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SOUTH FLORIDA BUSINESS JOURNAL

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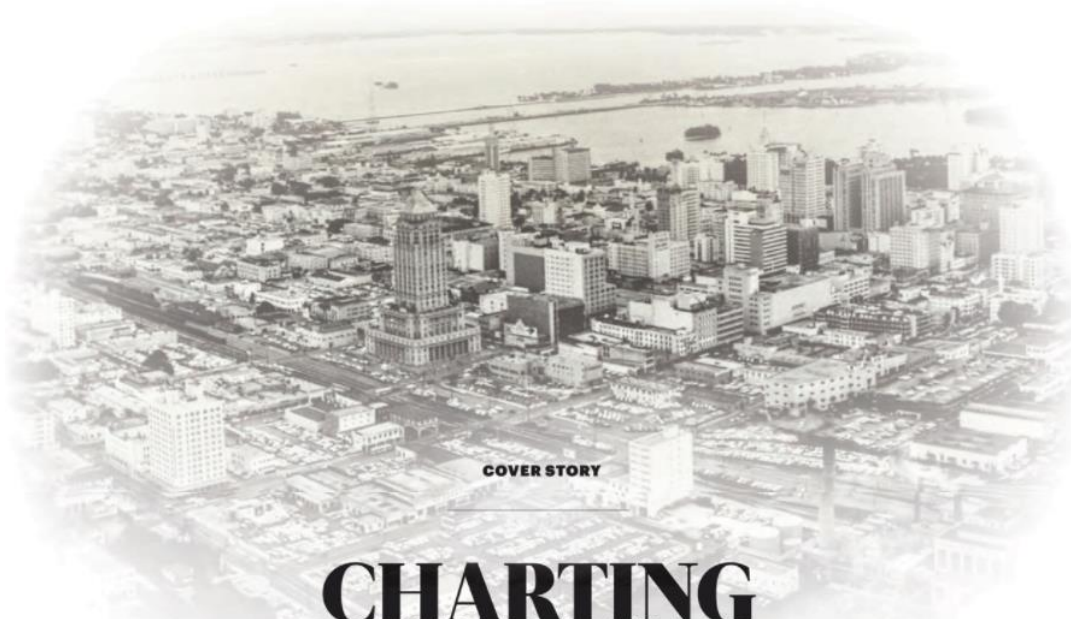
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MIAMI NEWS COLLECTION, HISTORICAL MUSEUM OF SOUTHERN FLORIDA



COVER STORY

CHARTING MIAMI'S PAST, PRESENT AND FUTURE

BY MATTHEW ARROJAS
marrojas@bizjournals.com
@SFBJarrojas • 786-533-8214

BY BRIAN BANDELL
bbandell@bizjournals.com
@SFBJRealEstate • 786-533-8215

BY ASHLEY PORTERO
aportero@bizjournals.com
@SFBJInno • 786-533-8224

The city of Miami is marking its 125th anniversary this week, with a series of affairs, kicking off July 26, to highlight some of the events and leaders that helped transform the Magic City into the international gateway it is today.

Of course, the *Business Journal* couldn't let this historic milestone go unrecognized due to the key role the business community and civic leaders have played in the city's evolution.

The timing of this anniversary couldn't be more perfect, as the city has garnered national attention over the past year as many companies and executives have relocated to the area.

Kudos to Mayor Francis Suarez and his team for accelerating efforts to sell Miami as a city that's more than ready for business and is strategically positioned to become the nation's first truly international technology hub.

Visit MIA125.org to learn about the city's many events, including the

Miami Innovation Luncheon at the Rusty Pelican, the 125th Anniversary Celebration at Pérez Art Museum Miami, and Miami Day.

Congrats to the 305 for turning 125!

A LOOK BACK

The city of Miami consisted of little more than a handful of buildings situated on the north bank of the Miami River when it was incorporated in 1896.

That was three months after industrialist Henry Flagler extended his Florida East Coast Railway to the rising city.

It didn't take long for Miami's population to skyrocket, as northerners and migrants from other parts of the country rode the railroad south to build a new life in a destination then, as now, marketed as a tropical paradise.

Florida's land boom of the 1920s accelerated the population surge, transforming downtown Miami from a frontier outpost into a hub for retail

and commerce.

By the middle of the century, downtown Miami boasted multiple theaters, department stores, restaurants and office buildings. Fueled by those local businesses, it became the center of the Magic City.

"When I was a kid in the '50s, downtown was rocking," said Dr. Paul George, resident historian at History-Miami Museum. "If you wanted something you didn't have at home – to go to a restaurant or a movie theater, or even go to the dentist – that's where you went."

That started to change in the 1960s and 1970s, when locals began to trade the urban core for newly developed suburbs. But it was still a bustling business district until the early 1980s, said Randy Alonso, owner of downtown bar Lost Boy.

Alonso's family has longstanding ties to the area. His grandfather

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opened the La Epoca department store in downtown's Alfred E. DuPont Building in the mid-'60s after fleeing his native Cuba. Eventually, the store would move to its own 10,000-square-foot space nearby.

La Epoca slowly began losing customers in the 1980s, when Venezuela's currency devaluation curbed Latin American tourism to Miami, Alonso said. After Hurricane Andrew hit in 1992, the neighborhood became nearly unrecognizable.

"The shutters started going up every day at 5 p.m.," he said. "Everything was boarded up; there was nothing going on."

That's how it stood for years, until a spurt of post-recession condo construction in the 2000s brought residents back to downtown Miami for the first time in decades. New retail, restaurants and museums followed, with both locals and businesses drawn to the area's public transit amenities and views of Biscayne Bay.

"It feels like downtown is coming full circle," HistoryMiami's George said.

Alonso opened Lost Boy in the DuPont Building in 2018, two years after La Epoca shuttered. The bar is among a handful of food and beverage concepts lining Flagler Street, the center of downtown retail during the neighborhood's heyday.

But Alonso anticipates more businesses will follow. After years of discussion, the city recently kicked off a construction project to beautify the historic, but blighted, street. The goal: To create a pedestrian-friendly hub for businesses and tourists that will serve as the heart of Miami's revamped urban core.

"It's great to see that so many minds see the same potential [in downtown]," he said.

A CITY IN FLUX

While they may use different words for it, Miami's business leaders seem to agree: The city is at an inflection point.

Decades-old visions for the Magic City are at last being realized in the eyes of some business leaders who had long invested in the area's future growth.

Nitin Motwani, managing partner of Miami Worldcenter Associates, helped amass 27 acres of land for the mixed-use development more than a decade ago, always holding on to his vision that the city would become an international pacesetter.

The recent influx of new residents, businesses and investments means his

THEN: Low aerial view of Biscayne Boulevard looking south to downtown Miami, published in the *Miami News* on Aug. 10, 1987. On the left is Bicentennial Park, temporarily paved over for the Miami Grand Prix.



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“These are things we dreamt of [years ago]. Do I wish have fast-forwarded to today, I wouldn’t be surpris

NITIN MOTWANI, managing partner of Miami Worldcenter Associates, on what the recent influx of new residents, businesses and in



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THEN: Rooftop view looking south on Biscayne Boulevard toward downtown Miami, circa 1955.



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NOW: Treetop view looking south on Biscayne Boulevard toward downtown Miami, June 2021.



JOCK FISTICK/SOUTH FLORIDA BUSINESS JOURNAL

**hey happened sooner? Yes. But in general, if I would
ed to see [Miami] as the global brand it is today.”**

ments means to his vision



A BUSINESS JOURNAL

NOW: Treetop view looking south on Biscayne Boulevard toward downtown Miami, June 2021.

vision – and that of others who banked on the area early – are finally coming to fruition, he said.

“These are things we dreamt of at that time,” Motwani said. “Do I wish they happened sooner? Yes. But in general, if I would have fast-forwarded to today, I wouldn’t be surprised to see [Miami] as the global brand it is today.”

The Covid-19 pandemic brought the biggest avalanche of new businesses to the city, most notably in the technology and venture capital sectors.

However, Miami Downtown Development Authority Executive Director Christina Crespi said the city’s efforts to attract businesses launched about eight years ago.

Continued investment in such areas as the arts, culture and transportation is what primed the city to capitalize on an influx of U.S. residents aiming to leave major metropolitan areas such as New York City and San Francisco during the pandemic, she said.

It’s what Albert Garcia, director of the Wynwood Business Improvement

District, refers to as Miami’s renaissance period.

“Like the renaissance period, we’re seeing this unique crossing of art and culture and business,” he said. “All these verticals are intersecting, and it’s unusual ... that all these facets have come together in one city at the same time.”

But it’s also the transformation of distinct neighborhoods – such as Wynwood, the Design District and Coconut Grove – over the last decade that’s helped redefine Miami as separate from Miami Beach.

Albert Dotson Jr., managing partner at Miami-based law firm Bilzin Sumberg, refers to it as the Manhattanization of Miami, where the city now has clear-cut boroughs, like New York.

“It diversifies the commercial base not only by geography, but by types of interests that keep the city vibrant,” he said.

The city’s neighborhoods attract businesses and investments distinct to those areas. For example, while an architecture studio may have little interest in Kendall, it may find the perfect home in the Design District, the Wynwood BID’s Garcia said.

As Miami continues to experience its coming-of-age story, civic leaders and developers alike will need to continue marketing the city and investing in its shortcomings, such as affordable housing and transportation, Motwani said.

Yet, whatever comes next, he believes this post-pandemic period will be a defining moment in the city’s history.

“I really think we will look back at this being the tipping point for Miami.”

LOOKING AHEAD

More than a year-and-a-half since Covid-19 first emerged in the U.S., the toll on local business communities and the nation’s economy are undeniable.

But South Florida has benefited from a growing number of out-of-state residents and businesses flocking to the region. Nowhere has that been more evident than Miami.

That steady influx, experts say, will continue and is poised to transform neighborhoods in a city some already refer to as the “Manhattan of the South.”

These communities will increasingly reflect “cities within a city” where residents can live, work and shop, while helping to shape those neighborhoods’ distinct personalities.

For example, Bernardo Fort-Bres-

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BELOW

THEN: Panoramic view of downtown Miami, the Miami River and the Brickell Avenue environs, looking east toward Biscayne Bay, with islands and causeway in the background, Feb. 16, 1962. The large land mass in the foreground is Brickell Key, and the islands in the center are what is now PortMiami.

FAR RIGHT

NOW: A view of Brickell Key, with PortMiami and Miami Beach in the distance.



MAPS4NEWS



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cia, founding principal of Miami-based architecture firm Arquitectonica, said he sees the northern corridor of Biscayne Boulevard, Little River and the new Magic City Innovation District emerging with denser development.

He's among the growing number of architects who believe walking, biking and public transportation could become the norm for future residents because of the region's chronic traffic woes.

Many of the young people who move to Miami don't even own a vehicle, which could result in the repurposing of parking garages as they become obsolete, Fort-Brescia said. But the city will need to spend more on infrastructure and public transportation to make it more walkable.

Those improvements won't come cheap. For example, costs approved for Flagler Street's beautification and streetscaping efforts total about \$23 million.

However, the rising costs of housing could make it challenging to attract workers to Miami — unless they are extremely well paid.

"Some of the exodus from San Francisco was because of the cost of housing and the cost of living," Fort-Brescia said. "So if we don't encourage people to build multifamily here, we will have a similar housing crisis."

As for the future character of downtown Miami, that is still being determined, said Bernard Zyscovich, founder and CEO of Miami-based Zyscovich Architects, which is working on development plans with major downtown landowner Moisha Mana.

Many blocks have multiple property owners, making it a challenge to create a uniform plan that results in high density, Zyscovich said. But downtown will become more residential and, much like Wynwood, the character of the neighborhood will change, he added.

"Wynwood will not be able to

retain its quirkiness and artsiness as it evolves into a residential neighborhood," Zyscovich said. "The more I do this work, the more I realize that mixed use as a goal doesn't work well with residential. People are interested in an urban life, but that doesn't mean all uses mix well. People are still against too much noise and traffic."

The artists and businesses that made Wynwood trendy will move to other less-expensive neighborhoods, fostering redevelopment there, he said, noting that Allapattah has already attracted some of these artists.

But a bigger concern for many Miami residents is underestimating the impacts of sea level rise or how a major tidal surge or hurricane could impact structures, Zyscovich said.

"We tend to wait until we have a disaster, and then we decide to make improvements," he said. "We should be future-proofing our buildings now."

City, county and state agencies are

working together to address street flooding, and that will require investments estimated in the hundreds of millions of dollars, said James F. Murrely, chief resiliency officer for Miami-Dade County.

For private property owners, the county is working on options such as the Solar and Energy Loan Fund (SELF) to help make homes more climate-resilient. But protecting older commercial buildings from the effects of climate change could prove costly.

The city and county must also make major improvements to manage stormwater and improve water quality in Biscayne Bay, which has suffered from fish kills and seagrass die-offs in recent years, said Irella Bague, the county's chief bay officer. The risk of flooding and the need for usable water impacts everybody, she added.

"Whether it's Miami or Coral Gables, we are all tied together by water," she said. "We are learning to live with it and adapt as we go." ❧

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BERNARD ZYSCOVICH, founder and CEO of Zyscovich Architects