

Southeast Florida Regional Climate Change Compact: Coordinating Climate Change Response Through New Government Structures

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Abstract

The Southeast Florida Regional Climate Change Compact (SFRCCC) was founded in 2009 by the Miami-Dade, Monroe, and Palm Beach counties as a means to share resources, reduce competition, and more effectively address evident climate change impacts. Despite a relatively informal structure, this regional network has been remarkably successful, in large part due to voluntary implementation of different recommendations and support by grants. However, the success of the SFRCCC, especially as time goes by and climate impacts worsen nationally, may not be able to be replicated in other regions and at different levels of government due to competition for grant dollars and to the inherent difficulty of scaling a regionally unique solution.

Introduction

President Barack Obama's words are displayed prominently on the Southeast Florida Regional Climate Change Compact (SFRCCC)'s website: "Local leaders down here, Republicans and Democrats, formed the bipartisan Southeast Florida Regional Climate Change Compact — an agreement to work together to fight climate change. And it's become a model not just for the country, but for the world."

Formed in 2009, the SFRCCC is composed of the Broward, Miami-Dade, Monroe, and Palm Beach counties, as well as any municipalities within these counties that choose to participate. The SFRCCC is in many ways a sensible response to the state of Florida's reluctance to take statewide action regarding climate change, especially because these four counties are among those that will be the most impacted by climate change in the United States. These networks — "novel governance systems," as described by Woodruff (2018), are a part of a trend to make critical decisions about land use, infrastructure, hazard migration, and water resources at the local level. According to Woodruff, these collaborations can manifest as "learning and professional networks" as well as "horizontal or polycentric governance outside formal, hierarchical structures," acting as a kind of negotiation among equals (Woodruff, 2018).

The SFRCCC is unique in that it is not only responding to federal government inaction, but also to extreme reticence and even climate obstruction at the state level, memorably brought to light by Governor Rick Scott's policy to restrict government employees from using the phrases "climate change," "global warming," and "sustainability" in any correspondence (Korten, 2015). Though Governor DeSantis has made strides in the environmental arena (for example, appointing a Chief Science Officer that is also a well-respected ecologist), the state still woefully under-funds resilience projects. This may be because the state as a whole does not feel political pressure to fund these programs, as the problems are more visible on a daily basis in Southeast Florida as opposed to other regions like the Panhandle: "Southeast Florida is in a more precarious situation than the rest of the state with respect to climate change impacts with sunny day (King tide) flooding, the failure of flood control canals, rapid beach erosion, and saltwater intrusion into drinking water supplies" (Vella et al., 2016). Thus, the problem is isolated to one part of the state and easily ignored by a government sitting far to the north in Tallahassee.

The Florida Constitution bans income and inheritance taxes and limits the issuing of bonds, which may contribute to financial pressures and scarcity state funds. There are historic reasons for this: voters initially banned income taxes in 1924 through a constitutional amendment, and chambers of commerce and real estate agencies have pitched it ever since to wealthy people and retirees as an incentive to move to Florida. Politicians and others routinely talk about considering a personal income tax as "off the table" (Associated Press, 2007). This leads to increases in regressive taxes, like sales taxes, that disproportionately burden people with lower incomes. According to the Institute of Taxation and Economic Policy, though Florida has a reputation of being a low-tax state, it is the ninth-highest tax state

for low-income families – meaning that, “To pay for state and local government services, Florida derives over half (51 percent) of its tax revenue from sales and excise taxes — far above the national average of 35 percent” (Institute on Taxation and Economic Policy, 2018). In general, states without personal income taxes have less fiscal stability, and, especially in Florida, the dependence on sales taxes means that the ability to provide services is at risk during a recession or when tourism is low (Walters, 2010). This can lead the state to cut key programs, like departments at state universities, which Florida did in 2008. With these pressures, it can be difficult to fund environmental and resilience programs at the state-level.

Before the SFRCCC, the four counties competed against each other for resources at the local, state, and federal levels. This is normal; competition commonly occurs amongst local governments in regard to jobs, resources, and autonomy – and persists even when it occurs alongside necessary collaboration on issues like shared infrastructure (Shi, 2019). A highly visible instance of this competition occurred in 2009 when each county sent staff to Washington, D.C. to lobby Congress for resilience funding. The staffs were embarrassed when they each presented different estimates for sea-level rise, resulting in legislators recommending that the counties work together on unified climate science in order to be taken more seriously (Shi, 2019). These conflicting projections “left Congressional staff unpersuaded” in terms of providing funding to mitigate sea-level rise – not ideal! (Menees and Grannis, 2017).

Governing Structure

Democrats and Republicans alike were shamed by 2009’s humiliating episode and acted promptly to create the SFRCCC that same year. There are over 15 adaptation networks in the United States, and most, in contrast to the bipartisan SFRCCC, tend to be liberal leaning (Woodruff, 2018). The SFRCCC’s goals can be summarized as “to work together to collect information, guide climate action and collectively lobby federal, state and regional planning agencies to support implementation of strategies to address climate mitigation and adaptation” (Vella et al., 2016). Interestingly, the SFRCCC is completely voluntary and it operates without legal mandate or force: “the Compact provides only guidance to local governments without robust inducements or support from other levels for implementation” (Vella et al., 2016). Authors from the Georgetown Climate Center describe the SFRCCC’s status as distinctive:

“The Compact is not a formally recognized legal entity—it is not a non-profit organization or municipal corporation—which means that it has no official legal status. This has two consequences for the Compact: First, the Compact has no legal authority and actions taken by the Compact Steering Committee have no legal effect, meaning that recommendations made by the Compact must be adopted and ratified at the individual county and municipal level. Second, the Compact historically had no dedicated source of funding and no means by which to take in grants or other sources of funding. To fund the Compact’s efforts, grants must be funneled through individual local government members of the Compact, or through their non-profit fiscal agent, the Institute for Sustainable Communities (ISC)” (Menees and Grannis, 2017)

Despite its voluntary nature, “the collective weight of activity generated by the Compact’s governance structure gives momentum to climate action in the region helping to engage stakeholders at higher levels” (Vella et. al, 2016). One government official interviewed anonymously in 2016 said, “we represent 30% of the population of the State of Florida. If you think that climate change isn’t important in Tallahassee, then all you need to do is poll citizens in South Florida, which represents a large voting bloc in the state. Our unified voice is much stronger at the state and federal level” (Vella et al., 2016). Though the state may still ignore the SFRCCC to an extent, they are making more progress together — rather than fighting each other for funding.

Funding

The Institute for Sustainable Communities (ISC) is the glue that holds the SFRCCC together, and its initial funding came from the Kresage Foundation, which allowed the ISC to begin “coordinating meetings; organizing workshops; developing a website and online database of regional best practices, policies, and guidance documents; and conducting surveys that help monitor and evaluate progress” (Shi, 2019). Interestingly, the Kresage Foundation’s second grant to the ISC asked it to “develop a self-sustaining governance mechanism in the future” (Shi, 2019). This road to more formal, sustained governance is also reflected by the counties, which agreed to appropriate \$100,000 each to support the SFRCCC (Menees and Grannis, 2017). This combination of grants and contribution by counties is what makes the SFRCCC work.

The idea of grants supplanting local funding is not a new one and is not limited just to environmental issues: “local tax bases have become too small to support higher level governments (formerly the sovereigns) and too small to even finance their own needs and the tasks imposed upon them by upper level governments. Local governments, therefore, heavily depend on grants and transfers from upper level governments” (Blankart and Borck, 2005). The responses to grants vary from region to region, and in the context of education, which can be informative to consider when thinking about other, including environmental, grants, “the limited evidence on the issue suggests that additional resources from reformed state financial systems or additional spending have generally not induced schools to alter the methods of education production” (Fisher and Papke, 2000). In other words, schools did what they were going to do regardless. In some ways, this is also true in the case of the SFRCCC: “the SFRCCC is not technically a policy-making organization. While they recommend policy, the actual implementation happens at a smaller municipal and county-wide level. In other words, the outcomes of the SFRCCC’s documentation are mediated by local implementation” (Cagle, 2016). Nonetheless, many of the SFRCCC’s recommendations are indeed taken up by smaller entities within it because of the true severity of the problems and the prevalence of science-based solutions, which may distinguish it from educational grant implementation. This may be a trait of environmental grants in general. In an article about flypaper effects between federal funds and state spending, Clark and Whitford (2011) specifically focused on environmental protection and wrote that “Federal spending and state spending are positively correlated after accounting for the contribution of the unique factors.” In other words, environmental grants are “sticky” and the programs they support seem to be successful. More study is needed to understand the exceptional characteristics of environmental grants.

In terms of the funding structure of the SFRCCC, in the initial founding document, all four counties signed on to collaborating on lobbying for “the allocation of federal climate change funding based on vulnerability to climate change impacts,” as well as agreed that “each county shall commit appropriate staff resources and expertise, within budget constraints, to participate in a Regional Climate Team with other counties party to this compact toward the development of a Southeast Florida Regional Climate Change Action Plan” (Compact Founding Document, 2009). Funding is embedded in the core of the SFRCCC as the commitment of the counties to donate resources, like staff time, to make the SFRCCC work, and the eagerness of the counties to receive increased federal dollars. Specific federal grants to the SFRCCC include *Seven50: Southeast Florida Prosperity Plan* from the Department of Housing and Urban Development, a National Oceanic and Atmospheric Administration Special Merit Competition Grant, and a Department of Transportation Climate Resilience Pilot Grant (Menees and Grannis, 2017).

Discussion

The SFRCCC provides a fascinating window into local governance. Historically, the theory behind local governance has been that it is more responsive to local wants and provides better services than a more distant, centralized government: “This model yields a solution for the level of expenditures for local public goods which reflects the preferences of the population more adequately than they can be reflected at the national level. The assumptions of the model will then be relaxed to see what implications are involved. Finally, policy considerations will be discussed” (Tiebout, 1956). THE SFRCCC would

seem to confirm this assumption; it is providing a key service – resilience planning – that the state government is not. Tiebout assumes that individuals would pay to move to an area with better local government services, an idea confirmed in the context of multiple studies focusing on education: “they are willing to pay about 2.1 percent-or \$3948-more for houses associated with test scores that are 5 percent higher at the mean” (Black, 1999). However, though many individuals may be willing to pay to live in areas with better government services and living conditions, some individuals are unable to move: “In the real world, moving is of course not costless. In addition to the physical act of moving which is costly, individuals may also be attached to their community if they have friends and family who live there; environmental amenities also may create a barrier to mobility. Therefore, individuals may find themselves stuck in a community with a non-optimal supply of public services” (Blankart and Borck, 2005). This is particularly worrying in the context of Southeast Florida, an area with immense income inequality. Even within the SFRCCC, service delivery can vary.

As summarized by Shi (2019), climate change poses major questions of equity, especially for Southeast Florida:

“Already, residents in Miami fear that ‘resilience gentrification’ (Gould and Lewis, 2018) will displace low-income communities as wealthier residents retreat to higher ground (Bolstad, 2017). Other examples include wealthier homeowners elevating homes, developers elevating subdivisions above current flood elevations, property managers buying inflatable floodwalls for downtown complexes, and individual neighborhoods or cities fortifying their shorelines, all of which worsen flooding elsewhere. The construction of new ‘resilient islands’ or other major infrastructure investments can hog public and private investments and leave socially vulnerable areas behind (Anguelovski et al., 2016). Conversely, emerging developments in this vein may be harbingers of future ‘climate slums’ (Eubanks, 2016).”

The concerns summarized above could even extend to the SFRCCC. Not every municipality contained in the four counties participates in the SFRCCC, and based on existing literature about regional collaborations, wealthy areas could participate at the expense of worse-off entities in the same region. For example, the increased heights of local seawalls in wealthy Fort Lauderdale and Miami Beach as a result of new local ordinances will inevitably displace floodwaters, potentially negatively impacting under-resourced neighbors (Shi, 2019).

Already in Florida, beyond climate change, environmental inequity is an issue of serious concern. Researchers found that children in Florida exposed to pollution performed worse in school, and this cognitive impact may persist past middle childhood (Heissel et. al, 2019). Similar effects could be true for exposure to climate change hazards, and the negative lifelong impacts for children could decrease their economic output and hurt society over decades. Regional compacts can allow for small technical fixes – like new sea-walls – without addressing the deeper problems associated with climate change.

Interviews

With the hope of acquiring personal perspectives of the SFRCCC, I conducted informal phone interviews with Megan Houston (Palm Beach County, Director, Office of Resilience) and Jason Liechty (Broward County Environmental Planning and Community Resilience Division, Senior Environmental Project Coordinator – and an American University alumnus).

In my two interviews, what largely came through was the importance of informal structures and a top-notch professional network, including the annual summit. This confirms what Shi found as a hallmark of successful regional networks: “Informal networking, trainings, and presentations are central to [regional networks] [...] Some also organize formal annual events to reaffirm political commitment and re-energize momentum” (Shi, 2019). These in-person events solidify connections between people and create strong working relationships. It also affirms the old saying: “The last thing you want to do during a crisis is exchange business cards.” The Menees and Grannis report also emphasized the Summits as vital to the functioning of the SFRCCC: “The positive attention brought to the region by the summits has been

critical to ensuring continued bipartisan support for the Compact from elected officials in the region... the summits also help to inform local, state, and federal officials of the efforts underway in the region to prepare for future climate change” (Menees and Grannis, 2017).

Both Houston and Liechty stressed that they had come on board in the past two years (well after the SFRCCC’s creation) described the collegial network as an important asset of the SFRCCC. They both positively described being initiated into a culture of collaboration and emphasized that a strength of the SFRCCC is having access to expertise and advice across counties – something as simple as just picking up the phone and talking about a problem, expert-to-expert. Southeast Florida seems to have a special blend of a lot of work to do and competent people to do it.

Looking to the Future

Though the problems associated with climate change are most severe in Southeast Florida, the rest of Florida is not immune to climate hazards, and it is important to consider how to fund climate change resilience throughout the entire state. Climate change in particular highlights the meaninglessness of government borders: “The effectiveness of many climate change programs also hinges on the ability to coordinate across political jurisdictions due to the presence of trans-boundary risks—such as sea level rise and storm surges—that span ecosystems and infrastructure networks” (Hughes et al., 2018). Addressing climate change also requires a careful balance: local governments may be more responsive to climate-based problems that uniquely impact their area, but the existence of organizations like the SFRCCC is important to eliminate meaningless competition for resources (like federal dollars) and duplicate efforts in a region. Thus, the optimal scope of government for climate change response is unclear, and will likely involve a mix of bottom-up and top-down governance solutions. The example of the SFRCCC points to the wisdom of regional networks, but the pressing climate issues facing the rest of Florida and the United States underscore the need for at least some coordinated action at all levels of government. The optimal combination of local and regional governance with state and federal coordination for climate issues is a topic that requires further study, and ultimately may vary from region to region and state to state.

It may indeed be difficult for other areas across the country to follow the SFRCCC’s model. In many ways, Southeast Florida may be a unicorn of sorts in that it has a clearly defined problem, wealth, and congeniality necessary to form an effective collaboration. Woodruff (2018) has a similar critique of collaboration networks: “Many small cities may not have the capacity – financial resources, personnel, and time - to participate.” Even in the case of the SFRCCC, which is widely regarded as successful, “Implementation is limited by insufficient resources and power from uneven political commitment, a low tax culture, constantly changing rules, a one-size-fits-all comprehensive planning approach, and an overbureaucratization of plans” (Vella et al., 2016). Kalesnikaite (2018) came to a similar conclusion. And while she praises the SFRCCC, Shi (2019) also offers words of caution: “[...] local-centric regional adaptation efforts have had less success in addressing horizontal coordination challenges across municipalities, particularly as they relate to land use planning, fiscal constraints, spillovers effects, and social equity.” Nonetheless, key successes of the SFRCCC include the fact that it has “improved accountability and the transparency of local government land-use decision making and enabled professionals to share important information about progress and key lessons from the experience of what has and has not worked” (Vella et al., 2016). The SFRCCC’s main value proposition is in its ability to expand access to information and policy ideas, like saltwater intrusion and stormwater drainage systems, that can save Floridians large amounts of money. However, in many ways, the SFRCCC is what a municipality makes of it. As one planner anonymously complained, “The mayor signed the pledge, but does he remember it? Any reasonable person would sign on to something that says we should plan and study and we’ll bring you technical resources and assistance” (Shi, 2019). Though the SFRCCC is a good response to the current on-the-ground situation in the state, based on the fact that South Florida and Florida in general have so much to lose – in property values, lost earnings, and more – from climate impacts, it might behoove the state to raise taxes in favor of resilience planning. These taxes will not necessarily have a negative impact on economic growth (Gale et al., 2015) and at the regional level they have “little net reduction for the combined region” beyond the border area (Rohlin and Thompson, 2018).

As two tax attorneys stated simply in a Florida Bar journal, “[...] one thing is certain: addressing these [climate] issues will be expensive” (Hogan and Jacobs, 2017). These attorneys actually urge that “local governments along the coasts of Florida cannot be left to ‘go it alone’ in paying the costs of sea-level rise” and believe that, in light of the fact that coastal communities will likely lose their tax base due to the decay in property values and decreased tourism, that the state must step in, perhaps providing a “super fund” for the state. They also explain that state may need to relax its prohibition on income and inheritance taxes, as well as its bond limit. Hogan and Jacobs (2017) urge consideration of the fact that grants from the federal government and private foundation “sources may be depleted in the future as coastal communities around the U.S. seek funding for their adaptation costs. Local governments would be well advised to avail themselves of grant and subsidy opportunities in the short term, while understanding that such funding sources may not be as available in the coming years.” Thus, in light of this, the SFRCCC is not a forever solution.

In the immediate context, it is clear that the Compact has facilitated collaboration on the local level between climate scientists, state and federal legislators, grant administrators and grantees, and creators of a climate action plan (Menees and Grannis, 2017). The SFRCCC is a response to the lack of state support, and its members are reacting to the very clear problem of climate change. The SFRCCC seems to have succeeded so far without a formal structure – successfully applying for grants, sharing expertise, and issuing recommendations that its members implement – because of the overwhelming pressures of sea-level rise and the collegial, collaborative network that has risen up to deal with it. Though the SFRCCC may not last forever in Southeast Florida or be successfully replicated elsewhere, at least something good is happening now.

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