



The Miami-Ft. Lauderdale-Palm Beach Metropolitan Statistical Area

The Region

In 2003 the U.S. Office of Management and Budget united four counties and 5.2 million people from the South Florida region into a single Metropolitan Statistical Area. This new area, the Miami-Fort Lauderdale-Palm Beach MSA, included the counties of Miami-Dade, Broward, Palm Beach and Monroe. It trails only New York, Los Angeles, Chicago, Philadelphia and Dallas in regional population.

South Florida is a hub of international trade. One of the region's leading export industries is professional services to Latin America, thanks in part to the region's diverse and multilingual workforce. Roughly 40% of the region's population is foreign born. It ranks second among the top 50 metro areas in exports and 11th in a measure of fast growing companies and business start-ups, according to the Progressive Policy Institute's New Economy Index.

The liberalization of trade that is expected from the U.S.-Central American Free Trade Agreement and the Free Trade Area of the Americas will likely reinforce this regional strength. The U.S.-Central American Free Trade Agreement was largely completed by the end of the 2003 and now awaits Congressional approval. Participants in the Free Trade Area of the Americas hope to conclude negotiations by 2005.

While strong on international trade, the Miami region does not have a large goods-producing sector. The region is home to very few corporate headquarters and Fortune 500 companies. In 2004, the region was home to Lennar and Ryder System, its only Fortune 500 companies.

The region relies heavily on professional services for wealth creation. Still, it lags the U.S. metro average for household income by more than \$11,000. South Florida's poverty rate in 2000 was 15.3%, much higher than the U.S. metro average of 9.0%.

Besides international development and economic growth, South Florida's other top regional issue is regional cooperation. In a region where business and civic leaders have long operated mainly within county boundaries, a group of chief executives recently created the South Florida Regional Business Alliance. The Alliance held its first leadership summit in November of 2003, forging new partnerships among public/private economic development organizations in Miami-Dade, Broward and Palm Beach, South Florida's three largest counties.

The Business-Led Organizations

The South Florida Regional Business Alliance is the region's newest business-led

organization. It grew out of a 2002 meeting of the chairpersons of business-led organizations from the area, and is now the only group of chief executives that addresses issues across the three counties. The Alliance's 24 Board members focus on regional transportation, cooperation and net economic growth. "That focus is by design," said Ralph Marrinson, Chairman of the business leadership group and the Broward Workshop. "The Regional Business Alliance tries not to be all things to all people," said Marrinson. "We want to focus our efforts and make things happen."

The Greater Miami Chamber of Commerce is the largest chamber of commerce in Florida. It is focused on promoting economic growth and development in South Florida. Most of its roughly 2,500 member businesses are from Miami-Dade County, with a small number from Broward and Palm Beach counties. In 2003 the Chamber Board elected a new Chairman, Peter Roulhac, and named Isilio Arriaga its first Hispanic President and Chief Executive in heavily Spanish speaking South Florida. The Chamber's most recent regional priorities have been transportation, higher education, juvenile crime and regional legislative cooperation.

There are many other chambers of commerce across the region. Broward County alone has more than 15 chambers such as the Greater Ft. Lauderdale Chamber of Commerce and the Broward County Chamber of Commerce.

The area is also home to three county-based CEO-led organizations. The Miami Business Forum is a coalition of business leaders from Miami-Dade County, while the Broward Workshop includes chief executives and presidents of Broward County's largest businesses. The Economic Council of Palm Beach County is an invitation-only group of chief executives from Palm Beach County. These last two organizations are part of the Regional Business Alliance of South Florida.

The InternetCoast is another new business-led organization in the region. Formed five years ago, InternetCoast is made up of technology companies and organizations operating in Southeast Florida. About 3,500 members belong to its distribution list. InternetCoast's mission is to promote the region as a global science and technology hub. Its regional priorities focus on technology issues. One priority has been the creation of a "last mile plan" to bring leading-edge technology to underprivileged communities, educational institutions and commercial centers in South Florida. (See box on next page.)

The Regional Business-Civic Landscape

Until a few years ago, it was rare for South Florida's major business-led organizations to cooperate. Each organization had its own projects and priorities. That changed in the late 1990s, when Miami-Dade, Broward and Palm Beach counties agreed to jointly pursue economic development projects. The cooperative spirit was short-lived. Just two years later, Miami-Dade leaders accused Broward officials of violating the agreement by offering Delta Airlines \$200,000 to move a call center across county lines from Miami-Dade into Broward.

INTERNETCOAST ATTACKS THE DIGITAL DIVIDE

InternetCoast received two grants totaling \$1.6 million from Florida's Agency for Workforce Innovation to develop programs addressing the region's digital divide. The resulting Career Paths for Youth Programs provided career preparation, job-shadowing and internships for low-income youth from 14 to 21 years old in Broward, Miami-Dade and Palm Beach counties. The projects matched youth in low-income communities to technology resources.

For one project, the Boys and Girls Clubs provided the basics of computer training and employment skills to youth and their parents. The biggest challenge was the lack of access to structured content. Youth knew how to download music, but didn't know how to use technology as an educational resource.

The three projects served 1,054 youth. The projects tested the youth participants to determine changes in attitude, behavior and performance. Measurable gains were realized in all of the categories.

For more information, visit www.internetcoast.com

This setback forced the region's business and economic development leaders to redouble their cooperative efforts. A new chance for regional cooperation arose in 2002-2003 during the recruitment to Palm Beach County of a branch lab of the Scripps Research Institute, a biomedical firm that promised to bring over 500 jobs. Business leaders rallied around a multi-county lobbying effort, and supporters sold the project as a benefit to all of South Florida. Scripps ultimately brought its lab to Palm Beach, marking the region's first cooperative victory in years.

Each county still has its own chambers of commerce, economic development partnerships, and CEO-led groups, which add up to a crowded business-civic landscape. Some of these organizations are more active than others on a regional basis.

The Greater Miami Chamber of Commerce, for example, has played an active role promoting higher education. The Chamber helped create the South Florida Consortium of Higher Education, a group of public and private institutions from Palm Beach, Broward and Miami-Dade counties that highlights the role of higher education as a regional economic engine. The Chamber provides staff members for the Consortium.

Another active regional player is the Regional Business Alliance, which has become South Florida's leading business voice for regional cooperation. The Regional Business Alliance's first success was the creation of the region's first multi-county transportation authority. The Alliance wrote and lobbied for legislation to create the South Florida Regional Transportation Authority. On June 20, 2003, Florida Governor Jeb Bush signed legislation that created the Authority. The Authority will plan South Florida's transportation projects with a regional focus, the first time that's occurred in the region. The Authority will also provide inter-county rail and bus service.

The Regional Business Alliance played a significant role in the Authority's creation, fostering a new recognition in the business community of the importance of regionalism. "Never before has the South Florida business community joined forces in this way on an issue of such magnitude," said the *Sun-Sentinel* in a June 3, 2002 editorial.

The regional effort also included metropolitan planning councils and organizations, local elected leaders and other business chambers. The Greater Miami Chamber of Commerce, for example, helped set up a political action committee to promote and help pass a new half cent sales tax to fund the transportation authority's transit programs.

The Regional Business Alliance acts with an eye to wider regional issues, while the chambers and economic development organizations serve as resources to wider regional efforts. The Regional Business Alliance, for example, has rallied cooperation on county-based economic development efforts. Up until a year ago, the counties competed with each other for new business. The Regional Business Alliance has been instrumental in inspiring cooperation among South Florida's three economic development organizations — the Broward Alliance, the Beacon Council and the Business Development Board of Palm Beach County. At the Regional Business Alliance's behest, the three groups signed a "non-compete" agreement, and their executive directors have begun to coordinate on business development issues.

What's more, on January 9, 2004, the Beacon Council and Broward Alliance held their first joint executive committee meeting. More than 40 members of both organizations' executive committees attended the historic event, as did representatives from the Business Development Board of Palm Beach County. "This meeting is important because it is the first of its kind in the history of both organizations," said Frank R. Nero, President and CEO of the Beacon Council. "Based on the success of this first meeting, we believe this to be a benchmark in the region for continued regional cooperation."