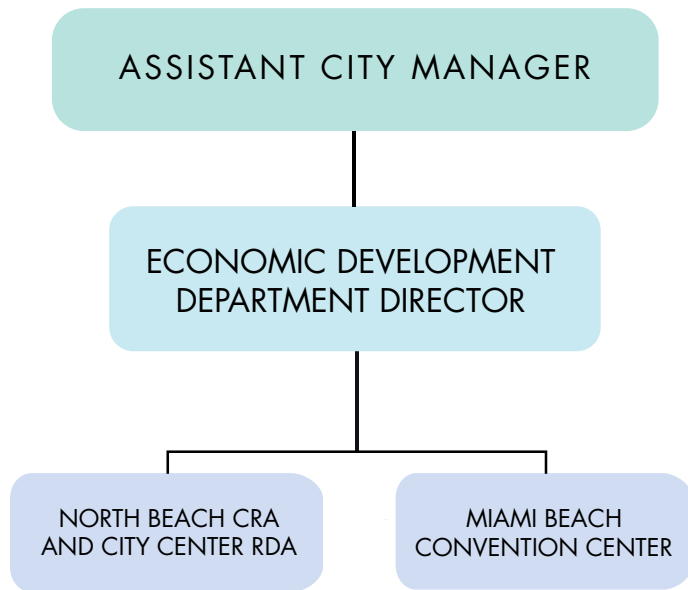


ECONOMIC DEVELOPMENT

DEPARTMENT MISSION STATEMENT

The City of Miami Beach's Economic Development Department is dedicated to establishing a robust economy that stimulates balanced growth by connecting business, community, people and jobs, business assistance and resources, corridor development/redevelopment, and real estate, as well as creating a diverse economy for this dynamic and resilient community.



DEPARTMENT DESCRIPTION

Economic Development's goal is to establish, grow, and diversify the City's business community by promoting the City's image and assets, supporting businesses, and encouraging appropriate real estate development.

To help stimulate the growth of Miami Beach's business community and enhance economic prosperity for our residents and stakeholders, two areas of focus have been implemented to streamline the Department's goals and ensure their achievement.

1. Business Retention and Attraction
2. Community Revitalization

Additionally, the Department prioritizes three areas to encourage prudent community planning and economic growth.

1. Community Redevelopment Agencies
2. Real Estate Assets and Joint Development
3. Miami Beach Convention Center

DEPARTMENT DESCRIPTION CONT'D

Major Project Summaries:

The business retention and attraction area of focus provides economic development initiatives that support critical missions through:

- Business support services, resources and messaging
- Small business outreach and advocacy
- Data resources, market research, and information
- Marketing efforts to promote the City's live-work-play environment

The community revitalization area of focus identifies strategies and projects that:

- Strengthen and enhance commercial districts
- Support measured growth through redevelopment
- Encourage private investment and partnerships

The Department provides general oversight for the city's community redevelopment areas, the Miami Beach Redevelopment Agency (RDA) and the North Beach Community Redevelopment Agency (NBCRA), special districts created by Florida Statutes to focus on stabilizing and revitalizing communities. The special district designation allows property taxes generated within the district to be allocated for activities that promote and support redevelopment and new development. For both the RDA and NBCRA, revitalization activities are funded by tax increment revenues received by the City and Miami-Dade County within the boundaries of the respective redevelopment area.

On February 12, 1993, City Commission Resolution No. 93-20721 adopted the RDA's City Center/Historic Convention Village Redevelopment and Revitalization Area Plan for the 332-acre City Center Redevelopment Area (the "RDA"). Upon its creation in 1993, the RDA provided a funding mechanism to foster the development of two convention-quality hotel developments, both of which were the result of public private partnerships with the RDA (the 800-room Loews Miami Beach Hotel and the 425-room Royal Palm Crowne Plaza Hotel, the latter being the first African American-owned hotel in the United States.) Today, the RDA funds the enhancement of important services that sustain City Center as a cultural, residential, and commercial hub. Excess funds are set aside to pay down debt early, where possible. Upon the satisfaction of all outstanding debt, the RDA district is set to expire. The RDA's significant accomplishments are further detailed in the RDA section.

The NBCRA was created by the City Commission on February 10, 2021, after receiving authority delegated from Miami-Dade County. The NBCRA Redevelopment Plan was adopted by the City Commission and Miami-Dade County Board of County Commissioners in July 2021. With a 2021 base year, the NBCRA is still in its early stages. Initial tax increment growth has been better than expected in 2023 and 2024, and due to sufficient growth, tax increment revenue will fund projects and initiatives during Fiscal Year 2025.

ECONOMIC DEVELOPMENT

DEPARTMENT DESCRIPTION CONT'D

With a 2021 base year, the NBCRA is still in its early stages. Initial tax increment growth has been better than expected in 2023 and 2024, and due to sufficient growth, tax increment revenue will fund projects and initiatives during Fiscal Year 2025. Implementation of rising programs is ongoing, and planning for future initiatives is underway as further described in the NBCRA section.

To stimulate public-private partnerships, the Department focuses on workforce and affordable housing and how it can develop and maintain a vibrant residential and business environment with sufficient housing stock to support and attract its leading workforce.

The Department also oversees the management agreement for the Miami Beach Convention Center campus to ensure its alignment with the City's operational plan, and its compliance with best practices for securing booking opportunities that produce significant hotel revenue along with community benefits. The Department serves as liaison to the Convention Center Advisory Board (CCAB) to promote a balance between the Miami Beach Convention Center operations and community and resident needs. The newly renovated, world-class, venue represents a critical economic engine for the City which directly and indirectly economically supports a wide range of small and large businesses. The Department also provides administrative leadership for the management of the City's partnership with the Greater Miami Convention and Visitors Bureau with a focus on Convention Center sales and hotel bookings.

FISCAL ENVIRONMENT

The Economic Development Department, except for the RDA and NBCRA, is funded from the General Fund. The General Fund charges an administrative fee to Enterprise Fund departments, the RDA, NBCRA, and Resort Tax Fund to cover the cost of various administrative support functions provided by the General Fund. The Miami Beach Convention Center is funded through the Convention Center Fund and the RDA.

The Miami Beach Convention Center generates revenue from rental use of the facility, food and beverage sales, and associated show-related services. The re-imagined Convention Center campus has 1.4 million square feet of meeting space, 3.1 acres of public green space in Collins Canal Park to the north, 5.8 acres of public green space in Pride Park to the west, 4 exhibition halls, a Grand Ballroom, pre-function space, and up to 84 meeting rooms, including a 20,000 square-foot specialty glass rooftop Sunset Ballroom.

FISCAL ENVIRONMENT CONT'D

In addition to the revenue generated by the Miami Beach Convention Center, just as valuable are the significant room night bookings which will result from the recently updated booking policy. This policy favors Priority 1 (P1) events (generating a minimum of 1,500 room nights on peak) and Priority 2 (P2) events (generating a minimum of 500 room nights on peak), which will result in direct resort tax growth for the City, and greater economic impact citywide. The collaborative efforts of OVG360, Sodexo Live!, Greater Miami Convention and Visitors Bureau, and the Economic Development team continue to develop efficient strategies to market, promote and secure short-term and long-term sales.

STRATEGIC ALIGNMENT

Main Vision Area:

Prosperity

Management Objectives:

- **Prosperity**
 - Market, promote and strengthen Miami Beach as a world class arts, culture, and quality entertainment destination
 - Develop the Convention Center campus including the hotel, parks, the Fillmore, and working with partners to program conventions and shows
 - Revitalize targeted areas and increase investment through master plans and business vibrancy efforts as well as core services like safety and code enforcement
 - Better leverage our assets and parking lots. Areas include North Beach, Ocean Drive, 41st Street, Lincoln Road and Washington Avenue.
 - Revitalize targeted areas and increase investment through master plans and business vibrancy efforts as well as core services like safety and code enforcement
- **Mobility**
 - Support affordable, compatible workforce housing through public and private partners for key industries, including the use of development incentives
- **Organizational Innovation**
 - Support all objectives to improve strategic decision making and financial stewardship, making the city more business friendly and user friendly, with an employee culture of problem solving and engagement
 - Make Miami Beach more business and user-friendly



ECONOMIC DEVELOPMENT

STRATEGIC ALIGNMENT CONT'D

Strategic Plan Actions:

- **PROVIDE** a balanced approach for use of Convention Center Campus: Pride Park/Collins Canal Park
- **OVERSEE** sales activities/marketing for the Convention Center for optimal use
- **COORDINATE** event partnerships/sponsorship, trade shows/conferences and marketing /promotional campaigns to attract and retain businesses and new residents to Miami Beach
- **COMPLETE** the job creation incentive program for technical and financial services
- **IMPLEMENT** robust marketing campaigns to foster business attraction
- **IMPLEMENT** 41st Street Business Improvement District
- **MAKE** substantial progress on North Beach Town Center/Byron Carlyle/Ocean Terrace
- **CONTINUE** the expedited plan review permitting program for technology and financial services
- **CONTINUE** business concierge services

Budget Enhancement Actions:

- Part-time Office Associate IV position
- Additional funding for Sister Cities Program
- Small Business Grants Program
- Mixed-Use Entertainment (MXE) District Revenue and Expenditure Analysis
- Pride Park Management and Operations

BUSINESS ENVIRONMENT

The Miami Beach brand, recognized as a flourishing and innovative business environment with its skilled workforce and educated residents, continues to attract new industries and talent from around the globe. Together, with our existing business community, the Economic Development Department remains focused on elevating Miami Beach businesses and helping to unlock their economic potential. The Economic Development Department achieves this by recruiting and welcoming new businesses, connecting and providing Miami Beach businesses with resources, creating a stronger business community, as well as redeveloping and building thriving neighborhoods.

The Department strives to promote itself as a regulator between the public and private sectors by facilitating interactions between private property owners, and the City's various regulatory departments. Staff serves as a liaison to local business and economic development organizations, committees, as well as task forces that address economic opportunities in specific geographic areas of the City.

BUSINESS ENVIRONMENT CONT'D

Ongoing projects include serving as staff liaison for Business Improvement Districts (BIDs) within the City and other ad hoc committees, including, the Washington Avenue BID, the North Beach CRA Advisory Committee, the Mayor's Blue Ribbon 41st Street Committee, and the Convention Center Advisory Board.

The Department works to build confidence and safety for all those attending the Convention Center, works closely with all clients, vendors, suppliers, partners, stakeholders, and management partners to enhance the campus' fiscal capacity and contribute new neighborhood amenities.

Booking policies will equally weigh financial needs with diversified programming that benefits the City, the Miami Beach Convention Center and the neighboring businesses, hotels, and restaurants.

SIGNIFICANT ACCOMPLISHMENTS

- Administered the City's Small Business Assistance Program and Emergency Small Business Reimbursement Grant Program utilizing \$660,000 in CARES Act CDBG-CV funding respectively, providing grants to a total of 33 small businesses
- Partnered with Florida International University to establish a business incubator program which assists small businesses through consulting and virtual workshops
- Sent welcome/outreach letters to 743 new businesses, creating a sustained relationship and partnership with businesses within our community
- Offered business concierge services to new and existing businesses and visited businesses to identify needs and provide information
- Communicated with 796 contacts through monthly e-newsletter providing information on business resources, opportunities, and events
- Developed a robust, interactive informational resource guide with information on how to start a business
- Actively participated in major conferences and trade shows, including iConnections Global Alts, eMerge Americas, The Venture City, South by Southwest (SXSW), Tedx X, Tech Beach Retreat, Block Professionals Networks, American Digital World Congress, the United States Business Show 2024, FIME, and MDEAT Business Expo by attending, hosting event booths or creating avenues for engagement and speaking opportunities for city leadership

ECONOMIC DEVELOPMENT

SIGNIFICANT ACCOMPLISHMENTS CONT'D

- Implemented the Expedited Plan Review and Permitting Incentive, providing assistance to businesses within targeted industries
- Administered the Job Creation Incentive Program to successfully attract businesses in the technology and financial services industries from outside of the region. Supported the expansion of a financial services firm and a technology firm
- Enhanced and beautified 28 properties through the Vacant Storefront Cover Program
- Launched a parking incentive program to support hospitality, health and wellness, technology and financial services industries
- Provided administrative and technical support for the creation of the 41st Street Business Improvement District
- Achieved financial closing and groundbreaking for the Collins Parks Artist Workforce Housing Project to provide 80 units of workforce housing, a 32-bed dormitory for the Miami City Ballet and 2,200 square feet of ground floor public/cultural use through a public-private-partnership (P3) to activate the cultural arts campus
- Collaborated with the Office of Capital Improvement Projects to promote community outreach and engagement with respect to General Obligation Bond Project #40 — 41st Street Streetscape Project
- Worked with the Office of Capital Improvement Projects to promote community outreach and engagement with respect to General Obligation Bond Project #40 — 41st Street Streetscape Project
- Issued a Request for Letters of Interest for mixed-use development on city-owned surface parking lots near 41st Street
- Launched the North Beach CRA District Office
- Normandy Fountain Enhanced Activation by providing additional outdoor seating and public activation at the Normandy Fountain
- Launched the Commercial Lease Subsidy Program for the Art Deco Cultural District with a focus on transitioning legal nonconforming uses to permitted uses

SIGNIFICANT ACCOMPLISHMENTS CONT'D

- Retained an Economic Development consultant while providing administrative oversight for the conduction of a market study which focuses on hotels and short-term rentals to identify Miami Beach hotel pipeline as compared with comparable tourism and hospitality-driven locales
- Administered North Beach CRA Beautification Initiatives: Commercial Façade Improvement Program and Residential Property Improvement Program
- The Miami Beach Convention Center welcomed new and repeat business utilizing all 4 exhibit halls and using all new areas of the building. Art Basel 2023 welcomed its highest number of attendees, the Miami International Boat Show received national accolades, and the innovative and creative Emerge Americas conference attracted the next generation of financial services and tech influences to the campus.
- Through the leadership of the Greater Miami Convention and Visitors Bureau, the Department supported the creation of the Innovation Think Tank – a group of clients, potential clients, event planners, and influencers to provide feedback and strategic insight on strength, weaknesses, opportunities and threats to the advancement of the Miami Beach Convention Center and group bookings
- Launched monthly commercial business engagements where the team made in-person visits to businesses to learn firsthand about issues through an informal conversational approach that develops and maintains relationships

Achieved Fifty Percent completion for Collins Park Artist Workforce Housing Project.

ECONOMIC DEVELOPMENT

CRITICAL SUCCESS FACTORS

- Enhance marketing and communication with residents, property owners and business operators to better support business attraction and retention
- Proactive engagement and attraction of targeted industry sectors to Miami Beach
- Adoption and adherence to economic development strategies and best practices
- Improved website and data development to ensure thorough and relevant information is available and accessible to the public
- Provide technical assistance, concierge services, grants and incentives as business resources
- Market and interact with business and development communities to expand private investment in the City
- Leverage City-owned assets to attract targeted industries
- Continue efforts to reduce regulatory obstacles and remove barriers to success
- Provide continuing education opportunities for staff to stay current on market trends and industry standards
- Increase communication, education and community engagement for Economic Development Department initiatives
- Leverage City-owned assets to increase opportunities for workforce and affordable housing, retail, office and increased activation of public spaces
- Assist in providing services and amenities that benefit the community through contractual relationships and agreements
- Develop the memorandum of understanding for the creation of the 41st Street Business Improvement District
- Informing and educating the residents and businesses within the North Beach CRA about the benefits of the district
- Increase stakeholder engagement opportunities to gauge interest in various economic development initiatives and business sectors
- Management and growth of the Miami Beach Convention Center Rum Room and Venue operations
- Increase the Convention Center sales goals, prospects, tentative and definite clients

CRITICAL SUCCESS FACTORS CONT'D

- Develop comprehensive management guidelines for the use of Pride Park and Collins Canal Park

FUTURE OUTLOOK

The City and businesses continue to adjust business models and perspectives on where and how to operate. National firms have shown that they are willing to move their entire base of operations to be near strong labor pools and desirable climates.

Miami Beach offers an unmatched density of favorable tapestry profiles. The population of the city is well-educated and diverse. Residents enjoy the vibrant lifestyle that Miami Beach offers. The affordability of the North Beach neighborhood has attracted a high concentration of millennials, and bachelor's educated individuals. The availability of a talented, educated workforce with specialties at varying career levels, is the most important resource to office-using businesses.

Miami Beach is also a significant driver of foreign investment, which brings jobs, diversity and an increase in the value of real estate. Over the past five years, foreign investment has made up about 30% of total capital market activity within the City. The City is also seeing an influx of businesses and workers from New York, California and other urban centers with strong technology and financial services hubs.

Efforts that focus on improving, diversifying and growing the live-work-play dynamic in the City while encouraging access to affordable workforce housing, and transportation will build a sustainable economy. Notwithstanding its evident desirable characteristics, Miami Beach carries with it the advantage of being an "established" sub-market vs. being an "emerging" sub-market. This distinction often leads to higher office occupancy rates and rents.

New development projects, public-private partnerships, economic revitalization programs along with the accessibility of business resources and services are critical to continuing on the pathway to a robust, flourishing, and balanced economy

