

DRAFT

WEST LOTS NORTH BEACH

A COMMUNITY INPUT DISCUSSION

MIAMI BEACH

DOVER, KOHL & PARTNERS
town planning

WHAT ARE WEST LOTS?

West Lots are eight
city-owned lots
(half-blocks)
between
79th & 87th Street
on Collins
across from North Beach
Oceanside Park



APRIL 30 TO MAY 3, 2018: PUBLIC WORKSHOP



75+ attendees

DRAFT

WHAT WE HEARD: A TOP 5

1) Grow **with consensus** in ways that enhance North Beach's uniqueness.

2) Provide **active uses** to support the **passive park**.

What's the big idea for West Lots? North Beach Oceanside Park.

3) **Higher-height** (if needed) and revenue-generating uses, on **edges**.

4) Showcase **resilience** and **sustainability**

5) Don't lose **parking** but improve transit **access**

Provide **active uses** to support the **passive park**.

Other temporary uses which could become permanent
(if they are popular)



Market Hall



Botanical Gardens



Monstrum art/play parks



Splash Pad



Outdoor Dining



Bike shop/coffee shops



Tulleries in Paris



Art Space

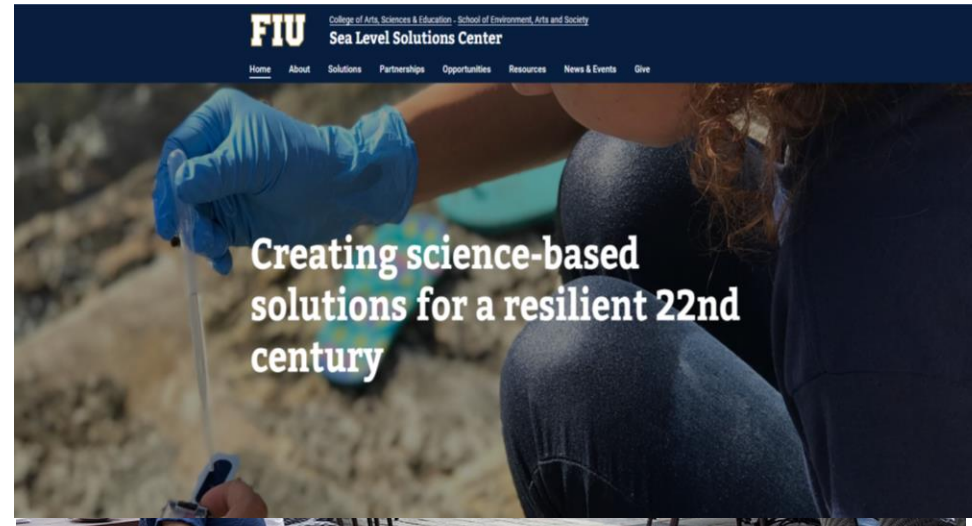


Eco Hotel

Showcase **resilience**



Resilience labs



Innovation Campus



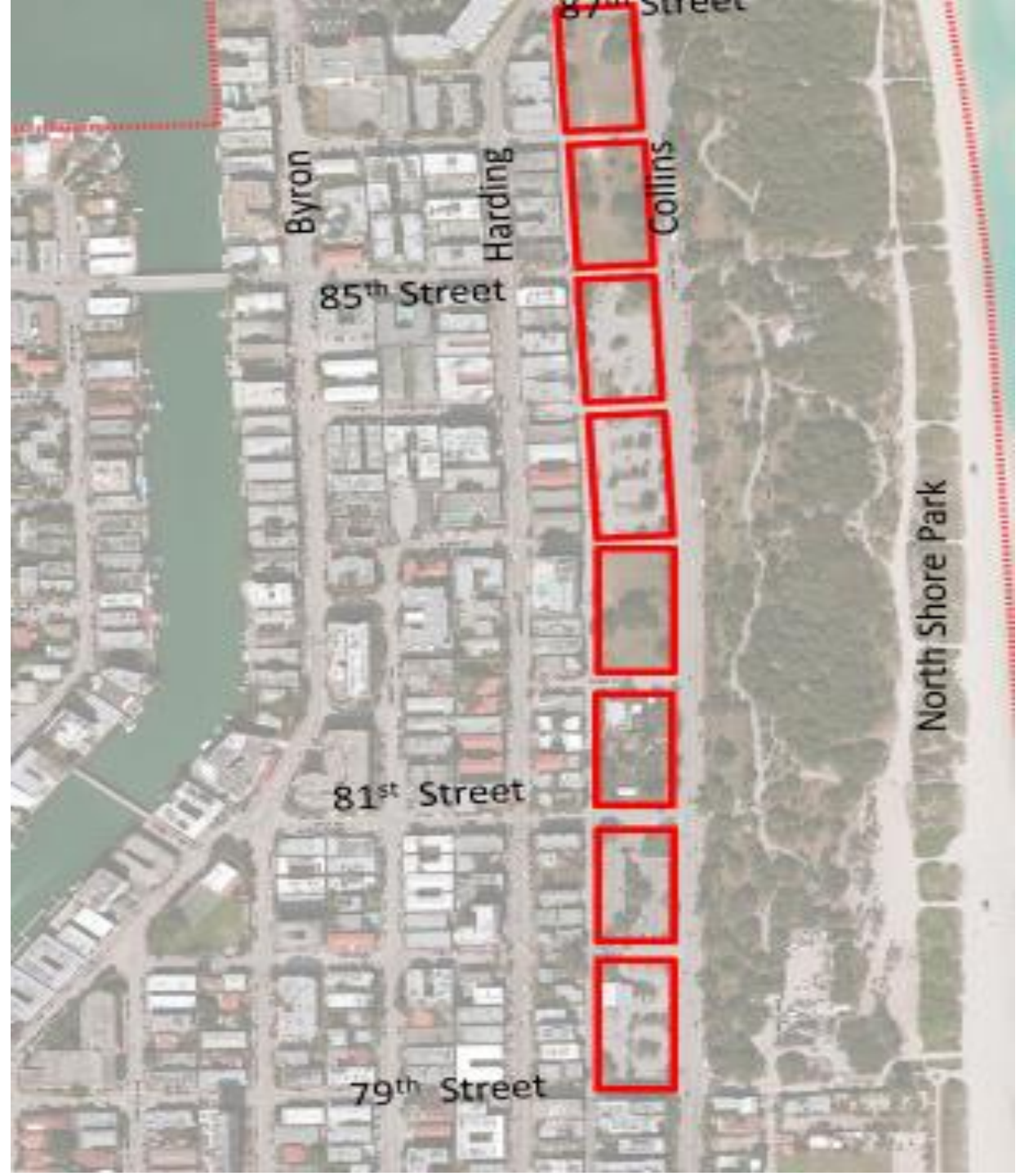
Stormwater Bio-Park in Atlanta



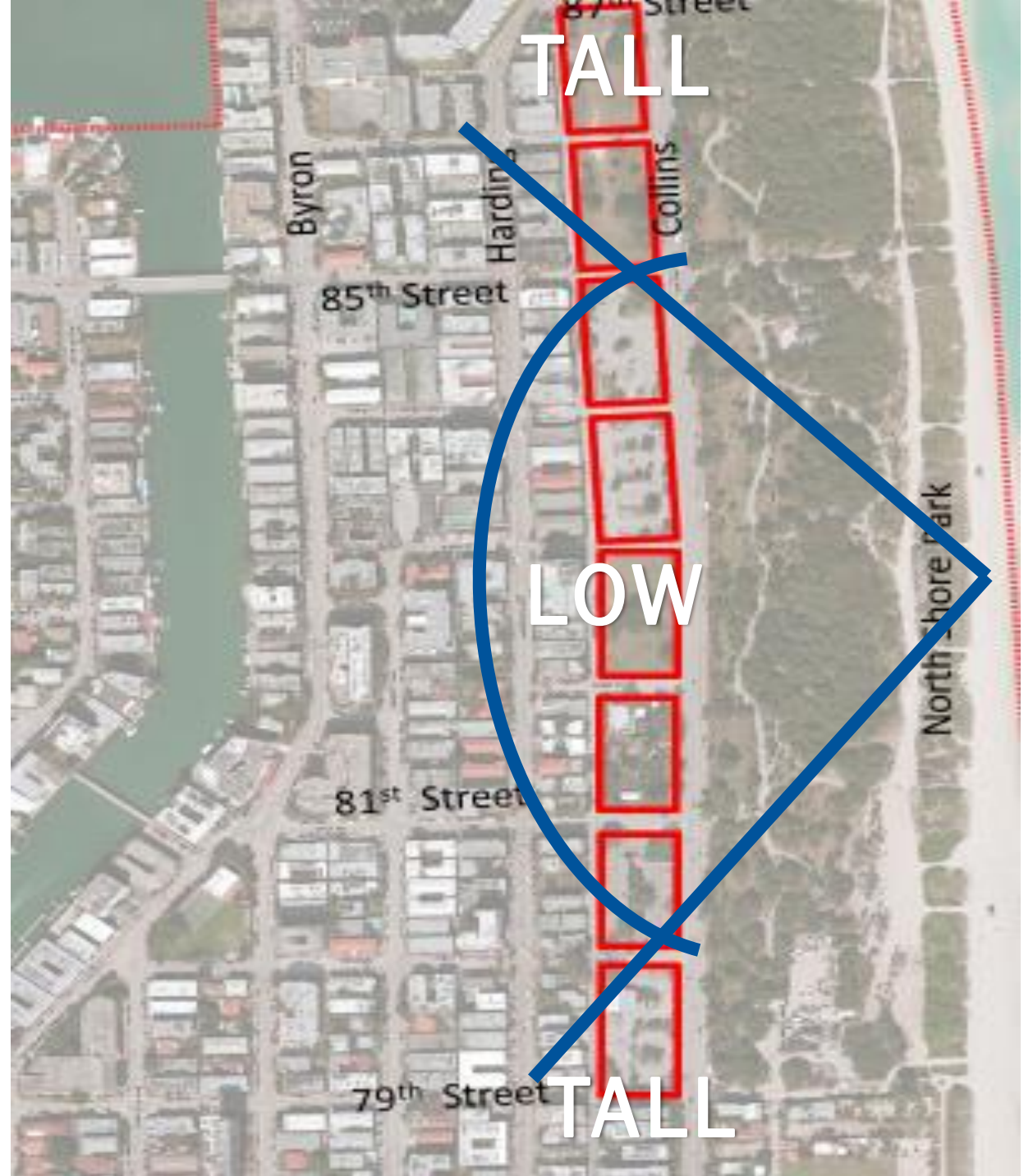
Water Square in Rotterdam

Other temporary uses
which could become
permanent
(if they are popular)

WHAT WE
HEARD:
THE VIEW FROM
THE BEACH

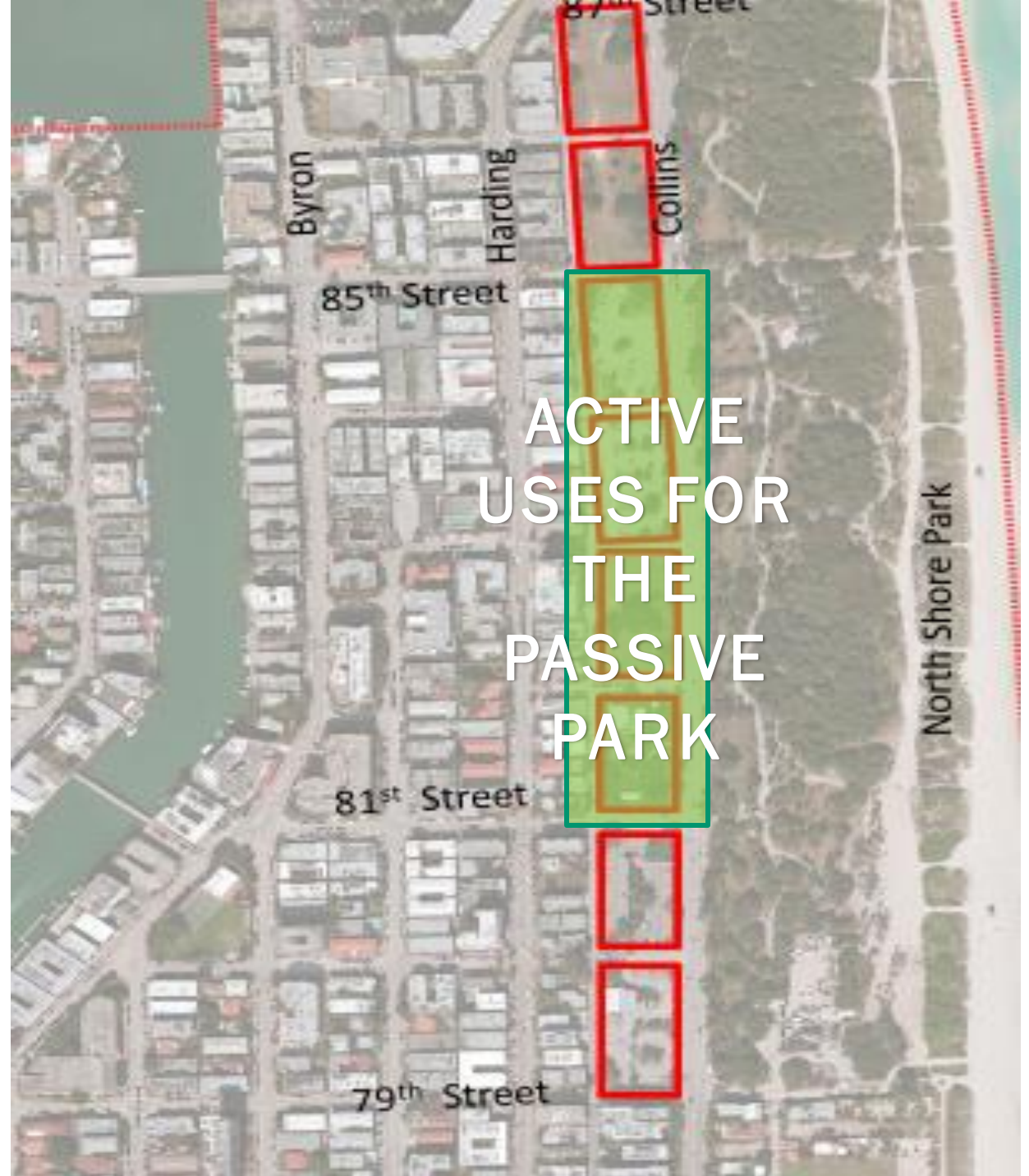


WHAT WE
HEARD:
THE VIEW FROM
THE BEACH

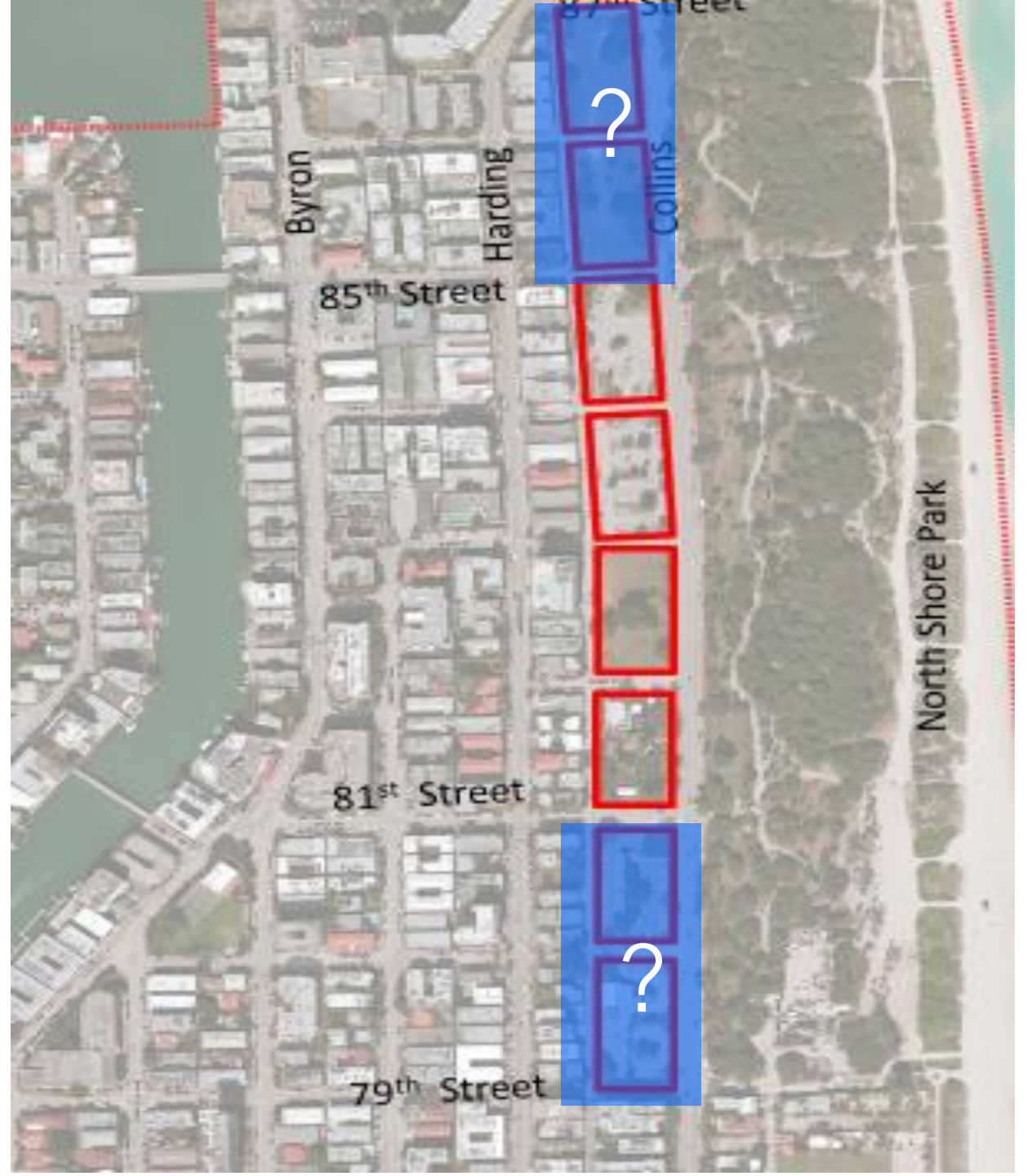


WHAT WE HEARD: ACTIVE USES FOR THE PASSIVE PARK

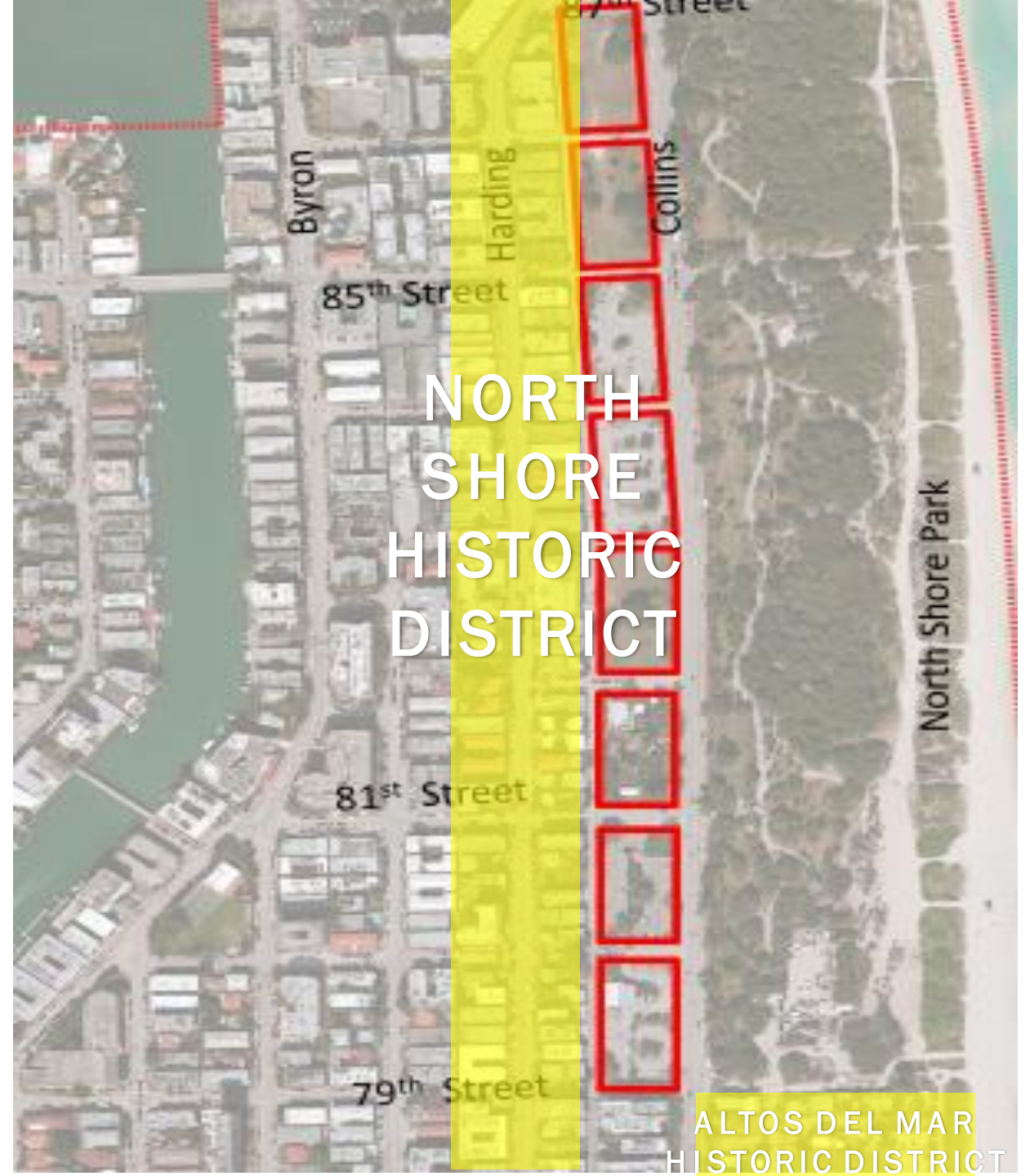
Low-impact, active, civic/social
uses which compliment the
passive park on the mid-blocks.



WHAT WE HEARD:
TALLER NEAR THE
EXISTING CENTERS



WHAT WE HEARD:
EVERYTHING MUST
RESPECT THE
HISTORIC DISTRICTS



OVERALL MAP



OVERALL ECONOMIC ANALYSIS SUMMARY

General ASSUMPTIONS

- City will issue an RFP for any parcel with commercial viability
- RFP will provide any constraints for social mission, as needed
- Results do not include capital stack or financing
- Ground leases set at 6-7.5% of estimated or appraised land value
- NOI for ground lease calculation based on private sector NOI only
- Land value uses a discount rate between 8-15%, depending on use and risk
- Until final sizing, costs and other factors that are currently unknown are determined, ground leases reflect industry knowledge and judgment, but will swing widely in value should key inputs change

- Assumed lease rates are net to the developer. rates paid by users would be the developers rate plus ground lease plus expenses passed through (insurance, taxes, utilities and CAM)
- The financial and economic analysis evaluates cashflow generation potential for the lots as developed in concert with the city and public. With the exception of Lot 8 (the Teen and Technology Center), the land values and associated potential ground lease values reflect the net present value of the cashflows, not appraised values

**The analysis is not final, additional validation is required to finalize the figures.*

Lot		1	2	Not included 3	4	Sold 5	6	7	8
Name		Parking	Park	NoBe Yard	Water square	Dining Park	Play	Boho	Teen & Research Center
Developer		PPP	City	Private	City	Private	City	City	Private
Total Value Created in Private Sector: \$ 33,840,000									
Private sector									
Development	\$ (70,867,842)	\$ (8,178,590)	\$ -	\$ -	\$ -	\$ (12,911,429)	\$ -	\$ (4,148,573)	\$ (45,629,250)
Stabilized annual operations return (ops Y1)	\$ 7,596,470	\$ 1,140,000	\$ -	\$ -	\$ -	\$ 1,535,888	\$ -	\$ 246,582	\$ 4,674,000
Capitalized stabilized operations return	\$ 97,111,313	\$ 13,571,429	\$ -	\$ -	\$ -	\$ 18,284,385	\$ -	\$ 2,935,500	\$ 62,320,000
Value created	\$ 33,839,942	\$ 6,532,838	\$ -	\$ -	\$ -	\$ 6,908,844	\$ -	\$ (966,491)	\$ 21,364,750
Total Investment in Public Sector: \$ 26,170,000									
Public sector									
Development	\$ (26,170,745)	\$ (10,328,417)	\$ (1,256,119)	\$ -	\$ (1,638,374)	\$ -	\$ (5,528,444)	\$ -	\$ (7,419,390)
Ground lease during stabilized operations (ops Y1)	\$ 1,221,587	\$ 223,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (81,657)	\$ 1,080,000
Capitalized ground lease value	\$ 16,085,557	\$ 2,657,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (972,104)	\$ 14,400,000
Stabilized annual operations return (ops Y1)	\$ 1,592,420	\$ 826,320	\$ -	\$ -	\$ 59,850	\$ -	\$ 306,250	\$ -	\$ 400,000
Capitalized stabilized operations return	\$ 19,315,060	\$ 9,837,143	\$ -	\$ -	\$ 498,750	\$ -	\$ 3,645,833	\$ -	\$ 5,333,333
Sales revenue	\$ 890,856					\$ 1,944,617		\$ (1,053,761)	
Value created	\$ 12,934,734	\$ 3,215,951	\$ (1,256,119)	\$ -	\$ (1,079,774)	\$ 1,944,617	\$ (1,576,361)	\$ (2,107,522)	\$ 13,793,943

LOT 1

Parking Garage & Cafe



Parking garage

Cafes & restaurants

Local shops

79th st

80th st

Collins Avenue

BUS AND
BIKE
LANE

BUS AND
BIKE
LANE

BUS AND
BIKE
LANE

LOT 1 Parking Garage & Cafe



KEY ASSUMPTIONS

- City issues an RFP for identified uses for a fee developer for the parking garage and developer owner for wrapped uses
- City retains parking structure and operations; private developer leases land for wrapped uses from city
- Parking assumptions are stalls * 365 days * 24 hours/day * \$1 hour * 50% utilization

Lot Data

LAND USE TYPES	LOT 1
retail & mixed use	20,240
Café & restaurants	20240
Market hall	
Bikeshop & coffeeshop	
Bohemian Artist & local food village	
Concessions & Rentals	
Retail & entertainment	30000
Community Technology & eco-sustainability Center	
civic	4,335
Community & Teen Center	
Public restroom and other amenities	1,000
Open Space	3,335
Vertical Farm	
Eco-Laboratory	
Tropical gardens	
Innovation Campus	
Parking SF	105,600
Parking Units	260
eco - hotel	
Lot Area	46680
Total Open Space (sq ft)	3335
Total Building Square Footage	156,840
Open space percentage	7%

Economic Projection

SUMMARY

Lot	1
Name	Parking
Developer	PPP
Value Created in Private Sector: \$ 6,530,000	
Private sector	
Development	\$ (8,178,590)
Stabilized annual operations return (ops Y1)	\$ 1,140,000
Capitalized stabilized operations return	\$ 13,571,429
Value created	\$ 6,532,838
Investment in Public Sector: \$ 10,330,000	
Public sector	
Development	\$(10,328,417)
Ground lease during stabilized operations (ops Y1)	\$ 223,244
Capitalized ground lease value	\$ 2,657,661
Stabilized annual operations return (ops Y1)	\$ 826,320
Capitalized stabilized operations return	\$ 9,837,143
Sales revenue	
Value created	\$ 3,215,951

LOT 2 Eco-Park & Active recreation



Parking

Outdoor
Gym

Stormwater detention pond

Picnic Park

Collins Avenue

80th st

81th st

LOT 2 Eco-Park & Active recreation



KEY ASSUMPTIONS

- Non-revenue use. Event uses not calculated.
- City develops and maintains.

Lot Data

LAND USE TYPES	LOT 2
retail & mixed use	-
Café & restaurants	
Market hall	
Bikeshop & coffeeshop	
Bohemian Artist & local food village	
Concessions & Rentals	
civic	46,014
Community Technology & eco-sustainability Center	
Community & Teen Center	
Public restroom and other amenities	500
Open Space	45514
Vertical Farm	
Eco-Laboratory	
Tropical gardens	
Innovation Campus	
eco - hotel	-
Lot Area	46014
Total Open Space (sq ft)	45514
Total Building Square Footage	500
Open space percentage	99%

Economic Projection SUMMARY

Lot	2
Name	Park
Developer	City
Value Created in Private Sector: -	
Private sector	
Development	\$ -
Stabilized annual operations return (ops Y1)	\$ -
Capitalized stabilized operations return	\$ -
Value created	\$ -
Investment in Public Sector: \$1,260,000	
Public sector	
Development	\$ (1,256,119)
Ground lease during stabilized operations (ops Y1)	\$ -
Capitalized ground lease value	\$ -
Stabilized annual operations return (ops Y1)	\$ -
Capitalized stabilized operations return	\$ -
Sales revenue	
Value created	\$ (1,256,119)

LOT 3 North Beach Yard



Parking

82nd st

Food truck

Bar

Ship container retail

Outdoor
Seating

81st st

Collins Avenue



LOT 4 Water Square

Parking

Laboratory

Water retention
pond

Boardwalk

Main Entry Path with
seating and lighting

Collins Avenue

83rd st

82nd st

LOT 4 Water Square



KEY ASSUMPTIONS

- Non-revenue use. Event uses not calculated.
- City develops and maintains.

Lot Data

LAND USE TYPES	LOT 4
retail & mixed use	-
Café & restaurants	
Market hall	
Bikeshop & coffeeshop	0
Bohemian Artist & local food village	
Concessions & Rentals	
civic	48,648
Community Technology & eco-sustainability Center	
Community & Teen Center	
Public restroom and other amenities	
Open Space	46,848
Vertical Farm	
Eco-Laboratory	1800
Tropical gardens	
Innovation Campus	
eco - hotel	-
Lot Area	48648
Total Open Space (sq ft)	46848
Total Building Square Footage	1,800
Open space percentage	96%

Economic

SUMMARY

Lot	4
Name	Water square
Developer	City
Value Created in Private Sector: -	
Private sector	
Development	\$ -
Stabilized annual operations return (ops Y1)	\$ -
Capitalized stabilized operations return	\$ -
Value created	\$ -
Investment in Public Sector: \$ 1,640,000	
Public sector	
Development	\$ (1,638,374)
Ground lease during stabilized operations (ops Y1)	\$ -
Capitalized ground lease value	\$ -
Stabilized annual operations return (ops Y1)	\$ 59,850
Capitalized stabilized operations return	\$ 498,750
Sales revenue	
Value created	\$ (1,079,774)



LOT 5 Eco-hotel & City Market

Parking

Bikeshop Coffee
Shop

Outdoor
Art Space

Picnic Park

Dining

Eco
Hotel

Rooftop Weddings

Market
Hall
Dining

Market Hall

Collins Avenue

83th st

84th st

LOT 5 Eco-hotel & City Market



KEY ASSUMPTIONS

- City issues an RFP to develop a hotel; likely separate RFP for food hall
- Assumed to be sold for NPV of uses proposed
- Because hotel is very small (25 rooms) and development intensity low, land value is low. A larger hotel (possibly including coffee and bike retail) would increase land value
- Hotel operations based on 29 rooms * 365 days * \$225/night * 75% occ; rooms expense and G&A estimated at 50% of achieved revenue

Lot Data

LAND USE TYPES	LOT 5
retail & mixed use	14,870
Café & restaurants	
Market hall	8890
Bikeshop & coffeeshop	5980
Bohemian Artist & local food village	
Concessions & Rentals	
civic	32,148
Community Technology & eco-sustainability Center	
Community & Teen Center	
Public restroom and other amenities	
Open Space	32148
Vertical Farm	
Eco-Laboratory	
Tropical gardens	
Innovation Campus	
eco - hotel	8,590
Lot Area	45738
Total Open Space (sq ft)	32148
Total Building Square Footage	23,460
Open space percentage	70%

Economic Projection

SUMMARY

Lot	<i>Sold</i> 5
Name	Dining Park
Developer	Private
Value Created in Private Sector: \$ 6,910,000	
Private sector	
Development	\$ (12,911,429)
Stabilized annual operations return (ops Y1)	\$ 1,535,888
Capitalized stabilized operations return	\$ 18,284,385
Value created	\$ 6,908,844
Investment in Public Sector: \$ -	
Public sector	
Development	\$ -
Ground lease during stabilized operations (ops Y1)	
Capitalized ground lease value	
Stabilized annual operations return (ops Y1)	\$ -
Capitalized stabilized operations return	\$ -
Sales revenue	\$ 1,944,617
Value created	\$ 1,944,617

LOT 6 Tropical Gardens & Playground



Parking

Innovation
Campus

Playground

Botanical Garden

Tropical Gardens

Concessions
& rentals:
water,
souvenirs, kayaks &
boards

Splashpad

Collins Avenue

84th st

85th st

LOT 6 Tropical Gardens & Playground



KEY ASSUMPTIONS

- City issues an RFP for identified uses for a fee developer.
- City retains land and building ownership. Leases buildings to operators for below market rates (as close to market as possible)
- Concessions building may pay highest rents, innovation center may as well. Tropical garden is highly specialized, may need subsidy for feasibility.

Lot Data

LAND USE TYPES	LOT 6
retail & mixed use	1,575
Café & restaurants	
Market hall	
Bikeshop & coffeeshop	
Bohemian Artist & local food village	
Concessions & Rentals	1575
civic	44,769
Community Technology & eco-sustainability Center	
Community & Teen Center	
Public restroom and other amenities	
Open Space	34094
Vertical Farm	
Eco-Laboratory	
Tropical gardens	9100
Innovation Campus	1575
eco - hotel	-
Lot Area	46344
Total Open Space (sq ft)	43194
Total Building Square Footage	12,250
Open space percentage	93%

Economic Projection

SUMMARY

Lot	6
Name	Play
Developer	City
Value Created in Private Sector: -	
Private sector	
Development	\$ -
Stabilized annual operations return (ops Y1)	\$ -
Capitalized stabilized operations return	\$ -
Value created	\$ -
Investment in Public Sector: \$ 5,530,000	
Public sector	
Development	\$ (5,528,444)
Ground lease during stabilized operations (ops Y1)	\$ -
Capitalized ground lease value	\$ -
Stabilized annual operations return (ops Y1)	\$ 306,250
Capitalized stabilized operations return	\$ 3,645,833
Sales revenue	
Value created	\$ (1,576,361)

LOT 7 Bohemian Village



Parking

Artist & local
food village

Artist & local
food village

Fire pit &
seating

Event hall

Lawn

Surf shop

85th st

86th st

Collins Avenue

BUS
AND
BIKE
LANE

BUS
AND
BIKE
LANE

BUS
AND
BIKE
LANE

LOT 7 Bohemian Village




KEY ASSUMPTIONS

- City issues an RFP for identified uses for a developer/owner
- City retains land. Developer owns buildings. Buildings are leased to operators at market rate.
- This parcel doesn't pencil out under likely development costs or potential rental rates
- Will need additional iterations to find a path to viable financials
- Operations may require city subsidies to be commercially attractive to developers

Lot Data

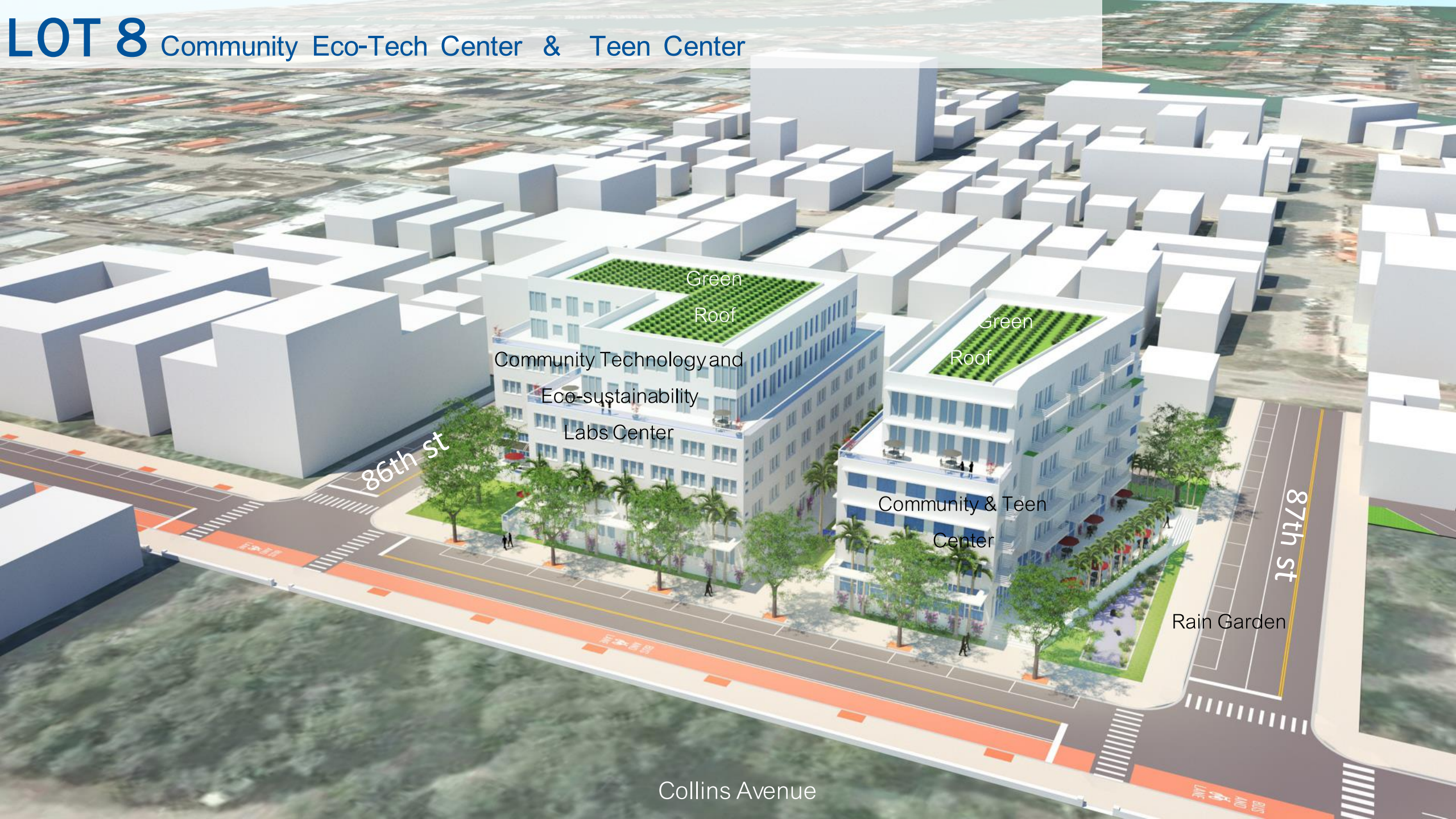
LAND USE TYPES	LOT 7
retail & mixed use	7,416
Café & restaurants	
Market hall	
Bikeshop & coffeeshop	
Bohemian Artist & local food village	7416
Concessions & Rentals	
civic	39,880
Community Technology & eco-sustainability Center	
Community & Teen Center	
Public restroom and other amenities	
Open Space	39880
Vertical Farm	
Eco-Laboratory	
Tropical gardens	
Innovation Campus	
eco - hotel	
Lot Area	47296
Total Open Space (sq ft)	39880
Total Building Square Footage	7,416
Open space percentage	84%

Economic Projection

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Value Created in Private Sector: \$ 970,000

Investment in Public Sector: \$ -



LOT 8 Community Eco-Tech Center & Teen Center

Green
Roof

Community Technology and
Eco-sustainability
Labs Center

Green
Roof

Community & Teen
Center

Rain Garden

86th st

87th st

Collins Avenue

LOT 8 Community Eco-Tech Center & Teen Center



KEY ASSUMPTIONS

- The city of Miami Beach will own and operate the Community & Teen center portion of the development
- To justify development at this scale, market paying tenants are needed for the majority of the space

Lot Data

LAND USE TYPES	LOT 8
retail & mixed use	123000
Café & restaurants	
Market hall	
Bikeshop & coffeeshop	0
Bohemian Artist & local food village	
Concessions & Rentals	
Community Technology & eco-sustainability Center	123000
civic	161,704
Community & Teen Center	20000
Public restroom and other amenities	
Open Space	18704
Vertical Farm	
Eco-Laboratory	
Tropical gardens	
Innovation Campus	
eco - hotel	-
Lot Area	46680
Total Open Space (sq ft)	18704
Total Building Square Footage	161,704
Open space percentage	40%

Economic Projection

SUMMARY

Lot	8
Name	Teen & Research Center
Developer	Private

Value Created in Private Sector: \$ 27,360,000

Private sector	
Development	\$(45,629,250)
Stabilized annual operations return (ops Y1)	\$ 4,674,000
Capitalized stabilized operations return	\$ 62,320,000
Value created	\$ 21,364,750

Investment in Public Sector: \$ 7,420,000

Public sector	
Development	\$ (7,419,390)
Ground lease during stabilized operations (ops Y1)	\$ 1,080,000
Capitalized ground lease value	\$ 14,400,000
Stabilized annual operations return (ops Y1)	\$ 400,000
Capitalized stabilized operations return	\$ 5,333,333
Sales revenue	
Value created	\$ 13,793,943

REMEMBER: THE UPCOMING GO BOND MAY BE USED...

...GO(general obligation) bond could be used as a way to finance some of the large scale capital projects.

The public sector development in West Lots could be projects considered for the GO bond.

Total Cost of Development in Public Sector: \$ 26,170,000

Lot	1	2	4	6	8	
Name	Parking Garage	Eco-Park	Water Square	Gardens & Playground	Teen & Research Center	
Public sector Development	\$ (26,170,745)	\$(10,328,417)	\$ (1,256,119)	\$ (1,638,374)	\$ (5,528,444)	\$ (7,419,390)

...the city is considering a referendum on the November ballot to authorize a GO bond

The GO bond would likely fund between \$300 million and \$500 million in projects, the amount and list of projects have yet to be finalized.

REMEMBER: VOTER APPROVAL MAY BE NEEDED...

...to rezone from current government / residential district to a mixed-use district

Currently GU (Civic & Government Use); RM-1 (Residential Multi-family, low-intensity). Requires a ballot item to change.

...to increase the Floor Area Ratio (FAR)

Current FAR is between 1.25 and 1.4; 3.5 approved for Town Center at 71st

...to lease more than 10 years or sell properties

THOUGH QUESTIONS REMAIN...

DRAFT

WEST LOTS NORTH BEACH

A COMMUNITY INPUT DISCUSSION

MIAMI BEACH

DOVER, KOHL & PARTNERS
town planning