



**JOINT MEETING -- MINUTES OF THE
TREASURE COAST AND SOUTH FLORIDA REGIONAL PLANNING COUNCILS
MARCH 15, 2024**

The Treasure Coast and South Florida Regional Planning Councils held a joint meeting on March 15, 2024, at the Palm Beach Transportation Planning Agency (TPA), 301 Datura Street, West Palm Beach, Florida 33401.

The recorded meeting is available at: https://www.youtube.com/watch?v=-kikkxt64_k

Welcome to West Palm Beach – The Honorable Joseph Peduzzi, Commissioner, City of West Palm Beach

Commissioner Peduzzi and colleagues, Mayor Keith James and Commissioners Christy Fox, Christina Lambert, Cathleen Ward, and Shalonda Warren, welcomed everyone to the City of West Palm Beach. Commissioner Peduzzi is an alternate on the TCRPC and on the governing board of the TPA which is the host facility for today’s meeting. He noted that the City offers a wealth of attractions, from the lively waterfront to the diverse selection of restaurants and shops lining Clematis Street in the square, creating a vibrant atmosphere for locals and visitors alike. Chair Smith from TCRPC said the City is amazing, including the airport.

Pledge of Allegiance. Chair Smith called the meeting to order at 10:06 a.m. and welcomed everyone. He led the pledge of allegiance.

Roll Call

The following members and alternates were present from the **Treasure Coast Regional Planning Council**:

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| Indian River County: | Commissioner Susan Adams (virtual)
Commissioner Deryl Loar (virtual), Alternate
Councilmember John Carroll
Vice Mayor Sam Carroll |
| Martin County: | Commissioner Doug Smith |
| St. Lucie County: | Commissioner Larry Leet
Commissioner Curtis Johnson, Jr.
Councilman Anthony Bonna |
| Palm Beach County: | Commissioner Marci Woodward
Commissioner Sara Baxter
Mayor Anne Gerwig, Village of Wellington
Councilman Jeff Hmara, Village of Royal Palm Beach |

Councilmember Yvette Drucker, City of Boca Raton
Vice Mayor Christopher McVoy, City of Lake Worth Beach, Alternate
Vice Mayor Greg McVoy, City of West Lake, Alternate
Commissioner Joseph Peduzzi, City of West Palm Beach, Alternate

Gubernatorial Appointees: Douglas Bournique, Indian River County
Michael Davis, Palm Beach County
Reece Parrish, St. Lucie County

Ex-Officios: Laurie Harari for Kent Walia, FDOT
Kathy LaMartina, SFWMD
Sirena Davila, FDEP
Loraine Cargill, SFRTA

Council Staff: Thomas Lanahan, Executive Director
Phyllis Castro
Kim DeLaney
Liz Gulick
Stephanie Heidt
Dana Little

Council Attorney: Keith Davis

The following members were present from the **South Florida Regional Planning Council**:

Broward County: Commissioner Steve Geller

Miami-Dade County: Councilmember Franklin Caplan, Village of Key Biscayne

Monroe County: Commissioner Michelle Lincoln

Ex-Officios: Laurie Harari, FDOT
Sirena Davila, FDEP
Loraine Cargill, SFRTA

Council staff: Isabel Cosio Carballo, Executive Director
Randy Deshazo, Deputy Director
Eralda Agolli
Christina Miskis
Hailey Lazzaroni
Kathe Lerch
Alisha Lopez
Alex Santana

Council Attorney: Sam Goren

Mr. Lanahan acknowledged the presence of Senator Gayle Harrell, State Representative Hillary Cassel, and George Birch from the City of Miami Shores. He also recognized the staff members in attendance representing Senators Jason Pizzo and Lauren Book, and House Representative Katherine Waldron. Chair Geller acknowledged Idelma Quintana, assistant to Broward County Commissioner Beam Furr.

Chairs' Comments – The Honorable Doug Smith, Chair, TCRPC, and The Honorable Steve Geller, Chair, SFRPC

On behalf of the Treasure Coast Regional Planning Council (TCRPC), Chair Smith welcomed everyone and expressed gratitude for their attendance at today's joint meeting. He highlighted that this collaboration is the result of years of discussion and effort. On behalf of the South Florida Regional Planning Council (SFRPC), Chair Geller also welcomed everyone present at today's meeting.

Agenda Approval

Council Action: The March 15, 2024 Agenda was unanimously approved.

Approval of Joint Council Meeting Minutes (February 17, 2023)

Council Action: February 17, 2023, Joint Council meeting minutes were unanimously approved.

Palm Beach Transportation Planning Agency Welcome and Briefing: Valerie Neilson, Executive Director

Valerie Neilson from the TPA welcomed everyone. She noted that there are several board members and former board members in attendance. She thanked the TCRPC for reaching out.

Ms. Neilson stated the TPA is a federally mandated public agency that works with partners across Palm Beach County, Florida, and the United States to plan, prioritize, and fund the federal and state transportation funds for this county. There are twenty-one local elected officials from thirteen of our largest cities, five county commissioners, and one port commissioner. The TPA has three advisory committees and sixteen staff. The vision is to have a safe, efficient, and connected multimodal transportation system for users of all ages and abilities. The TPA is part of the Miami Urbanized Area, with the primary focus on the Department of Transportation (DOT) roadways. The TPA is prioritizing state and federal funding for these projects while collaborating closely with the county and local municipalities, providing additional funds, and working with all of their partners.

The TPA is working on its 25-year Long Range Transportation Plan, which is updated every 5 years. It forecasts where people will live and work, evaluates the existing transportation network, and identifies projects that will serve our needs in the future. She noted that the TCRPC is doing a countywide assessment on Transit Oriented Development (TOD) opportunities and Geographic Information System (GIS) on Lake Worth Road in the Village of Palm Springs. The TPA is currently in the process of updating its 2050 Long-Range Transportation Plan. The Plan focuses

on key goals such as safety, efficiency, resiliency, connectivity, and multimodal solutions. This process began last year and is expected to be adopted by their board this summer. The TPA is promoting engagement and input – visit their website, <https://palmbeachtpa.org/LRTP/> to engage in this process.

Chair Geller highlighted that Broward County has an extremely robust TOD program, which is currently expanding. He encouraged anyone interested to reach out, as he would be happy to share more details.

Senator Gayle Harrell expressed her appreciation for the work of the RPCs. As a former Chair of the Senate Transportation Committee for two years, she has a strong understanding of the transportation landscape. She mentioned that her primary interest today is the insurance discussion, noting that for the past 2.5 years, the legislature has been focused on addressing major issues within the insurance program. Additionally, she highlighted the Senate's establishment of the My Safe Florida Home Program, which aims to help homeowners fortify their homes against natural disasters.

Part I: Genesis of Florida's Property Insurance Crisis and Part II: Possible Solutions

Moderator: The Honorable Steve Geller, SFRPC Chair and Broward County Commissioner

Chair Geller shared that he served on insurance committees for 18 of his 20 years in the Florida legislature and also held the position of National President for the National Conference of Insurance Legislators. He noted that with property insurance, there are actions that can be taken at both the state and federal levels, emphasizing that reinsurance is likely to be one of the key topics discussed today. The plan is to introduce the issue and engage in a discussion about the problem.

Panelist:

- Paul Handerhan, MBA, CPCU, ARe, AIAF, President, Federal Association for Insurance Reform and FAIR Foundation

Mr. Handerhan noted that many national insurance carriers became insolvent, prompting the legislature to intervene by creating the Florida Hurricane Catastrophe Fund. This tax-exempt state trust fund provides reimbursements to residential property insurance companies for a portion of their catastrophic hurricane losses in Florida. He mentioned there was a period of stability until Florida was hit by storms in 2004-2005, which led to several insolvencies and a contraction in reinsurance capacity. The legislature responded again by creating financial incentives to attract new risk capital to the state. Fast forward to 2017-2018, when Florida faced more storms, as well as man-made exposures such as social inflation and contractor fraud. He commended the legislature for its efforts in reducing the severity and frequency of fraud but also pointed out that inflation is continuing to affect the insurance market.

- Stacey Giuliani, Esq., Chief Legal Officer, Florida Peninsula Insurance Company

Mr. Giuliani noted that reinsurance and insurance companies' base part of their rates on catastrophic models, which are generally accurate but adjust over time. He commended the Legislature and the Governor for their efforts over the past 2 to 3 years in addressing these issues. He pointed out that reinsurers are returning to the state, and many insurance companies will be offering rate decreases, stable rates, or, at most, single digit increases moving forward. While rates do vary by territory, overall, lawsuits and claims have decreased, and new carriers are entering the market. Inflation is stabilizing—something not entirely within our control, but it certainly helps. Overall, there are many positive developments in this market.

- Mel E. Montagne, CPCU, ARM, CRIS; President, Fair Insurance Rates for Monroe County

Monroe County has been fighting this windstorm issue for 52 years. Monroe County was the genesis of the Florida Windstorm Underwriting Association beginning in 1972, fast forward to what is Citizens today. He stated it is difficult to see continued rate increases, but also new flood insurance requirements that in some cases are tripling the insurance costs to the community. He noted the changes in Monroe County in the last 25 years have been drastic from a premium and affordability standpoint. Citizens write about 95% of all policies in Monroe County, this is just the reality of the situation, and we need solutions.

Chair Geller mentioned the unaffordability of housing in Florida and a major component is insurance rates. He noted the statewide average in southeast Florida and coastal counties is \$6,000 and that it has increased by 68% in the last 2 years.

- The Honorable Hillary Cassel, Florida State Representative, 101st District

Representative Cassel, a practicing attorney specializing in property insurance, has been actively involved in the legislative process and founded a consumer advocacy group. She explained that reinsurance accounts for 40-50% of what a consumer pays in their premium, and the unregulated global reinsurance market plays a significant role. There is no oversight over this market, and we have no control over the costs. Reflecting on the companies that became insolvent after the storms of 2004-2005 and 2017, she pointed out that about eleven companies went insolvent. History tends to repeat itself, and we have ample data on how those companies got started and what ultimately led to their insolvency. She stressed that the reforms that passed are inviting the same types of companies back into the market. These companies, undercapitalized and heavily reliant on reinsurance, pose a risk. Consumers will ultimately feel financial strain, and as long as such companies are allowed to enter the marketplace, we are repeating history.

- The Honorable Congressman Jared Moskowitz, U.S. House of Representatives, 23rd District of Florida

Congressman Moskowitz thanked former Senator Geller for his leadership in drafting the Bill that established the Natural Disaster Risk Reinsurance Program within the Department of the Treasury. The program, which states can choose to participate in, provides financial assistance for natural disaster damages not covered by the National Flood Insurance Program, specifically for amounts exceeding designated trigger amounts. The National Academy of Sciences determines these trigger

amounts. States must submit a plan to ensure insurance coverage does not exceed these amounts and agree to repay the assistance within 10 years.

Chair Geller mentioned that when he was elected in 1988, prior to Hurricane Andrew, the insurance industry's top priority was eliminating attorney fees. He expressed concern that current efforts to reduce premiums, such as cutting coverage and limiting attorney fees, are making it difficult to pursue smaller lawsuits. Congressman Moskowitz responded by stating that the only solution to this issue would be for the federal government to step in and provide assistance to the State of Florida.

Mr. Handerhan cautioned against implementing a one-size-fits-all policy, noting that while mandating broad coverage to ensure insurance funds for rebuilding after a loss is possible, it comes with a cost. He stated that individuals should have the autonomy to decide what coverage they want, rather than being required by the state to purchase specific policies. Additionally, he emphasized the importance of consumers being educated by their agents about the policies they are purchasing and how those policies will respond when a claim is made.

Mr. Montagne noted that consumers today are focused on price. At the end of the day, it is purely driven by economics.

Mr. Giuliani pointed out that while reinsurance companies made significant money in the past few years, they had previously lost billions of dollars. He emphasized that reinsurance companies are the ones backing up the domestic insurance market in these situations.

Mr. Handerhan stressed the importance of clearly defining the role of Citizens, noting that it is meant to be a residual mechanism, providing coverage only when no other insurer will. This is how all residual market mechanisms operate, typically as the most expensive option. However, he pointed out that currently, Citizens is being used as the insurer of choice rather than a last resort because people are benefiting from subsidized rates.

Mr. Montagne noted that Citizens has the potential to assess every policyholder in Florida if needed. He also mentioned that when other insurance companies go bankrupt, there is an additional FIGA (Florida Insurance Guaranty Association) assessment, which is applied to every policyholder in the state as well.

Chair Geller asked if attorneys would still pursue cases, to which Representative Cassel acknowledged it would be challenging. Mr. Handerhan explained that to file a lawsuit against an insurance company, policyholders must first submit a "Notice of Intent to Litigate," notifying the insurer. He pointed out that while data indicates policyholders are still being represented by attorneys, many cases are being resolved through mediation or other processes before reaching full litigation.

Chair Geller asked the panel for suggestions on condominium insurance. Mr. Handerhan responded that many condominium buildings do not have sufficient reserves to maintain their condition, leading to deterioration. Private market insurers evaluate these buildings through engineers, and if issues are found, they may refuse to insure them or charge very high premiums.

He expressed that there's no way around this situation. Congressman Moskowitz added that these buildings were built many years ago and are now considered older structures. He noted that residents, often on fixed incomes, are struggling as insurance costs deplete their reserves.

Representative Cassel stated that the legislature made a significant mistake 10 to 12 years ago when it eliminated the requirement for condominiums to maintain reserves. While the new reserve requirement implemented in Tallahassee is important, it also created significant financial pressure due to rising insurance costs. She mentioned filing legislation that would have introduced a pilot program offering coverage options for condominiums, but it did not gain traction. Cassel explained that for condos with reserves in place, which can cover roof replacements and other common elements as required by legislation, they could qualify for an actual cash value policy, potentially lowering their insurance premiums since they have demonstrated the financial ability to cover these costs.

Chair Geller explained that reinsurance is the insurance that primary insurance companies purchase to manage their risks. He noted that if an insurance company covers a billion dollars' worth of risk, they will keep a portion, such as \$50 million, to cover everyday claims like slip and fall, fire, theft, or occasional wind damage. However, they won't reserve enough to cover large-scale disasters like hurricanes. He pointed out that reinsurance rates are regulated by the same entities that regulate the Organization of the Petroleum Exporting Countries (OPEC), in other words, that reinsurance companies, which are global in scope, operate largely unregulated.

Chair Geller asked the panel if they were familiar with former Senator Grandis's suggestion on lowering the attachment point and if so, could you describe that?

Representative Hillary Cassel, who served on the Board of the Federalist Association of Insurance Reform, discussed reinsurance and the Catastrophe Bond (CAT) fund. She explained that the CAT fund is a form of state reinsurance that insurance companies can access, but only after reaching a certain attachment point. She pointed out that the CAT fund has been a successful model, continuing to generate money and build reserves. She emphasized that the purpose of the CAT fund was to be available in times of crisis. However, she noted that the attachment point to access these funds keeps rising, making it increasingly difficult for companies to access the money when needed.

Chair Geller noted that the insurance commissioner and others argue against making it easier to access the CAT fund. They reason that they want the assets to continue growing so there is enough money available for truly catastrophic storms in the future.

Representative Cassel responded by emphasizing that Florida is already experiencing a bad storm in terms of the current insurance crisis, even if it's not raining. She stated that consumers are in trouble and need immediate relief. Cassel criticized the CAT fund for becoming a stagnant model, with the attachment point continuously rising, making it less accessible. She stressed that the fund should be more flexible and able to provide relief in times of need. Ultimately, she pointed out that the money in the CAT fund is taxpayer dollars, and it should be used to help lower premiums and ease the burden on consumers.

Mr. Giuliani noted he would prefer a national program over a state program. If you lower the attachment point you immediately lower the cost of reinsurance because the reinsurance at the bottom of those levels is expensive.

Mr. Montagne stated that a national plan for insurance is a great idea, one that has been proposed for years. However, he noted that keeping the plan within Florida would be more feasible. He highlighted that Florida is significantly impacted by the current system, with some residents paying large premiums to Citizens. He pointed out that Florida holds 27% of all policies in the National Flood Insurance Program, making the state a "donor state." In other words, Florida is subsidizing other states that have flood losses but no flood insurance in place.

Chair Smith recalled that about six or seven years ago, the Florida Association of Counties examined the issue of flood insurance. He noted that the numbers were amazing, showing how much Florida funds the rest of the country through its contributions to the National Flood Insurance Program. He mentioned that there are many reasons for this, including Florida's strict banking industry requirements and how the state's insurance system is structured.

Senator Garcia from Miami-Dade County noted it is critical that we regulate the insurance industry.

Commissioner Woodward from Palm Beach County asked if there could be an option for condominium buildings. Representative Cassel responded saying the Risk Retention Group, a state-chartered insurance company designed to insure commercial businesses and government entities against liability risks. She suggested that this could be a potential model for condominiums as well.

Tri-Rail Update and Future Plans: David Dech, Executive Director, South Florida Regional Transportation Authority

Chair Smith recognized Executive Director, David Dech from the South Florida Regional Transportation Authority (SFRTA)/Tri-Rail. Mr. Dech updated the Council members and guests on the SFRTA activities and updates and thanked everyone for the opportunity to attend the meeting. Chair Geller thanked the SFRTA for their ongoing support.

2024 Florida Legislative Session Update

Moderator: Commissioner Doug Smith, TCRPC Chair *Overview, Looking Back and Looking Forward*

Mr. Ron Book, President & Chief Executive Officer of Ronald L. Book, P.A. CEO, updated the Council members on the upcoming legislative issues.

Bills That Passed

- Affordable Housing (Live Local Issues) - SB 328 by Calatayud
- Homeless – Unauthorized Public Camping and Public Sleeping – HB 1365 by Garrison
- Community Associations – HB 1021 by Lopez

- Building Regulations – HB 267 by Esposito
- Expedited Approval of Residential Building Permits – SB 812 by Ingolia
- Public Records Exemption/County and City Attorneys – HB 103 by Arrington
- Tax Package
 - Property tax relief
 - \$500 million in property insurance tax relief
 - \$450 million in toll relief
 - Small business tax relief
 - Four sales tax holidays

Bills That Did Not Pass:

- Sovereign Immunity (Suits Against the Government)
- Repeal or Modification of the FORM 6 Financial Disclosure requirements for local elected officials
- Repeal of State Preemption on local bans of Styrofoam and plastic bag use

Commissioner Geller thanked Mr. Book for taking the time to address the Council members.

Chair Smith asked for county perspectives from the following:

- Kathy Copeland, Indian River County Legislative Affairs and Communications Manager
- Kasey Denny, Palm Beach County Director of Legislative Affairs.
- Marty Cassini, Esq., Broward County Director of Intergovernmental Affairs / Boards Section
- Jess McCarty, Miami-Dade County, Executive Assistant County Attorney
- Lisa Tennyson, Monroe County Legislative Affairs Director

Florida's Coral Reef Update

Mr. Lanahan gave an update on activities related to Florida's Coral Reef; an issue that has been near and dear to these two planning councils.

- **Bleaching Response and Preparation:** After severe bleaching in the Florida Keys last summer, Florida's Coral Reef Resilience Program managers are considering ways to prepare for this fall including moving in-water coral nurseries to deeper waters, and piloting shading systems for priority reef and nursery locations. NOAA modeling suggests it will be another exceptionally hot summer.
- **Federal Coral Funding:** the President's budget recommendations for NOAA reflect a ~\$14M decrease in funding for the NOAA Coral Reef Conservation Program (current budget of \$33M). Specifically, they are proposing to cut those funds from the external grants that directly support on-the-ground coral reef management in each of the 7 US coral reef jurisdictions, including Florida. This would directly impact the Department of Environmental Protection's (DEP) Coral Reef Conservation Program.
 - This is inconsistent with Congress's intent as they recently re-authorized the US Coral Reef Conservation Act (CRCA) with a proposed increase in coral-related authorization to \$45M.

- Given the thermal stress event last summer in the Florida Keys, full funding under the CRCA is essential for the increasing need for emergency response capacity.
- **State Coral Legislation:** Passage of CS/CS/HB 1557 declaring the Kristin Jacobs Coral Reef Ecosystem Conservation Area an aquatic preserve is awaiting the Governor's signature.
- **State Coral Funding:** the General Appropriation Act includes an additional \$9.5M grant for Florida's Coral Reef Restoration and Recovery (FCR3) Initiative to scale up land-based propagation infrastructure and capacity. As a Governor's Initiative, the goal of FCR3 includes selecting at least one reef site per county to direct state support for coral restoration related to shoreline protection. County, state, and federal reef managers are narrowing down potential sites and will be requesting feedback from the community including the Joint RPC Coral Work Group, jointly chaired by Commissioner Smith and Furr.
 - In addition, \$20M grant for Biscayne Bay Water Quality Improvements, and \$8M recurring funding for coral protection and restoration.

Public / Council Member Comment

Linda Smithe, representing the Sierra Club, expressed concerns about environmental conservation, specifically regarding the preservation of lands. She shared that she reached out to Palm Beach County, Mangonia Park, and DK Enterprises about a 60-acre underutilized property next to the Mangonia Tri-Rail station (the old Jai Alai property). She suggested this area could be an ideal site for affordable housing and a mixed-use transportation hub. Additionally, she emphasized the need to protect the Pal Mar area for both policing and conservation, linking it to the Florida Wildlife Corridor and Florida Forever funding. Smithe also raised concerns about the sunseting of the local government preemption, which had previously strengthened local fertilizer ordinances. She urged local governments to review and strengthen their fertilizer ordinances, recommending a ban on fertilizer use from June 1st to December 1st during the rainy season.

Chair Geller wished everyone, particularly of the Irish persuasion, a Happy St. Patrick's Day. The meeting is adjourned.

Adjournment

There being no further business, Chair Geller adjourned the Joint Meeting of the South Florida and Treasure Coast Regional Planning Councils at 3:10 p.m. This signature is to attest that the undersigned are the Secretaries or designated nominees of the Treasure Coast and South Florida Regional Planning Councils, and that the information herein provided is the true and correct Minutes of the March 15, 2024, meeting.



SFRPC Secretary
Franklin H. Caplan
Village of Key Biscayne Councilmember



TCRPC Secretary/Treasurer
Ed Dodd
City of Sebastian Councilman