

There Is No Class A or A+ Office in Miami Beach

The current demand in today's market is not being met in Miami Beach.

Currently no contemporary Class A or A+ structure exists in Miami Beach, and the current code in most districts restricts the feasibility of any new proposed Class A or A+ buildings





Existing Miami Beach Office

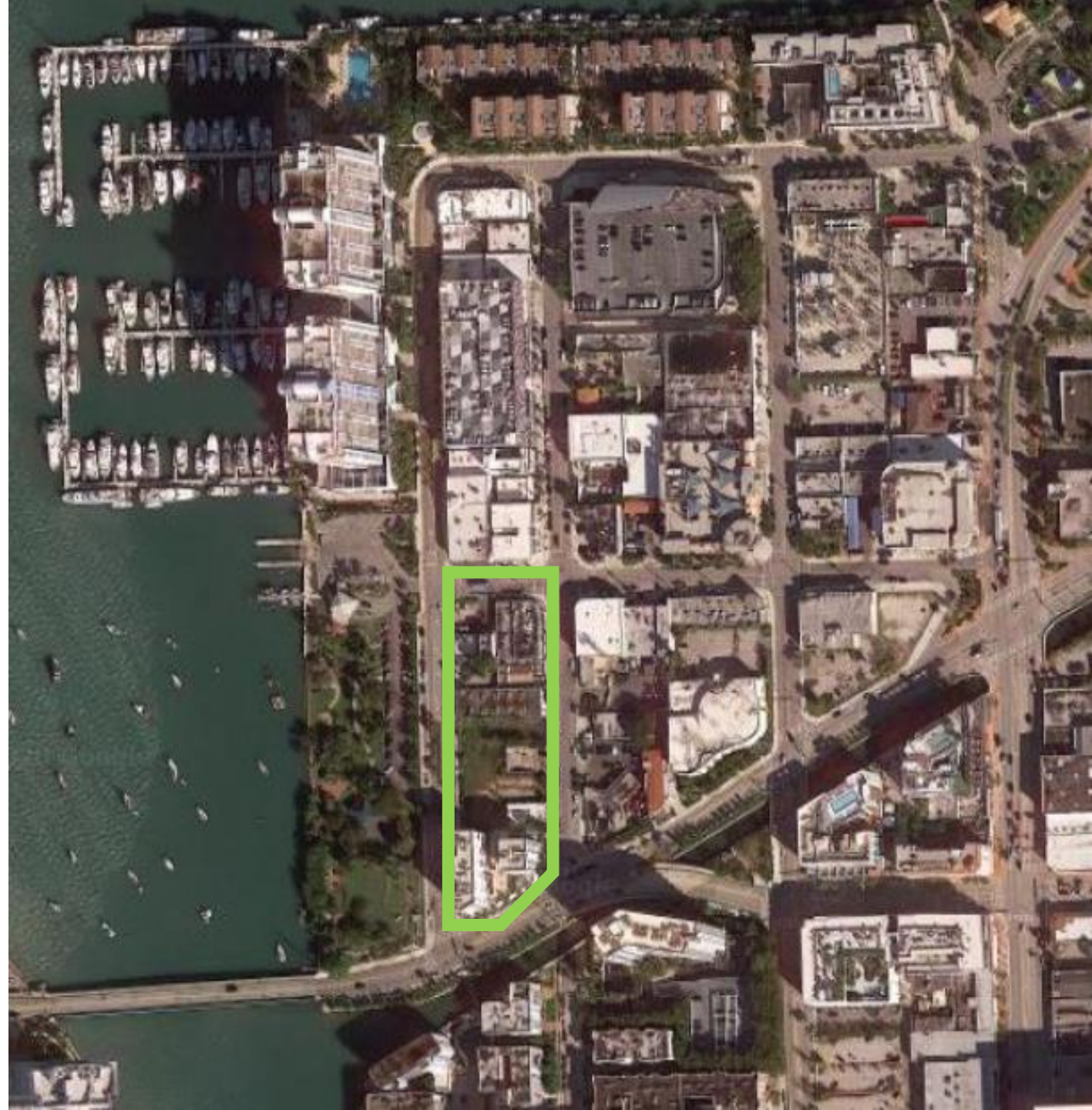
Pilot Ordinance to Incentivize Office

Limited Location:

Between Bay Rd. & Purdy Ave.,
Dade Blvd. & 18th Street

Includes a Sunset Provision:

Must pull building permit prior
to December 31, 2022



HEIGHT INCREASE



Without Increase



With Increase



No Height Change



Proposed Height Change



Long Term Positive Economic Impact

Increased Tax Revenue from
Underutilized Properties

Less Reliance on Tourism Dollars

Short & Long-Term Job Creation

Increased **Full-Time** Resident
Population

Increased Retail & Restaurant
Spending

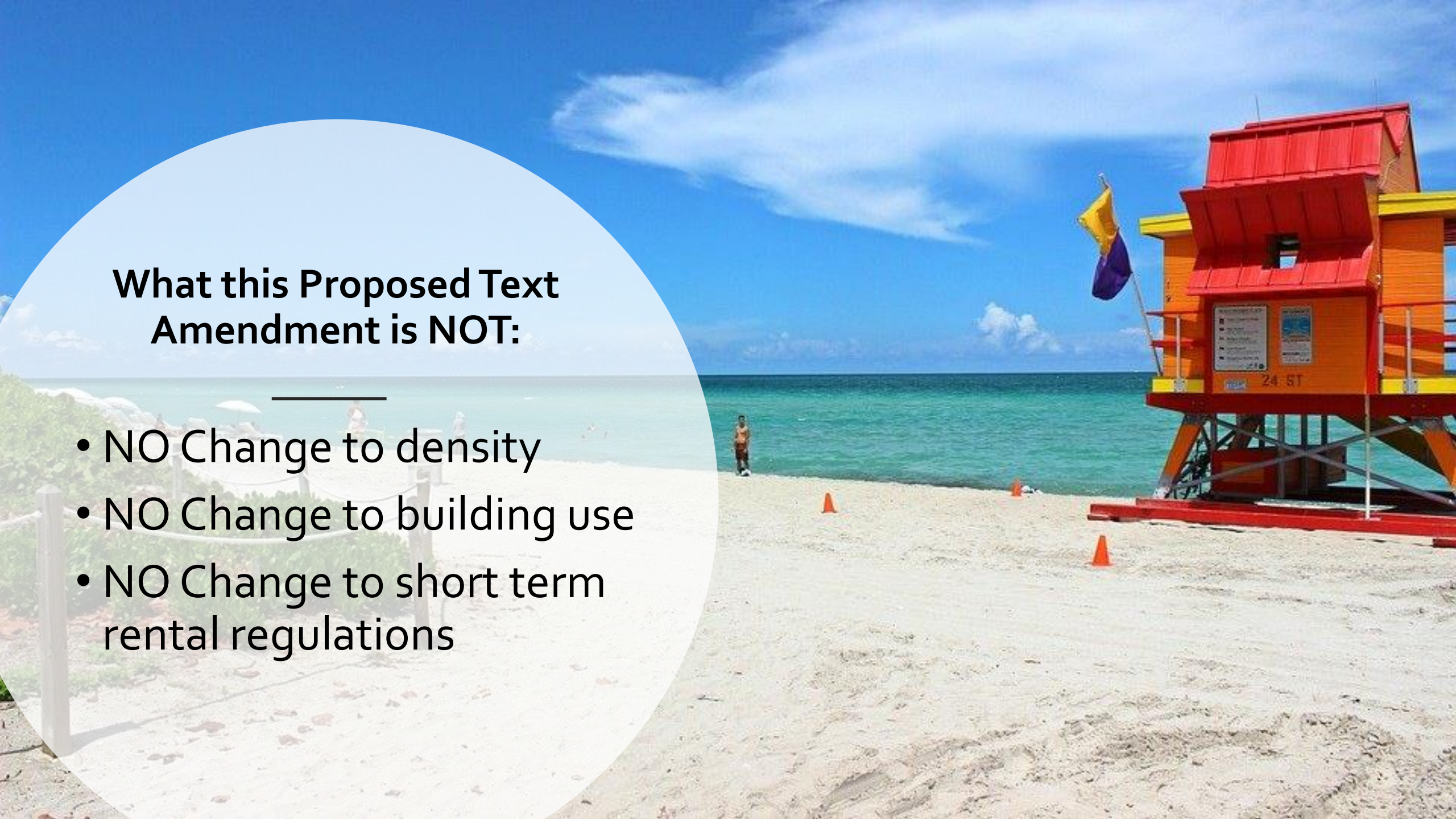
Sustained Local Business Support





What this Proposed Text Amendment is NOT:

- NO Change to density
- NO Change to building use
- NO Change to short term rental regulations





Appendix

COVID ROOM TO BREATHE.



Miami Beach Class A & B Office

Property Name	Property Address	RBA	Total Available Space (SF)	Rent/SF/Yr	Percent Leased	Year Built	Year Renov.	Slab to Slab	Ceiling Height	Parking Ratio	Number Of Stories
1111 Building	1111 Lincoln Rd	146,287	68,705	\$31.00 - 56.00	91.45%	1970	2008	12	up to 14	2.00	8
The Sony Music Building	605 Lincoln Rd	80,546	10,141	\$48.00 - 56.24	78.80%	1932	2010	12			7
The Lincoln	1691 Michigan Ave	161,824	56,696	\$50.00 - 52.00	86.03%	2003		12		4.00	6
Yukon Building	119 Washington Ave	79,639	2,227	\$78.00	97.20%	2002				1.20	7
404 Washington	404 Washington Ave	159,887	6,293	\$50.00	96.06%	1995		9		1.20	8
555 Washington	555 Washington Ave	64,617	23,997	\$50.00	66.60%	2001	2015			4.03	4
4308 Alton Road	4308 Alton Rd	85,162	5,528	\$40.42 - 49.41 (Est.)	95.72%	2008					9
Lincoln Place	1601 Washington Ave	134,135	110,946	\$44.17 - 53.99 (Est.)	84.20%	2002		10	11	3.60	8

Provided by Colliers International

Eighteen Sunset Tax Analysis

<u>Retail:</u>	
Projected Gross Income (15,051 SF @\$75psf):	\$ 1,128,825.00
Vacancy & Collection Loss (5%):	\$ 56,441.25
Effective Gross Income:	\$ 1,072,383.75
Unreimbursed Expenses (5%):	\$ 53,619.19
Net Operating Income:	\$ 1,018,764.56
Capitalization Rate:	5.50%
Value:	\$ 18,522,992.05
Assessment (85%):	\$ 15,744,543.24
Miami Beach Millage Rate:	0.60%
CMB Tax Revenue:	\$ 94,815.21
<u>Office:</u>	
Projected Gross Income (30,740 SF @\$80psf):	\$ 2,459,200.00
Vacancy & Collection Loss (5%):	\$ 122,960.00
Effective Gross Income:	\$ 2,336,240.00
Unreimbursed Operating Expenses (25%):	\$ 584,060.00
Net Operating Income:	\$ 1,752,180.00
Capitalization Rate (5.5% plus millage):	7.50%
Value:	\$ 23,362,400.00
Assessment (85%):	\$ 19,858,040.00
Miami Beach Millage Rate:	0.60%
CMB Tax Revenue:	\$ 119,587.10

<u>Parking:</u>	
Projected Income (78 spaces @ \$300/mo.):	\$ 280,800.00
Vacancy & Collection Loss (10%):	\$ 28,080.00
Effective Gross Income:	\$ 252,720.00
Unreimbursed Operating Expenses (25%):	\$ 63,180.00
Net Operating Income:	\$ 189,540.00
Capitalization Rate (5.5% plus millage):	7.50%
Value:	\$ 2,527,200.00
Assessment (85%):	\$ 2,148,120.00
Miami Beach Millage Rate:	0.60%
CMB Tax Revenue:	\$ 12,936.19
<u>Residential Penthouse:</u>	
Projected Sale Price:	\$ 30,000,000.00
Assessment (85%):	\$ 25,500,000.00
Miami Beach Millage Rate:	0.60%
CMB Tax Revenue:	\$ 153,563.55
Projected Property Tax Revenue:	\$ 380,902.06
<u>Resort Tax Revenue:</u>	
Total Projected Food, Beverage and Retail Sales (15,051 SF @ \$1200psf):	\$ 18,061,200.00
CMB Projected Resort Tax Revenue (Total Sales x 2%):	\$ 361,224.00
<u>Tangible Personal Property Tax Rate:</u>	
	7%
Estimated Personal Property Value (All Components of Development):	\$ 5,000,000.00
Projected Tangible Personal Property Tax Revenue:	\$ 350,000.00
Projected Net TPP Tax Revenue to City of Miami Beach:	\$ 108,766.74
Current Tax Revenue from Existing Property to City of Miami Beach:	\$ 49,230.00
Projected Tax Revenue to City from New Development:	\$ 850,892.80
Annual Minimum Difference Between Existing and New Development Revenue:	\$ 801,662.80
Additional Annual Tax Revenue Growth over first 5 years of operation for New Development v. Existing Revenue*:	\$ 212,593.97
Total Projected Annual Tax Revenue upon Development Stabilization (Year 5):	\$ 1,063,486.77