


# Memorandum



**Date:** May 23, 2022

**To:** Honorable Chairman Jose “Pepe” Diaz  
and Members, Board of County Commissioners

**From:** Daniella Levine Cava  
Mayor 

**Subject:** Miami-Dade Aviation Department Report: Greatest Investment Needs at Miami International Airport per Resolution No. 137-22, Directive No. 212945

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At the February 1, 2022 Board of County Commissioners (Board) meeting, Board members adopted Resolution No. R-137-22, sponsored by Commissioner Raquel Regalado. The Resolution directed the County Mayor or County Mayor’s designee to provide a report, without Committee review, that: (i) discusses the greatest investment needs at Miami International Airport (MIA) to remain competitive or to cause the greatest positive economic impact to MIA and the County, (ii) details the plans for addressing those investment needs, and (iii) recommends what Board members can do to address those needs. In response to the Board’s directive, the Miami-Dade Aviation Department (MDAD or Aviation Department) prepared the report below which provides the Board with the top three investment needs at MIA if the airport is to maintain its competitive edge, they include: (i) the expansion of its cargo facilities, (ii) the development of additional public parking garages, and (iii) the improvement of the MDAD’s sustainability performance.

## Expansion of MIA’s Cargo Facilities

Since the onset of the COVID-19 pandemic, the global demand for air cargo has grown significantly. In 2020, MIA set its all-time annual record for cargo volume with 2.33 million tons, representing a 2.53 percent increase from the previous year. This record year was followed by yet another record-breaking year in 2021 as MIA processed 2.74 million tons of cargo, representing a double-digit annual increase of over 17 percent. Calendar Year-to-Date statistics through March of 2022 reflect an additional 8 percent growth in air cargo at MIA, as compared to the same period last year. This unprecedented growth in demand is outpacing MDAD’s current Capital Improvement Plan (CIP), which provides an incremental approach (over the next 25 years) for the expansion of MIA’s cargo facilities due to the unavailability of land at MIA in the immediate future. Currently, MIA offers a total of approximately 2.6 million square feet of dedicated cargo warehouse space for its airline customers, with a capacity estimated between 2.6 to 3.0 million annual tons of cargo. MIA’s record cargo volume of 2.74 million last year is rapidly approaching the airport’s cargo capacity limit. The actual tonnage also slightly exceeded a demand forecast prepared by MDAD’s consultant in which it was projected MIA would reach 2.7 million tons in airfreight in 2021. The same forecast estimated that MIA will reach 3.7 million tons in airfreight in 2031, and 4.9 million tons in 2041. In order for MIA to retain its status as a domestic and international cargo hub leader, it is imperative that the airport augment its cargo capacity in the near-term to meet the accelerated growth in demand and to prevent from losing its competitive edge over other U.S. airports. For that reason, the airport must adjust, adapt and re-position itself to meet customer demand in the near future.

Because the expansion of MIA’s cargo facilities is dependent upon a land acquisition program, until additional land is available and successfully acquired, the only recourse available to augment

MIA’s current cargo capacity is to optimize and redevelop MDAD’s current aging facilities inside MIA’s footprint. Since MDAD’s CIP does not offer a short-term cargo solution that meets the ongoing growing demand for cargo, the Administration is looking to integrate infrastructure projects into MDAD’s CIP that would expedite the design and construction of additional cargo facilities along with other cargo solutions proposed by certain business partners such as Atlas Airlines and the Florida East Coast Railway, who have presented conceptual cargo master plans to MIA for review. MDAD staff is meeting with the appropriate stakeholders to discuss the proposed plans. Additionally, the Board approved Resolution No. R-191-22, as amended, in March 2021, which authorized the County to enter into negotiations with CCR USA Airport Management, Inc. and AIRIS USA, LLC for a Master Development Lease Agreement for the construction of a modern state of the art, multi-level vertical cargo solution at MIA, known as the “Vertically Integrated Cargo Community” (VICC) that will nearly double MIA’s cargo capacity in less than five years, at no cost to Miami-Dade County. County staff is currently in the process of negotiating this Master Development Lease Agreement and is expecting to place such an agreement on a Board agenda for review and approval in the near term.

#### Public Parking Facilities at MIA

MIA operates parking facilities in five designated areas that together provide a total of 8,220 parking spaces with 21 garage entrances: 10 entrances on the departure level, five entrances on the arrival level, and six entrances through the airport’s main entrance on Central Boulevard. The Dolphin garage provides a total of 4,472 parking spaces including 57 spaces for high vehicles; the Flamingo Garage provides a total of 2,993 parking spaces; the Park 6 garage provides a total of 379 parking spaces and is currently being re-designed to add additional parking spaces; and the Park 1 Deck garage provides a total of 319 parking spaces. A map showing MIA’s various parking facilities including a proposed new parking facility is attached as Exhibit A.

During the COVID-19 period, three low-cost carriers started operating at MIA for the first time, including Southwest Airlines, Jet Blue Airlines, and Spirit Airlines. The addition of these air carriers added over 90 flights per day to MIA’s flight schedule increasing the volume of air passengers as well as the demand for parking spaces at the airport. In 2019, passenger traffic at MIA was comprised of 51 percent domestic passengers and 49 percent of international passengers. Today, the ratio is closer to 65 percent of domestic passengers and 35 percent of international passengers as air travelers are now flying more often for shorter periods of time and utilizing the parking garages more frequently. This change became apparent at MIA when each parking garage reached capacity at least once for four continuous weekends during the first quarter of this year. Consequently, MDAD staff was deployed to the entrance of the Central Collection Plaza to inform passengers that there were no parking spaces available. As customers exited the parking garages, MDAD staff would verify available inventory and allow vehicles to enter the garages accordingly. MDAD staff continues to monitor the situation and releases information through MIA’s website and through social media advising passengers of the status of the parking garages so that passengers can make transportation arrangements to MIA that do not require parking a vehicle in case the garages become full.

The Administration is taking a twofold approach to resolve the parking capacity issue at MIA. First, MDAD will relocate 1,800 airport employees that currently park in the Dolphin and Flamingo garages to other parking facilities outside MIA’s Terminal buildings but within MIA’s footprint by May 15, 2022. This action will free up approximately 500 parking spaces daily and

provide the immediate additional parking capacity needed to prevent the customer parking garages at MIA from becoming full.

Second, as a long-term solution, a new parking garage facility that is currently in the design stage and will add 1,861 parking spaces to the Park 6 garage is scheduled to start construction in March 2023. The project is expected to be completed in July 2025. This new parking garage facility is included in MDAD’s Capital Improvement Program with an estimated cost of \$85,999,802, of which \$4,166,463 will be funded by a grant from the Florida Department of Transportation.

It should be noted that in addition to the additional parking facilities being planned and provided, in order to improve the customers’ overall experience at MIA, a new Parking and Revenue Control System was implemented on March 1, 2022, which replaced the outdated, antiquated system that had been operating since 2003. This new system offers MIA’s passengers and visitors numerous benefits as it put into operation a modern payment processing solution that among other things enhances customer service levels and provides for a technology-driven parking guidance solution.

#### Sustainability Performance

As you know, the Administration promotes green initiatives on a county-wide basis and adopts policies that ensure all county facilities, including its airport facilities, are doing their part to make a positive impact on the environment while sustaining growth. Like most large airports, MIA has adopted green programs as a guide to its future development, which range from the installation of solar panels, green roofs, energy-efficient lighting, and water saving devices to the planning and future implementation of an electric vehicle replacement program that will put the County in a better position to support the market’s shift to the Global Green Airport Market.

At this time, MDAD is planning to launch an “Electric Vehicle Replacement Program” in the near term that will replace MIA’s entire fleet of gas vehicles including its buses and tugs. Priority will be given to the replacement of the gas-powered buses as MIA’s bus fleet has reached the end of its useful life and, as such, the Program will begin with the purchase of electric buses and the conductive or wireless charging stations. The other existing gas vehicles will be replaced in phases as the fleet continues to age. The procurement of these electric vehicles is an opportunity for the Aviation Department to demonstrate a firm commitment to more sustainable practices and to improve in sustainability performance. It is also an opportunity to promote Miami-Dade County’s long-term initiative toward a state of economic competitiveness, livability, safety, job creation, and economic stimulus.

MDAD is also planning to install a robust electrical infrastructure and charging stations to support the use of electric tugs in MIA’s airside area. The locations, how to meter, and how to change the user’s business model are still being developed. The intent is to have MIA’s airlines or general aviation service providers companies pay a fee to use the electric tugs charging stations. A “go green” date has not yet been determined, but it is MDAD’s intent to establish a policy that mandates the use of electric tugs after MDAD installs the electrical infrastructure.

Finally, the Aviation Department will take the necessary steps to make sure that all future projects at MIA such as the North Terminal Expansion, the South Terminal Expansion, cargo facilities

Honorable Chairman Jose “Pepe” Diaz  
and Members, Board of County Commissioners  
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like the VICC, the new hotel, and the parking garages adhere to local codes and implement electrical infrastructure and charging stations to support electric vehicles in the future.

Pursuant to Ordinance No. 14-65, this memorandum shall be placed on a Board meeting agenda for review.

If you have any questions or concerns regarding the information provided, please contact Aviation Director, Ralph Cutié, at 305-876-7066.

C:     Geri Bonzon-Keenan, County Attorney  
        Gerald Sanchez, First Assistant County Attorney  
        Jess McCarty, Executive Assistant County Attorney  
        Office of the Mayor Senior Staff  
        Ralph Cutié, Director, Miami-Dade Aviation Department  
        Basia Pruna, Director, Clerk of the Board  
        Yinka Majekodunmi, CPA, Commission Auditor  
        Jennifer Moon, Chief, Office of Policy and Budgetary Affairs  
        Eugene Love, Agenda Coordinator



# EXHIBIT A



**PARK 1 DECK**

**DOLPHIN GARAGE**

**FUTURE HOTEL LOCATION**

**EMPLOYEE GARAGE Bldg. 3089**

**EMPLOYEE GARAGE Bldg. 3094**

**FLAMINGO GARAGE**

**PROPOSED PARK 6 GARAGE**



Exhibit A MIAMI INTERNATIONAL AIRPORT - Parking Garages



## MEMORANDUM

Agenda Item No. 11(A)(10)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** February 1, 2022

**FROM:** Geri Bonzon-Keenan  
County Attorney

**SUBJECT:** Resolution directing the County  
Mayor to provide a report and  
recommendations to the Board  
regarding areas of greatest need  
for investment at Miami  
International Airport

Resolution No. R-137-22

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Raquel A. Regalado.



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Geri Bonzon-Keenan  
County Attorney

GBK/jp



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** February 1, 2022

**FROM:**   
Gen Bonzon-Keenan  
County Attorney

**SUBJECT:** Agenda Item No. 11(A)(10)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present \_\_\_\_, 2/3 membership \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 11(A)(10)  
2-1-22

RESOLUTION NO. \_\_\_\_\_ R-137-22

RESOLUTION DIRECTING THE COUNTY MAYOR OR  
COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT  
AND RECOMMENDATIONS TO THE BOARD REGARDING  
AREAS OF GREATEST NEED FOR INVESTMENT AT MIAMI  
INTERNATIONAL AIRPORT

**WHEREAS**, Miami International Airport (MIA) is the leading economic engine for the County; and

**WHEREAS**, the economic benefits generated by MIA include jobs, income, trade, business creation and growth, tax revenue, and tourism, to name a few; and

**WHEREAS**, airports compete for cargo and passengers, and must continually invest in their infrastructure to stay competitive; and

**WHEREAS**, it is important that MIA stay competitive and prioritize its investments in projects and infrastructure that will have the greatest economic impact on MIA and the County; and

**WHEREAS**, costs for the use of MIA are borne solely by MIA users, and the more revenue that MIA is able to generate, the lower it is able to make its landing and other use fees, thereby making MIA more cost-competitive with other airports; and

**WHEREAS**, MIA has limited space for new facilities and must ensure that all uses or development of space at MIA are consistent with MIA's competitive strategy and are aimed at giving MIA's most pressing needs priority; and



**WHEREAS**, there are many potential development opportunities at MIA, including cargo development, terminal development, hotel development, maintenance and repair operations, and retail development, and the order and priority of such development should be based on those that will make MIA the most competitive and have the greatest economic impact on MIA and the County as quickly as possible,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board:

**Section 1.** Directs the County Mayor or County Mayor’s designee to provide a report directly to this Board, without Committee review, that outlines MIA’s competitive advantages and disadvantages with competing airports and its plans for future business development in light of this information. This report shall include, at a minimum, (a) discussion about which aspects of MIA’s current revenue-generating operations have the greatest needs for investment to remain competitive or to cause the greatest positive economic impact to MIA and the County, (b) discussion about MIA’s current short- and long-term plans for addressing those needs, and (c) recommendations as to what the Board can do to address those needs.

**Section 2.** Directs the County Mayor or County Mayor’s designee to provide such report and recommendations directly to this Board, without Committee review, within 30 days of the effective date of this resolution, pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Raquel A. Regalado. It was offered by Commissioner **Joe A. Martinez**, who moved its adoption. The motion was seconded by Commissioner **Kionne L. McGhee** and upon being put to a vote, the vote was as follows:

	Jose "Pepe" Diaz, Chairman	<b>aye</b>	
	Oliver G. Gilbert III, Vice Chairman	<b>aye</b>	
Sen. René García	<b>aye</b>	Keon Hardemon	<b>aye</b>
Sally A. Heyman	<b>aye</b>	Danielle Cohen Higgins	<b>aye</b>
Eileen Higgins	<b>aye</b>	Joe A. Martinez	<b>aye</b>
Kionne L. McGhee	<b>aye</b>	Jean Monestime	<b>aye</b>
Raquel A. Regalado	<b>absent</b>	Rebeca Sosa	<b>absent</b>
Sen. Javier D. Souto	<b>absent</b>		

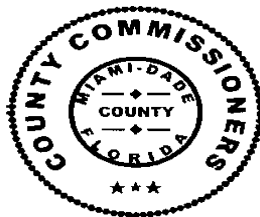
The Chairperson thereupon declared this resolution duly passed and adopted this 1st day of February, 2022. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

**Melissa Adames**

By: \_\_\_\_\_  
Deputy Clerk



Approved by County Attorney as  
to form and legal sufficiency.

Ryan C. Zagare