

**MINUTES**  
**SOCIAL AND ECONOMIC DEVELOPMENT COUNCIL MEETING**  
**Friday, August 21, 2009 at 1:30 p.m.**  
**111 NW 1<sup>st</sup> Street, 18<sup>th</sup> 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-Mendez; Reinaldo Azan; Dr. Jorge Salazar-Carrillo; Dr. Pedro Pellet; Dr. Ken Lipner; Dr. Brian Peterson; Dr. Larry Capp; Rosendo Castillo.

**Members with Excused Absence**

Dr. German Munoz; Dr. Gustavo Roig; Dr. Willie Williams

**Guest Speaker:**

Hugo Salazar, Deputy Director, Office of Strategic Business Management.

**Miami-Dade County Staff**

Dr. Robert Cruz, Robert Hesler and Hardai “Dai” Junor (OEDC); Bob Schwarzreich (DP&Z); Carmen Morrina (DHS); Mia Marin, Commission Auditor; Terry Murphy (Commissioner Seijas office).

**Call to Order – Welcome and Introductions**

Dr. Jorge, Chairperson called the meeting to order at 1:50 p.m. and a quorum was met.

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

**Approval of Minutes**

Dr. Pedro Pellet moved a motion to approve the minutes of the July 17th, 2009 meeting. The motion was seconded by Dr. Elisa Moncarz. All were in favor and the motion passed.

**Chairperson’s Update**

Dr. Jorge reported that he had a call from the Chairman’s office inviting him to appear before the BCC; however, he advised them that he would first like to meet with the Chair before going on the Agenda, and he is awaiting confirmation from the Chair’s office.

Dr. Cruz said that Chairman Moss’s office requested a copy of the Policy Paper on Innovative Solutions to Miami-Dade County’s pre-K-12 and Adult Education System, and may have been prompted by the recent letter on this subject that the Council sent to Chairman Moss. He also mentioned the letter from the Board accepting Dr. Frank de Varona’s resignation. (Copy of the letter will be sent to all members).

Dr. Cruz noted he had been in contact with the Director of Planning and Zoning and that the director expressed his willingness to make a presentation on the Evaluation and Appraisal Report of the CDMP at the SEDC's next regular meeting.

#### Report on FY 2009-10 Proposed Budget

Mr. Hugo Salazar, Deputy Director, OSBM reported on the FY2009-10 Proposed Budget (copies of his presentation distributed to all members) and the unprecedented budget gap of \$427M. He discussed the tax rates advertised as the roll-back rates, the effort to find targeted budget adjustments as opposed to across-the-board cuts, the operating versus capital budgets and fee adjustments. He explained that they cannot shift dollars from capital to operating. He said as part of the process, there will be budget workshops conducted by the Budget Finance Committee next week starting Monday morning and then Budget hearings on September 3<sup>rd</sup> which is the first hearing, and the next after that will be on September 17<sup>th</sup>. At the 17<sup>th</sup> meeting the Board of County Commissioners must pass a budget; and that between now and then there is going to be a lot of give and take. Only time will tell what the final budget will look like. He reminded everyone that what they have is a proposal put together by the Manager, the Administration and the Mayor which was submitted to the Board.

Dr. Lipner said the Council spoke of the issue of social equity and social income disparity as part of their social and economic development role. Listening to the report he did not hear of any prioritization, especially on issues of social and economic equity. He felt that there may be a tendency for the departments to overlook the critical issue of this Council, if they do not know of the SEDC principles that were adopted as part of the economic master plan.

Mr. Hugo Salazar said that Ms. Jennifer Glazer-Moon and himself do understand the general issues important to the SEDC and how Dr. Cruz's office complimented his office. Dr. Cruz has provided help they had never had before and do understand the value of this interchange. He added that in the process of doing the prioritization of cuts, they do have a strategic plan and that every department has their own business plans which is taken into consideration.

Dr. West asked for statistic for tax deeds that the county is selling when people defaulted in their payments. She sees the county's budget problem as a contribution to the skewed distribution of wealth; because during recession the poor people who cannot afford to pay their real estate taxes, are now losing their homes to the wealthy individuals who are buying the tax deeds up, and therefore the county is contributing to the problems of inequality or social injustice. Maybe there is better way of dealing with this issue so that during recession we do not have a mass transfer from the poor to the wealthy because of the way we generate revenue.

Mr. Hugo Salazar said the tax collector has been providing information to the Board regarding information on delinquent taxes.

Mr. Reinaldo Azan asked for the number of employees that the county has for last seven years the total budget for each department. Hugo said he has many requests that he has to respond in a very short time and asked that Dr. Cruz takes the details of the question.

The Council thanked Mr. Hugo Salazar for his very informative report.

Dr. Jorge added that what Lipner said is very important because it goes to the mission of the Council which is not only economic but social in nature. (Next month meeting the Director of Planning and Zoning will talk of the economic appraisal report and the Comprehensive Master Plan and how this council can interact with that process.) He said it is very important for everyone to attend the next meeting to learn how the economic component of the master plan was being implemented and stated how the council helped to rewrite it.

Dr. Jorge spoke of the Goals and Objectives of the economic component of the master plan and the creation of the position of the Chief Economist, and said if there is body in this county that is aware of the tasks of Dr. Cruz, it is this council. The work of Dr. Cruz is very important and the difference it can make to the county in matters of efficiencies of county operations. He asked Hugo Salazar to convey this message to Ms. Jennifer Glazer-Moon that the benefits of Dr. Cruz's work may depend very much on his role in the new office of Economic Coordination. Someone has to assess the coordination of economic and social functions among the departments and be explicitly responsible for the identification and duplication of functions, and that Dr. Cruz is very qualified to carry out those functions. He stated also that this point will also be conveyed to Chairman Moss at the BCC meeting.

Dr. Jorge reminded everyone to look at the package that was given to them of the Council's accomplishments which was recognized by the County Manager and also received a Proclamation from the BCC acknowledging the SEDC's contribution to the development of economic strategy – a known task that the Council has been involved in over the years. He said they have to urge the County Commissioners to embrace the efforts of the Council.

Dr. Peterson said that one of the things he was impressed by in Mr. Salazar's presentation was that it seems that everything that is being done for poor people in the County is being done with federal dollars. There is no commitment from County government to do a lot for poor people with the County's own money. He stated that in the public schools all the extra money for low income schools comes from the federal government. It is a pattern and is recognized as a problem around the whole nation and it is a problem here also. He suggested things that could be done with County money that would help the poor in a very substantive way. We need to suggest very specific things for economic development for the county which will address both the process and the substance.

Dr. Jorge motioned for the creation of an Adhoc Committee to include Dr. Cruz, Ms. Jennifer Glazer-Moon or her deputy, the Director of Planning and Zoning, and the person in charge of the Strategic Plan to study how to bring about an effective integration and coordination between the Economic Element, the Strategic Plan; the Business Plans of various county departments; and the County Budget. He said that it is important to have an effective coordination between these three elements under the guidance and direction of an economic development strategy that would set overall goals, objectives and priorities that the County should pursue in promoting its economic and social development. He also requested active participation of some appointed members of the SEDC in the deliberations of the Adhoc Committee charged with the above mentioned task. Motion seconded by Dr. Peterson. All were in favor and the motion passed. Dr. Jorge requested that a letter conveying the desire of the Council in this motion be sent to the County Manager, Ms. Glazer-Moon, the BCC and any other appropriate County officials.

Dr. Cruz was asked to summarize the economic impact of the proposed budget cuts. Dr. Cruz informed the Council that an analysis he recently did – essentially is a reduction in expenditure in county portion of about \$233M from last year’s budget, taking into consideration a reduction in property taxes of that same amount – would result in a net loss of approximately 4,500 jobs (including 1,700 County workers). He explained that the expenditure reductions mainly came in the form of lost consumer purchasing power of County workers and reductions in financial support for CBOs. The analysis was prepared with the aid of the County’s REMI model that includes not only Miami-Dade but also other counties in the broader South Florida region. A PowerPoint summarizing the results of the analysis will be distributed at the next SEDC meeting.

Dr. Capp expressed appreciation for today’s presentations and the discussion it generated in today’s meeting. Mr. Hugo Salazar’s PowerPoint was quite helpful. Dr. Capp noted that the County, like other local governments and the state government has a revenue problem and not a significant issue of duplication or waste. He recommends an invitation to Merrett Stierheim at the meeting after the next to talk about this issue and elaborate on his ideas as expressed in a recent Op Ed he wrote.

### Adjournment

There being no further discussion the meeting adjourned at 4:15 p.m