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## VIA ELECTRONIC SUBMITTAL

February 22, 2021

Thomas Mooney, Director  
Planning Department  
City of Miami Beach  
1700 Convention Center Drive, 2nd Floor  
Miami Beach, Florida 33139

RE: **PB20-0389** – Letter of Intent – Application for Amendment to  
RM-2 Zoning District Regulations Pursuant to Section 118-162 of  
the Code

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Dear Mr. Mooney:

This law firm represents MCZ/Centrum Flamingo II, LLC and MCZ/Centrum Flamingo III, LLC (collectively the "Applicant") in its application to amend the RM-2 Zoning District regulations pursuant to Section 118-162 of the Code of the City of Miami Beach (the "Code"). The proposed code applies specifically to properties of ten (10) acres or more with split zoning between RM-2 and RM-3 Zoning Districts that front Biscayne Bay (the "Code Amendment"). See Exhibit A, Proposed Code Amendment. This letter serves as the Applicant's letter of intent in support of the proposed Code Amendment.

The Applicant is the owner of the properties located at 1420 and 1508 Bay Road in the City of Miami Beach (the "City") and further identified by Folio Nos. 02-3233-007-0030 and 02-3233-007-0032 (collectively the "Property"). The Property is approximately 15.97 acres in size and is improved with a multi-family development that consists of Central, North, and South Towers, as well as a five (5) story mixed-use parking garage.<sup>1</sup> Collectively this development is known as Flamingo Point. It should be noted that this application is being processed concurrently with an application for design review of a new tower at the northern end of the Property identified by File No. DRB20-0557.

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<sup>1</sup> The South Tower, identified by reference Folio No. 02-3233-079-0001, is a residential condominium owned by individual unit owners.

Background. In recent years, Miami Beach has wisely focused significant resources towards securing the City's future through measures intended to encourage resilient development and improve stormwater management. In line with these objectives, the City has creatively increased green spaces throughout the City in order to increase permeability and reduce stress on the City's stormwater infrastructure. This focus on increasing permeable open space translates to development and urban planning in the form of taller and sleeker buildings with smaller footprints. These taller more streamlined buildings generate less stormwater runoff, which reduces flood risk and improves water quality in Biscayne Bay. As a barrier island community, Miami Beach is at the forefront of addressing challenges with respect to sea level rise and stormwater management, which requires that the City adopt modern design principles such as encouraging taller and sleeker buildings, rather than long, wide buildings that create undesirable impacts.

Purpose of Proposed Code Amendment. The current 140-foot height restriction for properties fronting Biscayne Bay in the RM-2 District limits development to buildings with large footprints, which exacerbate stormwater management impacts from development. Properties of ten (10) acres or more with split RM-2 and RM-3 zoning that front Biscayne Bay, such as, Flamingo Point, hold significant vested development rights, which under current height restrictions can only be distributed horizontally across available development sites. Furthermore, the height-based required side yard setback in the RM Districts discourages tall slender buildings with smaller impermeable footprints in favor of mid-rise buildings that maximize permitted lot coverage, especially on deep lots. The long and wide footprints of buildings permitted as of right eliminate permeable area, which works against the City's efforts to increase green space and permeability, while also obstructing water views from adjacent buildings and public rights of way. Thus, the purpose of the Code Amendment is to implement a new design philosophy that embraces taller more slender building on certain properties that could otherwise only be developed with low, wide buildings with large impermeable footprints.

Proposed Code Amendment. The proposed Code Amendment relaxes height restrictions and setbacks only for certain properties of ten (10) acres or more with split zoning between RM-2 and RM-3 District and fronting Biscayne Bay. Such unique properties will be permitted to increase height up to a maximum of 300 feet. The Code Amendment also proposes to eliminate the height-based formula for the required side yard setback, which works in concert with the height limitation to promote buildings with large footprints and minimal permeable area. Instead, the Code Amendment allows a tower interior side yard setback of 27'-5" for a maximum of twenty-five percent (25%) of the length of the side property line in order to ensure a slender tower with identical side interior setbacks for the tower and pedestal. Also, to address conditions in which an

existing structure is bisected by a zoning district boundary line, the Code Amendment provides an alternative to the required sum of side yards under which the required sum of side yard is equivalent to the required tower side interior setback for twenty-five percent (25%) of the length of the side property line (27'-5").

Importantly, the Code Amendment allows for taller more streamlined towers that increase permeability and open view corridors.

The Proposed Project. Flamingo Point is currently entitled to an approximately additional 106,000 square feet of floor area in the RM-2 portion of its Property, which under current regulations can only be distributed horizontally throughout this narrow and deep portion of the Property. In conjunction with the Code Amendment, the Applicant proposes an elegantly designed 300-foot slim tower with approximately 33 to 37 luxury residential units that distributes the floor area vertically on the northern edge of the Flamingo Point property (the "Proposed Project"). See Exhibit B, Proposed Project Renderings.

Height. The Applicant proposes to increase from current 140-foot height restriction to up to a maximum of 300 feet. The 140-foot height restriction limits development to buildings with long, wide footprints that create stormwater management and view corridor issues. The additional height will permit more vertical, streamlined structures with a smaller footprint that can increase green space and maximize permeability, much needed for resiliency, while also enhancing views of the waterway. See Exhibit C, Massing Study.

Notably, the increased height permitted by the Code Amendment furthers the recommendations of the Urban Land Institute's Stormwater Management and Climate Adaptation Review published in April 2018 (the "ULI Report"). The ULI Report recommended that the City utilize its Land Development Regulations to incentivize private development of taller buildings that mitigate loss of usable space due to sea level rise and flooding, which is precisely what the Code Amendment proposes. As the ULI Report highlights, permitting increased height facilitates resilient designs that avoid extensive habitable ground floor spaces and incorporate climate adaptation measures. This is especially important in the area surrounding Flamingo Point, which is one of the lowest lying areas of the City.

Further, by not seeking any reduction of the rear setback, which for the tower portion is 83'-4" from the seawall, the new building will be considerably pushed to the east, which preserves the Capri Condominium's (the "Capri") views of Biscayne Bay.

Notably, the Capri's views are already partially obstructed by the existing North Tower at Flamingo Point, which is 15-stories tall and located further to the west than the new tower. This existing condition will remain. See Exhibit D, View Corridors. Similarly, the increased height has a negligible impact on shadows in comparison to what can be constructed as of right. See Exhibit E, Solar Study.

Also, Flamingo Point will not use the Code Amendment to add more density, rather they will reduce density. The new 300' tower will only contain 33 to 37 units, where the squat 140' horizontal building with a markedly larger footprint would have approximately 46 units. Moreover, following the completion of comprehensive on-going renovations to the Flamingo North Tower, the total number of units within the entire Flamingo Point development will actually be reduced by over 200 units, which substantially mitigates impacts on infrastructure and levels of service in the City.

The proposed structure will be no taller than other nearby buildings, including the Flamingo Point Center Tower and the Waverly. Therefore, the new but markedly slender structure will be in context with the neighborhood. Heights of other nearby buildings are as follows:

- 36-story (358') Waverly at South Beach Condominium located at 1330 West Avenue;
- 32-story (337') Flamingo Point Center Tower;
- 33-story (337') Floridian Condominium located at 650 West Avenue;
- 26-story (296') Sunset Harbor Yacht Club located at 1928 Sunset Harbor Drive;
- 26-story (285') Nine Island Condominium located on Belle Isle immediately west of Flamingo Point; and
- 26-story (270') Grand Venetian Condominiums also located on Belle Isle immediately west of Flamingo Point.

Furthermore, the slender design of the Proposed Project results in floor plate sizes of 4,980 square feet, which is less than half the size of any of the above-mentioned nearby buildings. See Exhibit F, Height Context Analysis.

Increased Permeability. A streamlined new tower with a smaller footprint provides ample opportunity to increase the permeable areas of the RM-2 portion of the Property in direct agreement with the recommendations of the ULI Report. This results specifically from distributing the massing of the new tower vertically, which allows for greater permeable areas and resilient landscaping in the open areas on the east side of the proposed structure. See again Exhibit C. Notably, the existing RM-2 portion of the Property provides only 46% pervious landscaped open space, while the introduction of

the new tower increases this amount to 79%, which is accomplished through green space, bioswales and permeable pavement. See Exhibit G, Pervious Area Diagrams.

Side Interior Setback. The Code provides side interior setbacks for the pedestal and tower portions of a building, where the pedestal is the first 50 feet and the tower is the portion above the pedestal. Under the current Code, the required side interior setback is 18'-3" for the pedestal and 43'-3" for the tower. The proposed Code Amendment allows the side interior tower setback at 27'-5". To keep the overall building footprint small, the Code Amendment restricts this new tower setback to a maximum of 25% of the length of the side property line. In addition, the Code Amendment provides for an alternative required sum of side yards to address the existing condition on the Property whereby the north parking garage straddles the RM-2 district boundary line. Because providing a side interior setback as measured from the RM-2 district boundary line is impossible due to the location of the existing north parking garage, the Code Amendment provides for a sum of side yards that is equivalent to the side tower setback for twenty-five percent (25%) of the side property line of 27'-5". This results in a sleek, uniform building presence.

Amendment Criteria. The Code Amendment satisfies the below criteria provided in Section 118-163(3)(a)-(n) as follows:

**a. Whether the proposed change is consistent and compatible with the comprehensive plan and any applicable neighborhood or redevelopment plans.**

The Code Amendment is consistent and compatible with the objectives and policies of the comprehensive plan. An overarching guiding principle in the comprehensive plan is the encouragement of "innovative, sustainable, and resilient development." Policy RLU 2.1.1 implements this principle by providing that future development should maximize unpaved landscape to allow for more stormwater infiltration. Further, Policy 2.1.6 encourages "development measures that include innovative climate adaptation and mitigation designs with creative co-benefits where possible, *through the land development regulations.*" (emphasis added).

This is precisely what the Code Amendment intends to accomplish. Through the land development regulations, the Code Amendment provides an innovative approach that maximizes unpaved landscape, elevates habitable spaces, and provides stormwater management benefits. The Code Amendment accomplishes this by facilitating vertical distribution of floor area on properties that under the current land development regulations can only distribute permitted floor area horizontally. The effect of this redistribution of floor area is reduced impermeable footprints, which is an expressly stated

policy of the comprehensive plan. Accordingly, the Code Amendment is consistent and compatible with the comprehensive plan.

**b. Whether the proposed change would create an isolated district unrelated to adjacent or nearby districts.**

Not applicable, the Code Amendment does not propose any zoning district boundary change.

**c. Whether the change suggested is out of scale with the needs of the neighborhood or the city.**

The proposed change is not out of scale with the needs of the neighborhood or the City. The Code Amendment merely seeks to redistribute the vested development rights held by property owners in a manner that promotes the City's resiliency objectives. As described above, many waterfront parcels in the southwestern portion of the City are developed with buildings of heights comparable to what will be permitted by the proposed Code Amendment. The majority of these buildings meet the demand for residential or hotel uses in one of the most desirable areas of the City. Thus, the proposed Code Amendment is not out of scale with the needs of the neighborhood or the City.

**d. Whether the proposed change would tax the existing load on public facilities and infrastructure.**

The proposed Code Amendment reduces the existing load on public facilities as it relates to the proposed new tower at the north end of the Flamingo Point Property. The proposed Code Amendment facilitates the replacement of a large paved surface parking lot on the Property with a slender tower surrounded by bioswales and resilient landscaping. The effect of this is a significant increase in permeable area, which reduces the load on the existing stormwater management system.

**e. Whether existing district boundaries are illogically drawn in relation to existing conditions on the property proposed for change.**

Although the proposed amendment does not modify district boundaries, it should be noted that the existing district boundaries are illogically drawn with respect to the existing conditions on the Flamingo Point Property. The existing RM-2 district boundary line bisects the existing north parking garage on the Property. This condition creates an

illogical situation with respect to the required sum of the side yards for redevelopment of the northern portion of the Property.

Pursuant to Section 142-73(6), a district boundary line that divides a property is treated as if it were a lot line separating two separated zoned parcels. Thus, the required sum of the side yards for a new structure on the northern portion of the Property is 16% of the lot width. However, because the existing structure straddles the district boundary line that is required to be treated as a lot line, it is impossible to provide a side yard setback on the south side of the RM-2 zoned portion of the Property. The Code Amendment remedies this illogical condition by permitting a sum of side yards that is equivalent to the required tower setback, 27'-5", for twenty-five percent (25%) of the length of the side property line.

**f. Whether changed or changing conditions make the passage of the proposed change necessary.**

The proposed Code Amendment is necessary to allow flexibility with respect to setbacks and height in order to accommodate structures with resilient and forward-thinking designs. This added flexibility encourages designs that are well-suited for future expected sea level rise, which ensures the long-term viability of newly construction in the City.

**g. Whether the proposed change will adversely influence living conditions in the neighborhood.**

The proposed Code Amendment will not adversely influence living conditions in the neighborhood. As a result of an application to modify previous Design Review Board approvals, the total unit count within Flamingo Point is being substantially reduced to encourage larger more family-friendly units. Even after the proposed new tower on the northern portion of the Property is developed, there will be a net reduction of over 200 units within Flamingo Point, which will reduce impacts on infrastructure and traffic. Accordingly, the proposed Code Amendment will positively influence quality of life both within Flamingo Point and for the surrounding neighborhood.

**h. Whether the proposed change will create or excessively increase traffic congestion beyond the levels of service as set forth in the comprehensive plan or otherwise affect public safety.**

Due to the net reduction of over 200 units through DRB File Nos. DRB20-0557 and DRB20-0577, the proposed Code Amendment facilitates a less dense development, which

reduces traffic congestion. The proposed Code Amendment will not increase traffic congestion beyond the existing levels of service, and recently completed improvements that internalized vehicle circulation and ride sharing drop off locations have improved public safety. Accordingly, a modest addition of approximately 33 to 37 units within the proposed new tower will not excessively increase traffic or otherwise impact public safety.

**i. Whether the proposed change will seriously reduce light and air to adjacent areas.**

Compared to current regulations, the proposed Code Amendment mitigates the impacts of new development on air and light flow to adjacent areas. As mentioned, the current regulations permit a mid-rise tower with permitted floor area distributed horizontally within the permitted front and rear setbacks. This type of development substantially reduces air and light flow to adjacent properties. With respect to Flamingo Point, the short, wide tower permitted by right would reduce the air and light flow, as well as impede views of the adjacent Capri Condominiums. However, the proposed new tower facilitated by the Code Amendment has a positive impact on air, light, and priceless views of Biscayne Bay. See again, Exhibit C, View Corridors.

**j. Whether the proposed change will adversely affect property values in the adjacent area.**

The proposed Code Amendment will not adversely affect property values in the adjacent area. To the contrary, the proposed addition of approximately 33 to 37 luxury units with individual balconies and views of Biscayne Bay and the City of Miami skyline are expected to increase property values in the adjacent area.

**k. Whether the proposed change will be a deterrent to the improvement or development of adjacent property in accordance with existing regulations.**

The limited applicability of the proposed Code Amendment to properties of ten (10) acres or more, with split RM-2 and RM-3 zoning, and fronting Biscayne Bay, eliminates the possibility that the proposed change will be a deterrent to the improvement or development of adjacent property in accordance with existing regulations. Adjacent properties will not be subject to the unique conditions required for the relaxed height and setback limitations within the proposed Code Amendment and will therefore not be disincentivized to improve in accordance with existing regulations.

**l. Whether there are substantial reasons why the property cannot be used in accordance with existing zoning.**

The Property can be used in accordance with existing zoning. However, such use would be a detriment to the City's stormwater mitigation efforts and the public interest. The improved stormwater management and decreased impacts on views from adjacent properties are substantial reasons why the Property should not be used in accordance with existing zoning.

**m. Whether it is impossible to find other adequate sites in the city for the proposed use in a district already permitting such use.**

Not applicable, as the proposed Code Amendment is specific to sites with certain unique conditions that make it logical to develop a tall slender tower in favor of a short, wide tower.

**n. Whether the proposed changes are consistent with the sea level rise and resiliency review criteria in chapter 133, article II, as applicable.**

The proposed Code Amendment is consistent with the sea level rise and resiliency review criteria in chapter 133, article II of the Code, as the purpose of the proposed Code Amendment is to increase resiliency to sea level rise and stormwater impacts.

Sea Level Rise and Resiliency Criteria. The proposed project advances the sea level rise and resiliency criteria in Section 133-50(a) as follows:

**(1) A recycling or salvage plan for partial or total demolition shall be provided.**

The Applicant will provide a recycling or salvage plan during permitting.

**(2) Windows that are proposed to be replaced shall be hurricane proof impact windows.**

Hurricane proof impact windows are proposed for the entirety of the Proposed Project.

**(3) Where feasible and appropriate, passive cooling systems, such as operable windows, shall be provided.**

The Applicant proposes to include operable windows where appropriate. In addition, the abundant landscaping and permeable materials contribute to passive cooling, which represents a significant improvement from the existing paved surface parking lot.

**(4) Resilient landscaping (salt tolerant, highly water-absorbent, native or Florida friendly plants) shall be provided, in accordance with Chapter 126 of the City Code.**

The Applicant has worked with a landscape architect to provide landscaping that is appropriate for the Property, with plant species that are native, salt-tolerant, and Florida-friendly. The proposed plantings are appropriate for the area and specifically selected to increase flood resilience and improve stormwater drainage on the Property. In addition to landscaping, the design of the Proposed Project substitutes impervious surfaces for permeable features such as pavers and bioswales.

**(5) The project applicant shall consider the adopted sea level rise projections in the Southeast Florida Regional Climate Action Plan, as may be revised from time-to-time by the Southeast Florida Regional Climate Change Compact. The applicant shall also specifically study the land elevation of the subject property and the elevation of surrounding properties.**

The Proposed Project features no residentially habitable space below base flood elevation. Indeed, the New Tower only features residences between floors 4 and 15, which are significantly elevated. Further, the New Tower's amenity deck is located on the fourth floor, which is located well-above base flood elevation plus freeboard. The only habitable space located below base flood elevation is the lower residential lobby and mail room, and these locations can easily be relocated in response to future sea level rise induced flooding.

**(6) The ground floor, driveways, and garage ramping for new construction shall be adaptable to the raising of public rights-of-ways and adjacent land and shall provide sufficient height and space to ensure that the entry ways and exits can be modified to accommodate a higher street height up to three (3) additional feet in height.**

Exterior improvements on the Property along Bay Road will take into consideration the raising of the public right-of-way and the proposed design details will be coordinated with the City. The Applicant has worked with the City and its consultants in this regard for the prior approvals and building permits.

**(7) As applicable to all new construction, all critical mechanical and electrical systems shall be located above base flood elevation. All redevelopment projects shall, whenever practicable and economically reasonable, include the relocation of all critical mechanical and electrical systems to a location above base flood elevation.**

Proper precautions will be taken to ensure the critical mechanical and electrical systems are located above base flood elevation.

**(8) Existing buildings shall, wherever reasonably feasible and economically appropriate, be elevated up to base flood elevation, plus City of Miami Beach Freeboard.**

It is not reasonably feasible to elevate the existing buildings.

**(9) When habitable space is located below the base flood elevation plus City of Miami Beach Freeboard, wet or dry flood proofing systems will be provided in accordance with Chapter of 54 of the City Code.**

Proper precautions will be taken to protect the Property from potential floods. Existing habitable spaces that are below flood elevation will be converted to non-habitable spaces and the proposed improvements will introduce wet or dry flood proofing systems in the design.

**(10) As applicable to all new construction, water retention systems shall be provided.**

The existing on-site drainage system consists of interconnected catch basins, exfiltration trenches, and fifteen (15) drainage wells installed around the year 2000. The proposed improvements have been designed to avoid the existing drainage system as much as possible and additional drainage improvements and landscaped areas are proposed.

**(11) Cool pavement material or porous pavement materials shall be utilized.**

The Applicant proposes a substantial increase in cool and/or porous pavement materials. Currently, only 46% of the RM-2 zoned portion of the Property is developed with permeable materials. Redevelopment of the RM-2 zoned portion of the Property north of

the existing parking garage with the Proposed Project will result in 79% permeable area within RM-2 zoned portion of the Property.

**(12) The design of each project shall minimize the potential for heat island effects on-site.**

The Applicant proposes cool pavement, a light-colored roof and extensive landscaping that will minimize the potential for heat island effects.

Economic Impact Analysis. On May 7, 2020 Miami Economic Associates, Inc. completed its economic impact analysis of the Proposed Project and the redevelopment of the Flamingo North Tower. See Exhibit H, Economic Impact Analysis. The analysis estimates that the renovation of the Flamingo North Tower and the construction of Proposed Project will generate approximately 1,185 construction jobs. An additional 781 workers will be employed in business that support the construction or by business where those involved in the construction spend their earnings. Following the construction, approximately twenty-four (24) individuals will be employed on-site to perform leasing and property management functions, and approximately thirty (30) workers will be employed at two (2) on-site restaurants.

Once the Proposed Project is completed and occupied, the analysis estimates that residents of Flamingo Point will spend approximately \$23.24 million annually in retail and food and beverage establishments, a large proportion of which will likely be spent in Miami Beach. In addition, the City will receive direct payments for upfront building and permitting fees. For instance, the City has already received over \$1.9 million in connection with the on-going renovations of the Flamingo North Tower, and additional building and permitting fees will be required for construction of the Proposed Project.

Perhaps the most significant economic benefit results from the increase in premium residential spaces, which are higher value and therefore generate additional ad valorem property taxes on an annually recurring basis. The analysis estimates that the City of Miami Beach and Miami-Dade County will each receive approximately \$240,000 in ad valorem tax revenue from the Proposed Project annually. Miami-Dade County Public Schools will receive approximately \$285,000 in ad valorem tax revenue annually, and the Miami-Dade County Children's Trust will receive approximately \$18,720 in ad valorem tax revenue a from the Proposed Project annually. The total ad valorem tax revenue that the City of Miami Beach and Miami-Dade County can each expect to receive from the Flamingo Point development is approximately \$1.57 million per year, and the total that Miami-Dade County Public Schools and the Miami-Dade County Children's Trust can

expect to receive is approximately \$2 million per year. Thus, the overall reduction in the number of units coupled with the increase of premium spaces results in a net increase of ad valorem tax revenue and a decrease in municipal impacts.

Mitigation of Impacts on North Residential Neighbors and Surrounding Area. A slender 300' tower rather than a 140' squat, mid-rise building reduces impacts on the neighboring residential properties to the north and provides public benefits for the neighborhood in the following ways:

- No adverse impact to views of Biscayne Bay and the City of Miami skyline from the Capri and reduced obstruction of views of Biscayne Bay by the neighborhood from Bay Road;
- A slenderer shadow with minimal additional impacts in comparison to the shadow cast by the 140' tower buildable as of right;
- Reduced density and associated impacts by the Flamingo Point development;
- Increased stormwater retention capacity due to greater permeable areas to prevent nuisance flooding on Bay Road; and
- Introduction of architectural variety and interest.

Conclusion. The proposed Code Amendment allows for certain unique bayfront properties to utilize their remaining development rights in a manner that mitigates potential impacts, specifically increasing permeability and ensuring expansive views, while at the same time maintaining the Capri's existing views of Biscayne Bay. Further, through the lower-impact development, approval of the Code Amendment will secure a bundle of economic benefits. As a result, the proposed Code Amendment represents an opportunity for Miami Beach to simultaneously improve the quality of life of its residents and protects its municipal interests.

Thomas Mooney, Director

February 22, 2021

Page 14

In light of the foregoing, we look forward to your favorable recommendation. If you have any questions or comments, please call me at 305-377-6231.

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'M' followed by a wavy line.

Michael W. Larkin

#### Attachments

cc: Lee Hodges  
Matthew Amster  
Nicholas Rodriguez

**ORDINANCE NO.**

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**AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE CODE OF THE CITY OF MIAMI BEACH, SUBPART B, ENTITLED, "LAND DEVELOPMENT REGULATIONS," BY AMENDING CHAPTER 142 OF THE CITY CODE, ENTITLED, "ZONING DISTRICTS AND REGULATIONS", ARTICLE II, ENTITLED, "DISTRICT REGULATIONS", DIVISION 3, ENTITLED, "RESIDENTIAL MULTIFAMILY DISTRICTS," SUBDIVISION IV, ENTITLED, "RM-2 RESIDENTIAL MULTIFAMILY, MEDIUM INTENSITY," AMENDING SECTION 142-217, ENTITLED, "AREA REQUIREMENTS" AND SECTION 142-218, ENTITLED, "SETBACK REQUIREMENTS" TO INCENTIVIZE TALLER AND MORE SLENDER DEVELOPMENT WITH INCREASED PERMEABLE AREA ON CERTAIN UNIQUELY SITUATED PROPERTIES OF TEN ACRES OR MORE, FRONTING BISCAYNE BAY, AND WITH SPLIT RM-2 AND RM-3 ZONING; PROVIDING FOR CODIFICATION; REPEALER; SEVERABILITY; AND AN EFFECTIVE DATE.**

**WHEREAS**, the City of Miami Beach (the "City") has the authority to enact laws which promote the public health, safety and general welfare of its citizens; and

**WHEREAS**, in recent years the City has prioritized resilience and improvements to stormwater management; and

**WHEREAS**, properties developed with buildings with smaller footprints and greater permeable area drain more effectively and contribute less to the City's stormwater management system; and

**WHEREAS**, taller and more slender buildings have smaller impermeable footprints and therefore allow for developed properties to provide increased permeable areas through the use of native landscaping, bioswales, and permeable materials; and

**WHEREAS**, the Urban Land Institute's 2018 Stormwater Management and Climate Adaptation Review recommended changes to the City's Land Development Regulations that incentivize taller buildings to mitigate stormwater and sea level rise impacts; and

**WHEREAS**, properties located within the RM-2 District that front Biscayne Bay and the east of West Avenue are among the lowest elevated properties in the City; and

**WHEREAS**, incentivizing taller buildings in this area furthers the Urban Land Institute's recommendations by incentivizing taller development that preserves permeable area in an area of the City that is vulnerable to flooding; and

**WHEREAS**, certain properties of ten (10) acres or more, fronting Biscayne Bay, and with split RM-2 and RM-3 zoning are vested with significant development rights; and

**WHEREAS**, the existing RM-2 District regulations impose a 140-foot height limitation that forces vested development rights to be distributed horizontally on properties rather than vertically; and

**WHEREAS**, the current 140-foot height limitation in the RM-2 District results in the development of short and squat buildings that maximize lot coverage and minimize permeable area; and

**WHEREAS**, the current side yard setback requirements that increase the required setback with increasing height also limit development to short and squat buildings; and

**WHEREAS**, development of such short and squat buildings is detrimental to the City's resilience and stormwater management objectives; and

**WHEREAS**, development of taller more slender buildings provides numerous public benefits in comparison to the development permitted under the current RM-2 regulations, including enhanced views of Biscayne Bay from taller buildings, larger view corridors to Biscayne Bay that mitigate impacts on views from neighboring properties, cast a more slender shadow, and provide more expansive views from public rights of way; and

**WHEREAS**, the amendments set forth below are necessary to accomplish all of the above objectives.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:**

**SECTION 1.** Chapter 142, "Zoning Districts and Regulations," at Article II, entitled "District Regulations," at Division 3, entitled "Residential Multifamily Districts" of the Land Development Regulations of the Code of the City of Miami Beach, Florida is hereby amended as follows:

**CHAPTER 142  
ZONING DISTRICTS AND REGULATIONS**

**ARTICLE II  
DISTRICT REGULATIONS**

\* \* \*

**DIVISION 3  
RESIDENTIAL MULTIFAMILY DISTRICTS**

\* \* \*

**SUBDIVISION IV  
RM-2 RESIDENTIAL MULTIFAMILY, MEDIUM INTENSITY**

\* \* \*

Sec. 142-217. - Area requirements.

The area requirements in the RM-2 residential multifamily, medium intensity district are as follows:

| Minimum Lot Area (Square Feet) | Minimum Lot Width (Feet) | Minimum Unit Size (Square Feet)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Average Unit Size (Square Feet)                                                                                                                                           | Maximum Building Height (Feet)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7,000                          | 50                       | <p>New construction—550<br/>Non-elderly and elderly low and moderate income housing—400<br/>Workforce housing—400<br/>Rehabilitated buildings—400<br/>Hotel units:<br/>15%: 300—335<br/>85%: 335+<br/>For hotel structures located within the Collins Park District, generally bounded by the erosion control line on the east, the east side of Washington Avenue on the west, 23rd Street on the north, and 17th Street on the south, hotel units shall be a minimum of 200 square feet.<br/>For contributing hotel structures, located within an individual historic site, a local historic district or a national register district, which are renovated in accordance with the Secretary of the Interior Standards and Guidelines for the Rehabilitation of Historic Structures as amended, retaining the existing room configuration and sizes of at least 200 square feet shall be</p> | <p>New construction—800<br/>Non-elderly and elderly low and moderate income housing—400<br/>Workforce housing—400<br/>Rehabilitated buildings—550<br/>Hotel units—N/A</p> | Historic district—50 (except as provided in section 142-1161)                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                           | <p>Area bounded by Indian Creek Dr., Collins Ave., 26th St., and 44th St.—75<br/>Area fronting west side of Collins Ave. btwn. 76th St. and 79th St.—75<br/>Area fronting west side of Alton Rd. between Arthur Godfrey Rd. and W. 34th St.—85<br/>Otherwise—60<br/>For properties outside a local historic district with a ground level consisting of non-habitable parking and/or amenity uses—65<br/>Lots fronting Biscayne Bay less than 45,000 sq. ft.—100<br/>Lots fronting Biscayne Bay over 45,000 sq. ft.—140</p> |

| Minimum Lot Area (Square Feet) | Minimum Lot Width (Feet) | Minimum Unit Size (Square Feet)                                                                                                                                                                                                                                                                                                | Average Unit Size (Square Feet) | Maximum Building Height (Feet)                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                |                          | permitted. Additionally, the existing room configurations for the above described hotel structures may be modified to address applicable life-safety and accessibility regulations, provided the 200 square feet minimum unit size is maintained, and provided the maximum occupancy per hotel room does not exceed 4 persons. |                                 | <div>Properties fronting Biscayne Bay with split zoning of RM-2 and RM-3 larger than 10 acres in size may increase height up to a maximum building height of 300 ft.</div> <div>Lots fronting Atlantic Ocean over 100,000 sq. ft.—140</div> <div>Lots fronting Atlantic Ocean with a property line within 250 feet of North Shore Open Space Park Boundary—200</div> |

Sec. 142-218. - Setback requirements.

The setback requirements in the RM-2 residential multifamily, medium intensity district are as follows:

|                                                                           | Front                                                                                                                                                                    | Side,<br>Interior                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Side,<br>Facing a                                                                                                                                             | Rear                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| At-grade parking lot on the same lot except where (b) below is applicable | 20 feet                                                                                                                                                                  | Single lots less than 65 feet in width: 5 feet, otherwise 10 feet, or 8% of lot width, whichever is greater                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Single lots less than 65 feet in width: 5 feet, otherwise 10 feet, or 8% of lot width, whichever is greater                                                   | Abutting an alley—5 feet<br>Oceanfront lots—50 feet from bulkhead line                                                                                                                                                                                                                                                                                       |
| Subterranean and pedestal                                                 | 20 feet<br>Except lots A and 1—30 of the Amended Plat Indian Beach Corporation Subdivision and lots 231-237 of the Amended Plat of First Ocean Front Subdivision—50 feet | Single lots less than 65 feet: 7.5 feet<br>Lots equal or greater than 65 feet in width: Minimum 10 feet or 8% of lot width, whichever is greater, and sum of the side yards shall equal 16% of lot width.<br>Notwithstanding the foregoing, rooftop additions to contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks. Notwithstanding the foregoing and the requirements of Section 118-395(b), properties fronting Biscayne Bay with split zoning of RM- | Lots equal or greater than 65 feet in width: Minimum 10 feet or 8% of lot width, whichever is greater, and sum of the side yards shall equal 16% of lot width | Non-oceanfront lots—10% of lot depth<br>Oceanfront lots—20% of lot depth, 50 feet from the bulkhead line whichever is greater.<br>Notwithstanding the foregoing, rooftop additions to non-oceanfront contributing structures in a historic district and individually designated historic buildings may follow existing nonconforming rear pedestal setbacks. |

|       | Front                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Side,<br>Interior                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Side, Facing<br>a Street                                                                                                                    | Rear                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2 and RM-3 larger<br>than 10 acres in size<br>that provide a<br>smaller tower<br>setback as allowed<br>and described<br>further below, may<br>have a minimum<br>sum of side yards in<br>the RM-2 portion of<br>a property equal to<br><br><u>27 feet, 5 inches.</u>                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Tower | 20 feet + 1 foot for<br>every 1 foot increase<br>in height above 50<br>feet, to a maximum<br>of 50 feet, then shall<br>remain constant.<br>Except lots A and<br>1—30 of the<br>Amended Plat<br>Indian Beach<br>Corporation<br>Subdivision and lots<br>231—237 of the<br>Amended Plat of<br>First Ocean Front<br>Subdivision—50<br>feet.<br>Notwithstanding the<br>foregoing, rooftop<br>additions to<br>contributing<br>structures in a<br>historic district and<br>individually<br>designated historic<br>buildings may<br>follow existing<br>nonconforming rear<br>pedestal setbacks. | Same as pedestal<br>for structures with a<br>total height of 60<br>feet or less.<br>The required<br>pedestal setback<br>plus 0.10 of the<br>height of the tower<br>portion of the<br>building. The total<br>required setback<br>shall not exceed 50<br>feet.<br>Notwithstanding the<br>foregoing, rooftop<br>additions to<br>contributing<br>structures in a<br>historic district and<br>individually<br>designated historic<br>district buildings<br>may follow existing<br>nonconforming side,<br>interior pedestal<br>setbacks.<br>Notwithstanding the<br>foregoing and the<br>requirements of<br>Section 118-395(b),<br>properties fronting | Sum of the<br>side yards<br>shall equal<br>16% of the lot<br>width<br>Minimum—<br>10 feet or 8%<br>of lot width,<br>whichever is<br>greater | Non-oceanfront<br>lots—15% of lot<br>depth<br>Oceanfront lots—<br>25% of lot depth, 75<br>feet minimum from<br>the bulkhead line<br>whichever is<br>greater.<br>Notwithstanding the<br>foregoing, rooftop<br>additions to non-<br>oceanfront<br>contributing<br>structures in a<br>historic district and<br>individually<br>designated historic<br>buildings may<br>follow existing<br>nonconforming rear<br>pedestal setbacks. |

|  | Front | Side,<br>Interior                                                                                                                                                                                                               | Side,<br>Facing a | Rear |
|--|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------|
|  |       | Biscayne Bay with<br>split zoning of RM-<br>2 and RM-3 larger<br>than 10 acres in size<br>may provide a Side<br>Interior Setback of<br>27 feet, 5 inches for<br>a maximum of 25%<br>of the length of the<br>side property line. |                   |      |

## **SECTION 2. REPEALER.**

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith be and the same are hereby repealed.

## **SECTION 3. CODIFICATION.**

It is the intention of the City Commission, and it is hereby ordained that the provisions of this ordinance shall become and be made part of the Code of the City of Miami Beach as amended; that the sections of this ordinance may be renumbered or relettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

## **SECTION 4. SEVERABILITY.**

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

**SECTION 5. EFFECTIVE DATE.**

This Ordinance shall take effect ten days following adoption.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Dan Gelber, Mayor

ATTEST:

\_\_\_\_\_  
Rafael E. Granado, City Clerk

APPROVED AS TO FORM  
AND LANGUAGE AND  
FOR EXECUTION

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

First Reading: \_\_\_\_\_, 2021

Second Reading: \_\_\_\_\_, 2021

Verified by: \_\_\_\_\_  
Thomas R. Mooney, AICP  
Planning Director

Exhibit B



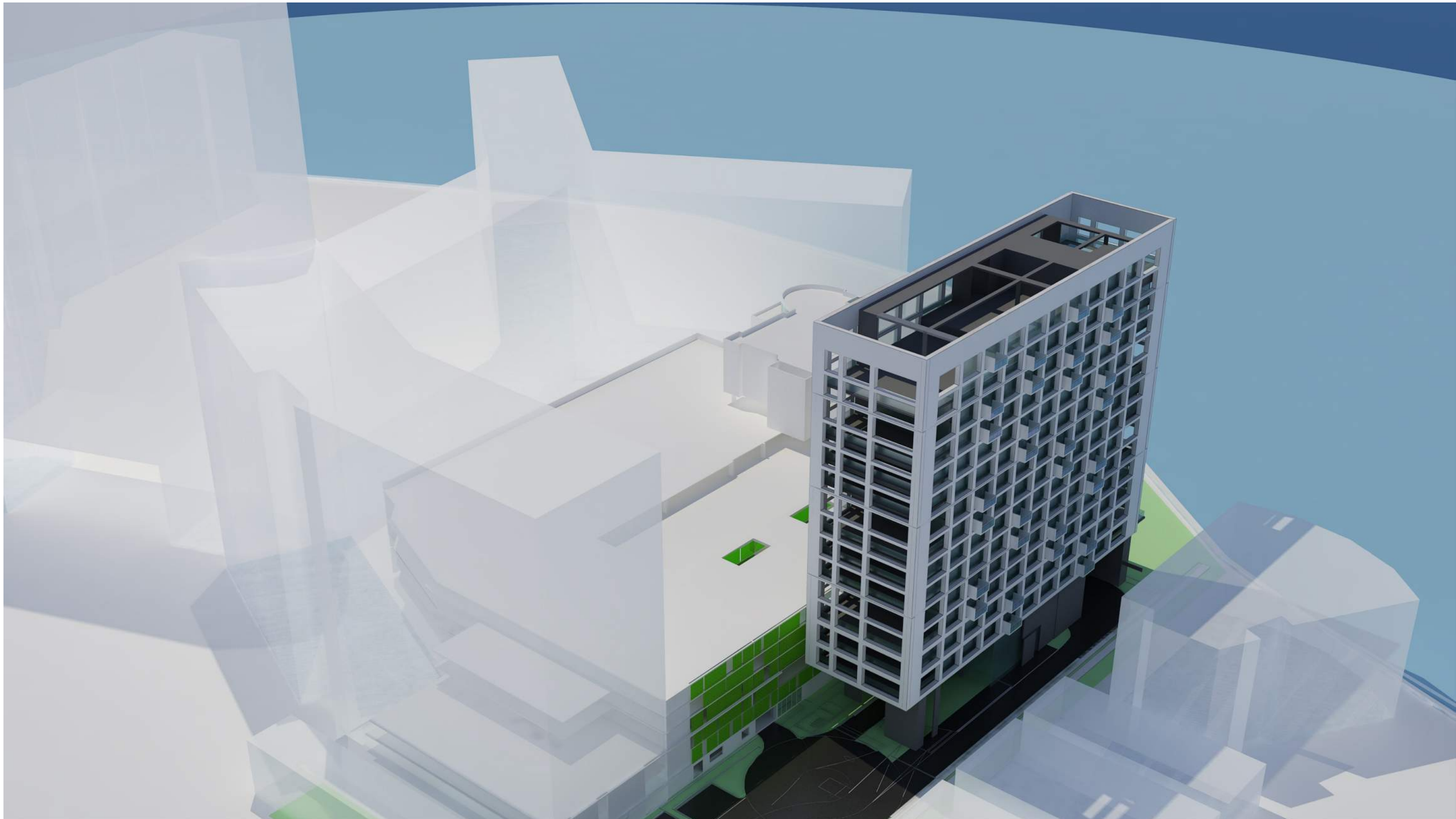






NEW TOWER EXHIBITS | **FLAMINGO**

140' TOWER















PROPOSED SITE KEY PLAN

SCALE: 1" = 100'-0"

CAPRI NORTH TOWER

CAPRI SOUTH TOWER

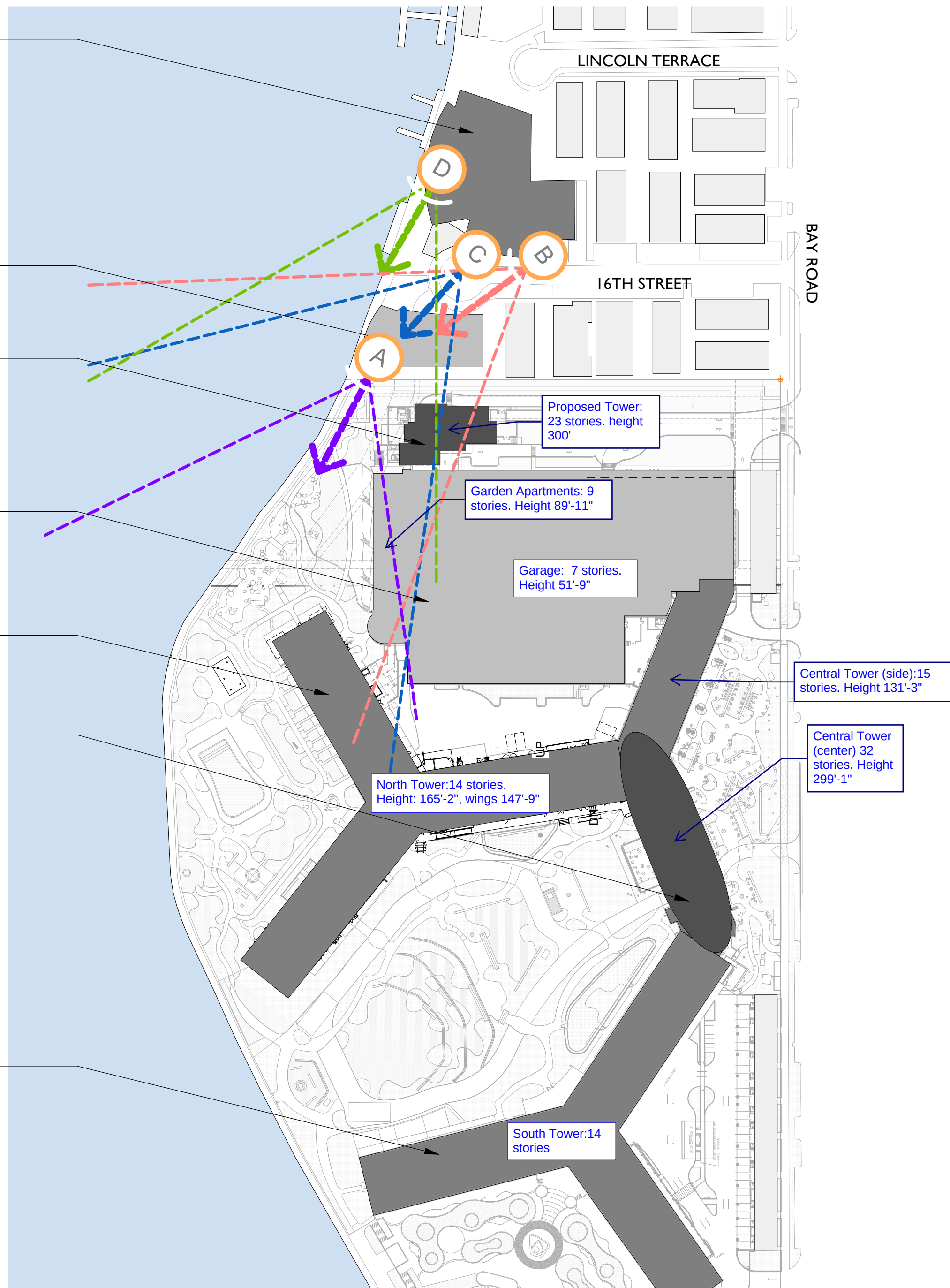
PROPOSED FLAMINGO NEW TOWER

EXISTING FLAMINGO GARAGE / GARDEN APARTMENTS.

EXISTING FLAMINGO NORTH TOWER

EXISTING FLAMINGO CENTRAL TOWER

EXISTING FLAMINGO SOUTH TOWER



EXISTING FLAMINGO NORTH TOWER

EXISTING FLAMINGO GARAGE / GARDEN APARTMENTS



**A** CAPRI SOUTH TOWER - LEVEL 4 -  
VIEW FROM SOUTH WEST BALCONY

Exhibit D

PROPOSED FLAMINGO TOWER

EXISTING FLAMINGO NORTH TOWER

EXISTING CAPRI SOUTH TOWER



**B** CAPRI NORTH TOWER - LEVEL 11 -  
VIEW LOOKING SOUTHWEST

PROPOSED FLAMINGO TOWER

EXISTING FLAMINGO NORTH TOWER

EXISTING CAPRI SOUTH TOWER



**C** CAPRI NORTH TOWER - LEVEL 14 -  
VIEW LOOKING SOUTHWEST

EXISTING FLAMINGO NORTH TOWER

PROPOSED FLAMINGO TOWER

EXISTING CAPRI SOUTH TOWER



**D** CAPRI NORTH TOWER - LEVEL 14 -  
VIEW FROM WEST BALCONY

VIEW CORRIDOR DIAGRAM

**FLAMINGO**  
1420 BAY ROAD, MIAMI BEACH

Stantec Architecture Inc - AA26000733  
Andrew Burnett Lic. # AR98495



Stantec Architecture Inc.  
One Biscayne Tower Suite 1670  
2 South Biscayne Boulevard  
Miami, FL 33131-1804  
Tel: (305) 482-8700 / Fax: (305) 482-8770

**DRB SUBMITTAL**  
05.27.2020

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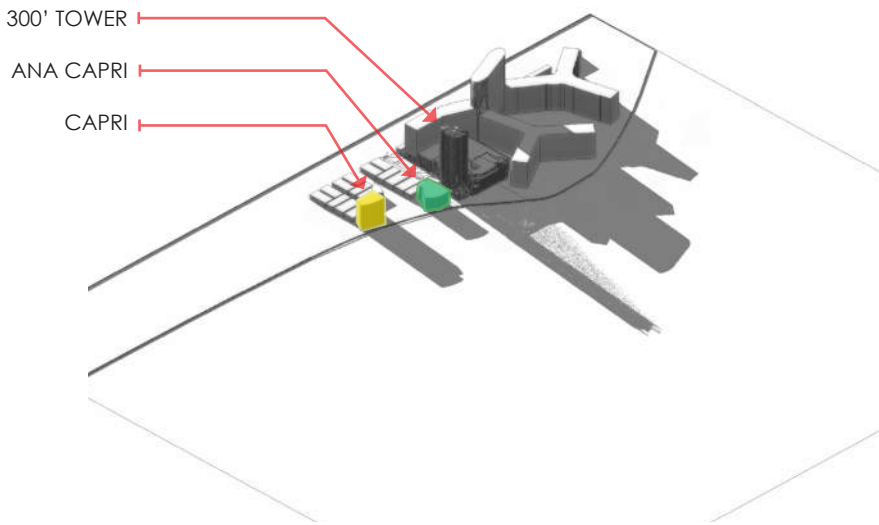
**G11E**

**Exhibit E**

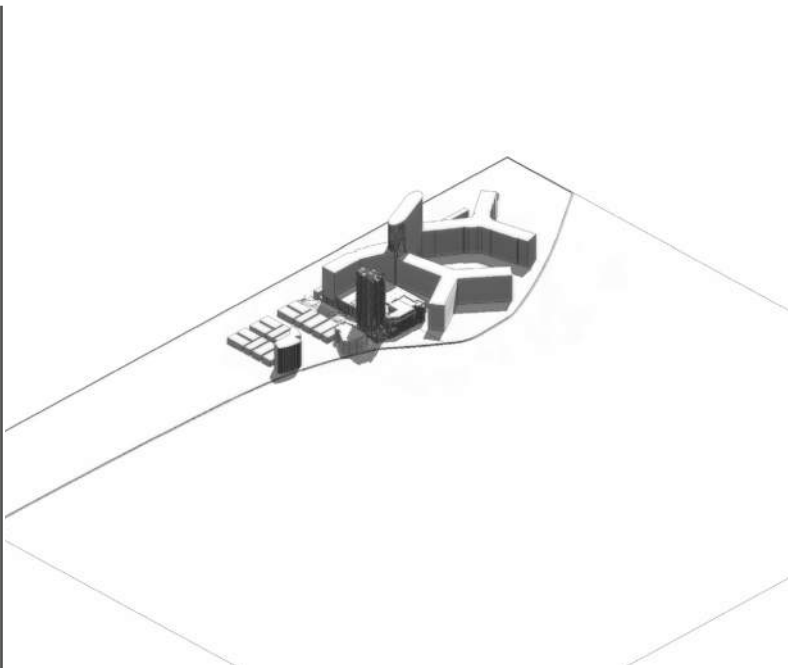
## **300' / 140' TOWER SOLAR STUDY | FLAMINGO**

2020.06.29

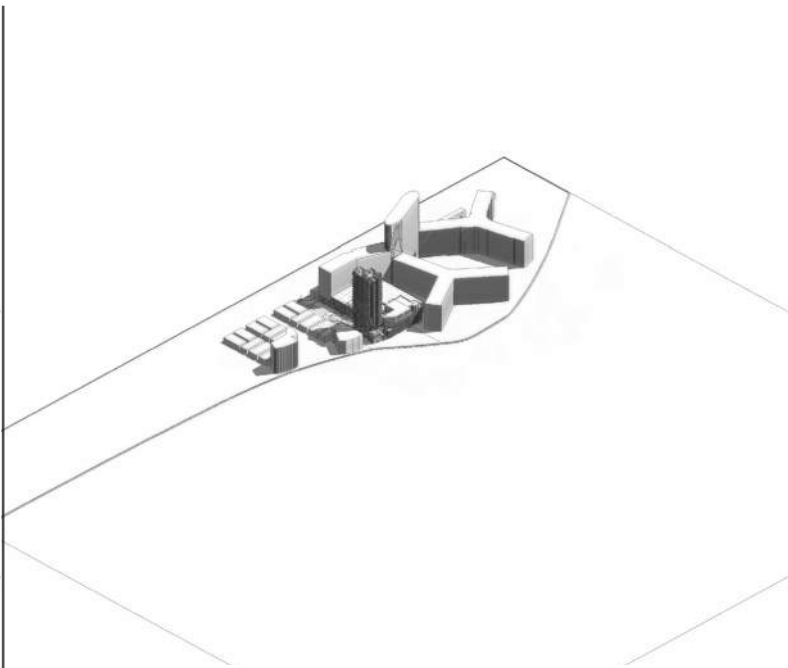
300' TOWER



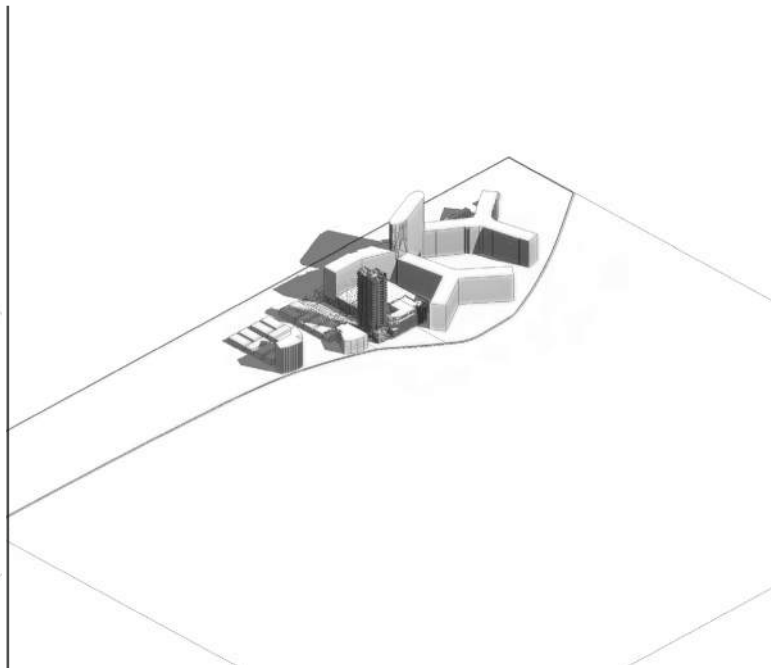
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MARCH 21, 2020 - 12:00 PM

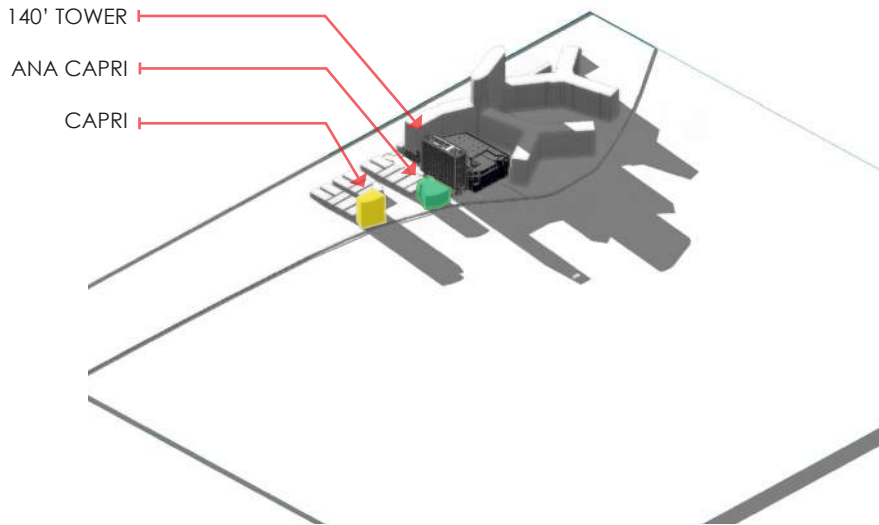


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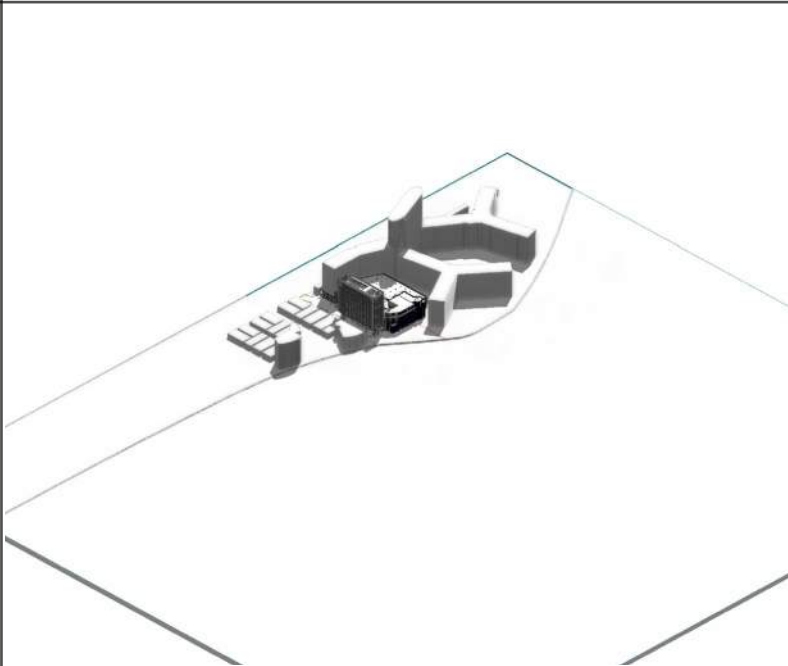


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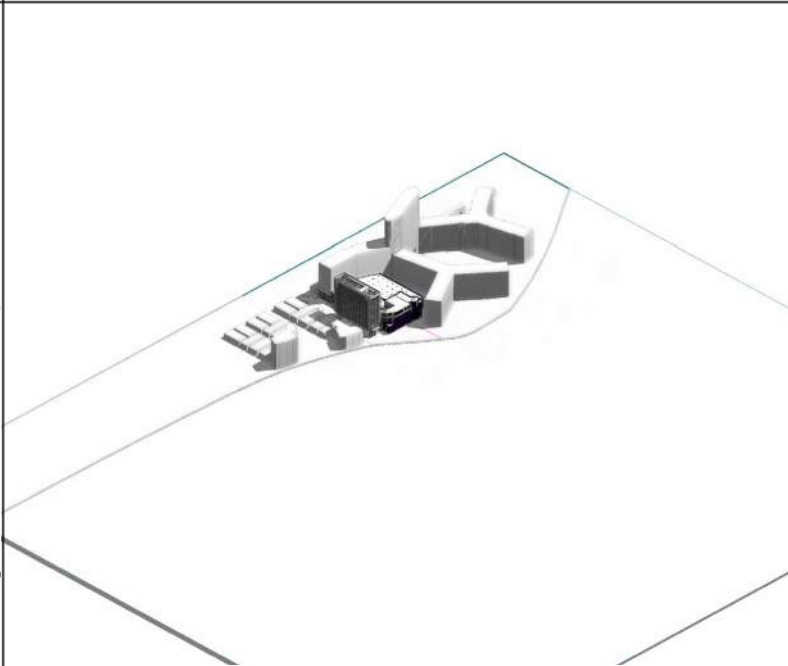
140' TOWER AS OF RIGHT



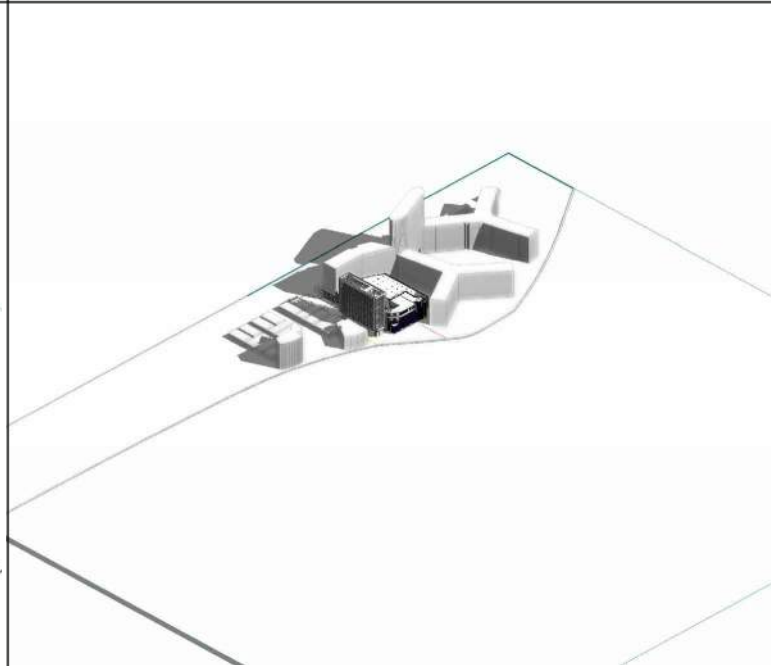
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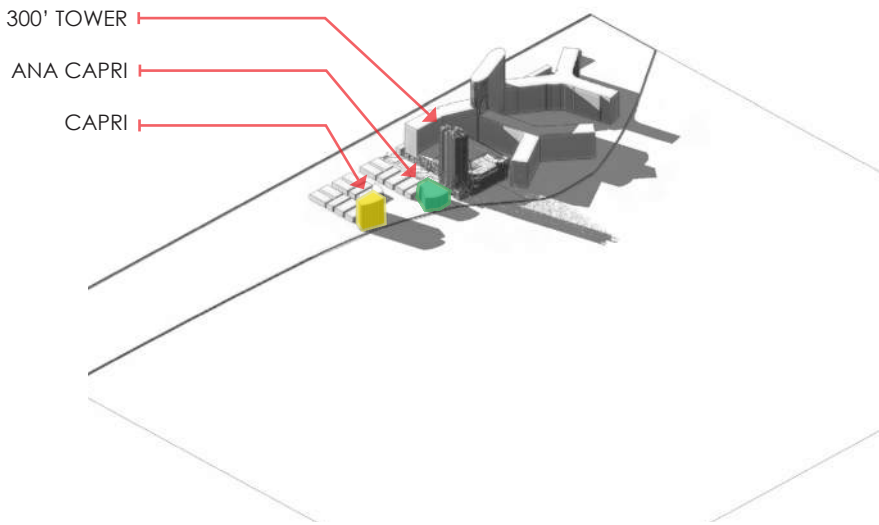


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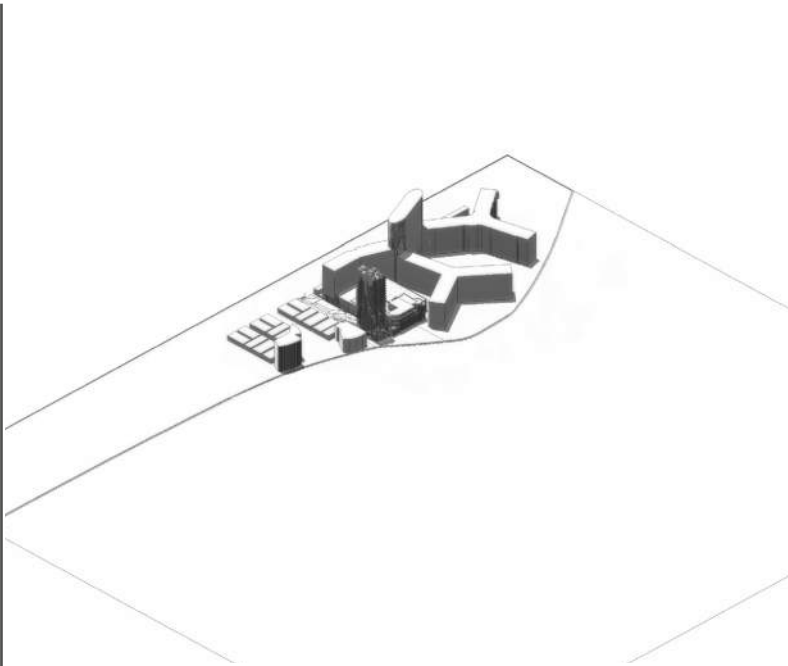


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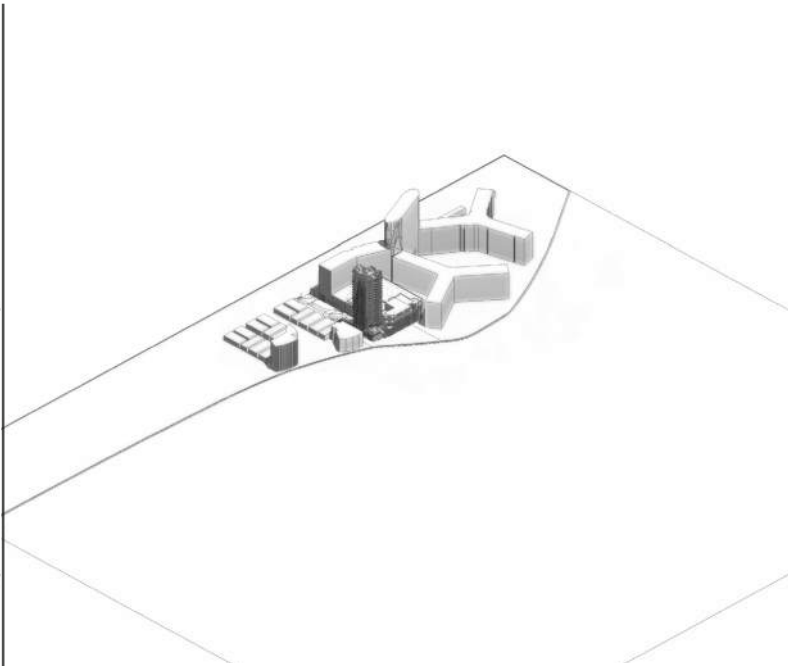
300' TOWER



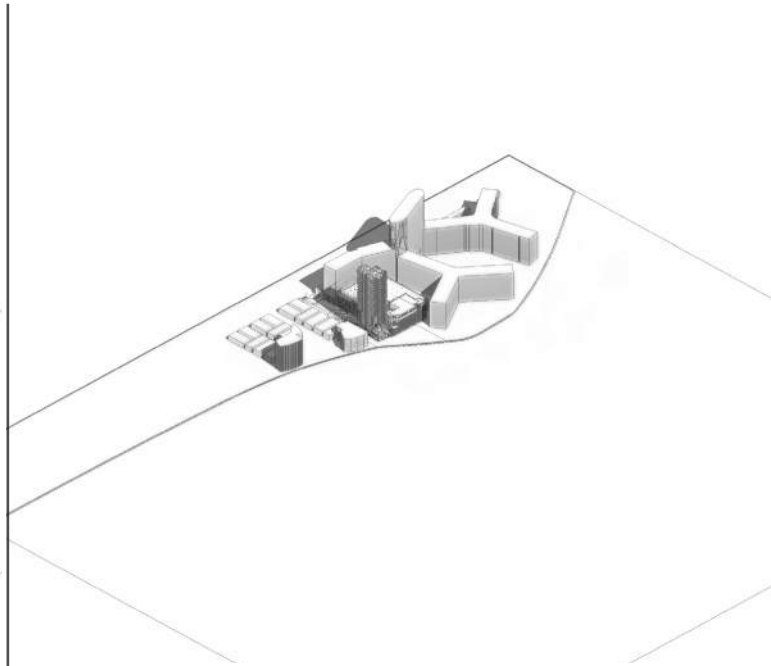
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JUN 21, 2020 - 12:00 PM

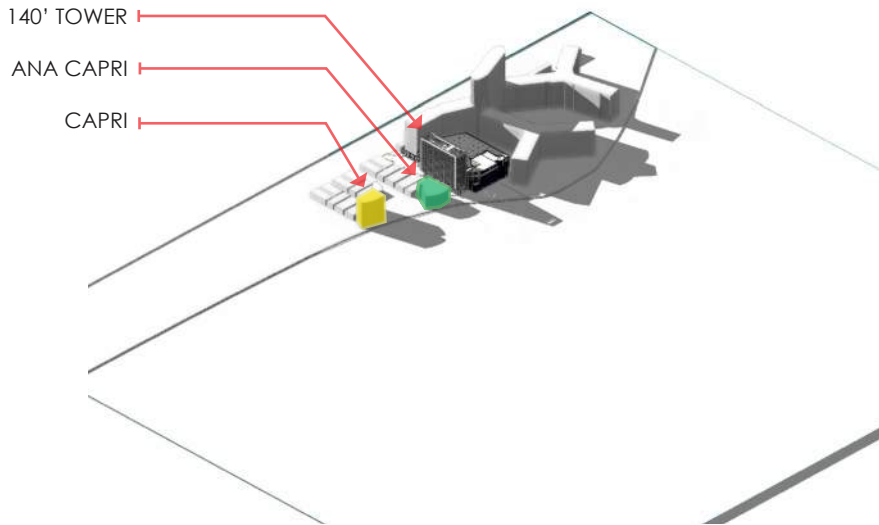


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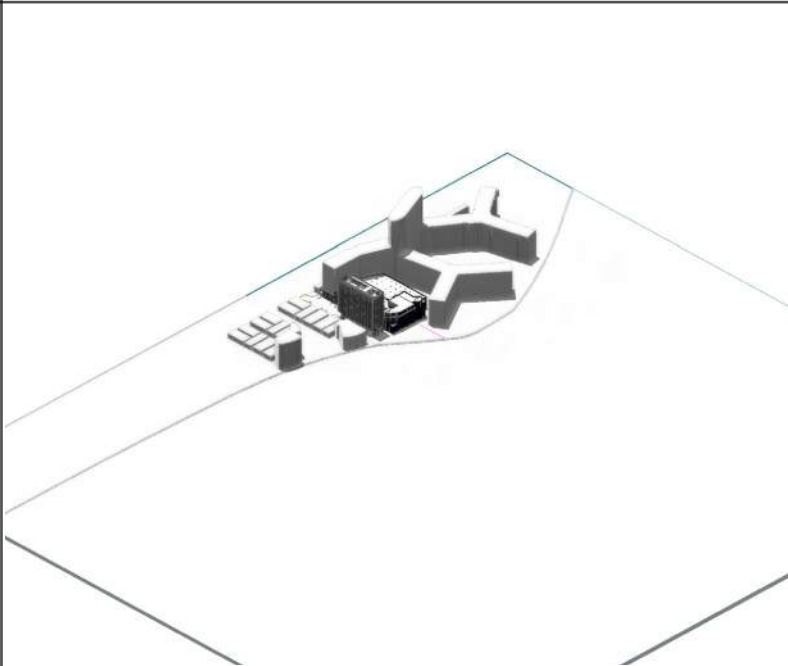


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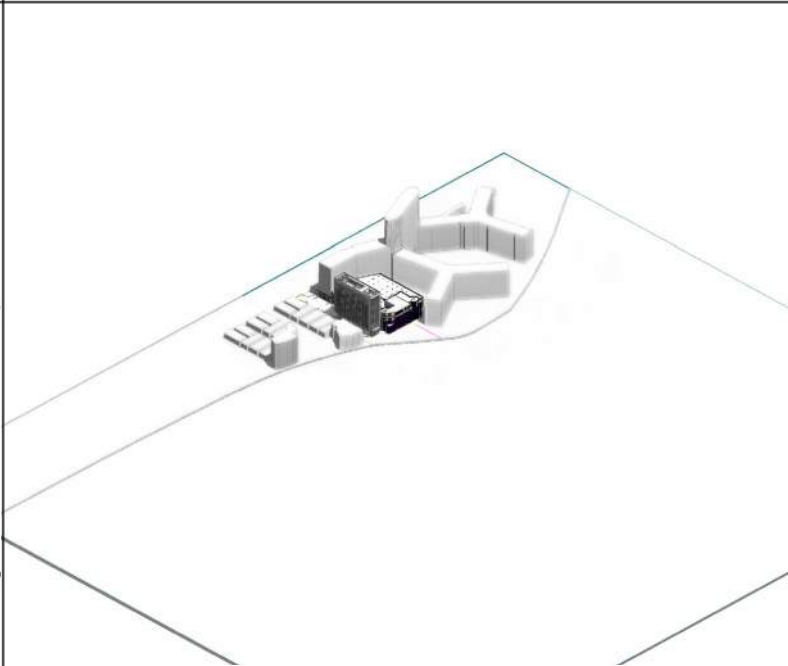
140' TOWER AS OF RIGHT



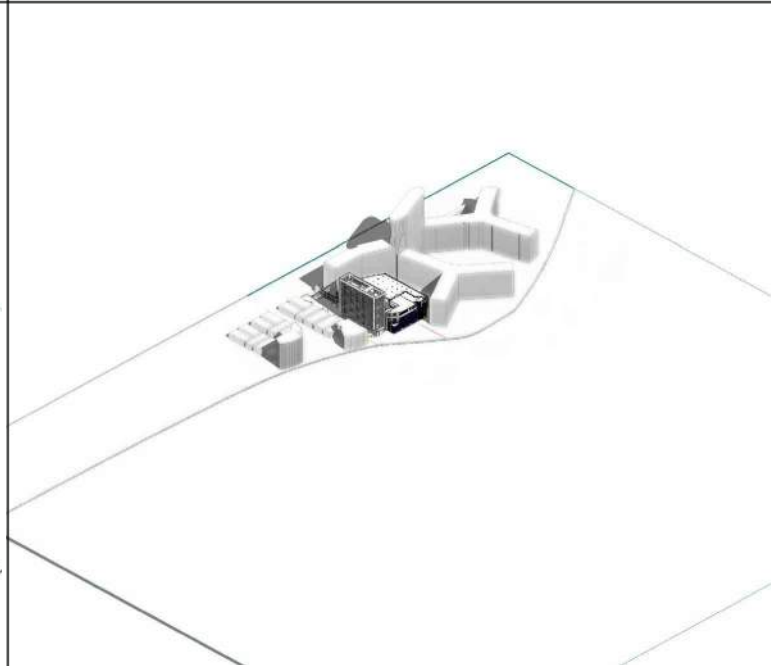
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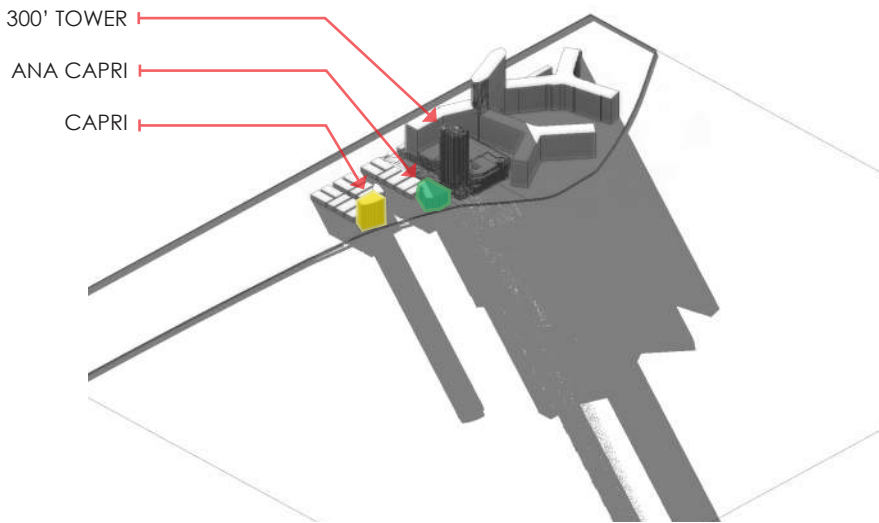


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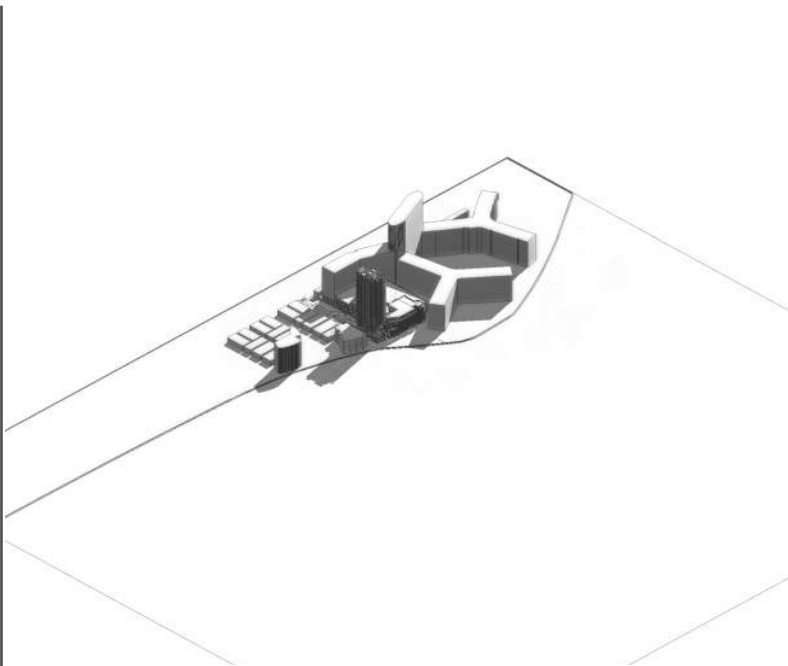


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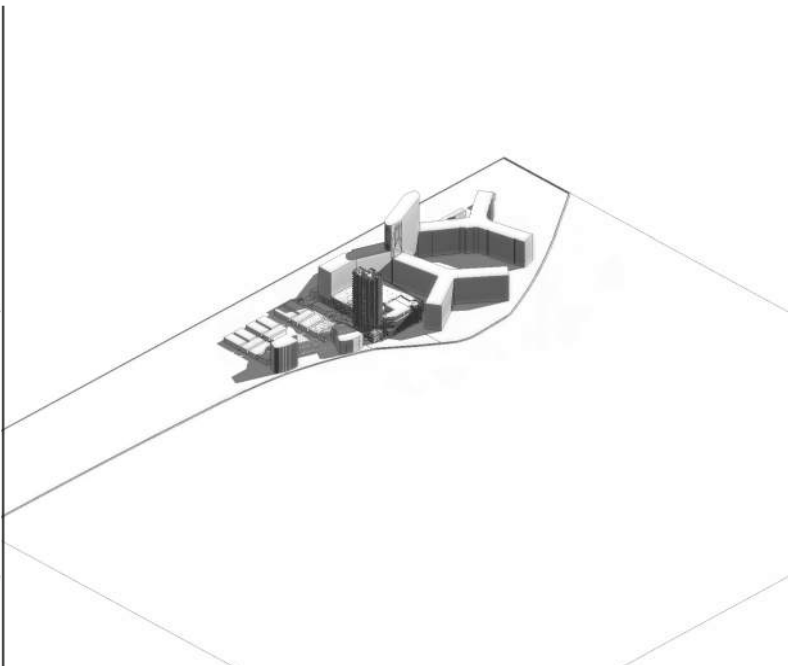
300' TOWER



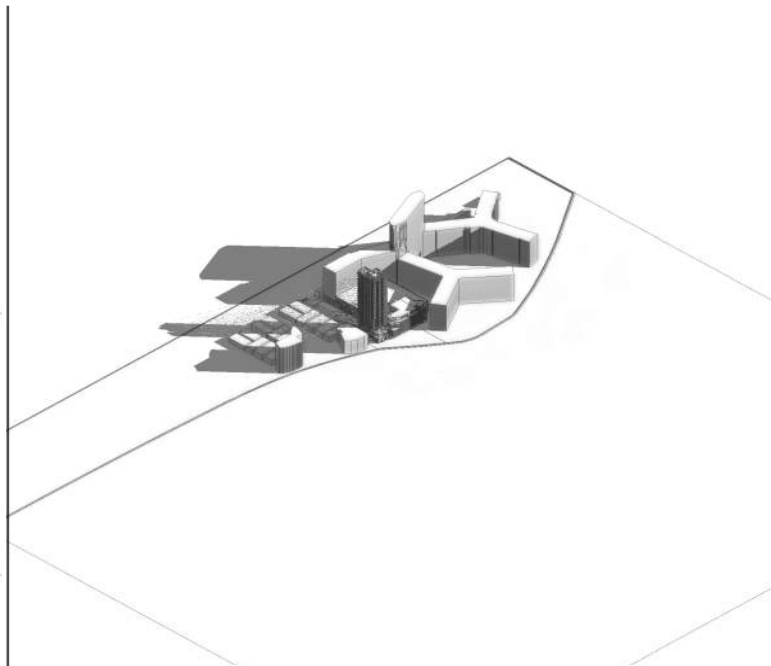
DEC 21, 2019 - 8:00 AM



DEC 21, 2019 - 12:00 PM

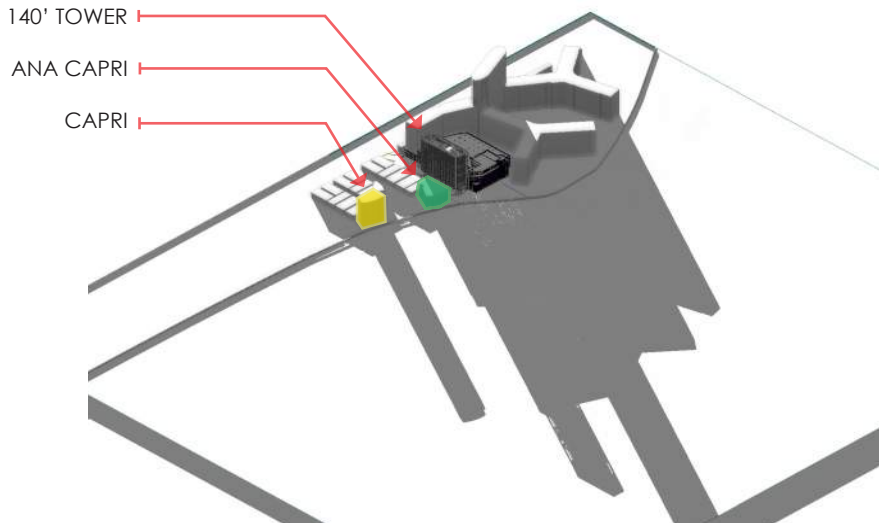


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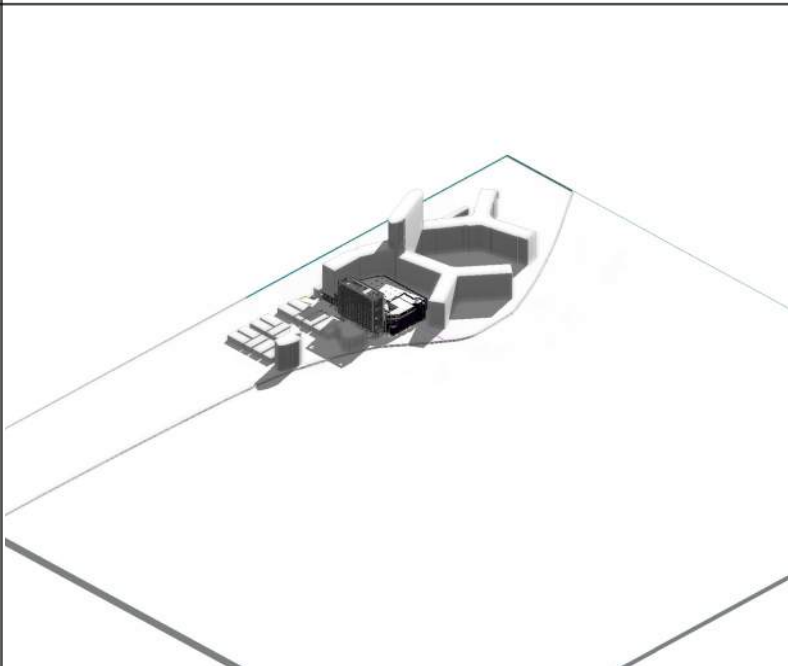


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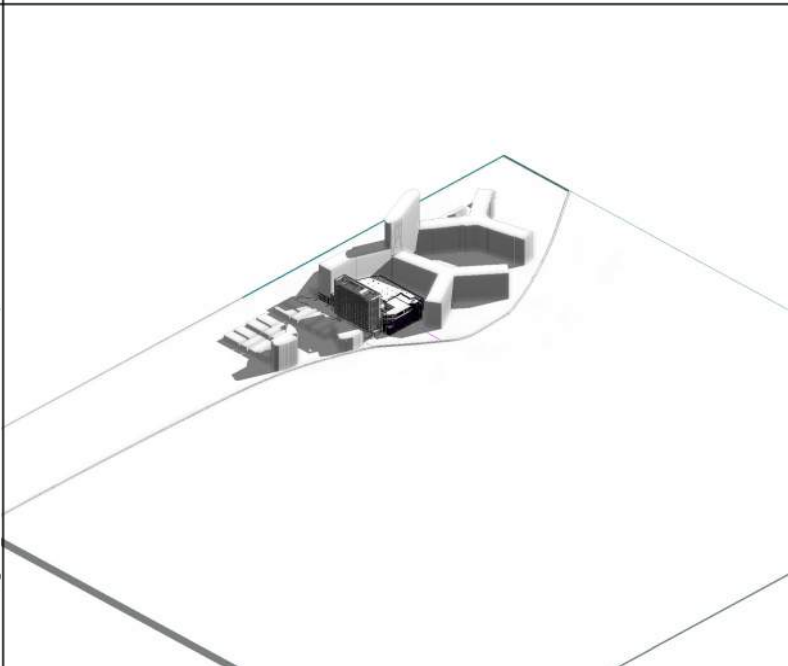
140' TOWER AS OF RIGHT



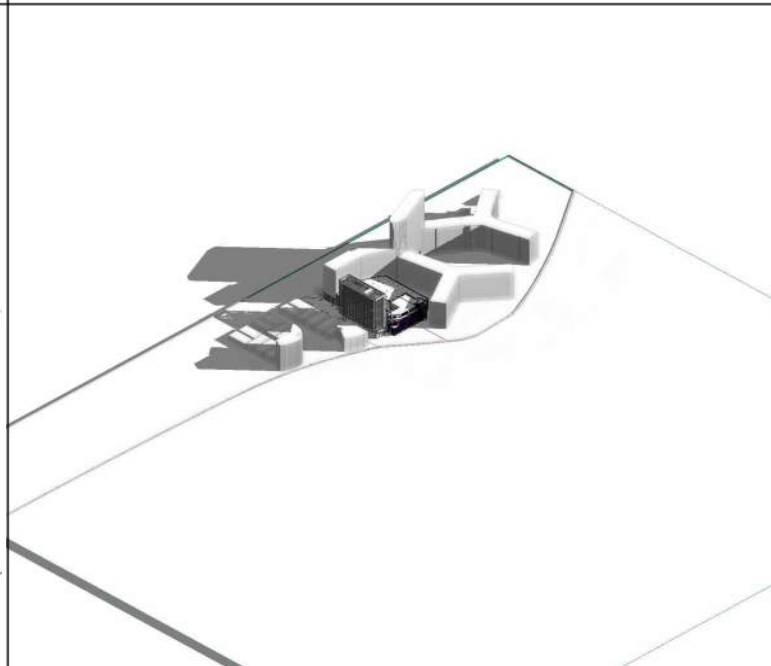
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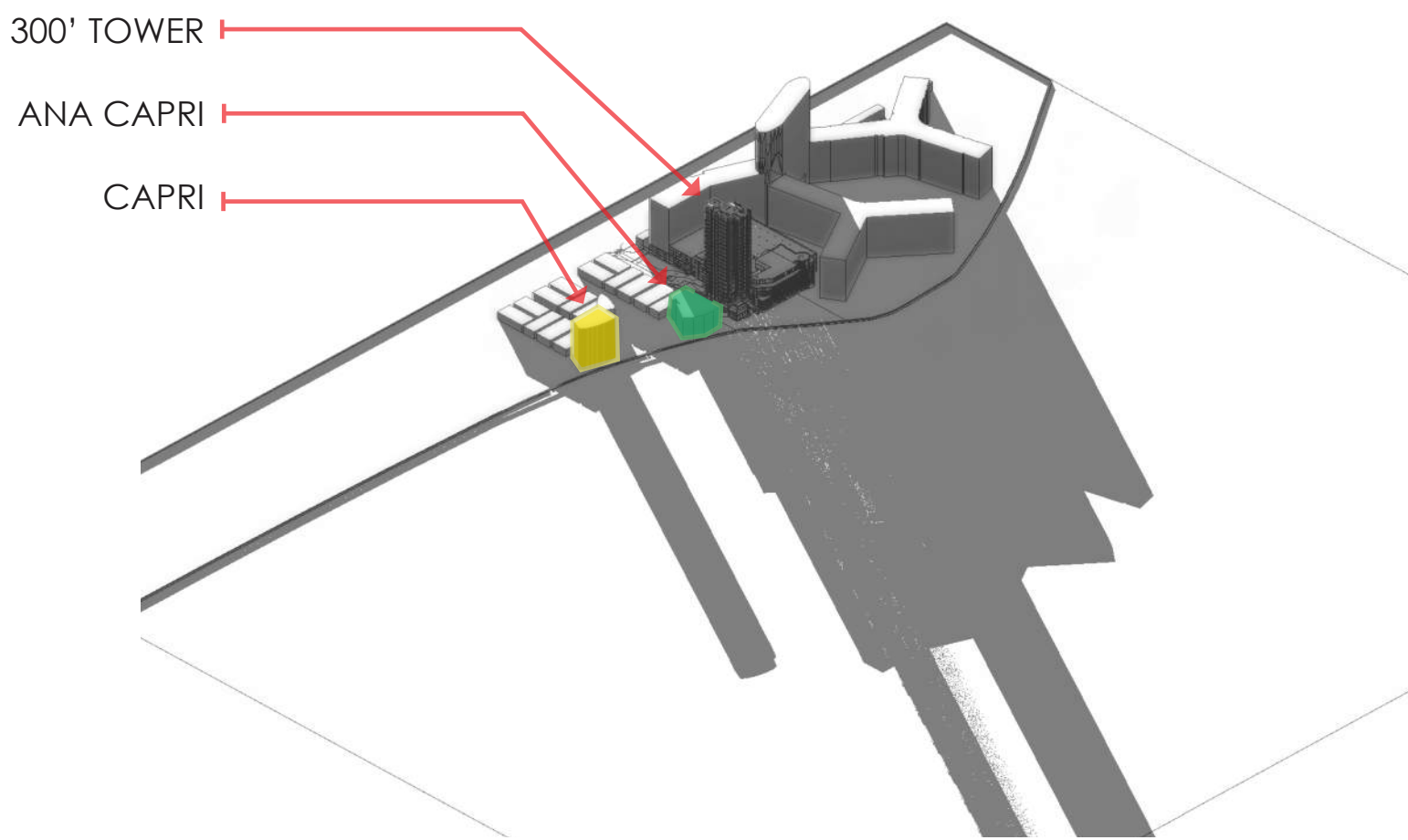


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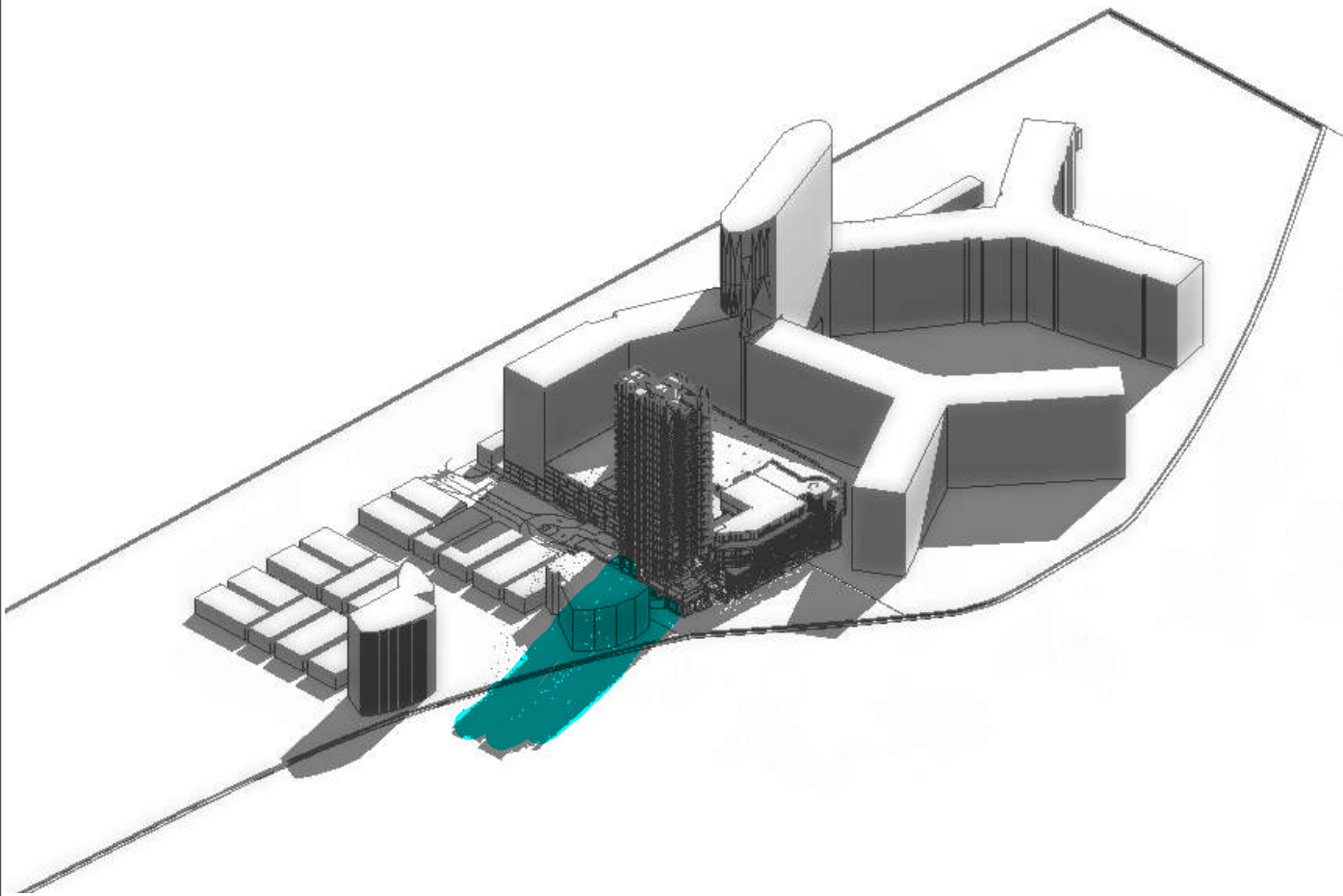


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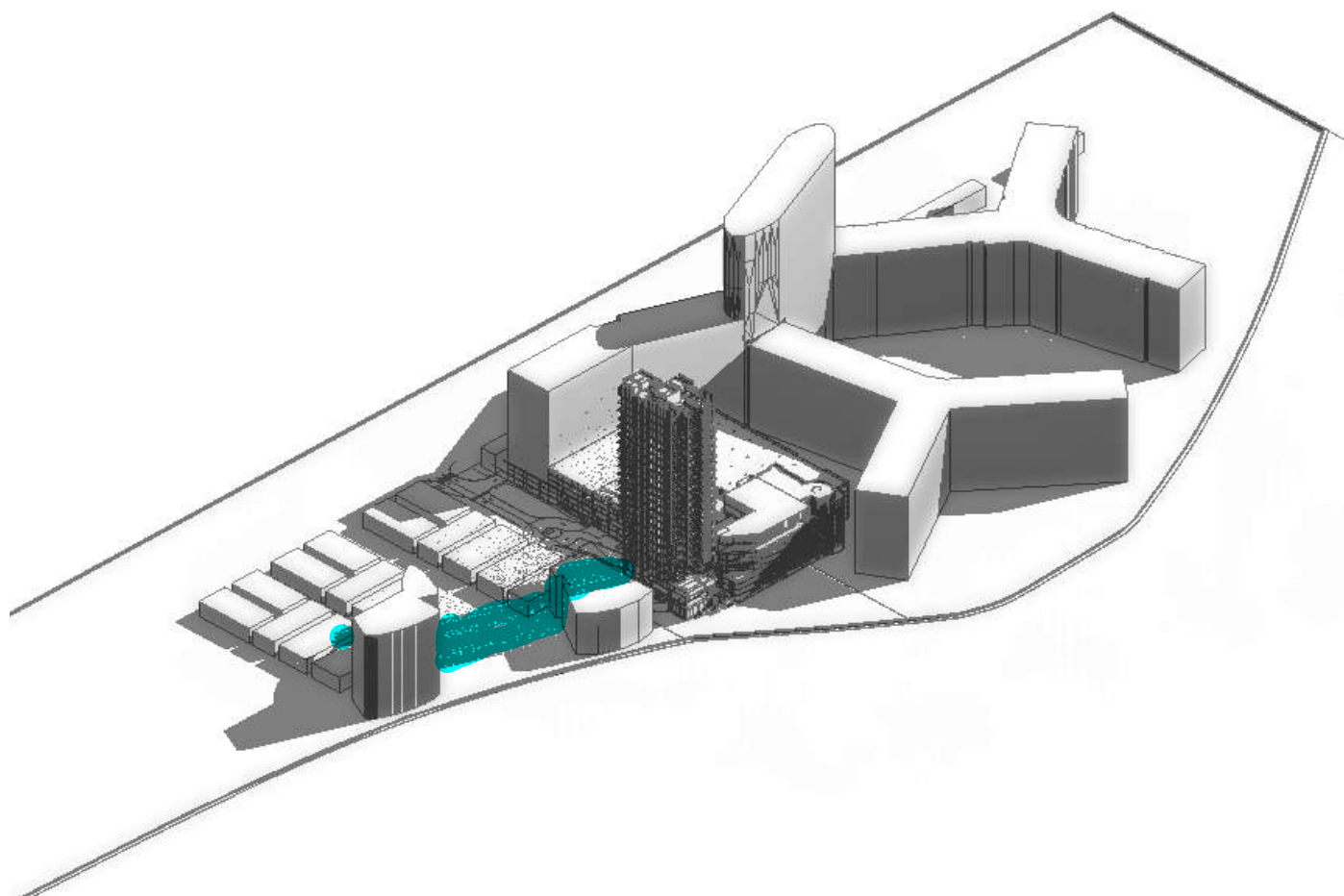
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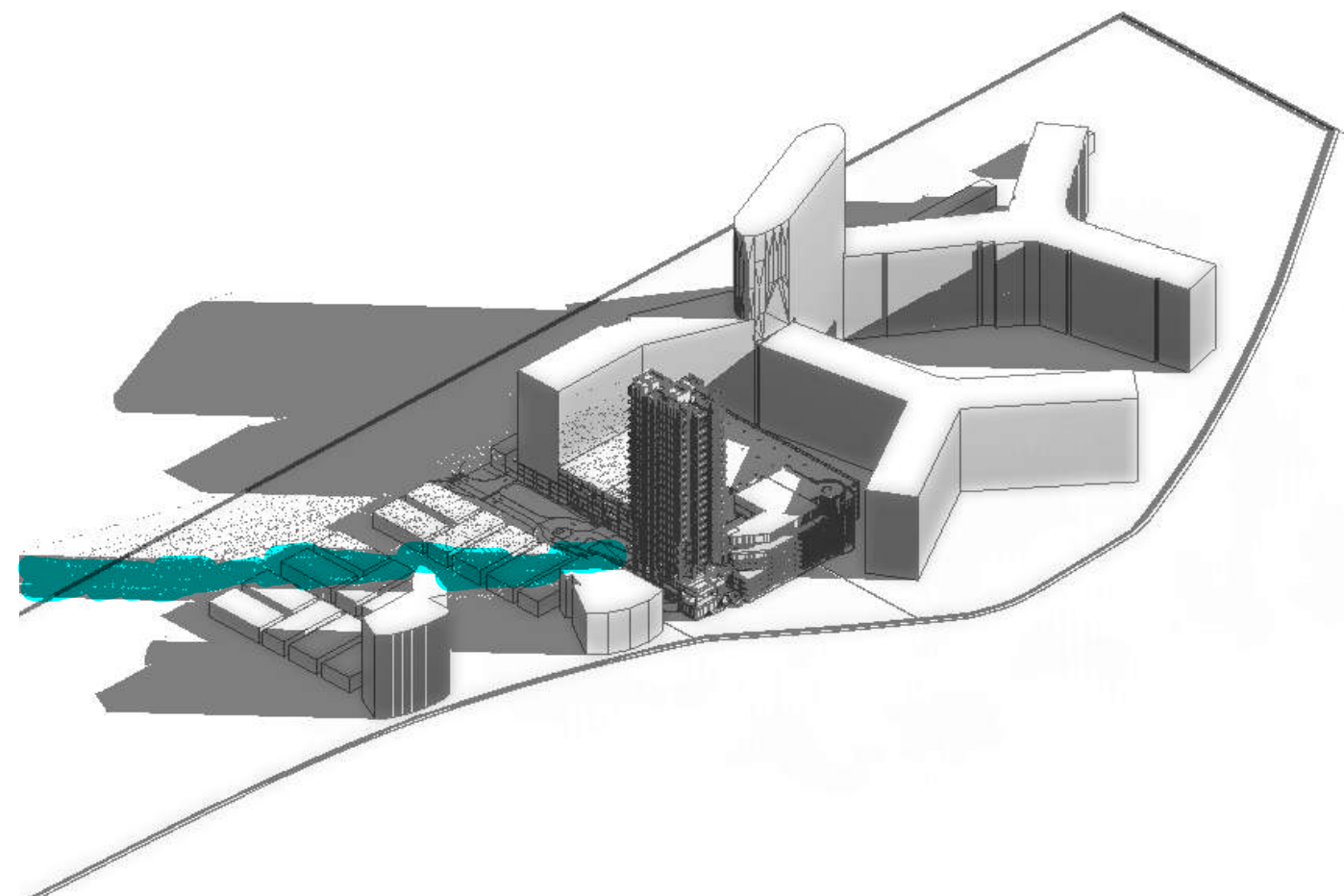
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DEC 21, 2019 - 12:00 PM



DEC 21, 2019 - 2:00 PM



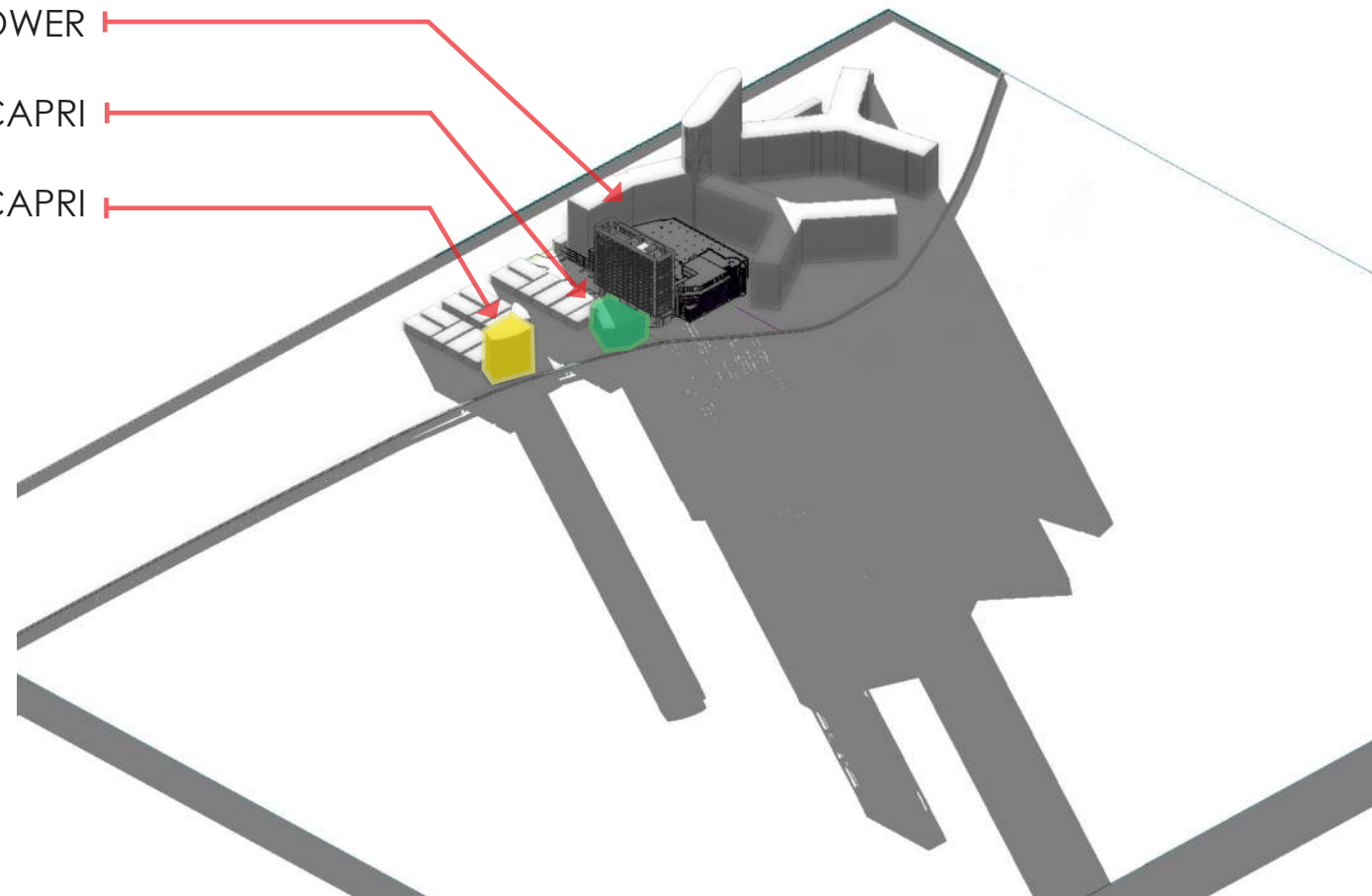
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## 140' TOWER

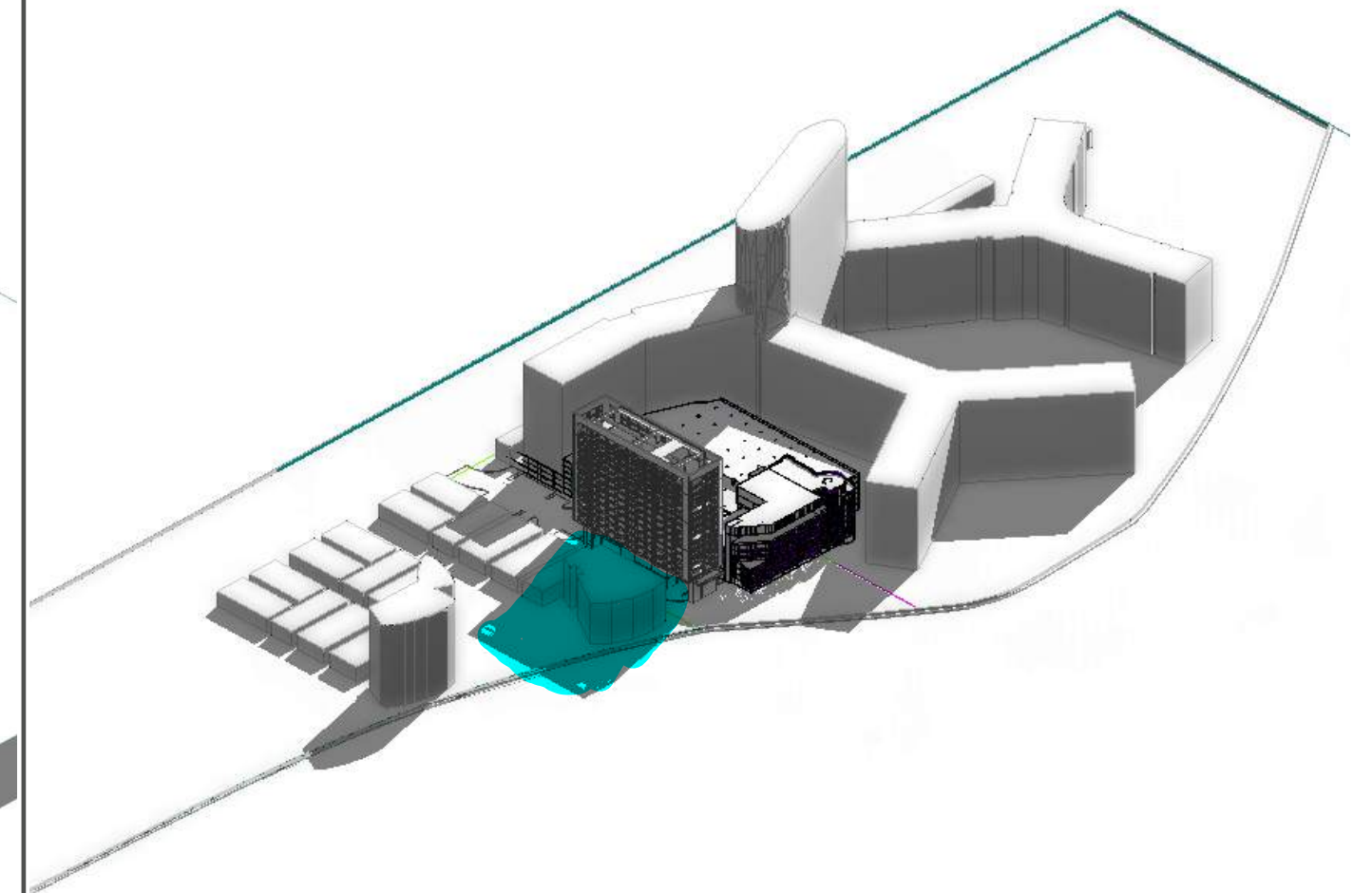
300' TOWER

ANA CAPRI

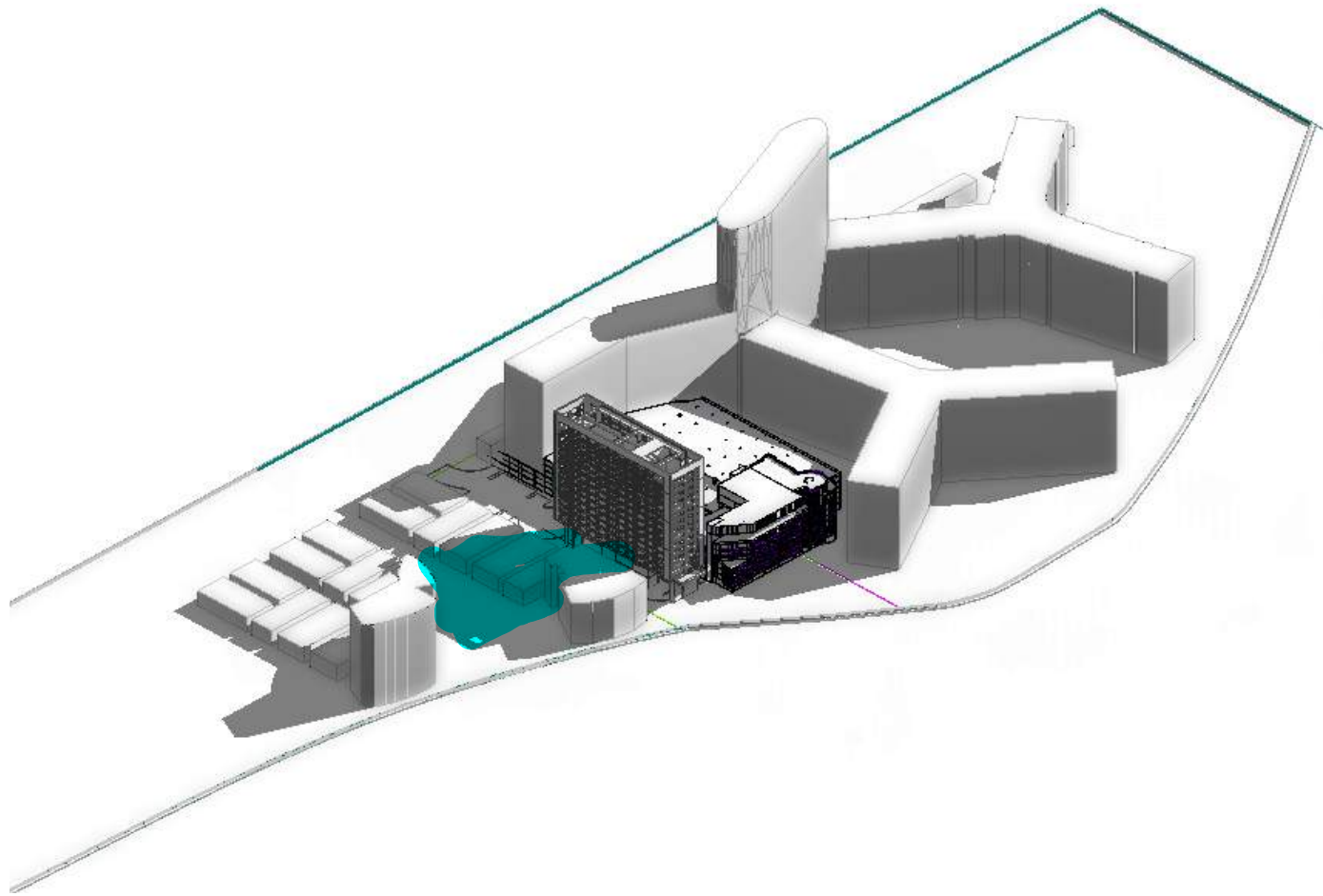
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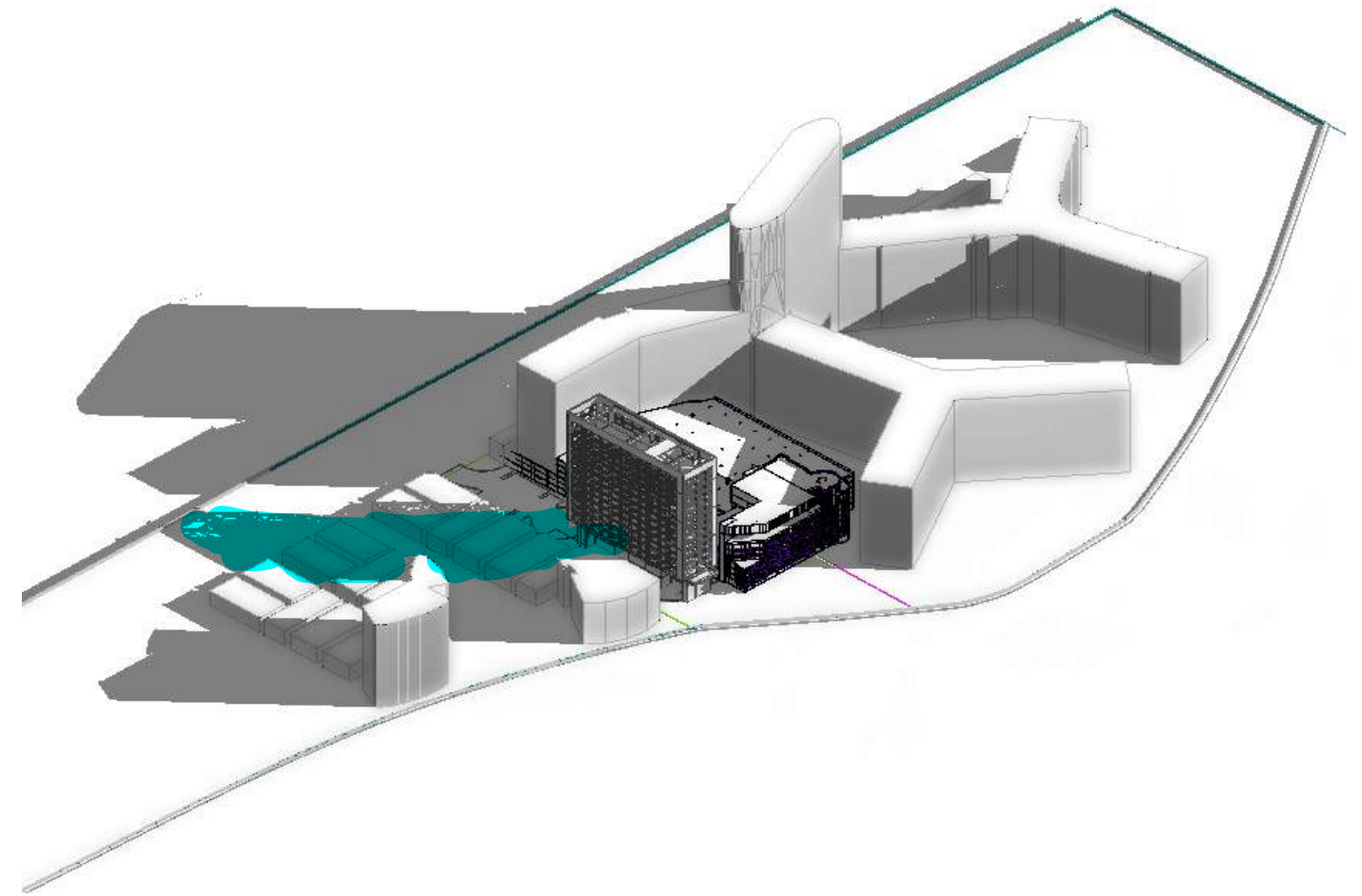
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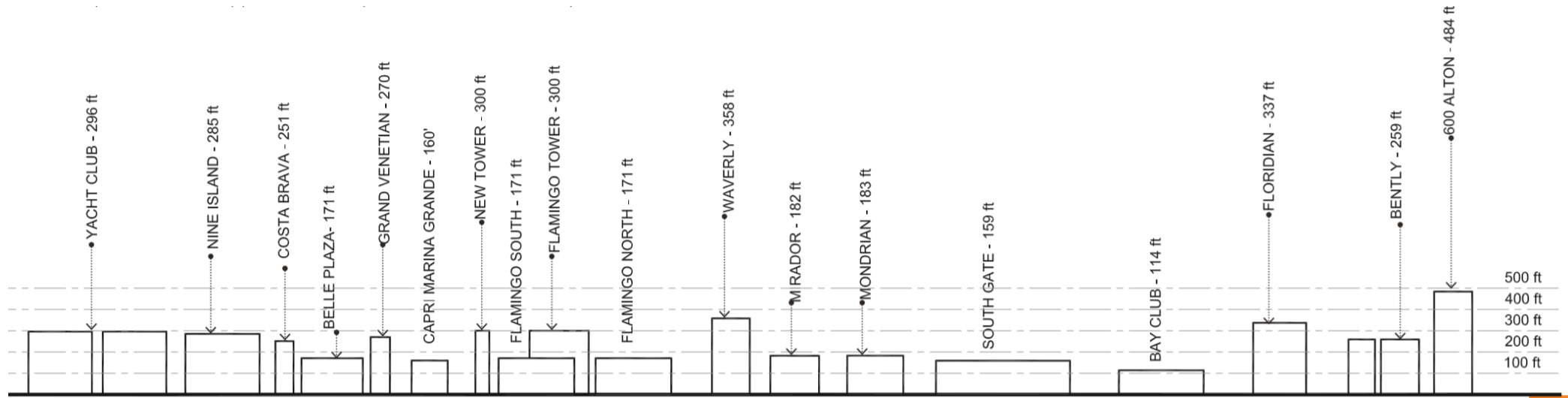


DEC 21, 2019 - 2:00 PM



DEC 21, 2019 - 4:00 PM

## Exhibit F



# HEIGHT/FLOORPLATE STUDY

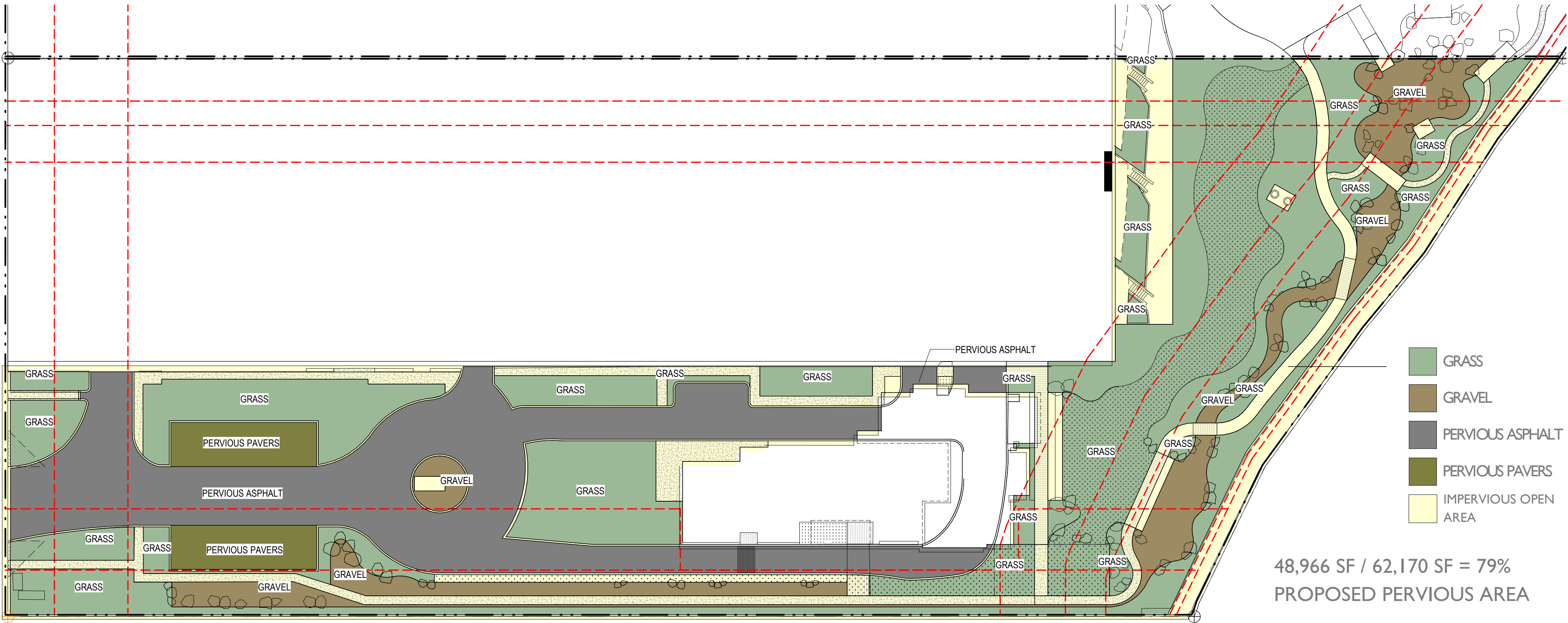
## RANKING BY HEIGHT

|    | Building                  | Floor Plate | Height (Floors) | Height (Feet) |
|----|---------------------------|-------------|-----------------|---------------|
| 1  | Portofino                 | 18,700 SF   | 44 Floors       | 484.00 ft     |
| 2  | The Park at Fifth         | 17,000 SF   | 44 Floors       | 484.00 ft     |
| 3  | Icon                      | 25,000 SF   | 42 Floors       | 423.00 ft     |
| 4  | Continuum                 | 24,000 SF   | 42 Floors       | 417.00 ft     |
| 5  | Murano Grande             | 25,400 SF   | 40 Floors       | 407.00 ft     |
| 6  | Murano At Portofino       | 18,000 SF   | 37 Floors       | 402.00 ft     |
| 7  | The Waverly               | 20,000 SF   | 34 Floors       | 358.00 ft     |
| 8  | The Yacht Club            | 14,000 SF   | 34 Floors       | 341.00 ft     |
| 9  | Flamingo Central Tower    | 16,810 SF   | 32 Floors       | 337.92 ft     |
| 10 | Floridian                 | 25,000 SF   | 34 Floors       | 337.00 ft     |
| 11 | Flamingo New Tower        | 4,980 SF    | 23 Floors       | 300.00 ft     |
| 12 | Sunset Harbour Yacht Club | 40,000 SF   | 26 Floors       | 296.83 ft     |
| 13 | Nine Island Avenue        | 29,000 SF   | 25 Floors       | 285.41 ft     |
| 14 | The Grand Venetian        | 12,000 SF   | 26 Floors       | 270.00 ft     |
| 15 | Bently Bay                | 21,900 SF   | 26 Floors       | 259.00 ft     |
| 16 | South Pointe Towers       | 22,000 SF   | 25 Floors       | 258.00 ft     |
| 17 | Apogee                    | 24,000 SF   | 22 Floors       | 251.16 ft     |
| 18 | Costa Brava               | 24,000 SF   | 22 Floors       | 251.16 ft     |
| 19 | Flamingo South Tower      | 47,560 SF   | 14 Floors       | 171.25 ft     |
| 20 | Flamingo North Tower      | 47,560 SF   | 14 Floors       | 171.25 ft     |
| 21 | Belle Plaza               | 18,000 SF   | 15 Floors       | 171.25 ft     |

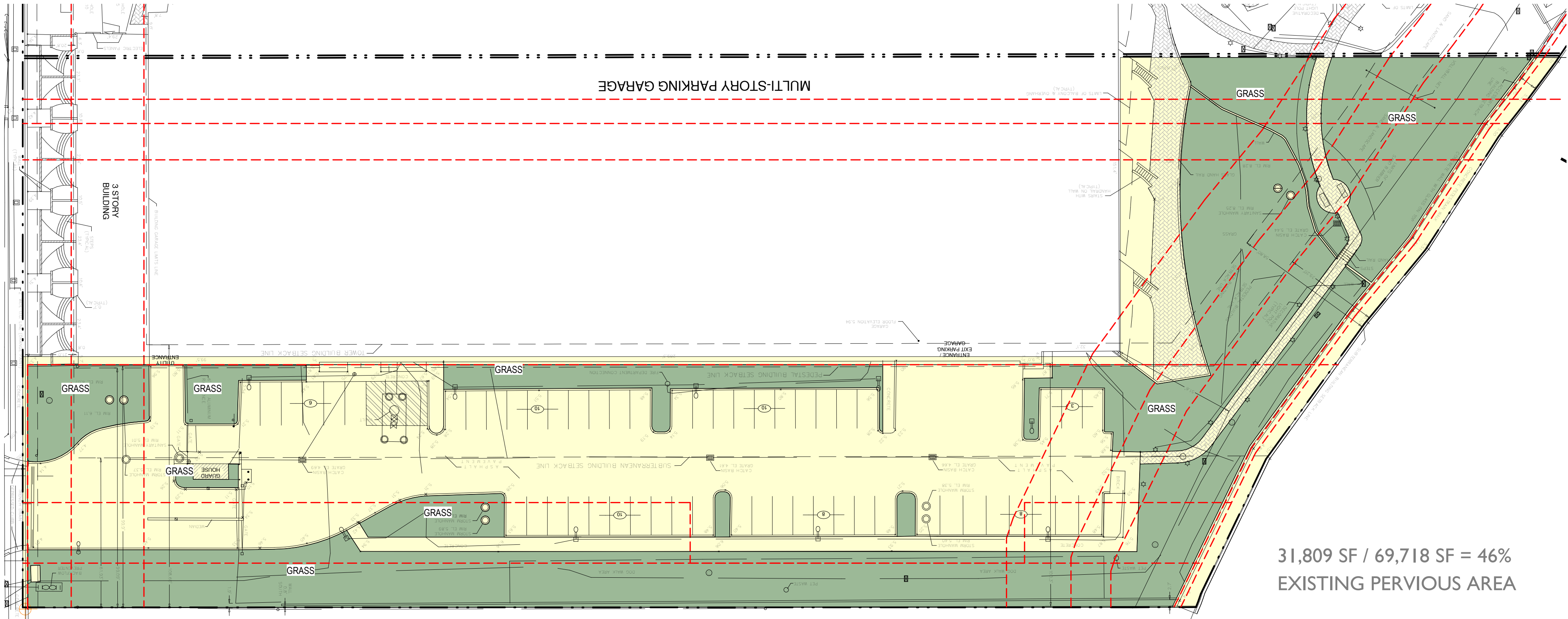
## RANKING BY FLOORPLATE

|    | Building                  | Floor Plate | Height (Floors) | Height (Feet) |
|----|---------------------------|-------------|-----------------|---------------|
| 1  | Flamingo South Tower      | 47,560 SF   | 14 Floors       | 171.25 ft     |
| 2  | Flamingo North Tower      | 47,560 SF   | 14 Floors       | 171.25 ft     |
| 3  | Sunset Harbour Yacht Club | 40,000 SF   | 26 Floors       | 296.83 ft     |
| 4  | Nine Island Avenue        | 29,000 SF   | 25 Floors       | 285.41 ft     |
| 5  | Murano Grande             | 25,400 SF   | 40 Floors       | 407.00 ft     |
| 6  | Icon                      | 25,000 SF   | 42 Floors       | 423.00 ft     |
| 7  | Floridian                 | 25,000 SF   | 34 Floors       | 337.00 ft     |
| 8  | Continuum                 | 24,000 SF   | 42 Floors       | 417.00 ft     |
| 9  | Apogee                    | 24,000 SF   | 22 Floors       | 251.16 ft     |
| 10 | Costa Brava               | 24,000 SF   | 22 Floors       | 251.16 ft     |
| 11 | South Pointe Towers       | 22,000 SF   | 25 Floors       | 258.00 ft     |
| 12 | Bently Bay                | 21,900 SF   | 26 Floors       | 259.00 ft     |
| 13 | The Waverly               | 20,000 SF   | 34 Floors       | 358.00 ft     |
| 14 | Portofino                 | 18,700 SF   | 44 Floors       | 484.00 ft     |
| 15 | Murano At Portofino       | 18,000 SF   | 37 Floors       | 402.00 ft     |
| 16 | Belle Plaza               | 18,000 SF   | 15 Floors       | 171.25 ft     |
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| 19 | The Yacht Club            | 14,000 SF   | 34 Floors       | 341.00 ft     |
| 20 | The Grand Venetian        | 12,000 SF   | 26 Floors       | 270.00 ft     |
| 21 | Flamingo New Tower        | 4,980 SF    | 23 Floors       | 300.00 ft     |

# HEIGHT/FLOORPLATE STUDY



PERVIOUS AREA - NEW TOWER SITE - PROPOSED  
SCALE: 1" = 30'-0"



PERVIOUS AREA - NEW TOWER SITE - EXISTING  
SCALE: 1" = 30'-0"



May 7, 2020

Mr. Thomas Mooney  
Planning Director  
City of Miami Beach  
1700 Convention Center Drive  
Miami Beach, FL 33129

**Re: AIMCO Properties at Flamingo Point**

Dear Mr. Mooney:

Miami Economic Associates, Inc. (MEAI) has performed an analysis to estimate the economic and fiscal benefits that currently and prospectively accrue to the City of Miami Beach from the properties solely owned by Apartment Investment and Management Company (AIMCO) within Flamingo Point. Flamingo Point is a predominately multi-family residential project located between Bay Road and Biscayne Bay north of 14<sup>th</sup> Street. We also estimated the economic and fiscal benefits currently and prospectively accrue for three other governmental jurisdictions that impact the lives of Miami Beach residents including Miami-Dade County, the Miami-Dade County Public School District and the Children's Trust of Miami-Dade County.

Flamingo Point is organized in three communities designated "Central", "North" and "South", respectively. AIMCO is the sole owner of all the buildings and land that comprise the Central and North communities and all the residential units within those communities are occupied as rentals. In contrast, the units in the South community are condominiums which means that AIMCO is not the sole owner of that community. Accordingly, while AIMCO does own 221 of the South community's 561 units, the South community was not considered in the analysis that MEAI performed.

The Central community is currently comprised of 513 total units inclusive of studio units, one-bedroom units, two-bedroom units and three-bedroom units. These units average approximately 1,240 square feet in size and rent for an average of \$2.56 per square feet per month. The Central community also contains two commercial spaces that contain a total of approximately 6,182 square feet. One of the two commercial spaces is currently occupied by a restaurant and the second one will be by the fall of this year.

AIMCO is proposing to add a new 24-story tower to the Central community that, according to preliminary plans, will contain a total of 33 luxury apartment and duplex units including one-bedroom unit, two-bedroom units, three-bedroom units and four-bedroom units. In addition to being amply sized, these units will also enjoy exceptional views of Biscayne Bay and the Miami-Dade County mainland. Accordingly, they are expected to rent at premium rates. A specific schedule of rents has not yet been established for the proposed units but AIMCO estimates that the average rate per square foot will approximate \$4.50. The new tower is expected to cost approximately \$40.0 million to construct in terms of hard costs.

The North community, which is comprised of a building that was originally constructed in 1960, is currently undergoing renovation, in a process that commenced in July 2019. When that process is completed in January 2022, the number of units in the North community will be reduced from 614 to 366. At that point, the building will no longer contain just studio, one-bedroom and two-bedroom units. Rather, its mix of units will include no studios, one-bedroom units, two-bedroom units, three-bedroom apartments and lofts and five-bedroom lofts. The 366 units are expected to rent for an average \$3.45 per square foot per month. The renovation of the North community is expected to cost approximately total \$97.38 million in terms of hard costs including those covered by the general building permit as well as those relating to mechanical, electrical and plumbing. It is, however, exclusive of contractor fees.

The estimates of economic and fiscal benefits presented below are based on assumptions about the renovation/construction costs paid and the rent levels that will be achieved that are subject to change based on future economic conditions. Our estimates are also based on tax rates and fee schedules that are subject to change over time as a result of governmental actions. Accordingly, the actual economic and fiscal benefits generated by the subject project may vary from those estimated in this report.

The remainder of this letter report is organized as shown below:

| Section                 | Page |
|-------------------------|------|
| Summary of Key Findings | 3    |
| Economic Benefits       | 4    |
| Fiscal Benefits         | 6    |
| Closing                 | 9    |

## Summary of Key Findings

The paragraphs that follow summarize the most significant findings of our analysis with respect to the properties solely owned by AIMCO at Flamingo Point.

### Economic Benefits

- During the period in which the North community is being renovated and the new tower proposed for in the Central Community is being constructed, 1,185 construction workers will be employed on-site. Over 781 additional workers will either be employed in businesses that provide support to the on-site construction activity or work in businesses across the economy in which those involved in the construction activity either directly or indirectly spend their earnings. All these workers together will earn in excess of \$103.3 million during the period that the renovation/new construction work is on-going.
- After the renovation of the North Community and the construction of the new tower in the Central community have been completed, a total of 24 people will be employed on-site to perform leasing and property operations and maintenance functions.<sup>1</sup> An additional 30 workers will be employed by the two on-site restaurants. However, the most significant recurring economic benefit will be the fact the residents of the 906 units that are the subject of MEAI's analysis will collectively spend approximately \$23.24 million annually in retail and food and beverage establishments. MEAI believes that the preponderance of those expenditures will occur in Miami Beach and nearly all of them in Miami-Dade County.

### Fiscal Benefits

- Prior to the commencement of work on the renovation of the North community, AIMCO paid to the City of Miami Beach an amount totaling nearly \$2.0 million in upfront and building permit fees. Additional fees were paid the proposed mechanical, electrical and plumbing work. Based on the City's fee schedule, MEAI estimates that fees in the amount approximating \$650,000 will need to be paid to the City for upfront and building permit fees prior to the time construction begins on the proposed new tower in the Central community, with additional fees being paid for the mechanical, electrical and plumbing work.

Typically, prior to the construction of a new building such as the 33-unit being proposed in the Central community, it is also necessary to pay a number of impact fees to the City, Miami-Dade County and the Miami-Dade Public School District. However, MEAI believes that in this instance the payment of such fees will not be necessary due to sharp reduction in the overall number of units on-site resulting from the renovation of the North community. As previously discussed, prior to its renovation, the North Community was comprised of 614 units. After it is renovated,

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<sup>1</sup> The size of the on-site staff complement reflects that outside contractors are used to perform some tasks. The number of people employed by those contractors to work at the subject properties is not known.

the North community will only have 366 units. The reduction of 248 units will more than offset the 33 new units that will comprise the proposed new tower in the Central community.

- MEAI estimates that once the renovation of the North community and the construction of the new 33-unit residential tower are completed, the City of Miami Beach will collect more than \$1.65 million annually in ad valorem taxes from properties that were subject to its analysis. Miami-Dade County and the Miami-Dade County Public School District will collect more than \$1.49 and \$1.96 million, respectively.

### **Economic Benefits**

The term "economic benefits" relates to the positive impact that the properties that are solely owned by AIMCO at Flamingo Point currently have or will in the future have on the economy of the City of Miami Beach and/or Miami-Dade County. The economic benefits estimated below will be both non-recurring and recurring in nature, with the former occurring during the period the renovation and new construction activities are underway, the latter on an annual basis each year after the project has been fully completed.

#### Non-recurring Economic Benefits

Table 1 summarizes the economic benefits generated by the renovation of the North community and the construction of the proposed new tower in the Central community. Since the renovation of the North community is on-going, a portion of the non-recurring economic benefits resulting from that project are already being realized with others materializing in the near future. The non-recurring economic benefits that will be generated by the new tower will be realized after it is approved for construction by the City. The monetary amounts shown are expressed in 2020 Dollars.

| <b>Table 1</b><br><b>Non-recurring Economic Benefits **</b><br><b>Properties Solely Owned by AIMCO</b><br><b>Flamingo Point</b><br><b>(2020 Dollars)</b> |                            |                          |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------|----------------|
| <b>Benefits</b>                                                                                                                                          | <b>North Renovation***</b> | <b>New Central Tower</b> | <b>Total</b>   |
| Jobs Created                                                                                                                                             |                            |                          |                |
| Direct                                                                                                                                                   | 840                        | 345                      | 1,185          |
| Indirect                                                                                                                                                 | 235                        | 96                       | 331            |
| Induced                                                                                                                                                  | 319                        | 131                      | 450            |
| Total                                                                                                                                                    | 1,394                      | 572                      | 1,966          |
| Labor Income (All workers)                                                                                                                               | \$ 73,997,000              | \$ 30,395,100            | \$ 104,392,100 |
| Gross Domestic Product (Value-added)                                                                                                                     | \$ 99,042,600              | \$ 39,807,000            | \$ 138,849,600 |
| Source: AIMCO; IMPLAN; GAI Consultants Inc.; Miami Economic Associates, Inc.                                                                             |                            |                          |                |

With respect to Table 1, the following points are noted:

- The estimates of job creation, labor income and gross domestic product (or value-added) were formulated using the IMPLAN Input-Output Model developed at the University of Minnesota approximately 40 years ago and which has been updated on a continuing basis in subsequent years. A description of the model may be found in the appendix to this report on page 11 of this letter report.
- The term “direct jobs” refers to jobs on-site. “Indirect jobs” are jobs in industries related to the on-site economic activity while “induced jobs” are jobs in economic sectors across the entirety of the economy in which the direct and indirect workers spend their earnings. Illustratively, during the renovation or construction period, the direct jobs would be filled by the on-site construction workers. The indirect workers would include people employed by building supply and trucking firms, among others, that provide goods and services that support the on-site construction activity. The Induced workers would include people working in supermarkets and doctors’ offices, among other venues, that the direct and indirect workers patronize.
- The estimates of non-recurring benefits are based on the estimated cost of hard of renovation and new construction, which are expected to approximate \$97.38 million and \$40.0 million, respectively. Soft costs were not included in the input to the model since the model estimates those expenses and their inclusion in the input would result in double-counting. The benefits shown would be generated throughout the entirety of the period in the renovation or new construction activity is occurring.

#### Recurring Economic Benefits

On a recurring basis after the renovation of the North community and the construction of the new tower in the Central community are completed, the properties owned solely AIMCO at Flamingo Point will employ a total of 24 people in property operations and maintenance and leasing activities. An additional 30 people will be employed in the two restaurants in the Central community. However, the greatest economic benefit generated on a recurring basis by the properties solely owned by AIMCO at Flamingo Point will result from the expenditures of their residents in retail and food and beverage establishments.

Based on conventional underwriting standards, the average household renting a unit the properties owned solely by AIMCO will have an income in the range of \$150,000 to \$175,000. For the purpose of this analysis, MEAI assumed the following: 1) 85 percent of 906 households are year-round residents while 15 percent of them are in residence for an average of four months a year; and 2) they will spend 20 percent of their income in retail shops and restaurants; and 3) the units will be 95 percent leased.<sup>1</sup> Based on those assumptions, we estimated that their aggregate expenditures in retail and food and beverage establishments would approximate \$23.24 million annually. It should be

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<sup>1</sup> All units at the subject properties are leased for a term of one year. However, the on-site manager indicated that approximately 15 percent of them are occupied on a part-time basis.

noted that this estimate reflects the fact the 366 households living in the renovated North community would spend 140 percent of the amount that the 614 households who lived there previously spent. It also reflects the expenditures of the 33 households who would live in the new tower in the Central community. MEAI expects that the preponderance of the moneys expended will benefit business located in the City of Miami Beach and that nearly all will benefit businesses located within Miami-Dade County.

### **Fiscal Benefits**

The term "fiscal benefits" refers to the positive impact that the properties solely owned by AIMCO at Flamingo Point with currently have or will have in the future on the finances of the City of Miami Beach as well as Miami-Dade County, the Miami-Dade County Public School District and the Children's Trust of Miami-Dade County.

#### Non-recurring Fiscal Benefits

Prior to the commencement of work on the renovation of the North community In July 2019, AIMCO paid to the City of Miami Beach an amount totaling \$1,987,481 in upfront and building permit fees. Additional permit fees were paid for the mechanical, electrical and plumbing work. Based on the City's fee schedule, MEAI estimates the that fees in the amount approximating \$650,000 will need to paid to the City for upfront and building permit fees prior to the time construction begins on the proposed new tower in the Central community, with additional fees being paid for the mechanical, electrical and plumbing work.

Typically, prior to the construction of a new building such as the 33-unit being proposed in the Central community, it is also necessary to pay a number of impact fees to the City, Miami-Dade County and the Miami-Dade Public School District. Included among these are the City's transportation concurrency management fee, the County's road impact fee and the School's District's school impact fee. Water and sewer connection fees also typically need to be paid. However, MEAI believes that in this instance the payment of such fees will not be necessary due to sharp reduction in the overall number of units on site occasioned by the renovation of the North community. As previously discussed, prior to its renovation, the North Community was comprised of 614 units. After it is renovated, the North community will only have 366 units. The reduction of 248 units will more than offset the 33 new units that will comprise the proposed new tower in the Central community.

#### Recurring Fiscal Benefits

Table 2, on the next page, summarizes the recurring fiscal benefits currently or prospectively generated by the AIMCO-owned properties that are the subject of this report.

- The most significant recurring fiscal benefit for each of the jurisdictions enumerated above is the ad valorem taxes collected on an annual basis. The millage rates

currently being levied by those jurisdictions for ad valorem taxes on the top of the next page.

| Entity                                                                        | Rate/\$1000<br>Taxable Value |
|-------------------------------------------------------------------------------|------------------------------|
| City of Miami Beach                                                           |                              |
| General Fund                                                                  | 5.7288                       |
| Debt Service Fund                                                             | 0.2933                       |
|                                                                               |                              |
| Miami-Dade County                                                             |                              |
| General Fund                                                                  | 4.6669                       |
| Debt Service Fund                                                             | 0.4780                       |
| Library                                                                       | 0.2840                       |
|                                                                               |                              |
| Miami-Dade Public Schools District                                            |                              |
| Operating                                                                     | 7.0250                       |
| Debt Service                                                                  | 0.1230                       |
|                                                                               |                              |
| Children's Trust                                                              | 0.4680                       |
| Source: Miami-Dade County Property Appraiser; Miami Economic Associates, Inc. |                              |

The ad valorem tax revenues estimated in Table 2 on the next page were calculated by applying these millage rates to estimated taxable value of the properties analyzed, which MEAI estimated to be as follows taking into consideration both current assessments and the hard cost estimates associated with the renovation the North community and the construction of the new tower in the Central community:

- o Existing Central Community: \$108,741,000
- o Renovated North Community: \$126,000,000
- o New Central Tower: \$45,000,000

The taxable value shown for the Central community is consistent with that currently determined by the Miami-Dade County Property Appraiser. The taxable value for the renovated North Community reflects that current taxable value of the land underlying it, 20 percent of the current taxable value of the building to account for its outer structure and the hard cost associated with its renovation. The taxable value assumed for the new tower in the Central community is based on its estimated hard cost of construction solely since the land underlying it is accounted for the estimated taxable value of the existing Central community.

With respect to Table 2, the following points should be noted:

- The amounts shown in the Total column will only be realized after both the renovation of the North community and the construction of the proposed new tower in the Central community have been completed. As previously stated, the renovation of the North community is presently in process. However, the construction of the

proposed new tower as envisioned has not yet been approved by the City of Miami Beach.

| <b>Table 2</b><br><b>Summary of Recurring Fiscal Benefits</b><br><b>Properties Solely Owned by AIMCO</b><br><b>Flamingo Point</b><br>(2020 Dollars) |                                           |                                          |                                  |              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|----------------------------------|--------------|
| <b>Benefit</b>                                                                                                                                      | <b>Existing<br/>Central<br/>Community</b> | <b>Renovated<br/>North<br/>Community</b> | <b>New<br/>Central<br/>Tower</b> | <b>Total</b> |
| <b>City of Miami Beach</b>                                                                                                                          |                                           |                                          |                                  |              |
| Ad valorem taxes                                                                                                                                    |                                           |                                          |                                  |              |
| General Fund                                                                                                                                        | \$ 622,955                                | \$ 721,829                               | \$ 229,152                       | \$ 1,573,936 |
| Debt Service Fund                                                                                                                                   | \$ 31,894                                 | \$ 36,956                                | \$ 11,732                        | \$ 80,582    |
| Utility taxes/franchise fees                                                                                                                        | **                                        | **                                       | **                               | **           |
| Storm water fees                                                                                                                                    | **                                        | **                                       | **                               | **           |
| <b>Miami-Dade County</b>                                                                                                                            |                                           |                                          |                                  |              |
| Ad valorem taxes                                                                                                                                    |                                           |                                          |                                  |              |
| General Fund                                                                                                                                        | \$ 507,483                                | \$ 588,029                               | \$ 186,676                       | \$ 1,282,188 |
| Debt Service Fund                                                                                                                                   | \$ 51,978                                 | \$ 60,228                                | \$ 19,120                        | \$ 131,326   |
| Library Fund                                                                                                                                        | \$ 30,882                                 | \$ 35,784                                | \$ 11,360                        | \$ 78,026    |
| Local option sales tax                                                                                                                              | \$ 181,508                                | \$ 177,744                               | \$ 24,542                        | \$ 386,862   |
| Water/sewer service fees                                                                                                                            | **                                        | **                                       | **                               | **           |
| <b>Miami-Dade Schools</b>                                                                                                                           |                                           |                                          |                                  |              |
| Ad valorem taxes                                                                                                                                    |                                           |                                          |                                  |              |
| Operating Fund                                                                                                                                      | \$ 763,905                                | \$ 885,150                               | \$ 281,000                       | \$ 1,930,055 |
| Debt Service Fund                                                                                                                                   | \$ 13,375                                 | \$ 15,498                                | \$ 4,920                         | \$ 33,793    |
| <b>Children's Trust</b>                                                                                                                             |                                           |                                          |                                  |              |
| Ad valorem taxes                                                                                                                                    | \$ 50,891                                 | \$ 57,708                                | \$ 18,720                        | \$ 127,319   |
| ** Insufficient data is currently available to estimate the revenues generated.                                                                     |                                           |                                          |                                  |              |
| Source: AIMCO; City of Miami Beach; Miami-Dade County; Miami-Dade County Property Appraiser; Miami Economic Associates, Inc                         |                                           |                                          |                                  |              |

- The City of Miami Beach collects utility taxes and franchise fees from the providers of telephone, electric and other such services based on their revenues. The amount the City will from the properties solely owned by AIMCO at Flamingo Point will be dependent on the amount of these services used by their residents and commercial tenants which is not presently know; therefore, the amount that would be collected cannot be quantified at this time.

- The City of Miami Beach will collect storm water fees from the properties that are the subject of this report. The amount of fees paid will be based on the amount of those properties' impervious surfaces. Since it is not within MEAI's competence to calculate the amount of impervious surface that they either they currently have or will have in the future, we have not estimated amount of the fees that would need to be paid on an annual basis.
- Miami-Dade County will collect a 1-cent County option sales tax on rents paid by the tenants as well as the amount of sales that will occur in the two on-site restaurants. Since no estimate of the sales volumes that the restaurants will achieve is available, the figure shown in Table 2 is solely based on the rents paid by the residents annually. It also assumes an occupancy rate of 95 percent.
- The Miami-Dade Water & Sewer Department will provide water and sewer services to the properties that are the subject of this analysis. The service fees that will be generated will be determined by usage and the number and the size of the meters through which service will be provided. Since the engineering parameters of the proposed are not yet known, an estimate of the service fees paid cannot be formulated at this time.

## Closing

The analysis performed by MEAI regarding the properties solely owned by AIMCO at Flamingo point demonstrates that they are economically and/or fiscally highly beneficial to the City of Miami Beach and the other governmental jurisdictions in which they are located. In this regard, the following major benefits are highlighted:

- During the period in which the North community is being renovated and the new tower proposed for in the Central Community is being constructed, 1,185 construction workers will be employed on-site. Over 781 additional workers will either be employed in businesses that provide support to the on-site construction activity or work in businesses across the economy in which those involved in the construction activity either directly or indirectly spend their earnings. All these workers together will earn in excess of \$103.3 million during the period that the renovation/new construction work is on-going.
- After the renovation of the North Community and the construction of the new tower in the residents of the 906 units that are the subject of MEAI's analysis will collectively spend approximately \$23.24 million annually in retail and food and beverage establishments. MEAI believes that the preponderance of those expenditures will occur in Miami Beach and nearly all of them in Miami-Dade County.
- Once the renovation of the North community and the construction of the new 33-unit residential tower are completed, the City of Miami Beach will collect more than \$1.65 million annually in ad valorem taxes from properties that were subject to its analysis.

Mr. Thomas Mooney  
Planning Director  
City of Miami Beach  
May 7, 2020  
Page 10

Miami-Dade County and the Miami-Dade County Public School District will collect more than \$1.49 and \$1.96 million, respectively.

Sincerely,  
Miami Economic Associates, Inc.



Andrew Dolkart  
President

## Appendix Minnesota IMPLAN Input-Output Model

The Minnesota IMPLAN Input-Output Model relies on multiplier analysis which quantifies the cumulative effect of dollars inserted into the regional economy. As a dollar moves through the region, it creates additional revenue for linked businesses and/or their employees who also spend that money. More simply, expenditures dispersed by one entity become revenue to another, continuing an economic cycle which ultimately dissipates, bleeding into other regions or areas. Although a few economic models are available, they work in fundamentally similar ways and center on the same indicators. The Minnesota IMPLAN model was initially created over 35 years ago at the University of Minnesota and has been upgraded on a continuing basis in the ensuing years.

The multiplier impacts calculated by the Minnesota IMPLAN model are based on input-output methodology, which explicitly considers the inter-industry linkages that exist within an economy. Each industry needs labor and inputs from other industries in order to produce economic output. Whenever an industry experiences an increase in the demand for its output, many other industries within that economy indirectly experience an increase in demand as well because of these inter-industry linkages. This increase in demand that results from the need for material inputs is called the *indirect effects*. In addition, an increase in production within a region also leads to an increase in household income through the hiring of workers, which in turn generates further demands for goods and services within the region. Firms also need to expand their base of physical capital to meet higher levels of demand, and this too stimulates regional economic growth. The latter effects are referred to as *induced effects*. The inter-industry linkages and the induced effects on consumer and capital spending lead to successive rounds of production, and this process results in an increase in output that exceeds the initial change in demand, or a *multiplier effect*. Similarly, the increase in household income will exceed the initial payroll increase encountered in the industry that experienced the original increase in demand. The total change in employment in the regional economy is a multiple of the direct change in employment.

In addition to estimating employment, MEAI also used the Minnesota IMPLAN model to quantify the total earnings or labor income of the direct, indirect and induced workers as well as the total gross domestic product, or value added, that would result from the efforts of the direct, indirect and induced employees. Labor income consists of all forms of employment income including wages and salaries and proprietor income. Gross domestic product (GDP), also known as value-added, is the increased value of a product or service as the result of the economic inputs (labor and capital) expended at a given stage, GDP is the sum of wages and salaries, proprietor income, interest and indirect business taxes.