

Memorandum



Date: March 31, 2021

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

Agenda Item No. 2(B)(3)
May 4, 2021

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Report on Recommendations for Economic Development Recruitment Strategies
Targeting Technology Companies

This report is in response to Resolution No. R-57-21, sponsored by Commissioner Cohen Higgins and adopted by the Board of County Commissioners (Board) on January 21, 2021, which directed the County Mayor or County Mayor's designee to develop recommendations for economic development measures on both the local and state levels to attract technology companies, entrepreneurs, and investors to relocate their headquarters to Miami Dade County, and to encourage and foster technology start-ups to launch locally and for established technology companies currently existing to remain in the County.

On February 25, 2021, my Administration released ReNew305, the framework for my plan on creating economic development initiatives that support local businesses and target existing industries and entrepreneurs for relocation to Miami Dade County. A major focus of ReNew305 is the tech industry. Broadly, the plan includes five key actions:

- **Revive** Miami-Dade's startup and scaleup community, prioritizing connectivity, environmental and economic opportunities.
- **Explore** Miami-Dade initiative to support the area's vibrant recreation and tourism entrepreneurs and industry.
- **Network** of CEOs and Business Leaders ready to invest in Miami-Dade's Future.
- **Economic** partnerships that harness innovation, corporate opportunities, and Miami-Dade County's unique resources to support the growth of startups and scaleups.
- **Workforce** and upskilling training programs to develop the talent pool for existing businesses preparing to scale as well as companies relocating to Miami-Dade County.

To achieve these goals, my staff has been working with the Miami-Dade Beacon Council and other community partners. The attached report, developed by the Beacon Council, provides several steps the County can undertake to attract technology companies, entrepreneurs, and investors to Miami-Dade County and further strengthen and expand the local tech ecosystem. This report will be placed on the next available Board agenda pursuant to Ordinance No. 14-65.

Should you require additional information, please contact George Andrews, Senior Advisor of Policy and Planning, at George.Andrews@miamidade.gov.

Attachment

c:

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Miami-Dade County Tech Plan (Resolution #R-57-21) Preliminary Ideas | March 23, 2021

Introduction

The COVID-19 pandemic has accelerated existing trends in myriad ways. But a trend we are experiencing in a potentially transformative way across Greater Miami is the movement here of people and companies in tech and finance. It's a migration that has triggered national and international attention.

It also presents a unique opportunity to leverage the attention and energy of this moment to bring forth projects and initiatives that can achieve generational change.

Successful centers of innovation are built on many factors. But governments can play a key role, and no government entity in South Florida has the financial resources, government assets or real estate to drive generational change like Miami-Dade County government. This memo presents ideas for the Miami-Dade County government to consider in such an effort.

On Jan. 21, the Miami-Dade County Commission adopted Resolution R-57-21 requesting a formal report from the Mayor's office, in collaboration with The Beacon Council, that outlined recommendations on how to maximize this moment as it relates to technology in terms of attracting and retaining companies, entrepreneurs and investors. This memo serves as a starting point to generate ideas and present recommendations, each of which could fit within the Renew305 plan. The ideas here are informed by The Beacon Council's long-term economic development work in the technology and innovation sector, lessons from ongoing efforts across the community to build Miami's entrepreneurial ecosystem, and more than 150 interviews and conversations with entrepreneurs, funders, and other stakeholders the past three months.

Goals

We aim to address the questions outlined by the Miami-Dade County Commission regarding ways to: 1. Attract technology companies to relocate to Miami; 2. Attract entrepreneurs and investors to relocate to Miami; 3. Encourage technology startups to launch and remain in Miami-Dade County; 4. Retain and promote the development of technology companies currently existing in the County.

But speaking more broadly, the goal here is to develop a plan that leverages this unique moment to drive generational change and take a giant step in making Miami a hemispheric leader in terms of innovation, economic inclusion and sustainability.



Tenets

In sharing these recommendations our economic development work is underpinned by three principles: drive innovation and job creation; dramatically expand opportunity and inclusion; and achieve significantly higher levels of sustainability and resiliency. We apply these tenets in two ways: one, we seek to accelerate them in anything we do; and two, if anything we do violates these tenets, we don't do it.

State of Play

Over the past decade, efforts to grow Miami's tech and startup community have steadily produced results. As a point of reference, the Knight Foundation program focused on building Miami's tech community was [launched in 2012](#). Since then, an ecosystem of co-working spaces, incubators and accelerators, angel networks and VCs, meetups and annual conferences, code schools and university programs have developed. It fostered a belief in Miami's promise as a center of innovation, but also showed itself to be an ecosystem that can actually scale startups.

Cyxtera Technologies, the Coral Gables-based cloud computing infrastructure company, in February became a publicly-traded company valued at \$3.4 billion. Pet e-commerce company Chewy, started in 2011 by two co-founders in Dania Beach, today employs more than 18,000 people and is publicly traded with a market cap of more than \$40 billion. Nearpod, an EdTech company founded in 2012 and also based in Dania Beach, today employs 290 people and had an exit in February of \$650 million. Meanwhile, other South Florida startups are poised for significant growth. Brickell Key-based REEF, founded seven years ago and supported by The Beacon Council, has raised \$2.3 billion in venture capital and employs more than 3,000 full-time and part-time workers.

In recent months, COVID has sparked a mass migration of entrepreneurs, investors and companies from San Francisco and New York City that presents the opportunity for our region to make giant strides in this long-term effort. Recent arrivals include Silicon Valley investor Keith Rabois and New York City entrepreneur Jon Oringer. In January TechCrunch declared that Miami is ["The Next Hot Tech Hub."](#)

Lessons Learned

There have been many lessons, but some highlights as we consider next steps:

- Building an ecosystem that produces innovative companies and jobs is a long-term effort requiring an ongoing, consistent commitment of resources and leadership, but there are moments when big gains can be made. This is one of those moments. It's a time for big bets.
- Amid COVID, people are assessing where they work and live. Miami is on the map of desired places like never before. The challenge now is ensuring more choose to stay longer-term.
- We must be intentional about building an ecosystem that is inclusive and creates opportunity across our community. We have seen the opposite in leading centers of innovation, such as San Francisco. In those cases, inequities widened, narrow parts of



the population benefited, and tech became increasingly viewed as a divisive presence. We must avoid this by including all stakeholders in the community.

- Quality of life, arts, a diverse and international population, affordability, and a revitalized urban center along with distinctive neighborhoods, are key underpinnings to a robust tech ecosystem.
- Recruiting tech-driven large companies such as Blackstone and seeing incumbent Miami companies become more tech-enabled, such as the cruise lines, are important elements to building Miami's tech ecosystem and help address the "next job" challenge.
- Fundamentally, successful centers of innovation require two things: capital and talent. Increasingly, the capital issue is being solved in Miami. We must lean into the talent question.
- While Miami is a strong brand globally, the scope and scale of our business community – including the opportunities and innovation it is driving – are not fully understood. Ideas of living and working in Miami are often limited or outdated, which impacts our ability to attract and retain both businesses and talent, especially in the technology sector. Establishing leadership in technology and innovation as a core priority that Miami-Dade is committed to long-term requires a "rebrand" that shifts perceptions about this community, ensures top-of-mind awareness and drives engagement with the expanded brand. To do so successfully we need to commit to a consistent investment in strategic marketing and communications that establish this part of our brand's identity and builds it as our tech hub evolves.
- Things are fluid and can change quickly. Just as techno-optimism turned to tech-lash in the Bay Area, attention could quickly turn away from Miami and this COVID winter migration could recede. If we are going to act, it makes sense to act quickly.

Strategic Priorities

There are three broad areas where Miami-Dade County government can play a leading role in dramatically advancing technology and innovation: Infrastructure and Real Estate; Education & Workforce Development; and Attraction & Retention of Businesses and Talent.

Infrastructure and Real Estate

Tech Education Partnership

Present a request for proposals from world-renowned engineering schools to build an applied science graduate school campus on county-owned land in Miami-Dade County. This would be done in partnership with Miami's universities, colleges and public school system. The vision is a project anchored by a globally leading engineering graduate school and include Miami-area educational institutions. Currently there are prime parcels of county-owned land across the metropolitan area that could be redeveloped.

The aim would be to capitalize on the attention Miami is currently receiving to recruit a globally leading tech institution that attracts students and attention from around the world, adding to the tech education resources we already have across Miami. In so doing, produce tech talent



and innovation that – along with Miami’s existing universities and colleges – drives our economy for generations to come.

This graduate school for applied science could also connect to residents across the county through online and in-person programming at each of the County’s 50 library branches. Along with Miami-Dade universities, colleges and universities, the project could include various code schools for all ages, tech youth programs, accelerator and entrepreneur support programs, and partnerships with private sector leaders. In sum, serve as a nexus between business and education including graduate level education, research, startup activity, technology commercialization and community learning.

This would mirror an effort on New York City’s Roosevelt Island called [Cornell Tech](#). In 2011 then New York City Mayor Michael Bloomberg published an RFP for the construction of an applied sciences graduate school campus. The winner would receive \$100 million and free land. Educational institutions around the world submitted proposals. The winners were two educational institutions: Cornell University and Technion, Israel Institute of Technology. To date, five acres of a planned 12 acres have been completed.

Tech Fund

Leverage this moment of tech enthusiasm by establishing a significant funding source to propel Miami-Dade County’s tech future. This could be a General Obligation Bond, tax-increment financing or some other funding source. The aim would be to create a meaningful, ongoing resource to support learning and infrastructure efforts in tech that would drive innovation, widen opportunity and increase inclusion. This could include educational initiatives such as data science learning for underrepresented groups; scholarships to ensure universal access to engineering degrees and certificates; support transformational educational projects such as Miami’s Roosevelt Island; and delivering high-speed internet in every part of the County.

There is ample precedent. Miami-Dade County has previously established funding mechanisms to pursue development of key community priorities, such as developing our art and cultural life, parks and affordable housing, among other areas.

High-Speed Internet

Deliver high-speed internet to every home and business in Miami-Dade County. The private market continues to leave out too many people. Increasingly high-speed internet is required for access to online education, employment, banking, healthcare and government services. The uneven access and service undermine economic development across the metropolitan area. Recently, the Miami Connected initiative was launched, aiming to provide high-speed internet to more than 100,000 students and their families across Miami-Dade County. This would seek to build upon this work, ensuring all residents can be full participants in our tech-enabled future.



Government Facility as Innovation Catalyst

Identify one major Miami-Dade County government facility and make it a major test case for all forms of innovation, sustainability and community engagement. For instance, PortMiami could serve as such a site, including experiments ranging from renewable energy and trade and logistics innovations to cruise line tech and monitoring sea level rise.

Education and Workforce

Developing Greater Miami's workforce of the future will be a layered approach from continuing education and graduate programs to K-12 and undergraduate learning.

Continuing Education in Tech

Support a range of certificate programs, upskilling and reskilling opportunities in tech education. This includes coding bootcamps, workshops and courses. An example is Correlation One's Data Science For All campaign which offers 13-week data science learning programs focused on underrepresented communities, specifically women and students of color. This could also include collaborations with institutions such as Frost Science.

Tech Tuition Support

Provide tuition support ensuring that all residents of Miami-Dade County have financial access to earn tech degrees at Miami area colleges and universities, including Florida International University, University of Miami and Miami Dade College.

K-12 partnership

Partner with Miami-Dade County Public Schools to support the development of computer science faculty, learning and internship programs. This could include incorporating private sector partners – such as Amazon, Google, Facebook, and Softbank – to contribute to program development, curriculum, teaching and other resources for K-12 STEAM activation.

Accelerators

Support nationally and globally acclaimed accelerators in Miami focused on public challenges, such as climate change, sea level rise and economic inclusion. Alternatively, the accelerators could also focus on target industries, such as healthcare, trade and logistics and finance.

Attraction and Retention of Businesses and Talent

Continued Outreach and Engagement with Prospective Companies

As one of our target industries, attraction and retention of technology companies have been a priority for The Beacon Council's development efforts. Large-scale tech firms can be an important ingredient in helping build and develop the talent that can drive the broader tech and startup ecosystem. Dedicated recruitment of technology and technology-enabled jobs will continue to be a priority for the economic development team, leveraging local partners and resources, including the Mayor and County Commissioners, CEO Ambassadors, local elected leaders and economic development organizations, and the Academic Leaders Council to strategically to maximize our competitive advantages.



Targeted Performance-Based Incentives are an important tool, particularly as it relates to attracting larger tech firms. With this in mind, priorities include:

- County support for the reinstatement of the Qualified Target Industry tax refund, which is currently pending the Florida Legislature.
- Explore opportunities for new local incentives beyond the county's Targeted Jobs Incentive Fund that incentivizes the creation of high wage technology-based jobs.

Livable and Affordable Cities Initiatives

Affordability and livability are critical in attracting and retaining workers. Pursuing and highlighting efforts aimed at generating more workforce housing, activating parks and public spaces, and expanding mass transit and mobility (ranging from protected bike lanes to autonomous cars) are critical to fostering an environment where people want to live, work and start companies.

Marketing and Communications: Branding Miami as a Tech Hub

In order to position Miami-Dade as an innovative technology hub and successfully attract and retain technology-led businesses, talent and students, we need to expand the community's brand to include this dimension. Investment in a long-term, integrated, strategic marketing and communications campaign that educates target audiences, inspires interest in Miami as a center for entrepreneurship and tech innovation, and motivates action is essential to evolving our identity and establishing our position as a global leader.

All three strategic priority areas defined above – Infrastructure and Real Estate; Education and Workforce Development; Attraction and Retention of Businesses and Talent – require dedicated marketing and communications support, with targeted messaging that successfully educates and engage each audience across our target markets. Sustained support would be required, especially during the first 3 to 5 years of the initiative as we begin to strategically expand Miami's brand and establish the community as a significant player on the global technology and innovation stage. High-level snapshot of objectives, strategies, target audiences/markets, and proposed tactics are outlined below.



Marketing & Communications: Branding Miami-Dade as a Tech Hub

Objectives, Strategies, Targets & Proposed Tactics

Objectives

- Position Miami-Dade as a global technology and innovation hub.
- Attract and retain technology-led businesses, entrepreneurs, talent and students.

Strategies

- Establish Miami-Dade's brand as a global technology and innovation hub, highlighting private and public sector assets, access to talent, and long-term commitment to being a global leader in this sector.
- Educate businesses, entrepreneurs, funders, talent, and students on resources, opportunities and diverse innovation ecosystem that Miami offers.
- Support growth of local companies, communicating opportunities and facilitating access to local resources and talent.
- Actively engage local and external audiences with Miami's tech and innovation ecosystem, driving "stickiness" to help retain talent and businesses, and championing success stories to key demographics as proof points for community's leadership in the space.

Targets for both Attraction & Retention Efforts

- **Target Audiences:** Businesses and Talent
 - Businesses: Includes Companies, Investors, Entrepreneurs, Startups, C-Suite & Site Selectors.
 - Talent: Includes existing workforce as well as students in Technology/Tech-enabled jobs, but also in related tech-enabled industries/sectors. Include remote workers to augment ecosystem/build local talent pool.
- **Target Markets**
 - Key National and International Markets (To Attract Businesses & Talent)
 - Local/State-wide outreach (To Retain Businesses & Talent)

High-Level Marketing & Communications Tactics

- **Public Relations:** Drive placements in local, regional, national and international press.
- **Social Media:** Custom content delivered via organic and paid campaigns on top social platforms (Twitter, Facebook, Clubhouse, LinkedIn, etc.).
- **Other Paid Media:** Digital, Audio (podcast/radio), Print, Video (online, in-flight, etc.), OOH, etc.
- **Influencer Content:** CEO Ambassadors (in partnership with ReNew305); MiamiTech Success Stories (businesses & talent); engage tech thought leaders/influencers; promote research/white papers from Miami's tech leaders.
- **Dedicated talent recruitment/placemaking portal** to highlight Miami from a "live/work/play" perspective (ChooseATL.com; TulsaRemote.com) and showcase tech ecosystem (BuiltInSF.com) to talent we are looking to retain as well as attract.

**Tactics are directional and not exhaustive. Will be defined more specifically based on budgetary parameters and strategic plan.*