

BANKING/FINANCE

Regional Banks Will Cut Bonuses While Big Firms Raise Incentive Pay



ADOBE STOCK

Bankers working for regional firms are likely to see their bonuses decline as much as 20% this year, while their counterparts at major global banks could see their incentive pay increase as much as 20%, according to a report from compensation consultant Johnson Associates Inc.

by Katherine Doherty

Bonus season in the finance industry is projected to go in two directions, with bankers at regional U.S. lenders hurt by smaller incentive pools while year-end compensation at larger firms is expected to rise by double digits.

Bankers working for regional firms are likely to see their bonuses decline as much as 20% this year, while their counterparts at major global banks could see their incentive pay increase as much as 20%, according to a report Tuesday that gave an early projection for the year from compensation consultant Johnson Associates Inc.

"We have the have and have-nots — big banks are doing great, small banks are suffering," Alan Johnson, managing director of Johnson Associates, said in an interview. That will impact how bankers are paid at year-end, when bonuses are calculated based on performance, he said.

In the first quarter, banking giants, including JPMorgan Chase & Co. and Citigroup Inc., reeled in windfalls from higher interest rates. Those benefits contrasted with the experience at regional banks that saw a flood of withdrawals and precipitous stock drops as shareholders worried that rising rates were eroding the value of the firms' assets.

Last year, the average Wall Street bonus plunged 26% as a slump in dealmaking and banks' efforts to contain costs weighed on compensation, according to an analysis by New York State Comptroller Thomas DiNapoli. That percentage brought the average bonus closer to what employees received before the Covid-19 pandemic, he said.

Bankers who advise on mergers and acquisitions also are likely to see their bonuses decline as much as 20% this year, while their counterparts in debt underwriting are poised to fare better, with their incentive pay increasing 5% to 10%, according to the Johnson Associates report.

At the five biggest Wall Street firms, investment-banking revenue fell 23% in the first three months of the year. Inflation, fears of a recession and wild market swings kept dealmaking, including initial public offerings, mostly muted. The battle for talent has also slowed in the finance sector, with some firms trimming headcount and freezing hiring to manage expenses.

"People are more cautious on hiring, and firms have cut back significantly, with headcount flat to trending down," Johnson said.

There are some signs of bright spots in the industry, especially for desks that continue to benefit from rising interest rates and the move away from equities to lower-risk assets such as bonds or money-market funds. Fixed-income traders could see their bonuses increase as much as 15%, outperforming their equity-trading peers as IPO activity remains muted, according to the report.

Elsewhere in finance, incentive pay is likely to be flat or down. Those working in asset management may see a decline of 10% on lower profits, while bonuses at wealth-management firms are projected to be flat to up 5%, Johnson Associates said. Similarly, at private equity firms both big and small, incentive compensation is likely to be flat.

Katherine Doherty reports for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **COUNCIL ZONING MEETING** on **May 24, 2023 beginning at 6:00 PM** to consider a modification to the Midtown Doral Planned Unit Development (PUD) Phase II Master Development Agreement (MDA) and Pattern Book. The City Council will consider this item for **SECOND READING**. The meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166**.

The City of Doral proposes to adopt the following Ordinance:

ORDINANCE No. 2023-13

AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING A MODIFICATION TO THE MIDTOWN DORAL PLANNED UNIT DEVELOPMENT (PUD) PHASE II MASTER DEVELOPMENT AGREEMENT AND PATTERN BOOK TO INCREASE APPROVED RESIDENTIAL UNITS FROM 675 TO 734, INCREASE CLUBHOUSE AMENITY SPACE FROM 47,000 SQUARE FEET TO 58,052 SQUARE FEET, AND REDUCE COMMERCIAL GROSS LEASEABLE AREA FROM 93,000 SQUARE FEET TO 61,064 SQUARE FEET; AND PROVIDING FOR AN EFFECTIVE DATE

HEARING NO.: 23-05-DOR-03

APPLICANT: Century Midtown Properties, LLC, Century Town Center 1, LLC, and Century Town Center 2, LLC

PROJECT NAME: Midtown Doral PUD Phase II

PROPERTY OWNERS: Century Midtown Properties, LLC, Century Town Center 1, LLC, and Century Town Center 2, LLC

LOCATION: Generally located east of NW 107 Avenue and situated to the north and south of NW 82 Street.

FOLIO NUMBER: 35-3008-000-0033, 35-3008-000-0036 and 35-3008-000-0038

SIZE OF PROPERTY: ±8.8 acres

FUTURE LAND USE MAP DESIGNATION: Community Mixed Use (CMU)

ZONING DESIGNATION: Planned Unit Development (PUD)

REQUEST: The Applicant requests a modification to Phase II of Midtown Doral Planned Unit Development (PUD) proposing an updated development program comprising of a 58,052 square foot clubhouse, 61,064 square feet of gross leasable commercial use, and 734 dwelling units. This will allow for an additional 59 dwelling units, an increase of 11,052 square feet of clubhouse amenity space, and a reduction of 31,936 square feet of gross leasable area of commercial use.

Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL. The application file may be examined at the City of Doral Planning and Zoning Department located at 8401 NW 53 Terrace, Doral, FL 33166.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any person who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC
City Clerk
City of Doral