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shortage of affordable housing, or a coastal and tourist area that is deteriorating and economically distressed due to outdated building density patterns, inadequate transportation and parking facilities, faulty lot layout or inadequate street layout, or a combination thereof; and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:

[Signature]

Rafael E. Granado, City Clerk

[Signature]

Dan Gelber, Mayor

APPROVED AS TO FORM & LANGUAGE & FOR EXECUTION

[Signature]

City Attorney

RAP

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: July 17, 2019

2:30 p.m. Public Hearing

SUBJECT: 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.

RECOMMENDATION
The Administration recommends approval of the attached resolution, which directs the City Manager to transmit the finding of necessity to Miami-Dade County, initiating the County process for approval of the North Beach CRA.

BACKGROUND
Pursuant to the Community Redevelopment Act, Chapter 163 of the Florida Statutes, a community redevelopment area (CRA) may refer to any one of the following: 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 any combination thereof.

Miami Beach Redevelopment Areas
Historically, the City has successfully established two CRAs. The 250-acre South Pointe CRA was active between 1987 and 2006, during which time the assessed property values increased from $59 million to approximately $2.5 billion in January 2005. Largely responsible for transforming the South of Fifth neighborhood from blighted conditions, the South Pointe district
is widely considered the most successful redevelopment district in the State of Florida and one of the most notable in the country.

The 332-acre City Center CRA was established in 1993 and witnessed taxable values increase from $292.6 million to approximately $6 billion as of January 2018. The City Center CRA was established to promote hotel development and to foster civic, cultural, and entertainment uses throughout the urban core near the Convention Center. Transformative projects resulting from public and private CRA investment included: two hotels developed as private/public partnerships, the 800-room Loews and the 425-room Royal Palm Crowne Plaza; the Anchor Shops parking garage; the beachwalk extension from 21st Street to Lummus Park; the Frank Gehry-designed New World Campus; and a Cultural Arts Campus Master Plan, which featured a new regional library, the Miami City Ballet headquarters, renovation of the Bass Museum, and restoration of Collins Park.

North Beach
Economic development is a primary citywide goal adopted by the City Commission, with particular focus on the area north of 63rd Street, which is generally referred to as North Beach. Within North Beach, there exists a defined geographic area containing a large number of deteriorated commercial buildings, as well as substandard housing units which pose danger to residents and harm economic vitality. This area is generally 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 (the proposed boundary), as set forth more particularly in Exhibit A to the resolution accompanying this memorandum. In order to reverse the economic decline of the area within the proposed boundary, it is necessary to consider establishing a community development agency as a catalyst to redevelopment, all in accordance with Chapter 163, Florida Statutes.

On February 14, 2018, the Mayor and City Commission adopted Resolution 2018-30171 with respect to enhancing North Beach through creative funding options. The resolution directed the Administration to develop a Quality of Life Plan consistent with the North Beach Master Plan (Dover Kohl, 2016), with such projects potentially funded by a dedicated funding stream for the benefit of North Beach.

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.

On July 25, 2018, the Mayor and City Commission adopted Resolution 2018-30432, accepting the recommendation of the NCAC to commence CRA discussions with the County. Following adoption of the County’s FY 2019/20 budget, the Administration reached out to County staff to discuss the subject matter, the first procedural step being adoption of a finding of necessity for the area.

BusinessFlare Economic Development Solutions
To prepare the finding of necessity, the Administration engaged a consultant, BusinessFlare Economic Development Solutions. Principal Kevin Crowder is an IEDC Certified Economic Developer (CEcD) who served for 15 years with the City of Miami Beach and the Miami Beach Redevelopment Agency as the Director of Economic Development and Government Affairs. He is a prior member of the board of directors of the Florida Council of Public Private
Partnerships (FCP3) and the Florida Redevelopment Association (FRA), and served as chair of the FRA Legislative Committee.

In addition to the Miami Beach RDA, Mr. Crowder’s redevelopment experience includes the North Miami CRA Plan and extension, the North Miami Beach CRA Plan and West Dixie Highway Implementation Plan, the Dania Beach CRA Plan, the Naranja Lakes CRA Expansion Plan, the Palm Bay Bayfront CRA Implementation Plan, the Cape Coral CRA’s Bimini Basin Revitalization Plan, the Davie CRA P3 Initiative, the Mount Dora Northeast CRA, and the Martin County CRA Plan.

ANALYSIS
Pursuant to the Community Redevelopment Act, Chapter 163, Florida Statutes, creation of a CRA requires conducting an economic survey, which results in the finding of slum and/or blight conditions in the subject area, as documented in a finding of necessity.

Florida law defines a “slum area” as containing at least one of the following conditions:

- inadequate ventilation, light, air, sanitation, or open space;
- higher density of population compared to adjacent areas; or
- the existence of conditions that endanger life or property by fire or other causes.

“Blighted area” is defined as containing at least two of the following conditions:

- inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- property values that have failed to appreciably increase in the past five years;
- 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;
- falling commercial lease rates compared to the city or county;
- tax delinquencies that exceed fair value of the land;
- residential and commercial vacancy rates are higher than the city or county;
- crime rate is higher than the city or county;
- fire and emergency calls to the area are proportionately higher than the remainder of the city;
- diversity of property ownership or unusual conditions of title;
- government owned property with adverse environmental conditions; or
- substantial sinkhole activity.

Formation of a CRA allows for designating a special funding district within its boundaries, where
the incremental increase in property taxes are used for specific redevelopment purposes within the boundary area (a process called tax increment financing or TIF). Any TIF funds generated within the CRA must be used for specific redevelopment purposes in the targeted area, as outlined in a formal community redevelopment plan that addresses the unique needs and planned projects for the area.

North Beach Finding of Necessity

The geographic area recommended for designation as the North Beach CRA (Exhibit A) includes the North Beach Town Center, Ocean Terrace, the Normandy Fountain commercial plaza, the West Lots, and North Shore Open Space Park. The draft finding of necessity report prepared by the consultant (Exhibit B) identified the presence of nine of the fifteen criteria legally necessary to designate an area as blighted and then proceed to formal discussions with the County.

The nine criteria identified in North Beach by the economic consultant:

1. predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
2. aggregate assessed values of real property in the area have failed to show appreciable increase over the five years prior to the finding of such conditions;
3. faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
4. unsanitary or unsafe conditions;
5. deterioration of site or other improvements;
6. inadequate and outdated building density patterns;
7. fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
8. 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; and
9. diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.

Upon completion of a draft finding of necessity, a local government transmits the study to the County, requesting the County to accept the finding's results and proceed with creation of a CRA, including its governing body and taxing powers. As required by statute, the City has provided notice to all taxing authorities who may be impacted by the creation of a special taxing district. The City's consultant will assist City staff throughout the County approval process, for which the anticipated steps are as follows:

1. acceptance by City Commission and transmittal to Miami-Dade County;
2. meeting with County staff to review the finding;
3. presentations to County TIF Committee and Commission Committee;
4. presentation to, and acceptance by, the County Commission;
5. preparation of the community redevelopment plan; and
6. negotiation and approval of an interlocal agreement with the County.

CONCLUSION

The analysis identified the presence of nine of the 15 criteria identified by statute as necessary for establishing a community redevelopment area. The City of Miami Beach has devoted a
significant amount of policy development and planning to North Beach, including the North Beach Master Plan, the West Lots Plan, and the Ocean Terrace Master Plan. A CRA is one of the best tools available for implementation of those plans and North Beach clearly qualifies for designation. A CRA would play a critical role in the future of North Beach, by leveraging public and private investment as a catalyst for new development.

The Administration recommends that the City Commission transmit the findings to the County and seek creation of the North Beach CRA.

**Legislative Tracking**
Economic Development

**Sponsor**
Vice-Mayor Ricky Arriola

**ATTACHMENTS:**
- Description
  - Attachment A - Proposed Boundary
  - Attachment B - Finding of Necessity
  - Resolution
EXHIBIT A
PROPOSED BOUNDARY
Finding of Necessity
Proposed North Beach Community Redevelopment Area
City of Miami Beach

Prepared by
BUSINESS FLARE™
Economic Development Solutions

April 23, 2019
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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.
Finding of Necessity for a Potential North Beach CRA

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:
Finding of Necessity for a Potential North Beach CRA

Figure 1: Proposed Boundary for a Community Redevelopment in North Beach
Finding of Necessity for a Potential North Beach CRA

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/arcing 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/arching electrical equipment, malicious false alarms, extraction from vehicles, HazMat investigations, natural vegetation fires, and passenger vehicle fires.
Finding of Necessity for a Potential North Beach CRA

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.
Finding of Necessity for a Potential North Beach CRA

(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.
Finding of Necessity for a Potential North Beach CRA

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 signalized 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
Finding of Necessity for a Potential North Beach CRA

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

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<td>11</td>
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</tr>
<tr>
<td>Private Spaces</td>
<td>7,944</td>
<td></td>
</tr>
</tbody>
</table>

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.

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

Source: Walker Parking Consultants
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.

Faulty Lot Layout

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/arcing 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
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.
Finding of Necessity for a Potential North Beach CRA

Figure 13: Vacant building exposed to the elements

Figure 14: Dilapidated Building

Figure 15: Vacant hotel property along Collins Avenue

Figure 12: Fenced in vacant lot on Harding Avenue

Figure 11: Vacant building exposed to the elements

Figure 16: Broken Tiles

Figure 17: Dilapidated Property
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.
Finding of Necessity for a Potential North Beach CRA

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%.

![Figure 244: Proposed CRA Retail Real Estate Market](image)

![Figure 25: Vacant Retail space identified in CoStar](image)
### Finding of Necessity for a Potential North Beach CRA

#### Vacant Retail Spaces Included in CoStar

<table>
<thead>
<tr>
<th>Number</th>
<th>Address</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>666 71st Street</td>
<td>7,600</td>
</tr>
<tr>
<td>2</td>
<td>701 71st Street</td>
<td>700</td>
</tr>
<tr>
<td>3</td>
<td>1101 71st Street</td>
<td>3,000</td>
</tr>
<tr>
<td>4</td>
<td>7145 Abbot Avenue</td>
<td>2,750</td>
</tr>
<tr>
<td>5</td>
<td>6782 Collins Avenue</td>
<td>2,040</td>
</tr>
<tr>
<td>6</td>
<td>7100 Collins Avenue</td>
<td>550</td>
</tr>
<tr>
<td>7</td>
<td>7300 Collins Avenue</td>
<td>12,652</td>
</tr>
<tr>
<td>8</td>
<td>7426 Collins Avenue</td>
<td>5,200</td>
</tr>
<tr>
<td>9</td>
<td>7441 Collins Avenue</td>
<td>1,890</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>36,382</strong></td>
</tr>
</tbody>
</table>

#### Vacant Properties Not in CoStar but Identified during Photo Survey

<table>
<thead>
<tr>
<th>Number</th>
<th>Address</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6960 71st Street</td>
<td>1,500</td>
</tr>
<tr>
<td>2</td>
<td>216 71st Street</td>
<td>5,000</td>
</tr>
<tr>
<td>3</td>
<td>6980 Carlyle Avenue</td>
<td>1,369</td>
</tr>
<tr>
<td>4</td>
<td>7443 Collins Avenue</td>
<td>1,000</td>
</tr>
<tr>
<td>5</td>
<td>7424 Collins Avenue</td>
<td>3,000</td>
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<td>6</td>
<td>7405 Collins Avenue</td>
<td>1,000</td>
</tr>
<tr>
<td>7</td>
<td>7314 Collins Avenue</td>
<td>1,000</td>
</tr>
<tr>
<td>8</td>
<td>7319 Collins Avenue</td>
<td>1,200</td>
</tr>
<tr>
<td>9</td>
<td>7349 Collins Avenue</td>
<td>1,000</td>
</tr>
<tr>
<td>10</td>
<td>235 Collins Avenue</td>
<td>2,400</td>
</tr>
<tr>
<td>11</td>
<td>7124 Collins Avenue</td>
<td>1,000</td>
</tr>
<tr>
<td>12</td>
<td>740 71st Street</td>
<td>3,937</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>23,406</strong></td>
</tr>
</tbody>
</table>

#### Total Vacant Space
- **59,788** square feet
- Total Space: **904,000** square feet

#### Vacancy Rate
- **6.6%**
- Citywide Vacancy Rate: **6.2%**
- Countywide Vacancy Rate: **3.9%**
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 that 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 disproportionally 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.
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/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
- 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