

CITY OF CORAL GABLES
Economic Development Board Meeting Minutes
Wednesday, February 3, 2010, 8:00 a.m.
1 Alhambra Plaza, Suite 617, Coral Gables, Florida 33134

MEMBERS	M	A	M	J	J	A	S	O	N	D	J	F	COMMISSIONERS
Mr. Bertram "Chico" Goldsmith		X		E	P	P	P	P	P	P	P	P	Mayor Donald D. Slesnick II
Mr. Raymond Zomerfeld (Chair)	P	X	P	P	P	P	P	P	P	P	P	P	Vice Mayor William H. Kerdyk, Jr.
Mr. John M. "Jack" Thomson		X		E	P	P	P	P	P	P	E	P	Commissioner Maria Anderson
Ms. Haydee Polo		X		P	P	E	P	P	P	P	P	P	Commissioner Rafael "Ralph" Cabrera, Jr.
Mr. James Casey (Vice Chair)	P	X	P	P	P	A	P	P	P	P	E	P	Commissioner Wayne "Chip" Withers

STAFF:

Mr. Patrick G. Salerno, City Manager
 Ms. Cynthia S. Birdsill, Economic Sustainability Department Director
 Ms. Jessica Wotherspoon, Business Development Specialist

A = Absent
E = Excused Absence
P = Present
X = No Meeting
= Special Meetings

GUEST SPEAKER:

Ms. Tere Blanca, President of Blanca Commercial Real Estate, Inc. and Coral Gables resident

GUESTS: None

Meeting Motion Summary: (No Commission action requested)

- The minutes of the January 6, 2010 Board meeting were approved.

Chair Ray Zomerfeld called the meeting to order at 8:06 a.m.

1. Introductions

2. Attendance

All members were present

3. Approval of January 6, 2010 Board Meeting Minutes

Mr. Goldsmith motioned to approve the Board meeting minutes of January 6, 2010.
 Ms. Polo seconded, and the motion passed unanimously.

4. Discussion with Commercial Real Estate Broker, Tere Blanca, President of Blanca Commercial Real Estate, Inc.

The City Manager introduced Ms. Blanca, thanked her for taking the time to appear before the Board and sharing her insight on what companies look for when they seek to locate their headquarters and corporate offices.

Ms. Blanca thanked the City Manager and commented that she is a resident of Coral Gables and greatly appreciates the degree to which the City strives to provide 24-hour services.

Ms. Blanca explained the most significant key drivers for companies locating to South Florida today are:

- 1) Overall occupancy expense (top driver)
 - a. Real estate costs & availability
 - b. Labor costs & availability
 - c. Housing costs & availability
- 2) Travel infrastructure
- 3) Public education system (particularly the K-12 system)

She further shared that:

- Company decision-makers are attracted to the diverse availability of executive bilingual talent in South Florida as well as the proximity to the Latin American workforce.
- Although economic incentives are an important consideration, and sometimes the deciding factor, they are not the main driver behind corporate location decisions. Florida may be at a disadvantage in terms of economic incentives, as some states offer more incentives.
- Coral Gables has the advantage of having numerous multinational corporations, an established brand and is well-recognized by the multinational community.
- Companies typically determine a location through the narrowing of their consideration of the regional opportunities: They will look at areas that offer the type of real estate their operation needs. They will initially consider all of the possible areas equally without regard for city borders. The companies then evaluate the options according to the most significant drivers: overall occupancy expense, travel infrastructure, and the public education system. Ms. Blanca reiterated that the overall occupancy expense is the top driver, but that consideration is often also given to where the CEO wants to locate his or her home.
- One of the major benefits of Florida is that it does not have a state income tax. This creates a continual influx of companies and entrepreneurs from other states who want to escape high income taxes.
- The importance for the community to welcome corporate executives properly is critical. Companies value being welcomed including the opportunity to get to know the mayor, community leaders and other prominent business executives. People coming from another state or country want to establish a network of friends and contacts, and feel connected quickly. It is important for a community to show that it cares.
- A safe and secure environment is also a vital consideration for companies. It is important for businesses to feel confident that there will be business continuity with regard to their building and location despite uncontrolled events such as hurricanes.
- Having a 24-hour community is an increasing driver. Professionals want pedestrian-oriented environments where they can walk to stores, restaurants and services. They want to feel connected to the community, and they place value on having a good quality of life available both during the day as well as during the night.
- Company executives consider it critical to be able to recruit top talent. The City should leverage UM as it is a tremendous asset with highly ranked schools and programs. The City should also promote innovation and talent development that we have in our local workforce.
- Although the Gables does not have a significant supply of undeveloped commercial real estate available, it does have a great opportunity to leverage what it already has.
- It is critical to, without compromising safety codes, provide a business-friendly environment for developers and companies; one where governmental processes are reasonably expeditious. Ms. Blanca noted there is a perception that the Gables is a difficult place to process development and construction plans.

Ms. Blanca noted that the City would specifically benefit from taking the following steps:

- Identify the core companies in the Gables that provide the highest return value.
- Develop a top 20 or 50 list of companies we want to attract to the City.
- Develop an interactive relationship with the Beacon Council
- Create relationships with the site selectors of targeted companies

- Become a member of CorNet
- Communicate with real estate professionals and educate them on Coral Gables as a place they should recommend to their clients
- Hold a breakfast with the top 25 commercial real estate brokers in South Florida to educate them with a presentation on the City. The City should express to them how it can help them and their clients.
- Coordinate with the Chamber and Beacon Council on some of their outbound missions and consider sending someone from the City to promote Coral Gables
- Represent Coral Gables at trade organizations' events throughout the year
- Market and communicate effectively the assets and all the great aspects of Coral Gables to the potential companies as well as the South Florida community
- Make sure the City is present in various publications that CEO's around the country and world read
- Make sure the City participates in the various international events that go on in South Florida
- Make sure the City stays ahead of the competition in terms of facilitating permitting and integrating executives and employees into the community
- Work closely with the consulate and trade offices

The City Manager noted that it is fundamental to have office product available for companies seeking relocation. The next largest commercial office buildings in the pipeline that will bring significant product to the Gables office market are the 396 Alhambra building followed by the new Ponce Towers building.

Additional topics discussed included:

- Ms. Polo noted the need to address the younger audience in the City's marketing efforts as she sees an increasing proportion of the population getting younger.
- Mr. Zomerfeld shared that the UM business school is pushing strongly for its students to have internships.
- In response a question raised by Mr. Goldsmith, Ms. Blanca commented that the Beacon Council gives out comprehensive marketing materials.
- Mr. Zomerfeld noted the need for balance between enforcing parking meters and deterring patrons from the downtown.
- The City Manager commented briefly on the City's farmers market.

Motion to adjourn made by Mr. Goldsmith and seconded by Ms. Polo.

There being no further discussion, the meeting was adjourned at 9:10 a.m.

Next Economic Development Board Meeting: Wednesday, March 3, 2010 at 8:00 a.m.

Respectfully submitted,
 Jessica Wotherspoon
 Business Development Specialist
 Economic Sustainability Department