

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Land Use and Sustainability Committee Members

FROM: Eric Carpenter, City Manager

DATE: November 25, 2024

TITLE: DISCUSS INCENTIVES FOR PROPERTY OWNERS TO RESTORE/REHABILITATE HISTORIC RESIDENTIAL APARTMENT BUILDINGS IN THE FLAMINGO PARK NEIGHBORHOOD.

RECOMMENDATION

The Administration recommends that the Land Use and Sustainability Committee (LUSC) endorse the recommendations identified in the summary herein, and send a favorable recommendation to the City Commission for policy direction.

BACKGROUND/HISTORY

On September 11, 2024, at the request of Commissioner Laura Dominguez, the Mayor and City Commission (City Commission) referred a discussion item (C4 Q) to the LUSC and the Ad Hoc Historic Preservation Ordinance Review Committee, regarding incentives for property owners to restore/rehabilitate historic residential rental apartment buildings in the Flamingo Park Neighborhood.

ANALYSIS

As noted in the attached referral memo, the item sponsor has requested the following:

1. The LUSC consider potential incentives to encourage owners of rental apartment buildings to fully renovate their buildings within the Flamingo Park Neighborhood, including structural improvements, full window and door replacement, roof replacement and mechanical improvements.
2. The Administration explore waivers of City fees, assistance with the permitting process, and expedited permit review.

The Flamingo Park Neighborhood is generally bounded by Alton Road on the west, Washington avenue on the east, Lincoln Lane South on the north, and 6th Street on the south. The following is a summary of current procedures and ongoing initiatives that are germane to this item:

Permitting Initiatives

On February 21, 2024, the City Commission established the Ad Hoc Permitting Process Improvement Advisory Committee (Permitting Committee) for a period of one year; the Permitting Committee is scheduled to conclude in early 2025. The purpose of the Permitting Committee is to comprehensively assess and evaluate the City's permitting process and identify recommendations for streamlining the process and improving the customer service experience with the public. The Permitting Committee's final report and recommendations are expected to be transmitted to the City Commission early next year and the recommendations are expected to serve as the basis for improving and expediting the permit review process for all applicants.

Further, all six permitting departments are fully engaged in an ongoing service improvement initiative to enhance the customer experience. This initiative includes training for all staff, service standards for each key role, process improvement, revisiting internal policies, and enhancing communication and access for all customers.

In addition to any future recommendations from the Permitting Committee, the Building Department could provide the following for housing rehabilitation projects in Flamingo Park:

1. A single point of contact for property owners.
2. An expedited building permit review process.

Certificate of Appropriateness Procedures

The renovation of multi-family buildings, including window and door replacement, air-conditioning replacement, interior modifications, roof repair, and other general repairs, are most often reviewed and approved by the Planning Department as part of the regular building permit review process. These types of improvements, in most instances, do not require the review and approval of the Historic Preservation Board.

In the event the scope of work exceeds administrative review thresholds, the Historic Preservation & Architecture Officer serves as a single point of contact for applicants. While a fast-track application process is possible, it would likely require a reduced timeframe for the current thirty (30) day public notice. Any modification to the public notice requirements would require an amendment to the Land Development Regulations of the City Code (LDRs).

Fee Reductions

Florida Statute 553.80 restricts the City's ability to reduce or waive building permit fees. Certain city fees that are currently charged for projects, including Historic Preservation Board application fees, mobility fees, and permit training and technology fees, may be waived. However, these fees typically apply to development projects consisting of new construction and larger additions and are typically not applicable to smaller renovation projects.

Ad Hoc Historic Preservation Ordinance Review Committee Discussion

On September 18, 2024, the Ad Hoc Historic Preservation Ordinance Review Committee (Preservation Committee) discussed the incentives in the referral memorandum to the LUSC. There was consensus that the incentives identified would likely not be sufficient to encourage property owners to undertake any type of substantial building renovation.

The Preservation Committee members recommended that in conjunction with other smaller financial incentives, such as a reduction in permitting fees, the City explore larger financial incentives including an expansion the City's Historic Ad Valorem Tax Exemption program and creating a transfer of development rights (TDR) process. Several Preservation Committee members also expressed concern that major construction could result in the need to vacate tenants and substantially increased rental rates.

SUMMARY

As it pertains to the policy initiatives identified herein, the Administration recommends the following:

1. Endorse a TDR program, where Flamingo Park is identified as a sending district. A separate discussion is currently pending at the LUSC regarding TDR.
2. The City Commission refer a separate discussion to the LUSC regarding an expansion of the City's Historic Ad Valorem Tax Exemption program to include multi-family buildings in Flamingo Park.
3. The City Commission direct the Administration to develop a single point of contact for property

owners submitting permit applications in Flamingo Park.

4. The City Commission direct the Administration to develop an expedited permit review process for property owners submitting permit applications in Flamingo Park.

If there is consensus on these, and any other initiative that may be identified by the LUSC, the proposal can be sent to the full City Commission for policy direction.

FISCAL IMPACT STATEMENT

No Fiscal Impact

Does this Ordinance require a Business Impact Estimate? (FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

N/A

CONCLUSION

The Administration recommends that the LUSC endorse the recommendations identified in the summary herein, and send a favorable recommendation to the City Commission for policy direction.

Applicable Area

South Beach

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

Yes

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Planning

Sponsor(s)

Commissioner Laura Dominguez

Co-sponsor(s)

Condensed Title

Discuss Incentives For Property Owners To Restore/Rehabilitate Historic Residential Apartment Buildings In The Flamingo Park Neighborhood.