

MINUTES
SOCIAL AND ECONOMIC DEVELOPMENT COUNCIL MEETING
Friday, July 17, 2009 at 1:30 p.m.
111 NW 1st Street, 6th Floor, Miami, Fl. 33128

Members Present

Dr. Antonio Jorge; Dr. Leonardo Rodriguez; Dr. Raul Moncarz; Dr. Elisa Moncarz; Dr. Bernadette West; Jesus Permuy; Dr. Maria Espino; Pedro Diaz; Reinaldo Azan; Dr. Jorge Salazar-Carrillo; Dr. Pedro Pellet.

Members with Excused Absence

Dr. Ken Lipner; Dr. Brian Peterson; Dr. Larry Capp; Dr. German Munoz; Dr. Willie Williams.

Members Absent

Rosendo Castillo; Dr. Gustavo Roig; Dr Javier Marques.

Miami-Dade County Staff

Dr. Robert Cruz, Robert Hesler and Hardai “Dai” Junor (OEDC); Bob Schwarzreich (DP&Z); Alton Sears (CAA); Carmen Morrina (DHS); Veronica Clark (SBD); Norma Roig (OCA); Terry Murphy (Commissioner Seijas office);

Public: Dr. Reinaldo Valdez; David Hernandez; Marisa Mendez-Pellet.

Call to Order – Welcome and Introductions

Dr. Jorge, Chairperson called the meeting to order at 1:45 p.m. and a quorum was met.

Members of the Council, county staff and others introduced themselves.

Approval of Minutes

Dr. Leonardo Rodriguez moved a motion to approve the minutes of the June 19th, 2009 meeting. The motion was seconded by Pedro Diaz. All were in favor and the motion passed.

Chairperson’s Update

Dr. Jorge changed the order of the Agenda because of issues that are of crucial matter and deferred to Dr. Cruz to make his report.

Dr. Cruz referred to the Mayor’s memo of July 15, 2009 on the Proposed Budget (a summary copy of budget was handed out in the package). He said the fiscal effects of the decline in property values and other revenue resources have contributed to a budget shortfall of \$427M in the county’s budget. The net result is a decline in operating budget expenditures of \$233 million in the Mayor’s proposed budget. The gap in the proposed budget has been bridged in various ways including a reduction

in salaries and personnel, eliminating many non-essential purchases and other savings. The changes also will be affecting the Office of Economic Development Coordination (OEDC).

A 5% across-the-board reduction in salaries, layoffs of 1700 county employees, and eliminations or significant reductions of financial support to non-governmental organizations account for approximately half of the budget shortfall. The Mayor has proposed a budget that leaves property values flat as referenced in Page 9 of the Proposed Budget that shows a graph that over time the tax millage has been declining in Miami Dade County. Dr. Cruz reminded everyone that this is a Proposed Budget that is now in the hands of the BCC, and, to his knowledge, no employees have been dismissed because of the proposed budget. He said September 4th will be the first reading of the budget by the BCC, and September 17th is the final hearing. In terms of revenue enhancement, the BCC at their July 21st meeting, can decide to set a higher millage rate to have the ability to consider other options. He talked about the rollback rate as one of the options (referring to Page 17 of the Proposed Budget. He said the Proposed Budget is also on line at www.miamidade.gov

Dr. Moncarz thanked Dr. Cruz for his presentation.

Discussion on the Proposed Budget:

Dr. Jorge talked of the antecedent of the situation, referring to the economic component of the Master Plan. He said that one of the very first things the SEDC did was object to the economic component represented by Planning and Zoning; and adopted a dual developmental strategy for the stability and balance of the local economy for this county. He stated that past proposals could have mitigated the current situation. He reiterated that the purpose of the Council is to advise the county administration, the BCC and the Mayor on economic policies.

Dr. Pellet motioned that pay cuts should be graduated, whereby the burden is equally shared; and the possibility of incorporating the progressive nature of income tax be applied to cuts in general. The motion was seconded by Dr. Rodriguez. The motion passed 9-2. Dr. Espinosa and Dr. Salazar voted against.

Dr. Pellet motioned for the recommendation for the implementation of a State income tax for the State of Florida at the appropriate time. Dr. Espino seconded the motion. The motion failed to pass.

Dr. Espino motioned for a recommendation to repeal to save our homes. The motion was seconded by Dr. Pellet. The motion failed to pass.

Dr. Rodriguez motioned for the Council to devote one meeting solely for the discussion on the issues of income tax. The motion was seconded by Dr. Pellet. Motion passed.

Reinaldo Azan motioned for the Council to direct its efforts in addressing the problems of Miami-Dade County and that members refrain from discussing issues at State Level such as income tax which has to be passed by the people of the State of Florida. Dr. Espino seconded. After discussion, the motion was withdrawn.

Dr. Moncarz motioned that county government needs to get back to the 21st century by looking at perks, benefits and pension plans. The motion was seconded by Dr. Pellet. All were in favor and the motion passed.

Dr. Moncarz motioned to multiply Lobbyist fees ten times. The motion was seconded by Reinaldo Azan. The motion was withdrawn.

Dr. Espino motioned to look at another revenue enhancement. The motion was withdrawn.

Dr. West motioned that the Council recommend that the BCC adopt the estimated rolled back millage referenced on Page 17 of the Proposed Budget at the July 21st meeting of the Board. The motion was seconded by Dr. Espino. All were in favor and the motion passed unanimously.

Dr. Jorge introduced a motion asking for an explanation from the appropriate County personnel what were the criteria used in determining who were to be terminated. The motion was seconded by Dr. Rodriguez. All were in favor and the motion passed.

Dr. Jorge requested that a letter be drafted to Chair Moss regarding the Report of the Education Sub Committee; and communication to the Director of Planning and Zoning that the SEDC wanted to have a presentation on the status of the CDMP. He also requested a report on the OEDC office from the Chief Economist.

Dr. Cruz said the OEDC report is an item on the Agenda. He talked about the future of the OEDC in terms of the budget proposal. The Director's position was budgeted last year, recruitment process was done; however, the position was never filled. The department consists of five other individuals – Agriculture Manager, Assistant to the Agricultural Manager, Chief Economist, Sr. Economic Analyst and a Sr. Secretary of the department. According to the Proposed Budget, the vacant position of the director has been eliminated; the Agricultural Manager and his assistant will be moved to the Consumer Services Department; the OEDC unit will be moved as a division to the Planning and Zoning. The savings will be about \$225,000, from the director's position and some cuts as well in non-salary operating expenses. He said that the budget was released on July 15th and he learned about it on the 13th. He noted that the budget was being worked on up until the last minute; and before this week he was under the expectation that the department (OEDC) would stay intact.

Dr. Jorge said one of the most important battles since the inception of the Council was the creation of the Office and the economic coordination function. He spoke of

the Manager's memo congratulating the SEDC for their recommendation and in which he also recognizes that Council was essential in the creation of the Office. The SEDC had advised the then liaison of the Council Ms. Jennifer Glazer-Moon as what should be the duties of the Office and how it should be discharged. Furthermore, it was recommended to the County Manager and Ms. Jennifer Glazer-Moon that the Council felt the appropriate person to head that office should have been Dr. Cruz. There was no need for a director because there is the Chief Economist with the expertise, and he is also the most qualified person to do the coordination of economic activities in that office.

Dr. Jorge recommended that the OEDC should be autonomous, because the duties of the Office are to coordinate functions of different departments, and as such should not be beholden to any particular director or department. He stated that the office should be able to operate independently and report directly to the highest authority which is the County Manager. He said from an economic standpoint, he sees no logic and finds it totally incomprehensible that the office be moved to the Department of Planning and Zoning which deals with physical planning.

Dr. Jorge motioned to urgently send communication to the BCC, indicating SEDC objection to this proposal of moving of the OEDC to the Department of Planning & Zoning, with copies to the Mayor, the Manager and the appropriate county staff. The letter should also remind them of the history of this particular office, the background, SEDC involvement, quoting the Manager's memo, and then insist that it is a misconceived idea to try to assign it to the Department of Planning and Zoning or any other department within the county structure. Due to the fact that one of the conditions for the proper functions of this office is to respect its autonomy in order to avoid any biases, it should respond directly to the County Manager and should not be beholden to any particular department or individual within the county structure. The motion was seconded by Dr. Espino. All were in favor and motion passed unanimously.

Dr. Pedro Diaz stated that the fundamental function of this office when it was created was to oversee the socioeconomic plan and its execution by all the departments of the county for appropriateness and timelines. To execute that function, it would have to coordinate the planning functions of the different sections; however, it could be misleading to think of the office as Coordination which is secondary, but the primary function is monitoring and overseeing the compliance with the economic vision.

The discussion then turned to the director of the office and Dr. Cruz was asked to step outside. The members discussed the issue of who should direct the office. Dr. Jorge motioned that the Chief Economist be given or assign the responsibility of directing the OEDC office. Dr. West seconded the motion. All were in favor and the motion passed unanimously. Dr. Cruz was asked to return to the meeting.

The issue of what to do in the case of repeated absences was then discussed. Dr. Jorge motioned to have the latitude from the members to a) determine if a person

has been absent repeatedly and does not actively participate in the business of the Council, and b) to then request of that member to resign or change their status to ex-officio. The motion seconded by Dr. Pellet. After discussion, the motion was withdrawn by Dr. Jorge.

Dr. Jorge said that attendance record will be given to everyone and if a member feels that someone is not fulfilling their duties they can bring it up at the meeting.

Salazar motioned that the Chair proposes the forced withdrawal of a member from the Council and then the whole council would vote on the basis of the proposal. No Second.

At the urging of several SEDC members the original motion by Dr. Jorge was brought forward and the motion passed with 8 yes and 2 no.

Terry Murphy informed the Council that Commissioner Seijas talked to the County Attorney's office to adjust the SEDC ordinance with regards to the eight year term limit, and that she is willing to sponsor a change in the Ordinance. However, she asked the County Attorney's office to consult with Senator Souto who was the original prime sponsor of the ordinance that established this body, to see if he is willing to present that amendment that will change the eight year term limit within the Ordinance. The draft language will be presented at the next SEDC meeting. He also asked for SEDC support on a proposed ordinance from Commissioner Seijas asking that all county departments standardize the process in collecting information on the NAICS code. With that information they hope to get some real-time data on business operating in Dade County. Several members expressed support and that it was a good idea. The proposed ordinance will be presented at the next meeting of the Council.

Adjournment

There being no further discussion, Dr. Pellet motioned for the meeting to adjourn. Motion seconded by Dr. Salazar. The motion was approved and the meeting adjourned at 4:35 p.m.