

# 35 Years MIAMI TODAY

WEEK OF THURSDAY, FEBRUARY 28, 2019

A Singular Voice in an Evolving City

WWW.MIAMITODAYNEWS.COM \$4.00

TO EXTEND ITS LIFE, REDEVELOPMENT AGENCY SAYS OMNI STILL BESET BY SLUM, BLIGHT, PG. 2



**AIR ARRIVAL RECORDS:** International passenger and total passenger arrivals at Miami International Airport set records in January, with international arrivals up 6.7% and total arrivals up 5.9%. The January total of international arrivals was 1,094,782 people this year, up from 1,026,095 last year. Domestic arrivals rose 5.1% in the month to 1,026,925, bringing the month's total arrivals to the record 2,121,707 passengers.

**NO SPEED, NO TOLLS:** Expressway officials would be encouraged to keep traffic flowing under a bill filed Monday in the Florida House that would prohibit collecting tolls from motorists when traffic gets slow. The proposal by Rep. **Anthony Rodriguez** of Miami would prohibit expressway authorities from charging drivers when the average speed on a roadway falls below 40 mph. The freshman legislator's proposal – filed for the legislative session that begins Tuesday – doesn't outline how the average speed would be calculated.

**INNOVATION PLAN BACK:** A controversial plan to transform 37 abutting parcels in Little Haiti into a major mixed-use development called Magic City Innovation District is back before Miami city commissioners. Three planning and zoning items related to the project are to be heard today (2/28). The matter was deferred to this date after a long hearing Nov. 15, at which the commission heard from many residents both for and against the project. Some commissioners voiced concerns about the proposed height of the tallest planned structures, the inclusion of affordable housing, and the impact on the community, and voted to defer the matter. The developers are asking for approval of a Special Area Plan and a development agreement for the project they say will bring thousands of residential units, hotel rooms, nearly 350,000 square feet of commercial-retail uses and more than 1.9 million square feet of offices to the site. The project is planned for about 17.75 acres at 6001 NE Second Ave. The development team promises major investment and new employment opportunities for Little Haiti and surrounding neighborhoods.

**SILENCE ON MACY'S SITE:** A development team replacing the old Macy's building at 22 E Flagler St. downtown remains silent on plans. Vice President of Aetna Realty **David Braka** said by email, "At this time we are not able to comment." Aetna Realty purchased the building in 2013 and Macy's closed there in March 2018. Mr. Braka told Miami Today in 2018 that two skyscrapers were being discussed. They would rise 50 to 55 stories and house a hotel, offices, residential component and retail in the lobby. Developers and retail companies were being sought at the time.

## THE ACHIEVER



Photo by Cristina Sullivan

**Jeanette Nuñez**

Lieutenant Governor targets health, schools, transportation

The profile is on Page 4

## AA Arena: slam dunk on sponsor

By **Jesse Scheckner**

Talks are ongoing for naming rights to what is now American Airlines Arena, says Dan Wall, Miami-Dade's chief liaison to county sponsorship agent The Superlative Group.

"They are actively discussing the matter with multiple corporations," he said Monday, adding that the county is "going to exhaust all options" to get a deal before the current contract expires Dec. 31. "The plan was to reach out to American Airlines first."

Miami-Dade sold 20-year naming rights to American for \$42 million (\$2.1 million yearly) starting when construction ended in 1999.

Miami Heat sister company Basketball Properties Ltd., which manages the county-owned arena, collects \$6.4 million a year from the county plus \$2 million for the naming rights. The county's share is \$100,000.

In a new deal from Jan. 1, 2020, to June 30, 2030, with a 10-year renewal option, according to a memo from Deputy Mayor Ed Marquez, Miami-Dade will pay Basketball Properties \$2 million a year and keep the rest. New naming rights, he wrote, would bring in at least \$6 million a year.

But that total should be higher, said President Mike Gallagher of The Superlative Group, which gets 5% of the county's naming rights rate, which will include an annual increase based on the consumer price index – a new condition.

In 2016, Oakland, whose Golden State Warriors have the seventh-highest NBA attendance, signed a 20-year, \$300 million naming deal with JPMorgan Chase. Last year, Atlanta, whose Hawks had the worst attendance, sold 20-year naming for \$175 million.

The Miami Heat had the sixth-highest attendance, over 625,000 tickets, according to box office tabulator Pollster, which ranked American Airlines Arena sixth in the nation, 18th globally.

"We missed the Big Three era, where we really could have cashed in," Commissioner Joe Martinez said. "We should capitalize on it [now]."

## Miami heads to icy Northeast to lure businesses

By **Catherine Lackner**

Representatives of Miami's Downtown Development Authority, the Beacon Council, and the Greater Miami Convention & Visitors Bureau were scheduled to venture to the frozen Northeast (temperatures predicted in the 20s and 30s) this week to pitch Miami's case.

"We'll be talking to site-selection firms, hedge fund managers, representatives of major corporations and other folks to tell Miami's story," said Danet Linares, vice chair of Blanca Commercial Real Estate. She is representing the downtown authority, of which she is a director. "The in-migration of funds has held steady." The group was expected to stay in New York City Monday (2/25), Tuesday and part of Wednesday, she said.

For the past five years, the downtown authority has sent delegations to New York and Connecticut to recruit financial services firms. The initiative has been successful: a number of well-known firms have either moved here or opened satellite offices.

Since the program began, there has been a 34% increase statewide and a 58% increase in Miami-Dade County in the number of fi-

ancial services firms, family offices, hedge funds and other investment companies, all of which are registered with the Securities & Exchange Commission, Ms. Linares said.

Universa moved from California to Miami in 2014, the same year that XP Securities, a Brazilian venture capital firm, opened a 15-employee office here that is expected to grow to 55 over the coming years, she said. In 2017, Starlight Capital moved its headquarters to Miami Beach, where the company is constructing a new headquarters building. I Squared Capital moved its headquarters from New York City to Miami last year, and is planning to grow its staff over the next five years.

"Miami-Dade County has grown tremendously, and you can't go wrong talking about the weather," Ms. Linares said. "We have an increase in the number of restaurants, as well as increases in arts and culture. And the tax structure is a strong plus."

The recent federal income tax revamp limits deductions for state and local taxes, including city and state income tax, to \$10,000, which is fraction of what many in the Northeast pay each year, observers say.

As one of only a handful of states with no personal income tax, Florida has become a magnet, and Miami, with an already established financial sector, expects to see a rush of transplants from the Northeast.

When the Senate approved the tax bill in December 2017, it was described as "an economic dagger aimed at high-tax, high-cost and generally Democratic-leaning areas, most notably New York City and its neighbors," in a New York Times story by Ben Casselman and Patrick McGeehan.

"The bill... could send home prices tumbling 10% or more in parts of the New York area, according to one economic analysis," the article said. "It could increase the regional tax burden, complicating companies' efforts to attract skilled workers. It could make it harder for state and local governments to pay for upgrades to the transit system and other infrastructure."

"Taxpayers in [Manhattan] take the highest average deduction for state and local deductions... on their federal tax returns," the article continued. "And among the top 12 counties in the United States, half are in the greater New York metropolitan area."

## AGENDA

LAND NEAR TRANSIT TARGET FOR AFFORDABLE HOUSING ...	2	CITY, STATE PARTNERING ON 30-ACRE DOWNTOWN PARK ...	13
VIEWPOINT: WE'RE FENCING OURSELVES IN WITH TRAFFIC ...	6	TURKISH DEVELOPER TO START STATE'S TALLEST TOWER ...	15
MASSIVE SEWAGE SPILL FOLLOWED PUMP 'HEART ATTACK' ...	8	TOWER BEGUN IN 2006 HAS A NEW PLAN FOR COMPLETION ...	16
250 APARTMENTS PLANNED AT EDGE OF HEALTH DISTRICT ...	10	COUNTY AIMS TO SAVE HURRICANE-PROOFING DISCOUNTS ...	23