

## Beacon Council marks 25 years of progress, challenges

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When Miami-Dade's economic development agency, the Beacon Council, was founded in 1985, its goal was to market the area to attract new businesses, create jobs, help local companies expand and, in the process, build a diversified economy no longer dependent on tourism.

On Thursday, as the Beacon Council celebrates its 25th anniversary, the not-for-profit, public-private partnership can tout its triumphs, bemoan the uphill battle it has faced during this recession -- and look toward the future as it continues to pursue its mission.

"It's been a difficult time, it's been challenging, but we have been able to sustain ourselves," Frank R. Nero, the Beacon Council's president, said about the past two years. "And I'm very excited and optimistic about the future of this community. We are just scratching the surface of what this community can be."

Since its creation, the Beacon Council says it has assisted more than 800 companies that have created more than 55,000 direct jobs, retained more than 16,000 existing jobs, and added more than \$2.8 billion in new capital investment to Miami-Dade County.

Kathy Wyatt, whose family has owned Homestead-based Aquaculture Research Environmental Associates for 40 years, said the Beacon Council helped the business get advice and look for funding to expand.

"They really opened up a wonderful network of people for me to be able to call," Wyatt said. "They have been an absolute godsend."

With 30 employees, the Beacon Council provides market research and demographics information to businesses, helps with site selection and permitting and offers access to financial and incentive programs, among other services.

### HURRICANE ANDREW

When Hurricane Andrew destroyed the Dixie Animal Hospital in South Miami-Dade in 1992, the Beacon Council helped its owners secure a \$25,000 short-term loan.

"It was kind of a bridge loan that gave us some operating funds before our insurance money kicked in," said Dr. Tom Rainey, director of Dixie Animal Hospital in Palmetto Bay. "It was very helpful at the time and the Beacon Council did a great job."

That emergency loan program provided a total of \$11.38 million to 558 businesses in the areas most affected by Hurricane Andrew.

Yet the agency has its critics, who say the Beacon Council overstates its accomplishments, while leading expensive trips around the world in its attempt to lure businesses.

In the Beacon Council's 2008-2009 annual report, for example, Globalvia Infrastructure is listed as opening a new office, making a capital investment of \$5 million and creating 25 jobs within three years.

In February 2008, the Beacon Council led a trade mission to Madrid, where representatives met with various companies, including Globalvia Infrastructure. The Beacon Council was "helpful and instrumental" in the company's decision to open an office in Miami, said Tony Garrastazu, director of business and government relations for the Spanish company that designs, build, finances, operates and maintains large-scale infrastructure projects.

Globalvia Infrastructure opened its Miami office in April 2008, but Garrastazu is the only employee.

"The goal was to have 35 or 40 employees, but the global crisis put a hold on expanding," he said.

Nero says the agency is "very conservative in promulgating results," and adjusts its numbers downward if jobs do not materialize. The Beacon Council does not disclose how much it spends on trade missions, for competitive reasons.

Other companies visited during the trip to Spain have brought a greater number of jobs, including Eulen America, which plans to bring 500 unskilled jobs to Miami.

"I feel very comfortable with what we've done and what our activities have been," said Nero, who joined the Beacon Council in August 1996 and whose contract runs two more years.

He cites the agency's ranking by the International Economic Development Council as one of top 25 economic development organizations in the United States.

The Beacon Council's budget for this fiscal year 2010 exceeds \$5.1 million, with \$3.6 million from public sector funds -- down \$300,000 from the previous year. That funding comes from state legislation that allows Miami-Dade to charge a surcharge on local business tax receipts. The public money is augmented by membership dues paid by local companies, grants, sponsorships and event revenue.

## **MARKETING INITIATIVE**

Among the Beacon Council's highlights of the past 25 years, Nero points to the marketing initiative "Where Worlds Meet," a public-private partnership; an improved relationship with Miami-Dade County and local municipalities; retaining the headquarters of Burger King and Ryder System; and creating Miami's Network Access Point (NAP) of the Americas, a major telecommunications hub connecting Latin America to the world.

"We've been able to move forward and help diversify the economy of Miami-Dade," he said.

## **EXPANSION**

That's reflected in the expansion of sectors like aviation, life science and telecommunications,

he said.

“There were less than 200 multinationals in 2000,” in Miami-Dade, he said. “Now there are over 1,100.”

Tackling double-digit unemployment, improving an educational system that remains under par, expanding the agency's marketing outreach, boosting investment in urban areas and promoting job training are top priorities for the organization's future, Nero said.

“The No. 1 issue going forward is attracting talent, retaining talent and having a skilled workforce for businesses that are already here and that we intend to recruit,” he said.

“Maybe 25 years ago our competition was Broward or Palm Beach, but now we see our competition as globally: folks in Mumbai and Panama and Dallas and Paris and London,” Nero said.

“We have to make sure we have the trained, skilled workforce to meet the needs of the 21st century.”