

MIAMI BEACH

City Commission Meeting SUPPLEMENTAL MATERIAL 4

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive
July 17, 2013

Mayor Matti Herrera Bower
Vice-Mayor Edward L. Tobin
Commissioner Jorge R. Exposito
Commissioner Michael Góngora
Commissioner Jerry Libbin
Commissioner Deede Weithorn
Commissioner Jonah Wolfson

City Manager Jimmy L. Morales
City Attorney Jose Smith
City Clerk Rafael E. Granado

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ATTENTION ALL LOBBYISTS

Chapter 2, Article VII, Division 3 of the City Code of Miami Beach entitled "Lobbyists" requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the City Clerk's office. Questions regarding the provisions of the Ordinance should be directed to the Office of the City Attorney.

SUPPLEMENTAL AGENDA

R7 - Resolutions

- R7D Vacation Of Alleyway - 500 Alton Road
A Resolution To Consider, On First Reading, Vacating An Alley Located In The 500 Block Of Alton Road, Containing Approximately 6,005 Square Feet, In Favor Of The Adjacent Property Owners, South Beach Heights I, LLC, 500 Alton Road Ventures, LLC And 1220 Sixth, LLC.
First Reading

(Public Works)
(Appraisal Report)

- R7F A Resolution Calling For A Special Election To Be Held On Tuesday, November 5, 2013, For The Purpose Of Submitting To The Electorate Of The City Of Miami Beach An Advisory, Non-Binding Straw Ballot Question Asking Whether The City Commission Should, Without Owner Consent, Designate Individual Single Family Homes That Satisfy The City Code's Evaluation Criteria For Local Historic Site Designation?

(Requested by Commissioners Jerry Libbin & Jonah Wolfson)
(Legislative Tracking: City Attorney's Office)
(Alternative Language from Mayor Matti Herrera Bower)

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APPRAISAL ● REPORT

**OF
A 6,005 SF ALLEY R/W
500 BLOCK ALTON ROAD
MIAMI BEACH, FLORIDA**

**AS OF
May 20, 2013**



VIEW OF ALLEY R/W FROM 6TH STREET AREA

**PREPARED FOR
OFFICE OF REAL ESTATE, HOUSING & COMMUNITY DEVELOPMENT
CITY OF MIAMI BEACH
1700 CONVENTION CENTER DRIVE
MIAMI BEACH, FLORIDA 33139**

PREPARED BY

**BONDARENKO ASSOCIATES, INC.
201 S GOLF BLVD., SUITE NO. 2007
POMPANO BEACH, FL 33064**

Agenda Item R7D
Date 7-17-13

BONDARENKO ASSOCIATES, INC.

201 S. Golf Blvd., Suite 2007
Pompano Beach, Florida 33064

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hankapr@comcast.net

June 6, 2013

Office of Real Estate, Housing & Community Development
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139

Attention: Mr. Max Sklar

Re: **AMENDED REPORT**
6,005 SF Alley Vacation
500 Block Alton Road
Miami Beach, Florida

Dear Mr. Sklar:

At your request, we have prepared an amended appraisal for the above referenced property. The purpose of this amended appraisal is to add an additional value estimate due to the amended assignment by Mr. Sklar, copy enclosed. My original appraisal was for the market value estimate of the subject property's fee simple interest for the site with an effective date of May 20, 2013. The added value estimate is for the Investment Value to the Adjacent Owner. My original appraisal is made a part of this amended report by reference. This appraisal is intended for the use of the client and the client's advisors. The 6,005 SF alley fronts on 6th Street and West Ave..

The accompanying report of a real estate appraisal has been completed in accordance with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP) and applicable Federal regulations.

The original report details the scope of the appraisal, level of reporting, definition of value, valuation methodology, and pertinent data researched and analyzed in the development of this appraisal.

We certify that we have no present or contemplated future interest in the property beyond these estimates of value. Your attention is directed to the Limiting Conditions and Assumptions, located within my original report, which constitutes an agreement with these conditions and assumptions.

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Bondarenko Associates, Inc.

June 6, 2013

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In my opinion, the **Market Value** of the subject property, as of May 20, 2013, was as follows:

Market Value Conclusion _____	\$600,500
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It is further my opinion that the **Investment Value to Adjacent Owner** was:

Investment Value to Adjacent Owner _____	\$780,650
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Further, we estimate the market exposure period necessary for the subject to have achieved this value to be less than a year..

Respectfully submitted,
Bondarenko Associates, Inc.



Henry R. Bondarenko, SRA, MAI
Cert Gen. RZ 508

Bondarenko Associates, Inc.

Summary of Salient Facts

Subject Property: 500 Block of Alton Road, 6,005 SF of alley R/W fronting on 6th Street and West Ave. There is one adjacent owner. The surrounding land is zoned CPS-2.

Property Overview: Site Size: 6,005 Sf
Building Size: No buildings
Property Type: Public R/W for alley

Interest Appraised: This appraisal considers the subject's fee simple interest

Highest and Best Use Land As Vacant: Sale to the Adjacent Owner for Condo Development.
The alley goes nowhere, it is not Needed.

Highest and Best Use As Improved: The alley is not improved, it will be improved if sold to the one adjacent owner, the Waves condo development.

Sales Comparison Approach: Market Value: \$600,500

Investment Value to Adjacent Owner: \$780,650

Extraordinary Assumptions: None

Hypothetical Conditions: The market value of the R/W takes on the estimated value of the adjacent property. The Investment Value to Adjacent Owner takes on the estimated value after adjustments.

INVESTMENT VALUE TO ADJACENT OWNER

6,005 SF AREA OF ALLEY

**500 Block Alton Road
Miami Beach, Florida**

ITEM	SUBJECT-Investment Value to Adjacent Owner	SALE NO.1	SALE NO. 2	SALE NO.3	SALE NO.4
LOCATION	500 Block Alton Road (Alley) Miami Beach, Florida	500 Block Alton Road (Alley) Miami Beach, Florida	517 West Ave. Miami Beach, Florida	659-737 West Ave Miami Beach, Florida	929 Alton Road Miami Beach, Florida
DATE OF SALE	Appraisal 5-20-2013	6-8-2006	2-22-2010	12-31-2012	9-13-2012
FOLIO NUMBER	None	None	02 4204 006 0020, (etc. 11 all)	02 4203 001 0161, (etc.multip)	02 4203 014 0510
SIZE	6,005 SF	4,217 SF	68,560 SF (1.574 Acres)	65,750 SF (1.28 Acres)	19,994 SF (0.46 Acres)
LEGAL DESCRIPTION	Portion of Lots 8,9,10 & 13, and a portion of that 15.0 Feet Alley of "Amend. Plat of Aquarium Site Resub." PB 21 page 83.	Aquarium Site AMD PB 21-83 15 Ft. alley from Alton Rd west of mid-site, thenc north to the subject alley site.	Part of Aquarium Site Amd, PB 21-83, etc.	Fleetwood Sub PB 28-34, Lots 8-14, etc.	Lennox Manor Re-Sub PB 7-15 Lots 9 & 10
GRANTOR			Africa Israel Vitri Developers, LLC	West Alton Corp	Alton Sobe, LLC
GRANTEE		Leviev Box Melgreen Vitri Dev.LLC	500 Alton Road Ventures, LLC	Kgm Equities, LLC	Pending Sale
RECORDED-ORB/PGE		24721 pge 1762	27190 pge 447	28428 pge 56	N/A
ZONING	CPS-2,Commercial Mixed Use As the adjacent Zoning	CPS-2, Comm'l Mixed Use Miami Beach, Florida	CPS-2, Comm'l Mixed Use Miami Beach, Florida	RM-2 Miami Beach, Florida	CD-2 Miami Beach, Florida
SALE PRICE		\$351200	\$5,000,000	\$8,000,000	\$2,900,000 (Pending)
PRICE PER SQ.FT.		\$83.28	\$72.74	\$143.48	\$145.02
Comments	Analysis This site is a dedicated R/W of an Alley surrounding the 7-11 Store located in the NW corner of the larger development to be done called the Waves. The site fronts on 6th Street on the north and West Ave on the west, surrounding the 7-11 Building Please refer the the enclosed surveys.	Analysis This site is the older sale of an alley site that joins the subject site at the north end. Similar "el" shape. 15 ft alley	Analysis This site surrounds the subject alley.	Analysis This site is curently a parking lot located several hundred feet north of the subject site on West Ave.	Analysis This is a vacant site located 3 blocks north of the subject site on Alton Road.
			ADJUSTMENTS		
CONDITIONS OF SALE		Similar	Similar	Similar	Similar
TIME		Inferior +20%	Inferior +15%	Similar	Similar
LOCATION		Similar	Inferior	Similar	Similar
TOPOGRAPHY		Similar	Similar	Similar	Similar
ZONING		Similar	Similar	Similar	Similar
UTILITIES		Similar	Similar	Similar	Similar
SIZE		Similar	Similar *1	Similar *1	Similar *1
ADJACENT OWNER ADJUSTMENT		Inferior +30%	Inferior +30%	Inferior +30%	Inferior +30%
Net Adjustment		+50%	+45%	+30%	+30%
Adjusted Value		\$124.92	\$105.47	\$186.52	\$188.53
* An inferior rating means that the sale is inferior, a superior rating means that the sale is superior. Please refer to the following page for a detailed analysis.					
*1 No size adjustments will be made to the subject 6,005 SF because the consideration is made that the alley takes on the value of adjacent amd larger properties in this market place. As in this case, the alley would become part of the larger Waves development site.					

Sheet1
INVESTMENT VALUE TO ADJACENT OWNER

**6,005 SF AREA OF ALLEY
500 Block Alton Road
Miami Beach, Florida**

ITEM	SUBJECT - Investment Value to Adjacent Owner	SALE NO.5	SALE NO. 6	SALE NO.7
LOCATION	500 Block Alton Road (Alley)	619 Meridian Ave	350 Meridian Ave	803 5th Street
DATE OF SALE	Miami Beach, Florida	Miami Beach, Florida	Miami Beach, Florida	Miami Beach, Florida
FOLIO NUMBER	Appraisal 5-20-2013	7-23-2012	8-20-12	7-19-2011
SIZE	None	02 4203 009 3320	02 4203 009 5140	02 4203 009 4970
LEGAL DESCRIPTION	6,005 SF	7,000 SF	7,000 SF	9,000 SF (0.21 Acres)
GRANTOR	Portion of Lots 8,9,10 S 13, and a portion of that 15.0 Feet Alley of "Amend. Plat of Aquarium Site Resub." PB 21 page 83.	Ocean Beach Addn. No. 3, PB 2-81, Lot 11, Blk 58, etc.	Ocean Beach ADDN No. 3 PB 2-81 Lot 2 Blk 76. 50' x 140'	Ocean Beach ADDN No. 3 OB 2 pge 81. east 100 ft of lots 7 & 8.
GRANTEE		REA 619, LLC	350 Meridian Avenue, LLC	Burmon Investments, Inc.
RECORDED-ORB/PGE		619 Meridian Ave, LLC	SOFI 350, LLC	SOBE 5, LLC
ZONING	CPS-2, Commercial Mixed Use	26198 pge 2324	283234 pge 2153	27761 pge 2158
SALE PRICE	As the adjacent zoning	RM-1, MF	R-PS2	CPS-2
PRICE PER SQ.FT.		Miami Beach, Florida	Miami Beach, Florida	Miami Beach, Florida
Comments	\$673,000	\$673,000	\$1,325,000	\$1,000,000
Analysis	\$96.14	\$96.14	\$189.28	\$109.32
<p>This site is a dedicated R/W of an Alley surrounding the 7-11 Store located in the NW corner of the larger development to be done called the Waves. The site fronts on 6th Street on the north and West Ave. on the west, surrounding the 7-11 Building Please refer the the enclosed drawings and surveys.</p>	<p>This is a small lot 50' x 140'. There are 6 townhomes planned. 4 of the six are sold, two remaining are listed at \$630,000 each.</p>	<p>This is a small lot 50' x 140'. There are 4 townhomes planned. The surrounding improvements are rated superior to Sale No. 5 and are rated similar to the subject property.</p>	<p>This is a corner lot on 5th Street and Meridian Ave. This is the same zoning as the subject and Sales No. 1 and No. 2. Plans call for 12,000 SF office and 3,500 SF of retail.</p>	
CONDITIONS OF SALE		Similar	ADJUSTMENTS	Similar
TIME		Similar	Similar	Similar
LOCATION		Similar	Similar	Similar
TOPOGRAPHY		Similar	Similar	Similar
ZONING		Similar	Similar	Similar
UTILITIES		Similar	Similar	Similar
SIZE		Similar	Similar *1	Similar *1
ADJACENT OWNER ADJUSTMENT		Inferior + 30%	Inferior + 30%	Inferior + 30%
Net Adjustment		+30%	+30%	+30%
Adjusted Value		\$125.00	\$246.06	\$142.17
<p>* An inferior rating means that the sale is inferior, a superior rating means that the sale is superior. Please refer to the following page for a detailed analysis.</p>				
<p>*1 No size adjustments will be made to the subject 6,005 SF because the consideration is made that the alley takes on the value of adjacent and larger properties in this market place, as in this case, the alley would become part of the larger Waves development site.</p>				

Analysis of Comparable Sales For Sale to The Adjacent Owner.

A comprehensive search for land sales similar to the subject land revealed 7 sales in close proximity to the subject property. The sales were compared to the subject property for seven categories, condition of sale, market conditions (time), location, zoning, utilities , size and Investment Value for Sale to The Adjacent Owner

Conditions of Sale

The sales were all arms length transactions, no unusual financing or conditions. The deeds were analyzed on all properties, except Sale No.4, it is a pending sale. The sales were plotted on a local map of the area and demonstrate a tight location pattern near the subject.

Time (Market Conditions)

An analysis of the five recent sales in the immediate neighborhood compared to Sale No. 1 in June 2006 and Sale No. 2 in February 2010 indicate that there was not much change due to time. A slight adjustment was made for time for Sales No. 1 and No. 2. No "back to back" sales could be found to develop a monthly change for time. The balance of sales No. 3 through No. 7 are all recent sales and need no adjustment for time. Sale No. 1 in 2006 was used because it was the sale of an alley within the same city block of the subject alley.

Location

All of the sales are located within four blocks of the subject property, they are influenced by the same economic and social factors as the subject property, therefore there is no adjustment warranted for location. Other factors may affect the value of the subject property, such as topography, zoning, utilities and size within this four block area.

Topography

This entire neighborhood is generally level and even with all streets, therefore, no adjustments are warranted for topography. The subject topography is similar to all the sale properties.

Zoning

Sale No. 2 and No. 7 both have the same zoning of CPS-2. Sale No. 2 is part of a larger site slated for development of condominium and mixed use called the Waves, it abuts the subject site. Sale No. 7 is slated for development of offices and retail. Sales No. 3 , No. 5 and No. 6 are all residentially zoned properties. Sale No. 4 is zoned CD-2 which allows commercial uses. With conditional uses, restaurants, adult congregate living facilities, apartments, hotels, funeral homes, nursing homes, pawnshops, etc., are allowed. I have in my files the printed uses for each of the zoning classifications of the comparable sales. The zoning of the comparable sales all have similar uses allowed as the subject zoning within the block of the subject site.

(continued)

Analysis of Comparable Sales Continued

Utilities

The comparable sales have all utilities available to the properties as does the subject property, therefore, no adjustments are warranted for utilities.

Size

Four of the comparable sales are of similar size as the subject alley site, three are larger parcels. The subject is a R/W alley. These type of properties tend to take on the value of abutting land values or properties of similar potential allowable uses. In the case of the subject property, the abutting uses would be incorporated into the larger site for the development of the Waves condo and mixed use development. Therefore, the smaller size of the subject site does not warrant an adjustment for size.

Adjustment to Adjacent Owner

The location of the subject R/W Alley is located in the middle of the site plan for the Waves Condominium project for 444 units. This would adversely affect an optimal site orientation for the project. It would be a great advantage if the alley could be incorporated into the site plan. The estimated contribution of the site into the subject overall site plan would contribute say 30% to the *Investment Value to The Adjacent Owner*.

Conclusion of Value

The subject property is a public R/W alley. It is surrounded by one abutting owner. One of the comparable sales is the sale of an alley R/W within the same block as the subject alley and abuts the subject alley, it is a 2006 sale, Sale No. 1. Sale No. 2 is the sale and purchase of the abutting land surrounding the subject property. It is a 2010 sale. All the subject comparable sales are located within 4 blocks of the subject site. They have similar potential uses if not the same uses allowed by zoning within this city block. Obviously the subject use is restricted to access for public R/W use. Two of the sales have the same zoning as the subject abutting land use zoning.

The range of adjusted values is from \$105.47/SF to \$246.06/SF. The range of size is from 4,217 SF to 68,560 SF. The range of date of sale is from Feb. 10, 2010 to 12-31-2012 with the exception to Sale No. 1 at 6-8-2006. This sale was used as it is the sale of an alley R/W located within the same block as the subject alley. The potential uses allowed by zoning are generally similar.

As noted in the Summary of Market Sales Grid, the average of all the seven sales is \$159.81 per square foot. The median is \$142.17 per square foot. The median sale is zoned CPS-2, the same as in the block as the subject property. The value of the subject property is anticipated to fall in the mid-range, say \$130.00 per square foot.

6,005 Square Feet x \$130.00 per Square Foot = \$780,650

**Estimated Value via Sales Comparison Approach
for Investment Value to Adjacent Owner \$780,650**

Henry Bondarenko

From: "Sklar, Max" <MaxSklar@miamibeachfl.gov>
To: "Henry Bondarenko" <hankapr@comcast.net>
Cc: "Saltrick, Richard" <RichardSaltrick@miamibeachfl.gov>; "Milisits, Mark" <MarkMilisits@miamibeachfl.gov>; "Rosario Dirnorah" <DirnorahRosario@miamibeachfl.gov>
Sent: Wednesday, June 05, 2013 4:12 PM
Subject: RE: 500 Alton Road Alley Appraisal Review
 Mr. Bondarenko,

Thank you for the reply.

Yes, I am requesting that you amend the appraisal to include the investment value to the adjacent owner.

Thank you, Max

MIAMI BEACH
 Max A. Sklar, *Director*
 TOURISM, CULTURE AND ECONOMIC DEVELOPMENT DEPARTMENT
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 Tel: 305-673-7577 / Fax: 786-394-4560 / www.miamibeachfl.gov

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From: Henry Bondarenko [mailto:hankapr@comcast.net]
Sent: Wednesday, June 05, 2013 11:15 AM
To: Sklar, Max
Subject: Re: 500 Alton Road Alley Appraisal Review

6-5-2013

Mr. Sklar

I believe Mr. Blazejacks' report would solve my delemma as he reports Market Value as I did and in addition, he reports Investment Value to Adjacent Owner.

Am I to assume that you are amending the appraisal request to include the investment value to the adjacent owner?

The Quinlivan Appraisal doesn't quite clearly distinguish the difference.

I will wait for your responce.

Thanks for your samples.

Henry R. Bondarenko, SRA, MAI

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MIAMI BEACH

OFFICE OF THE MAYOR AND COMMISSION

MEMORANDUM

To: Jimmy Morales, City Manager
From: Matti Herrera Bower, Mayor
Date: July 16, 2013
Re: Alternative Language for Item R7F

I wish to propose alternative language for item R7F, to be heard on the July 17, 2013 City Commission Agenda.

"Should the City of Miami Beach strengthen its protection of architecturally significant homes by requiring the Planning Department to refer applications for demolition permits to the Historic Preservation Board for historic designation consideration before a permit can be issued?"

Should you have any questions, please contact Gabrielle Redfern at extension 6157.

Thank you.

MHB/fg

Agenda Item R7F
Date 7-17-13

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