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City of Miami Beach Planning Department
c/o Deborah Tackett, Chief Historic Preservation and Architecture Officer
1700 Convention Center Drive
Miami Beach, FL 33139

Re: PB25-0812 & PB26-0813: "Alton City Center Overlay" LDR and Comprehensive Plan Amendment

Dear Debbie:

We represent Alton Ventures Development, LLC (the "Applicant"), the owner of the property located at 1656-1680 Alton Road, Miami Beach. Please allow this to serve as our letter of intent in connection with applications for amendments to City of Miami Beach's (the "City") Land Development Regulations (the "Code") and Comprehensive Plan to create within the CD-2 zoning district the "Alton City Center Overlay" (the "Alton City Center Overlay" or the "ACCO"). The intent of the ACCO is to incentivize and facilitate redevelopment of the largely dormant commercial block, on the west side of Alton Road and the east side of West Avenue between Lincoln Road and 17th Street, with mixed-use redevelopment containing a substantial non-transient rental residential component. Newly created housing will largely serve employees working on Miami Beach who currently have limited housing options available in the City and commute from neighboring municipalities. Consistent with the City Commission's vision for the City Center area, the ACCO will help make this neighborhood a true walkable mixed-use community.

Background. For many decades, the City block between the west side of Alton Road, the east side of West Avenue, 17th Street and Lincoln Road, was a bustling commercial block largely serving local residents with the beloved Miami Beach institution Epicure Market and other business such as Ace Hardware and Crunch Fitness. Today, and for the past almost ten years, all of these businesses are closed. Boarded up storefronts have replaced what was an important and convenient retail space for the community. The Applicant recently purchased four individual parcels at 1656, 1664, 1676, 1680 Alton Road—the heart of this City block—which were previously assembled by Michael Shvo. Shvo obtained land use board approvals for

redevelopment of the Property as The Alton¹ – a mixed-use primarily office project that never materialized.

In recent years, market conditions and the City's policy priorities have shifted toward incentivizing development of much needed residential uses. The City Commission in 2024, recognizing that the City's decline in population is due in part to lack of well-located accessibly priced housing, adopted Policy 1.2.8 of the Comprehensive Plan via Ordinance 2024-4663. The goal is to incentivize the development of long-term residential housing at a price point that is feasible for entry level professionals, young families and others who are currently priced out of the City. Commissioners have identified that the areas within and around the City Center are ideal for development of residential uses because of the large concentration of office, commercial and civic uses. The idea is that future residents could walk, use public transit or bike/scooter to work instead of commuting in cars from nearby municipalities.

The Applicant puts forth the "Alton City Center" legislation which provides for zoning incentives that will enable redevelopment of portions of this important City block with a mixed-use projects including residential, office and neighborhood oriented retail uses.

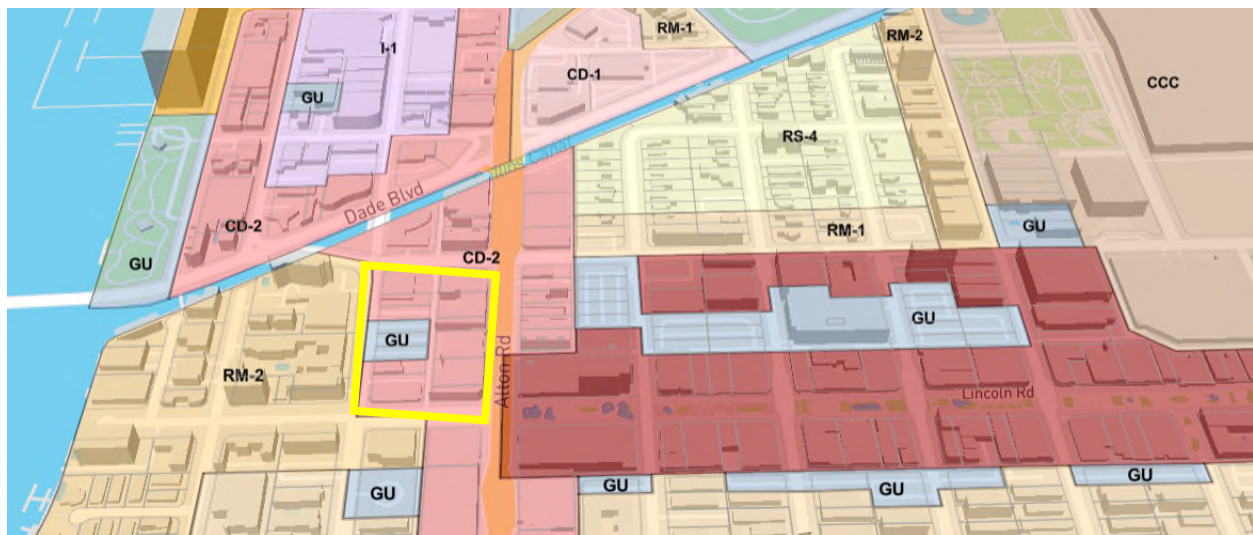


Figure 1. Overlay Location

Alton City Center Overlay. The ACCO would apply to CD-2 zoned parcels larger than 45,000 square feet within the City block located between Lincoln Road and 17th Street and the west side of Alton Road and the east side of West Ave. As discussed above, this City block was once a bustling commercial area directly serving the community and now been boarded up and vacant for several years. The entire City block is zoned CD-2, with the exception of three City-

¹ The Alton was approved via files DRB22-0897 and PB22-0562.

owned parcels on the west side zoned GU. The northern parcels fronting on Alton were redeveloped a few years ago with 17 West, a mixed-use building including a Truist Bank and a Trader Joe's which have enhanced the livability and walkability in this and surrounding neighborhoods. The southern parcels fronting on Alton Road are improved with one-story commercial buildings occupied mostly by restaurants. The heart of this block, owned by the Applicant, is improved with vacant one and two story commercial buildings that have outlived their useful lives.

The ACCO area is located at the nexus of the Sunset Harbour residential and commercial district, the Alton Road commercial corridor, and the Lincoln Road west commercial, retail and office district. It is the western anchor of the City Center that straddles Lincoln Road from the ocean to West Avenue. Alton Road is also a major commercial and transit corridor; the ACCO area is served by Miami-Dade County Bus Routes 20 (connecting South Beach with Miami International Airport with a key stop at the Adrienne Arsht Center Metromover Station in Edgewater which provides further connectivity to Downtown Miami and Brickell) and Route 101 (connecting Mt. Sinai Medical Center in MidBeach to the Government Center Metrorail Station in Downtown Miami). It is also served by the City's Trolley South Beach and MidBeach loops. For all of these reasons this part of Alton Road is an ideal location for mixed-use residential and commercial projects. Redevelopment of this block with a mix of uses that prioritizes market rate residential housing for permanent residents and offices is consistent with the City's goal to increase housing inventory through incentivizing residential development. It will also promote walkability and local foot traffic, enhance the existing commercial corridor with full time residents and generate walkable density to office uses in the urban core along Alton Road and Lincoln Road west.

To be eligible for ACCO incentives, projects will need to record a covenant running with the land for a minimum 30 years providing that there shall be no newly constructed transient uses (short-term residential rentals or lodging uses) and comply with additional requirements as outlined in the draft ordinance. Compliant projects would be eligible for a density bonus of 50 dwelling units per acre, a floor area ratio bonus of 1.5 and a maximum height of 150 feet. Under the current CD-2 regulations, the Applicant's property (approximately 52,500 square feet) could be developed at 2.0 FAR under the Alton Road Office Development Overlay in Section 7.2.11.10 of the Code, yielding a maximum FAR of approximately 105,000 square feet. Under the herein proposed Alton Road City Center legislation the maximum FAR is approximately 183,750 square feet. While the Applicant has not finalized a development program pending adoption of this legislation, the Applicant anticipates to deliver approximately 184 long-term residential units, 85,000 square feet of lifestyle retail and premier office space and 367 parking spaces. Future residents could potentially live, work and shop all within the building.

Consistency with Relevant Code Criteria. This Application is consistent with review criteria for Comprehensive Plan amendments outlined in Sec. 2.4.4.(b) of the Code, for LDR amendments outlined in Sec. 2.4.2.(c) of the Code, and with the City's Sea Level Rise and Resiliency Review criteria outlined in Section 7.1.2.4.a.2. of the Code.

Review Standards for Comprehensive Plan Amendment. Section 2.4.4.(b) of the Code states that a comprehensive plan amendment request shall meet the criteria for compliance in chapter 163 of the Florida Statutes. This Application proposes a limited Comprehensive Plan amendment to the CD-2 land use category in order to afford density and intensity bonuses for qualifying projects within the ACCO area. The existing CD-2 land use category is already compliant with all criteria for future land use elements in Section 163.3177(6) of the Florida Statutes. This limited amendment furthers the goals, policies, objectives and principles of the Comprehensive Plan including, but not limited, to the following:

POLICY RLU 1.5.1

To encourage the establishment and continued development and enhancement of unique neighborhoods, the Land Development Regulations may utilize tools including, but not limited to, the establishment of new zoning districts, zoning overlay districts, special off-street parking requirement districts, special landscape requirements, use restrictions, scale limitations, architectural standards, design guidelines, and others as may be appropriate.

The Application implements this policy by proposing the creation of a new zoning overlay district with specific use restrictions and scale limitations to incentivize the redevelopment of vacant commercial spaces into mixed-use buildings with a substantial non-transient residential component. This kind of redevelopment will help form this area of the City into a distinct and unique neighborhood where residents can work, live and play.

POLICY RLU 2.1.1

Innovative land use development patterns, including mixed uses shall continue to be permitted and encouraged through the provision of LDR incentives such as additional floor area when at least 25% of the total area of a building is residential or hotel as identified in specific future land use categories, and/or shared parking for mixed uses (commercial/office/residential).

The Application implements this policy by offering a floor area bonus when 50% of the gross floor area of new construction is dedicated to non-transient residential uses. Additionally, parking relaxations for mixed-use buildings are proposed.

POLICY RLU 2.1.4

Mixed use developments will continue to be encouraged in all areas designated as commercial/residential and MXE by creating districts in the land development regulations

which are consistent with s.163.3202, F.S. and which will permit combined hotel, residential and commercial developments in accordance with Objective 1 of this Future Land Use Element.

The Application implements this policy by creating a zoning overlay district that provides development incentives only for mixed-use developments. In order to obtain the development incentives, projects need to dedicate at least 50% of their new construction gross floor area to non-transient residential uses and are required to activate the ground floor with retail, restaurant, personal service or similar uses.

"PRINCIPLE 4: PRIORITIZING ALTERNATIVE MODES OF TRANSIT - The City shall encourage redevelopment that supports the City's efforts to promote a multi-modal transportation network."

The Application enables development of a significant mixed-use project along Alton Road and near Lincoln Road, which are two major commercial corridors in the City that are well served by transit. There is existing transit infrastructure in this area—the Miami Beach Trolley and multiple MetroBus routes run along Alton Road. Further, projects must comply with certain micromobility requirements in order to obtain the ACCO's incentives.

"GOAL HE 2: NEIGHBORHOOD SUSTAINABILITY - Establish and maintain an energy efficient housing stock that is resilient to a changing climate while maintaining a strong neighborhood and cultural identity."

The Application implements this policy by incentivizing redevelopment of mixed-use projects which comply with the recently adopted Resiliency standards in the Code. These would replace low profile commercial structures that have outlived their useful lives and were not constructed with resiliency in mind. Further, the development of non-transient residential uses within the ACCO area will strengthen the neighborhood by creating a permanent community that will support existing and forthcoming businesses and potentially reduce traffic with residents commuting to work by walking or via transit.

Review Standards for LDR Amendments. The Application is consistent with the criteria in Sec. 2.4.2.(c) as follows:

- 1. Whether the proposed change is consistent and compatible with the comprehensive plan and any applicable neighborhood or redevelopment plans.**

This Application proposes companion changes to the comprehensive plan to allow for the proposed density and intensity incentives. Therefore this LDR amendment will be consistent with the comprehensive plan.

2. Whether the proposed change would create an isolated district unrelated to adjacent or nearby districts.

The ACCO does not create an isolated district unrelated to adjacent or nearby districts. As discussed in detail above, ACCO applies to an important City block that serves to connect Sunset Harbour with the City Center area. It is properly considered part of the City's urban core which should be developed with mixed-use buildings that prioritize non-transient residential uses. Nearby properties are zoned CD-2, CD-3 or RM-2, which for the most part allow similar mixed-use development.

3. Whether the change suggested is out of scale with the needs of the neighborhood or the city.

The ACCO is proposed as a direct response to the City's stated need for increased accessibly priced high-quality housing. The incentives therein are necessary to realize mixed-use developments that are consistent with the needs and scale of the neighborhood. These new developments will activate the Alton Road corridor with uses that serve the community and enhance walkability and connectivity to Sunset Harbour and Lincoln Road and the City Center area generally.

4. Whether the proposed change would tax the existing load on public facilities and infrastructure.

The ACCO does not tax the existing loads on public facilities and infrastructure. A traffic impact statement and utilities concurrency analysis demonstrating same was submitted in support of this Application and peer-reviewed by City consultants.

5. Whether existing district boundaries are illogically drawn in relation to existing conditions on the property proposed for change.

The proposed amendment does not modify district boundaries, all subject properties retain their CD-2 zoning. The ACCO is an overlay that applies to a full City block similar to other existing overlays in the City such as the Wolfsonian Arts District Overlay (encompasses half a City block).

6. Whether changed or changing conditions make the passage of the proposed change necessary.

Changing conditions warrant adoption of the ACCO. As discussed, the City has already determined that the decline in population is partially due to the lack of high quality competitively priced housing and has further identified areas within and near the City Center as areas where residential development is desired. Modern planning favors mixed-use development and 15-minute walkable cities. The incentives herein proposed will enable the redevelopment of vacant commercial properties into mixed-use projects that prioritize non-transient residential uses. Market rate residential housing in this area can serve the hundreds of hospitality and health sector employees that work within the City Center area and nearby areas.

7. Whether the proposed change will adversely influence living conditions in the neighborhood.

The proposed overlay will not adversely affect living conditions in the neighborhood. It will enhance the neighborhood by activating underutilized parcels along Alton Road. In fact, having more permanent residents in this area can support existing and new businesses thereby reducing traffic as employees could walk or use transit to commute to places of employment. The long-term residential population will also enhance public safety and stabilize the neighborhood.

8. Whether the proposed change will create or excessively increase traffic congestion beyond the levels of service as set forth in the comprehensive plan or otherwise affect public safety.

The proposed overlay should not create or increase traffic congestion beyond the levels of service as set forth in the comprehensive plan or otherwise affect public safety. A traffic impact statement provided with this Application actually shows a reduction in anticipated trips compared to the previously approved The Alton mixed-use Class A office project. A full traffic study will be provided to the City in connection with any site plan approval application.

9. Whether the proposed change will seriously reduce light and air to adjacent areas.

The proposed height increase will not affect light and air to adjacent areas. Maximum height is limited to portions of the floor plate to ensure sufficient light and air is still available to neighboring properties. Further additional setback requirements, have been incorporated into the overlay regulations to mitigate any potential impacts of the proposed maximum height.

10. Whether the proposed change will adversely affect property values in the adjacent area.

The proposed change will not adversely affect property values in the adjacent areas as adoption of ACCO will enable redevelopment of vacant and boarded low-profile commercial parcels into mixed-use developments that prioritize residential use. It is anticipated that adjacent property values will rise, not decline.

11. Whether the proposed change will be a deterrent to the improvement or development of adjacent property in accordance with existing regulations.

The proposed change will not be a deterrent to the improvement or development of adjacent property. To the contrary, successful redevelopment pursuant to the ACCO can serve as a model for similar legislation that incentivizes the best and highest use of property along Alton Road.

12. Whether there are substantial reasons why the property cannot be used in accordance with existing zoning.

The current FAR, density and height allowances are inadequate for development of mixed-use projects that prioritize market rate non-transient residential rental housing. Without these incentives, development of market rate residential rental housing—which is a use the City favors—is not financially feasible.

13. Whether it is impossible to find other adequate sites in the city for the proposed use in a district already permitting such use.

The ACCO does not amend permitted uses in the CD-2 zoning district.

Sea Level Rise and Resiliency Criteria. The proposed amendment is consistent with the criteria in Section 7.1.2.4.a.2. of the Code, to the extent applicable, as follows:

1. Whether the proposal affects an area that is vulnerable to the impacts of sea level rise, pursuant to adopted projections.

The proposal does not affect areas that are vulnerable to the impacts of sea level rise in the long term.

2. Whether the proposal will increase the resiliency of the city with respect to sea level rise.

The ACCO will enable redevelopment of parcels that do not conform to current FEMA and Florida Building Code standards into new development will comply with the City Code's resiliency standards and all other state and federal requirements therefore increasing the resiliency of the City.

3. Whether the proposal is compatible with the city's sea level rise mitigation and resiliency efforts

Again, the ACCO will enable development of parcels that do not conform with current requirements into new development will comply with the City Code's resiliency standards and all other state and federal requirements therefore increasing the resiliency of the City.

Conclusion. The Alton City Center Overlay will enable development of mixed-use project(s) which could include over 200 new residential rental units within walking distance to the City's largest employment and transportation hubs. The proposed legislation will make this part of the City more walkable, which, in turn, can reduce traffic congestion and improve residents' safety and quality of life. The proposal is consistent with the Goals, Policies and Objectives in the City's Comprehensive Plan and with the criteria for Land Development Regulation amendments. We look forward to discussing this proposal with you further.

Sincerely,

AKERMAN, LLP



Neisen O. Kasdin

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