

TO: Land Use and Sustainability Committee Members
FROM: Eric Carpenter, City Manager
DATE: February 20, 2025
TITLE: **BARCLAY PROPOSAL – LDR AND COMPREHENSIVE PLAN AMENDMENTS**

RECOMMENDATION

The Administration recommends that the Land Use and Sustainability Committee (LUSC) endorse the proposed amendments to the Land Development Regulations of the City Code (LDRs) and Comprehensive Plan in accordance with the modifications recommended by the Administration herein and transmit a favorable recommendation to the Planning Board.

BACKGROUND/HISTORY

On November 16, 2022, the City Commission authorized Request for Proposal (RFP) 2023-115-KB for the redevelopment of 1940 Park Avenue (the “RFP”). The City received one (1) proposal from The Barclay Partners LLC, now known as 1940 Barclay Partners, LLC (“Developer”). An Evaluation Committee, appointed by the City Manager, scored the proposal 87 out of 100 available points, based on the RFP evaluation criteria.

On September 13, 2023, the City Commission directed separate discussions with the Developer and the Housing Authority of the City of Miami Beach (“Housing Authority”), which did not submit an RFP proposal. In January 2024, the Housing Authority’s Board of Commissioners authorized a partnership with the Developer and a twenty percent (20%) equity interest in the redevelopment project.

On March 22, 2024, the Finance and Economic Resiliency Committee (FERC) recommended awarding the RFP to the Developer, contingent on a minimum \$6 million upfront payment to the City (the “Project”).

On April 3, 2024, via Resolution No. 2024-32977 (item C2 C), the Mayor and City Commission approved the FERC recommendation for award to the Developer, authorized negotiations for a development and ground lease agreement, subject to further review, and referred the Project and any necessary LDR amendments for review by the FERC, the LUSC and the Planning Board, in accordance with the requirements of the City Code.

On September 20, 2024, the FERC transmitted the Developer’s updated proposal dated May 30, 2024 (“Updated Proposal”) to the City Commission with a favorable recommendation, subject to the following:

1. The Developer provides an upfront down payment.
2. The Developer considers setting limits on market-rate unit rents.

ANALYSIS

Proposal

The Developer has drafted the attached amendments to the LDRs and Comprehensive Plan to facilitate construction of a mixed-use housing development, including ground level accessory commercial uses, at 1940 Park Avenue. The property is zoned Government Use (GU), and currently contains the Barclay Plaza Hotel building, which is classified as a contributing building in the Museum Local Historic District and the National Register Miami Beach Architectural District.

The Developer is proposing LDR and Comprehensive Plan amendments including:

- **Zoning Overlay:** Establishing the West Collins Park Overlay.
- **FAR Increase:** From 2.37 to 5.0 (inclusive of performance-based bonuses).
- **Height Increase:** From 75 feet to 135 feet (subject to bonus criteria).
- **Density Increase:** From 100 to 200 units per acre.
- **Additional Modifications:** Adjustments to unit size, setbacks, parking, resiliency, and landscape requirements.

The proposed amendments to the LDRs include the creation of a new overlay, entitled the West Collins Park Overlay, as well as an increase in maximum floor area ratio (FAR) from 2.37 up to 5.0, and an increase in maximum building height from 75 feet to 135 feet. The proposed amendment also includes modifications to minimum setback, unit size, and off-street parking requirements, as well as changes to resiliency and adaptation standards and landscape requirements.

The following is a summary of the FAR and height associated with the proposal:

ZONING	Existing Site	Permitted (GU)	RFP Award	FERC Proposal	Current Proposal
Floor Area (sf)	27,505	82,880	105,146	90,332	131,250
FAR	1.1	2.37	3.46	2.97	5.0*
Total Buildings	1	n/a	2	2	n/a
Height	38 ft	75 ft	132 ft	100 ft	135 ft**
Floors	3	n/a	12	9	n/a

* The base FAR is proposed to be 3.0 with the following additional bonus FAR up to a maximum of 5.0:

1. A bonus of .25 for the retention and restoration of a contributing building;
2. A bonus of .75 for providing at least 20% of the total units as dedicated to workforce housing;
3. A bonus of .50 for providing units that rent or sell at 30% of Area Median Income (AMI); and
4. A bonus of .50 for agreeing in perpetuity that there shall be no short-term rental of any units on the property.

**The base height is proposed to be 75 feet with a bonus of an additional 85 feet if the project satisfies a minimum of three (3) of the proposed FAR bonus provisions above.

Additionally, the proposed overlay includes the following:

1. A reduction in the minimum unit size requirement of apartment units from 550 square feet to 400 square feet.

2. A reduction in required setbacks to be determined by the Historic Preservation Board, including but not limited to pedestal and tower setbacks.
3. The elimination of minimum off-street parking requirement except for required bicycle parking.
4. The elimination of the minimum Resiliency and Adaption Standards provided in Section 7.1.2.2(f).
5. A reduction in the minimum landscape standards provided in Chapter 4 of the Resiliency Code, not to exceed a 25% reduction.

The Developer is also proposing amendments to the Comprehensive Plan to accommodate the Project's increased maximum allowable intensity (FAR) and density. The proposed intensity increase is outlined above, and the proposed density would increase from 100 units per acre (RM-2) to 200 units per acre.

The following is a summary of the residential unit component:

RESIDENTIAL COMPONENT	RFP Award	FERC Proposal	Current Proposal
Total Units	152	129	153
Total Market Rate Units	77 (68%)	92	<i>Unknown</i>
Total Workforce/Affordable Units	36 (32%)	37	<i>Unknown</i>
140% AMI Units	16	0	<i>Unknown</i>
120% AMI Units	0	23	<i>Unknown</i>
30% AMI Units	20	14	<i>Unknown</i>
Total Studios	66 total	77 total	101 total
<ul style="list-style-type: none"> • Market Rate • Workforce/Affordable 	<ul style="list-style-type: none"> • 30 units • 36 units 	<ul style="list-style-type: none"> • 46 units • 31 units 	
Total 1BR	35 total	44 total	50 total
<ul style="list-style-type: none"> • Market Rate • Workforce/Affordable 	<ul style="list-style-type: none"> • 35 units • 0 units 	<ul style="list-style-type: none"> • 38 units • 6 units 	
Total 2BR	12 total	8 total	2 total
<ul style="list-style-type: none"> • Market Rate • Workforce/Affordable 	<ul style="list-style-type: none"> • 12 units • 0 units 	<ul style="list-style-type: none"> • 8 units • 0 units 	

Planning Analysis

The Developer's proposed increase in FAR and maximum building height significantly exceeds the scale, mass and height of contributing buildings in the surrounding neighborhood. In this regard, virtually all the contributing buildings in the immediate area of the Museum Historic District do not exceed three (3) stories. Although there are some limited exceptions, larger structures are generally confined to Washington and James Avenue between 17th and 18th Streets.

Preliminary massing studies (attached), prepared by the Developer, indicate that the Project appears out of scale with the contributing Barclay Hotel building and the surrounding low-scale residential district. The City Commission must weigh the benefits of increasing the inventory of workforce and affordable housing against potential impacts on neighborhood character. As of this

memo's drafting, the Developer has not provided a breakdown of market rate, workforce and/or affordable housing units for the Project.

The Administration is supportive of an appropriate increase in FAR, height and density to retain and restore an important contributing building while expanding non-transient housing options within the City. However, the Developer's current proposal is inconsistent with the established scale, character and context of the Museum Historic District, and far exceeds prior iterations of the Project.

To achieve a more balanced approach, the Administration recommends the following modifications to the proposed LDR and Comprehensive Plan amendments, consistent with the Updated Proposal presented at the September 20, 2024 FERC meeting:

1. **FAR Increase:** Maximum allowable FAR shall increase from 2.37 to 3.0, with an additional 0.50 bonus available for the retention and restoration of a contributing building (as determined by the Historic Preservation Board). This .50 bonus would not apply if a contributing building is substantially demolished. In sum, a maximum FAR of 3.0 - 3.5 is proposed.
2. **Height Increase:** Maximum building height shall increase from 75 feet to 100 feet, without correlation to FAR or any other type of bonus.
3. **Density Increase:** Maximum allowable density shall increase from 100 to 150 units per acre, inclusive of the currently allowed 80% increase for workforce and/or affordable housing units.
4. **Transient Use Restrictions:** The Developer shall voluntarily proffer a covenant prohibiting all transient uses, including, but not limited to short-term rentals. This requirement shall be a standalone condition based on the City's proprietary authority, and not subject to additional bonuses.
5. **Workforce/Affordable Housing Commitment:** A minimum of 30% of total residential units shall be designated as workforce and/or affordable housing in perpetuity.

If implemented effectively, these revised parameters will promote a context-sensitive and balanced development. Accordingly, the Administration recommends modifying the proposed LDR and Comprehensive Plan Amendments in accordance with these recommendations.

Does this Ordinance require a Business Impact Estimate? No
(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 the following:

1. The LUSC endorse the proposed LDR and Comprehensive Plan Amendments, in accordance with the modifications recommended by the Administration herein.
2. The LUSC transmit a favorable recommendation to the Planning Board for further consideration.

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? Yes

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

Department

Planning

Sponsor(s)

Click or tap here to enter text.

Co-sponsor(s)

Click or tap here to enter text.

Condensed Title

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