

INCENTIVE FOR REPLACING TRANSIENT USE WITH RESIDENTIAL

The purpose of the attached draft legislation is to incentivize the redevelopment of hotels within the RPS4 zoning district, such as the Marriott Stanton, into residential properties. The replacement of hotel with residential would reduce the impact of transient hotel guests in the South of Fifth community. The proposed amendment to the Land Development Regulations and the Comprehensive Plan would allow properties in the RPS4 district to maintain existing non-conforming Floor Area Ratio ("FAR") if it is redeveloped as a residential property. The South of Fifth Neighborhood allows RPS4 south of fifth street, east of Ocean Drive, and on the Continuum property (which does not contain a hotel). *See* Figure One below. Accordingly, it appears the hotels within RPS4 which would qualify for this redevelopment incentive would include the Marriott Stanton and the Hilton.¹

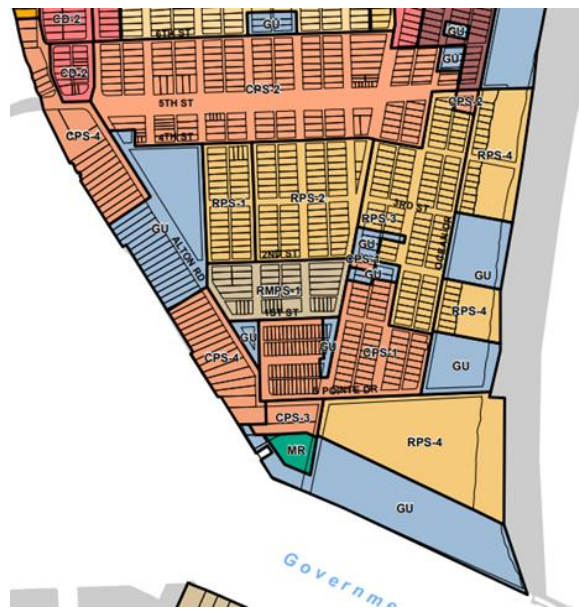


Figure one – South of Fifth Zoning Map

Further, the proposed legislation would effectively reduce density as the redevelopment of a hotel would trigger the need to come into compliance with the underlying residential density limits. The City of Miami Beach (the "City") does not regulate the amount of hotel rooms that may be provided within a hotel structure. However, a residential building that replaces an existing hotel in the RPS4 district would be limited to 60 units an acre.² In the case of the Marriott Stanton, the redevelopment of the site would transform the 226 room hotel to a residential structure of no more than 93 units. This equates to a 58% decrease in the amount of units provided on that site.

¹ The Savoy Hotel would not qualify as their existing FAR already conforms to the City's current FAR standards. Further, any new development would be limited to 2.0 FAR per City law.

² Generally, the City's Comprehensive Plan allows up to 102 residential units an acre within the RPS4 zoning district. However, hotels that would qualify for the incentive are located within the Ocean Beach Historic District, which limits the applicable development potential to 60 residential units an acre.