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Miami, Florida 33142www.micdot.com
1 888 838 5355**Miami Intermodal Center****News Clip**From: *Miami Today*, Thursday, December 31, 2009Subject: **Innovative Airport City with medical theme worthy of takeoff**Provided by: Jenine Spoliansky, Kommunikatz, Inc.
jspoliansky@kommunikatz.com**Innovative Airport City with medical theme worthy of takeoff**

A grandiose Airport City could become the rare public-private deal in Miami-Dade that's a win-win for all – taxpayers for once included.

Unlike the baseball stadium cash and land giveaway, the risky but needless Port of Miami tunnel or the out-of-gas mega-yacht marina complex on Watson Island, this deal could be a winner.

The concept of Brazilian construction giant Odebrecht that we reported last week is to use fallow airport land for a Florida International University-run medical city, two hotels, a conference center, a retail hub, a cruise passenger lounge, an airport energy plant, a 1,900-space garage and more.

Offbeat as the \$665 million scheme sounds – pipedreams of similar scale are common here – its elements mesh and seem realistic.

While total cost would be less than the ballpark and only two-thirds of the tunnel, it offers far more public benefit.

Best of all, a properly structured deal wouldn't cost taxpayers, the airport or its airline tenants a penny.

In fact, the impetus is to turn a profit and help cover the annual shortfall in airport expansion debt of more than \$5 billion that begins to mount in 2010, hits \$500 million in 2015, peaks in 2018 and sits at that level until 2041.

It was those added costs that led aviation officials onto the misguided track of

**Michael Lewis**

seeking a state permit to run quarter-horses at the airport so that the races could actually be held elsewhere, and then only so that the state would allow the airport to rake in cash via slot machines.

Be thankful the state ruled that the plan didn't adequately provide for the fictitious airport races. Some bureaucratic red tape can actually pay off.

Ill-conceived as the racing-slots parlay was, however, Airport City is its opposite – chock full of benefits with virtually no drawbacks if properly executed.

Imagine, developers would finance construction on a questionable site, income flows to the airport would pay down debt, no taxes would be used, five outpatient hubs luring medical tourists could add air passengers, visitors would fuel stores and restaurants countywide, Florida International University's new medical school would gain stature coordinating medical hubs, our hospitals could link in and the boom in health jobs would expand.

The innovative concept relies on a transportation hub, Miami Intermodal Center, now rising near the airport, and the MIA Mover rail link tying the airport to that hub. It will be one of the few nodes in Miami-Dade with exceptional transit.

So far, of course, Airport City is just an Odebrecht concept based on the aviation department's request for ideas to use the airport's doorstep. This month a selection committee chose the firm to negotiate a deal.

Those talks are crucial. Even such an outstanding concept could still end in a deal offering too few public protections and yielding too many rights with inadequate payback.

View Airport City video

To see video presentation of Airport City, see the home page of www.MiamiTodayNews.com

Miami-Dade County pioneered that model of the egregious deal with the baseball stadium – and in that case even the concept was wrong.

But the airport cuts its own deals, though the county commission must sign off. Removing the county manager's team and 13 commissioners from dealings could enhance chances of a practical, fair contract with a proper bidder.

That said, the devil still lurks in the details.

The Odebrecht plan has many moving parts in many enterprises, from hoteliers to a university, from hospitals at medical hubs to retail and dining concessionaires, from links to still-untested transit systems to the airport's operation itself. Each part will offer challenges.

Beyond that, the proposal omits a piece the airport sought – a pet hotel. That shouldn't be a deal-breaker, but the airport must decide what the final project does and doesn't require.

The aviation team then must flesh out the concept and craft contracts with adequate protections and rewards for the airport, its airlines and the public.

Airlines are vital not because they share profits but because losses would bite them, not taxpayers. It's airlines that are on the hook for excess airport costs – including repaying debt for expansion.

That's no cause for taxpayer joy,

because our airlines also don't have long-term leases. If repayment weighs too heavily, they can leave – exactly what a tourism-based county that depends on airlines for more than 19 of every 20 overnight visitors cannot afford. One airline alone, American, could take 70% of our passenger traffic along.

Airlines could pass costs above the airport's nearly \$17-per-person current fee on to passengers – but at some point, raising fees that at some competitive airports are only about \$4 per ticket will shrink passenger volume and force airlines to cut back here.

That's why success of the airport's entrepreneurial efforts is so vital. It's not to save money for the airport, or airlines, or even taxpayers, but to keep our county's visitor- and freight-based economy strong.

When the aviation department presented its palate of colorful fundraising ideas to the county commission exactly six months ago, it offered bad bets like gambling, questionable efforts like rock mining on airport land and massive development ideas like a \$2 billion job to turn the airport's little-needed 50-year-old central terminal into a vast shopping mall, about which we can expect to hear much more.

Meanwhile, the airport has the opportunity to open within four years or so Airport City. This innovative plan fits well with the airport and the community, bids to bring more well-heeled visitors to Miami and should become a profit center, not a public burden.

We trust the aviation department will seek a careful, ironclad deal that ultimately benefits all.