by the recommended full funding program. Therefore, despite the rigorous timeframe of approximately two months that was utilized to formulate the Private/Public Coventure funding program, the final results were financially sound.

The need and significant value of ongoing private sector involvement in the review of the development of new fixed guideway transit is an underlying issue that was raised during the deliberations on the formulation of the Miami DCM Private/Public Coventure Task Force. At that time, the downtown Miami business community agreed to support a 4¢ per square foot benefit assessment for station maintenance and vehicle refurbishment under the premise that the private sector would have a voice in these aspects of the system's operation. If the only time the local transit operators[9/] seek out local private sector involvement is for funding, they will be less successful than those who establish and maintain an ongoing relationship with the local business community.

In Chapter III of this case study report, there is a complete discussion of the future directions and long-term implication of Private/Public Coventure funding of new fixed

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9/ See "Private Public Coventure Funding Techniques" prepared by Robert J. Harmon & Associates, Inc. in March 1983 for a detailed discussion of this issue.

guideway transit systems. Figure 12 on the following page shows the final DCM funding program as supported by the local private business community. The final cost figures of the DCM system were raised by unforeseen right-of-way costs. However, the full Private/Public Coventure program was implemented. Bonds totalling $20 million were issued; and early next year the Miami Downtown People Mover will begin revenue operations.

FIGURE 12

ADOPTED FULL FUNDING PROGRAM FOR THE DOWNTOWN MIAMI PEOPLE MOVER

Sources of Capital Funds	Amount (in $ Millions)
Federal	63.5
State	12.
County	17.2
City	2.3
Private/Public Coventure	20.0
TOTAL	115.5

I. Committed Back-Up Resources[a]

- Station Cost Sharing
- Tax Increment Financing

[Note: The final estimated Miami DCM System Construction costs were approximately $120 million. Unforeseen right-of-way acquisition costs added an incremental $12 million to the total costs. These costs were paid by Dade County.

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a/ Up to an additional $10 million is available through station cost sharing agreements.

SOURCE: Robert J. Harmon & Associates, Inc.

III. FUTURE DIRECTIONS

Federal

The Urban Mass Transportation Administration was instructed by Congress to establish a 50% funding goal for major capital investments such as fixed guideway projects. (Under Section 3 of the Surface Transportation Assistance Act of 1982, the Federal share of the capital costs of a major new start investment is set at a ceiling of 75 percent). Local agencies seeking Federal capital assistance from Section 3 for major investments will now be expected to consider carefully local funding options that increase the local share from 25 percent to 50 percent and beyond. Sources of this "overmatch" may come from local private, local public, State, Interstate Transfer, and Section 9 formula funds. Major investment projects will be considered for Section 3 funding through a competitive system (currently under development by UMTA) which will give full level of weighting to local private sector participation. System financing scenarios and an adopted Private/Public Coventure financing plan (which incorporates one or more innovative private sector financing sources such as those evaluated for the Miami DCM) will clearly aid in establishing its cost-effectiveness.

Involving the private sector entails certain risks for local agencies. In a two-way process, the local agencies come under greater scrutiny and may be accused of giving development interests special priority. The linkage of transit system financing to the land development profits it generates must be done in a manner that does not disrupt the local development investment process. The design of this type of Private/Public Coventure program therefore requires a comprehensive knowledge of the local real estate market.

Precedent, however, has been set at the local level for private/public cooperative projects such as those funded through the Department of Housing and Urban Development Urban Development Action Grant (UDAG) program. Local development agencies have defined goals and objectives for their projects prior to negotiations with developers and have successfully negotiated terms and conditions for public and private project financing. A similar transactional ability is slowly evolving within local agencies responsible for major transportation investments. Both local public and private sectors are recognizing that in an era of limited public sector resources, much more can be accomplished if both public and private sectors work together. The principles of Private/Public Coventure financing that RHA has developed to deal with these issues are shown in Figure 13 on the following page.

FIGURE 13

FUNDAMENTAL PRINCIPLES

I. OVERALL GUIDELINES

- Adequacy
- Sustainability
- Equitability
- Implementation Administration

II. KEY PRINCIPLES

- Dedicated Source of Funding
- Maximization of Federal/State Support
- Adequate Inflation Cost Coverage
- Retroactive Application as Local Share Match
- Full Consideration of Future Development
- Need For Sound Precedents and Procedural Guidelines

III. CRITICAL ISSUES

- Determination of Range of Viable Funding Scenarios
- Deadline and Need For Full Commitment
- "Bottom Line" Commitment/Back-Up Strategy
- Selection of At Least One True "Private Business Community" Funding Resource
- Relationship to Qualified Benefits

SOURCE: **Robert J. Harmon & Associates, Inc.**

State

The State of Florida through the Florida Department of Transportation and the State Legislature with strong support of the Governor's Office is applying the principles of private/public coventure financing in almost every major new fixed guideway system now in the feasibility and/or preliminary engineering phase of development. These projects[10/] include: 1) the High Speed Rail; 2) the Tri-County Mass Transit System; 3) the Fort Lauderdale Downtown People Mover Project; and 4) the Orlando Southwest Corridor System. In addition to the proven set of private/public coventure funding techniques involving benefit assessment tax increment financing or joint development in each of these programs, the local commmunities and/or State of Florida are aggressively pursuing the direct private sector investment by the manufactures/operator franchise.

In the words of William Miller, State Transportation Engineer, the successful formulation of the private/public coventure funding program for the Miami DCM project (now termed 'Metromover') became a "beacon to the transit industry here in Florida that we can and should return to the private involvement. The project and system decision-making process that evolved in the era of inexpensive fuel and readily available public sector funds must be altered to gain private sector support and leadership." The four-pronged funding approach that has evolved in Florida is shown in Figure 14 (presented on the following page).

Undoubtedly there is a great opportunity to set new precedents for Private/Public Coventure funding in the year to come. While the Federal government is pursuing the goal of reducing its share of the total project funding, the support and emphasis on private sector funding and private/public coventure funding techniques are crucial for galvenizing local business community support. Other State governments must also add their full cooperation and leadership, as Florida is now doing.

Local

One of the most important tenets of Private/Public Coventure financing is to avoid description of the local development process. In other words, recognize that the private

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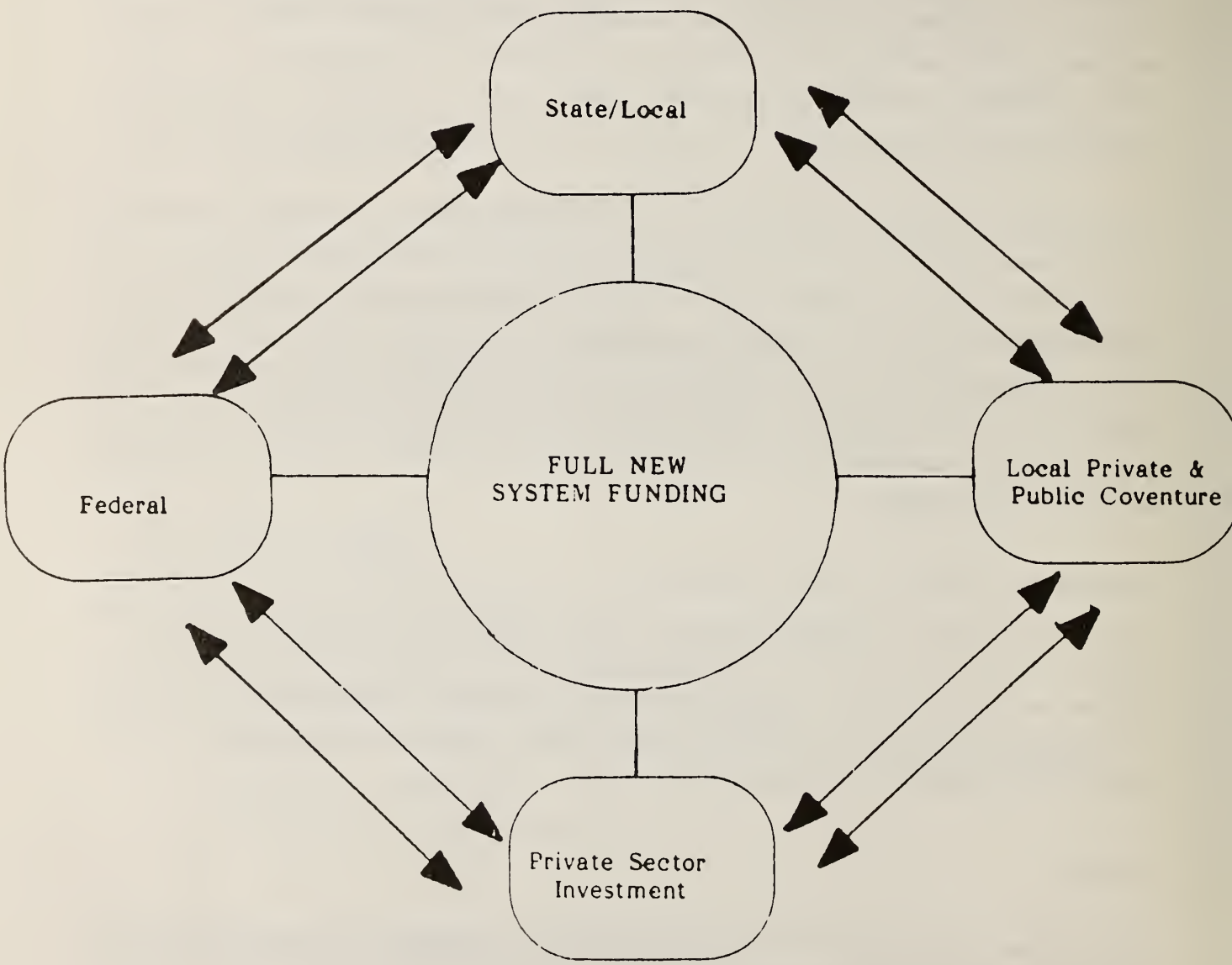
10/ RHA is serving as the financial and development consultant on each of these projects.

FIGURE 14

FULL SPECTRUM OF FUNDING OPPORTUNITIES



SOURCE: Robert J. Harmon & Associates, Inc.

sector's views the world from a "bottom-line" return on investment perspectives. If it is adequately demonstrated that the implementation of a private/public coventure program will not deter and in fact, will enhance the profit potential of local real estate investments, the basis for full cooperation and support can be established.

At a minimum, a private sector task force comprised of the local business community leaders in the financial and real estate development community as well as merchants and property owners should minimally be organized at the early stages of the alternative analysis process. Their direct inputs should then be sought in the selection of the preferred alternative. Prior to the submittal of the draft Environmental Impact Statement (EIS) a concentrated (preferably a three-month duration) Private/Public Coventure funding formulation effort, similar to that successfully undertaken in Miami, should be made. A description of the adopted private/public coventure funding program should be included in the EIS document.

If the local private sector support is secured in this manner, parallel efforts will be required of the local public sector to establish a progressive station area development masterplan that optimizes private sector investment opportunities. This program should include ombudsmen support and provide a basis for ongoing private sector involvement in the final system design and engineering decisions as well as its future operations. In summary, the establishment of a private/public coventure financing program is the beginning of a long term working relationship between the local private and public sectors.

APPENDIX A
ORDINANCE 82-72

Alternate ordinance creating and establishing a special assessment project area lying wholly within the City of Miami in Dade County, Florida, to be known as the Downtown Component of Metrorail (DCM) Project.

APPENDIX A
ORDINANCE 82-72

Alternate ordinance creating and establishing a special assessment project area lying wholly within the City of Miami in Dade County, Florida, to be known as the Downtown Component of Metrorail (DCM) Project.

MEMORANDUM

Agenda Item No. 2 (c)

(Public Hearing--10-5-82)

Honorable Mayor and Members
Board of County Commissioners

DATE September 21, 1982

SUBJECT Ordinance Amending County Ordinance No. 82-72

FROM M. [illegible] Stierheim
County Manager

Recommendation:

It is recommended that the Board adopt the attached proposed Ordinance amending County Ordinance No. 82-72 in such manner as to provide for the exemption of houses of religious worship, including ancillary uses of a non-commercial nature, within the Special Assessment Project Area for the Downtown Component of Metrorail (DCM) from the levy of special assessments. This action is recommended as a result of concerns expressed during recent consultations with the three downtown churches located within the Project Area and conforms with the Resolution adopted by the City of Miami on September 9, 1982.

Background:

The Board enacted Ordinance No. 82-72 on July 23, 1982, to create and establish the DCM Special Assessment Project wholly within the geographic boundaries of the City of Miami and to authorize the issuance of Dade County DCM Project Revenue Bonds in an amount not exceeding $27 million to defray a portion of the cost of the project. No exemptions from the payment of special assessments based on the number of net leasable square feet were provided in the Ordinance.

The impact on property owners from the exemption of houses of worship from the levy of special assessments will be an additional one quarter of a cent ($0.0025) per square foot of net leasable space. City and County Government properties are included in the Special Assessment Project Area.

Agenda Item No. 2 (c)
10-5-82

ORDINANCE NO. 82 98

ORDINANCE AMENDING COUNTY ORDINANCE NO. 82-72 IN SUCH MANNER AS TO PROVIDE FOR THE EXEMPTION OF HOUSES OF RELIGIOUS WORSHIP, INCLUDING ANCILLARY USES OF A NON-COMMERCIAL NATURE, WITHIN THE PROJECT AREA FROM THE LEVY OF SPECIAL ASSESSMENTS IMPOSED BY THE SAID ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Board of County Commissioners of Dade County, Florida enacted County Ordinance No. 82-72 on July 23, 1982, which Ordinance is entitled:

> ORDINANCE CREATING AND ESTABLISHING A SPECIAL ASSESSMENT PROJECT AREA LYING WHOLLY WITHIN THE CITY OF MIAMI IN DADE COUNTY, FLORIDA, TO SUPPORT THE PROJECT TO BE KNOWN AS THE DOWNTOWN COMPONENT OF METRORAIL (DCM) PROJECT IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 18, SECTION 21, OF THE CODE OF METROPOLITAN DADE COUNTY, FLORIDA; DEFINING THE GEOGRAPHIC BOUNDARIES OF THE PROJECT AREA; AUTHORIZING THE ISSUANCE OF DADE COUNTY DCM PROJECT REVENUE BONDS IN AN AMOUNT NOT EXCEEDING $27,000,000 TO DEFRAY A PORTION OF THE COST OF THE PROJECT; AUTHORIZING ANNUAL SPECIAL ASSESSMENTS DURING A FIFTEEN-YEAR PERIOD BASED ON THE NUMBER OF NET LEASABLE SQUARE FEET WITHIN THE PROJECT AREA; PROVIDING THAT SUCH ANNUAL SPECIAL ASSESSMENTS SHALL CONSTITUTE A LIEN ON ALL REAL PROPERTIES WITHIN THE PROJECT AREA; PROVIDING A METHOD FOR COLLECTING DELINQUENT SPECIAL ASSESSMENTS WITHIN THE PROJECT AREA; FINDING THAT THE PROJECT CONSTITUTES A PUBLIC PURPOSE SERVING THE PUBLIC GOOD; AND PROVIDING AN EFFECTIVE DATE;

and

WHEREAS, the aforesaid Ordinance created a special assessment project area lying wholly within the City of Miami and authorized to levy special assessments on real properties within the project area based on the number of net leasable square feet within each property; and

WHEREAS, the aforesaid Ordinance creating and establishing the special assessment project area provided for no exemptions of any kind from the levy of special assessments imposed for the purposes of the project to be known as the Downtown Component of Metrorail (DCM); and

WHEREAS, the Board of County Commissioners wishes to grant an exemption from the levy of any and all special assessments to be imposed pursuant to the provisions of County Ordinance No. 82-72 to houses of religious worship, inclusive of their ancillary uses of a non-commercial nature, situated within the project area,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF DADE COUNTY, FLORIDA:

Section 1. Section 21 of County Ordinance No. 82-72 is renumbered Section 22 of that Ordinance.

Section 2. Section 21 of County Ordinance No. 82-72 is hereby enacted to read as follows:

> Houses of religious worship, including their ancillary uses of a non-commercial nature, located within the project area shall be exempt from the levy of any special assessments imposed pursuant to this Ordinance.

Section 3. This Ordinance shall become effective 10 days after its enactment.

PASSED AND ADOPTED: OCT 5 1982

Approved by County Attorney as
to form and legal sufficiency. RAG

STATE OF FLORIDA)
)
COUNTY OF DADE)

I, RICHARD P. BRINKER, Clerk of the Circuit Court in and for Dade County, Florida, and Ex-Officio Clerk of the Board of County Commissioners of said County, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of ORDINANCE OR SECTION (s) of CODE of Dade County, Florida, as appears of record.

1. ORDINANCE NO. 82-98, adopted by the said Board of County Commissioners at its meeting held on October 5, 19 82. The effective date of this ORDINANCE is:

October 15, 1982

2. SECTION (s) of CODE of Dade County, Florida.

SAID SECTION (s) are/were in full force and effect as of:

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this 29th day of April A.D. 19 83.

RICHARD P. BRINKER, Ex-Officio Clerk
Board of County Commissioners
Dade County, Florida

By _____
Deputy Clerk

SEAL

BOARD OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA

102 01 33

APPENDIX B

Adjusted Square Footage and Recommendation for Assessment for Building within the Proposed Special Assessment District

APPENDIX B

Adjusted Square Footages and Recommendation for Assessment for Building Within the Proposed Special Assessment District

* = Actual net square footage has been surveyed
** = Listed in survey but no measurement of net square footage exists
*** = Property Appraisal Office to obtain actual net square footage measurements
**** = Remaining buildings in CLUC to be measured and actual net square footage used
\+ = Converted from another use

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
01	0101-0106-20-1170	1,868	***
	01-0106-20-1180	1,350	***
	01-0114-00-1100	743	***
02	01-0107-80-1080	3,052	***
	01-0113-80-3090	2,563	***
03 [1.0]	01-0106-10-1080	6,277	6,277
	01-0106-10-1100	14,280	14,280
	01-0106-20-1150	15,616	15,616
	01-0106-20-1160	11,153	11,153
	01-0106-20-1200	16,330	16,330
	01-0106-50-1020	14,160	18,663*
	01-0106-50-1030	4,846	4,846
	01-0107-80-1040	8,840	8,840
	01-0107-80-1050	4,751	4,751
	01-0107-80-1170	13,174	13,174
	01-0108-00-1050	12,178	12,258*
	01-0108-00-1160	9,333	10,533*
	01-0108-70-1010	2,095	2,095
	01-0112-50-1130	13,302	13,302
	01-0113-80-2080	4,988	4,988
	01-0114-00-1130	3,897	3,897
	01-0114-40-1010	87,071	87,071
	+01-0110-00-1060	11,129	8,675*
09	01-0107-80-1110	21,949	26,204*
[Actual]	01-0109-70-2020	2,990	2,900*
	01-0109-70-2030	2,056	2,258*
	+01-0114-00-1010	2,985	3,574
		SUBTOTAL	291,685

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
11 [1.0]	01-0105-80-1070	15,655	15,655
	01-0105-80-1120	8,978	8,978
	01-0106-20-1140	15,138	15,138
	01-0106-40-1010	8,377	8,377
	01-0106-40-1120	3,436	3,079*
	01-0107-70-1010	6,250	6,250
	01-0107-70-1011	5,387	5,387
	01-0107-80-1090	4,310	4,310
	01-0108-00-1110	4,500	4,500
	01-0108-00-1150	8,490	8,490
	01-0108-30-1070	2,872	2,872
	01-0108-30-1110	3,730	3,730
	01-0108-60-1110	224	224
	01-0109-70-1010	12,988	12,988
	01-0109-70-1030	7,100	7,100
	01-0109-70-1050	7,500	7,500
	01-0109-70-2050	1,200	1,200
	01-0109-70-3010	3,419	3,419**
	01-0109-70-3030	7,938	7,938
	01-0109-80-1010	8,080	8,080
	01-0109-80-1060	8,400	9,000*
	01-0109-80-1070	5,000	5,000
	01-0109-80-1080	13,667	13,667
	01-0109-80-1130	4,414	4,414
	01-0109-80-1140	10,602	8,053
	01-0109-80-1150	12,925	12,925
	01-0109-90-1140	2,070	2,070
	01-0110-00-1070	6,125	6,125
	01-0110-20-1030	2,648	2,648
	01-0110-20-2040	5,448	5,448
	01-0110-30-1020	26,342	30,000
	01-0110-40-1020	2,025	2,025
	01-0110-40-1030	8,208	8,208
	01-0110-40-1130	24,176	24,176
	01-0110-50-1020	16,780	16,780
	01-0110-50-1050	13,580	13,580
	01-0110-50-1060	160,341	160,341
	01-0110-50-1070	4,320	4,320
	01-0110-50-1080	1,847	1,847
	01-0110-50-1090	6,270	6,270
	01-0110-50-1100	4,305	4,305
	01-0110-50-1110	6,975	6,975
	01-0110-60-1050	160	160
	01-0110-60-1080	19,995	19,995
	01-0110-60-1090	10,320	10,320
	01-0110-60-1120	8,614	8,614
	01-0110-60-1130	17,156	17,156
		SUBTOTAL	539,637

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0110-60-2040	7,573	7,573
	01-0110-80-1160	2,402	2,402
	01-0111-50-1010	4,102	4,102
	01-0111-50-1020	16,846	16,846
	01-0111-50-1030	53,675	53,675
	01-0111-50-1070	9,842	9,842
	01-0111-50-1100	8,835	8,835
	01-0111-60-1010	4,127	4,127
	01-0111-60-1030	2,250	2,250
	01-0111-60-1040	1,410	1,410
	01-0111-60-1050	1,330	1,330
	01-0111-60-1060	625	625
	01-0111-60-1070	31,559	31,559
	01-0111-60-1080	9,134	9,134
	01-0111-60-1100	28,689	28,689
	01-0111-60-1110	4,122	4,122
	01-0111-60-1120	28,075	28,075
	01-0111-60-1130	19,245	19,245
	01-0111-60-1140	16,289	18,447*
	01-0111-60-1150	6,510	6,510
	01-0111-60-1160	36,534	36,534
	01-0111-70-1020	48,156	48,156**
	01-0111-70-1090	8,000	8,000
	01-0111-70-1100	7,784	7,784
+	01-0111-80-1030	7,740	6,000*
	01-0111-80-1140	26,210	26,210
	01-0111-80-1150	37,828	52,020*
	01-0111-90-1030	13,973	13,973
	01-0112-00-1030	37,215	37,215
	01-0112-00-2012	7,229	7,229
	01-0112-10-1020	2,521	2,521
	01-0112-10-1030	2,709	2,709
	01-0112-10-1040	11,966	11,966
	01-0112-10-1050	25,686	25,686
	01-0112-10-1070	6,840	6,840
	01-0112-10-1090	9,706	9,706
	01-0112-10-1120	2,375	2,375
	01-0112-10-1150	4,680	4,680
	01-0112-20-1030	93,612	87,126*
	01-0112-20-1050	11,565	12,300*
	01-0112-20-1040	10,856	10,856
	01-0112-20-1060	27,711	27,711
	01-0112-20-1070	467,158	467,158
	01-0112-20-1100	10,731	10,731
	01-0112-30-1011	6,621	6,621
	01-0112-40-1010	10,767	10,767
	01-0112-40-1060	5,720	5,720
	01-0112-40-1070	10,580	10,580
	01-0112-50-1020	27,905	27,905
			SUBTOTAL 1,245,877

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0112-50-1030	94,909	105,959*
	01-0112-50-1050	10,351	10,351
	01-0112-50-1060	4,000	4,000
	01-0113-70-1010	5,544	5,544
	01-0113-70-1030	7,200	7,200
	01-0113-70-1070	880	880
	01-0113-80-1040	2,829	2,829
	01-0113-80-1050	1,913	1,913
	01-0113-80-1060	3,689	3,689
	01-0113-80-2010	1,491	1,491
	01-0113-80-2020	4,164	4,164
	01,0113-80-2030	4,207	4,207
	01-0113-80-3100	1,575	1,575
	01-0113-80-3120	2,178	2,178
	01-0114-00-1120	1,242	1,242
	01-0114-40-1020	6,104	6,460*
	01-0114-60-1100	269	269
12 [Actual]	01-0106-20-1040	2,500	2,500*
13 [1.0 for below 5 floors]	01-0105-80-1090	4,595	4,894*
	01-0106-20-1190	1,808	1,808
	01-0106-30-1030	6,417	6,417
	01-0106-50-2020	6,445	6,445
	01-0108-00-1070	1,795	1,795
	01-0108-00-1120	15,795	15,795
	01-0108-30-1060	7,780	7,780
	01-0108-30-1090	2,233	2,233
	01-0108-60-1030	8,347	8,347
	01-0108-60-1120	15,787	15,787
	01-0108-60-1140	9,331	9,331
	01-0110-00-1010	22,630	22,630
	01-0110-00-1120	16,289	16,289
	01-0110-00-1201	2,990	2,990
	01-0110-40-1050	15,516	15,516
	01-0110-50-1010	12,878	12,878
	01-0110-50-1140	51,461	58,509*
13 [1.0 for 5 stories & below]	01-0110-60-2030	18,811	17,765*
	01-0111-50-1090	175,376	175,376
	01-0111-70-1010	330,086	330,086
	01-0111-70-1030	79,107	94,297
	01-0111-70-1040	11,250	11,250
	01-0111-70-1050	11,620	11,620
	01-0111-80-1050	286	286
	01-0111-80-1080	850	850
		SUBTOTAL	1,017,425

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0112-00-1010	44,302	44,302
	01-0112-00-1040	1,090,550	1,090,550
	01-0112-00-2011	4,044	4,413*
	01-0112-00-2020	153,898	153,898
	01-0112-00-2061	385,473	385,473
	01-0112-30-1020	189,140	189,140
	01-0112-60-1010	97,727	97,727
	01-0113-70-1020	2,880	2,950*
	01-0113-70-1040	4,983	4,983
	01-0112-80-1070	13,182	13,182
	01-0114-00-1110	3,060	3,060
	01-0114-10-1020	13,972	13,972
	01-0114-20-1010	81,518	81,518
[above	01-0106-00-2020	79,417	71,415
5 stories	01-0108-30-1180	132,011	118,810
= .09]	01-0110-20-1020	55,774	50,197
	01-0110-20-2010	320,489	288,440
	01-0110-30-2070	132,345	119,111
	01-0110-40-1060	92,470	83,223
	01-0110-40-1070	37,215	33,494
	01-0110-40-1100	43,265	38,936
	01-0111-50-1080	166,564	149,908
	01-0111-60-1020	4,968	4,471
	01-0111-60-1090	185,154	166,639
	01-0111-60-1170	163,054	146,749
	01-0111-70-1070	120,791	108,712
	01-0112-00-2010	258,183	232,365
	01-0112-00-2040	117,432	105,689
	01-0112-00-2050	34,456	31,010
	01-0112-00-3001	767,410	602,000*
	01-0112-10-1160	64,067	57,660
	01-0112-30-1030	178,179	160,361
	01-0112-30-1080	75,164	65,000*
	01-0112-30-1090	282,344	254,110
	01-0112-50-1070	160,115	144,104
	01-0112-60-1020	151,757	136,581
	01-0114-60-1090	27,716	24,696*
14 [Actual]	01-0109-70-1020	10,500	18,700*
15	01-0108-60-1130	20,445	20,445
[Actual]	01-0108-60-2010	14,113	13,499
		SUBTOTAL	5,331,493

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
19 [1.0]	01-0106-10-1090	17,274	18,124*
	01-0106-40-1130	2,040	2,040*
	01-0106-40-1140	11,886	11,886
	01-0107-80-1100	12,264	12,264
	01-0108-60-1020	13,500	13,500
	01-0108-60-1090	20,492	20,492
	01-0110-00-1240	9,818	9,818
	01-0110-30-1010	24,886	24,886
	01-0110-30-2010	296,340	296,340*
	01-0110-40-1010	4,320	4,320
	01-0110-50-1061	14,700	14,700
	01-0111-70-1060	4,550	4,410*
	01-0111-80-1100	28,124	27,330
	01-0112-00-1020	73,306	73,306
	01-0112-00-2060	138,424	140,349*
	01-0112-10-1010	89,972	89,972
	01-0112-10-1080	7,800	7,800
	01-0112-10-1100	19,572	19,572
	01-0112-10-1130	3,471	3,471
	01-0112-20-1010	38,576	45,600*
	01-0112-40-1030	4,590	4,590
	01-0112-40-1190	3,579	3,579
	01-0112-60-1070	26,939	26,939
	01-0113-80-1020	1,620	1,620
	01-0112-80-2050	5,872	5,872
	01-0113-80-2090	14,475	14,475
21 [.9]	01-0100-01-1040	8,193	7,374
	01-0105-90-2010	10,291	9,262
	01-0105-90-2090	8,779	7,901
	01-0106-10-1010	128,544	119,146*
	01-0106-10-1110	14,146	12,731
	01-0106-20-1070	10,114	9,772*
	01-0106-20-1090	7,968	7,171
	01-0106-20-1110	10,896	9,806
	01-0106-40-1020	7,977	7,179
	01-0107-80-1200	14,364	13,360*
	01-0108-30-1010	127,739	114,965
	01-0108-30-1050	5,071	4,564
	01-0108-30-1080	1,836	1,652
	01-0108-30-1100	1,874	1,687
	01-0109-70-1080	12,645	11,381
	01-0109-80-1020	27,773	24,996
	01-0109-80-1030	17,465	15,719
	01-0110-00-1020	235,411	211,870
		SUBTOTAL	1,487,791

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0110-00-1030	29,461	26,515
	01-0110-00-1080	11,235	10,867*
	01-0110-00-1110	10,875	9,788
	01-0110-00-1130	8,791	7,912
	01-0110-00-1140	23,893	21,504
	01-0110-00-1200	12,008	10,807
	01-0110-00-1220	14,232	12,809
	01-0110-00-1230	5,912	5,321
	01-0110-20-1010	73,993	66,594
	01-0110-20-2030	34,175	30,758
	01-0110-40-1120	22,633	22,373*
	01-0110-60-1010	25,060	22,554
	01-0110-60-2020	20,081	18,073
	01-0111-80-1130	22,520	20,268
	01-0111-90-1010	201,542	181,388
	01-0111-90-1020	246,209	221,588
	01-0112-10-1060	37,331	33,598
	01-0112-10-1170	43,704	39,334
	01-0112-10-1180	70,491	63,442
	01-0112-20-0010	274,598	247,138
	01-0108-00-1180	19,106	18,578*
24	01-0107-80-1070	6,123	6,123
26	01-0106-10-1020	3,343	****
[prop.	01-0114-10-1040	1,139	****
square	01-0114-40-1190	1,283	****
footage]	01-0106-20-1010	1,709	1,483
29	01-0109-70-3040	16,264	16,264
[actual]	01-0112-40-1020	7,412	8,090*
	01-0113-80-1010	8,100	8,100
	01-0114-30-1010	704,538	788,578*
32	01-0106-20-1080	10,780	10,780
	01-0106-50-1040	24,880	24,880
	01-0106-50-1050	3,301	3,301
	01-0107-70-1170	20,324	20,324
36	01-0105-80-1080	1,950	1,950
	01-0105-90-2020	4,819	4,819
	01-0105-90-2030	10,296	10,296
	01-0105-90-2050	11,321	11,321
	01-0106-40-1080	34,243	34,243
	01-0106-40-1100	17,340	17,340
	01-0106-50-1010	2,934	2,934
	01-0106-50-1060	7,871	7,871
		SUBTOTAL	2,069,906

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0106-50-1070	10,475	10,475
	01-0106-50-1100	12,449	12,449
	01-0108-60-1050	14,809	14,809
	01-0109-70-2010	2,480	2,480
	01-0110-60-2010	7,818	7,818
	01-0113-70-1100	23,031	23,031
	01-0114-00-1090	258	258
	01-0114-00-2040	2,921	2,921
39 [to be measured]	01-0114-20-1020	15,572	***
40 [remaining bldgs. to be measured]	01-0100-00-0520	31,520	****
	01-0107-50-1090	1	109,800*
	01-0107-70-1080	0	****
	01-0107-70-1100	0	****
	01-0107-70-1130	0	****
	01-0107-90-1050	22,114	22,114*
	01-0109-50-1090	1	****
	01-0109-70-1031	0	****
	01-0109-90-1010	1	****
	01-0110-20-1040	121,730	****
	01-0111-40-1040	1	****
	01-0112-30-1040	0	****
	01-0112-30-1100	14,157	****
	01-0112-40-1090	124,304	****
	01-0112-40-1100	0	****
	01-0114-00-2010	3,975	****
41	01-0108-40-1010	0	***
43 [actual]	01-0114-40-1050	5,643	**
	01-0114-40-1160	5,580	5,380*
44 [1.0]	01-0106-30-1010	0	***
	01-0107-90-1120	0	**
	01-0108-00-1010	1	***
	01-0108-30-1040	22,719	23,745*
	01-0110-40-1040	106,217	106,217
47 [meas. the rest]	01-0107-60-2010	36,195	****
	01-0107-90-1030	700	700*
	01-0108-70-2020	23,853	****
	01-0109-60-1070	0	****
	01-0109-60-2010	0	****
	01-0109-90-1120	7,500	****
	01-0109-90-1180	308	****
		SUBTOTAL	342,197

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0110-70-2020		****
	01-0111-50-1060	0	****
	01-0114-40-1080	262,702	****
49 [actual]	01-0115-00-1120	116,619	114,437*
55 [use actual]	01-0100-00-0260	126,338	***
61 [actual]	01-0107-80-1030	10,858	15,843*
63 [actual]	01-0106-40-1030	91,647	101,580*
	01-0109-80-1090	282,272	232,273*
	01-0110-50-1040	179,583	**
	01-0114-10-1010	19,008	19,080*
	01-0106-20-1220	2,735	2,647*
65 [actual]	01-0100-00-0020	73,071	73,071
	01-0100-00-0190	101,930	101,930
	01-0100-00-0240	14,772	14,772
	01-0100-00-0291	11,280	11,280
	01-0105-90-2040	9,600	9,600
	01-0105-90-2080	4,800	4,800
	01-0106-10-1030	15,000	15,000
	01-0106-10-1040	7,500	7,500
	01-0106-10-1120	8,850	8,850
	01-0106-20-1020	4,500	4,500
	01-0106-20-1030	7,500	7,500
	01-0106-20-1050	7,500	7,500
	01-0106-20-1120	4,500	4,500
	01-0106-20-1210	7,500	7,500
	01-0106-20-1230	4,500	4,500
	01-0106-40-1090	7,500	7,500
	01-0107-70-1160	15,000	15,000
	01-0107-80-1010	8,100	8,100
	01-0107-80-1020	4,500	4,500
	01-0107-80-1140	7,500	7,500
	01-0107-80-1160	8,100	8,100
	01-0107-80-1180	7,500	7,500
	01-0107-90-1090	7,000	7,000
	01-0108-00-1060	7,000	7,000
	01-0108-00-1090	5,000	5,000
	01-0108-00-1140	7,500	7,500
		SUBTOTAL	853,363

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0108-30-1020	7,500	7,500
	01-0108-30-1030	7,500	7,500
	01-0108-30-1120	7,500	7,500
	01-0108-30-1160	7,500	7,500
	01-0108-30-1170	7,500	7,500
	01-0108-30-1190	11,250	11,250
	01-0108-60-1040	7,500	7,500
	01-0108-60-1100	7,500	7,500
	01-0108-70-1110	10,000	10,000
	01-0109-70-1040	7,500	7,500
	01-0109-70-1090	7,500	7,500
	01-0109-70-1100	7,500	7,500
	01-0109-80-1040	7,500	7,500
	01-0109-80-1120	6,250	6,250
	01-0109-90-1050	45,000	45,000
	01-0109-90-1070	7,500	7,500
	01-0109-90-1150	3,750	3,750
	01-0110-00-1050	7,500	7,500
	01-0110-00-1150	7,350	7,350
	01-0110-00-1170	7,500	7,500
	01-0110-00-1180	7,500	7,500
	01-0110-00-1210	2,112	2,112
	01-0110-30-1020	5,400	5,400
	01-0110-30-2030	7,500	7,500
	01-0110-30-2040	7,500	7,500
	01-0110-30-2080	7,500	7,500
	01-0110-40-1090	7,500	7,500
	01-0110-40-1090	16,250	16,250
	01-0110-50-1030	15,376	15,000
	01-0110-50-1130	11,145	11,145
	01-0110-60-1120	7,500	7,500
	01-0110-60-1030	7,500	7,500
	01-0110-60-1040	7,500	7,500
	01-0110-60-1060	7,500	7,500
	01-0110-60-1100	7,500	7,500
	01-0110-60-1110	15,000	15,000
	01-0110-80-1050	15,000	15,000
	01-0111-30-1020	7,000	7,000
	01-0111-30-1050	20,335	20,335
	01-0111-20-1180	7,950	7,950
	01-0111-50-1040	11,200	11,200
	01-0111-50-1050	3,800	3,800
	01-0111-80-1020	15,000	15,000
	01-0111-80-1121	7,000	7,000
	01-0112-00-2030	201,822	201,822
	01-0112-20-1080	600	600
	01-0112-20-1090	600	600
	01-0112-30-1060	18,000	18,000
	01-0112-30-1110	3,000	3,000
		SUBTOTAL	639,814

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0112-30-1130	3,000	3,000
	01-0112-40-1040	4,972	4,927
	01-0112-40-1050	5,650	5,650
	01-0112-40-1080	14,505	14,505
	01-0112-40-1140	2,176	2,176
	01-0112-40-1160	2,598	2,598
	01-0112-40-1170	2,598	2,598
	01-0112-60-1030	5,650	5,650
	01-0112-60-1040	5,650	5,650
	01-0112-60-1050	5,650	5,650
	01-0112-60-1060	5,650	5,650
	01-0112-60-1080	3,600	3,600
	01-0112-60-1100	6,250	6,250
	01-0112-60-1100	6,250	6,250
	01-0112-60 1120	6,250	6,250
	01-0112-60-1130	6,250	6,250
	01-0113-50-1010	7,500	7,500
	01-0113-50-1020	7,500	7,500
	01-0112-50-1030	5,000	5,000
	01-0113-50-1040	2,500	2,500
	01-0113-50-1050	7,500	7,500
	01-0113-50-1060	7,500	7,500
	01-0113-50-1070	7,500	7,500
	01-0113-50-1080	7,500	7,500
	01-0113-50-1090	15,000	15,000
	01-0113-50-1110	22,500	22,400
	01-0113-50-1130	7,500	7,500
	01-0113-50-1140	7,500	7,500
	01-0113-50-1150	7,500	7,500
	01-0113-50-1160	14,000	14,000
	01-0113-50-2010	118,773	118,773
	01-0113-80-3110	1,575	1,575
	01-0114-30-1040	236,030	236,030
	01-0114-30-1040	131,181	131,181
	01-0114-30-1050	13,980	13,980
	01-0114-30-1060	5,825	5,825
	01-0114-30-1070	5,825	5,825
	01-0114-30-1080	12,466	12,466
	01-0114-30-1090	12,466	12,466
	01-0114-30-1100	5,825	5,825
	01-0114-30-1110	5,825	5,825
	01-0114-30-1120	13,980	13,980
	01-0114-30-1130	11,650	11,650
	01-0114-30-1140	5,825	5,825
	01-0114-30-1150	5,825	5,825
	01-0114-30-1160	5,825	5,825
	01-0114-30-1170	5,825	5,825
	01-0114-30-1180	5,825	5,825
		SUBTOTAL	817,580

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0114-30-1190	13,165	13,165
	01-0114-30-1200	13,165	13,165
	01-0114-30-1210	5,825	5,825
	01-0114-30-1220	5,825	5,825
	01-0114-30-1230	5,825	5,825
	01-0114-30-1240	5,825	5,825
	01-0114-30-1250	5,825	5,825
	01-0114-30-1260	11,650	11,650
	01-0114-30-1270	13,987	13,987
	01-0114-30-1280	5,825	5,825
	01-0114-30-1290	5,825	5,825
	01-0114-30-1300	12,524	12,524
	01-0114-30-1310	12,524	12,524
	01-0114-30-1320	5,825	5,825
	01-0114-30-1330	5,825	5,825
	01-0114-30-1340	13,987	13,987
	01-0114-30-1350	107,157	107,157
	01-0114-30-1360	5,825	5,825
	01-0114-30-1380	5,825	5,825
	01-0114-30-1390	5,825	5,825
	01-0114-30-1400	5,825	5,825
	01-0114-30-1410	13,165	13,165
	01-0114-30-1420	11,825	11,825
	01-0114-30-1430	5,825	5,825
	01-0114-20-1440	5,825	5,825
	01-0114-30-1450	5,825	5,825
	01-0114-30-1460	5,825	5,825
	01-0114-30-1470	5,825	5,825
	01-0114-30-1480	12,267	12,267
	01-0114-40-1040	2,808	2,808
	01-0114-40-1060	5,643	5,643
	01-0114-40-1130	77,117	11,117
	01-0114-50-1010	750	750
	01-0114-60-1060	3,750	3,750
	01-0114-80-2010	117,612	117,612
	01-0115-00-1040	20,168	20,168
	01-0115-00-1050	10,225	10,225
	01-0115-10-1010	6,945	6,945
	01-0115-10-1020	2,500	2,500
	01-0115-10-1030	2,500	2,500
	01-0115-10-1040	2,500	2,500
	01-0115-10-1050	2,500	2,500
	01-0115-20-1010	32,670	32,670
		SUBTOTAL	561,954

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
81 [actual]	01-0100-00-0270	5,663	5,663
	01-0100-00-0280	17,231	17,231
	01-0100-00-0292	19,200	19,200
	01-0100-00-0293	23,200	23,200
	01-0100-00-0294	46,510	46,510
	01-0100-00-0295	63,335	63,335
	01-0100-00-0300	6,940	6,940
	01-0100-00-0230	33,005	33,005
	01-0105-70-1070	14,000	14,000
	01-0105-80-1100	12,000	12,000
	01-0105-80-1100	6,000	6,000
	01-0105-90-2060	4,800	4,800
	01-0105-90-2070	4,800	4,800
	01-0106-00-2010	14,400	14,400
	01-0106-10-1050	13,500	13,500
	01-0106-10-1060	4,500	4,500
	01-0106-10-1070	4,500	4,500
	01-0106-20-1060	7,500	7,500
	01-0106-20-1100	4,650	4,650
	01-0106-20-1130	500	500
	01-0106-40-1110	8,578	8,578
	01-0106-50-2010	20,250	20,250
	01-0107-40-1130	14,481	14,481
	01-0107-60-1010	9,000	9,000
	01-0107-60-2030	15,000	15,000
	01-0107-70-1020	7,000	7,000
	01-0107-70-1102	142,989	142,989
	01-0107-80-1060	7,500	7,500
	01-0107-80-1150	1,875	1,875
	01-0107-90-1010	6,500	6,500
	01-0107-90-1020	5,000	5,000
	01-0107-90-1040	7,000	7,000
	01-0107-90-1110	5,000	5,000
	01-0107-90-1130	37,500	37,500
	01-0107-90-1150	7,500	7,500
	01-0107-90-1160	7,500	7,500
	01-0107-90-1170	11,250	11,250
	01-0107-90-1180	11,250	11,250
	01-0108-00-1080	9,000	9,000
	01-0108-00-1130	7,500	7,500
	01-0108-00-1170	6,500	6,500
	01-0108-30-1130	7,500	7,500
	01-0108-30-1140	7,500	7,500
	01-0108-70-1020	15,000	15,000
	01-0108-70-1020	1,250	1,250
	01-0108-70-1030	1,250	1,250
	01-0108-70-1040	1,250	1,250
	01-0108-70-1050	1,250	1,250
	01-0108-70-1060	4,683	4,683
	01-0108-70-1070	4,995	4,995
	01-0108-70-1080	4,993	4,993
	01-0108-70-1090	12,500	12,500
		SUBTOTAL	716,578

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0108-70-1120	5,000	5,000
	01-0108-70-2010	15,000	15,000
	01-0109-50-1010	10,000	10,000
	01-0109-50-1040	15,000	15,000
	01-0109-50-1060	7,500	7,500
	01-0109-50-1070	7,500	7,500
	01-0109-50-1080	45,000	45,000
	01-0109-50-1100	7,500	7,500
	01-0109-50-1100	7,500	7,500
	01-0109-50-1120	7,500	7,500
	01-0109-50-1130	5,000	5,000
	01-0109-50-1140	5,000	5,000
	01-0109-60-1050	7,500	7,500
	01-0109-60-1060	10,000	10,000
	01-0109-60-1080	7,500	7,500
	01-0109-60-1100	7,500	7,500
	01-0109-60-1120	37,500	37,500
	01-0109-60-2020	6,000	6,000
	01-0109-60-2030	13,530	13,530
	01-0109-60-2040	15,250	15,250
	01-0109-70-2040	1,250	1,250
	01-0109-80-1050	33,750	33,750
	01-0109-90-1020	4,992	4,992
	01-0109-90-1080	9,375	9,375
	01-0109-90-1090	3,700	3,700
	01-0109-90-1100	9,325	9,325
	01-0109-90-1110	3,750	3,750
	01-0109-90-1130	7,500	7,500
	01-0109-90-1190	5,475	5,475
	01-0109-90-1200	8,100	8,100
	01-0110-00-1090	4,000	4,000
	01-0110-00-1100	6,000	6,000
	01-0110-00-1220	7,500	7,500
	01-0110-30-1040	6,750	6,750
	01-0110-30-2090	7,500	7,500
	01-0110-50-1120	101	101
	01-0110-70-1010	15,000	15,000
	01-0110-70-1020	7,500	7,500
	01-0110-70-1040	5,000	5,000
	01-0110-70-2010	7,500	7,500
	01-0110-80-1010	5,000	5,000
	01-0110-80-1040	5,000	5,000
	01-0110-80-1060	15,000	15,000
	01-0110-80-1090	15,000	15,000
	01-0110-80-1120	13,655	13,655
	01-0110-80-1170	7,500	7,500
		SUBTOTAL	457,503

CLUC	Folio #	Adjusted Sq. Footage	Recommendation for Assessment
	01-0111-30-1040	6,925	6,925
	01-0111-30-1190	6,439	6,439
	01-0111-30-1200	7,420	7,420
	01-0111-80-1010	5,700	5,700
	01-0111-80-1040	7,500	7,500
	01-0111-80-1060	7,500	7,500
	01-0111-80-1070	312	312
	01-0111-80-1090	7,263	7,263
	01-0111-80-1110	7,000	7,000
	01-0111-80-1120	14,000	14,000
	01-0112-00-2013	517	517
	01-0112-40-1150	2,590	2,590
	01-0112-40-1180	2,704	2,704
	01-0112-50-1010	1,475	1,475
	01-0112-60-1090	6,250	6,250
	01-0113-50-1120	7,500	7,500
	01-0113-70-1080	880	880
	01-0113-70-1090	880	880
	01-0113-70-2001	16,117	16,117
	01-0113-70-2002	4,934	4,934
	01-0113-80-1030	5,983	5,983
	01-0113-80-2120	578	578
	01-0113-80-3080	4,289	4,289
	01-0114-00-1020	4,750	4,750
	01-0114-00-1030	5,000	5,000
	01-0114-00-1040	5,000	5,000
	01-0114-00-1050	1,727	1,727
	01-0114-00-1140	10,150	10,150
	01-0114-00-2050	3,000	3,000
	01-0114-00=2030	3,000	3,000
	01-0114-00-2050	41,423	41,423
	01-0114-10-1030	4,750	4,750
	01-0114-40-1170	6,250	6,250
	01-0114-40-1180	6,250	6,250
	01-0114-60-1070	6,000	6,000
	01-0114-60-1110	433	433
	01-0114-90-1010	3,589	3,589
	01-0115-00-1260	4,500	4,500
	01-0115-10-1060	16,584	16,584
	01-4137-22-0010	62,291	62,291
		SUBTOTAL	306,453
		TOTAL	16,679,256

SOURCE: Dade County Property Appraiser's Office, Dade County Transportation Administration, and Robert J. Harmon & Associates, Inc.

APPENDIX C
EXECUTIVE SUMMARY OF THE PRIVATE SECTOR BENEFITS ANALYSIS

APPENDIX C

EXECUTIVE SUMMARY OF THE PRIVATE SECTOR BENEFITS ANALYSIS

Overview:

Implementation and operation of the Downtown Component of the Miami Metrorail system will generate significant socio-economic benefits to: 1) the residents of the the City of Miami and Dade County; 2) Miami CBD employers, employees and visitors; and 3) other important segments of the local and regional Miami Area economy.

During the course of completing previous engagements with Dade County, RHA has conducted in-depth analyses of the economic benefits that would accrue to the Miami Downtown business community. In this chapter, we have drawn from the documented results of these previous benefit evaluations and the national expertise of senior RHA professionals in performing state-of-the-art transportation system benefit/cost analysis to summarize the type and magnitude of benefits that would accrue to each segment of the Miami Area community.

In order to present our findings in a clear and consistent format, the results are summarized in a question-and-answer format. This approach reduces the over-emphasis on statistical-oriented calculations in traditional economic analysis and allows us to focus more directly the results to site-specific Miami Area economic issues and concerns.

1. What is the significance of the construction of the Downtown Component of Metrorail on the local Miami/Dade County economy?

ANSWER: The Miami DCM represents a major CBD construction (transportation improvement) project that will infuse or serve to help retain a total of approximately $120 million in the local area economy. Over $75 million dollars of capital expenditures are funded by Federal or State programs representing significant outside investment in the local Miami economy. With a conservative allowace for out-of-

state equipment, material and off-site engineering services, the Miami DCM project would generate a minimum of $100 million in new economic activity (i.e. payroll, retail sales and tax payments) during its scheduled four (4) year construction period.

Beyond the construction phase, increased business activity will occur, producing quantifiable increases in: retail trade, annual hotel and convention business, and commercial office space demand that will continue to generate permanent new employment opportunities for Miami Area residents. Investor knowledge that the DCM would be built has proven a key factor in the locational and ultimate "go-ahead" decisions in the case of several major CBD commercial projects now committed or planned for construction (e.g. the Miami Center, Government Center Tower, the Hyatt Hotel, etc.). Overall, the DCM project is of pivotal significance to the future growth and vitality of the Miami/Dade County economy. The DCM project's implementation will serve to help ensure long-term private sector investor confidence in the economic future of the Miami Area.

2. How would the DCM affect existing and future Downtown Miami employees?

ANSWER: The DCM Project's impact on Downtown Miami employees can be measured in terms of mobility, transportation cost savings, socio-economic and life style opportunity gains. Mobility impacts of the system relate to both commuting travel connections, off-peak inner-CBD retail shopping and other personal service travel needs. The DCM is an integral functional element of the Regional Metrorail system and the Miami Downtown future fringe parking system. Effectively, its implementation is critical to the operational feasibility of both of these critical Miami Area transportation-related facilities.

A downtown Miami commuter who foregoes his/her auto-dependence and utilizes DCM/Regional Transportation services will realize an estimated $1,000-$1,500 in direct and indirect "cost savings" annually. [These "net" cost savings reflect the aggregate savings derived from: parking, insurance and the elimination of second or third-car ownership and maintenance/operation costs.] Miami Metropolitan Area residents who capitalize exclusively on the cost savings gained from utilization of CBD parking-related savings accruing from fringe-related parking services served by the DCM, would realize an estimated $150-$300 in annualized cost savings.

Noon-time or after work accessibility to shopping, personal services, routine medical services and community/educational programs would also be increased by direct station-to-station linkages of these travel destinations from existing and future employment centers. In addition, the combined accessibility of the Metrorail and DCM system will generate altenate residential locational opportunities along the Metrorail alignment in-and-near the Miami Central Business District. Families with more than one working member could commute to alternate suburban or downtown locations with greater convenience and for substantially less annual transportation costs.

3. What direct fiscal impacts would the DCM have on the City of Miami and Dade County?

ANSWER: The DCM will have a direct positive economic impact on the tax revenues and operational costs of the City of Miami and Dade County. Direct "net" increases in retail sales tax revenues will accrue from the construction payroll expenditures, the increased downtown hotel and visitor trade and the attraction of new employers to central Miami. In the case of the attraction of headquarter office facilities and the added draw and retention of convention and tourist business, these gains represent measurable net regional economic benefits resulting from the DCM's implementation.

Net property tax revenues from the DCM Project's employment would accrue in the following areas: 1) attraction of firms now located outside the local jurisdictions; 2) attainment premium rent values by commercial facilities directly served by the DCM; and 3) enhancement of property values ultimately at and "in the near vicinity" of each DCM station area. On an aggregate basis, the net revenue gains accruing to the local jurisdictions would exceed the estimated $20 million in new local capital investment that is being made in the system itself. In spite of the additional $20 million in special assessment cost revenues, the DCM system will, in private business terms, "more than pay for itself." Additional local economies will be realized through the operational cost efficiencies of an Automated Guideway Transit (AGT) System versus the current "all-bus system" now serving the Miami Downtown Area.

4. What segments of the Miami downtown business community will benefit from the implementation of the DCM Project?

ANSWER: Building and property owners, retail merchants, hotel owners and managers, restaurant owners and operators and related employees will all benefit from the implementation and operation of the Miami DCM. CBD owners of commercial buildings, located within the immediate DCM service area, will be able to command prestige rents from existing and future tenants. Based on case studies of other cities with fixed pedestrian/downtown circulation systems, these prestige rent levels will rise two-to-four percent (2-4%) above prevailing market rates. Applying the lower end of this range, RHA estimates that commercial building owners will realize at least $5 million in annual premium office and retail lease revenues by the year 1990.

Downtown retail merchants, including restaurant operators, will realize increased retail trade volumes from CBD employees, visitors and residents. The DCM's strongest positive retail sales influence will be exhibited during the noon- hour period. In other cities with extensive fixed pedestrian facilities (e.g. Minneapolis Minnesota and Houston, Texas) and/or fixed guideway downtown circulation systems (e.g. Washington, D.C. and San Francisco, California) the CBD employees' annual retail sales totals are estimated at $250-$500 above the national average of between $800-$1,000 per year (per CBD employee).

In consumer behavior terms, the DCM system expands the actual and perceived domain of the CBD pedestrian. Downtown Miami employees will be able to utilize a greater portion of their noon hour for shopping, due to the improved accessbility to major shopping complexes. The number of convention delegates will increase due to the enhanced packageability of Downtown Miami for major conventions and, therefore, will increase the convention delegate market base.

Finally, the general sense of attractiveness and activity in the Miami CBD will be improved. This phenomenon will increase the overall market appeal of the Miami Downtown to local residents for retail shopping. The DCM will also furnish improved parking access to regional Miami shoppers and, thereby, increase retail sales revenues

attributed to "comparison goods" in the downtown retail core. The net result of the positive impacts accruing from the individual market supports of the Miami CBD retail market will be an increase in annual retail sales volumes of between $25-$30 million by the year 1990. Over the same timeframe, these DCM-induced retail sales revenue increases represent over $1 million in increased retail profits to merchants located in the Miami Downtown.

5. Will the planned future extensions to the Miami Downtown Component of the Metroril (DCM) produce an equivalent level of fiscal and socio-economic benefits to the City of Miami/Dade County?

ANSWER: Yes, definitely. The planned DCM extensions to The Omni and Brickell Areas of the Miami Downtown could generate even higher proportional fiscal and socio-economic benefits per capital dollar investment (than the initial DCM double-loop system). Counting the State of Florida funding support, the loop component of the DCM system will receive nearly two-thirds of the total of approximately $132 million in capital funds from sources outside the local Miami economy.

Assuming this level of outside funding support is secured for future DCM extensions, the construction-related GNP multiplier impacts on the local economy would be the approximate equivalent of the DCM loop system.

The positive economic impacts related to the improved capability to package large convention opportunities in Miami's CBD would be further enhanced. Together, the two proposed DCM extensions would link the Omni Center and the Brickel Avenue Area facilities with the Miami CBD. This interconnection would mean the DCM system would provide door-to-door access to over 8,000 Class A Hotel rooms by the year 1990. The Brickel Avenue extension would link existing residential complexes and would create additional residential development opportunities. The combined influence of the two extensions would be to engender dimensionally greater retail opportunities for the Miami CBD employee, resident and visitor. The significance of the potential fiscal and socio-economic benefits generated by future DCM extensions is that the current DCM capital investment will establish the necessary functional capacity and market conditions to sustain the existing pace of quality Miami CBD commercial and residential development.

6. Describe the overall significance of the implementation of the Miami Downtown Component of Metrorail system.

ANSWER: The Miami DCM system is functionally essential to the efficient operation of the regional Metrorail system. In addition, the original financial commitment and current building design of several major new commercial developments located in the Miami downtown area were based on the existence and alignment of the DCM. If the Miami DCM were not built, the planned second phase elements of these projects would (at a minimum) be delayed, and would require redesign to accommodate either additional on-site parking or reduced retail facility capacity.

Of even greater economic significance would be the lowered level of confidence in the Project by the private sector within the City of Miami, and Dade County's ability to successfully fulfill their infrastructure commitments. Without the DCM, the physical development capacity of the Miami CBD would be reduced subtantially. The current CBD infrastructure "Master Plan" would require reevaluation and adoption of the available alternatives would result in reduced pedestrian amnities and a more auto-oriented environment.

Essentially, the full funding commitment to build the Miami DCM serves to: 1) reinforce private sector investor confidence; 2) create the opportunity for true "21st Century" downtown environment, helping to ensure the future economic viability and functional feasibility of a dynamic Miami Central Business District; 3) enhance the "competitive standing" of the City of Miami and Dade County respectively; 4) impove the operational feasibility of the Metrorail System and fringe parking facilities; and 5) generate employment opportunities for and enhance the regional and local mobility of a large portion of the resident population of the City of Miami and Dade County respectively.

APPENDIX D

MEMBERSHIP OF THE DOWNTOWN PEOPLE MOVER TASK FORCE

DOWNTOWN PEOPLE MOVER TASK FORCE

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Southeast First National Bank of Miami

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President
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Chairman of the Board
Jordan Marsh of Florida, Inc.

Merrett Stireheim
County Manager
Miami, Florida

Edward F. Swenson, Jr.
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