

MEMORANDUM

Agenda Item No. 5(H)

TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

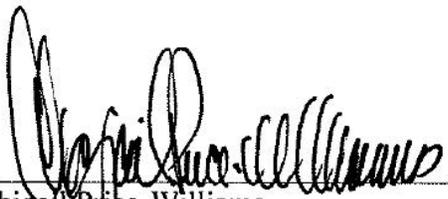
DATE: July 8, 2020

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution declaring and finding, pursuant to section 163.355, Florida Statutes, and after a public hearing, certain geographic area in the City of Miami Beach, Florida, which area is generally described as bounded on the north by 87th Terrace, on the south by 65th Street, on the east by the Atlantic Ocean, and on the west by Rue Notre Dame and referred as the North Beach Community Redevelopment Area (Area), to be slum or blighted; declaring and finding the rehabilitation, conservation and redevelopment, or a combination thereof, of the Area to be in the interest of the public health, safety, morals and welfare of residents of Miami Beach and Miami-Dade County, Florida; finding a need for the creation of a community redevelopment agency; and delegating certain community redevelopment powers to the City of Miami Beach in accordance with chapter 163, part III, Florida Statutes

Resolution No. R-619-20

The accompanying resolution was prepared by the Office of Management and Budget and placed on the agenda at the request of Prime Sponsor Commissioner Sally A. Heyman.


Abigail Price-Williams
County Attorney

APW/smm

Date: July 8, 2020

To: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

From: Carlos A. Gimenez 
County Mayor

Subject: Resolution Declaring an Area in the City of Miami Beach to be a Slum or Blighted and
Accepting the Finding of Necessity Study

Recommendation

It is recommended the Board of County Commissioners (Board) consider the attached resolution. Approval of this item will:

- Accept the Finding of Necessity Study (Study), declaring and finding a geographic area in the City of Miami Beach (City), generally bounded on the north by 87th Terrace, on the west by Rue Notre Dame, on the south by 65th Street and on the east by the Atlantic Ocean, which is referred to as the North Beach Community Redevelopment Area (Area) and is specifically described in the Study attached as Exhibit B to the Resolution to be a slum and blighted area in accordance with Chapter 163, Part III, Florida Statutes, as amended (the Act);
- Declare and find that the rehabilitation, conservation, redevelopment or a combination thereof, of the Area is necessary in the interest of the public health, safety, morals or welfare of the residents of the City and the County as a whole;
- Declare and find that there is a need for a community redevelopment agency to function and carry out the community redevelopment purposes of the Act; and
- Delegate certain redevelopment powers to the City to create the North Beach Community Redevelopment Agency (Agency) and to prepare a community redevelopment plan to present to the Board for its approval in accordance with the Act, but reserve the right to delegate further powers to the Agency, pursuant to an interlocal cooperation agreement, which shall also be subject to the Board's approval.

The approval of this item will not create the trust fund for the Agency nor obligate the County or other taxing authorities to contribute funding. Should this item be approved, legislative items that establish the trust fund and approve a redevelopment plan and an interlocal cooperation agreement by and among the County, the City and the Agency will be presented at a later date to the Board for its consideration.

Scope

The Area encompasses approximately 315 acres, which lie entirely in Commission Districts 4 and 5 represented by Commissioners Sally A. Heyman and Eileen Higgins, respectively.

Fiscal Impact / Funding Source

A community redevelopment agency's revenue source is generated through the incremental growth of ad valorem revenues generated on real property beyond an established base year, Tax Increment Financing (TIF), as defined in section 163.387 of the Act. As provided in the Study, should this area become a community redevelopment agency, the countywide and City revenues will be deposited into a trust fund and will be used within the redevelopment area to fund projects that will eradicate the slum and blight in the redevelopment area pursuant to the redevelopment plan that is approved by the Board. The table below

delineates the countywide and City TIF revenue projections at 95 and 50 percent for 30 years including the currently adopted millage or tax rates and roll growth consistent with the County’s FY 2019-20 Adopted Five-Year Plan. This projection does not include any new projects anticipated in the area but is likely to be adjusted downward as the impacts of the pandemic affect the local economy and property values.

**North Beach Proposed CRA Projection
 FY 2019-20 through FY 2050-51**

County	@ 95 %	@ 50 %
Nominal	174,335,939	91,755,705
Net Present Value	57,102,448	30,180,983
City		
Nominal	233,114,852	112,633,671
Net Present Value	70,095,461	37,048,323
Total TIF Revenues		
Nominal	388,339,815	204,389,376
Net Present Value	127,197,909	67,229,306

It is important to note that should the Board approve the creation of the Agency, and fund the Agency, the County’s Five-Year Plan includes revenues that will be transferred to the City. It is estimated that in the first five years, the proposed area will generate \$2.4 million in countywide funding.

Track Record / Monitor

This resolution does not provide for contracting with any specific entity. It declares the Area as a slum or blighted.

Background

In 1969, the Florida Legislature enacted the Community Redevelopment Act of 1969, as it is presently codified in the Act. The Act, among other things, authorizes counties and municipalities in the State to create community redevelopment agencies, to prepare redevelopment plans for certain defined areas within their boundaries designed as community redevelopment areas, within which community redevelopment projects may be undertaken to eliminate and prevent the development and spread of slum and blighted areas through the use of creative financing mechanisms. Pursuant to the Act, the Board is the governing body over all community redevelopment agencies in the County, but the Board can delegate redevelopment powers at its discretion, after a finding has been made determining that slum or blight exists within a defined area. In order to implement the Act, the Board must adopt a resolution finding that:

- (1) One or more slum or blighted areas exists within the proposed Area; and
- (2) That rehabilitation, conservation, redevelopment or a combination thereof, of the redevelopment area is necessary in the interest of the public health, safety, morals or welfare of the residents of the County or City.

On July 7, 2019, the City adopted Resolution No. 2019-30892 (Exhibit A to the Resolution) approving the Study, and subsequently submitted the item to the County for its approval by the Board. On October 31, 2019, the Miami-Dade County Tax Increment and Financing Committee discussed the Study and

recommended the Board approve the Study and that the City include additional areas adjacent to the study area in order to provide an opportunity to incorporate public workforce housing initiatives. The City studied the additional area and decided to move forward with the original boundaries as detailed in the City Manager's letter (Attachment 1 to this Memorandum).

The Study (Exhibit B to the Resolution) prepared by Business Flare examined the conditions in the proposed redevelopment area and concluded that the Area meets nine conditions of blight as follows:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges or public transportation facilities;
- Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the five years prior to the finding of such conditions;
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- Unsanitary or unsafe conditions;
- Deterioration of site or other improvements;
- Inadequate and outdated building density patterns;
- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- Greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality; and
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.

The attached resolution adopts the Study attached as Exhibit B and delegates to the City the powers to create a community redevelopment agency in the City and to develop a redevelopment plan, which shall be submitted to the Board for approval. The Board must approve a redevelopment plan that includes redevelopment strategies for the area and, in order to fund those improvements, the Board and the City must create a trust fund. The County, City and Agency will also enter into an interlocal cooperation agreement through which the County will delegate certain redevelopment powers to the City and the Agency. The interlocal cooperation agreement will also include certain terms required by the Board's various resolution described above, including, but not limited to, the designation of a member of the Board or designee as a member of the Agency and the requirement that the Agency cannot spend funds without prior approval of the Agency's budget by the Board.

While I do not encourage limiting the use of countywide resources for County operations, the potential benefits derived from creating a community redevelopment agency are worth considering. We have seen several agencies that have surpassed expectations and turned around areas that have benefited the community and County as a whole, the City being a prime example. If the Board ultimately authorizes the creation of a community redevelopment agency, we must ensure that the proper safeguards are in place that will allow the County to step in and take corrective action should the Agency lose direction. The Board has provided this groundwork through several resolutions, including Resolution Nos. R-1382-09, R-871-11, R-611-15 and R-499-16, that require, among other things, newly created community redevelopment agencies to include in their interlocal cooperation agreements, provisions that allow a member of the Board, or such other representative of the County, to serve as a commissioner on the Agency's board, prior Board approval of budgets and several other requirements as set forth in the before-mentioned resolutions. These requirements will help the Board in the oversight of the Agency. Furthermore, by limiting the life of the Agency and the Area to an initial period of 10 or 15 years and

requiring the Agency to fund transformative brick and mortar projects or placing benchmarks in the interlocal cooperation agreement, will allow greater oversight of the Agency.

Furthermore, as noted in the fiscal impact section of this item, should the Board approve the creation of the Agency, and fund the Agency at the 95 percent level, in the first five years, the proposed area will draw \$2.4 million in countywide funding. This funding has been identified in the Five-Year Plan for use by the County to fund services. Should the Agency be formed, and this funding go to the Agency, the County may need to adjust its service levels to account for the loss in anticipated funding. During the negotiation of the interlocal cooperation agreement with the City, the County should negotiate financial terms that will not impact the County's budget in the next five years. Additionally, there should be a cap of 50 percent on the amount of revenue the County will contribute into the trust fund. As noted above, although this item accepts the findings in the Study, and delegates to the City the authority to create the Agency, it does not obligate the County to fund the Agency or the Area.



Jennifer Moon
Deputy Mayor

Attachments

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

Jimmy L. Morales, City Manager
Tel: 305-673-7010, Fax: 305-673-7782

June 3, 2020

Sent via e-mail to jjorge@miamidade.gov

Mr. Jorge Fernandez
Office of Management and Budget
Stephen P. Clark Center
111 NW 1st Street, 22nd Floor
Miami, FL 33128-1984

Re: Finding of Necessity for Community Redevelopment Area in North Beach, as adopted by City of Miami Beach Commission Resolution No. 2019-30892

Dear Mr. Fernandez:

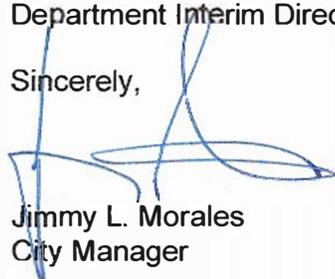
The COVID-19 public health pandemic and related emergency declarations have created significant economic duress in the City of Miami Beach, and particularly in the north end of the city that has not benefited from the past economic development in Mid-Beach and South Beach. The necessity of the proposed North Beach CRA is evident now, more than ever, in order to address the needs of the North Beach community.

Accordingly, I respectfully request that the Board of County Commissioners proceed to consider the proposed CRA, as originally contained in the Finding of Necessity adopted by City Commission Resolution No. 2019-30892, dated July 7, 2019.

We value the input provided by the Miami-Dade County Tax Increment Finance and Coordination Committee at its October 31, 2019 meeting, when it accepted the Finding of Necessity. The City continues to examine property contiguous to the proposed CRA's boundaries for additional opportunities to incorporate public workforce housing solution. Housing preservation will play an important role in the redevelopment plan developed jointly by the City and County.

Thank you for your efforts to advance this important initiative to benefit the residents of North Beach. On behalf of the City of Miami Beach, we appreciate your support and commitment to our community. Please direct any questions concerning the foregoing to Ms. Amy Mehu, Economic Development Department Interim Director, at (305) 673-7577 or AmyMehu@miamibeachfl.gov.

Sincerely,



Jimmy L. Morales
City Manager

Cc: Commissioner Sally Heyman



MEMORANDUM
(Revised)

TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

DATE: July 8, 2020

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 5(H)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 5(H)
7-8-20

RESOLUTION NO. R-619-20

RESOLUTION DECLARING AND FINDING, PURSUANT TO SECTION 163.355, FLORIDA STATUTES, AND AFTER A PUBLIC HEARING, CERTAIN GEOGRAPHIC AREA IN THE CITY OF MIAMI BEACH, FLORIDA, WHICH AREA IS GENERALLY DESCRIBED AS BOUNDED ON THE NORTH BY 87TH TERRACE, ON THE SOUTH BY 65TH STREET, ON THE EAST BY THE ATLANTIC OCEAN, AND ON THE WEST BY RUE NOTRE DAME AND REFERRED AS THE NORTH BEACH COMMUNITY REDEVELOPMENT AREA (AREA), TO BE SLUM OR BLIGHTED; DECLARING AND FINDING THE REHABILITATION, CONSERVATION AND REDEVELOPMENT, OR A COMBINATION THEREOF, OF THE AREA TO BE IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS AND WELFARE OF RESIDENTS OF MIAMI BEACH AND MIAMI-DADE COUNTY, FLORIDA; FINDING A NEED FOR THE CREATION OF A COMMUNITY REDEVELOPMENT AGENCY; AND DELEGATING CERTAIN COMMUNITY REDEVELOPMENT POWERS TO THE CITY OF MIAMI BEACH IN ACCORDANCE WITH CHAPTER 163, PART III, FLORIDA STATUTES

WHEREAS, the Florida Legislature during its 1969 Legislative Session enacted the Community Redevelopment Act of 1969 which is presently codified at part III, chapter 163, Florida Statutes, as amended (the “Act”); and

WHEREAS, section 163.410 of the Act provides, in part, “the governing body of any...county which has adopted a home rule charter may, in its discretion, by resolution delegate the exercise of the powers conferred upon the county by [the Act] within the boundaries of a municipality to the governing body of such a municipality;” and

WHEREAS, the Act further provides that “[s]uch a delegation to a municipality shall confer only such powers upon a municipality as shall be specifically enumerated in the delegating resolution;” and

WHEREAS, the City Commission of the City of Miami Beach (“City Commission”) adopted Resolution No. 2019-30892, which is attached hereto as Exhibit A, and which, among other things, declared an area within the municipal boundaries of the City of Miami Beach (the “City”), which area is generally described as bounded on the north by 87th Terrace, on the south by 65th Street, on the east by the Atlantic Ocean, and on the west by Rue Notre Dame, and which is referred as the North Beach Community Redevelopment Area (the “Area”) to be a “slum or blighted area”; and

WHEREAS, the City Commission further made a finding of necessity as to the rehabilitation, conservation or redevelopment, or a combination of each, with respect to the Area; and

WHEREAS, this Board has considered the “Finding of Necessity” Study (the “Study”), which is attached hereto as Exhibit B and incorporated herein by reference, concerning the existence of slum or blighted areas within the boundaries of the Area; and

WHEREAS, this Board concurs with the City’s findings as set forth in the Study, and finds that one or more slum or blighted areas, as defined in section 163.340(7) and (8), respectively, of the Act exist within the Area; and

WHEREAS, this Board finds that rehabilitation, conservation, or redevelopment, or a combination thereof, of said slum or blighted area is necessary in the interest of the public health, safety, morals, and welfare of the residents of the City and of Miami-Dade County; and

WHEREAS, accordingly this Board finds that there is a need for a community redevelopment agency to carry out the community redevelopment purposes of the Act; and

WHEREAS, the City, pursuant to section 163.410 of the Act, requested that the County delegate powers to the City to create a community redevelopment agency (“Agency”); and

WHEREAS, this Board finds that the City has met all of its obligations as set forth in section 163.410 of the Act, including, but not limited to, submitting all documentation required by the County; and

WHEREAS, this Board desires to delegate certain community redevelopment powers as set forth herein to the City pursuant to the Act; and

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing recitations are incorporated as a part of this resolution by reference.

Section 2. Pursuant to chapter 163, part III, Florida Statutes (the “Act”), specifically, section 163.355, Florida Statutes, this Board finds and declares, after a public hearing that based on findings of the City and the Study a slum or blighted area, as defined by section 163.340 (7) and (8), respectively, of the Act, exists in an area of the City described generally as bounded on the North by 87th Terrace, on the South by 65th Street, on the East by the Atlantic Ocean and on the West by Rue Notre Dame, which is specifically described in the Study and is referred to as the “North Beach Redevelopment Area” (the “Area”).

Section 3. This Board finds and declares that the rehabilitation, conservation and redevelopment, or a combination thereof, of the Area is necessary and in the best interest of the public health, safety, morals, and welfare of the residents of the City and of Miami-Dade County as a whole.

Section 4. This Board finds there is a need for a community redevelopment agency to function in the Area to carry out the community redevelopment purposes of the Act.

Section 5. This Board delegates to the City the power to create a community redevelopment agency to be known as the North Beach Community Redevelopment Agency (“Agency”) pursuant to the Act with the sole power initially to prepare and adopt a plan of redevelopment for the Area, to submit such plan to the County for review and upon the completion of such review, to submit such plan to this Board for approval after notice and public hearing.

Section 6. This Board shall consider the delegation of additional community redevelopment powers to the community redevelopment agency in the form of an interlocal corporation agreement by subsequent resolution of this Board.

Section 7. The Agency shall cease to exist within 12 months from the adoption of this resolution if: (1) the City has not approved a redevelopment plan and interlocal agreement acceptable to the County; and (2) the County has not approved same in accordance with the Act.

The foregoing resolution was offered by Commissioner **Sally A. Heyman** , who moved its adoption. The motion was seconded by Commissioner **Eileen Higgins** and upon being put to a vote, the vote was as follows:

Audrey M. Edmonson, Chairwoman	aye		
Rebeca Sosa, Vice Chairwoman	aye		
Esteban L. Bovo, Jr.	aye	Daniella Levine Cava	aye
Jose “Pepe” Diaz	aye	Sally A. Heyman	aye
Eileen Higgins	aye	Barbara J. Jordan	aye
Joe A. Martinez	nay	Jean Monestime	aye
Dennis C. Moss	aye	Sen. Javier D. Souto	aye
Xavier L. Suarez	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 8th day of July, 2020. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Melissa Adames**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

LCK

Leigh C. Kobrinski
Terrence A. Smith

EXHIBIT A

RESOLUTION NO. 2019-30892

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE PRELIMINARY REPORT SET FORTH AS AN EXHIBIT TO THE COMMISSION MEMORANDUM ACCOMPANYING THIS RESOLUTION, CONCERNING A FINDING OF NECESSITY FOR THE REDEVELOPMENT OF A CERTAIN GEOGRAPHIC AREA LOCATED WITHIN THE CITY OF MIAMI BEACH, DESCRIBED GENERALLY AS BEING BOUNDED ROUGHLY BY 87TH TERRACE TO THE NORTH, 65TH STREET TO THE SOUTH, THE ATLANTIC OCEAN TO THE EAST, AND RUE NOTRE DAME TO THE WEST, AS SHOWN ON THE MAP SET FORTH IN "EXHIBIT A" HERETO, AND REQUESTING MIAMI-DADE COUNTY TO DECLARE SAID AREA AS SLUM AND BLIGHT AND DELEGATE REDEVELOPMENT POWERS TO THE CITY OF MIAMI BEACH IN ACCORDANCE WITH PART III OF CHAPTER 163, FLORIDA STATUTES, SO AS TO PERMIT THE CITY OF MIAMI BEACH TO ESTABLISH A COMMUNITY REDEVELOPMENT AGENCY FOR THE AFORESAID AREA.

WHEREAS, the Mayor and City Commission of Miami Beach has adopted as a primary city-wide goal the economic development of the City and, in particular, the area north of 63rd Street generally referred to as "North Beach"; and

WHEREAS, there exists a defined geographic area within the corporate limits of the City which contains a large number of commercial buildings which are deteriorated or deteriorating, as well as a large number of substandard housing units which contribute to ill health and pose other potential dangers to the residents, such area being described generally as being bounded by 87th Terrace to the north, the Atlantic Ocean to the east, 65th Street to the south, and Rue Notre Dame to the east, as set forth more particularly in "Exhibit A" hereto (the "Proposed Boundary"); and

WHEREAS, pursuant to the Community Redevelopment Act, Chapter 163 of the Florida Statutes, a Community Redevelopment Area (CRA) means a slum area, a blighted area, or an area in which there exists a shortage of affordable housing, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof; and

WHEREAS, in order to reverse the economic decline of said geographic area, it is necessary to consider redeveloping the defined area and establishing a community development agency as a catalyst to redeveloping such area, all in accordance with Chapter 163, Florida Statutes; and

WHEREAS, on June 20, 2018, the Neighborhoods/Community Affairs Committee (NCAC) discussed creative funding options for the North Beach Master Plan and recommended that the Administration work with Miami-Dade County to move forward with the potential creation of a CRA in North Beach; and

WHEREAS, on July 25, 2018, the Mayor and City Commission adopted Resolution 2018-30432, accepting the recommendation of the NCAC to commence discussions with the County to create a CRA in North Beach; and

WHEREAS, following adoption of the Fiscal Year 2019/20 Miami-Dade County budget, the Administration reached out to the County to discuss approach and steps for a potential CRA in North Beach, the first of which is a finding of necessity for the area; and

WHEREAS, the City has retained BusinessFlare Economic Development Solutions (the "Consultant") to prepare a report concerning a finding of necessity with respect to the redevelopment of the area set forth in the Proposed Boundary; and

WHEREAS, the Consultant has prepared a "Preliminary Draft—Finding of Necessity" for the North Beach Redevelopment Area, dated April 2016 ("Preliminary Report") as set forth in "Exhibit B"; and

WHEREAS, the Preliminary Report concludes that, within the defined target geographic area, there exist nine of fifteen criteria necessary to designate an area as blighted; and

WHEREAS, pursuant to Section 163.410, Florida Statutes, the City is required to receive a delegation of authority from the County as a condition precedent to exercising redevelopment powers conferred under the Community Redevelopment Act, relative to the redevelopment area illustrated in the Proposed Boundary; and

WHEREAS, the City Clerk has published notice of a public hearing with respect to a meeting of the City Commission to consider: (i) the acceptance of the Preliminary Report, (ii) the findings therein contained and other matters related to the establishment of a CRA and redevelopment agency pursuant to Part III of Chapter 163, Florida Statutes, and (iii) requesting delegation of authority from the County to exercise redevelopment powers within the geographic area set forth in the Proposed Boundary.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

1. The City Commission of the City of Miami Beach hereby accepts the Preliminary Report (a copy of which is attached to this Resolution as "Exhibit B") prepared by the Consultant, subject to final findings of necessity to be made subsequent to the delegation of authority referred to herein below.
2. The Mayor and City Commission of the City of Miami Beach hereby request that the Board of County Commissioners for Miami-Dade County delegate to the City of Miami Beach broad authority to exercise redevelopment powers within the geographic area set forth in "Exhibit A" in accordance with Chapter 163, Florida Statutes.

PASSED AND ADOPTED this 17 day of July, 2019.

ATTEST:


July 19, 2019
Rafael E. Granado, City Clerk

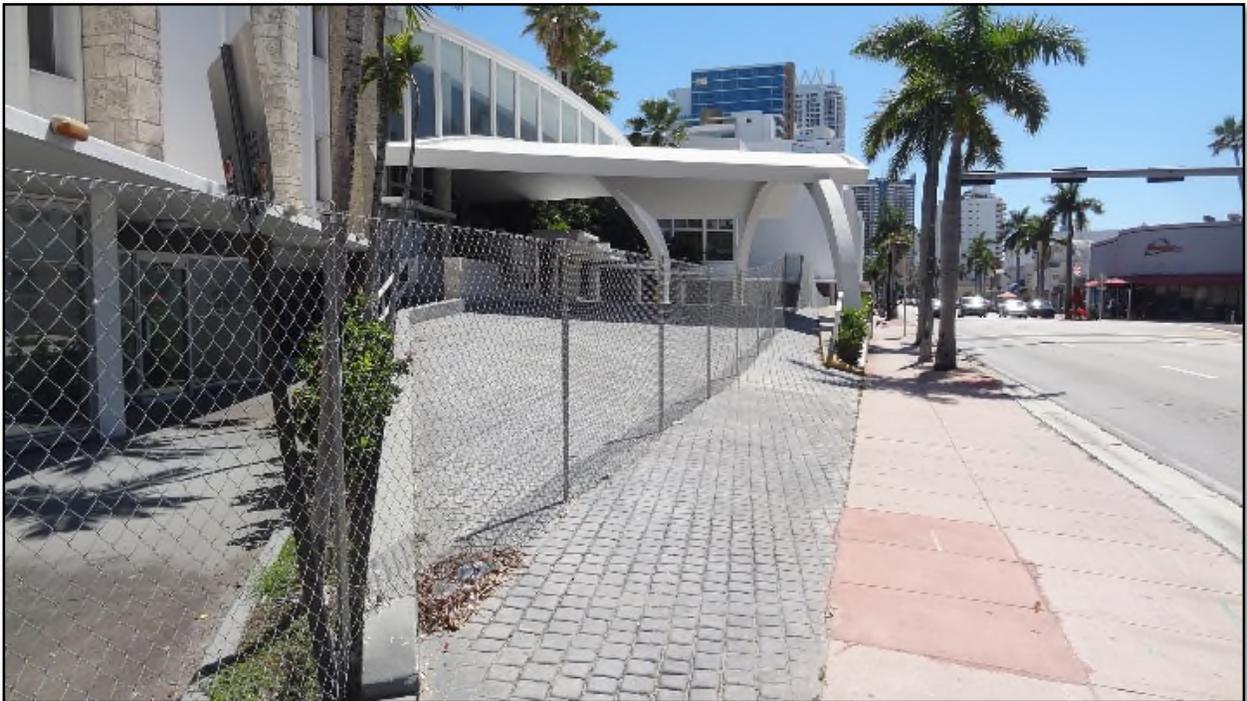

Dan Gelber, Mayor



APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION


7/2/19
City Attorney RAP Date

Finding of Necessity
Proposed North Beach Community Redevelopment Area
City of Miami Beach



Prepared by

BUSINESS FLARE™
Economic Development Solutions

April 23, 2019

TABLE OF CONTENTS

Executive Summary.....	3
Legal Requirements	9
Street Layout, Parking Facilities, and Roadways.....	11
Faulty Lot Layout	14
Unsanitary or Unsafe Conditions	15
Deterioration of Site or Other Improvements.....	16
Inadequate and Outdated Building Density Patterns	18
Residential and Commercial Vacancy Rates	20
Fire and Emergency Medical Service Calls.....	22
Florida Building Code Violations	23
Diversity of Ownership.....	22
Appendix – Additional Information.....	24

Executive Summary

The North Beach neighborhood of Miami Beach has lagged the redevelopment, revitalization, and economic growth experienced throughout other parts of the City. There have been numerous efforts by the City to promote growth and change in North Beach, most recently including the North Beach Master Plan, the Ocean Terrace Plan, the West Lots Plan, as well as other citywide planning tools such as the Transportation Master Plan and planning initiatives focusing on sustainability, economic development and land development regulation amendments.

A Community Redevelopment Area (CRA) is a tool created pursuant to State Law which designates an area for redevelopment and authorizes the governing body to exercise certain powers to implement redevelopment. The North Beach area is an district which would benefit from the public and private investment that accompanies CRA designation. The City of Miami Beach has significant experience with redevelopment success through implementation of CRAs: the Miami Beach Redevelopment Agency was created in 1973, followed by two of the most successful CRAs in the State of Florida, the South Pointe Redevelopment Area and the City Center/Historic Convention Village Community Redevelopment Area.

Pursuant to the direction of the Miami Beach City Commission, the City Administration has implemented steps to conduct a Finding of Necessity (FoN) to evaluate the North Beach area for designation as a Community Redevelopment Area. The Community Redevelopment Act of 1969, Florida Statutes Chapter 163, identifies fifteen (15) criteria indicative of blight within a community, of which two (2) must be present to conclude that an area is blighted. Nine of these criteria were found in the North Beach area:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities.
- Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the five (5) years prior to the finding of such conditions.
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.
- Unsanitary or unsafe conditions.
- Deterioration of site or other improvements.
- Inadequate and outdated building density patterns.
- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality.
- Greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality.
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.

This firm has conducted research as well as site visits to confirm the presence of blight in the area, as defined by Florida Statutes. This document includes supporting information for each criterion listed here, with visual, descriptive, and/or research-based information that supports the finding of blight.

The proposed boundaries of the North Beach CRA are identified on the map on the following page:

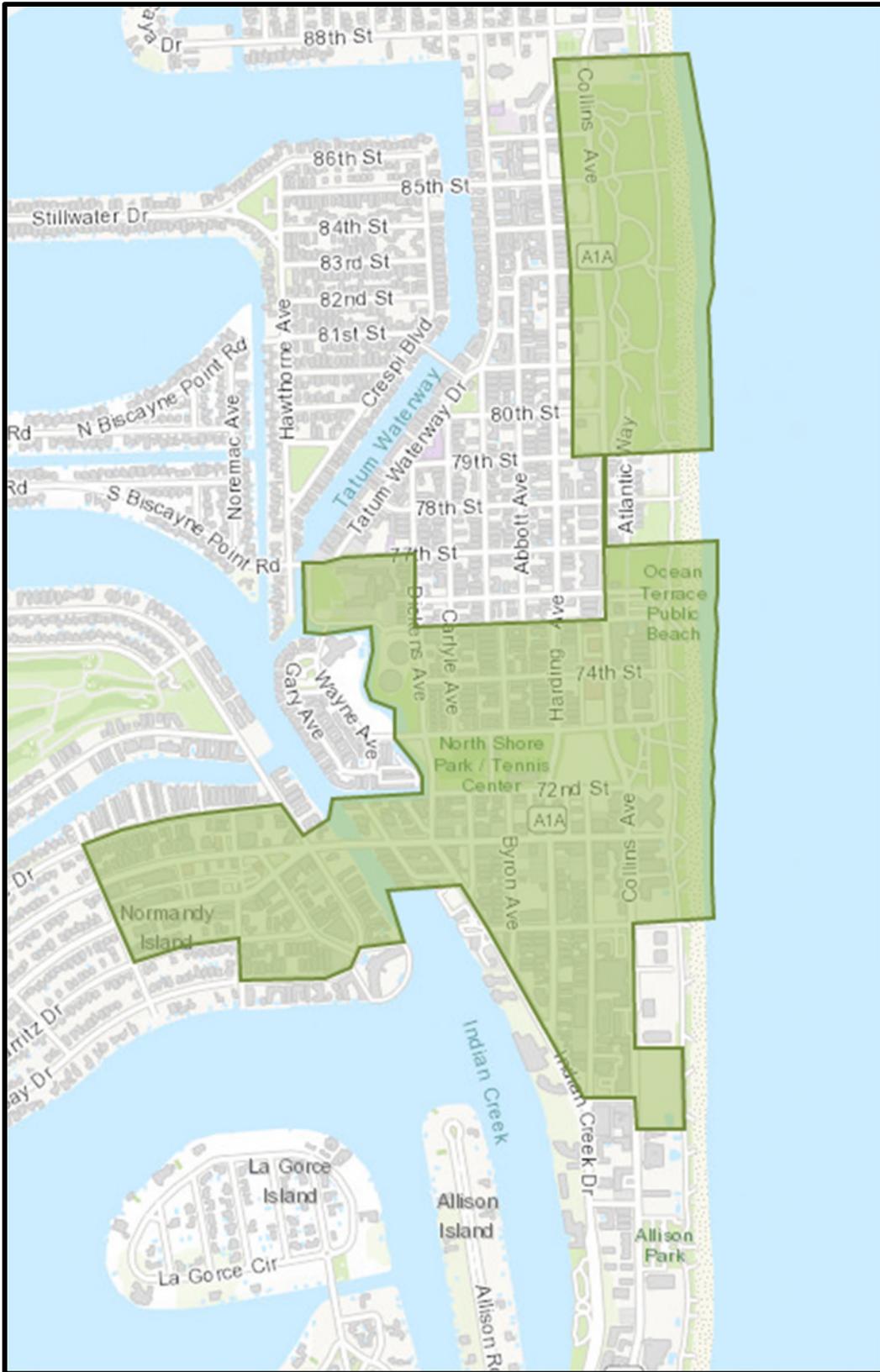


Figure 1: Proposed Boundary for a Community Redevelopment in North Beach

Our evaluation identified the following blight conditions, which are detailed in the appendices to this report:

Predominance of defective or inadequate street layout, parking facilities, roadways, bridges or public transportation facilities.

The street layout in the area is faulty in a number of ways, many of which were identified in Section 2 of the North Beach Master Plan. This includes the one-way street pattern, characteristic of major roadways, as well as mobility challenges in the area. Additionally, only one roadway connects the North and South ends of the City, and only one roadway connects the area to the mainland to the West. Public parking is inadequate, with the parking deficit demonstrated by the recent Walker Parking Study commissioned by the City. Addressing parking needs is a priority goal of the North Beach Master Plan. Unlike other parts of the City, there are no City-owned parking garages in the area, and many private parking lots in North Beach are poorly maintained. The “Town Center” core of North Beach has 90% parking occupancy, and the lack of loading zones along Collins Avenue creates traffic backups and pedestrian safety challenges.

Traffic counts in the area are high, roadways are significantly congested, and North Beach’s major thoroughfares operate at failing Level of Service (F) during peak periods. The forecasted traffic volumes in 2025 and 2035 are projected to grow at a higher rate than in Mid Beach and South Beach, and North Beach is an area afflicted with significant vehicle-pedestrian conflicts. Connectivity is a challenge, especially to Parkview Island, at the Indian Creek and 71st Street intersection, to the Normandy Fountain area and between Collins and Harding Avenues. Public Transportation is heavily utilized, with additional improvements in the planning stage.

Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.

One of the findings in the North Beach Master Plan was that the prevalence of small lot sizes in the North Beach Town Center pose an obstacle to redevelopment and revitalization. This also creates a challenge to lot assemblage, which is necessary in order to achieve efficient land areas that attract feasible investment and redevelopment. The challenges in attracting investment in this area are part of the reason that voters have approved zoning incentives like FAR and density increases, but the zoning envisions higher intensity and larger-scale full-block development. The number of small lots in the Town Center is antithetical to full-block redevelopment; as such, a significant amount of effort is needed to aggregate property, which may not be financially feasible without additional tools, namely, a CRA.

Unsanitary or unsafe conditions.

We identified a number of sanitation and safety related conditions. These included over 757 Code violations within the proposed boundaries in 2018, of which 205 were sanitation related. Calls for service due to unsafe conditions were disproportionately higher than other parts of the City and included shorting/arcng electrical equipment, malicious false alarms, extraction of victims from vehicles, HazMat investigations, natural vegetation fires, and passenger vehicle fires.

According to the City's Transportation Master Plan, 71st Street is one of the traffic corridors with the highest density of vehicular crashes in the City involving a bicyclist or pedestrian. Additionally, the North Beach Master Plan identifies how the area is susceptible to flooding and sea level rise.

Deterioration of site or other improvements.

An on-the-ground inspection of the properties within the proposed CRA boundary identified significant deterioration of buildings, sites, and property. This includes crumbling concrete, broken windows, cracked pavers and tiles, and derelict property. Unmaintained vacant lots were observed, including a number of unsecured buildings that are not boarded up, with exposed electrical conduit and unshielded from the elements.

Inadequate and outdated building density patterns.

There exists an erratic scale of buildings in the target area in both height and density. As properties become aggregated and redeveloped, this problem may become more apparent until redevelopment of the Town Center occurs on a district-wide scale. The goal of the City and that of the community (as validated in the FAR referendum) is to develop the area with much greater intensity. This inconsistent building scale and lack of continuity was observed and documented as part of this analysis but was also highlighted as a salient issue in the North Beach Master Plan.

Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality.

This firm conducted research both online, analyzing data through CoStar and Loopnet, as well as manual survey of real estate and vacancies in the target area. CoStar identified nine (9) vacant properties in the area, measuring 36,382 square feet. The in-person inspection identified those properties, as well as an additional 12 vacant properties, measuring 23,000 square feet. There is currently a total of 60,000 square feet of vacant retail space in the proposed boundary, representing some 6.6% of the 904,000 total retail square feet. This is higher than the Citywide vacancy rate of 6.2%, and the Countywide rate of 3.9%.

Residential vacancy rates measure 23.0% within the proposed boundary compared with a Countywide residential vacancy rate of 11.4%.

Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality.

Fire and emergency medical service calls are disproportionately higher than in the rest of Miami Beach. Furthermore, as previously indicated, calls for emergency services due to unsafe conditions are disproportionately higher than throughout other parts of the City, for conditions such as shorting/arcing electrical equipment, malicious false alarms, extraction from vehicles, HazMat investigations, natural vegetation fires, and passenger vehicle fires.

Greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the County or municipality.

Of 2,696 total building violations reported Citywide during a test period, 605 of the building violations occurred in the proposed CRA boundary. The concentrated hotspots in North Beach for these types of violations are within the proposed CRA boundary.

Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.

There is significant diversity of ownership in North Beach, although some assemblage has begun to take place in the Town Center. However, there remains many smaller, historic buildings, many of which are condominiums, that would be difficult to assemble. The North Beach area includes 4,321 properties that are not condominiums, which are owned by some 3,549 property-owners, further demonstrating a diversity of ownership that may prove difficult to overcome for successful redevelopment.

Conclusion

Although as little as two conditions of blight must be present in order to designate an area as “blighted,” this analysis has identified the presence of nine (9) out of 15 conditions. Despite public and private initiatives and interest, the North Beach area has long lagged the redevelopment and economic success experienced by other areas of Miami Beach. The City has implemented thoughtful planning strategies through community engagement, resulting in the North Beach Master Plan, the West Lots Plan, the Ocean Terrace Master Plan, and the Transportation Plan, which have identified initiatives that could successfully revitalize North Beach, provided that the necessary tools for implementation are present. Designation as a Community Redevelopment Area is one of the most effective government tools for such implementation, as demonstrated by the previous success achieved by the City of Miami Beach with previous Community Redevelopment Areas.

This firm finds that the conditions of blight, as defined by Florida law, are present in the proposed target area, and that the subject area is appropriate for designation as a Community Redevelopment Area.

Legal Requirements

Section 163.340, Florida Statutes, establishes the requirements for a CRA Finding of Necessity. This firm's analysis examined the criteria enumerated below and, accordingly, it is our final recommendation that the finding of blight exists.

Slum Determination - Chapter 163.340 (7), Florida Statutes (1 condition must be present)

(7) "Slum area" means an area having physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements, whether residential or nonresidential, which are impaired by reason of dilapidation, deterioration, age, or obsolescence, and exhibiting one or more of the following factors:

- (a) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- (b) High density of population, compared to the population density of adjacent areas within the county or municipality; and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
- (c) The existence of conditions that endanger life or property by fire or other causes.

Blight Determination - Chapter 163.340 (8), Florida Statutes (2 conditions must be present)

(8) "Blighted area" means an area in which there are a substantial number of deteriorated or deteriorating structures; in which conditions, as indicated by government-maintained statistics or other studies, endanger life or property or are leading to economic distress; and in which two or more of the following factors are present:

- (a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities.
- (b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions.
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.
- (d) Unsanitary or unsafe conditions.
- (e) Deterioration of site or other improvements.
- (f) Inadequate and outdated building density patterns.

- (g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality.
- (h) Tax or special assessment delinquency exceeding the fair value of the land.
- (i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality.
- (j) Incidence of crime in the area higher than in the remainder of the county or municipality.
- (k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality.
- (l) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality.
- (m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.
- (n) Governmentally owned property with adverse environmental conditions caused by a public or private entity.
- (o) A substantial number or percentage of properties damaged by sinkhole activity which have not been adequately repaired or stabilized.

Additional information regarding the existence of the conditions of blight are provided on the following pages.

Street Layout, Parking Facilities, and Roadways

The street layout in the area is faulty in a number of ways, many of which were identified in Section 2 of the North Beach Master Plan. This includes the one-way street pattern characteristic of major roadways as well as mobility challenges in the area. Additionally, only one road connects the North and South ends of the City, and only one road connects the area to the mainland to the West. Public parking is inadequate and is a priority goal of the North Beach Master Plan. The parking deficit is further demonstrated by the recent Walker Parking Study. Unlike other areas of the City, there are no City-owned parking garages in the area, and many private parking lots are poorly maintained. The Town Center has 90% parking occupancy, and the lack of loading zones along Collins Avenue creates traffic backups and pedestrian safety challenges.

Traffic counts in the area are high, and roadways are significantly congested. The traffic volumes in 2025 and 2035 are projected to grow at a higher rate than in Mid and South Beach, and North Beach is an area with significant vehicle-pedestrian conflicts. Connectivity poses a challenge, especially to Parkview Island, and also at the Indian Creek and 71st Street Intersection, to the Normandy Fountain area and between Collins and Harding Avenues. Public Transportation is heavily utilized but under-provided.

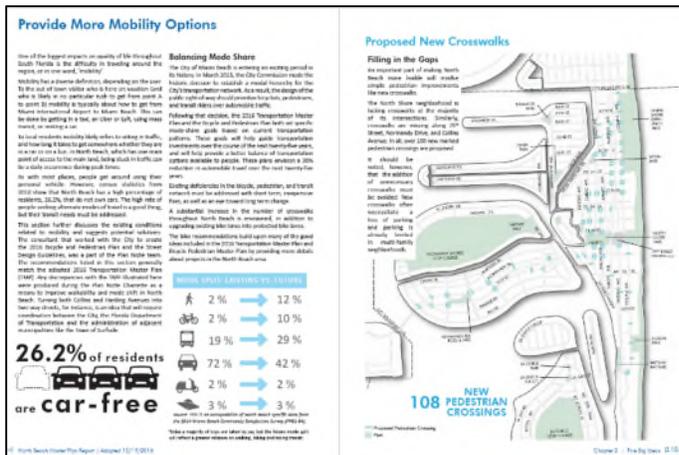


Figure 2: the NBMP identified Mobility as a significant challenge and need.

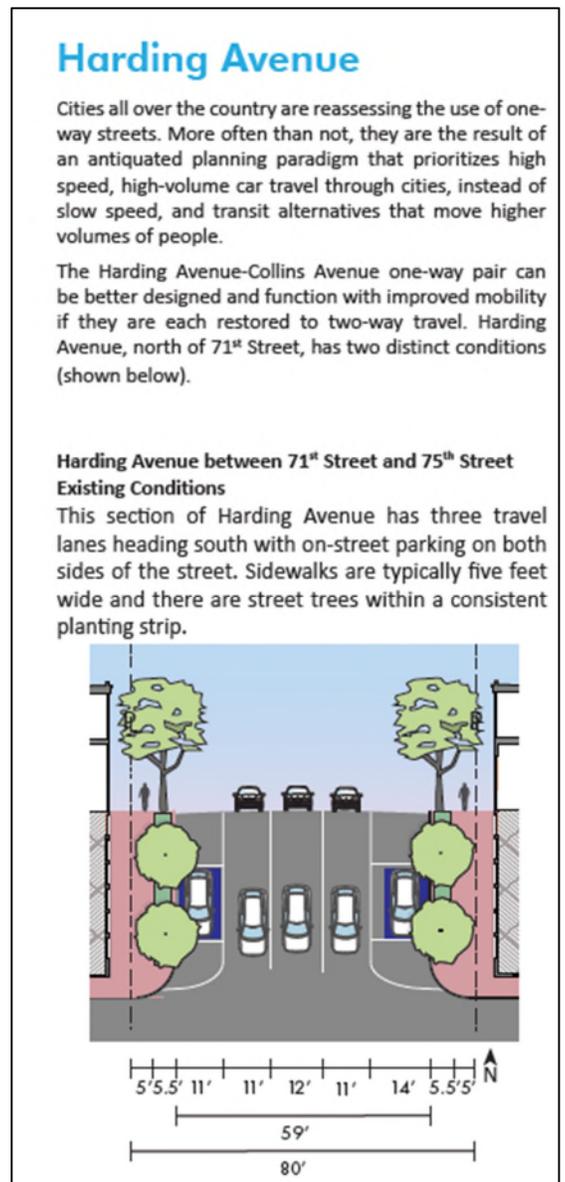


Figure 1: The North Beach Master Plan identified one-way streets as an issue.

The existing condition in the proposed CRA includes deficient pedestrian safety and connectivity. Contrary to the City’s Modal Prioritization adopted by Resolution of the City Commission in 2015, the streets in the North Beach area are currently designed to prioritize vehicles over pedestrians, bicyclists, and public transit. North Beach streets lack pedestrian safety amenities, such as wide sidewalks with a path clear of obstructions, pedestrian curb ramps that meet ADA standards, an adequate number of pedestrian crosswalks that are signaled or enhanced with flashing beacons, and the area does not have protected bicycle lanes.

The intersection of Indian Creek Drive/Abbott Avenue is a critical intersection in the North Beach roadway network that is substandard and lacks capacity. Currently, six (6) southbound lanes (three (3) on Indian Creek Drive and three (3) on Abbott Avenue) are constricted to only three (3) southbound lanes along Indian Creek Drive. This intersection is a source of frequent congestion in North Beach. Additionally, the major thoroughfares in North Beach (i.e. Collins Avenue, Harding Avenue/Abbott Avenue/Indian Creek Drive corridors) currently operate at a failing Level of Service (F) during morning and afternoon weekday peak periods. In addition to the County



Figure 5: Blighted Parking Lot



Figure 6: Congestion due to lack of loading zones



Figure 4: Google Map showing congestion



Figure 3: Traffic backup between Normandy Island and the Town Center

transit service, the City provides the North Beach Trolley Loop with service that extends from 88th Street to 65th Street and which serves 71st Street and Normandy Drive.

In 2014, the City of Miami Beach engaged Walker Parking Consultants to perform a Parking Demand Analysis for North Beach. The Study found that there are 20,859 total parking spaces in the area, of which 65% are private and on-street parking accounts for 27%. Only approximately 6% of the spaces were in city-owned and operated surface lots and that there are no parking garages operated by the city in the study area.

In the Town Center, there were a total of 9,817 parking spaces.

On-Street	758
City Lots	676
Private Garage Open to the Public	428
Private Lot Open to the Public	11
Private Spaces	7,944

Three growth scenarios were conducted for the analysis, utilizing growth rates of 2.5%, 3.9%, and 6.8%, and included any known developments applied to the observed parking demand for the Town Center core.

	Scenario 1		Scenario 2		Scenario 3	
	Demand	Adequacy	Demand	Adequacy	Demand	Adequacy
2015	8,999	197	9,028	168	9,086	110
2016	9,054	142	9,115	81	9,241	-45
2017	9,110	86	9,205	-9	9,407	-211
2018	9,168	28	9,299	-103	9,584	-388
2019	9,227	-31	9,396	-200	9,773	-577
2020	9,288	-92	9,497	-301	9,975	-779
2021	9,350	-154	9,602	-406	10,190	-994
2022	9,414	-218	9,711	-515	10,420	-1224
2023	9,479	-283	9,824	-628	10,666	-1470
2024	9,456	-260	9,942	-746	10,928	-1732

Source: Walker Parking Consultants

Faulty Lot Layout

One of the findings of the North Beach Master Plan was that the prevalence of small lots in the Town Center poses a challenge to redevelopment and revitalization is. This impedes lot assemblage, which in turn creates efficient land areas that can attract feasible investment and redevelopment.

The challenges in attracting investment in this area are part of the reason that voters have approved FAR and density increases, and zoning in the Town Center reflects that, but the zoning envisions higher intensity and larger scale full-block development. The number of small lots in the Town Center is antithetical to full-block redevelopment; as such, a significant amount of effort is needed to aggregate property, which may not be financially feasible without additional tools, such as those provided through the CRA mechanism.

Make A Town Center

The center of community life in North Beach is found along 71st Street from Collins Avenue to Normandy Isles and includes a block in either direction down the cross streets. 71st Street is one of Miami Beach's limited connections to the mainland and the only one in North Beach.

A 2007 plan designated the area into the Town Center District. The intent of the plan was to:

- "Promote a diverse mix of residential, business, commercial, office, institutional, educational, and cultural and entertainment activities for workers, visitors and residents;
- Encourage pedestrian-oriented development within walking distance of transit opportunities at densities and intensities that will help to support transit usage and town center businesses;
- Provide opportunities for live/work lifestyles and increase the availability of affordable office space in the North Beach area;
- Promote the health and well-being of residents by encouraging physical activity, alternative transportation, and greater social interaction;
- Create a place that represents a unique, attractive and memorable destination for residents and visitors; and
- Enhance the community's character through the promotion of high-quality urban design."

In addition to this plan, the Planning Department adopted the Town Center Design Review Standards in 2010, which included a regulating plan depicting where new development should occur and what form it should take. However, North Beach's Town Center District has seen little new development since the concept was adopted by the Mayor and Commission in 2007.



Each color used in the graphic above represents a different property owner. The red properties are City owned parcels. Also notice how the narrow side of parcels fronts the street as discussed in this section.

North Beach Master Plan Report | Adopted 10/19/2016



71st Street looking east from Abbot Avenue

Why Has It Not Happened?

Economic Factors

A combination of factors have prevented the Town Center concept from realization. A worldwide economic downturn followed shortly after the adoption of the plan in 2007 and this stalled plan implementation. However, at the same time, other parts of the City saw development after the downturn. The reasons for the stall are more nuanced than macro-economics.

One impediment is that it is difficult to secure financing from banking institutions for mixed-use projects in North Beach. In order to secure private financing, the developer would have to ensure that the profits were high enough to benefit both the investor as well as himself. Although foreign buyers have flocked to South Florida in the last five years, purchasing units in cash, North Beach has not benefited from that type of investment. Those buyers are looking for amenities and other attractions that are currently not found in North Beach like ample dining, shopping, and access to the airport.

Property Ownership and Physical Layout

One challenge in North Beach is the small size of lots in the Town Center, generally 50 by 100 feet deep. Excessive parking requirements - reflections of our history of over-reliance on one-person car trips - should be questioned; they make the small lots hard to use. Today's parking requirements, require parking to be built on site, which would turn ground floor spaces into parking rather than the retail that would encourage a walkable environment.

Traffic

71st Street sees rush hour and peak time congestion making it difficult to get around by car. The car-centric design of the roadway can also make walking unpleasant and even fatal. This restricts the number of visitors the area can accommodate.

Figure 7: The NBMP identified ownership and layout as an impediment to revitalization

Unsanitary or Unsafe Conditions

We identified a number of sanitation and safety related conditions. These included over 757 code violations within the proposed boundaries in 2018, of which 205 were sanitation related. Calls for service due to unsafe conditions were disproportionately higher than other parts of the City, including reasons such as shorting/arcng electrical equipment, malicious false alarms, extraction of victims from vehicles HazMat investigations, natural vegetation fires, and passenger vehicle fires.

71st Street is one of the traffic corridors with the highest density of vehicular crashes in the City involving a bicyclist or pedestrian. Additionally, the proposed boundary area is vulnerable to flooding and sea level rise, as identified in the North Beach Master Plan.



Figure 8: Unsanitary and unsafe conditions were observed within the proposed CRA boundaries

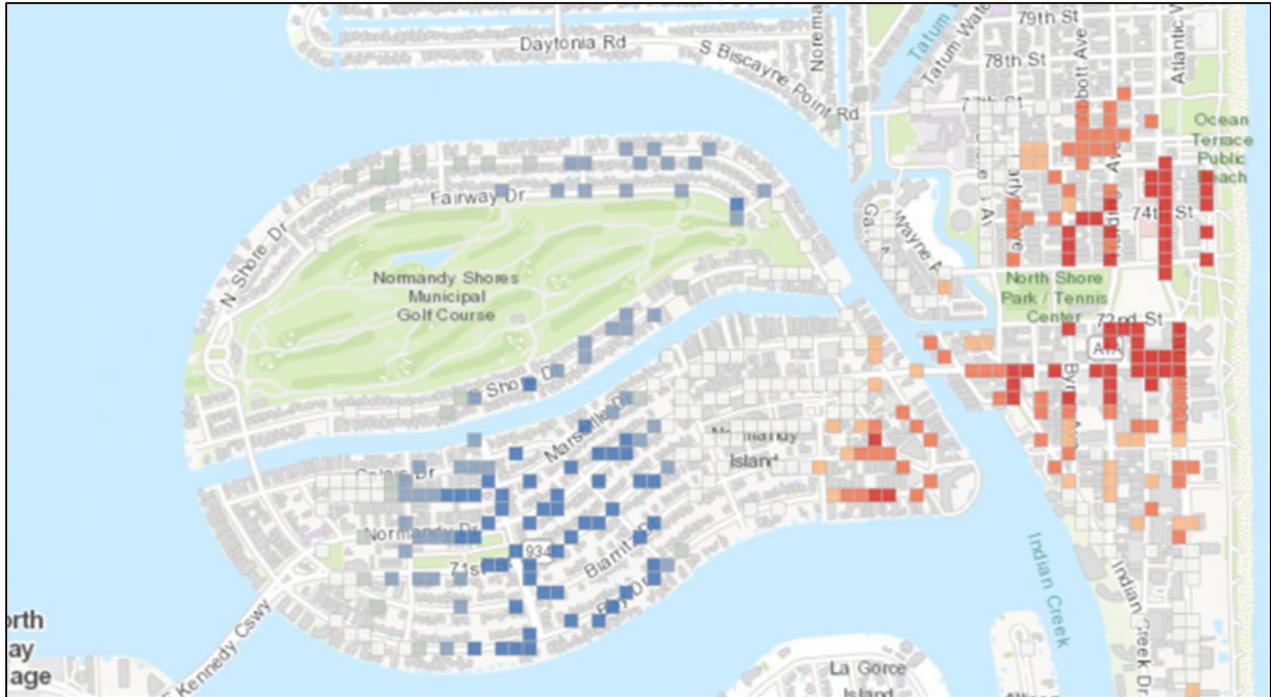


Figure 9: Heat map of code violations (red=hotspots)

Deterioration of Site or Other Improvements

An on-the-ground inspection of the properties within the proposed boundary identified significant deterioration of buildings, sites, and property. This includes crumbling concrete, broken windows, cracked pavers and tiles, and derelict property. Exposed electrical conduit was observed, as well as unmaintained vacant lots. There are a number of buildings that are not boarded up or secured, and are exposed to the elements.



Figure 11: Crumbling eyebrow along Collins Avenue



Figure 10: Vacant lot on Collins Avenue



Figure 14: Dilapidated Building



Figure 15: Vacant hotel property along Collins Avenue



Figure 13: Vacant building exposed to the elements



Figure 12: Fenced in vacant lot on Harding Avenue



Figure 16: Broken Tiles



Figure 17: Dilapidated Property



Figure 18: Alley conditions



Figure 19: Exposed electrical

Inadequate and Outdated Building Density Patterns

The target area is characterized by an erratic scale of buildings in both height and density. As properties get aggregated and redeveloped, this issue may become more apparent until redevelopment of the Town Center occurs on a district-wide scale. The intent of both the City's and residential community (as validated in the FAR referendum) is to redevelop the area with much more intensity. The erratic scale of buildings was observed and documented as part of this analysis, but also identified in the North Beach Master Plan.

71st Street...A Walkable Main Street



A vision for a multimodal 71st Street at Byron Avenue



Existing conditions

Turning 71st Street into a walkable main street will physically and psychologically transform the Town Center from an uninviting street to a vibrant environment where people will want to spend time.

The streetscape is re-designed to work not only for cars, but also for pedestrians, bicyclists and transit riders. An additional ten foot setback for new buildings [at key locations] accommodates wider sidewalks for outdoor dining. The center turn lane is eliminated to provide enough room for dedicated transit lanes, and a pair of separated bike lanes, or cycle tracks. The transit and bike lanes are separated from pedestrians with a row of street trees on one side of the street and on the other side by a lane of parallel parking and a low curb. New street trees provide shade and comfort for all users.

Traffic and congestion along 71st Street is further calmed by narrowing the travel lanes, and tightening curb radii at intersections. All of these changes still allow cars through, while signaling to drivers that they have entered a multimodal environment where speeds are low, and cars are not the only priority. Slowing cars can help to encourage pedestrians and cyclists. Providing better transit brings more choices to more people.

First, the common perception of 71st Street must be changed, then people can use the street in new and better ways. Making 71st Street a place people want to be will help catalyze new private investment and redevelopment opportunities. Private investment follows public investment.

Building the 71st Street Vision

The transformation of 71st Street into a vibrant Town Center will happen over time. The following "change-over-time" illustrates one way that gradual transformation can occur, beginning with public investment that is followed by private development.

Existing Conditions

The aerial view looks northeast along 71st Street at the intersections with Abbott, Harding, and Collins Avenues all the way to the ocean. The street is an active arterial lined with buildings of heights varying from one to five stories, except for the Burleigh House, a residential tower by the ocean (which is seventeen stories). The building fabric is occasionally interrupted by empty and surface parking lots.

Step 1 | Mid Term

A redesigned 71st Street creates an environment of controlled traffic with added accommodations for transit, such as dedicated bus lanes, separated bike lanes, and additional street trees creating a more pedestrian-oriented environment.

A separated and raised cycle track creates a safe and comfortable space for bicyclists. Between the sidewalk and the cycle track is a continuous planting strip which allows for the regular placement of street trees and landscaping to transform the sidewalk into a shaded and comfortable place for both pedestrians and bicyclists.

Step 2 | Mid Term

A catalyst project utilizing the public parking lot next to the Byron Carlyle Theatre helps to further reset the expectations for mixed-use development in the Town Center.

The portions of buildings closest to 71st Street should be limited to four stories, with any taller portions of the buildings setback, starting twenty-five feet from the sidewalk. This opens the street to the sky, allowing additional light and air, while still accommodating density. It also allows for rooftop terraces, which softens the transition between building and sky while adding value to the residential real estate.



Existing conditions



Step 1



Step 2

2.6 | North Beach Master Plan Report | Adopted 10/19/2016

Chapter 2 | Five Big Ideas | 2.7

Figure 20: The NBMP identified the need to address building scale to improve walkability



Figure 21: AT&T facility in multifamily neighborhood on Harding Avenue



Figure 22: High density residential adjacent to low rise multifamily buildings



Figure 23: Erratic building scale near and along 71st Street



Residential and Commercial Vacancy Rates

According to ESRI, residential vacancy rates are 23.0% within the proposed boundary compared with a Countywide residential vacancy rate of 11.4%.

This firm conducted both online research through CoStar and Loopnet, as well as an on the ground, manual survey of building vacancies in the target area. CoStar identified nine (9) vacant properties in the area measuring some 36,382 square feet. The in-person inspection identified those properties, as well as an additional 12 vacant properties totaling 23,000 square feet. There is currently a total of 60,000 square feet of vacant retail space in the proposed boundary, of 6.6% of the 904,000 total retail square feet. This is higher than the Citywide vacancy rate of 6.2%, and the Countywide rate of 3.9%.

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
904 K 0%	0 -	650 -74.8%	6.9% +6.7%	\$38.75 +1.9%	\$330 +3.2%	5.9% 0%
Prior Period 904 K	Prior Period 0	Prior Period 2.6 K	Prior Period 0.2%	Prior Period \$38.03	Prior Period \$320	Prior Period 5.9%

Availability		Inventory		Sales Past Year		Demand	
Vacant SF	20.9 K ↓	Existing Buildings	102 ↓	Asking Price Per SF	\$403	12 Mo Net Absorp % of Inventory	1.2% ↓
Sublet SF	0 ↓	Under Construction Avg SF	-	Sale to Asking Price Differential	-18.2%	12 Mo Leased SF	28.9 K ↓
Availability Rate	4.0% ↓	12 Mo Demolished SF	0 ↓	Sales Volume	\$3.7 M ↓	Months on Market	6.3 ↓
Available SF	36.4 K ↓	12 Mo Occupancy % at Delivery	-	Properties Sold	2 ↓	Months to Lease	-
Available Asking Rent/SF	\$43.17 ↑	12 Mo Construction Starts SF	0 ↓	Months to Sale	6.0 ↓	Months Vacant	-
Occupancy Rate	97.7% ↑	12 Mo Delivered SF	0 ↓	For Sale Listings	1 ↓	24 Mo Lease Renewal Rate	80.7%
Percent Leased Rate	97.8% ↑	12 Mo Avg Delivered SF	-	Total For Sale SF	12.7 K ↓	Population Growth 5 Yrs	3.4%

Figure 244: Proposed CRA Retail Real Estate Market

Address	Building Name	Type	Asking Rent/yr	SF Avail	Rent/SF/yr
666 71st St	Gerson Preston	Retail	30.00 - 75.00	7,600	\$30.00 - 75.00
701-715 71st St		Retail	48.00	700	\$48.00
1101 71st St		Retail	30.00 - 40.00	3,000	\$30.00 - 40.00
7145 Abbott Ave		Retail	44.00	2,750	\$44.00
7100 Collins Ave		Retail	55.00	550	\$55.00
7300-7310 Collins Ave		Retail	45.00 - 50.00	3,000	\$45.00 - 50.00
7426-7438 Collins Ave	North Beach - 74th & Colli...	Retail	39.00	5,200	\$39.00
7441-7455 Collins Ave		Retail	28.00 - 33.85	1,890	\$28.00 - 33.85
6782-6804 Collins Ave		Retail (Strip Center)		2,040	\$52 - 63 (Est.)

Figure 25: Vacant Retail space identified in CoStar

Vacant Retail Spaces Included in CoStar

1. 666 71st Street	7,600
2. 701 71st Street	700
3. 1101 71st Street	3,000
4. 7145 Abbot Avenue	2,750
5. 6782 Collins Avenue	2,040
6. 7100 Collins Avenue	550
7. 7300 Collins Avenue	12,652
8. 7426 Collins Avenue	5,200
9. 7441 Collins Avenue	1,890
Total	36,382

Vacant Properties Not in CoStar but Identified during Photo Survey

1. 6960 71st Street	1,500
2. 216 71st Street	5,000
3. 6980 Carlyle Avenue	1,369
4. 7443 Collins Avenue	1,000
5. 7424 Collins Avenue	3,000
6. 7405 Collins Avenue	1,000
7. 7314 Collins Avenue	1,000
8. 7319 Collins Avenue	1,200
9. 7349 Collins Avenue	1,000
10. 235 Collins Avenue	2,400
11. 7124 Collins Avenue	1,000
12. 740 71st Street	3,937
Total	23,406

Total Vacant Space 59,788

Total Space 904,000

Vacancy Rate 6.6%

Citywide Vacancy Rate 6.2%

Countywide Vacancy Rate 3.9%



Figure 25: Vacancy along Collins Avenue:



Figure 26: Vacancy along 71st Street

Fire and Emergency Medical Service Calls

Fire and emergency medical service calls are proportionately higher than in the rest of Miami Beach. Furthermore, as previously mentioned calls for service due to unsafe conditions which were proportionately higher than other parts of the City included shorting/arcing electrical equipment, malicious false alarms, extraction of victims from vehicles HazMat investigations, natural vegetation fires, and passenger vehicle fires.

Calls for service due to unsafe conditions are higher in the proposed boundary, representing a disproportionately high percentage of total calls Citywide:

- 31% of calls for Shorting/Arcing Electrical Equipment
- 44% of Malicious/False Alarms
- 50% of Extraction of Victims from Vehicles
- 75% of HazMat Release Investigations
- 38% of Natural Vegetation Fires
- 31% of Passenger Vehicle Fires

Diversity of Ownership

There is significant diversity of ownership in North Beach, although some assemblage has taken place in the Town Center. However, there remain many smaller, older and historic buildings, many of which are condominiums that would be difficult to assemble. The North Beach area includes 4,321 properties that are not condominiums, with 3,549 owners of those 4,321 properties, further demonstrating a diversity of ownership that may pose difficulty for successful redevelopment.

Florida Building Code Violations

While the total number of Building Violations in the Proposed CRA Boundary were 605, out of 2,696 citywide, the hotspots in the North Beach area for these types of violations are in the proposed CRA Boundaries.



Figure 27: Heat Map showing location of building code violation hotspots (red)

Appendix – Additional Information

The following systems, reports and data were utilized in the development of this finding of necessity and are available upon request.

ArcGIS Online

ESRI Business Analyst

CoStar

Loopnet

Microsoft Access

North Beach Master Plan (2016)

Ocean Terrace Master Plan (2018)

West Lots Plan (2018)

Miami Beach Transportation Master Plan

Miami-Dade Transit Development Plan FY 2018

2014 through 2018 Miami Beach Property Tax Rolls (Miami-Dade Property Appraiser)

Building Code Violations (City of Miami Beach)

Code Violations (City of Miami Beach)

Fire/Emergency Service Calls (City of Miami Beach)

2017 compared to 2018 Crime Statistics (City of Miami Beach)

Attached to this report as Exhibit A is the Finding of Necessity Criteria Tracking Document which contains notes and observations regarding the criteria that was observed in the area that is consistent with the blight criteria established in Chapter 163, Florida Statutes.

Exhibit A

Potential North Beach CRA Finding of Necessity – Criteria Tracking Document

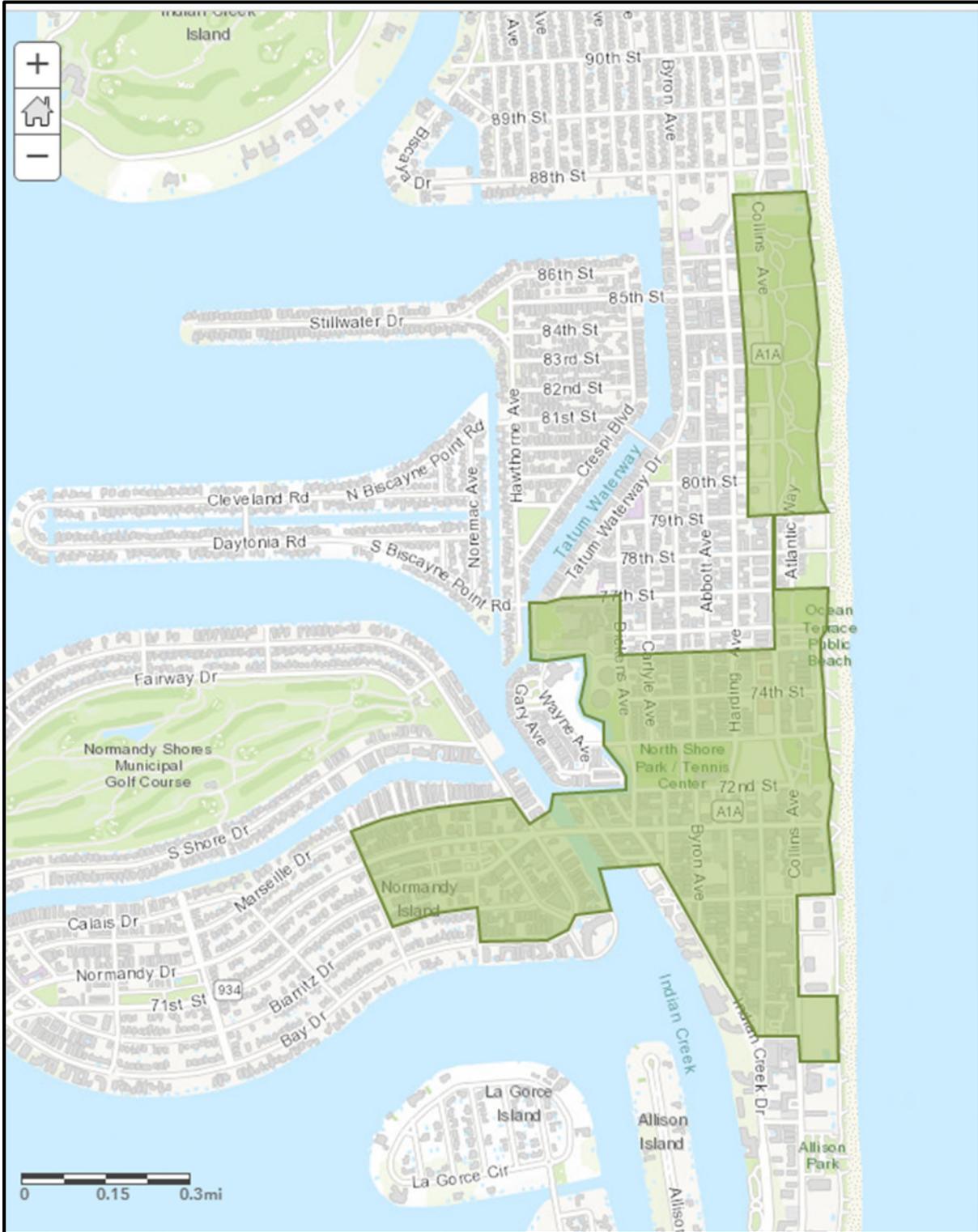
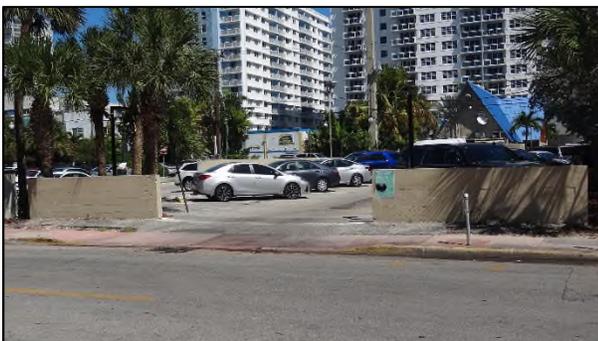


Figure 1: Proposed Boundary for a Community Redevelopment in North Beach

Summary of Blight Criteria

Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities.

- Street Layout - Only one road in from each direction.
 - 2.36 NBMP - One-Way Streets
 - 2.14 NBMP - Mobility
 - Only one road connects the north and south ends of the City.
- Public parking supply is inadequate and a deficit is demonstrated by the Walker Parking Study. Increased parking supply is a goal of the North Beach Master Plan (NBMP).
 - Zero City-owned garages
 - 1,267 public parking in surface lots (676)
 - 5,678 public parking spaces on-street (758)
 - 20,859 total parking spaces in North Beach, of which majority are private (7,944)
 - Town Center has 90% occupancy
 - Many parking lots are poorly maintained
 - Lack of loading zones - double parking exists in 73rd & Collins district
- Roadways are significantly congested
 - Traffic Counts
 - Google Maps/Traffic Screenshots
 - Transportation Master Plan - Miami Beach and Miami-Dade County
 - 2025 and 2035 traffic volume projected to grow 1.4% annually, compared to 1.0% in Mid Beach and South Beach.
- Connectivity
 - Parkview Island
 - Intersection of Indian Creek and 71st Street
 - Collins Avenue and Harding Avenue
- Public Transportation
 - Heavily used but inadequate service levels
 - Bus service is planned from the Northside Metrorail station to the convention center along JFK Causeway. Does this indicate deficit of transit?
 - Collins Express Trolley from 88th Street to 65th Street, including 71st Street and Normandy Drive.



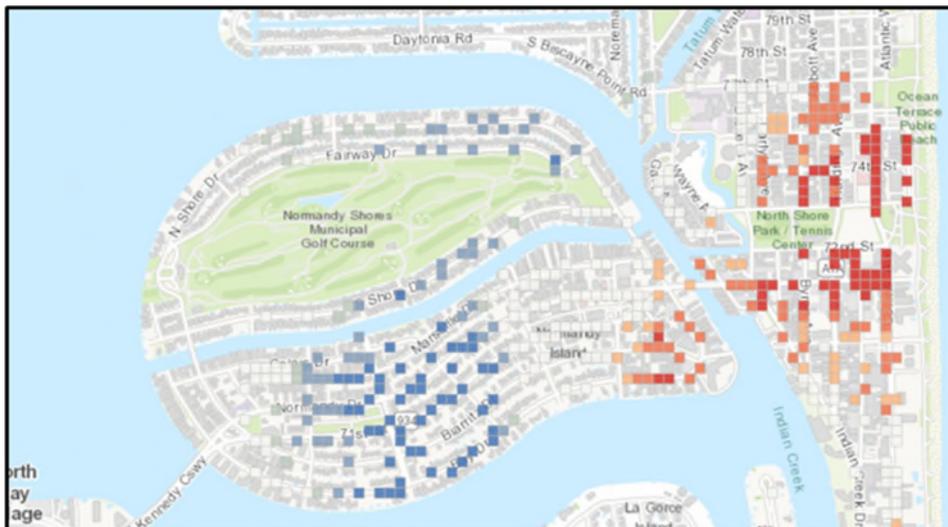


Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.

- 2.4 NBMP - Small lot sizes characterize the Town Center
- Voters have approved density and FAR increases, and the Town Center core has been rezoned to incentivize development, but the zoning envisions higher intensity and larger scale block development than currently exists. This zoning favors half- and full block development projects, but the preponderance of smaller lots in the Town Center is antithetical to such redevelopment. Therefore, significant effort is needed to aggregate property, which may not be financially feasible for smaller scale investors.

Unsanitary or unsafe conditions.

- There were 757 code violations in 2017/2018 within the proposed CRA boundary:
 - 205 for sanitation
 - 277 for Code violations
 - 119 for property maintenance
 - 127 for zoning violations
- Flooding and sea level rise (NBMP)
- Calls for service related to unsafe conditions are proportionately higher in the proposed boundaries than elsewhere in the City.
 - 31% of all calls for shorting/arcng electrical equipment
 - 44% of malicious/false alarms
 - 50% of extraction of victims from vehicles
 - 75% of HazMat release investigations
 - 38% of natural vegetation fires
 - 31% of passenger vehicle fires
- 71st Street corridor is one of the City thoroughfares with the highest density of vehicular crashes and crashes involving bicyclists or pedestrians.



Deterioration of site or other improvements.





Inadequate and outdated building density patterns.

- Scale comparisons, as depicted in the NBMP, are erratic and incohesive.
- There is an erratic scale of buildings in the target area both in height and density. If properties are aggregated and redeveloped on a piecemeal basis, this problem may worsen unless redevelopment of the Town Center can take place on a districtwide scale. The goal is to redevelop the area with heightened intensity.



Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality.

- Commercial Vacancy Rates
 - CoStar identified nine (9) vacant properties within the proposed boundary, totaling 36,382 square feet.
 - Photo survey of the target area identified an additional 12 properties, totaling 23,406 square feet.
 - Vacancy data:
 - Total target area vacant space - 59,788 square feet
 - Total target area retail space - 904,000 square feet
 - Target area vacancy rate - 6.6%
 - Citywide vacancy rate - 6.2%
 - Countywide vacancy rate - 3.9%
- Residential Vacancy Rates
 - 11.4% residential vacancy rate in Miami-Dade County
 - 23.0% residential vacancy in the proposed CRA boundary

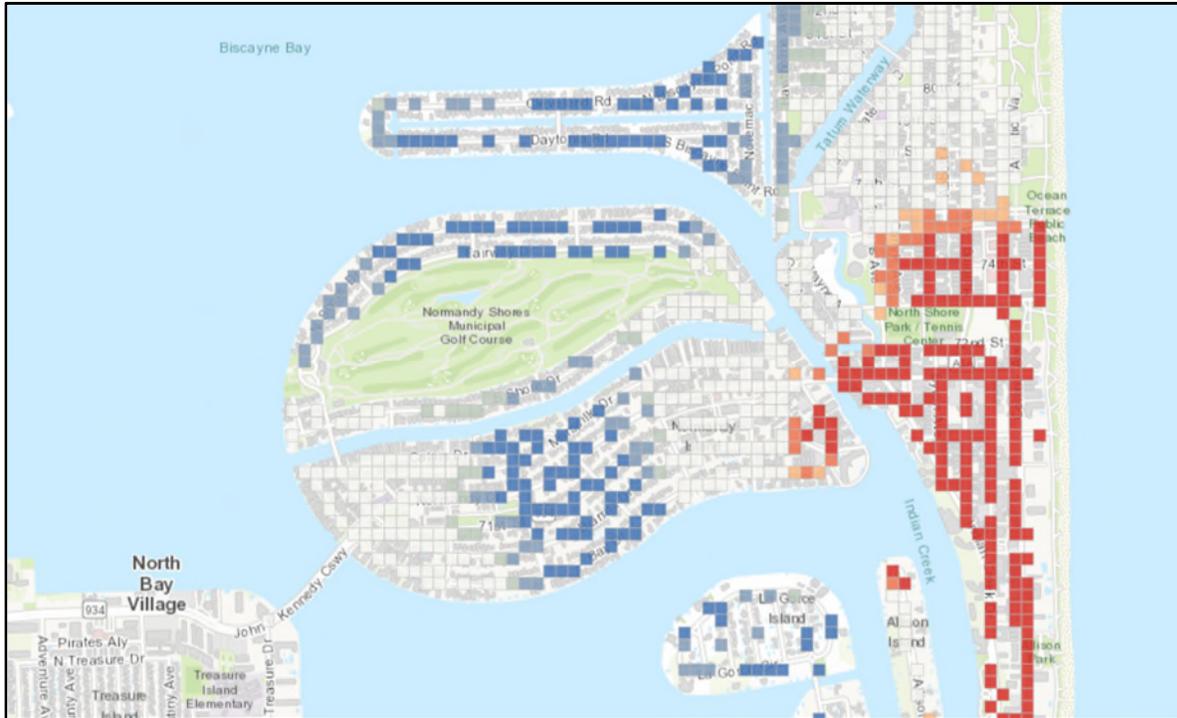


Fire and emergency medical service calls to the area proportionately higher than in the remainder of the County or City.

- The fire and emergency medical service calls are proportionately higher than in the rest of Miami Beach - 4.8% compared with 4.0% Citywide.
- Calls for service due to unsafe conditions are higher in the proposed boundaries
 - 31% of all calls for shorting/arcing electrical equipment
 - 44% of malicious/false alarms
 - 50% of extraction of victims from vehicles
 - 75% of HazMat release investigations
 - 38% of natural vegetation fires
 - 31% of passenger vehicle fires

A greater number of violations of the Florida Building Code within the area than the number of violations recorded in the remainder of the County or municipality.

- While the total number of building violations in the Proposed CRA boundary was 605, out of 2,696 citywide. However, within North Beach, these types of violations are concentrated within the proposed CRA boundary.



Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.

- Significant diversity of ownership exists in North Beach; however, some assemblage has begun to take place in the Town Center. Nevertheless, there remains many smaller, historic buildings, many of which are condominiums—all characteristics that serve as barriers or impede the assembly of lots.
- North Beach
 - 11,175 properties - majority of multiple owners are condominium owners
 - 4,321 properties that are not condominiums
 - 3,549 property owners

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE PRELIMINARY REPORT SET FORTH AS AN EXHIBIT TO THE COMMISSION MEMORANDUM ACCOMPANYING THIS RESOLUTION, CONCERNING A FINDING OF NECESSITY FOR THE REDEVELOPMENT OF A CERTAIN GEOGRAPHIC AREA LOCATED WITHIN THE CITY OF MIAMI BEACH, DESCRIBED GENERALLY AS BEING BOUNDED ROUGHLY BY 87TH TERRACE TO THE NORTH, 65TH STREET TO THE SOUTH, THE ATLANTIC OCEAN TO THE EAST, AND RUE NOTRE DAME TO THE WEST, AS SHOWN ON THE MAP SET FORTH IN "EXHIBIT A" HERETO, AND REQUESTING MIAMI-DADE COUNTY TO DECLARE SAID AREA AS SLUM AND BLIGHT AND DELEGATE REDEVELOPMENT POWERS TO THE CITY OF MIAMI BEACH IN ACCORDANCE WITH PART III OF CHAPTER 163, FLORIDA STATUTES, SO AS TO PERMIT THE CITY OF MIAMI BEACH TO ESTABLISH A COMMUNITY REDEVELOPMENT AGENCY FOR THE AFORESAID AREA.

WHEREAS, the Mayor and City Commission of Miami Beach has adopted as a primary city-wide goal the economic development of the City and, in particular, the area north of 63rd Street generally referred to as "North Beach"; and

WHEREAS, there exists a defined geographic area within the corporate limits of the City which contains a large number of commercial buildings which are deteriorated or deteriorating, as well as a large number of substandard housing units which contribute to ill health and pose other potential dangers to the residents, such area being described generally as being bounded by 87th Terrace to the north, the Atlantic Ocean to the east, 65th Street to the south, and Rue Notre Dame to the east, as set forth more particularly in "Exhibit A" hereto (the "Proposed Boundary"); and

WHEREAS, pursuant to the Community Redevelopment Act, Chapter 163 of the Florida Statutes, a Community Redevelopment Area (CRA) means a slum area, a blighted area, or an area in which there exists a shortage of affordable housing, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof; and

WHEREAS, in order to reverse the economic decline of said geographic area, it is necessary to consider redeveloping the defined area and establishing a community development agency as a catalyst to redeveloping such area, all in accordance with Chapter 163, Florida Statutes; and

WHEREAS, on June 20, 2018, the Neighborhoods/Community Affairs Committee (NCAC) discussed creative funding options for the North Beach Master Plan and recommended that the Administration work with Miami-Dade County to move forward with the potential creation of a CRA in North Beach; and

WHEREAS, on July 25, 2018, the Mayor and City Commission adopted Resolution 2018-30432, accepting the recommendation of the NCAC to commence discussions with the County to create a CRA in North Beach; and

WHEREAS, following adoption of the Fiscal Year 2019/20 Miami-Dade County budget, the Administration reached out to the County to discuss approach and steps for a potential CRA in North Beach, the first of which is a finding of necessity for the area; and

WHEREAS, the City has retained BusinessFlare Economic Development Solutions (the "Consultant") to prepare a report concerning a finding of necessity with respect to the redevelopment of the area set forth in the Proposed Boundary; and

WHEREAS, the Consultant has prepared a "Preliminary Draft—Finding of Necessity" for the North Beach Redevelopment Area, dated April 2016 ("Preliminary Report") as set forth in "Exhibit B"; and

WHEREAS, the Preliminary Report concludes that, within the defined target geographic area, there exist nine of fifteen criteria necessary to designate an area as blighted; and

WHEREAS, pursuant to Section 163.410, Florida Statutes, the City is required to receive a delegation of authority from the County as a condition precedent to exercising redevelopment powers conferred under the Community Redevelopment Act, relative to the redevelopment area illustrated in the Proposed Boundary; and

WHEREAS, the City Clerk has published notice of a public hearing with respect to a meeting of the City Commission to consider: (i) the acceptance of the Preliminary Report, (ii) the findings therein contained and other matters related to the establishment of a CRA and redevelopment agency pursuant to Part III of Chapter 163, Florida Statutes, and (iii) requesting delegation of authority from the County to exercise redevelopment powers within the geographic area set forth in the Proposed Boundary.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

1. The City Commission of the City of Miami Beach hereby accepts the Preliminary Report (a copy of which is attached to this Resolution as "Exhibit B") prepared by the Consultant, subject to final findings of necessity to be made subsequent to the delegation of authority referred to herein below.

2. The Mayor and City Commission of the City of Miami Beach hereby request that the Board of County Commissioners for Miami-Dade County delegate to the City of Miami Beach broad authority to exercise redevelopment powers within the geographic area set forth in "Exhibit A" in accordance with Chapter 163, Florida Statutes.

PASSED AND ADOPTED this ____ day of _____, 2019.

ATTEST:

Dan Gelber, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Raul Acosta 7/2/19
City Attorney Date
RAP