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

COMMITTEE MEMORANDUM

TO: Members of the Land Use and Development Committee

FROM: Jimmy L. Morales, City Manager

DATE: June 12, 2014

SUBJECT: **ADDENDUM TO THE LAND USE AND DEVELOPMENT COMMITTEE MEETING AGENDA**

Attached, please find an Addendum to the Land Use and Development Committee Agenda.

7. a) DISCUSSION: PROPOSED TRANSFER OF DEVELOPMENT RIGHTS OVERLAY DISTRICT FOR WASHINGTON AVENUE BETWEEN 6TH STREET AND LINCOLN ROAD.
(REQUESTED BY COMMISSIONER JOY MALAKOFF
MAY 21, 2014 CITY COMMISSION MEETING, ITEM C4B)

7. b) DISCUSSION OF THE TRANSFER OF DEVELOPMENT RIGHTS OVERLAY DISTRICTS FOR NORTH BEACH.
(REQUESTED BY COMMISSIONER JOY MALAKOFF
APRIL 23, 2014 CITY COMMISSION MEETING, ITEM R9F)

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COMMITTEE MEMORANDUM

TO: Land Use and Development Committee

FROM: Jimmy L. Morales, City Manager

DATE: June 12, 2014

SUBJECT: **DISCUSSION: PROPOSED TRANSFER OF DEVELOPMENT RIGHTS (TDR) OVERLAY DISTRICTS FOR WASHINGTON AVENUE BETWEEN 6TH STREET AND LINCOLN ROAD**

HISTORY

On May 21, 2014, the City Commission referred a discussion item to the Land Use and Development Committee (Item C4B), regarding the creation of an Overlay TDR District for Washington Avenue, in order to encourage and promote appropriate and well planned development.

BACKGROUND / ANALYSIS

The Planning Department has been studying ways to encourage and promote appropriate, context sensitive redevelopment and to provide for better maintenance of historic structures along Washington Avenue.

The goal for Washington Avenue is to promote uses and development that allow it to be a more active street during all hours of the day. Currently certain portions of Washington Avenue are only activated during night time hours (11:00 pm until 5:00 am), as they are dominated by night time entertainment uses. Additionally, a number of existing buildings are underdeveloped from a floor area stand point, and modest increases in floor area could be easily accommodated along the east side of Washington Avenue between 6th Street and Lincoln Road, as it is a very wide thoroughfare. Additionally, Washington Avenue is centered in between the slightly more intense retail and more resort oriented area of Collins Avenue and Ocean Drive to the east, and the lower scale residential area of Flamingo Park to the west. A 'Transfer of Development Rights' or 'TDR' program is a tool that can be used to promote these goals if safeguards are included to prevent overdevelopment.

A TDR program for Washington Avenue, in accordance with the City Charter, would require a ballot referendum. Should the public approve the program, implementing legislation would have to be adopted. Such implementing legislation would contain many safeguards to ensure that City and resident's goals are carried out.

The proposal for a 'TDR' program on Washington Avenue would allow for properties on

the west side of Washington Avenue with 'contributing' buildings to transfer or sell unused development rights to property owners on the east side of Washington Avenue between 6th and 16th Street. Additionally, those properties on the south side of Lincoln Road, between Collins Avenue and Drexel Avenue could also be considered, as they are interconnected to the proposed Overlay. Any such transfer of development rights would be predicated on:

1. A binding agreement to retain, preserve, and restore the existing structure on the proposed transfer site; and

2. A binding agreement that the receiving site would meet a number of development benchmarks related to use, height, distribution of volume, and a cap on the total amount of development rights that could be received.

This also ensures that development remains at a lower scale adjacent to the residential areas to the west.

Approval by the Historic Preservation Board (HPB) would be required through a 'Certificate of Eligibility' process in order for property owners to avail themselves of this ability. Through this process, the HPB would be expected to place conditions to ensure that the building is restored in an appropriate and timely fashion, and is well maintained in perpetuity. Prior to allowing for the transfer of unused development rights to take place, the Planning Department will ensure that the applicant has complied with all conditions through a 'Certificate of Transfer' process. In the event that an eligible transfer site has a limited timeframe to transfer unused floor area prior to being able to schedule a public hearing, it is suggested that a 'Limited Certificate of Transfer' process be available to allow for the transfer of up to 90% of available floor area, with appropriate studies and the posting of a bond with the City covering 130% of expected construction costs prior to going through the 'Certificate of Eligibility' process.

As part of the TDR proposal, the 'Washington Avenue Receiving Overlay District' would be established under separate ordinance. The Overlay would establish zoning and land use criteria with which receiving properties must comply. This could include the following:

1. An overall limit for any new development with regard to the total amount of FAR for the site. It is suggested that the total amount of floor area for any one site not exceed a total FAR of 3.5 or 4.0 with a residential/hotel bonus through transfer of development rights.

2. On the ground floor of the building, or in any open area above the ground floor, a prohibition on alcoholic beverage establishments not operating as restaurants, as well as dance halls and entertainment establishments.

3. All uses along the ground floor should be open during normal daytime business hours, and certain personal service establishments, as well as volume type retail establishments, could be excluded.

The receiving overlay area is entirely contained within historic districts, thus all new projects must continue to comply with all applicable historic preservation criteria,

including requiring the approval of the HPB.

Although 'TDRs' have sometimes been associated with increases in density and intensity, the recommendation herein would not result in a net increase in overall density and intensity that would otherwise be permitted within the defined boundaries of the Washington Avenue Overlay district. TDR's have been used in other localities with high degrees of success and when properly controlled are an excellent tool for jump starting the renaissance of a given area.

Using parcel data from the Miami-Dade Property Appraiser's Office and the existing FAR of 1.5 to 2.0 for CD-2 Districts, the Planning Department estimates that there would be approximately 82,522 to 176,539 square feet of unused development rights on the west side of Washington Avenue that private property owners would be able to make eligible for transfer. In addition there are a few parcels owned by government agencies that might be eligible as well. This would result in only a modest increase in FAR for the east side of Washington Avenue.

The Planning Department and the City Administration believe that the proposed Transfer of Development Rights program, with the safeguards in the proposed legislation could provide many benefits for the revitalization and historic preservation of Washington Avenue.

CONCLUSION

The Administration recommends that the Land Use and Development Committee discuss the item further and provide appropriate policy direction. If there is general consensus on the issue, it is further recommended that Land Use and Development Committee:

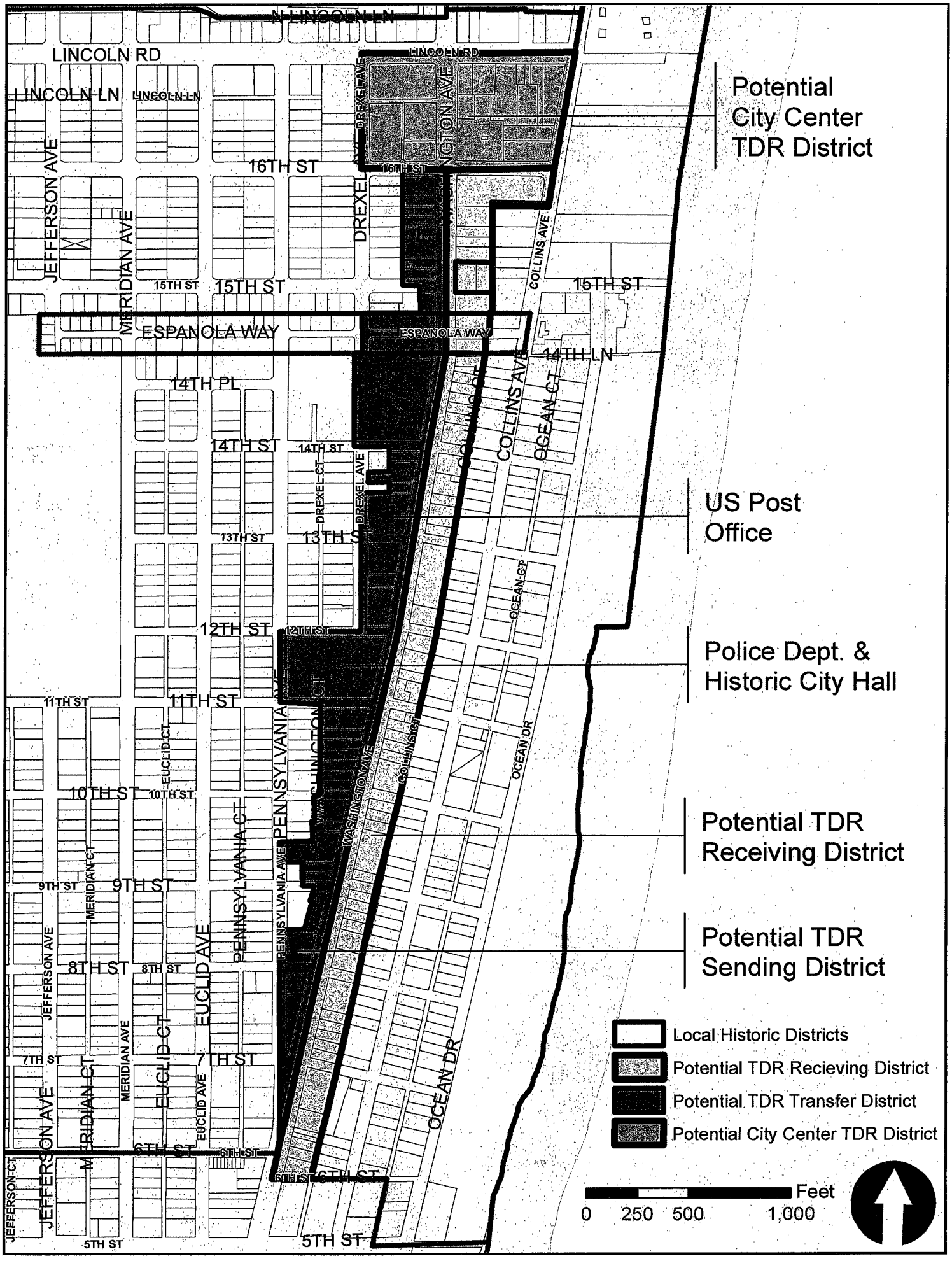
1) Recommend boundaries for sending and receiving districts.

2) Recommend to the City Commission the establishment of a Blue Ribbon Panel for the Washington Avenue Overlay District in order to refine development standards for the area.

3) Recommend to the City Commission that the TDR program for Washington Avenue move forward, including the commencement of referendum procedures.

4) Recommend to the City Commission that appropriate ordinances creating a Washington Avenue TDR Overlay District be referred to the Planning Board.

JLM/JMJ/TRM/RAM


Potential City Center TDR District
US Post Office
Police Dept. & Historic City Hall
Potential TDR Receiving District
Potential TDR Sending District
Local Historic Districts
Potential TDR Recieving District
Potential TDR Transfer District
Potential City Center TDR District
Feet
0 250 500 1,000
N LINCOLN LN
LINCOLN RD
LINCOLN LN
16TH ST
15TH ST
ESPANOLA WAY
14TH LN
14TH PL
14TH ST
13TH ST
12TH ST
11TH ST
10TH ST
9TH ST
8TH ST
7TH ST
6TH ST
5TH ST
JEFFERSON AVE
MERIDIAN AVE
DREXEL AVE
WASHINGTON AVE
COLLINS AVE
OCEAN CT
OCEAN DR
PENNSYLVANIA AVE
EUCLID AVE
EUCLID CT
PENNSYLVANIA CT
MERIDIAN CT
JEFFERSON CT
DREXEL CT

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COMMITTEE MEMORANDUM

TO: Land Use and Development Committee

FROM: Jimmy L. Morales, City Manager

DATE: June 12, 2014

SUBJECT: **DISCUSSION: PROPOSED TRANSFER OF DEVELOPMENT RIGHTS (TDR) OVERLAY DISTRICTS FOR NORTH BEACH**

HISTORY

On May 21, 2014, the City Commission referred a discussion item to the Land Use and Development Committee (Item C4B), regarding the creation of overlay districts for North Beach, in order to encourage and promote appropriate and well planned development.

BACKGROUND / ANALYSIS

The Planning Department has been studying ways to encourage and promote appropriate, redevelopment activity for the 71st Street Corridor and Ocean Terrace, as well as encourage the preservation and restoration of contributing buildings in the North Shore and Normandy Isles National Register Districts. Presently it appears that current maximum floor area ratios are making redevelopment along the 71st Street corridor and Ocean Terrace difficult. This in turn has stalled economic development and revitalization which would greatly benefit the surrounding community.

Two forms of overlay districts have been analyzed in order to address the concerns of the North Beach area. The overlays include:

1) A Transfer of Development Rights (TDR) program where contributing sites in the National Register Districts could sell unused development rights with approval from the Historic Preservation Board (HBP), as part of an expedited process for historic structure designation. The unused development rights could be purchased by property owners in receiving overlay districts along the 71st Street corridor and Ocean Terrace; or

2) An overlay district that allows for a unilateral increase in the maximum Floor Area Ratio (FAR) for properties along the 71st Street Corridor and Ocean Terrace. Such an endeavor could be tied to the adoption of local historic district designation of the North Shore and Normandy Isles National Register Districts.

Option 1: TDR Overlay District

A TDR program for North Beach, in accordance with the City Charter, would require a ballot referendum. Additionally, implementing legislation would have to be adopted. Such implementing legislation would contain many safeguards to ensure that City and resident's goals are carried out.

The proposal for a 'TDR' program in North Beach would allow for properties in the North Shore and Normandy Isles National Register districts with 'contributing' buildings to apply for designation as an historic structure using a process similar to the voluntary designation of single-family homes, which only requires the approval of the HPB. Local designation within these national register districts would provide property owners the ability to transfer or sell unused development rights to property owners on the 71st Street corridor or Ocean Terrace. Any such transfer of development rights would be predicated on:

1. A binding agreement to retain, preserve, and restore the existing structure on the proposed transfer site; and

2. A binding agreement that the receiving site would meet a number of development benchmarks related to use, height, distribution of volume, and a cap on the total amount of development rights that could be received.

Approval by the HPB, which could be sought concurrent to local designation, would be required through a 'Certificate of Eligibility' process in order for property owners to avail themselves of this ability. Through this process, the HPB would be expected to place conditions to ensure that the building is restored in an appropriate and timely fashion, and is well maintained in perpetuity. Prior to allowing for the transfer of unused development rights to take place, the Planning Department will ensure that the applicant has complied with all conditions through a 'Certificate of Transfer' process. In the event that an eligible transfer site has a limited timeframe to transfer unused floor area prior to being able to schedule a public hearing, it is suggested that a 'Limited Certificate of Transfer' process be available to allow for the transfer of up to 90% of available floor area, with appropriate studies and the posting of a bond with the City covering 130% of expected construction costs prior to going through the 'Certificate of Eligibility' process.

As part of the TDR proposal, the 'North Beach Receiving District' would be established under separate ordinance. The Overlay would establish zoning and land use criteria for which receiving properties must comply. This could include the following:

1. An overall limit for any new development with regard to the total amount of FAR for the site. It is suggested that the total amount of floor area for any one site not exceed a total FAR of 3.0 for lots on Ocean Terrace and up to a maximum of 3.5 for lots within the 71st Street corridor, through transfer of development rights.

2. Require active uses on the ground floor.

3. Incentives for creating a transit hub or transit stop.

4. Requirements for bicycle facilities.

5. Parking facilities in residential districts.

Using parcel data from the Miami-Dade Property Appraiser's, the Planning Department estimates that there would be approximately 916,397 square feet of unused development rights in the North Shore National Register District that private property owners could be able to make eligible for transfer. However this exceeds the square footage that could be transferred to the receiving areas with the proposed FAR limitations. The TDR district proposed would not result in a net increase in overall density and intensity that would otherwise be permitted within the defined boundaries of the North Beach Overlay District.

Option 2: FAR Increase Overlay District
An FAR Increase Overlay District, in accordance with the City Charter, would require a ballot referendum. Should the public approve of the program, implementing legislation would have to be adopted.

The Overlay would establish zoning and land use criteria for which properties along 71st Street and Ocean Terrace must comply. Included would be a modification to the overall limit for any new development with regard to the total amount of FAR for the site. It is suggested that the total amount of floor area for any one site not exceed an FAR of 3.0 – 3.5, depending on the uses proposed.

The City Commission could consider combining approval of an FAR Overlay District to the approval of locally designated historic districts for North Shore and Normandy Isles. This option creates a simpler process for property owners wishing to develop along 71st Street and Ocean Terrace, while providing regulatory incentives and requirements for the preservation of historic structures. The Planning Department estimates that this option would increase the allowable floor area for properties in the Overlay District by an estimated 626,347 square feet in the Town Center areas along the 71st Street corridor and approximately 104,103 square feet on Ocean Terrace.

CONCLUSION
The Administration recommends that the Land Use and Development Committee discuss the item further and provide appropriate policy direction. If there is general consensus on the issue, it is further recommended that Land Use and Development Committee:

1) Recommend boundaries for sending and receiving districts.

2) Recommend to the City Commission that the preferred option be referred to the Mayor's Blue Ribbon Panel on North Beach, in order to refine development standards for the area.

3) Recommend to the City Commission that the preferred option for North Beach move forward, including the commencement of referendum procedures.

4) Recommend to the City Commission that the appropriate ordinances creating the applicable North Beach Overlay District be referred to the Planning Board.

JLM/JMJ/TRM/RAM

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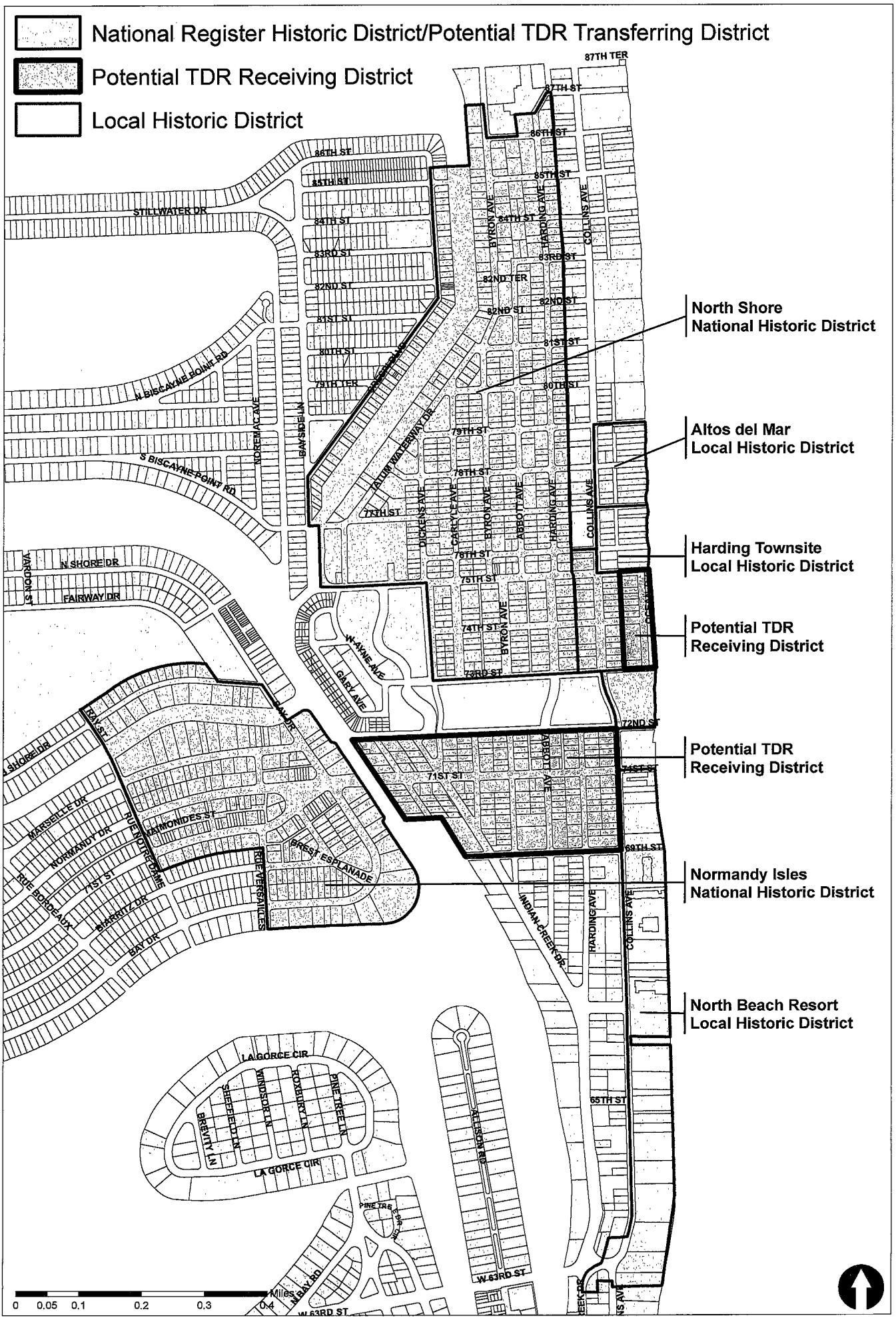
National Register Historic District/Potential TDR Transferring District
Potential TDR Receiving District
Local Historic District
North Shore National Historic District
Altos del Mar Local Historic District
Harding Townsite Local Historic District
Potential TDR Receiving District
Potential TDR Receiving District
Normandy Isles National Historic District
North Beach Resort Local Historic District
87TH TER
87TH ST
86TH ST
85TH ST
84TH ST
83RD ST
82ND TER
82ND ST
81ST ST
80TH ST
79TH TER
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STILLWATER DR
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N SHORE DR
FAIRWAY DR
BYRON AVE
HARDING AVE
COLLINS AVE
DICKENS AVE
CARLYLE AVE
ABBOTT AVE
TATUM WATERWAY DR
KOREN AC AVE
BAYSIDE LN
W AYNE AVE
GARL AVE
BAY DR
MARSEILLE DR
NORMANDY DR
RUE MAIMONIDES ST
RUE NOTRE DAME
RUE BORDEAUX
RUE VERSAILLES
BREST ESPLANADE
BIARRITZ DR
INDIAN CREEK DR
LA GORCE CIR
WINDSOR LN
ROXBURY LN
PINE TREE LN
SHEFFIELD LN
BREVITY LN
ALLISON RD
PINE TRE
N BAY RD
0 0.05 0.1 0.2 0.3 0.4 Miles