

1691 Michigan Avenue

Proposed Amendments to Ground Lease

City of Miami Beach Planning Board

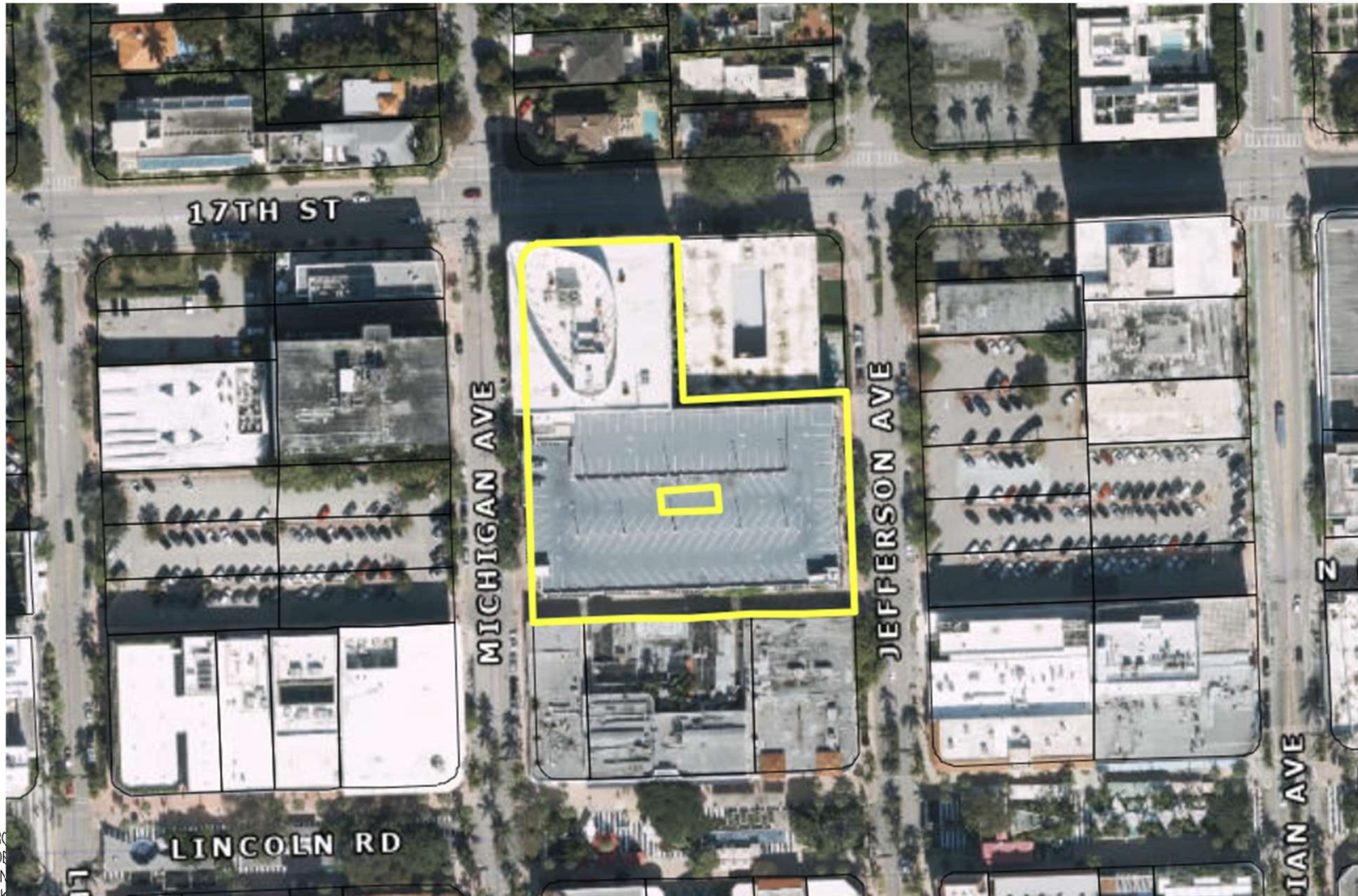
May 5, 2026



BERCOW RADELL FERNANDEZ LARKIN + TAPANES

ZONING, LAND USE AND ENVIRONMENTAL LAW

Aerial



Background – Public-Private Partnership

AGREEMENT OF LEASE

between

CITY OF MIAMI BEACH, FLORIDA
(Owner)

and

LINCOLN PLAZA PARTNERS, LLC
(Tenant)

Dated as of September 1, 1999

LINCOLN PLAZA PROJECT

(b) **Scope of Use.** In accordance with Tenant's obligations to meet and comply with the maintenance and operating standards set forth in Article 14 and other provisions of this Lease, Tenant shall, from and after the Project Opening Date, operate the Premises as an office, retail and commercial (excluding any apartments, hotels, apartment hotels or residential uses) project and parking garage containing not less than seven hundred (700) parking spaces. The number of parking spaces required by the Land Development Regulations for the uses within the Premises shall be available to Tenant to sublease or license to its subtenants; provided, however, that the remainder of the parking spaces in the Garage (but in no event less than one hundred (100) parking spaces) shall be available for use by members of the general public at all times and all of the spaces in the Garage shall be available for use by members of the general public during non-office hours to the extent not used by subtenants. Furthermore, Tenant shall provide not less than fifty (50) parking spaces for

Development Program



6 levels – retail/office/general commercial
~164,000 SF floor area (2.13 FAR)

7 levels of parking
712 parking spaces

Rivani Takeover & Turnaround of Underperforming City Asset

- Without acquisition: projected 76.5% decrease in contracted lease revenues by 2029
- Larger tenants vacating the building
- Initial (Phase 1) investment of \$50 million to reposition building and attract high-profile tenant roster

| Press Releases

RIVANI Miami Beach Surpasses 80% Leased Ahead of Opening

Flagship Class X by RIVANI Concept Drives New Era of Revitalization for the Lincoln Road Corridor as a Global Live-Work-Play Destination



Monarch 



THE *h.wood* GROUP



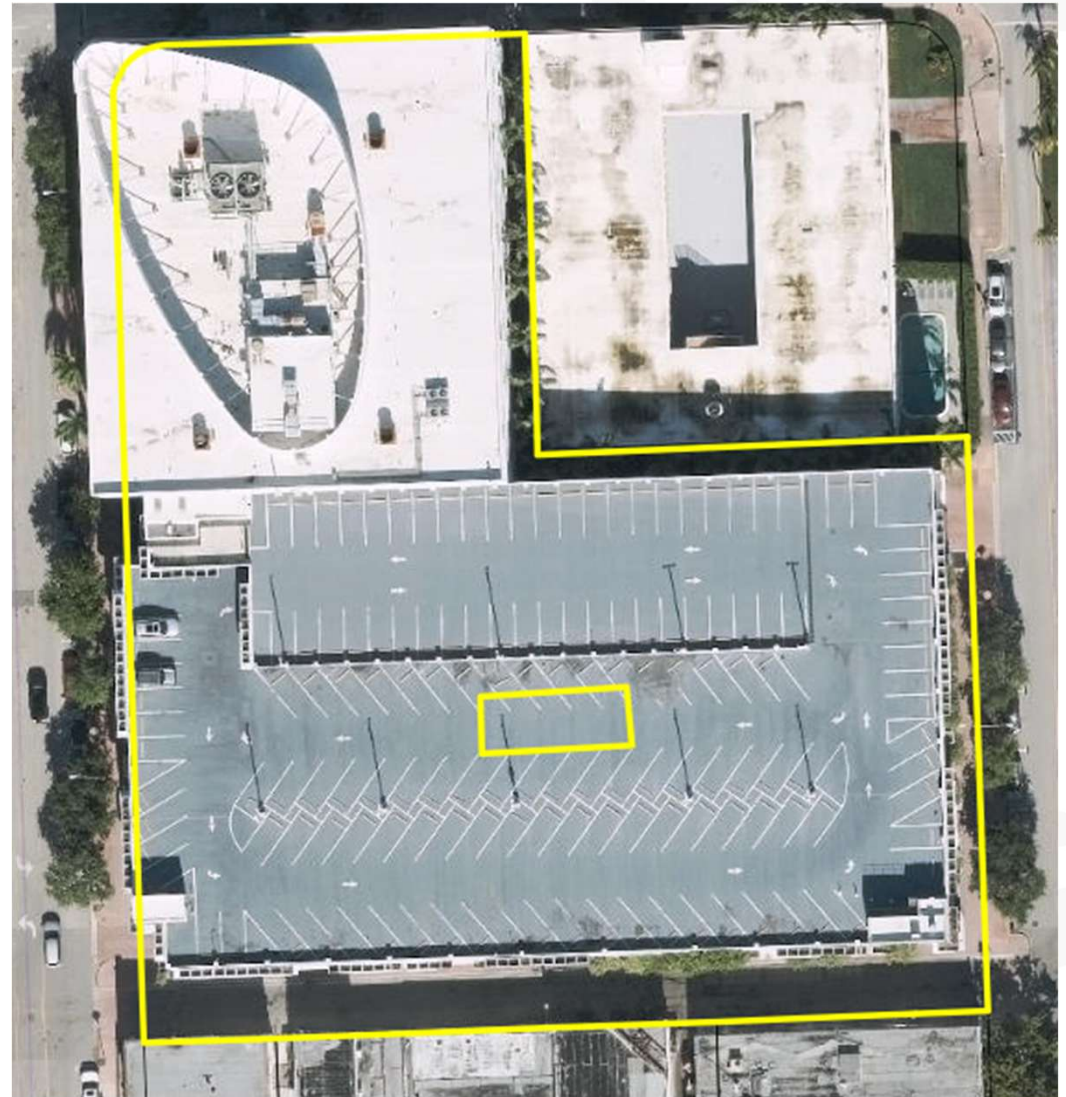
Phase 1 Improvements

- **September 2024:** Façade modifications approved by DRB
- **October 2024:** Addition of h.wood Group speakeasy approved by BOA
- **November 2024:** Addition of valet area approved by DRB
- **In process:** Construction of renovations



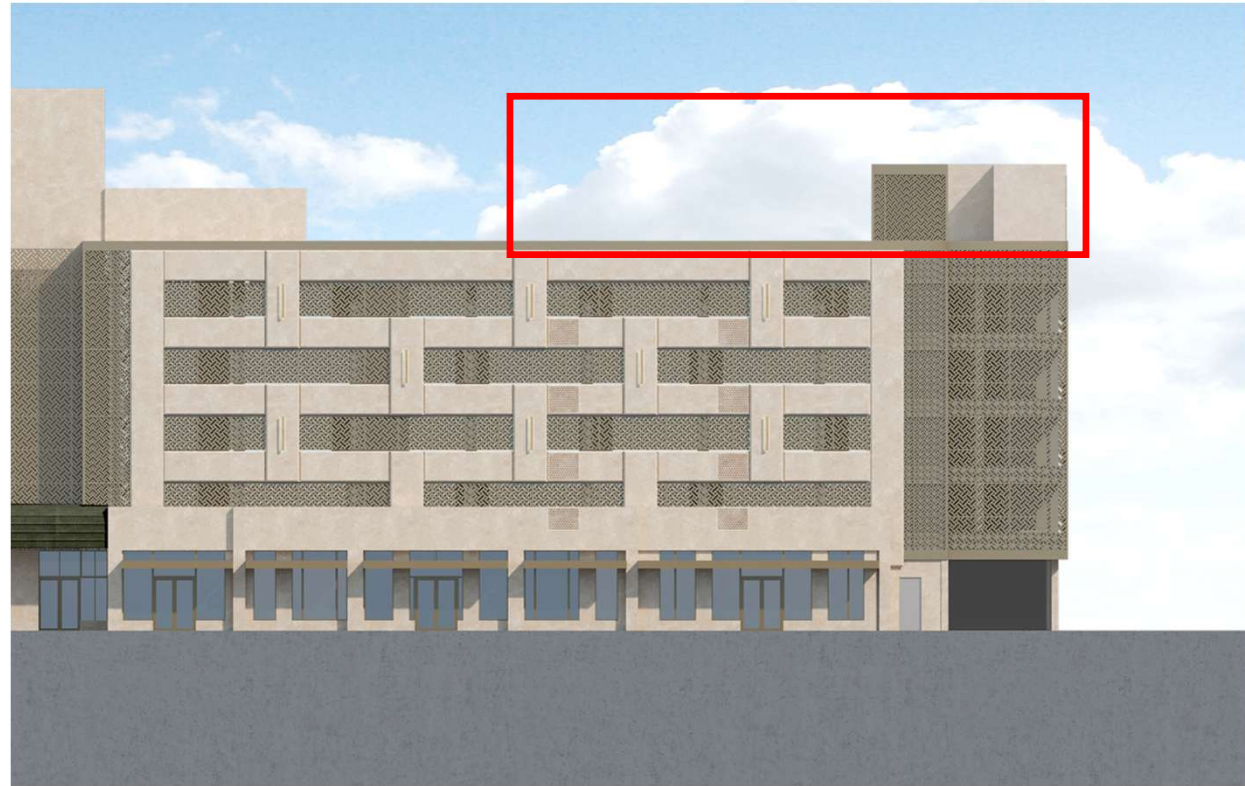
Existing Parking Garage is Underutilized

- 630 parking spaces available to public
- Only 5% average transient occupancy



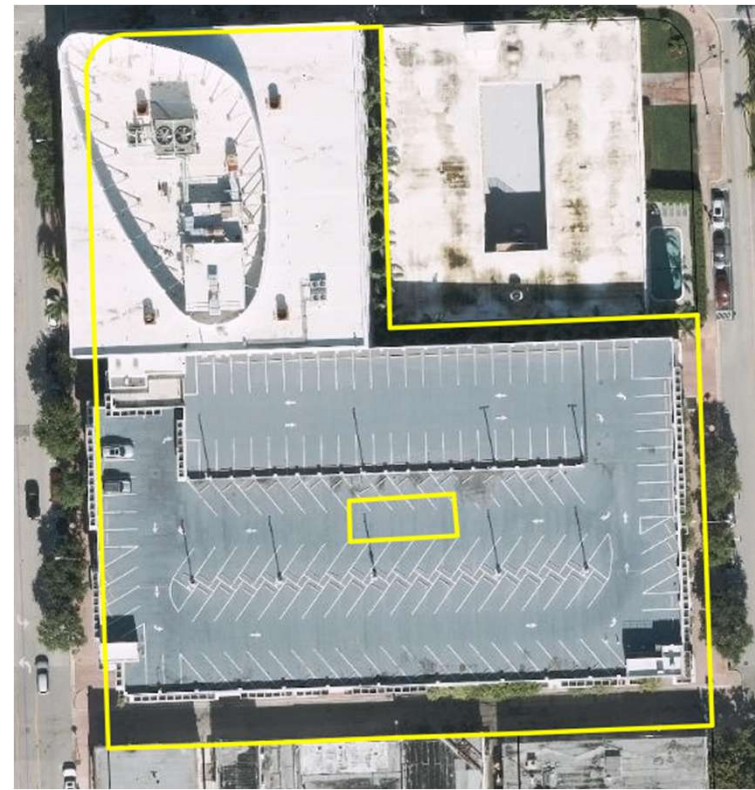
Floor Area Available for Addition

- Approximately **47,000 s.f.** of floor area available
- Maximum height of garage structure is **100 feet**
- Approximately 387 parking spaces in excess of requirements for existing uses



Proposed Phase 2 Improvements

- Additional \$50 million investment
- Additional 36,000 s.f. leasable office floor area and 6,000 s.f. rooftop restaurant
- Rooftop padel courts



Rooftop - Existing Condition







Proposed Development Program and Parking Analysis

- ~36,000 SF of additional office/commercial space
- ~6,000 SF of future restaurant
- Reduction in Parking: -191 spaces on Levels 6 and 7
- Minimum 100 public parking spaces maintained AND at least 37 excess spaces

Total Existing Spaces	712
Required Office (90,000 SF)	-225 spaces
Required Public Parking	-100 spaces
Required Parking for Addition (42,000 SF)	-100 spaces
Reduction of Spaces for Addition	-250 spaces*
Remaining Surplus	37 spaces

*Includes 191 spaces on levels 6 and 7 and maximum of 59 additional spaces to be impacted by project



Projected Rental Revenue Increase to the City (30-year Outlook – through 2057)

As Purchased	\$ 28MM
New RIVANI Phase I and Phase II	\$ 54MM
Total New Income by RIVANI	\$ Approx. +26MM

Proposed Amendments

Lease Section	Amendments Proposed
Section 2.1(a) – Demise of Land for Term	Extend term by 40 years with two additional 20-year - extends maximum lease term from 2092 to 2132
Section 3.2(d) – Adjustments to Base Rent	Base rent increases to \$500,000 per month 12 months after obtaining CO for Phase 2 Improvements.
Section 3.2(e) – Appraisal Adjustment to Base Rent	Place a 20% cap on first two base rent increases in fair market rent appraisal process; 33% cap on subsequent appraisal adjustments
Section 3.3(a) – Percentage Rent	Percentage rent increases from 2.5% to 3% of building revenues 12 months after obtaining CO for Phase 2.
Section 6.1(b) – Scope of Use	Reduce total number of required parking spaces from 700 to 425 Keep requirement to maintain at least 100 spaces for public and 50 monthly passes
Section 14.5(d)(iii) – Submission and Review of Alterations	Allow City Manager to approve proposed “major alterations” that reduce number of required parking spaces
Exhibit 8.2 – Proposed Permitted Development	Correct scrivener’s error to align Lease with Development Agreement (100’ height)



Proposed Public Benefits - \$1 Million + Annual Recurring Benefits

Public Benefit	Contribution
Lincoln Road streetscape improvements and/or playground	\$600,000
17 th Street Master Plan	\$100,000
Rewards for tipsters for human trafficking crimes when conviction secured	\$100,000
Contribution to make Lincoln Road restaurants satisfy "blue zone" criteria	\$100,000
Senior programs	\$50,000
Sister Cities Program (Lincoln Road Sister Cities Event)	\$50,000
TOTAL (cash contributions)	\$1,000,000.00
Provision of 110 workforce parking passes	~\$300,000 annual value
Install EV charging spaces in publicly accessible garage spaces	
Monthly/quarterly activations for small businesses, young entrepreneurs, seniors	
TOTAL VALUE	\$1,000,000.00 cash contributions + \$300,000.00 annual value (parking passes)



Lincoln Road and Alton Road: Documented Spillover Activity

Visit Pattern

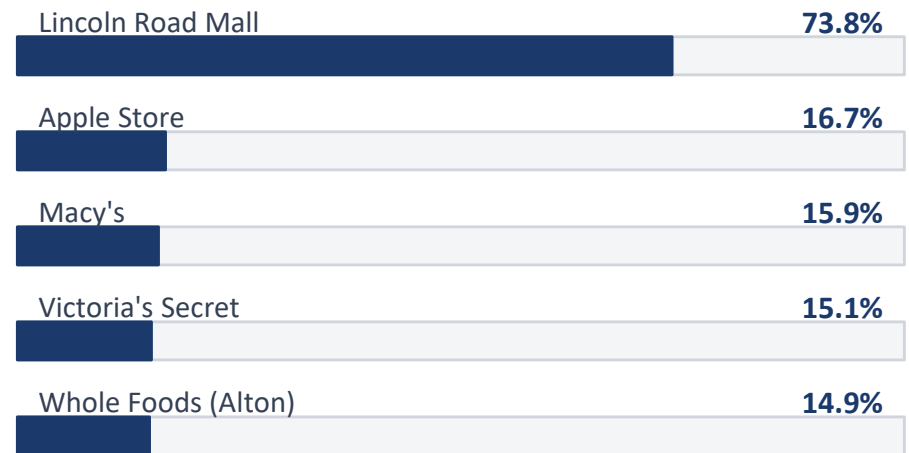
- Weekday visits run approximately 50% higher than weekends, consistent with an active employment center
- More than half of all tracked visits exceed 30 minutes; over a quarter exceed 150 minutes
- The building's population is predominantly tenants, employees, and regular clients, not pass-through traffic

Where Visitors Go After Leaving (Same-Trip)

- Apple Store: 13.1% of building visitors, the most frequent post-visit destination
- Lincoln Road dining: Playa Miami, Cantinetta, La Cerveceria de Barrio, Taverna
- Lincoln Road retail: Victoria's Secret, Forever 21, H&M, AllSaints
- Alton Road: Whole Foods Market, McDonald's

Habitual Destinations (Favorite Places)

Where the building's visitor population regularly shops and dines:



% of building's visitors who regularly frequent each location (Placer.ai Favorite Places, Mar 2025 - Feb 2026)

Phase 2 adds approximately 259 net new direct employees to this daytime population. The proposed rooftop restaurant extends activation beyond office hours, adding an independent evening destination that draws new visitors into the Lincoln Road catchment area.

Thank You

200 S. Biscayne Boulevard
Suite 300, Miami, FL 33131

www.brzoninglaw.com

305.374.5300 office

305.377.6222 fax

Info@brzoninglaw.com

Economic Impact at Full Build-Out

Phase 1 (Repositioned Building) + Phase 2 (Amendment)

1,114

Permanent Jobs Supported

Direct, indirect and induced

\$143.4M

Annual Economic Output

All tenants, fully built-out

**522 Jobs
\$53.3M Output**

Construction Jobs / Output

One-time build-out, both phases

Phase 1 — Repositioned Building (Existing)

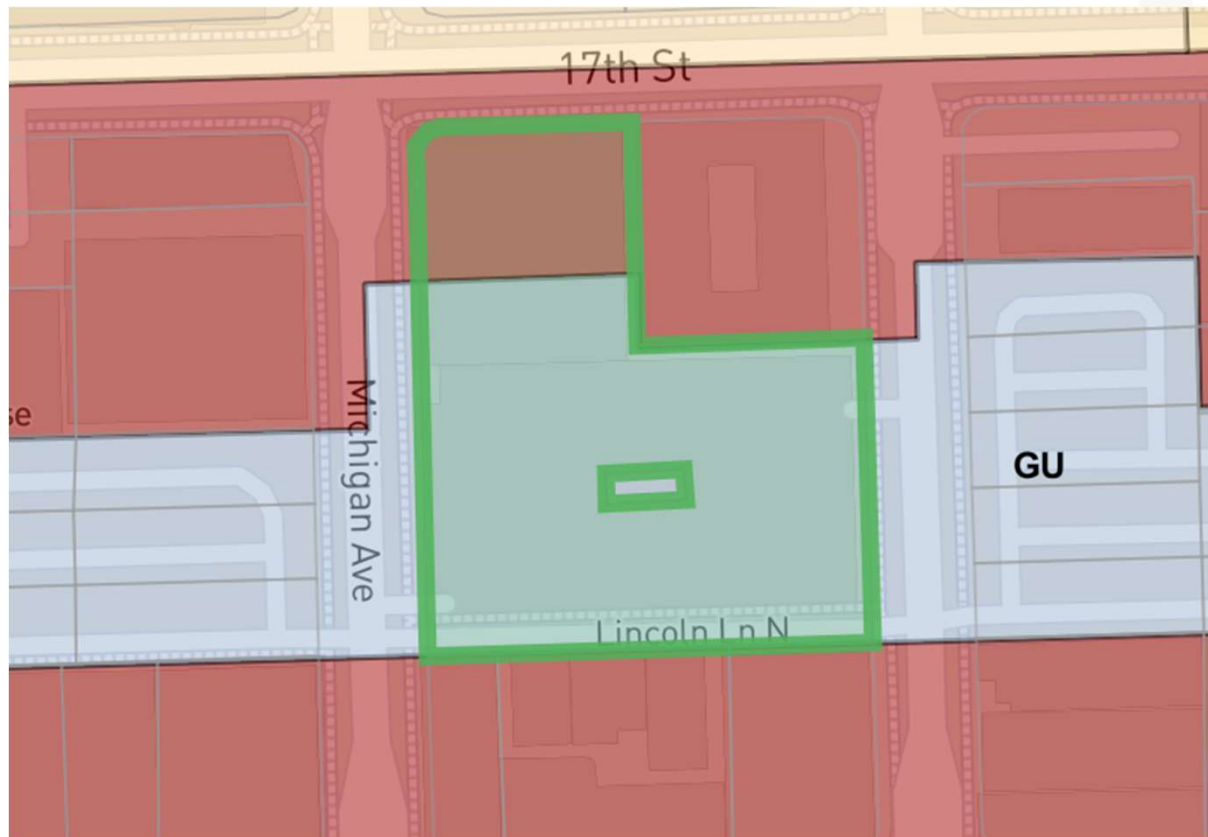
Jobs Supported	845
Annual Economic Output	\$110.2M
Annual Earnings	\$52.7M

Phase 2 — Amendment Addition (New)

Additional Jobs	269
Additional Annual Output	\$33.2M
Additional Annual Earnings	\$14.7M

Source: BusinessFlare® economic impact analysis using Lightcast/IMPLAN input-output modeling, Miami-Dade County.

Zoning – GU and CD-3



Transient Parking Study

RIVANI

1691 Michigan Avenue
Miami Beach, FL 33139

Transient Parking Study

PERIOD: January 2024 to December 2025

Parking Space Availability		Rolling 24-Month Summary	
Total Parking Spaces	709	Total Transient Revenue (24 Months)	\$506,286
Less Reserved Spaces	79	Average Monthly Transient Revenue	\$21,095
Total Available Parking Spaces	630	Average Ticket Assumption	\$22
		Average Monthly Transient Vehicles	959
		Average Daily Transient Vehicles	32
		Average Transient Occupancy	5.0%

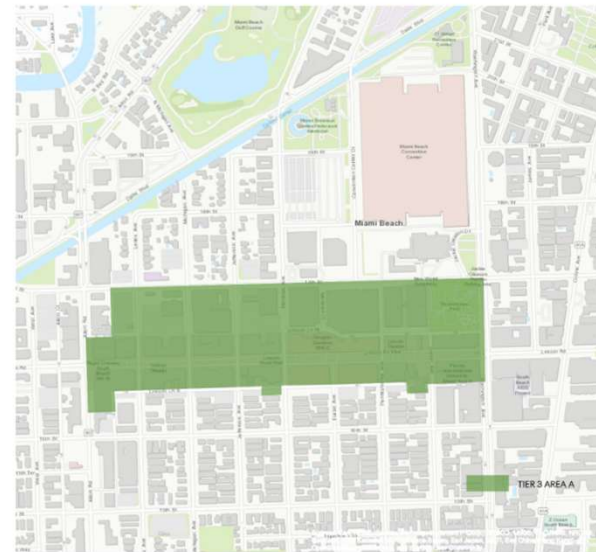
Previously Approved Changes to City Parking Requirements

Parking Tier 3a

- Eliminates parking requirements for retail and most commercial uses
- Office required 1 space per 400 SF
- Development on city-owned land approved under a development agreement required to provide public parking not to exceed 200% of the otherwise required parking

a. Off-street parking requirements for Tier 3 areas a, b and c.

1. Tier 3 area a includes those properties with a lot line on Lincoln Road from the west side of Washington Avenue to the east side of Alton Road and those properties north of Lincoln Road and south of 17th Street from the west side of Washington Avenue to the east side of Lenox Court, as depicted in the map below:



Available Floor Area

Maximum Permitted Floor Area

- Lot size: 76,500 SF x 2.75 FAR = **210,375 SF**

Code Edition	FAR (square feet)
Floor Area Ratio per 2001 Code	2.75 FAR (210,292 square feet)
Floor Area Ratio per 2026 Code	1.61 FAR (163,122 square feet)

47,253 square feet of available floor area



Available Parking

Existing Parking Levels 2 – 6: **712 spaces**

Use (SF)	Parking Requirement
Office (~90,000 SF)	225 spaces
Retail/Restaurant/Speakeasy/Gym (~73,000 SF)	0 spaces
Minimum public parking required per Lease	100 spaces
Total	325 spaces

387 surplus spaces

Parking Requirements at time of Development (2001)

AREAS:					PARKING SPACES PROVIDED		
FAR AREAS	OFFICE	RETAIL	PARKING	TOTAL FAR	LOADING	HANDICAPPED	REGULAR
GROUND FLOOR (L1)	5,001 SF	37,401 SF	1,660 SF	44,062 SF	9	6	5
LEVEL 2	22,544 SF	-	1,358 SF	23,902 SF	-	2	88
LEVEL 3	22,578 SF	-	757 SF	23,335 SF	-	2	141
LEVEL 4	22,608 SF	-	757 SF	23,365 SF	-	2	142
LEVEL 5	22,714 SF	-	46,622 SF	69,336 SF	-	2	142
LEVEL 6	22,740 SF	2,040 + 335 SF	2,375 SF	25,115 SF	-	2	145
ROOF	1,177 SF	-	-	1,177 SF	-	-	41
SUB-TOTAL	119,374 SF	37,976 SF	53,517 SF	210,292 SF	9	16	704
PARKING REQUIRED	(1 SPACE/400 SF) =299 SP.	(1 SPACE/300 SF) =125 SP.					TOTAL PARKING- 729
TOTAL PARKING REQUIRED 424 SPACES							
TOTAL PARKING PROVIDED 729 SPACES							
COMMERCIAL PARKING 303 SPACES (144 ON ROOF + 152 FAR ACCOUNTABLE ON LEVELS 5 AND 6)							
NOTE: THE TOTAL ACCESSIBLE PARKING SPACES REQUIRED IS 15 BY THE FLORIDA ACCESSIBILITY CODE FOR BUILDING CONSTRUCTION - 4.12 (A) 2% OF THE TOTAL PARKING SPACES, SHALL BE ACCESSIBLE SPACES AND BY 4.12 (B) ONE IN EVERY EIGHT ACCESSIBLE SPACES, SHALL BE 'VAN ACCESSIBLE'							

Why This Project Matters

- 01** Miami Beach has world-class demand for Class A office and a structurally limited supply. This project adds meaningful inventory where new construction is nearly impossible.
- 02** RK Rivani has already proven the model. Divisadero Street Capital, Coldwell Banker Jills Zeder, Monarch Athletic Club, Prime Longevity. Phase 2 is more of what is already working.
- 03** Financial services firms and family offices consistently choose Miami Beach addresses. This building is positioned to capture more of that demand.
- 04** The rooftop restaurant creates a new public destination with views of Miami Beach, generates resort tax revenue, and extends activation beyond office hours.

Fiscal Impact to City of Miami Beach and Taxing Jurisdictions

Revenue Category	Through 2052 (Base Term)	Through 2072 (+1st Option)	Through 2122 (Full Extension)
Phase 1 Ad Valorem (All Jurisdictions)	\$45.1M	\$130.1M	\$1.247B
Phase 1 Ground Lease Revenue	\$24.3M	\$56.5M	\$231.4M
Phase 2 Ad Valorem (Incremental)	\$17.8M	\$55.5M	\$572.7M
Phase 2 Ground Lease Revenue	\$9.5M	\$24.4M	\$130.3M
Resort Tax: City of Miami Beach (2%)	\$3.7M	\$9.3M	\$51.4M
Sales Tax: State of Florida (6%)	\$11.1M	\$27.8M	\$154.3M
Sales Tax: Miami-Dade County (1%)	\$1.9M	\$4.6M	\$25.7M
INCREMENTAL TOTAL (Phase 2 Amendment)	\$44.0M	\$122.2M	\$934.4M

NPV of combined fiscal impact through full lease extension: **approximately \$255 million** (discounted at 3.5%)

Gross nominal projections. Ad valorem grows at 4.5%/yr; revenue at 3.0%/yr for 30 years, 2.0% thereafter. Source: BusinessFlare® fiscal impact model.

Qualitative Economic Development Impact

Miami Beach Class A Office Supply Constraint

Miami Beach is one of the world's most recognized business addresses but has limited Class A inventory. The 2021-2023 wave of financial services and corporate relocations, including Citadel, Point72, and Blackstone, generated demand for Miami Beach addresses specifically. This expansion adds meaningful supply where new construction is structurally limited.

Proven Tenant Attraction at a High-Value Address

RK Rivani has already demonstrated the ability to attract nationally recognized tenants: Divisadero Street Capital (hedge fund), Coldwell Banker Jills Zeder Group (#1 luxury real estate team nationally), Monarch Athletic Club, Prime Longevity, The Agatston Center, and h.Wood Speakeasy. Phase 2 extends a model that is already performing.

South Florida Corporate Headquarters Trend

Financial services firms, family offices, and investment managers have shown a consistent preference for Miami Beach addresses. The building's Class A finishes, structured parking, and mixed-use tenant community create a value proposition that is difficult to replicate. Phase 2 adds capacity to accommodate additional firms in this category.

Mixed-Use Activation and Civic Amenity

The combination of finance, luxury real estate, longevity medicine, wellness, and food and beverage creates cross-sector interaction that single-use office buildings cannot replicate. The proposed rooftop restaurant adds a public-facing civic amenity, a premium destination with views of Miami Beach, while generating resort tax revenue directly benefiting the City.

The Building's Visitors Already Shop Lincoln Road

73.8%

of building visitors

regularly visit Lincoln Road Mall

13.1%

go to the Apple Store

immediately after leaving the building

50%

more weekday visits

than weekends, a true employment center

259+

net new employees

added to this daytime population by Phase 2

Source: Placer.ai foot traffic data, March 2025 - February 2026.