

City of Coral Gables City Commission Meeting
Agenda Item I-2
March 23, 2021
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Raul Valdes-Fauli
Vice Mayor Vince Lago
Commissioner Pat Keon
Commissioner Michael Mena
Commissioner Jorge Fors

City Staff

City Manager, Peter Iglesias
Assistant City Manager, Ed Santamaria
City Attorney, Miriam Ramos
City Clerk, Billy Urquia
Economic Development Director, Julian Perez

Public Speaker(s)

Agenda Item I-2 [1:27 p.m.]

Presentation of the City of Coral Gables Business Recovery Task Force Report:
Reopening the Local Economy.

Mayor Valdes-Fauli: I-2, the City of Coral Gables Business Development Task Force -- Business Recovery Task Force. Hello.

Vice Mayor Lago: Hey, Julian. How are you?

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Agenda Item I-2 - Presentation of the City of Coral Gables Business Recovery Task Force Report: Reopening the Local Economy.

Economic Development Director Perez: How are you, Vice Mayor? Mr. Mayor, members of the Commission again, Julian Perez. It's really an honor to be here with you this afternoon and present you perhaps one of the most important documents that I have undertaken in my 30-year -- 37-year career. It's coming close to a completion. And first of all, I would like to start by acknowledging the tremendous work and leadership of our City Manager, our Assistant City Manager, Chief De La Rosa, our City Attorney, and all of us that were a senior group involved in this process from the beginning. Mr. Mayor, one of the things that I will never forget was early on during the beginning of the pandemic, you said something to all of us, and you said basically -- paraphrasing -- we need to come out with something positive out of this crisis. And I'll never forget that. And in doing so, with the rest of the team, we began to scope a plan. Vice Mayor, remember a conversation with you and the City Manager on a Friday that I was extremely, extremely concerned, and you said, "Make sure that you get everybody involved in this plan. It's extremely important that we hear everybody." And I heard you, but I was more and more concerned for what I was seeing from an economic perspective, the direction that we were heading. And you can go back and look at it as history, but those were very, very challenging times that perhaps none of us knew what was going to be next. We were creating policies, we were doing things as we went along. But the fact that we had such a great team, the fact that we were strategically focused and very methodical in this process, and something that I kept saying all the time, I think that we were able to get through. And today, as I come before you for the third time, I feel that we're beginning to see that light, and it's very important that we, as part of this Administration, part of this team, elected official, that we continue to remind people that it's not over and that we need to take certain measures. With that, I would like to take this opportunity to walk you through very quickly what we have done as a team. And with that, if I may, the next slide please. The next slide. The plan that you have before you and that we're giving to you is a plan that is comprehensive, a plan that is strategic and methodical, and a plan that is historical, that hopefully one day this plan would accompany the letter that you wrote to your colleague in France explaining what we were going through and what was the things that you were doing as our City leader. It is comprehensive because we look at best management practice, and we updated our existing plans and guidelines. It is strategic and methodical because we thought through this. We developed models based on

key variables that I'll walk you through. And we also used that to guide us through the reopening of the economy. One of the most important thing -- and everybody will tell you this -- and the most challenging thing was bridging the health crisis into the economic development crisis, and eventually, into the public health -- or mental health aspect. It is historical because it established the basic foundation to plan for unforeseen health crisis or natural disaster. We had some documents available to us, but nothing of what the team had worked for. Next slide, please. The one before that, please. When we started looking at this document, which is the second document -- the first one was on May 6 of 2020 -- Vice Mayor, we wanted to look at best management practices as we convened the task force. And when we did that, we wanted that task force, as well as the Administration, to be able to identify three major areas: health and safety, business operations, and regulatory, and we did that. The next slide, please. You can keep that one. You can keep it. We originally started with our phasing plan recovery that was very well articulated by Chief De La Rosa in one of his early meetings was that there were four things that was part of this phasing program, and that was federal, state, county, cities reopening plan mark the transition from the emergency or crisis management to recovery. And we're going to get to that in a second, very quickly. They mark the beginning of returning to the new normal under protected guidelines, require monitoring to prevent resurgence of the virus, and then the emergency management will take the role of sentinel as the city evolves to a more open society. That was the beginning of the planning phase. At least now we had the beginning of an understanding of how we wanted to go. Based on that -- the previous slide, please, before we get -- we had to identify which was our strategic management recovery. So, we went back and we looked at risk as being the center of what we needed to control. And with that, we needed to find the different phases that we had to go through and that was response, recovery, prevention, mitigation, and preparedness. All of them work interconnected. In a disaster, they tend to work separately, they're mutually exclusive. And once we developed that, then we were able to go back and put together our model to explain each of the phases in terms of short term, intermediate term and long term. And for each of those terms, we went ahead and we identified a series of things that we needed to do in order to make sure that, in the short term, which was the health crisis response, that we kept our City safe and we were able to attend to their needs. From an economic perspective, at that time, our economy was shocked

totally from a demand and supply side. From a supply side, it was the labor aspect of it. Workers stayed at home, empty offices, and so forth. From a demand perspective or side, there was the public health measures, the social distancing, the shift in community activity to home -- in-home activities. So, as you can see, the total economy was in a total shock. In top of that, in March of 2020, the unemployment claims, as you remember we talked about unemployment, shot to 3.3 million Americans out of work. This is probably one of the highest peak of unemployment in the history of our country. The last such event happened in October of 1982 when we had a major recession, and that was 695,000. So, you can see how deep this crisis was and how important it was to be able to plan and to see into the future, and be able to create a model that tried to envision everything that was happening, but provide us with some guidelines -- guidance as we moved forward. And as you can see, we really started in 330 because of some of the information I just gave you, plus there was a series of other federal programs. So, as a department right away, looking to bridge the health into the economic crisis, we identified several variables that we tracked. Unfortunately, we could not quantify because things were changing very quickly, and a lot of it was policy-related, and that was the national health policies that were being implemented right away. The federal financial assistance, the physical aspect of it, at that time, there was almost four different programs, and then the CARES Act came along. Then the local governments crisis response, and that was us at the local level, as you can see, it was coming down from federal, state, local in what we were doing, and making sure that our physical conditions were up to speed in meeting this crisis. Then there was the regulatory flexibility that we came back and you gave our City Manager the authority to be able to undertake a series of other programs. And then obviously, it was containment. And the way that this worked is that if one of those five variables failed, we would go back. Once we had that, we were able to organize our program that is before you in this flowchart. And our reopening programs included three very important phases, so we took the data from the strategic model into this Phase 1, 2 and 3, and as you can see, Phase 1 was the strict guidelines, and that's when we came up with our May 6 plan that pretty much reflected what the state was doing and eventually what the County was going to do. And then when we entered in Phase 2, then there we made sure that we were still following some of the items that we had in Phase 1, but the antiviral as well as the vaccines were now available to us. And we're right now

in a process of 2 and 3 on this plan. As a result of that, a series of goals were set out, and I want to inform you that we have accomplished all of them, except for one, and that is to continue to develop health safety and economic development best management practice measures to ensure that the business community emerges from the recovery more resilient than pre-COVID-19. This is a work that all of us have to continue to work on to make sure that we're more resilient as we move forward. In terms of the tiers, those were the activities that we went ahead and we implemented to implement those goals. And Tier 1 was all about coordination, communication and collaboration, and there was a tremendous amount of information going back and forth. And I would really have to thank our Chamber and Mark Trowbridge for his leadership in a lot of the Zoom workshops and so forth that the Chamber sponsored, and we all worked together on those efforts. Then in Tier 2, coming to conclusion -- which is where we're at right now -- one of the things that we did very successful there was not only to keep the communication moving forward, but we identified this tier as mitigation recovery and prevention. And one of our major accomplishments was to bring the financial system into the overall program. And since we were very clear with our goals, very clear with our strategies, and very clear with the action items, we were able to put forth and successfully acquired 850,000 that we used to help our small business community; 49 of that is being used now for technology, and that's another thing that came out -- one of the good things that is coming out of this is, you know, upgrading our small business community, bringing them into the technology, bringing -- making that technology available to them for them to become more resilient. Again, it's an effort, it's a team effort, and I thank you and the rest of my team members for the opportunity to be able to work on this document, present this document to you, and hopefully as I envision that we are at the beginning of the end where you see the very small light. You can see all of the business activity. The department has never, never lost sight of our mission, and that mission is to be able to attract new businesses, to retain our existing businesses. And during the pandemic, as you know, we were able to successfully bring the seventh largest dairy producer in the world to our city, the Latin America headquarters, not too long ago. Another major corporation is moving to our city. There's a number of other firms, companies that are also moving to our city. In terms of Miracle Mile, that we all talk a lot about, yes, according to (INAUDIBLE), their last report, close to 13 percent vacancy. But what

people don't know is that there's a lot of activities going on in terms of new leases, in terms of new contracts, in terms of new businesses wanting to come to our city. Since the pandemic to the present, when we look at city-wide, the vacancy rate is 2.9, which is very low, very, very low. We have attracted -- since the endemic to hopefully by the end spring, early summer -- 43 new businesses, retail, restaurants, and so forth. And you can begin to see them, but it's just a matter of time, because again, we're going through this phase, Phase 3, that I just mentioned to you, is going to be a very -- is going to be slow, but the way that we're going about it, it's very strategic, very methodical and very safe. And I can tell you again, thanks to my colleagues, and thanks to everybody the way that we're doing it is on pacing, responsible and smart, and that is our program. At this time, if you have any questions, I'll be more than happy to answer.

Mayor Valdes-Fauli: Thank you very much for a wonderful presentation, a very methodical way of doing things, and that's the way to get things accomplished. You're doing a great job, you and your department. So, thank you very, very much for the presentation.

Economic Development Director Perez: You're welcome.

Commissioner Keon: Yeah, thank you very much. You know, the only thing I hear from people in the downtown is they'd like a drug store.

Economic Development Director Perez: Say what?

Commissioner Keon: They'd like you to recruit a drug store for downtown. Since Navarro went out, there's not a drug store downtown, so...

Economic Development Director Perez: We'll keep that in mind.

Commissioner Keon: And I think Target has a pharmacy in it, but they're, you know, sort of more in the North Gables. So, they'd like something sort of centrally located where there is a drug store.

Economic Development Director Perez: We'll keep that in mind.

Mayor Valdes-Fauli: Thank you.

Economic Development Director Perez: You're welcome.

Mayor Valdes-Fauli: Thank you very much.

Vice Mayor Lago: Thank you.

Commissioner Fors: Thank you.