

SECTION I

INTRODUCTION

I.1 HISTORY

Located in the heart of downtown Miami in Biscayne Bay, The Port of Miami is one of the most significant economic generators for South Florida. Through its cargo and cruise activities, the Port has determined that it contributes over \$18 billion annually to the South Florida economy and helps provide direct and indirect employment for over 176,000 individuals. The Port is owned and operated by the Seaport Department of Miami-Dade County.

The railroad and hotel baron, Henry Flagler, made Miami the destination of his Florida East Coast Railway in 1896, the same year in which the City of Miami was incorporated. During this time, he also dredged the original harbor for the Port of Miami located at the current American Airlines Arena site. In succeeding decades Flagler became the city's chief builder and promoter.

The current Port of Miami was created through beneficial reuse from the combination of three manmade spoil disposal islands (Dodge, Lummus and Sam's Islands) that have since been combined into a single island. The name of Sam's island, the smallest of the three (see adjacent picture), was eventually dropped. Dodge Island references the western portion and Lummus, the eastern.



On April 5, 1960 the Dade County Board of Commissioners approved Resolution No. 4830, "Joint Resolution Providing for Construction of Modern Seaport Facilities at Dodge Island Site" and on April 6, 1960 the City of Miami approved the same as City Resolution No. 31837 to construct the new Port of Miami, beginning with Dodge Island. Subsequently in 1979 the Port embarked on its single largest project, through its expansion to Lummus and Sam's island, to create its modern container terminal.

Currently, the Port is connected to Downtown Miami by Port Boulevard, a bridge over the Intracoastal Waterway that empties truck traffic, buses and other vehicles into Biscayne Boulevard, the primary downtown artery between the American Airlines Arena and Bayside Park.

In 2010 the Port of Miami handled more than 4.1million cruise passengers and 7.3 million tons of cargo providing a tremendous economic and social benefit to Miami-Dade County and the South Florida community. To meet the challenges of the future in Miami-Dade County and the South Florida region, the Port of Miami will continue its sustainable growth through the development of the cargo, cruise and commercial entities in order to create new jobs in the community. It is timely and relevant for Miami-Dade County to focus attention on this important community asset and plan accordingly for the future.

The Port of Miami is recognized as the "Cruise Capital of the World" – it has retained its status as the number one cruise passenger port in the world for well over four decades accommodating cruise vessels of major cruise lines such as Carnival Corporation, Royal Caribbean Cruises, Ltd. and Norwegian Cruise Line.

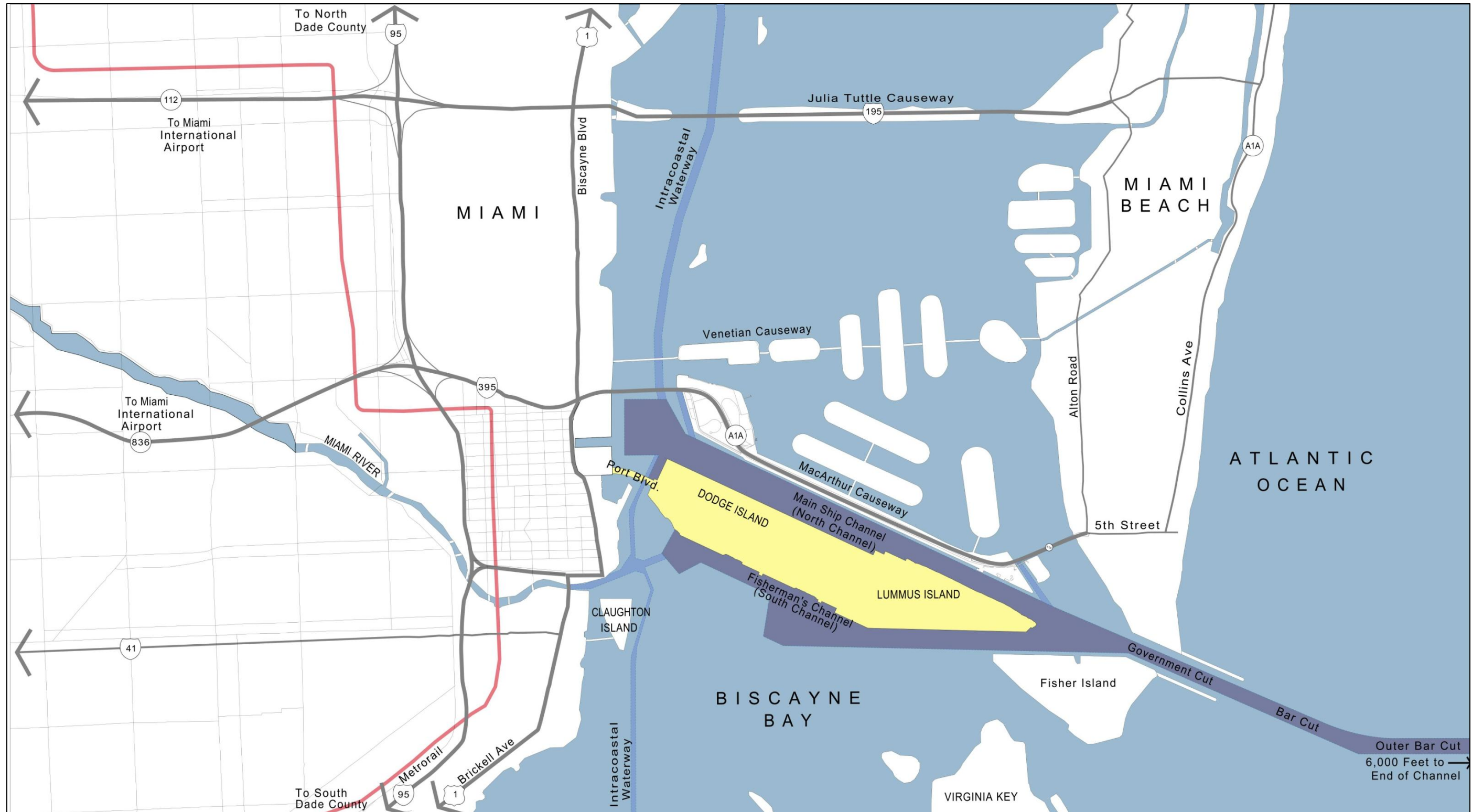
As the "Cargo Gateway of the Americas", the Port primarily handles containerized cargo and small amounts of break bulk, vehicles and industrial equipment. The Port of Miami is among an elite group of ports in the world which cater to both cruise ships and containerized cargo.

The port industry is in the middle of competitive changes which require ports to adjust if they are to continue to develop. The Port is geographically positioned for growth opportunities as the Panama Canal expansion project is completed in FY2014/15 allowing for post-Panamax vessels to transit the canal. The Port of Miami will be the closest US Port to the Canal. The Port of Miami is currently moving ahead with deepening the South Channel to -50-ft / -52-ft. to accommodate the new post-Panamax ships – a large container vessel providing for faster routes to Florida and the US East Coast. The development of the tunnel, on-port rail and off-site intermodal yard will accommodate this growth opportunity into the future.

For the Port of Miami to continue on its sustainable growth track to serve the South Florida community, it needs to develop intermodal ties with the mainland. This includes an additional means of ingress and egress through tunnel, improvements to access via rail and off-site intermodal container yards to accommodate distribution to the central Florida hinterland and beyond. The tunnel will remove truck traffic from the arterial streets of the City of Miami that will allow for the development of the downtown area along Biscayne Boulevard, thereby reviving the downtown community and invigorating the central business district. Figure I.1 provides a location overview of the Port as it sits adjacent to the Miami Downtown Business Core, straddling MacArthur Causeway as a link to South Beach. This will provide for less traffic and further reduce emissions due to idling, so as to maintain the Port's share of attaining clean air quality.



FIGURE I.1: PORT OF MIAMI LOCATION MAP



1.2 BUSINESS APPROACH

This Master Plan is anchored by 5, 15 and 25-year forecasts for cruise and cargo traffic. These forecasts have been assembled through market assessments, the commitments that the Port has in current and planned User Agreements and the Port's recently completed Economic Impact Analysis. These last items are used to assist in the development of a sustainable strategic business plan and a framework for infrastructure planning to meet the projected demands to fulfill the Port's obligation to the community to be fiscally sound.

The Master Plan also addresses the ancillary supportive tasks required to operate the Port, inclusive of berth and mooring assessments, infrastructure improvements and others that are pertinent to the long-term development and success of the Port.

The Plan has been prepared and presented so that it can serve several functions:

- Establish short and long-term capital programs;
- Achieve consensus among the political leadership on the long-term vision for the Port;
- Provide sound public need and justification to support future environmental permits;
- Allow for the incorporation into the County's Comprehensive Development Plan (CDMP) as its Port of Miami Master Plan sub element; and,
- Provide a potential planning vehicle for use in seeking grants.

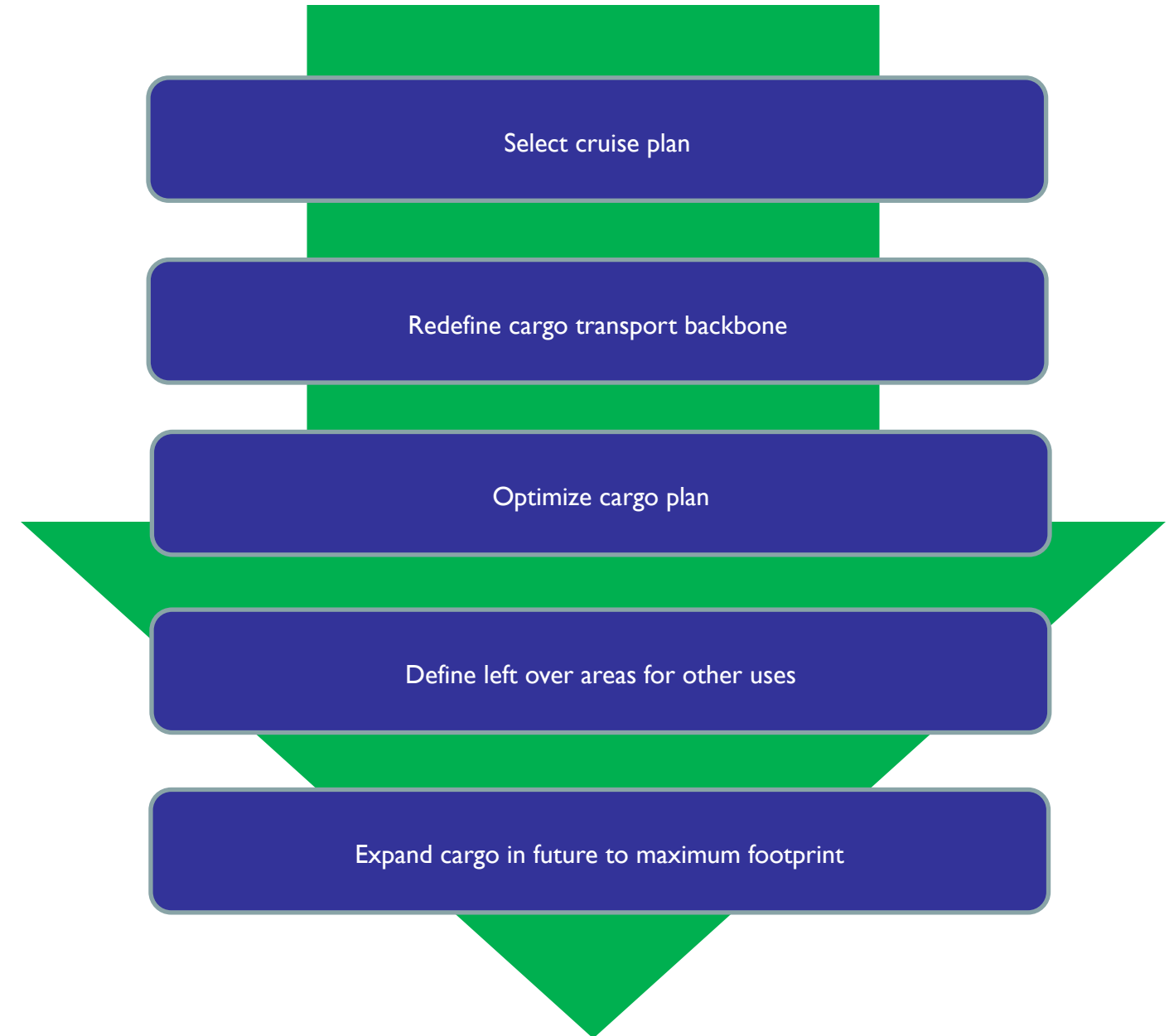
1.3 PLANNING APPROACH

The Master Plan's main focus is to maximize the throughput and optimize its existing "footprint" to obtain sustainable growth. To achieve a plan based on this policy, the Master Plan was crafted in a way that would allow the decision-making logic to support that policy.

As shown in Figure 1.2, the Plan was based on optimizing the cruise plan first as it is a berth intensive use. Once the cruise element was narrowed down, cargo options were then studied on the remaining land as cargo is more land intensive in nature.

By defining the future cruise and cargo market demand for the Port through the market assessment process, the Plan can define the future physical and operational requirements of the Port for each of these main business units within the physical boundaries of the Port area. In the case of cargo, the Plan also explores the creation of off-port sustainable development to meet future demands and provide for increased market opportunities.

FIGURE 1.2: MASTER PLAN LOGIC



1.4 DIRECTION

From the outset there were several major policies that provided the directional framework for the study; these included:

- Port of Miami's mission statement and organization;
- The role of the Port of Miami in the community as an economic engine;
- Growth strategies for cruise, cargo and other commercial interests to strengthen and support the County;
- Priorities associated with trade, environment and community leadership; and,
- Successes and limitations of past master planning efforts of the Port of Miami.

During the course of the master planning process, several major strategies were contemplated that provided the overall direction for this report. These major strategies focused on the key components of the Port today (cruise and cargo) while also providing the platform for future commercial development opportunities. Major strategies linked specifically to the study included the following:

- **Cruise**
 - Development of new terminals; and,
 - Updating existing older terminals to meet the needs of larger modern vessels.
- **Cargo**
 - On-port development;
 - Creation of a flexible yard layout;
 - Increasing the dockside capacity;
 - Increase the number and size of cargo berths;
 - Dredging to meet the requirements of the next generation of cargo vessel; and,
 - Include the Tunnel in the development of the long-term port plan layout.
 - Off-port development;
 - Create port rail access to increase market opportunities; and,
 - Create distribution centers for rail and road movements.
- **Financial**
 - Increase revenues of the port;
 - Increase profitability; and,
 - Diversify revenue streams.
- **Management**
 - Manage to maximize profit through the development of business units.

1.5 OUTREACH

The approach for this plan included extensive outreach to Port users. Stakeholder outreach is an essential component of the Plan to ensure current tenants, facility users and other entities had a role in the assembly and implementation process. This is helpful not only with the physical plan, but more important, it provides the tenant with a sense of "ownership" that can translate into long-term customer support for the Port. Thus, a successful outreach effort, one conducted using both one-on-one and group meetings, allowed the study effort for the Plan to accurately identify strengths, weaknesses, opportunities and threats facing the Port over the long-term planning horizon. This same outreach also provided the opportunity for the exploration and selection of future Port development directions and projects. Finally, this effort will increase the overall acceptance of the Plan by the tenants, community and stakeholders.

1.6 COMPREHENSIVE PLAN COMPLIANCE

On July 1, 2011 the House of Representative passed Bill 399(FSTED) SS 311.14.3(a-e) which requires Ports to have a Board approved Strategic Plan which must include 5 components as outlined below:

Each port shall develop a strategic plan with a 10-year horizon. Each plan must include the following:

1. An economic development component that identifies targeted business opportunities for increasing business and attracting new business for which a particular facility has a strategic advantage over its competitors, identifies financial resources and other inducements to encourage growth of existing business and acquisition of new business, and provides a projected schedule for attainment of the plan's goals.
2. An infrastructure development and improvement component that identifies all projected infrastructure improvements within the plan area which require improvement, expansion, or development in order for a port to attain a strategic advantage for competition with national and international competitors.
3. A component that identifies all intermodal transportation facilities, including sea, air, rail, or road facilities, which are available or have potential, with improvements, to be available for necessary national and international commercial linkages and provides a plan for the integration of port, airport, and railroad activities with existing and planned transportation infrastructure.
4. A component that identifies physical, environmental, and regulatory barriers to achievement of the plan's goals and provides recommendations for overcoming those barriers.
5. An intergovernmental coordination component that specifies modes and methods to coordinate plan goals and missions with the missions of the Department of Transportation, other state agencies, and affected local, general-purpose governments.

To the extent feasible, the port strategic plan must be consistent with the local government comprehensive plans of the units of local government in which the port is located.

Additionally, Bill 7207 (Transportation Element of CDMP) – SS 613.3177.6(a)11.(b)2(b) and 3(b) adds the need for plans for ports, but does not address adoption of a master plan. While Bill 7207 (Coastal Management Element of CDMP) – SS 613.3178.2(k) stipulates that "A port master plan shall be prepared by or for each deep-water port for the purposes of coordinating the activities of the port with the plans of the appropriate local government." The plan is to be incorporated into the Transportation Element of the local government's comprehensive plan and be consistent with the goals, objectives, and policies of that element. Although the Port lies physically within the City of Miami limits, as a facility owned and operated by Miami-Dade County, it falls under the jurisdiction of the County.

An approved master plan must have a 10 year horizon. This plan has a 25 year horizon which is used yearly to update FSTED's Seaport Mission Plan. The Port of Miami Master Plan will need to be updated every 7 years to align with the CDMP.

This Master Plan provides information required for Comprehensive Plan Compliance. It provides discussions on existing and future land uses within the Port; infrastructure needs to support future market conditions, and environmental conditions resulting from any changes to the land uses. These representations are illustrated on aerial maps and other figures within the document.

To guide the Port of Miami through the 2035 Master Plan horizon, this document contains a series of proposed goals, objectives, and policies for implementation to allow for the long-term adoption of the Master Plan for the Port. As part of the 2010 Evaluation and Assessment Report (EAR), the Miami-Dade County Seaport Department and Miami-Dade County Department of Planning & Zoning will coordinate the adoption of the Port of Miami Master Plan subelement within the Comprehensive Development Master Plan.