

Location Report

Miami is on the Rise

Miami - Miami and Miami Beach, once a refuge for retirees and those looking for fun and sun is on the rise as a great economic powerhouse, according to a new report from Florida International University and the Creative Class Group, "Miami's Great Inflection: Toward Shared Prosperity as a Creative and Inclusive Global City."

For the report, a first step in a multi-year study, researchers examined Miami's economic progress and studied the divides and challenges it faces. "Miami has a window of opportunity to capitalize on its economic strengths, explained Richard Florida, Director of the Martin Prosperity Institute at the University of Toronto and Visiting Fellow of the FIU-Miami Creative City Initiative.

"Greater Miami's best days are ahead of it. It has amazing quality of place, green spaces, walkability, great weather, beautiful beaches and parks. It has a world-class airport with international connectivity and has a port for major waterways. These attributes are making it a place that is attractive to a large number of entrepreneurs and the Creative Class," stated Richard Florida.

The report unveils 10 key areas of opportunity for building a greater economy:

- **Take Even Greater Advantage of the Region's Size and Scale.** Greater Miami is one of the largest economic regions in the U.S. and the world, comparable to Singapore and Hong Kong. Miami is also the hub of the So-Flo mega-region, which extends to Tampa and Orlando and produces more than \$750 billion in economic output.
- **Leverage the Region's Role as a Globalization Hub.** With its global airport and port, Miami is the economic and financial hub of Latin America and increasingly a gateway to Europe and the world. It also now ranks as one of the 25 most important global cities.
- **Broaden and Deepen the Region's Growing Startup Ecosystem.** With approximately \$300 million in venture capital in 2015, Miami's entrepreneurial ecosystem ranks 16th among U.S. metros. The broader So-Flo mega-region took in nearly \$600 million in venture capital, roughly comparable to Greater Chicago or Austin.
- **Build a Fully Creative Economy.** Greater Miami is home to roughly 700,000 Creative Class workers; there are nearly 1.7 million Creative Class workers in So-Flo mega-region. The

region's economic future lies in the full breadth of its creative economy.

- Upgrade the Region's Service Sector. 1.3 million Miami residents have service sector jobs. By upgrading these low-pay, low-skill jobs, the region can bolster its middle class while increasing the productivity and competitiveness of its hospitality, tourism, and service sector across the board.
- Capitalize on Brain Circulation. Greater Miami is home to 438,000 full-time and part-time students, making it the eighth largest "college town" in the nation. It ranks 16th of the 50-plus metros with populations of over a million with its 67% retention rate of graduates. The future key is to capitalize on Miami's role as a hub in the process of "brain circulation" from around the world.
- Promote the Region's Tolerance and Diversity Strengths. Greater Miami is one of the most open-minded and diverse metros in the nation. Four in 10 of Miami's residents are foreign-born, a larger share than that of even New York and Los Angeles. Miami ranks 16th among large metros on the Gay and Lesbian Index, which measures the concentration of same-sex couples.
- Use Quality of Place as an Economic Driver. With its warm climate, spectacular coastline, world-class arts and cultural infrastructure, and the amenities of a large, global city, Greater Miami has a significant "quality of place" advantage that is critical in attracting and retaining talent.
- Engage All of Miami in Inclusive Prosperity. Miami suffers from many of the growing divides that vex other large, successful global cities and metro areas. 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.
- Address the Region's Growing Crisis of Success. Greater Miami has reached an inflection point in its growth. The average greater Miami commuter wastes more than a week of work (52 hours) annually stuck in traffic, the 12th worst in the country.

"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 Mark B. Rosenberg. "We must harness the entrepreneurial energy in South Florida into ventures that will lead to jobs and wealth accumulation."

Key Miami Facts:

5.8 million residents
\$300 billion gross regional product
682,000 in Creative Class
1.3 million service sector workers

\$300,000 in venture capital investment
438,000 full-time and part-time students
67% graduate retention rate within the region
4 in 10 residents are immigrants
7th among all U.S. metros for income inequality

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