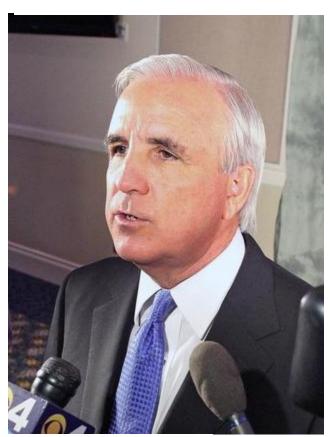
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Arts, library advocates push for higher taxes in Miami-Dade

Mayor Carlos Gimenez said he may ask voters to endorse higher taxes for recreational services, including libraries and arts. Groups who want the money are urging the mayor to pursue the plan.



Miami-Dade Mayor Carlos Gimenez C.M. GUERRERO/EL NUEVO HERALD FILE BY DOUGLAS HANKS
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With Miami-Dade Mayor Carlos Gimenez floating the idea of a property-tax hike, groups that could benefit from the new dollars are urging him to take the hint and run with it.

Gimenez revealed last month he would consider raising taxes to fund libraries, parks and cultural institutions if voters first endorsed the idea in a straw poll this summer. Now advocates for those causes are putting pressure on the mayor to follow through on his trial balloon and pursue the tax increase.

"The fact that the county mayor is taking this initiative is very important to us," Howard Herring, president of Miami Beach's New World Symphony, told a concert audience on a recent Sunday. "Tell him this is the moment we've been waiting for, and we thank him for his leadership."

Proposing higher property taxes offers a wide range of potential trouble for Gimenez, whose signature misstep during three years in office was a proposed tax increase last July — to help libraries, rescue units and animal shelters —

that he then withdrew six days later. That scuttled revenue increase, which rejected a 2012 straw poll that called for a tax hike to help pets, left some

commissioners wondering why Gimenez would want to ask voters another non-binding question.

"We've done it before," Commissioner Sally Heyman, whose district includes Sunny Isles Beach and North Bay Village, said Monday. "It doesn't mean it's going to be listened to."

In a written budget message issued last week, Gimenez stated he will not endorse any tax hike for the budget year that begins Oct. 1 unless voters first endorse the increase. Miami-Dade faces a \$208 million revenue shortfall next year, with parks and the library systems seeing particularly sharp drops in funding.

And while the county's cultural arm saw its budgets grow during the last four years, administrators are bracing for more funding needs from a string of museum openings and expansions.

The \$160 million New World Symphony center opened in 2011, with \$30 million in county construction funding and a \$700,000 grant from hotel taxes this year, according to budget documents. That's modest help compared to the \$2.5 million the new Pérez Art Museum Miami and the Patricia and Phillip Frost Museum of Science museum are each set to receive as operating subsidies in 2013, along with about \$8.7 million for the Adrienne Arsht Performing Arts Center.

Herring said Miami-Dade shouldn't squander the hundreds of millions of tax dollars invested in building New World, the PAMM, the under-construction science museum and other institutions. "It's not enough just to create the infrastructure," he said. "You have to continue to develop the programming."

Norman Braman, the auto magnate and political activist, said Gimenez should work harder at cutting wasteful spending before asking voters to contribute more dollars to Miami-Dade government.

"One third of the homes here are still under water," Braman said, referring to a recent report showing almost 30 percent of South Florida homes have mortgages that are higher than the property's value. "It's wrong to increase taxes."

Thanks in part to a property-tax cut he championed in 2011, Gimenez presided over three years of budget cuts that recently included canceling new recruiting classes for the police department, slashing book-buying budgets at libraries, a hiring freeze and continued layoffs.

Gimenez said he has not settled on a mechanism for the potential tax increase, but repeated his desire to earmark the new money for enhanced youth programs.

"I'm not interested in the status quo. If we're going to ask for additional funding, we're going to be looking for additional services," he said in an interview. Gimenez said he wants after-school activities at parks, cultural institutions and libraries to provide residents with easy answers to the question: "It's four o'clock. Where is my child?"

About half of next year's projected \$208 million gap in Miami-Dade's \$6 billion budget comes from payroll and benefit increases Miami-Dade must pay without concessions from labor unions during contract renewals, said Jennifer Moon, the county's budget director.

A large chunk of the gap also comes from the steady depletion of extra cash that was left over from better economic times, a tourism recovery that proved stronger than expected and a one-time windfall of extra dollars from the 2009 Marlins Park deal.

The county's special property tax for libraries only generates about \$30 million of the system's \$50 million budget. Cash reserves from years when library-tax collections were higher are forecast to be depleted by October. Before the 2011 cut in library taxes that Gimenez enacted in his first year as mayor, the tax generated \$50 million.

Library advocates are calling for Gimenez to double the library tax and produce enough revenue for a \$64 million library budget in order to pay for more operating hours and reverse years of bare-bones purchasing of best-sellers, children's books and e-book licenses. That tax currently costs a home owner about \$17 for every \$100,000 of assessed property value; the proposed increase would bring that to about \$35.

A higher tax would make unnecessary a plan by Gimenez's library director to cut hours by 35 percent countywide and impose significant staffing reductions in order to absorb the \$20 million funding loss required without new tax dollars.

"Having a library open four hours a day, for four days a week, is really not having a library open," said <u>John</u>

<u>Quick, president of the Friends of the Miami-Dade Public Library</u>, a non-profit pushing for the tax increase and the \$64 million budget. "It's really a terrible proposal and a terrible scenario."

Should Gimenez move forward with his straw-poll proposal, the library system's well publicized funding woes would share billing with spending wants for arts and parks. The Arts & Business Council Miami, a non-profit that supports cultural programs, issued an alert email March 20 asking members to urge their patrons to send supportive messages to Gimenez. "Personalize your notes by talking about your work and organization," the email said.

Michael Spring, a Gimenez senior advisor and the county's cultural-affairs director, said "the mayor has libraries at the top of his list" when it comes to funding needs.

Dick Anderson, the former Miami Dolphin who now heads up a fund-raising foundation for the parks department, wrote an Op/Ed column last week in the Miami Herald urging Gimenez to pursue more dollars for recreational programs and park maintenance, and he's pitching higher taxes for recreation as a way to reduce the expenses of kids getting in trouble.

"Common sense says the cost of the court system and the cost of police officers would more than pay for kids being in a park in the afternoon and not getting in trouble," Anderson said.

During each of the last two years, the Gimenez administration used about \$25 million in surplus hotel taxes to back up the park system's roughly \$130 million annual budget.

The hotel taxes were set aside in a reserve fund for future Marlins Park debt, which comes with annual payments topping \$100 million by 2038. Since hotel taxes rebounded faster than expected, reserve-fund collections are well ahead of schedule, Moon said.

The Gimenez administration used the Marlins set-aside to free up general-fund dollars at the parks system. But that hotel-tax cushion is now gone, Moon said, leaving the parks department to request a huge bump in general tax dollars to avoid significant spending cuts.

The department's budget request asks for \$63 million in general taxes, more than double the \$29 million allocated from the general fund this year.

Gimenez said in a March 21 memo to commissioners that he may call for a straw poll on Aug. 26, which is primary day in Miami-Dade. In July, Gimenez will submit a proposed budget and commissioners will adopt a cap on the coming year's property-tax rate in advance of their final budget vote in October. Gimenez said he may submit two budget plans — one with the tax hike, and one without it.

Even if he moves forward with a straw-ballot plan and commissioners approve it, Gimenez still would face the question of how warmly to embrace higher taxes. Last year, he negotiated a deal with the Miami Dolphins to raise hotel taxes for a stadium renovation, but did not campaign for the referendum on the deal. The vote was canceled after the team failed to get the required change in state law for the tax hike.

Even with a wobbly recovery, Miami-Dade voters have agreed to pay higher taxes before. Two referendum campaigns ended with voters adopting property-tax increases to benefit schools and the county's public hospital system. Schools chief Alberto Carvalho aggressively campaigned for educational dollars increase in 2012, and Jackson Health System CEO Carlos Migoya was the public face for the hospital push last year.

"The question is, who will own this? Who will go out on the stump and support a straw ballot for our libraries, parks and culture?" asked Lynn Summers, a leader in the pro-library campaign. "Alberto Carvalho owned it. He put his neck on the line. So did Carlos Migoya."