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Traffic woes, income gap threaten Miami's emergence as global city

HIGHLIGHTS

Action on transportation woes, housing affordability and bridging the economic divide needed now to further advance economy, according to FIU-Miami Creative City Initiative

Findings of new report will be discussed at Greater Miami Chamber of Commerce's 2016 Goals Conference

Richard Florida and his Creative Class Group authored the study with Florida International University



Urbanism expert and economist Richard Florida also spoke at the Greater Miami Chamber's Economic Summit in January. Nancy Dahlberg ndahlberg@miamiherald.com

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With 5.8 million residents and an economic output of more than \$300 billion, the Greater Miami regional economy is one of the largest in the world, comparable to Singapore or Hong Kong.

Urbanism expert Richard Florida said he doesn't think people realize just how big and economically powerful the region is. "Miami still thinks of itself as a tourism economy, a hospitality economy, a real estate economy; it doesn't see itself as a global city," said Florida, director of the Martin Prosperity Institute at the University of Toronto and Visiting Fellow of the [FIU-Miami Creative City Initiative](#).

Florida and his Creative Class Group have authored a study on the current state of the economy with Florida International University, which will be released during Thursday's morning session of the [Greater Miami Chamber of Commerce 2016 Goals Conference](#), the organization's annual two-day planning retreat being held at the Hilton Downtown Miami.

The 34-page study, titled "[Miami's Great Inflection: Toward Shared Prosperity as a Creative and Inclusive City](#)," is a data-driven analysis of Miami's economy and talent base, as well as the results of several focus groups with local business leaders; it is designed to spur conversation and strategic thinking, Florida said. For the report, a first step in a multiyear study, researchers examined Miami's economic progress and studied the divides and challenges it faces.

"Miami has almost become a global city by accident, without a plan," said Florida, who lives in South Florida part time. "The point of the report is that it is time for a plan now. We need to think about this region as a region ... and act collectively with Broward and Palm Beach."

Indeed, Miami has reached a crisis of its own success, Florida said, citing traffic woes (12th-worst in the country) and housing affordability, which must be addressed to be a truly great city, he said. Furthermore, Greater Miami is one of the nation's most unequal and segregated metros, with a level of income inequality on par with Nicaragua or Zimbabwe, and ranking seventh in the nation [for income inequality](#), the report said.

Yet, significant challenges present opportunities, and the report made recommendations, including leveraging the region's role as a globalization hub, including port and airport improvements; upgrading the region's service sector with suggestions for higher-wage occupational categories to focus on growing; broadening the thriving creative economy, which combines arts, fashion, music and media; and capitalizing on the "brain circulation" from Miami's hub of college students who tend to stay. The metropolitan area ranks 8th in the nation for college students per capita and has a 67 percent retention rate of graduates, ranking 16th.

The report also recommended deepening the region's growing startup ecosystem, and noted that there's work to do, with Miami ranking 101 out of the nation's 250-plus metros in its Technology Index. It also placed 148th out of 200 metros on the Milken Institute's High Tech Index, and MIT [and the Kauffman Foundation studies unveiled](#) data showing substantial difficulties with scaling companies. However, Florida's report noted that the region's projected rate of growth for high tech jobs is a substantial 15 percent.

Among the recommendations, Florida said the Miami region, which is already rich in urban neighborhoods that attract and nurture startup energy, should do more to leverage its other creative economy strengths beyond technology — including arts, culture, fashion, music, design, media, entertainment and food. [Read the study here.](#)

“It is clear from this study and [others that we have done at FIU](#), that as a community we have challenges but also golden opportunities to shape our future,” said FIU President and Greater Miami Chamber Chairman Mark B. Rosenberg. “We must harness the entrepreneurial energy in South Florida into ventures that will lead to jobs and wealth accumulation.”

Florida said in future years, the study team will likely do a deeper dive into key aspects of the creative knowledge economy and also upgrading the service economy, as well as Miami's role as a global city and its connections with Latin America, the Caribbean, Europe and Asia.

Florida's presentation on the report and a panel discussion takes place Thursday morning. Other topics that will be part of the Goals Conference are Cuba, sea level rise, transportation, Asia ties and cybersecurity.

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