

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales

DATE: May 16, 2018

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, MAKING CERTAIN FINDINGS AND DESIGNATING A PORTION OF THE REAL PROPERTY LOCATED AT 140 MACARTHUR CAUSEWAY, MIAMI BEACH, FLORIDA 33139-5101, BEARING FOLIO NUMBER 02-4204-000-0010, AS A BROWNFIELD AREA PURSUANT TO FLORIDA STATUTES SECTION 376.80(2)(A), FOR THE PURPOSE OF THE REHABILITATION, JOB CREATION, AND PROMOTING ECONOMIC REDEVELOPMENT; AUTHORIZING THE CITY MANAGER TO NOTIFY THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION OF SAID DESIGNATION; PROVIDING AN EFFECTIVE DATE.**

BACKGROUND

On March 7, 2018 the City Commission approved a recommendation from the Finance and Citywide Projects Committee to proceed with designating four City-owned properties (Maurice Gibb Park, the Fleet Maintenance Facility, the Former Par 3 Golf Course and the Miami Beach Convention Center District) as green reuse areas pursuant to Florida's Brownfields Redevelopment Act, in order to negotiate and execute a Brownfield Site Rehabilitation Agreement and prepare and file a voluntary cleanup tax credit application.

On March 23, 2018, consistent with the requirements for designating a property as a brownfield area, the City held a public meeting where a representative of The Goldstein Environmental Law Firm, P.A., an environmental law firm selected to guide the City through the brownfield designation process, provided information on the brownfield program, the four properties to be designated, and other relevant details on the designation process.

The next step toward brownfield designation is to hold two public hearings before the City Commission (**Attachment A** – Pending Schedule for Miami Beach Brownfield Tasks). This meeting constitutes the first hearing. Signs noticing the public meeting and the two public hearing dates were posted at each of the four properties that are undergoing designation. The City also complied with the additional notice requirements set forth in the statute.

ANALYSIS

A brownfield is any real property where actual or perceived contamination complicates redevelopment, reuse, or expansion. Such complications typically result in significant added

projects for contamination assessment and remediation and the proper management of contamination conditions during site development and construction activities. The Florida Department of Environmental Protection (FDEP) offers incentives for the remediation and reuse of brownfields. By designating brownfield sites as "Green Reuse Areas" pursuant to Florida's Brownfields Redevelopment Act, the City can negotiate and execute a Brownfields Site Rehabilitation Agreement with Miami-Dade County, allowing the City to file a Voluntary Cleanup Tax Credit application for the reimbursement of eligible expenses associated with their restoration, among other possible benefits, including protection against certain third-party contamination related claims.

As required by the statute, staff has considered (i) whether the property being designated warrants economic development and has a reasonable potential for such activities; (ii) whether the property being designated represents a reasonably focused approach and is not overly large in geographic coverage; (iii) whether the property being designated has the potential to interest the private sector in participating in remediation, rehabilitation and economic development; and (iv) whether the property being designated contains sites or parts of sites suitable for limited recreational open space, cultural or historical purpose. Although no particular finding is required one way or the other (the statute simply mandates "consideration" of these factors), staff has concluded as follows:

- the property being designated strongly warrants economic development due to the additional investment of private capital that such spending will likely spark (both from the public sector and the private sector) as well the increased use and enjoyment of the property that experience demonstrates will likely follow;
- based on a careful review of over 450 other designations in the State of Florida going back to 1997 and being further advised by our outside counsel, the property being designated represents a reasonably focused approach and is not overly large in geographic coverage;
- experience has demonstrated that the availability of this exact type of property for use and enjoyment has been extremely attractive to the private sector and has incentivized remediation, rehabilitation, and economic development; and
- this particular property, in part or in full, is suitable for limited recreational open space.

As of September 2017, the City owns seven properties with known contamination, which are required by State and County regulations to be assessed and remediated. The seven contaminated sites are:

1. Maurice Gibb Memorial Park (1700 Purdy Avenue)
2. The Fleet Maintenance Facility (140 MacArthur Causeway)
3. The Former Par 3 Golf Course (2300 Pine Tree Drive)
4. The Miami Beach Convention Center District (500 17 Street)
5. The Miami Beach Golf Course Material Recovery Facility (also known as the Green Waste Facility; 2800 Meridian Avenue)
6. The Miami Beach Golf Course (2301 Alton Road)
7. The Normandy Shores Golf Course (2401 Biarritz Drive)

The status of each property varies depending on when the on-site contamination was discovered and how much of its respective assessment and remediation activities have been completed.

Staff recommends designating the Fleet Management property (Folio Number 02-4204-000-0010) because it has pending remediation, estimated at \$60,000 in future projected costs, to address contamination characterized as synthetic oil from a discharge associated with the on-site hydraulic lift pumps. If the property is designated before the end of this calendar year as currently scheduled, eligible costs incurred within this and subsequent fiscal years will be eligible for Voluntary Cleanup Tax Credits, allowing the city to recuperate a percentage of those costs.

CONCLUSION

The Administration recommends approving the resolution and allowing the item to proceed with a second public hearing at the June 6, 2018 City Commission meeting.

ATTACHMENTS

A- Brownfield Tasks Schedule

SMT/ESW/MKW