

R5 AC HOTEL APPROVAL PROCESS

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE MIAMI BEACH RESILIENCY CODE, BY AMENDING CHAPTER 2, ENTITLED "ADMINISTRATION AND REVIEW PROCEDURES," ARTICLE VII, ENTITLED "COMMISSION WARRANT," TO CREATE SECTION 2.7.2, ENTITLED "HOTEL APPROVAL PROCEDURES" AND PROVIDING FOR CODIFICATION, REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.

Applicable Area:

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: December 11, 2024 1:35 p.m. First Reading Public Hearing

TITLE: HOTEL APPROVAL PROCESS
AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE MIAMI BEACH RESILIENCY CODE, BY AMENDING CHAPTER 2, ENTITLED "ADMINISTRATION AND REVIEW PROCEDURES," ARTICLE VII, ENTITLED "COMMISSION WARRANT," TO CREATE SECTION 2.7.2, ENTITLED "HOTEL APPROVAL PROCEDURE," TO REQUIRE THE APPROVAL OF A WARRANT BY THE CITY COMMISSION PRIOR TO THE REVIEW OF A LAND USE BOARD APPLICATION OR BUILDING PERMIT FOR A HOTEL, SUITE HOTEL, APARTMENT HOTEL, OR HOSTEL, SUBJECT TO EXCEPTIONS, AND ESTABLISH PROCEDURAL REQUIREMENTS AND REVIEW CRITERIA; AND PROVIDING FOR CODIFICATION, REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.

RECOMMENDATION

The Administration recommends that the Mayor and City Commission (City Commission) approve the subject ordinance at First Reading and schedule a Second Reading public hearing for February 2025.

BACKGROUND/HISTORY

On December 13, 2023, at the request of Commissioner Joseph Magazine, the City Commission referred a discussion regarding the hotel approval process, pursuant to item R9 G, to the Land Use and Sustainability Committee (LUSC). Commissioners Tanya K. Bhatt, Alex Fernandez and Kristen Rosen Gonzalez were co-sponsors of the item.

On March 5, 2024, the LUSC combined and discussed the item with other hotel related items referred by the City Commission on December 13, 2023 (C4 O and C4 S) and continued the discussion pertaining to the regulation of future hotels to May 1, 2024, with direction to the Administration to explore different options for City Commission approval of future hotels, where permitted. On May 1, 2024, the LUSC deferred the discussion pertaining to the regulation of future hotels to the June 10, 2024 meeting. On June 10, 2024, the LUSC discussed and continued the item to the July 9, 2024 LUSC meeting with direction to draft an ordinance in accordance with the following:

1. City Commission review should occur at the beginning of the approval process.
2. City Commission approval would apply to non-oceanfront and non-waterfront hotel projects, with option 2 in the LUSC memo used as a framework.
3. Commission review criteria should include impacts on residential uses.

On July 9, 2024, the item was deferred to a future date. On September 5, 2024, the LUSC recommended that the proposed draft ordinance be referred to the Planning Board. On October 30, 2024, at the request of Commissioner Joseph Magazine, the Mayor and City Commission

referred the subject ordinance to the Planning Board (item C4 J).

ANALYSIS

Currently, any new hotel development consisting of ground up construction or additions to existing structures, requires the review and approval of the Design Review Board (DRB) or Historic Preservation Board (HPB). In those instances where a separate conditional use permit (CUP) may be required, Planning Board approval is also needed.

The attached draft ordinance establishes a City Commission warrant process for future hotel approvals. The following is a summary of the proposal:

- Approval from the City Commission would be required prior to the review of any Land Use Board application or the approval of any building permit for a hotel project. Hotel developments located on oceanfront properties are exempt and would not require a City Commission Warrant.
- The warrant for hotel use, if applicable, would be granted by resolution of the City Commission, and an affirmative vote of five-sevenths of all members of the City Commission would be required.
- The procedure for granting a warrant for a hotel would require a public hearing that must be noticed in accordance with the notice requirements of the applicable land use board.
- Review criteria for the City Commission to consider in reviewing warrant applications for hotel uses has been established.
- An applicability provision is included, which provides an exception for properties fronting Washington Avenue that have an active land use board application with a hearing file number and where a notice to proceed to public hearing has been issued by the City prior to July 1, 2024.

The Administration has no objection to the proposal, as it is largely ministerial. However, the proposed warrant process would add another layer of review, as part of the overall development review process.

PLANNING BOARD REVIEW

On November 26, 2024, the Planning Board is scheduled to hold a public hearing and transmit the proposed ordinance to the City Commission. The Administration will advise the City Commission on the recommendation of the Planning Board at the Commission meeting.

FISCAL IMPACT STATEMENT

No Fiscal Impact

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

If applicable, the Business Impact Estimate (BIE) was published on:
See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

Not Applicable

CONCLUSION

The Administration recommends that the City Commission approve the subject ordinance at First Reading and schedule a Second Reading public hearing for February 2025.

Applicable Area

Citywide

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 Joseph Magazine

Co-sponsor(s)

Condensed Title

1:35 p.m. 1st Rdg PH, Hotel Approval Process. (Magazine) PL 5/7

Hotel Approval Process

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE MIAMI BEACH RESILIENCY CODE, BY AMENDING CHAPTER 2, ENTITLED "ADMINISTRATION AND REVIEW PROCEDURES," ARTICLE VII, ENTITLED "COMMISSION WARRANT," TO CREATE SECTION 2.7.2, ENTITLED "HOTEL APPROVAL PROCEDURE," TO REQUIRE THE APPROVAL OF A WARRANT BY THE CITY COMMISSION PRIOR TO THE REVIEW OF A LAND USE BOARD APPLICATION OR BUILDING PERMIT FOR A HOTEL, SUITE HOTEL, APARTMENT HOTEL, OR HOSTEL, SUBJECT TO EXCEPTIONS, AND ESTABLISH PROCEDURAL REQUIREMENTS AND REVIEW CRITERIA; AND PROVIDING FOR CODIFICATION, REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, hotels are permitted in a number of zoning districts throughout the City; and

WHEREAS, if not appropriately regulated, hotel development has the potential to adversely impact the availability of existing regulated affordable and workforce housing, city infrastructure, and the quality of life of nearby residents; and

WHEREAS, the City of Miami Beach ("City") recognizes that more thorough review of new hotel projects is necessary to mitigate these potential adverse impacts; and

WHEREAS, on September 5, 2024, the Land Use and Sustainability Committee discussed this proposal and issued a favorable recommendation; and

WHEREAS, the City has the authority to enact laws which promote the public health, safety, general welfare, and morals of its citizens; and

WHEREAS, the amendments set forth below are necessary to accomplish all of the above objectives.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA.

SECTION 1. Chapter 2, entitled "Administration and Review Procedures," Article VII, entitled "Commission Warrant", is hereby amended as follows:

CHAPTER 2. ADMINISTRATION AND REVIEW PROCEDURES

* * *

ARTICLE VII. Commission Warrant

* * *

2.7.2 HOTEL APPROVAL PROCEDURE.

In zoning districts or overlay districts where hotels, suite hotels, apartment hotels, or hostels are permitted, and in accordance with all applicable regulations set forth in such zoning district or overlay district, the City Commission shall first be required to approve a warrant for a hotel, suite hotel, apartment hotel, or hostel use, subject to the following requirements.

- a. *Applicability.* Approval of a warrant from the City Commission shall be required prior to the review of any Land Use Board application or the approval of any building permit for a hotel, suite hotel, apartment hotel or hostel (hereinafter, "hotel") that includes new construction and/or the conversion to transient hotel use of existing floor area that is associated with non-transient use.
- b. *Exemptions.* Notwithstanding Section 7.7.2(a), in a zoning district or overlay district where hotel use is permitted, review under this section shall not be required if the hotel is proposed to be located on an oceanfront property.
- c. *Voting requirement, notice, and procedure.* The warrant may be approved by resolution of the City Commission, and an affirmative vote of five-sevenths of all members of the City Commission shall be required in order to approve the resolution. The City Commission shall be required to hold a quasi-judicial public hearing, subject to the requirements in Section 2.2.4 of the Resiliency Code, and Chapter 2, Article VIII of the City Code. The public hearing by the City Commission shall be (i) held prior to the acceptance of an application to the Planning Board, Design Review Board or Historic Preservation Board, as applicable, and (ii) noticed in accordance with the notice requirements for land development applications before the Planning Board, Design Review Board, or Historic Preservation Board.
- d. *Review criteria.* In reviewing an application for a warrant, the City Commission's decision shall be based upon the following review criteria except as otherwise provided:
 1. Whether the proposed hotel use is consistent and compatible with the comprehensive plan and any applicable neighborhood or redevelopment plans.
 2. Whether the hotel will negatively affect the availability of existing affordable and work force housing. These criteria shall be considered for tracking purposes and to inform future policy discussions of the City Commission but may not serve as a basis for the approval or denial of a warrant application.
 3. Whether the proximity of the proposed hotel to residential uses will create adverse impacts (including noise, traffic, queuing, and deliveries) and how such impacts will be mitigated.
 4. Whether adequate off-street parking and loading spaces will be provided.
 5. The impact of the employees of the hotel development on the demand in the city for housing, public transit, childcare and other social services, taking into consideration the impact of the part-time or seasonal nature of work at the hotel and the hotel employees' classifications.

6. The impact of the hotel on existing infrastructure based on its operational plan including the number of employees, number of guests, and proposed accessory uses.
 7. Whether the applicant will take measures to employ residents of neighborhoods adjoining the hotel development project in order to minimize increased demand for regional transportation and to reduce demand for vehicle trips and vehicle miles traveled.
 8. Whether the applicant will take measures to encourage hotel workers and guests to use public transportation, micromobility, and other non-automotive means of transportation.
 9. Whether the hotel development will support small businesses in the immediate vicinity and whether the applicant will adopt any measures to increase demand for local goods and services.
- e. Appeal. A decision to approve or deny a warrant by the City Commission shall be final, and there shall be no further review thereof except by resort to a court of competent jurisdiction by petition for writ of certiorari.

SECTION 2. REPEALER.

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith be and the same are hereby repealed.

SECTION 3. CODIFICATION.

It is the intention of the City Commission, and it is hereby ordained that the provisions of this ordinance shall become and be made part of the Code of the City of Miami Beach as amended; that the sections of this ordinance may be renumbered or relettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

SECTION 4. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

SECTION 5. APPLICABILITY.

This Ordinance shall not apply to properties fronting Washington Avenue that have an active land use board application with a hearing file number and where a notice to proceed to public hearing has been issued by the City prior to July 1, 2024.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect ten days following adoption.

PASSED AND ADOPTED this _____ day of _____, 2025.

Steven Meiner, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO FORM AND
LANGUAGE AND FOR EXECUTION

City Attorney NK 12/3/2024
Date

First Reading: December 11, 2024
Second Reading: February 3, 2025

Verified by: _____
Thomas R. Mooney, AICP
Planning Director