



April 12, 2021

Honorable Members of the Miami Beach Planning Board:

The Sunset Harbour Neighborhood Association, comprised of a 10-member Board drawn from each of the five (5) Sunset Harbour neighborhood HOA's, wishes to express our shared concern over the Planning Board's decision to defer the Sunset Harbour Neighborhood Overlay Ordinance to its April Board Meeting. ***There are serious consequences to the delay which were not fully conveyed when this question was repeatedly raised by several Planning Board members.***

We do appreciate that Planning Board members work in a voluntary capacity, and on multiple issues, and cannot be expected to have a full background on each matter presented for review. We therefore hope the concerns noted below will clarify the importance of the Planning Board's referral of the Overlay Ordinance to Commission and make the reasons for our sense of urgency understood.

It would likely have been helpful to the Planning Board to hear a formal presentation from City Planning on the collaborative effort to incorporate comprehensive planning principles into the Ordinance; or to get briefed by SHNA on the process of this extended 9-month effort as we worked with the Commission, our Commission Sponsors, Mayor Gelber, and Planning Director Tom Mooney to craft principles and provisions designed to integrate the City's goal to diversify the Miami Beach economy within the urban context of Sunset Harbour as a walkable, mixed-use neighborhood. We believe this effort is a model of how neighborhoods and the City can work together to create comprehensive planning criteria that address both neighborhood improvement priorities and City-wide economic development objectives.

The NVP was a proactive response to a Uniform Height Ordinance proposed in June of 2020 for several neighborhoods, including Sunset Harbour, calling for a blanket 75-foot height increase throughout the CD-2 Zone to encourage office developments as part of the City's economic diversification strategy. The proposed Uniform Height Increase was widely rejected by Sunset Harbor residents and by MBU. While we appreciated the need for diversification away from dependence on hotel and leisure revenues, the Uniform Height Ordinance did not take into account the specific urban character, identity or priorities of the neighborhood.

The SHNA response, which included the formulation of the Neighborhood Vision Plan, as well as research on the factors that attract office location decisions, resulted in recommendations for specific zones within the CD-2 district for office-based height increases along with a set of comprehensive planning criteria. The NVP criteria served as the basis for crafting the Sunset



Harbour Neighborhood Overlay Ordinance, which provides a comprehensive approach to neighborhood development, balancing economic vitality goals within the overarching mission to enhance the quality of the Sunset Harbour neighborhood environment.

The Overlay Ordinance was developed through multiple open meetings and successive collaborative work sessions with the City Planning director and his staff. This extended 9-month effort resulted in a comprehensive approach to fostering Sunset Harbour's future development as a mixed-use, multi-functional neighborhood within a particular urban context. The accommodation for office development and the height increase allowances for such projects were designated for 3 zones within the CD-2 district based on specific development criteria.

It is a shame this was not understood or fully conveyed, as it has been a remarkable effort by both the City and the SHNA, that effectively transformed a monotone approach focused on height incentives alone to a nuanced urban development platform that is both supportive of development initiatives accretive to an enhanced neighborhood environment and supportive of office /mixed use development.

Below, we also address the specific issues which led to the Planning Board to defer its recommendation including the drop-down zones proposed adjacent to residential buildings and the reasons for a prohibition of hotel and transient uses in the neighborhood.

We respectfully request that the Planning Board refer the Overlay Ordinance to the Commission at its April meeting, as Sunset Harbour will not have any of the comprehensive criteria or protections in place until the Ordinance is read at Commission, and therefore remains vulnerable to projects that do not include any of the setback, sidewalk width requirements, street animation criteria, roof top criteria or related requirements designed to foster an improved neighborhood environment.

**Our Concerns regarding issues raised as basis for a deferral:**

**1. Concern over the Absence of any Comprehensive Neighborhood Development Criteria until the Overlay Ordinance is Read at Commission:**

While the impetus for the height increase was driven by the City's goal for economic diversification away from an over-reliance on leisure and hospitality revenues the resulting Overlay Ordinance not only establishes neighborhood-specific zones for office development and allowable height increases, but also ensures that such development address a set of *comprehensive neighborhood development criteria*.



The deferral puts this approach in jeopardy as any proposed development put forth before the Ordinance has a first reading at Commission will not be bound by these criteria via zoning-in-progress (e.g. no setbacks, no sidewalk width requirements, no street-front animation requirements, no sound mitigation criteria, etc.)

In addition, the criteria prohibiting noxious uses, such as pawn shops, check cashing stores, tattoo parlors, are not in place until the Ordinance is read by Commission as these prohibitions, sponsored by Commissioner Arriola, were subsequently integrated within the Overlay Ordinance.

(re: Commission 12/9/20 agenda R5J):

<https://miamibeach.novusagenda.com/agendapublic/CoverSheet.aspx?ItemID=19773&MeetingID=776>).

This concern also applies to the Pilot Block specifically, as the Pilot Block will not be bound by the proposed development criteria if it is given a second reading ahead of the first reading of the Overlay Ordinance. It was the intention and recommendation coming out of Land Use and the Commission meetings to redress this concern by having *the second reading for the Pilot Block occur at the same time as the first reading of the Overlay Ordinance at the April Commission meeting*. However, this coordination required the Planning Board refer the Overlay Ordinance back to Commission at its March 23 meeting.

We understand this was not clearly conveyed when Planning Board members asked if there were implications for deferring the item, but it remains a source of great concern. In short, until the Planning Board refers the Overlay Ordinance back to Commission, we will not have zoning-in-progress status that protects the comprehensive development intentions we have worked long and hard to put in place, such that neither projects proposed in the Pilot Block, nor projects proposed elsewhere in the neighborhood, are bound by any of the comprehensive criteria.

## **2. Concern over the negative impacts of Hotel Development within Sunset Harbour:**

The concern over the proliferation of hotel development in Miami Beach was the impetus for the City's initiative to encourage office /mixed use development in Sunset Harbour in the first place. The SHNA understood the need for diversification and the perceived opportunity to capture office based development.

A large part of our response to the City was to identify zones that could accommodate the height increase without adverse effect on the texture of the neighborhood, and which met the locational decision criteria for office locations. Three (3) zones were selected based on the ease



of access from Alton Road and Dade Boulevard, and the prominent address recognition afforded by these locations.

The Pilot Block, which was independently proposed for the height increase by the developer of 1733-1759 Purdy Avenue and sponsored by Commission was integrated into the NVP through a series of meetings with the Developer and via subsequent Commission meetings. A key issue raised in the Commission Meetings by SHNA members was that the Developer provide a *warrant that the project would in no case revert to hotel use*, as there was concern that the office/mixed use intentions of the pilot initiative be met. These discussions were held in public Commission and Land Use meetings attended by multiple property owners and members of the development community.

It was disingenuous for the Finvarb representative to suggest that they were not informed of ongoing discussion, or that they were unaware of the multiple Public Meetings held to review the NVP and the Overlay Ordinance, or of the decision to target office/mixed use projects along Alton and Dade. To the contrary it was not until several months after their meeting with City Planning that the developers chose to meet with the SHNA to inform us of the proposed project (March 5).

The concern over hotel development is not arbitrary but is founded on core issues that are central to both the introduction of the height increase zones and to the quality of neighborhood life:

- i. **Diversification as the impetus of the City height initiative:** the core impetus for the height increase proposed by the City of Miami Beach was to diversify the economy away from its dependence on hotel and leisure development by encouraging office/mixed use projects. The rationale for the height increase was that Class A offices require higher floor-to-ceiling spans to accommodate open office configurations and high-capacity HVAC systems. SHNA worked with the City to designate specific zones for this very purpose. Introducing a hotel within the zone established to diversify away from leisure sector investment is in direct conflict with the mission that led to the height increase and the designation of specific zones which best accommodate this use.
- ii. **Market Proliferation and Sector Deterioration:** the proliferation of hotel properties will soon tally up to 548 rooms within an 8-minute walk of Sunset Harbour, not including Finvarb's proposed suite hotel. These off-beach properties tend to draw younger traveler groups attracted by lower room rates and by suite hotels that allow for high room occupancy of up to 8 guests. Sunset Harbour is already experiencing the fallout of this travel sector drawn to neighborhood jet ski and motor scooter rental facilities that



have created a negative impact on residents, restaurants and shops. Finvarb's Suite Hotel product with in-room laundrettes and kitchenettes would directly appeal to this travel segment, with its 36 suites able to accommodate up to 288 guests at full occupancy.

Travel sector deterioration has become an issue of great consequence to Miami Beach, with serious impacts to neighborhoods exemplified by Deco District hotels on neighborhoods to the west and by the Mondrian Hotel on neighboring West Avenue residential properties.

- iii. **Side-stepping the Process:** Finvarb has proposed that their hotel could be made an "exception" by carving out the subject property from Sunset Harbour. This proposal does nothing to address the concerns noted above and will likely be viewed as spot zoning or contested as a shoestring annexation. Sunset Harbour risks having this project serve as a *precedent* rather than an exception, leading to additional hotel projects despite the consensus view of the neighborhood that hotel development will deteriorate our identity and quality of neighborhood life. In addition, it should be understood that there is nothing to prevent Finvarb from selling the land or bringing on an alternative operator (e.g., Motel 6), which given the saturation of the hotel market is not far-fetched.

### 3. Concern over misinterpretation of Drop-Down Provision:

The issue raised by Beach Towing's Attorney about the drop-down provision at 100 feet west of Bay Road was taken out of context in relation to the comprehensive development criteria used for the designated Office/MXD zones.

First, it is important to stress that there *was no reduction in the current allowable height of 55 feet anywhere in the zone*, so Beach Towing faces no negative impact.

Second in defining zones for office-qualified height allowances it was agreed that the additional 10-foot increase would not apply to properties within 100 to 150 feet of adjacent residential buildings along 2-sided streets in order to address shadow casting, sunlight occlusion and canyoning of the streetscape. This principle was applied throughout the zone, such that there is a drop-down zone on Alton Road 150 feet from the Palau residences on 20<sup>th</sup> Street and the 100-foot drop-down zone east of the Loft residences.

Assembly of properties also allow for development of projects that step down or terrace down from 65-feet to the drop-down zones. Nothing has been subtracted from the value of the





subject properties, as there is no reduction in the current height allowance anywhere in the designated zones.

**Request for a referral to Commission for First Reading:**

We are hopeful that the Planning Board will refer the Overlay Ordinance to Commission at its April meeting without exception, as it represents an effort to accommodate the City's goals for economic diversification within the context of comprehensive development criteria developed to support Sunset Harbour as a walkable and vibrant neighborhood with a distinct sense of identity.

At present the collaborative effort we have undertaken with the City to secure these criteria and foster a comprehensive approach to neighborhood development is at risk as no development is bound by any of the provisions of the Overlay Ordinance until it is given a First reading at Commission.

Thank you for your attention to this urgent matter

**Respectfully Submitted,**

**SHNA Board Members**

SHS: Sara de los Reyes, President

TOWN HOMES: Marilyn Freundlich, Vice President

TOWN HOMES: Ted Weinreich, Secretary

SHS: Geoffrey Aaronson, Treasurer

SHN: Patrick Passamante, Director

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