



BUILDING PROSPERITY IN MIAMI

Successes and Challenges to Improving
the Employment Ecosystem

Dr. Howard Frank
Dr. Maria Ilcheva
Ms. Lilliam Jarquin



Jorge M. Pérez
Metropolitan Center
Steven J. Green
School of International
& Public Affairs

Resilient 305: The Miami Building Prosperity Collaborative

The Miami Building Prosperity Collaborative, led by the Miami Foundation, is a partnership between community-based organizations working in small business development, workforce development, and general community development

Workforce Development

Catalyst Miami

identifies and solves issues affecting low-wealth communities.

Miami-Dade College

The Medical Campus offers the Pathways program, where students graduate as healthcare technicians

Florida Small Business Development Center at FIU

offers no-cost consulting to entrepreneurs and business owners.

Small Business Development

The Miami Foundation

builds the philanthropic, civic, and leadership backbone for Greater Miami.



South Florida Anchor Alliance

led by the Health Foundation of South Florida
A regional collective effort to build community wealth through small business development and supplier diversity

Support and Wrap-around Services

City of Miami

The Opportunity Center helps places Miami residents in living-wage jobs

Prospera

specializes in bilingual business development to Hispanic entrepreneurs.

Wrap-around Services

Collaborative members in the Workforce Development arena offer emergency assistance, financial literacy services, and mental health counseling.

Dade County Federal Credit Union

Provides support through the Payday Rescue Program

Introduction

December 31, 2022 concluded Miami's Advancing Cities Project, awarded to the Miami Foundation by the J.P. Morgan Chase Foundation in April 2019. The grant was for three years and \$3 million. Miami was one of five recipients out of 250 applications in the first-round awardees, also including Chicago, Louisville, San Diego, and Syracuse. According to JP Morgan Chase, *AdvancingCities* is a \$500 million, five-year initiative to "invest in solutions that bolster the long-term vitality of the world's cities". The first-round proposals focused on the strategic aims of workforce development, small businesses, neighborhood revitalization, and financial health. Miami's proposal was designed to harness the collective efforts of the City of Miami, Miami-Dade County, the South Florida Anchor Alliance, Florida International University, and others. In the words of the Miami Foundation's then President, Javier Soto, the project was designed to provide "...an opportunity to unite and create solutions that will connect more people with jobs and small businesses and critical resources to prosper." (Mantica, 2019: 3).

The program was intended to build an economic development ecosystem leading to community prosperity. The design relied on inter-sectoral cooperation rather than a dedicated economic development organization or institution. Program management within the Miami Foundation incorporated participation from a cross-section of nonprofit, health, and educational partners. Using the biological analogy, the Jorge Pérez Metropolitan Center (PMC) research team described this arrangement as an "exoskeleton" rather than a spine-and-backbone, given the absence of direct operational domicile or direction from a single participant.

This exoskeleton model framed JPMC's program involvement. Nominally, we were the program evaluator contracted by the Miami Foundation to serve as the local collaborator with Abt Associates, JP Morgan Chase's national project evaluator. This connoted a "bean counter" role in which the Center was a passive observer. Over time, the JPMC's role became increasingly active as staff at the Miami Foundation acknowledged the Center's expertise in data management and analysis. Equally important, the project evaluation required the development of program goals and metrics and the structuring program activities across organizational lines. Thus, early on the JPMC team became involved in discussions and provided guidance on diverse subjects such as client intake, data collection methods, and community demographics. Further, the JPMC served an important ambassadorial role between the Miami Foundation and Abt Associates during the onset of COVID in 2020. Getting the program "up-and-running" was particularly challenging, leaving the evaluators with little progress to report during the first year. JPMC's intercession with Abt allowed for mutual understanding of the Miami Foundation's predicament, leading to a six-month extension of the program from June to December of 2022. This actively-engaged evaluator's role has been a cornerstone of evaluation research since its inception (Rossi & Freeman, 1983). The JPMC's involvement facilitated and augmented program development across Advancing Cities' many actors.

The Intellectual Fulcrum—The Council on Adult Education and Learning 2020 Report

The Council for Adult and Experiential Learning (CAEL) was founded in 1974 with the vision that "Every adult can navigate lifelong learning and career pathways that fuel economic mobility and community

prosperity.” In late 2019, the Miami Foundation contracted with CAEL to analyze Greater Miami’s job creation and placement ecosystem and linkages to the educational sector. Their deep dive into this ecosystem, entitled “The Greater Miami Workforce Asset Mapping Report,” was completed in February 2020. Their overall findings were distilled as follows:

1. Scattered and Inconsistent Small Business Engagement
 2. No Region-Wide System of Pathways
 3. Excellent Institutions of Higher Learning
 4. Community Partnership Opportunities Abound
 5. Confusion Around Career Awareness Initiatives
 6. Soft Skills Training is Happening in Silos
 7. Training Program Roadblocks for Employers
 8. Absence of Talent Attraction & Retention Strategies
- (CAEL, 2020: 5-6).

This assessment was grounded in the absence of a lead partner, such as a chamber of commerce, an institution of higher learning, or a nonprofit, such as United Way, that typically plays a lead role in workforce development in other communities. While the area’s schools and colleges train capable graduates, CAEL observed few modalities to retain them. This absence of what the JPMC termed a “centripetal force” on the job creation and placement front was a central finding that constitutes a major stumbling block to economic development in the region.

A second component of the CAEL study was a drill down on 700 job classifications that would be in demand throughout Miami-Dade for the foreseeable future, that would pay a living wage (\$15.30 an hour) and provide laddering into higher-paid jobs within their respective fields (e.g., an LPN becoming an RN). After an initial culling to 70 professions, the nine occupations were targeted for project inclusion. (Table 1)

Table 1: Advancing Cities Key Occupations of Focus

Occupation	Hourly Wage
Electricians	\$19.57
Medical Secretaries	\$15.62
Aircraft Mechanics	\$30.53
Customer Service Representatives	\$15.31
User Support Specialists	\$21.53
Sales Representatives	\$23.58
Maintenance and Repair	\$16.57
LPNs/LVN	\$22.18
Plumbers and Pipefitters	\$19.39

CAEL, 2020: 13-14.

This roster would provide a focus on job training and placement. CAEL, JPMC, and the Miami Foundation agreed that professions selected should require less than one year of training, ruling out AA- or BA-level jobs. And while some government jobs met the wage, laddering, and sustainability criteria, the sector’s slow hiring processes precluded inclusion.

Overall, the CAEL study provided an intellectual frame confirming that the Miami-Dade workforce development arena was lacking direction and organization found in other metropolitan areas. The occupational drilldown provided guidance for training and placement undertaken in subsequent Advancing Cities operations. More importantly, it established a critical program rubric: The creation of well-paid, sustainable jobs, rather than broad job creation which did not meet those criteria.

Building and Sustaining a Project Ecosystem-The Miami Building Prosperity Collaborative

Figure 1 presents a schematic of the seven major players in the project's ecosystem. Project activities were bundled into two components - Workforce Development and Small Business Development, and the third, Support and Wraparound Services, was added on once the COVID-19 pandemic made clear that progress in the initial areas would be absent without a more comprehensive support system. Consistent with the exoskeleton noted earlier, the Miami Foundation's involvement was principally that of funding conduit rather than systems integrator or management. Similarly, as the JPMC noted in its evaluations, there was no case management system wherein graduate trainees would be shepherded through post-graduate job placement and follow-up. Thus, the collaboration could be viewed as a loose confederation. In essence, the collaborative was not designed or intended as a miniature Department of Labor that bonded prospective employers, employees, and workforce development under one roof. The "LaborMiami" job website that emerged late in the Advancing Cities effort, discussed below, was a possible "lite" substitute.

Workforce development was conducted by Miami-Dade College and the City of Miami. Small Business Development was implemented under a partnership forged between FIU's Small Business Development Center, a partner of the Small Business Administration's program dedicated to supporting small businesses, and Prospera, a nationally-recognized nonprofit with an excellent record of assisting small Hispanic-owned businesses. Wraparound services, which focused on career counseling, resume writing, financial literacy, and job-seeking skills, were provided by Catalyst Miami and the City of Miami's Opportunity Center. During the program's third year, Dade County Federal Credit Union assisted low-income residents with decoupling from the pay-day loan cycle and integrating into the traditional banking system.

It is worth noting that the Anchor Alliance, comprised of 19 universities, cities, and hospitals in Dade and Broward Counties, was actively involved in the program throughout its three years. Its participation was predicated on the assumption that members could use a streamlined procurement process to foster small business development. This component of Advancing Cities proved difficult to implement but did result in an investment in an Alliance platform, the Regional Marketplace, dedicated to small and minority business development in late 2022.

After COVID-related delays, the Collaborative made significant progress in advancing program objectives. By the project's end, Advancing Cities partners undertook the following activities.

- Miami-Dade College graduated 88 health technicians. These certificate earners could pursue First Responder or Paramedic status, or with further credentialing, AA degrees in Dental Hygiene, Respiratory Theory, or Surgical Technology. According to the U.S. Department of Labor, the latter three professions earned entry-level salaries of \$49,000, \$54,000, and \$31,000, respectively.
- Catalyst Miami completed three cohorts of clients with intensive career counseling. To its credit, Catalyst made an almost immediate pivot to online instruction after the onset of COVID. This had the ancillary positive of reducing commuting costs and time for its predominantly low- and moderate-income clientele, many of whom single parents.
- The Prospera-SBDC partnership provided 2,045 counseling hours to 297 businesses. This brought \$13,006,427 in incremental revenue. This partnership catalyzed an investment of \$2.5

million from the U.S. Small Business Administration to develop a Community Navigator Program that links small businesses to potential customers while bolstering hiring in underserved communities.

- The Miami Foundation launched its *LaborMiami* portal, accessed by 7,114 residents and 372 businesses. The website emulates models in Denver and elsewhere and links prospective job seekers—including recent high school and college graduates—with prospective employers.
- The City of Miami’s Job Opportunity Center hired two dedicated staff members to commence operations. The Center reported that \$15 an hour was typically a floor for hiring; most placements averaged \$17-\$18.

These efforts were not conducted under the aegis of a single agency. Nonetheless, the Collaborative grew in scope and significance with limited direct supervision from its funder, the Miami Foundation. Willingness to achieve common objectives, with occasional nudges from the Foundation and the FIU evaluation team, provided sufficient organizational glue.

Taking Stock: Legacies and Lessons for Practice

Advancing Cities three+ years came and went quickly. The rollout was also severely impacted by COVID-19, further compressing the time for completion. This duration is salient in assessing Advancing Cities’ stated objective of systems change in Greater Miami’s employment ecosystem. Changing any system is a tall order. Nonetheless, the project achieved a degree of success in achieving its lofty (some might say overstated) objectives. This section of the paper addresses the project’s legacies, both intangible and tangible, and ends with some lessons for practice in Greater Miami, with grounding in a broader intergovernmental and national setting.

Intangible Legacies

Miami-Dade Can Engage in Serious Workforce Development that Links Education and Employer Need

A central tenet of the 2020 CAEL Report underscored the limited substantive linkages between the region’s employers and educational institutions. In sum, CAEL found that Dade’s educational institutions produce a bounty of qualified graduates. Whether they matched employers’ need was a different story.

The 88 graduates of Miami-Dade’s Medical Technician Program are few in absolute terms. But they represent an important exemplar for future workforce development in Miami-Dade. These graduates were in a profession with demonstrable short- and long-term demand and laddering potential, without the need for AA- or BA-level education. This exemplar is an important cornerstone for future efforts at building a higher-wage Miami-Dade.

Discussion of Living-Wage Jobs Isn’t Taboo

Many project partners, including the FIU team, expressed concern early on that discussion of “living wage” jobs earning \$15.30 per hour, may have been unacceptable in the broadly defined Miami-Dade political economy given the region’s traditional low-wage, service-based economy. This \$15.30 figure

was derived from the United Way's Asset Limited, Income Constrained, Employed (d/b/a "ALICE") survival budget methodology. Nonetheless, this nationally-deployed and time-tested model did little to assuage partner consternation regarding the living wage.

The passage of Amendment 2 in November 2020, which established a \$15.00 minimum wage in Florida by 2026, legitimated the Living Wage discussion. Walmart, Target, and other large retail employers established a \$15.00 minimum. And as noted earlier, staff at the City of Miami's Job Opportunity Center have reported \$17-\$18 as the typical wage placement in 2022. At face value, many Miami-Dade employers recognize the "Living Wage" as a floor if they are to attract and retain employees, particularly in an era of heightened inflation. These living wage discussions are even more crucial in the context of labor shortages, inflationary pressure, and the ever-present concern for housing affordability in the context of Miami's economic structure.

Tangible Legacies

Creation of the *LaborMiami* Portal

The early success of this portal resonated with the Miami Foundation, which pledged to serve as host until a suitable partner was found for permanent domicile. As the project was closing, the Foundation announced that Miami-Dade County would host the website as part of a new initiative to foster enhanced workforce planning county-wide.

It is worth reiterating that the website is only a partial employment systems integrator. It is not designed to provide job counseling. It is also not a "one-stop-shop" that links employees, employers, and policy makers in the employment ecosystem. The digital divide is precluding potential job seekers from utilizing this resource. However, it is still a powerful tool for job seekers and employers, particularly smaller businesses that may lack the means to post broadly within the labor market. Most importantly, housing the site countywide adds intergovernmental heft to workforce development by facilitating all Miami-Dade's residents and businesses.

Enhanced Small Business Development

The marriage of FIU's Small Business Development Center and Prospera has begotten organizational offspring. In October 2021, the SBDC and Prospera received a \$2.5 million grant from the U.S. Small Business Development Administration's Community Navigator Pilot Program. Funds for this project are earmarked to improve underserved entrepreneurs' access to government capital for business launches, expansion, or disruption. The Miami-Dade Small Business Resource Navigator Program focuses on small businesses, including microbusinesses (fewer than 10 employees), owned by women, veterans, and disadvantaged individuals.

Similarly, in February 2022, Wells Fargo announced a \$20 million grant to the Miami Foundation to support diverse small businesses and nonprofits through a combination of capital and technical assistance. This effort will adopt the Advancing Cities framework in the small business arena, combining small business services and capital investment in minority-owned businesses (Miami Foundation, 25 February 2022).

Also, in early 2022, JPMorgan Chase awarded a Miami-based collaborative of three nonprofits \$5 million over three years to support workers in the care economy. Nonprofits Neighborhood Housing Services of South Florida, Miami Workers Center, and Catalyst Miami intend to help people doing childcare, home health, cleaning, and other similar work.

Building Small Businesses Through Anchor Alliance Procurement

In what may become the project's most significant tangible legacy, the South Florida Health Foundation pledged \$1.2 million to develop a "Marketplace Platform" to facilitate small and minority-business procurement from the 19-partner Anchor Alliance (Cortina-Weiss, 8 June 2022). In addition to housing the platform, the Health Foundation will create communications and marketing strategies aimed toward the region's small businesses to foster readiness for transacting with the Alliance's partners. The Alliance collectively procures \$8 billion per annum. This could become a significant catalyst for small business development in Miami-Dade and Broward Counties.

Advancing Cities' intangible and tangible legacies may prove foundational to Miami-Dade's economic development efforts. The *LaborMiami* portal may be a "crossover hit." It will be a tangible benefit to prospective employees and employers. From a broader perspective, the portal is designed to overcome the inadequacies of the employment ecosystem noted by CAEL in 2020. The countywide aegis of the site elevates its salience and coverage. The business development work of SBDC and Prospera has melded two nationally-recognized entities with significant results. Lastly, the Anchor Alliance's Marketplace Platform holds significant promise as a small business generator in South Florida's underserved communities.

Lessons for Practice—Miami-Dade and Beyond

Social scientists and public policy gurus like to speak of "lessons for practice," particularly in the context of single-jurisdiction case studies such as Advancing Cities. While Advancing Cities was Miami-Dade-based, this experience has parallels that reflect larger trends in governance nationwide. Thus, the experience provides guidance for local decision-makers while validating contemporary models of local economic development. Our six lessons are not presented in order of importance. All are intertwined in the local economy.

Lesson 1: Developing Human Capital is Part of the New Normal for Local Governments.

In *Unlocking the Potential of Post-Industrial Cities* (2021), Matthew Kahn and Mac McComas posit that in a globally competitive economy, human capital is the ultimate secret sauce of economic development in local government. In prior generations, sticking to the basic knitting of maintaining infrastructure, providing police and fire, and administering parks and recreation, among others, were the cornerstones of local governance. In contemporary public management, these traditional public services are essential building blocks. But development and retention of skilled labor is the central determinant of economic growth and well-being. From this vantage, the Advancing Cities agenda is innate not only for Greater Miami, but for any community seeking to grow inflation-adjusted wages and affordability for its residents.

Lesson 2: In an Era of “Bottom-Up Federalism,” Local Manpower Training and Development is Unlikely to Benefit from Intergovernmental Largesse

The election of Ronald Reagan in 1980 brought an end to extensive state and federal assistance to local governments in the generally defined health, education, and welfare arenas (Gamkhar and Pickerill (2012). The devolution trend has accelerated in recent years (Daguerre & Conlan, 2020; Dilger, 2000). The programmatic “exoskeleton” that designed and delivered Advancing Cities was a model for workforce development in the new fiscal era. Program stakeholders effectively served in lieu of old-line Departments of Labor or Commerce, without federal or state funding. The Advancing Cities policy network was locally created and managed, making it a model for our governance era.

Lesson 3: Creating Well-Paid Jobs, Not Just Any Jobs, Is What Matters

Elected officials often crow about low unemployment and the number of jobs created on their watch. But low unemployment and upbeat job creation can mask unpleasant truths about the jobs created. Bureau of Labor Statistics projections for 2030 show that only three of the top thirty fastest growing professions will earn over \$30,000. As Alan Ehrenhalt (2022) notes, “We all want the economy to keep growing jobs...we need to pay attention to where the jobs are and what they are paying. If you need two or three of them to make ends meet, the big number isn’t much to write home about” (p.10). Martha Ross and Nicole Bateman of the Metropolitan Policy Program at Brookings reported that 44% of the American labor force aged 18-69 earns a median wage of \$10.22, with median annual earnings of \$17,950 (2019: 10-11). Most of these jobs are in retail, food preparation and serving, cleaning-maintenance, and personal care – all typical of Miami-Dade County’s labor market. The Advancing Cities mindset of creating well-paid jobs that are sustainable and laddered is an antidote to the “every job counts” policy frame.

Lesson 4: Focusing on Sustainable Job Creation Is an Inclusive Approach that Appeals to a Broad Cross-section of Stakeholders.

Advancing Cities was not a comprehensive economic development plan like the Beacon Council’s **One Community One Goal Strategic Plan** (2012). But in retrospect, the narrow focus of the CAEL report, centered on the job creation ecosystem, was a strength. Focusing on well-paid, sustainable job growth, rather than the development of specific economic sectors, is readily assimilable to a broad cross-section of public, private, and nonprofit stakeholders. Long-term observers (Dluhy and Frank, 2002) of the Miami-Dade development scene can argue that sector-based economic development strategies may lead to a perception that growing the economy is zero-sum—focus on one sector will leave another behind. Ultimately, this has created an economic base in Dade that is low-paid and less resilient to economic downturns than comparable metropolitan areas (Murray and Greiner, 2016). Focusing on sustainable job growth obviates the zero-sum mentality by minimizing potential inter-sectoral trade-offs.

Lesson 5: Procurement as an Engine of Small Business Development May Be Easier Said than Done

Procurement is an integral part of small business development. It is central to the SBA’s business development toolkit (Small Business Administration (2022) in its current five-year strategic plan. Nonetheless, building the contracting capacity of small and minority businesses can be a daunting task. Snider and Rendon (2012) note that procurement is a complicated process with legal, technical, social,

and operational constraints. Contractors need to decide on the common goods and services for which they will vend. Potential vendors frequently need significant technology upgrades. Lastly, contractors and vendors need to set realistic expectations about the goods and services for which they will compete. Taking these factors into account explains the long gestation of the Advancing Cities' procurement component. The Anchor Alliance and the Health Foundation of South Florida took three years to roll out their procurement portal, with several years of discussions preceding the commencement of the AdvancingCities work. This prolonged birthing is unsurprising, considering procurement complexity. Hence the Miami-Dade experience is a "heads-up" to other jurisdictions deploying procurement with similar aims and clients.

6. Large Forces Will Impact Attachment to the Labor Force, Regardless of Well-Intentioned Job Training and Counseling

Transcripts of Catalyst Miami client intake interviews were poignant and revealing. Decades-old felony convictions continue to be a barrier to labor market access for some job seekers. Limited public transportation is a serious deterrent to job training or the pursuit of well-paid jobs. So is the absence of affordable daycare, particularly for women. The high cost of housing crowds out savings and other basic needs. Limited financial literacy compounds the difficulties faced by unbanked low-earnings residents, who may get trapped in the pay day loan cycle. Job training and career counseling may mitigate these issues. But they can only do so much to move low- and moderate earners out of a paycheck-to-paycheck existence.

Concluding Thoughts

Greater Miami will be a better place to live and work because of Advancing Cities. Project interventions, individually and collectively, focused on the creation of sustainable jobs. The project spawned innovative relationships in the small business development arena. After a long lead time, procurement for small and minority businesses received a major boost through the development of an online marketplace. The job portal was created under the project's auspices and will have to find a new home with a county-wide audience. Perhaps most importantly, data-driven assessment of the employment ecosystem led to formalized training and career counseling that fostered living-wage careers. Greater Miami poses many challenges to upward social mobility, such as sky-high housing costs and limited public transportation. But Advancing Cities has proved to be an innovative, productive collaboration in an era of "Bottoms-up Federalism."

REFERENCES:

- Avalanche Consulting, McCallum Sweeney Consulting, and the Council for Adult and Experiential Learning. (2012). ***One Community One Goal Strategic Plan Report 1: Comparative Assessment***. Miami: The Beacon Council.
- Council for Adult & Experiential Learning. (2020). ***The Greater Miami Workforce Asset Mapping Report***. Indianapolis, Indiana.
- Cortina-Weiss, Betty. (2022, June 8). Health Foundation of South Florida Announces Investment in AI-Powered Platform Designed to Drive Millions in Institutional Spending to Local and Minority-owned Small Businesses. Miami: The Health Foundation of South Florida.
- Daguerre, Anne, & Conlan, Tim. (2020). Federalism in a Time of Coronavirus: The Trump Administration, Intergovernmental Relations, and the Fraying Social Compact. ***State and Local Government Review***, 52 (4): 287-297.
- Dilger, Robert J. (2000). The Study of Federalism at the Turn of the Century. ***State and Local Government Review***, 32 (2): 98-107.
- Dluhy, Milan J., & Frank, Howard A. (2002). ***The Miami Fiscal Crisis: Can a Poor City Regain Prosperity?*** Westport, CT: Praeger.
- Ehrenhalt, Alan. (2022, August 12). It's Not Just the Number of Jobs. It's What They Are—and What They Pay. ***Governing***: pp. 1-10.
- Gamkar, Shama, & Pickerill, J. Mitchell. (2012). The State of American Federalism 2011-2012: A Fend for Yourself and Activist Form of Bottom Up Federalism. ***Publius: The Journal of Federalism***, 42 (3): 357-386.
- Kahn, Matthew E., & McComas, Mac. (2021). ***Unlocking the Potential of Post-Industrial Cities***. Baltimore: Johns Hopkins.
- Mantica, Ana. (2019, April 18). Miami Received \$3 Million Investment from JPMorgan Chase's Advancing Cities Challenge. The Miami Foundation press Release.
- Murray, Edward, & Greiner, Kevin T. (2016). ***Miami-Dade County Prosperity Study***. Florida International University Metropolitan Center: Miami.
- Ross, Martha, & Bateman, Nicole. (2019, November). ***Meet the Low-Wage Workforce***. Metropolitan Policy Program. Washington: Brookings.
- Rossi, Peter H., & Freeman, Howard E. (1983). ***Evaluation: A Systematic Approach*** (2nd). Beverly Hills: Sage.
- Snider, Keith F., & Rendon, Rene G. (2012). Public Procurement: Public Administration and Public Service Perspectives. ***Journal of Public Administration Education***, 18 (2): 327-348.
- United States Small Business Administration. (2022). Enterprise Learning Agenda: Fiscal Years 2022-2026. Washington: SBA.