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The City of North Miami

Tech NOMI

Tech Industry Development Initiative



Capturing the Moment

The City of North Miami is Uniquely positioned to generate new Tech Sector job growth, capitalizing on the region's growing strength as a national Tech Industry Hub and the City's established strengths in professional services, business services and manufacturing.

Building the City's Tech Sector will require a focused effort, a dedicated organizational infrastructure, and new financial resources.

The *Tech NOMI* initiative is an 8-point plan to quickly launch the City to the competitive forefront in the race for new Tech sector business and employment.

What is the Tech Sector?

The Advanced Industries Sector:

50 Industries across
Professional & Business Services,
Manufacturing, and Energy
Production that Lead Innovation and
Economic Growth Across the US
Economy

Services

5413 Architecture & Engineering
5416 Management Consulting
5415 Computer Systems Design
5179 Other Telecommunications
5182 Data Processing & Hosting
5112 Software Products
5173 Wireless Telecom Carriers
5191 Web Search and Internet Publishing
5417 R&D Services
2122 Metal Ore Mining
5174 Satellite Telecommunications
6215 Medical & Diagnostic Laboratories
5152 Cable & Other Programming

Energy

2111 Oil & Gas Extraction
2211 Power Generation & Supply

Manufacturing

3344 Semiconductors
3345 Precision Instruments
3341 Computer Equipment
3339 General Purpose Machinery
3391 Medical Equipment & Supplies
3399 Jewelry, Sporting Goods
3364 Aircraft Products & Parts
3253 Pesticides & Fertilizers
3346 Magnetic & Optical Media
3279 Stone & Mineral Products
3333 Commercial & Service Machinery
3336 Engine & Power Equipment
3366 Ships & Boats
3365 Railroad Rolling Stock
3311 Iron & Steel Products
3315 Foundries
3351 Electrical Lighting Equipment
3313 Aluminum Products
3271 Clay & Refractory Products
3342 Communications Equipment
3241 Petroleum & Coal Products
3331 Agri., Constr., Mining Machinery
3251 Basic Chemicals
3343 Audio & Video Equipment
3353 Electrical Equipment
3363 Motor Vehicle Parts
3361 Motor Vehicles
3259 Misc. Chemicals
3369 Misc. Transportation Equipment
3362 Motor Vehicle Body & Trailers
3254 Pharmaceuticals
3359 Misc. Electrical Equipment
3352 Household Appliances
3332 Industrial Machinery
3252 Resins & Synthetic Rubbers

BROOKINGS

Why Promote Tech-Sector Economic Growth?

The Tech / Advanced Industry Sector adds outsized value to local economies

- Innovation Drives Economic growth: 1/3 to 2/3 of all Economic Growth in the US comes from the commercialization of new products, processes, and systems
- The Advanced Industry Sector accounts for 9% of all jobs, but 18% of all sales revenue in the US
- Faster Employment Growth: Advanced Industry Jobs Grew 4.7 times faster than the rest of the economy from 2015 to 2020
- Higher Incomes: On average, Advanced Industry jobs pay 168% more than the US average annual, and as much as 3 times the US average
- Greater Spending: Businesses and workers in the Advanced Industry Sector generate significantly higher spending than the rest of the economy
- Higher Job Multipliers: On average, each new job created in the Advanced Industry sector creates 9.8 other new jobs, while each new job outside the Sector generates 5.9 new jobs
- The Public Sector has an established history of promoting and enabling Innovation
- Regional tech-based Development strategies are becoming the main drivers of economic growth in industrialized nations
- North Miami has the many of the Components in Place to be a Tech-Economy Leader
- Black and Latin Business Owners & Entrepreneurs are Under-represented in the Tech Economy

The Components of Tech / Advanced Industry Sector Growth

1. **An Active and Dynamic Business Structure:** High Rates of Entrepreneurial Activity
2. **A Skilled Labor Force:** Sustains Business Growth & Provides the next generation of innovators, managers and entrepreneurs
3. **Continuous access to education and training:** Tech Sector jobs are highly mobile and change rapidly. Workers need to keep pace with change
4. **Research Infrastructure:** Universities, Federal labs & Private Sector
5. **Commercialization Infrastructure:** Local, Experienced business Services including Law, Accounting, Management Consulting and Logistics
6. **Access to Capital:** Seed, Venture and Traditional Financing
7. **High Local and Regional Demand for Tech Sector Services and Products**

The Sources of Employment Growth

Tech Sector Strategies Need to Focus on How New Jobs Are Created

Building on Local Strengths is Crucial

1. The Expansion of Existing Businesses Accounts for 97% of all New Job Creation
2. New Businesses Account for 2% of New Jobs
3. The Relocation of Existing Businesses into an area account for less than 1% of New Jobs

The City of North Miami

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8-Point Plan



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The Tech NOMI Development Corporation

Focused Public Development Corporations are a Traditional Way to Drive Economic Sector Growth

1

1. Create the *Tech NOMI Development Corporation*, a 501(c)(3) Corporation, Certified as a *Community Development Financial Institution (CDFI)*
2. The TNDC would be a City Development Corporation - Operated at Arms Length from the City, with Oversight Through a Tightly Managed Charter and Contract
3. TNDC will Function as:
 - The City's Tech Industry Ambassador
 - Business Assistance Manager (Tech Concierge)
 - Tech Project Development Manager
 - Tech NOMI Marketing Agent
4. Appoint Highly Experienced Director & Staff
5. Board Includes Mayor, 3 City Councilpersons, and Private Citizens with Experience in Tech, Finance, and Development
6. Create Separate 5-Member *Technology Advisory Council* to Provide Additional Expertise and Secure Partnerships with key Outside Institutions-Universities, Banks, Venture Capital, Job Training
7. TNDC Will also Raise Funding for and Manage the *Tech NOMI Development Fund*

The Tech NOMI Development Corporation

TNDC Advantages

- Stability
- Speed
- Built-In Expertise
- Funding Flexibility
- Business and Entrepreneur Credibility

Build the Tech NOMI Tech Development Fund

A Flexible, Multi-Source
Development and Incentive
Fund

Combination of Cash
Accounts and Partner
Commitments

Tech NOMI can be Funded
with a Majority of Private &
Foundation Funding

2

Tech Development Fund Sources & Uses

1. Seed Funding from City: \$3M to be used for start-up operation costs, grant making and worker passports
2. Debt Commitments from Local Banks: \$50 M to be used as debt financing to leverage grant funds for capital improvements
3. North Miami CRA: \$250,000 per year cash commitment for Tech NOMI expansions and development in the CRA
4. New Markets Tax Credits: Tech NOMI acquires \$10-\$20 M per Year allocation of NMTC Tax Credits, or partners with Institution with existing allocation. Used for property development, each \$1 of NMTC credits leverages \$5 of development
5. \$2M Funding pool, raised over 2 years, from local & national Foundations
6. Accelerator operator funds own operation and brings Venture capital to Tech NOMI Accelerator client businesses. Target \$2-\$5M in first 2 years, ramping up afterward

Total Sources Leverage \$100M in Annual Development

Select Target Industries

The City's Tech Sector Growth will Draw on Regional & Local Tech Sector Demand and Industry Strengths

3

Regional Tech Industry Demand

Miami-Dade County:

- 2,732,718 Population
- 105,305 Businesses
- \$49 B Total Demand for Advanced Industry Services and Products
- Only 38% of Demand Provided for Advanced Industry Products & Services Provided by Local Businesses
- Advanced Industry Sector Employment Grew by 16.4% from 2015 to 2020, compared to 3.7% for the Rest of the County Economy

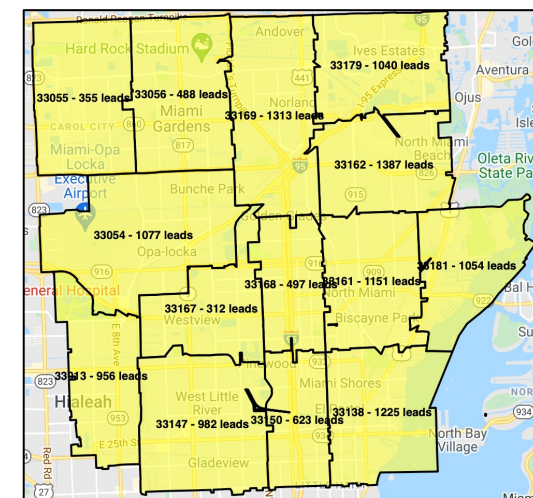
Select Target Industries

NOMI's Local Tech Industry

North Miami's *Primary Market Area*

5 Mile Radius From North Miami:

- 501,149 Population
- 12,446 Businesses
- \$45.5 B in Total Demand for Products & Services
- \$6.2 B in Total Demand for Advanced Industry Services and Products
- Only **15%** of Total Demand for Advanced Industry Products and Services are provided by local businesses
- Advanced Industry Employment Grew 13.4% from compared 2015 to 2020, compared to 6.2% for the entire PMA



Select Target Industries

NOMI Primary Market Area

Services	Payrolled Business Establishments	Employees	Employment Growth 2015-2020	Employment Growth 2020-2030	Avg. Earnings Per Job	Total Demand	Total Sales	% Demand Met In-Region	Location Quotient
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Miami-Dade County

Advanced Industry totals	10,148	75,531	16.4%	14.6%	-	\$49,115,666,982	\$28,251,486,445		0.61
County Totals	105,305	1,318,262	3.7%	6.9%	\$66,406	\$317,365,443,552	\$324,052,331,734	58%	
Advanced Industry Percentage of Total	10%	6%	445%	213%	130%	15%	9%		

NOMI Market Area

Advanced Industry totals	546	5,214	13.4%	9.0%	-	\$6,194,120,303	\$2,023,634,113	15%	0.36
Market Area Totals	9,549	155,138	6.2%	8.2%	\$64,884	\$45,492,449,508	\$41,659,615,129	31%	
Advanced Industry Percentage of Total	6%	3%	215%	110%	85%	14%	5%		

Select Target Industries

Target Industry Selection:

- High Location Quotient
- High Local Employment Growth
- High Forecast Employment Growth
- Local Market Opportunity: % of Demand Met by Local Businesses
- Other Local Economic Assets

NOMI Market Area Advanced Industry Profile, 2020

Services	Payrolled Business Establishments	Employees	Employment Growth 2015-2020	Employment Growth 2020-2030	Avg. Earnings Per Job	Total Demand	Total Sales	% Demand Met In-Region	Location Quotient
5413 Architecture & Engineering	128	724	15%	6%	\$80,695	\$297,449,898	\$137,584,637	26%	0.47
5416 Management Consulting	109	1,318	22%	28%	\$87,999	\$276,045,074	\$372,786,011	27%	0.75
5415 Computer Systems Design	33	496	31%	37%	\$95,448	\$451,964,079	\$109,211,142	12%	0.21
5179 Other Telecommunications	-	33	61%	25%	\$79,875	\$56,700,751	\$22,421,220	24%	0.39
5182 Data Processing & Hosting	23	17	1%	-10%	\$100,887	\$212,640,153	\$15,461,672	6%	0.05
5112 Software Products	16	127	284%	73%	\$105,242	\$288,497,440	\$30,695,023	5%	0.29
5173 Wireless Telecom Carriers	69	521	-21%	-50%	\$98,555	\$720,155,753	\$595,840,581	62%	0.91
5191 Web Search and Internet Publishing	14	65	38%	3%	\$92,756	\$322,622,908	\$28,144,908	2%	0.19
5417 R&D Services	25	233	63%	33%	\$84,582	\$309,587,524	\$72,652,920	7%	0.32
2122 Metal Ore Mining	-	-	-	-	-	\$18,441,495	-	0%	-
5174 Satellite Telecommunications	-	78	-35%	-45%	\$76,368	\$5,005,134	\$39,180,103	96%	9.54
6215 Medical & Diagnostic Laboratories	17	95	25%	24%	\$54,763	\$73,090,834	\$14,713,828	11%	0.33
5152 Cable & Other Programming	3	46	2%	-16%	\$150,848	\$94,287,763	\$67,303,058	9%	0.88
Services Totals	437	3,751	15%	13%	NA	\$3,126,488,805	\$1,505,995,104		

Manufacturing	Payrolled Business Establishments	Employees	Employment Growth 2015-2020	Employment Growth 2020-2030	Avg. Earnings Per Job	Total Demand	Total Sales	% Demand Met In-Region	Location Quotient
3344 Semiconductors	1	-	-	-	-	\$62,101,583	-	0%	-
3345 Precision Instruments	3	171	4%	-8%	\$72,901	\$124,667,274	\$36,558,335	5%	0.38
3341 Computer Equipment	-	<10	-	-	Insf. Data	\$47,281,347	\$844,255	0%	0.02
3339 General Purpose Machinery	14	260	-14%	0%	\$55,713	\$77,122,517	\$82,339,225	15%	0.94
3391 Medical Equipment & Supplies	11	51	70%	46%	\$47,153	\$84,255,316	\$15,077,786	2%	0.12
3399 Jewelry, Sporting Goods	6	177	-8%	6%	\$49,707	\$68,140,581	\$35,888,507	9%	0.60
3364 Aircraft Products & Parts	-	14	34%	51%	\$67,199	\$97,169,026	\$4,123,269	0%	0.03
3253 Pesticides & Fertilizers	1	-	-	-	-	\$19,632,259	-	0%	-
3346 Magnetic & Optical Media	-	14	-23%	-	\$97,342	\$2,682,790	\$3,438,267	24%	1.14
3279 Stone & Mineral Products	2	19	17%	5%	\$42,062	\$18,395,976	\$3,175,228	16%	0.22
3333 Commercial & Service Machinery	1	63	138%	41%	\$53,934	\$24,929,205	\$15,145,427	10%	0.71
3336 Engine & Power Equipment	1	-	-	-	Insf. Data	\$16,611,950	\$183,287	0%	-
3366 Ships & Boats	8	232	48%	7%	\$54,763	\$25,300,954	\$59,227,403	19%	1.62
3365 Railroad Rolling Stock	-	-	-	-	Insf. Data	\$12,807,589	-	0%	-
3311 Iron & Steel Products	-	49	52%	28%	\$45,919	\$45,051,633	\$83,688,919	53%	0.44
3315 Foundries	3	23	32%	0%	\$116,584	\$5,183,064	\$6,466,920	16%	0.27
3351 Electrical Lighting Equipment	5	35	-25%	-56%	\$53,655	\$9,123,933	\$6,350,762	8%	0.82
3313 Aluminum Products	2	27	7%	-29%	\$49,666	\$28,588,917	\$10,879,603	15%	0.63
3271 Clay & Refractory Products	2	-	-	-	-	\$7,306,181	-	0%	-
3342 Communications Equipment	6	82	169%	22%	\$75,343	\$29,618,337	\$27,961,762	11%	0.83
3241 Petroleum & Coal Products	5	41	11%	-9%	\$65,158	\$462,407,134	\$31,148,240	3%	0.43
3331 Agri., Constr., Mining Machinery	4	33	124%	-19%	\$52,675	\$69,117,360	\$12,142,055	3%	0.17
3251 Basic Chemicals	1	-	-	-	-	\$130,012,702	-	0%	-
3343 Audio & Video Equipment	1	-	-	-	-	\$2,336,001	-	0%	-
3353 Electrical Equipment	3	-	-	-	-	\$23,393,240	-	0%	-
3363 Motor Vehicle Parts	5	39	-19%	-11%	\$47,138	\$108,166,353	\$14,767,686	5%	0.07
3361 Motor Vehicles	1	-	-	-	-	\$402,336,228	-	0%	-
3259 Misc. Chemicals	-	-	-	-	-	\$35,085,481	-	0%	-
3369 Misc. Transportation Equipment	1	-	-	-	-	\$18,758,088	-	0%	-
3362 Motor Vehicle Body & Trailers	2	32	-27%	-29%	\$57,423	\$44,109,328	\$6,724,371	5%	0.21
3254 Pharmaceuticals	3	11	3%	1%	-	\$254,243,940	\$5,595,131	1%	0.04
3359 Misc. Electrical Equipment	3	15	-59%	-	\$60,579	\$34,753,168	\$8,753,370	4%	0.17
3352 Household Appliances	3	-	-	-	-	\$22,418,132	-	0%	-
3332 Industrial Machinery	2	10	-23%	-	\$44,569	\$23,422,328	\$1,733,965	1%	0.13
3252 Resins & Synthetic Rubbers	1	31	-37%	0%	\$92,372	\$106,249,194	\$12,202,037	5%	0.41
Manufacturing Totals	101	1,432	8%	-1%		\$2,542,779,109	\$484,415,811		

Energy	Payrolled Business Establishments	Employees	Employment Growth 2015-2020	Employment Growth 2020-2030	Avg. Earnings Per Job	Total Demand	Total Sales	% Demand Met In-Region	Location Quotient
2111 Oil & Gas Extraction	3	-	-	-	-	\$75,533,197	-	-	-
2211 Power Generation & Supply	5	31	46%	-19%	\$152,144	\$449,319,192	\$33,223,197	7%	0.08
	8	31	46%	-19%		\$524,852,389	\$33,223,197		

Select the Tech NOMI Target Industries

Build Technical Expertise,
Incentives, and Funding
Around the Target Industries

Advanced Business Services

Business Services & Technical Support - Management Consulting
Telecommunications & Software
R&D Services
Medical & Diagnostic Laboratories

Advanced Manufacturing

Medical Equipment & Supplies
Aircraft Products & Parts
Commercial & Service Machinery
Ships & Boats
Iron & Steel Products
Communications Equipment
Manufactured Housing, Advanced Building Materials & Green Energy Systems

Digital Music & Media Production

Designate the North Miami Arts & Innovation District

A designated District where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators.

100 Worldwide

4

Innovation District Development Strategies

1. Identity: Make innovation visible and public
2. Diversity: Mix innovation with a range of other uses
3. Continuity: Start with existing people and places
4. Sociability: Bring people together through places and programming
5. Proximity: Build things close together on the ground—not just on the map
6. Mobility: Connect to the broader city and region through multiple transportation modes
7. Flexibility: Experiment, Observe, Repeat
8. Managed by Tech NOMI Development Corporation

From: Project for Public Spaces

Create 2 Innovation HUBS

Services Provided at Physical Location and Virtually

5

1. Tech Service Industries HUB: Located at prominent intersection in the Innovation District
2. Advanced Manufacturing Tech HUB
3. Provides an access point – A One-Stop Shop for business owners, job seekers and entrepreneurs
4. Services provided on-site & through virtual services
5. Key services: Business planning, mentoring, access to funding & venture capital, access to training & education programs
6. Includes 2 Accelerators: Advanced Services (on-site) and Advanced Manufacturing (in City Industrial District)
7. Recruit experienced successful accelerator operator to manage and operate as for-profit enterprise

Develop Continuous Education & Training Services

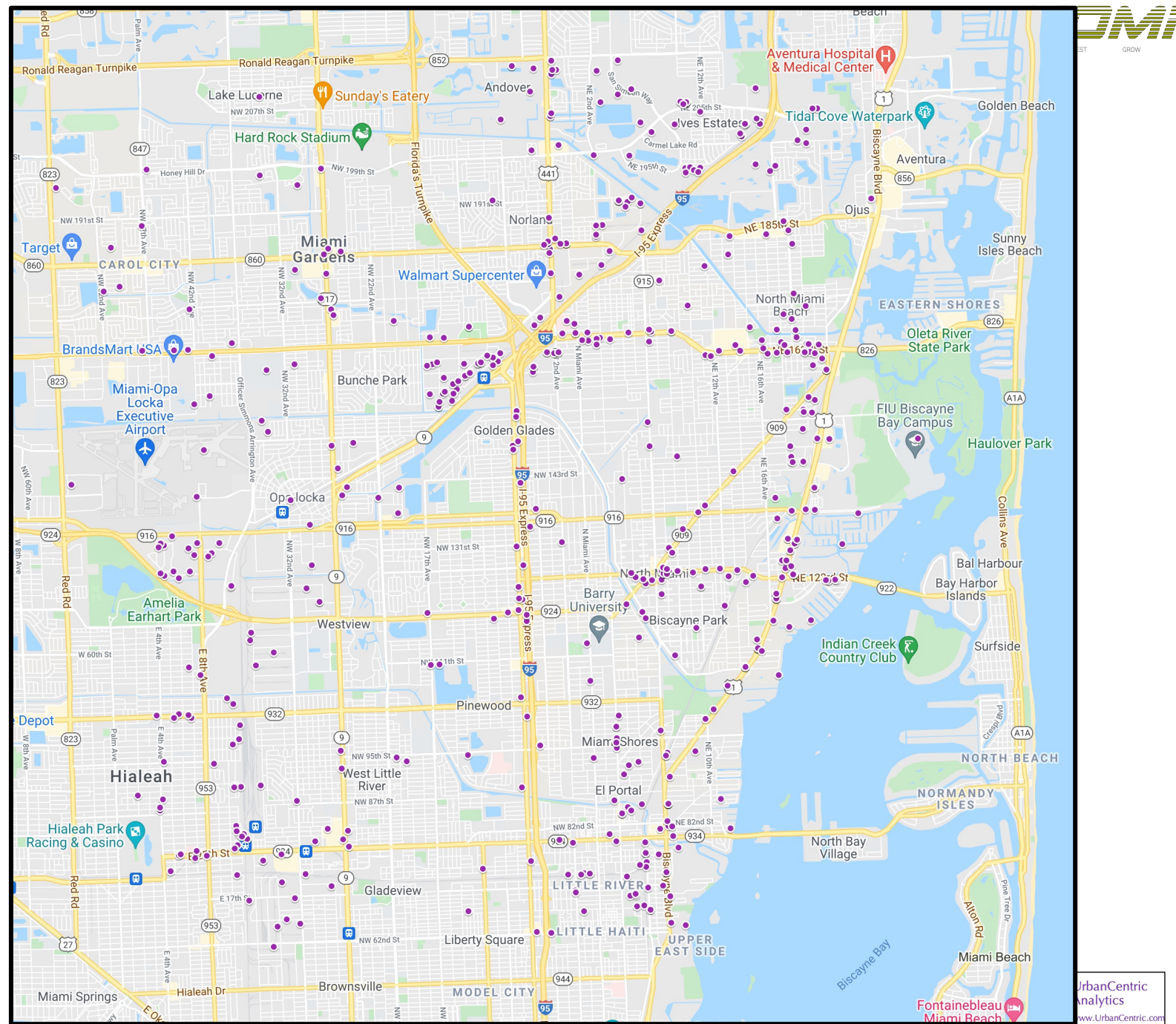
The City and Region have a Tech Sector Labor Shortage

Partnering with Local Universities is Critical

6

1. Partner with local Universities to provide certificate and/or degree program in Tech NOMI target industries
2. Partner with CareerSource and Universities to provide targeted worker re-training programs hosted at Innovation Hub
3. Work with Miami-Dade Schools to provide specialized High School study programs in Tech NOMI Target industries
4. Develop apprenticeship programs with local tech companies
5. Develop STEM internship programs providing technical training for workers and students with local tech companies
6. Retaining international students – the Global Entrepreneur-in-Residence (EIR) program at U Mass. Rather than return home, graduating university students H1B visa to work in tech sector
7. Build a Children's College savings matching fund program with local foundations (see Austin, San Francisco and others)

7



Build the Tech NOMI Incentive Package

1. Job Creation Grant: \$1,000 per new job created in target industries for 5 years up to max of \$500K
2. Business Expansion Investment Grant: up to \$50,000 matching grant for physical improvement to property for new or expanding businesses
3. 2-year Property tax rebate for high impact new development in target industries
4. Tech sector Equipment grant: up to \$10,000 for equipment for new or expanding target industry businesses
5. Tech Worker and Single Proprietor Housing Passports: Equity or rent contribution for telecommuting target industry workers
6. Re-zone 125th St. Innovation District to incentivize residential, live-work, and co-working space development (reduce parking requirement, property tax rebate)

Select Clear Goals

1. Set Initial of goal of Directly Supporting 50 New Jobs in the Target Industries in Tech NOMI's first full operational year
2. Directly support the creation of 75 New Jobs per year in the Target Industries thereafter
3. 50 new Jobs created in the Target Industries will on average create 490 additional new jobs



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