

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND CITYWIDE PROJECTS COMMITTEE, AND APPROVING THE DESIGN AND CONSTRUCTION OF A PROPOSED MIXED-USE PARKING GARAGE AT THE CITY'S "P16" SURFACE PARKING LOT LOCATED AT 1262 COLLINS AVENUE, TO INCLUDE: (1) WORKFORCE HOUSING ON THE TOP TWO (2) FLOORS, WITH A MINIMUM OF FIFTY (50) UNITS; (2) APPROXIMATELY 4500 SQUARE FEET OF GROUND FLOOR RETAIL; AND A PARKING GARAGE WITH UP TO 158 PARKING SPACES.

WHEREAS, workforce housing is affordable housing directed at individuals and their families employed in the area's local workforce; and

WHEREAS, occupants of workforce housing expend no more than 30% of household income on housing costs for utilities and rent / mortgage for their residence; and

WHEREAS, in 2014, the Mayor and City Commission identified Ensuring Workforce Housing for Key Industry Workers as one of the City's Key Intended Outcomes (KIO); subsequently, the Administration has been working on exploring workforce housing options; and

WHEREAS, the construction of a parking garage at the City's P16 Surface Parking Lot, located at 1262 Collins Avenue, was approved in the FY 2015-16 Capital Budget as part of the City's initiative to expand municipal parking garages; and

WHEREAS, the current "P16" surface parking lot contains fifty three (53) parking spaces; and

WHEREAS, at its April 2016 Commission meeting, the Mayor and City Commission accepted the recommendation of the Finance and Citywide Projects Committee (FCWPC), and directed the Administration to pursue new garage developments that included the incorporation of workforce housing (via Resolution No. 2016-29355); and

WHEREAS, subsequently, in June 2016, the Mayor and City Commission adopted Resolution No. 2016-29425, authorizing the City to enter into negotiations with Desman, Inc. for Architectural and Engineering Design Criteria Professional Services for mixed use parking garages; and

WHEREAS, Desman, Inc. was tasked in preparing the Design Criteria Package (DCP) that will be provided to the Design Build contractor for design development and subsequent construction of a new parking garage; and

WHEREAS, the proposed parking garage will be constructed at the southwest corner of the intersection of 13th Street and Collins Avenue; and

WHEREAS, on numerous occasions, the Mayor and City Commission have discussed the need to promote greater workforce/affordable housing, as highlighted at its Workforce/Affordable Housing Workshop held on January 25, 2017; and

WHEREAS, in March 2017, the Mayor and City Commission adopted Resolution No. 2017-29758, and accepted the recommendations made by the Land Use and Development Committee to incentivize the private development of Workforce Housing, as follows:

- A. Define Workforce Housing beneficiaries as those households earning up to 140% of Area Median Income (AMI);
- B. Assess the potential housing demand from the City' s workforce, and ensure that appropriate units are developed;
- C. Expedited review and permitting for construction and rehabilitation projects providing Workforce Housing;
- D. Encourage micro-housing and mixed- tenant projects on a case- by- case basis;
- E. Utilize City-owned properties to develop Workforce Housing (e.g., Barclay Apartments and Collins Park artist workforce housing projects);
- F. Establish a long-term deed restriction program to preserve affordability on City-assisted developments;
- G. Encourage mixed income/mixed use development through positive marketing efforts that accentuate its benefits to the community;
- H. Research the possibility of short-term tax abatements for eligible new projects; and Promote these incentives to developers; and

WHEREAS, in May 2017, the Mayor and City Commission referred the proposed mixed use P16 project (the "P16 Project") to the FCWPC, requesting that a financial analysis be completed on options proposed by Desman, Inc., to account for potential revenues from workforce housing, retail and parking; and

WHEREAS, at the June 16, 2017 FCWPC meeting, the Office of Capital Improvement Projects (CIP) staff presented three options to the Committee and the Committee recommended proceeding with Option 3, which includes a 104,000 SF gross area building, with 5,000 SF of ground floor retail, a net gain of 154 new parking spaces (207 total), and workforce housing on the top floor; and

WHEREAS, the single floor (18,000 gross SF) of workforce housing provides approximately 14,000 SF of living space, and 23 one-bedroom units, of 600 SF each. The building would be seven stories, with a maximum height of 75 feet, and would require variances for the height and setbacks; and

WHEREAS, in July 2017, the Mayor and City Commission accepted the FCWPC's recommendation to proceed with the parking garage Option 3. As part of a separate Commission agenda item, the Mayor and City Commission approved scheduling a public hearing to consider the waiver of certain Land Development Regulations; and

WHEREAS, on September 13, 2017, the Mayor and City Commission approved a height variance to 75 feet and reduced setbacks; and

WHEREAS, in October 2017, the Mayor and City Commission adopted Ordinance No. 2017-4149 in order to further facilitate the construction of workforce housing; and

WHEREAS, the ordinance amends the minimum and average unit size to 400 square feet across all zoning districts within the City where multifamily residential units are allowed, reduces the parking requirements in Chapter 130 of the City Code to one-half parking space per workforce housing unit, and allows the new construction of workforce housing units on a site with an existing building, without providing any additional parking; and

WHEREAS, a Design Criteria Package (DCP) has been completed for the P16 Project, based on an option whereby the proposed structure would provide approximately 4,500 SF of retail space at the ground level, 18,000 gross SF of workforce housing including twenty seven (27) studio units on the top floor, and 202 gross parking spaces; and

WHEREAS, in order to ensure the viability and feasibility of incorporating workforce housing into the P16 Project, the City contracted with the Concourse Group for consulting services for Housing Public Private Partnerships (P3) to assist the City in identifying and creating opportunities to partner with the private sector to develop workforce/affordable housing; and

WHEREAS, the Concourse Group developed and analyzed multiple development feasibility models, and evaluated a broad range of building massing options and mixed income levels to create a workforce housing development model that would attract a development partner; and

WHEREAS, because the current parameters for the P16 Project were not feasible, Concourse created an additional 6 alternative scenarios for the P16 Project; and

WHEREAS, the revised scenarios add additional square footage to each housing scenario, but lowers the number of parking spaces and gives the project the financial feasibility to stand on its own as a sustainable development that is financially attractive for a development partner; and

WHEREAS, the 2018 report from The Concourse Group, *The City of Miami Beach Workforce Housing Initiative*, suggests that by adding a second floor of workforce housing, increasing the design to a minimum of fifty (50) workforce housing units, the P16 Project could be financially attractive to a developer, and fifty (50) units should be designed to include a view for all the units in a diverse housing mix of studios, one-bedroom and two-bedroom units, to accommodate targeted workforce members; and

WHEREAS, currently, the parking and retail components of the project are funded, but there is no available funding programmed in the Capital Budget to fund the housing component; and

WHEREAS, at the FCWPC meeting on November 30, 2018, the Administration presented the following two options to the Committee: 1) Proceed with the original option adopted by the Commission; or 2) Expand beyond original parameters and eliminate one floor of parking to add an additional floor of housing as a means of making the housing component attractive to a potential developer, as recommended by the Concourse Group report; and

WHEREAS, the FCWPC accepted the Concourse Group option to add an additional level of workforce housing, for a total of two (2) floors of workforce housing and the elimination of one (1) floor of parking.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA that the Mayor and City Commission hereby accept the recommendation of the Finance and Citywide Projects Committee, and approve the design and construction of a proposed mixed-use parking garage at Parking Lot P16, located at 1262 Collins Avenue, to include: (1) workforce housing on the top two (2) floors, with a minimum of fifty (50) units; (2) approximately 4500 square feet of ground floor retail; and (3) a parking garage with up to 158 parking spaces.

PASSED and ADOPTED this _____ day of _____, 2019.

Dan Gelber, Mayor

ATTEST:

Rafael E. Granado, City Clerk

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**

2nd City 1-4-19

City Attorney *RAP* Date