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VIA ELECTRONIC FILING AND HAND DELIVERY

December 28, 2018

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

Re: Request for Modification of Planning Board Order (File No. 2014) for Property Located at 730-814 First Street, Miami Beach,

Dear Tom:

This firm represents NF First Street LLC and BK First Street LLC, First Street Development, LLC, and 814 Property Holdings, LLC (collectively the "Applicant"), the applicants and owners of the property located at 730-814 First Street ("Property"). The Applicant seeks the Planning Board's approval of a small modification to the approved conditions of approval for the development. This letter will serve as the required letter of intent in connection with the application.

Description of the Property. The Property is located on the eastern edge of the block on the south side of First Street between Jefferson Avenue and Washington Avenue. To the south of the Property is an existing alley. Across First Street to the north is existing multifamily residential development zoned RPS-1. The parcels to the west of the Property are currently developed with commercial uses. To the east of the Property is a City parking lot. The Property is zoned CPS-1 and is subject to Sections 142-698 and 142-699 of the Miami Beach Land Development Regulations. The Property was the subject of a Conditional Use Permit issued by the Planning Board on June 28, 2011 and revised on July 24, 2012 and February 6, 2014, which collectively approved a seven-story mixed-use building that exceeds 50,000 square feet, inclusive of parking. A copy of the Modified Conditional Use Permit (the "CUP") is attached.

Approved Development Plan. As approved, the mixed-use commercial and residential development, consisting of commercial uses on the ground floor, a parking garage (levels two through four), and a single family home. (levels three through seven). The parking garage has been designed from the outset to serve the commercial and residential uses on the Property, including providing some parking for the existing Milo's restaurant (730 First Street) to the east of the proposed new building. Following the expansion of the Property in 2014 to include the "Radio Bar" site at 814 First Street, the parking garage in the building was modified to accommodate the parking demand of that use.

The ninety-eight (98) parking spaces within the Property are assigned as follows:

730 First Street (Folio 02-4203-009-2300) – 40 parking spaces

736, 800, and 808 First Street (Folio 02-4203-009-2330) – 50 parking spaces

814 First Street (Folio 02-4203-342-0010) – 8 parking spaces

Valet Parking at Time of Initial Approvals. At the time the approvals were issued for the Property, the City's valet parking regulations were a bit of a "Wild West" situation. Individual uses on a given block were offered the opportunity to seek valet permits using one of several valet companies. That led in many areas of the City to a situation where a number of on-street parking spaces on a given block were taken over by several different valet companies. The valet stands for these competing operations often clogged the sidewalks.

Because of the City-wide state of the valet industry at the time of the initial approvals, City Planning staff and the Planning Board were concerned about the potential for the development of the Property to create more valet congestion. At the time of the initial Conditional Use Permit issuance for the Property, Milos already possessed an on-site valet ramp, with a valet stand on the sidewalk. To the west of the Property, the "Fogo de Chao" restaurant at 836 First Street had its own valet ramp and on-sidewalk valet stand that served that business.

To avoid another separate valet ramp and stand being located on public property, the Planning Board inserted Condition No. 10 into the CUP Order for the Property. Condition No. 10 required that a valet station for the project must be located on the Property, with vehicles entering from the street, traveling through the building into the alley, and thereafter entering into the car elevators along the alley.

Changes to City Valet Regulations. Since the time of the approvals of the project, the City made significant revisions to the valet parking requirements that have resolved the concerns about overcrowded sidewalks and loss of on-street parking. Ordinance 2015-3963, adopted in September 2015, represented the largest change in the City's valet parking regime in decades.

In relevant part, Section 18-341 establishes the following requirements for valet use of public property:

1. In no instance shall there be more than one (1) valet operator per block;
2. No more than two (2) ramps may be located on a given block;
3. Valet ramps must be separated by at least 300 feet from one another; and
4. Pedestrian walking space may not be reduced to less than four (4) feet unless approved by the City's Public Works Director.

The sum of these regulatory changes has been a significant reduction in the negative impacts of valet operations City-wide. Looking just at First Street, the regulatory changes mean that instead of a potential of six (6) separate valet ramps serving all of the food and beverage uses on the street, the block has just two (2). That has significantly reduced the potential impact and negated the need to maintain Condition No. 10 of the CUP.

Current Valet Operational Plan. As required by the City's regulations, the valet operations for the block have been consolidated into two valet ramps under the same operator. The Property's uses will most likely be served by a ramp located immediately adjacent to the Milos restaurant at 730 First Street. As explained in the submitted operational plan, vehicles for the Property are parked either on-site or parked at the main use garage at 49 Collins Avenue. In concert with the requirements of the CUP, no parking for off-site uses occurs on the Property.

If parked on-site, vehicles access the vehicle elevators by proceeding east on First, turning south, then east into the alley. Vehicles exiting the garage leave the elevators, then proceed west along the alley and around the block.

As explained in the valet analysis, the existing valet ramp adjacent to 730 First Street and the garage on the Property have adequate capacity to handle the expected peak of activity generated by the uses on the Property. The submitted analysis does not assume that the second valet ramp on the block, adjacent to 836 First Street, will be necessary to accommodate any of the demand from the Property. As explained above, however, the City's current regulations would not prohibit a patron of one of the uses on the Property from using the second valet ramp in case it is necessary.

Benefits of On-Street Valet. The Applicant believes that operating the valet service for the building as part of the unified block-wide system benefits patrons and the public. Patrons of any use on the block will know that they can be served at either of the two existing ramps. Having a single operator will allow for a more efficient overall valet operation.

More important, retaining the existing street ramps should benefit pedestrian safety. Instead of having vehicles pull across the sidewalk to access a valet stand on the Property, vehicles will be kept on the right of way. This change will help significantly reduce the chance of pedestrian/vehicle accidents as only vehicles for the single family residence will need to cross the sidewalk.

Valet Analysis. We have submitted a valet study prepared by Thomas A. Hall, Inc. that analyzes the current valet operation for the Property. As you know, the only currently open food and beverage use within the Property is Milos, which also happens to be larger than all of the other uses combined. The valet analysis found that demand is far below what traditional measures would indicate. As the analysis shows, traditional demand estimates would call for Milos to generate a need for 92 valet trips in the peak hour. In reality, the demand was 23 valet trips.

The valet analysis supports what we have seen elsewhere in the City in recent years -- ridesharing services such as Uber and Lyft have had a dramatic impact on demand for valet parking. The environment for valet parking has therefore changed significantly since Condition No. 10 of the CUP was imposed. The City's regulations have been modified to require a limited and unified valet parking system for each block. That alone has created a significant benefit. There has also been a massive reduction in valet demand due to the impact of ridesharing services. Both of these changes support the conclusion that retaining a valet stand on the Property is both contrary to the public interest and operationally unnecessary.

Requested Modification. As it is no longer necessary and reflects a situation no longer applicable City-wide, Condition No. 10 of the CUP should be deleted in its entirety.

Standard Conditional Use Criteria. Every conditional use application requires the Planning Board to determine an application's consistency with seven (7) criteria. Those criteria, codified in Section 118-192(a), are below, along with a description of the application's consistency with each:

1. The use is consistent with the comprehensive plan or neighborhood plan if one exists for the area in which the property is located.

The proposed mixed-use development for the Property is consistent with the policies of the City's comprehensive plan.

2. The intended use or construction will not result in an impact that will exceed the thresholds for the levels of service as set forth in the comprehensive plan.

The proposed modification will have a negligible impact on traffic beyond that previously analyzed. The additional trips traveling around the block rather than through the site will not create a significant impact.

3. Structures and uses associated with the request are consistent with these land development regulations.

Both the proposed building and the uses within it are consistent with the CPS-1 zoning regulations.

4. The public health, safety, morals, and general welfare will not be adversely affected.

The proposed development will have no impact on the public's health, safety or welfare. The pattern of area development is consistent with a mix of residential and commercial uses.

5. Adequate off-street parking facilities will be provided.

The development plan includes sufficient parking to serve all of the uses within the new building.

6. Necessary safeguards will be provided for the protection of surrounding property, persons, and neighborhood values.

The immediately surrounding properties are exclusively commercial in character and the proposed use will be net benefit to local neighborhood property values.

7. The concentration of similar types of uses will not create a negative impact on the surrounding neighborhood. Geographic concentration of similar types of conditional uses should be discouraged.

The proposed use is not of a type that would create a negative impact through concentration.

Sea Level Rise and Resiliency. Section 133-50(a) of the Land Development establishes review criteria for sea level rise and resiliency that must be considered as part of the review process for board orders. The following is an analysis of the request based upon these criteria:

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.

All replacement windows are hurricane resistant.

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

The only construction yet to be completed is a single storefront that cannot be made operable.

4. Whether resilient landscaping (salt tolerant, highly water-absorbent, native or Florida friendly plants) will be provided.

No additional landscaping is proposed to be added to the project given the remaining scope of work.

5. Whether 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, including a study of land elevation and elevation of surrounding properties were considered.

The remaining work to be completed on the project is limited to a single small storefront at 814 First Street. No further adjustments are possible.

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.

The remaining work to be completed on the project is limited to a single small storefront at 814 First Street. No further adjustments are possible.

7. Where feasible and appropriate, all critical mechanical and electrical systems shall be located above base flood elevation.

The remaining work to be completed on the project is limited to a single small storefront at 814 First Street. No further adjustments are possible.

8. Existing buildings shall be, where reasonably feasible and appropriate, elevated to the base flood elevation.

The remaining work to be completed on the project is limited to a single small storefront at 814 First Street. No further adjustments are possible.

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.

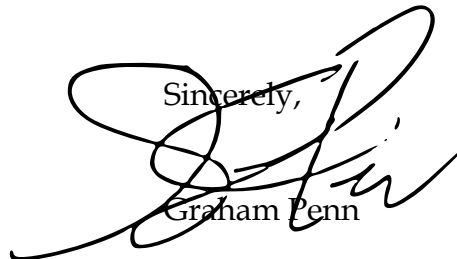
Flood proofing has and will be provided.

10. Where feasible and appropriate, water retention systems shall be provided.

The remaining work to be completed on the project is limited to a single small storefront at 814 First Street. No further adjustments are possible.

Conclusion. The redevelopment of the Property has created an innovative mixed-use project that has been a welcome addition to this area of the City. We look forward to your favorable recommendation. If you have any questions or comments, please call me at 305-377-6229.

Sincerely,

A handwritten signature in black ink, appearing to read 'Graham Penn', is written over the typed name.

Graham Penn

cc: Russell Galbut
Ben Rozsansky
Michael Larkin, Esq.