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Downtown now wooing Chicago financial firms

By CATHERINE LACKNER

Recruiting missions by Miami's Downtown Development Authority to lure financial services firms from the Northeast have been so successful that Chicago has been added to the itinerary, says Christina Crespi, authority deputy director.

Ms. Crespi and Ilona Vega, authority director of business development, visited Chicago June 18-21, meeting some of the 300 attendees at the Agecroft Partners Hedge Fund Conference. During the trip, they spoke with the wealth management firms including Plante Moran, Northern Trust, Cortland Capital Market Services, and Opus Fund Services. They also spoke with civic and business development groups, including Gateway Green and the Chicago Loop Alliance.

Because of changes in Illinois law, "Wealth taxes are going to double," Ms. Crespi said, making Florida's status as a state with no personal income tax even more attractive. "We are the Wall Street of the South, with the second-largest number of banks in the country. It's an easy sell."

Following a successful February trip, Ms.

Vega returned to New York from April 24-26, meeting with Archetype Risk Advisors, Glovista, Capstone Investment Advisors, Brightsky Ventures, Atlantic Zagros Financial Partners and Citrin Cooperman. She also attended a Hedge Fund Association networking event with 70 guests.

Since Miami launched its finance initiative in 2013, "We've since seen a steady migration of funds and fund managers relocating or expanding to South Florida," Ms. Crespi said via email. In fact, the number of wealth advisors and funds has grown 54% in Miami since the campaign began, with a 34% growth in the number of SEC-registered alternate investment firms in Florida.

"Today, more than 81,000 people in Miami are employed in the finance sector, up from 67,000 10 years ago," she said. "Across South Florida, that number has grown from 156,000 to 184,000 over the same 10-year span. Three of the five largest alternative investment firms in Florida are located in Miami-Dade: Starwood Capital (\$32 billion under management), Bayview Asset Management (\$27 billion), and HIG Capital (\$20 billion).

"Florida had the highest level of net domestic migration from July 2017 to July 2018, according to US Census data from December," she said. "New York was the largest population loser, followed by Illinois." Hence the Chicago trip. In September, the authority plans to host a conference here and will invite some of the contacts from these trips.

"Florida also has been steadily creating jobs," Ms. Crespi said, "gaining 231,000 jobs in 2018, a 2.7% increase over the previous year, and bringing the unemployment rate down to 3.3% in December 2018."

Financial services firms that have relocated to or expanded in Miami include Atyant Capital, which came to Miami in 2014, opening its first location outside of India. Universa Investments moved its headquarters from California to Miami in 2014. Since then, assets under management have grown from \$3 billion to \$9 billion and staff has grown from 12 to 25.

XP Securities, a Brazilian venture capital firm, relocated employees from New York City to Miami in 2014, growing assets under management from \$200 million to \$1.6 billion and staff from 15 to 55.