



Florida Department of Transportation-D-6 News Clip Port of Miami Tunnel Project

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Subject: **Editorial: Avert looming traffic crisis**

OUR OPINION: TUNNEL PROJECT AN INVESTMENT IN GREATER MIAMI'S FUTURE

An inconceivable idea being shopped around Miami: Close the Port of Miami and convert Dodge Island to an oasis of high-rise offices and condominiums to boost the city's property tax base. Shut the port? That would be utter economic folly.

Here's what would be lost under a closed-port scenario: 81,800 jobs (6 percent of Miami-Dade County's workforce); \$12 billion in annual economic benefits (about 8 percent of the county's economy), of which \$5 billion is wages. The port ranks second only to Miami International Airport as an economic force that creates jobs and new markets.

Yet the close-the-port authors could yet have the last word if Miami and Miami-Dade County officials don't act now to avert a downtown traffic crisis.

They should endorse the Florida Department of Transportation's plan to ensure port growth *and* traffic flow. FDOT wants to build a \$1.2 billion tunnel from I-395 on Watson Island to the port. FDOT has put up \$600 million for the project plus another \$225 million for operation and maintenance. It wants the city and county to come up with \$600 million.

A *tunnel*? After Boston's Big Dig fiasco?

Yes. Definitely.

FDOT officials have done their homework. First, they determined that a tunnel in the limestone under Biscayne Bay is feasible. In fact, a tunnel is the least environmentally harmful way to divert port traffic. Second, they searched for the best method to build a tunnel safely and for the least cost.

The agency used a public-private model that has been successful in Europe and Canada -- the Public Finance Initiative. Private companies, backed by banks, bid on building the tunnel with their money and then are repaid over several decades to operate the tunnel.

With this concept, other countries have reduced cost overruns, change orders and completion delays that are common in publicly financed projects. Because the builder's and bank's money is at stake and they face penalties for poor performance, PFI projects deliver on time and within budget, the FDOT found.

Three experienced, foreign-owned firms are poised to bid on the project, which will be managed by FDOT. The holdup is whether the County Commission, with a contribution of \$50 million from Miami, is willing to commit the \$600 million.

The commission should declare its commitment when it convenes on Tuesday. The FDOT is ready to issue Requests for Proposals, and has told the county that if there isn't a commitment by Nov. 1 the tunnel money will go elsewhere. Commissioners mustn't let opportunity slip away.

County Manager George Burgess has thus far amassed \$100 million, already committed from the general-bond obligation, \$114 million from local-transportation fees and \$47 million from the port. The problems are the refusal of port users to help finance the tunnel and uncertainty as to where Miami would find its share.

Some port tenants are threatening to move if their user fees are raised. Port officials have yet to present clear figures on fees, to their discredit. Yet one pending study estimates that the Port of Miami is the lowest-cost port in Florida for container shipping, including Port Everglades.

What's more, an estimated 65 percent of the cargo shipped through Miami stays in Miami-Dade, making relocation more expensive. Port tenants -- shippers and cruise lines alike -- stand to benefit the most from a tunnel, and they should pay their share.

Miami officials are considering using money from the Omni and Overtown tax-increment districts that would benefit from removal of heavy truck traffic through an area poised for a renaissance. What the city shouldn't do is attempt to extend the Omni district to Watson Island. This would require declaring the island, soon to hold a mega-yacht facility and upscale hotel, a blighted area. That's preposterous.

There are other county options. One suggestion is to make the port bridge and the tunnel toll roads, with tolls on a graduated scale. The money can be found. What is needed is the will to take the long view and resolve two issues at the same time: investing in the Port of Miami's future and averting a traffic-gridlock crisis in downtown Miami.