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Development Site Zoning Analysis

**Richmond Hotel Properties
1757 Collins Avenue
Miami Beach, Florida**



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Executive Summary

This report summarizes the development potential allowed by the applicable zoning regulations for two properties in Miami Beach: 1) the Richmond Hotel at 1757 Collins Avenue; 2) and the Richmond Hotel as an assemblage with the adjacent Raleigh Hotel property at 1775 Collins Avenue. They are adjacent beachfront hotel properties located at the southeast corner of Collins Avenue and 18th Street.

Richmond Hotel Property

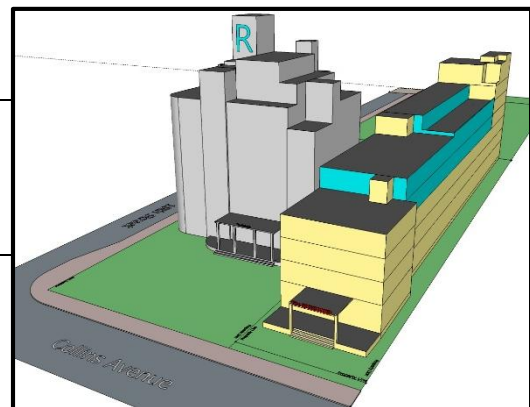
The Richmond Hotel is an Atlantic beachfront property with a contributing structure in the Ocean Drive / Collins Avenue Historic District. It is also within the Miami Beach Architectural District. The existing building was built in 1940 and has subsequent additions to the rear of the building as well as alterations to the front of the building on the mid-fifties. It is a viable business as an ongoing hotel use, serving tourists since 1940. The existing hotel, located on a long lot, consists of a 4-story part fronting Collins Avenue, behind which the main part of the building is 3 floors. At the end, a fourth and fifth story provide additional ocean-view rooms, and access to a rooftop deck for the hotel's patrons. A sixth and seventh floor penthouse suite is atop this. The hotel includes a total of 51,590 square feet, on all floors, and includes 92 hotel units. The front part of the first floor includes a lobby and guest services areas; the rear of the building includes a restaurant, lobby area and guest amenities.

The front of the hotel is setback approximately 30', although only 20' is required. The rear of the hotel building is slightly over the Coastal Construction Control Line (CCCL), and would require variances to construct significant structures past this line. Given the constraint of historic district permitting and permitting past the CCCL in the coastal location, the difficulty and cost to incorporate on-site parking on the narrow lot, the following assumptions are made.

- The use of the property continues to be a hotel;
- The four-story front façade and lobby area is contributing and would be renovated or replicated;
- Expansion would be by total structural reconstruction of the non-contributing parts of the building on the same 12,550 sq. ft. floor plate. This is necessary for regulatory reasons, but is also a more practical engineering approach to expansion;
- Initial expansion would be up, by adding additional floors;
- There is no-site parking, and parking demand is met with off-site facilities or payment-in-lieu of parking.

The redevelopment potential is limited by density (150 DU/Ac.) and intensity (FAR=2.00). Using the surplus development rights on the 0.81 acre (surveyed) Richmond property, the expansion summarized below is possible. The illustration shows the expansion in blue, atop the existing footprint of the Richmond Hotel

	Existing	Potential	Increase	
Floor Area (gross s.f.)	51,590	70,320	18,730	36%
Number of Rooms	92	121	29	32%
Number of Floors	7	7	none to total	



Richmond Hotel Property Assembled with the Raleigh Hotel Property

Immediately adjacent to the Richmond Hotel is the Raleigh Hotel. It is also a beachfront property with a contributing structure in the Ocean Drive / Collins Avenue Historic District, and within the Miami Beach Architectural District. The Raleigh building was built in 1940 and has some subsequent modifications. It is also a viable business as an ongoing hotel. It is located on a double lot and is on the corner of Collins Avenue and 18th Street. This location, with far greater visibility for the 8-story building, suggests that it is contributing to the architectural and historic districts on at least 3 sides. Because of this, even though the building is setback about 80 feet in front, and over 120 feet from the CCCL, it would be difficult for the Raleigh to obtain a Certificate of Appropriateness (COA) for a major expansion building or addition.

Currently, the Raleigh is in permitting to add 2-story pavilions seaward of its pool, and small changes to the historic building. Even after the construction of the pavilions, the Raleigh property will have significant surplus intensity and density associated with the land area that is unused.

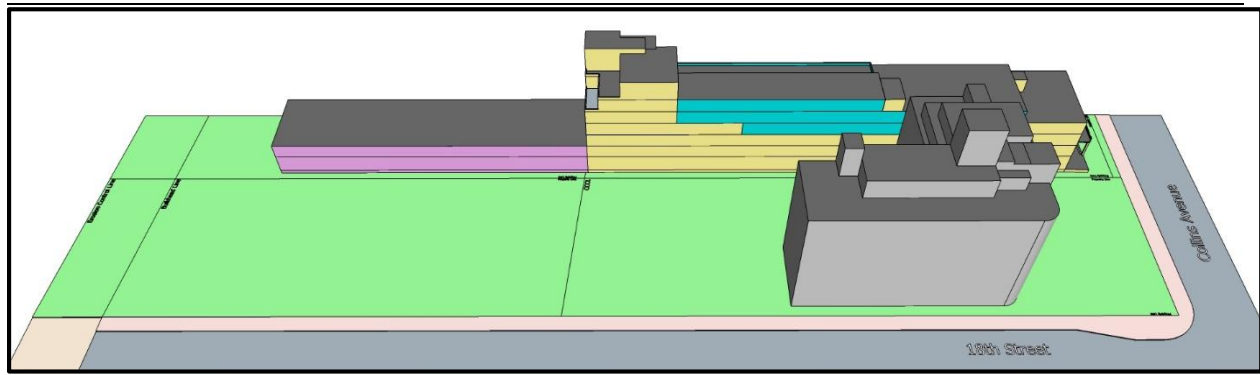
	Allowed	Existing	Pavilions	Total	Unused
Floor Area (gross s.f.)	127,282	65,338	26,184	91,522	35,760
Intensity (FAR)	2.00	1.03	0.41	1.44	0.56
Number of Rooms	219	105	6	111	108
Density (units/acre)	150	71.9	4.1	76	74

The Raleigh property has a surplus capacity of permissible dwelling units and floor area that are difficult for the Raleigh to use on its own property. The concept is to develop some or all of these units on the Richmond site. Development assumptions are the same as for the Richmond property, except:

- Expansion of the Richmond without assemblage already maximized the height of the Richmond. Additional development would have to be located to the rear of the building as an expansion or separate building. Expansion to the pool area would be limited to a height of 2 stories and 25 feet.
- With the possibility of an internal side entrance from the Raleigh driveway, a subterranean level of parking can be located under a reconstructed Richmond building. The long but narrow parking level, not to affect the front façade, could accommodate 65 vehicles with valet operation.

The redevelopment potential is limited by density (150 DU/Ac.) and intensity (FAR=2.00), and by permitted height and setbacks. Using the surplus development rights of the Raleigh, the expansion potential for the Richmond Hotel property is summarized below and illustrated showing the expansion in magenta, in back of the existing Richmond Hotel.

	Existing	Richmond Only Potential	Richmond/Raleigh Potential	Increase	
				<i>from Existing</i>	<i>from Expanded</i>
Floor Area (gross s.f.)	51,590	70,320	87,116	69%	24%
Number of Rooms	92	121	171	86%	41%



Introduction

This report summarizes the development potential allowed by the applicable zoning regulations for the Richmond Hotel property at 1757 Collins Avenue in Miami Beach Florida. In addition to a redevelopment analysis of the hotel as a stand-alone property, an evaluation of redevelopment is also performed for the Richmond Hotel as an assemblage with the adjacent Raleigh Hotel property. There are three possible advantages of the assemblage of abutting properties by unifying ownership and title: 1) that a threshold is reached providing greater development rights; 2) that that full intensity /density allowances can be realized through greater flexibility; and 3) that the development rights of one property, if it is constrained in some way, may be allocated to the added property. In this case, the Raleigh land has surplus capacity of permittable hotel units and floor area that are difficult for the Raleigh to use on its own property. The concept is to develop some or all of these units on the Richmond site.

The results of this analysis are in terms of buildable gross floor area, number of hotel rooms and number of residential units. While directly applicable to the value of the property, this report does not directly provide an investment valuation or real property appraisal.

The property descriptions are based on surveys where available or current public record data; and the zoning requirements are those currently in force in the City of Miami Beach. As a decision input the owner, developer or investor, this analysis provides the maximum practical “as-of-right” development for the property based on zoning and planning regulation. That notwithstanding, as-of-right development for either of these properties, by requirement of their location in the Ocean Drive / Collins Avenue Historic District and the Miami Beach Architectural District require a Certificate of Approval (COA) for any major modification or expansion. The COA is awarded through an administrative and quasi-judicial process before the City’s Historic Preservation Board, and will focus on the need to preserve elements of the property that are deemed to be “contributing” to the historic district.

Because of their location in the Historic District, these properties are also relieved from the necessity to provide all required parking on site, and there are considerable flexibilities for providing parking off-site, and to pay an in-lieu fee to the City for the use of public spaces toward the zoning requirements.

The as-of-right development potential of a property is defined by four concepts that are regulated by the zoning code that are listed below under Paragraphs A through D. The properties analyzed in this report are in historic districts, which create additional process and potential design criteria for redevelopment, which are summarized under Paragraphs E and F.

A. Permitted Uses

Uses or occupations that are allowed on the property without any special permissions, permits, restrictions or other limitations. These are the land uses that are listed in the pertinent sections of the zoning ordinance for the zoning district(s) in which the property is located.

B. Density or Intensity

Given the permitted uses, this provides the absolute maximum quantity of development for either residential or non-residential uses. Residential *Density* is typically limited by the zoning code and municipal comprehensive plan in units of “Dwelling Units per Acre” (DU/Ac.), with the acreage being the net land area of the property (not including the ½-sections of adjacent streets). *Intensity*, applying to both residential and non-residential development is a ratio of developable floor area per net land area. The concepts of density or intensity provide maximum limits of development on a particular property; however, the limits may not be attainable because of other regulatory requirements in the zoning code. The inability to reach the maximum density or intensity because of the necessity to conform other regulations does not constitute hardship for purposes of a variance. It is, therefore, necessary to evaluate the other requirements.

C. Building Shape Envelope

After density and intensity, development is typically further limited by a variety of requirements that define the physical size and shape of the building(s) that can be developed on the property. These requirements may include: building height, setbacks (ground level), step-backs (at higher levels), footprint, permeable/impermeable area, open space, greenspace, easements, and others. Typically, these requirements cause greater restriction to smaller properties, whereas larger properties or assemblages are more likely to be developed at maximum intensity and density.

D. Parking

Sites are further restricted by off-street, on-site parking requirements. Parking requirements vary with both the land uses and the quantity of development for uses. Typically, off-street parking requirements are given as a number of required parking spaces per residential unit type, or as a number of parking spaces per non-residential floor area. Parking stalls and aisles are based on minimum requirements as provided in the zoning ordinance or applicable regulation. The metrics for parking stalls, circulation aisles and access/egress are fixed dimensions that are not directly scalable to development area. Therefore, parking requirements generally have the greatest impact and are likely to define development limits for small properties; however, in the historic districts, it is not a significant limitation other than by development cost.

The City of Miami Beach provides regulatory programs that reduce the demand or the space required for on-site parking:

- Car Sharing: a 4-to-1 reduction for hotel and residential uses that provide car-sharing spaces, but not applicable to these properties which are in Parking District 1 (*Sec. 130-33(c)(1)h., City of Miami Beach Code*)
- Off-Site Parking: Required parking spaces may be located on the same lot with the building, or within a distance not to exceed 500 feet, or 1,200 feet (i) if located in the historic district, or (ii) the parking lot is operated on a valet basis as per section, The distance is measured by a straight line. (*Sec. 130-36, City of Miami Beach Code*)
- Mechanical and Robotic Parking: Mechanical and robotic parking systems are not allowed, except for: 1) commercial parking garages that are open to the public, 2) in main use parking garages that are required to include liner residential or commercial uses; or 3) a commercial main use garage in a local historic district that is used to serve new hotel and hotel accessory uses, provided that the land was vacant as of October 17, 2008. (*Sec. 130-38, City of Miami Beach Code*)
- Fee In Lieu: A fee in lieu of providing parking may be paid to the City in lieu of providing required parking on-site, or within 1,200 feet of the site in the architectural district or otherwise within 500 feet of the site, only in the following instances: 1) new construction of commercial or residential development within the architectural district or a local historic district; 2) when an alteration or rehabilitation within an existing structure results in an increased parking requirement; 3) new construction or additions of 1,000 square feet or less to existing buildings; 4) creation or expansion of an outdoor café; or 5) commercial or residential additions to existing contributing buildings within the Normandy Isles National Register District or the North Shore National Register District if contributing structure is substantially retained, preserved and restored. The fee is currently a one-time payment of \$40,000 per required parking space (*Sec 130-131, and Sec. 130-132, City of Miami Beach Code*)
- Shared Parking: Two or more uses shall be permitted to share the same required off-street parking spaces in a common parking facility on the same lot if the hours or days of peak parking for the uses are so different that a lower total will provide an adequate number of spaces for all uses served by the facility, according to the table in the Section (*Sec. 130-*

221, *City of Miami Beach Code*)

- Tandem and Valet Parking: Commercial parking garages and lots may consist of 100% valet parking spaces, provided that there is a restrictive covenant in residential buildings, and subject to the requirements in the section. (*Sec. 130-251, City of Miami Beach Code*)

Because of the value of the land, their constrained urban setting, and the development potentials, the methods for reducing the building floor area required for parking are practically applicable.

E. *Historic District Contributing Structure Certificate of Appropriateness (COA)*

Any building permits issued for new construction, demolition, alteration, rehabilitation, signage or any other physical modification of any building, structure, improvement, landscape feature, public interior or site individually designated, or located within an historic district requires a Certificate of Appropriateness to be issued by decision of the City's Historic Preservation Board. Alteration or modification are defined as any change affecting the external appearance and internal structural system including columns, beams, load bearing walls and floor plates and roof plates of a structure or other features of the site including but not limited to landscaping and relationship to other structures, by additions, reconstruction, remodeling, or maintenance involving a change in color, form, texture, signage or materials, or any such changes in the appearance of public interior spaces. Article X, City of Miami Beach Code, Sec. 118-561) Section 118-562 of the City of Miami Beach Code provides the application procedure and requirements for the COA. There are two possibilities: 1) modification of the existing structure for re-use, demolition, or substantial demolition of the existing structure. Of interest for the purposes of this analysis, are substantial demolition with a small part of the contributing architecture that faces the public realm to remain. The criteria for demolition are provided in Section 118-564(a) of the City of Miami Beach Code. They are included in Appendix I.

F. *Coastal Location, Coastal Construction Control Line (CCCL)*

The Coastal Construction Control Line (CCCL) program is established for the protection of the built environment and human safety (safety and economic losses that arise in the aftermath of wind, flooding and wave action during severe storm events), and also for the protection of natural coastal systems and wildlife. It is an essential element of Florida's coastal management program, providing protection for Florida's beaches and dunes while assuring reasonable use of private property. The State initiated the Coastal Construction Control Line Program to protect the coastal system from improperly sited and designed structures which can destabilize or destroy the beach and dune system. Once destabilized, the valuable natural resources are lost, as well as recreation space, upland property protection and environmental habitat. Chapter 62B-33, Florida Administrative Code, provides the design and siting requirements that must be met to obtain a coastal construction control line permit. Approval or denial of a permit application is based upon a review of the potential impacts to the beach dune system, adjacent properties, native salt resistant vegetation, and marine turtles.

The CCCL is a line established by the State of Florida pursuant to F.S. § 161.053, and filed in the public records of the County, which defines that portion of the beach dune system subject to severe fluctuations based on a 100-year storm surge, storm waves or other predictable weather conditions. (*Sec. 46-202, City of Miami Beach Code*). For all structures located seaward of the CCCL, the bottom of the lowest horizontal structural member of the lowest floor of all new construction and substantial improvements must be elevated to the 100-year flood elevation established by the Florida Department of Environmental Protection or the base flood elevation, whichever is the higher. (*Sec. 54-51(2)(c), City of Miami Beach Code*)

In addition to safety issues, variances for large construction seaward of the CCCL are often difficult to succeed with because the CCCL creates a de-facto setback line for which sightlines,

view corridors and beach dune shadowing are long established, and a variance process will also seek to protect the compatibility of structures with the established pattern.

ORGANIZATION OF THE REPORT ANALYSIS ASSUMPTIONS

Because there are two development Scenarios in this report, the remainder of the report is divided by these two development scenarios.

- I. Section I is for redevelopment of the Richmond Hotel property as a stand-alone property.**
- II. Section II is for redevelopment of the Richmond Hotel property as it could be if assembled with the Raleigh Hotel property.**

GENERAL ANALYSIS ASSUMPTIONS

As-of-Right Development (AoR)

The zoning analysis in each section provide tabular summaries and mass diagrams of the development potential. This report summarizes the cumulative quantitative impact of each of the regulatory requirements and determines the maximum development on the property.

Development Bonus

Where defined bonus programs are available in the zoning regulations, an analysis is provided of the development potential of the property with the maximum practical utilization of a bonus program. Of particular importance is that utilization of a bonus program does not assure the ability to reach the full extent of the program development benefits because of the necessity to conform other regulations. Where this occurs, it is important to recognize that payments or other participation in a bonus program may; therefore, not yield the full potential of the program and the developer's participation should be scaled accordingly.

For the properties in this report, there are no pertinent bonuses available, other than by variance for density or intensity. The practicality of assuming use variances is beyond the scope of this report.

The City of Miami Beach has a Transfer of Development Rights (TDR) program (*Article V, City of Miami Beach Code*); however, TDR receiver areas are limited only to: the CD-3 zoning district when not located in the architectural district; the C-PS2; and C-PS4 zoning districts. They are not applicable to the subject properties of this report.

Variances

Where development is significantly limited by a single factor not related to use intensity or density, additional analysis is provided for development potentials with certain optional planning and zoning permits such as variances, special exceptions or waivers. The cost or probability of succeeding to obtain these optional permits is not expressly nor implicitly advised.

I. Richmond Hotel



Figure 1: Street-Level View of Property and Existing Development

Property Appraiser Data

Property

Property Address	1757 Collins Avenue Miami Beach, FL 33139
Folio:	02-3234-019-0510
Sub-Division:	Alton Beach, 1 st Subdivision
Full Legal Description	Alton Beach, 1 st Sub; Plat Book 2-77; Lots 8 & 13 & N 5 Ft of Lots 7 & 14 & Riparian Rights Block 28
Lot Location	Interior of block, east side of Collins Avenue, south of 18 th Street
Lot Size	32,670 square feet; 0.75 Acres (DCPA)

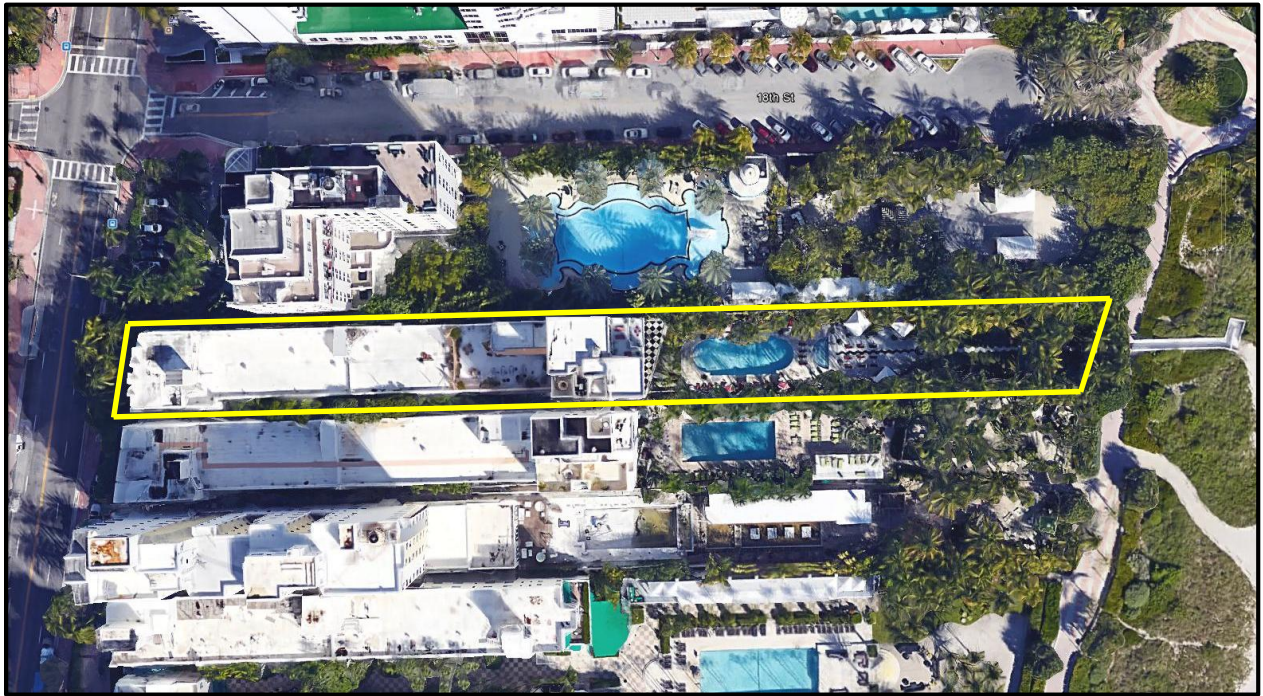


Figure 2: Aerial View of Property Outlined in Yellow

Existing Development

Buildings	None
Floors	6
Living Units	92
Beds / Baths / Half	100
Actual Area	-
Living Area	-
Adjusted Area	51,590
Year Built:	1940

Owner

Owner Wallace Corporation
 Mailing Address: 1757 Collins Avenue Miami Beach, FL 33139

Assessment Information *(current per Dade County Property Appraiser)*

Year	2014	2013	2012
Land Value	\$ 9,506,970	\$ 6,860,700	\$ 8,788,230
Building Value	\$ 1,193,030	\$ 2,000,000	\$ 557,331
Extra Feature Value	\$ 0	\$ 0	\$ 0
Market Value	\$10,700,000	\$ 8,860,700	\$ 9,345,561
Assessed Value	\$ 9,746,770	\$ 8,860,700	\$ 9,345,561
Annual Percent Increase (Mkt)	21%	-5%	



Figure 3: Oblique View from West with Property Highlighted

Zoning (as currently on file with Property Appraiser)

Primary Zone	CZ 4100	Multi Family – 101+ U/A
Primary Land Use	CLUC 3921	Hotel or Motel: Hotel
Community Development District:	None	
Community Redevelopment Area:	Miami Beach City Center	
Empowerment Zone:	None	
Enterprise Zone:	Miami Beach	
Urban Development:	Inside Urban Development Boundary	
City Zoning Code:	RM-3 Multi-Family Residential	

Zoning Regulations and Build-Out Calculations

RM-3 Permitted Uses (as-of-right):

Permitted: single family detached dwelling, townhomes, apartments, apartment-hotels, hotels;
 Conditional: adult congregate living facility, day care facility, nursing home, stand-alone religious institutions, private and public institutions, schools, commercial parking lots and garages, accessory outdoor entertainment establishment, accessory neighborhood impact establishment, and accessory open air entertainment establishments.

Zoning District	RM-3
Historic District	Ocean Drive / Collins Avenue Historic District
Architectural District	Miami Beach Architectural District
Abutting Zones:	
Front	CD-2
Side (Left)	RM-3
Side (Right)	RM-3
Rear	Beach

	Required/Permitted	Property Build Out
Density / Intensity:		
Lot Area:		35,160 s.f.; 0.81 acres
Residential Density:		
RM-3 Land Use	150 DU / Ac.	121 Units
Intensity, Floor Area Ratio (FAR):		
lot equal or less than 45,000 s.f.	2.25	
lot greater than 45,000 s.f.	2.75	
oceanfront lot greater than 45,000 s.f.	3.00	
oceanfront lots in Architectural District	2.00	70,320 s.f.
ocean front lots greater than 100,000 s.f.	3.00	
	+.15 for hotel amenities or lesser of 20,000 s.f.	
Minimum Unit Size:		
New Residential Construction	550 s.f.	
Rehabilitated Residential	400 s.f.	
Hotel Units	15% at 300-335 s.f. 85% at 335+ s.f.	
Contributing Hotel Units	200 s.f.	200 s.f.
Average Unit Size:		
New Residential Construction	800 s.f.	
Rehabilitated Residential	550 s.f.	
Hotel Units	Not Applicable	

	Required	Property Build-Out (AoR)
Building:		
Lot Occupation:		
Lot Area	7,000 s.f. min.	35,160 s.f.
Lot Width	50' min.	56 ft.
Height		
Other than below	150 ft.	
Oceanfront	200 ft.	
Architectural District, New Construction	120 ft.	120 ft.
Architectural District, Additions: (ground floor, attached or detached)	50 ft.	50 ft.
May exceed (Sec 142-246(d) up to existing roofline) Hotel only to expand units, not to add new hotel units Not on front, street side or principal façade plus other conditions		87½ ft.
Stories		
Other than below	16	
Oceanfront	22	
Architectural District, New Construction	13	13
Architectural District, Additions:	5	5
Setbacks		
Front		
Subterranean	20'	
Pedestal	20'	20 ft.
Tower	20'	
At-Grade Parking	20'	
Side Street		
Subterranean	greater of 5' or 5%;	
Pedestal	greater of 7½' or 8%; sum = 16%	
Tower	greater of 7½' or 8%; sum = 16%	
At-Grade Parking	greater of 5' or 5%;	
Side Interior		
Subterranean	greater of 5' or 5%; 0' if width below 50'	
Pedestal	greater of 7½' or 8%; sum = 16%	7½ ft.
Tower	pedestal plus 0.10 of the tower height, max 50'	
At-Grade Parking	greater of 5' or 5%	
Rear – Non Oceanfront		
Subterranean	0 ft.	
Pedestal	10% lot depth	
Tower	15% lot depth	
At-Grade Parking	5 ft.	
Rear - Oceanfront		
Subterranean	50 ft. from bulkhead line	
Pedestal	greater of 20% or 50 ft. from bulkhead line	102 ft.
Tower	greater of 25% or 75 ft. from bulkhead line	
At-Grade Parking	50 ft. from bulkhead line	

Build-out Potential Before Parking Calculations – Completely New Construction

Maximum Number of Hotel Units (density) **121 units**

Maximum Floor Area by FAR **70,320**

Maximum Floor Area by Setbacks & Height

Length* lesser of [average (335',332') - 30']= 303.5

or [average (633',629') - 30' - 120'] = 498.9

Width 55.7' - 7 1/2' - 7 1/2' = 40.7

Foot Print Area (rounded) **12,550**

Number of Floors 5

Total Floor Area by Setbacks and Height **160,576**

Limit of Development lesser of FAR and setbacks/height **70,320 s.f.**

Stories **6**

* Front setback of 30' used instead of 20' – see bullet 6 under development assumptions

Parking	Rate	Required
Parking District	1	
Parking Requirement:		
Apartment Building on lots 50' wide or less	1.5 spaces / DU	
Apartment Building on lots more than 50' wide		
Units between 550 and 999 s.f.	1.50 spaces / DU	
Units between 1,000 and 1,200 s.f.	1.75 spaces / DU	
Units more than 1,200 s.f.	2.00 spaces / DU	
Apartment Guest Parking		
20 units or less	none	
More than 20 units	10% of required	
Auditorium, Ballroom, Meeting Place	1 space / 4 seats	
	1 space / 60 s.f.	
Bar	1 space / 4 seats	
	1 space / 60 s.f.	
Cabana	1 space / cabana	
Café, Beachfront	none	
Café, Outdoor	1 space / 4 seats	
Café, Sidewalk	none	
Dance Hall	1 space / 4 seats	
	1 space / 60 s.f.	
Hotel, Convention		
Less than 250 units	1.00 space / unit	121
205 to 499 units	0.75 space / unit	
500 units or more	0.50 space / unit	
Hotel Accessories		
Retail 900 s.f.	1 space/50s.f.-(7.5s.f./unit)	0
Auditorium, ballroom	1 space/7 seats	
	1 space/105s.f. -(15s.f./unit)	
Restaurant	1 space /7 seats	
	2,000 s.f., 1 space /105s.f. -(15s.f./2unit)	11
Total		132

I. Richmond Hotel Property Development Potential

Development Assumptions

- The existing building is 51,590 square feet, adjusted area per Miami Dade Property Appraiser. The front façade is 4 stories, and approximately 40' deep. Past this point, it is a 3-story structure. At the rear, the existing building raises to 5 stories, then has a 2-story penthouse apartment atop the rear.
- The use of the property will continue to be a hotel use with accessory uses. Significant expansions upward are limited by zoning requirements, the need for a COA, and structural limitations. In the Architectural District, new construction may be built to 13 stories and 120 feet in height; however, ground floor additions, whether attached or detached to the existing structure are limited to 5 stories and 50 feet (Sec. 142-246), except for rooftop appurtenances (Sec 142-1161). The height and stories may be exceeded up to an existing roofline for hotels, and only to expand existing units and cannot add new hotel units. This height exception may not occur on the front, street side, oceanfront elevations or principal façades as determined by the Historic Preservation Board. The height exception shall not reduce established view corridors nor impede the visibility of architecturally significant proportions of an existing structure (Sec 142-246(d)).
- The existing building extends slightly past the CCCL, so there is no realistic possibility of constructing a rearward extension or building more than 2 stories high. A high structure that affects sightlines, view corridors and beach dune shadowing would not be permissible without variances. Notably, the Raleigh is currently permitting 2-story pavilions seaward of the CCCL. Expansions built in the area seaward of the rear building façade up to the west boundary of the dune overlay district (west of the erosion control line, east to the edge of the pool deck if one is present, or the old city bulkhead line) must be no higher than 2 stories or 25 feet (Sec 142-246(e)(3)).
- Redevelopment to expand the hotel would be a full or near-full reconstruction in the same location as the existing building. The first 40' depth of the hotel is renovated or replicated at 4 stories. The 3-story main part of the building may extend to 5 stories, and additional height may be used on a sixth floor, but not for 6th floor rooms. Instead, premium loft suites that do not add additional units could be located on the 6th level with entries at the 5th level corridor. It is not clear in the code if the 6th floor may be used as a spa with access to roof deck. It is a logical alternative, but may require a variance.
- An addition or extension to the rear of the existing building is possible; however, on this narrow lot, it would be built over the pool and garden area and would devalue the hotel. If the structure contains an elevated pool, then net floor area is minimized. The structure would be limited to 25 feet in height and 2 stories.
- The reconstructed building is calculated at a front setback of 30', instead of the required 20' assuming that the existing setback, porch, and porte-cochere would be considered historically contributing elements. The first 40 feet of depth would remain at 4 stories to maintain its historic contribution on Collins Avenue. The expansion is on the existing footprint allowing additional setback of 10' from the side abutting the South Seas Hotel.
- On the first level, a restaurant space of 2,000s.f. approximates the existing hotel program. Retail space of 900s.f is added. This area (907s.f.) is the maximum retail accessory space that adds no parking requirement.

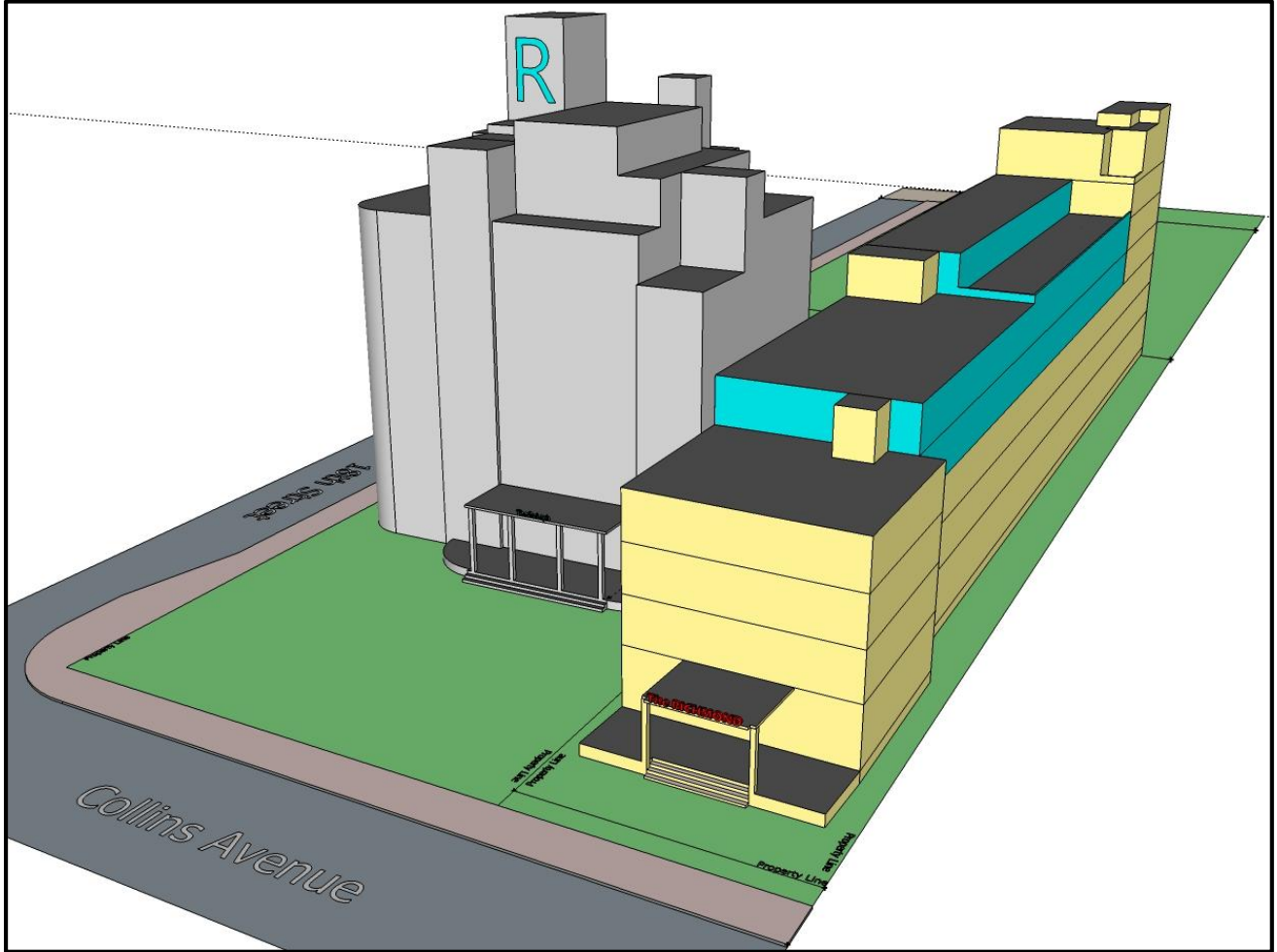
Parking Assumptions

- The hotel currently uses off-site parking at 1832 James Avenue, where 30 marked spaces in a self-park configuration are located.
- At a maximum of 41 feet wide, the building could not efficiently accommodate on-site parking. The most efficient parking format is double-loaded 90-degree parking which requires 58 feet width, not including ramping or wall width. Whether 30, 45, 60, or 90-degree, double loaded parking with a two-way aisle is not possible in this width.
- The most efficient on-site parking would yield a 25 spaces (allowing 40' loss at front for ramp, 40' at back for turn-around, and 10' total for structural columns.) Each spaces would require 510 gross square feet. At a current assessed land value of \$291 per square foot and 5 stories permissible, each space would have a land cost of \$29,682 for above ground, and \$24,735 subterranean.
- Subterranean on-site parking, using 100% valet service and parallel parking on one side, would accommodate about 35 spaces at about \$17,668 land cost per space. If the opportunity cost of the 30-space James Avenue lot is considered, then on-site parking may be a cost effective option. More importantly, convenient partial on-site valet parking is an important amenity. Still, with only 55.7 feet of frontage on Collins, it is unlikely that the driveway could be awarded a COA.
- Given: 1) the land cost per on-site parking space; 2) cost of construction; 3) opportunity cost of not programming a floor more productively; and 4) the cost and low likelihood of obtaining a COA for a driveway entrance into the building's contributing façade; it is more cost effective to pay the \$40,000 City fee in lieu of providing the space on site.
- For the hotel use, a parking fee in lieu of on-site parking will be assumed, with no additional on-site parking. Note that this would not be a marketable approach for luxury condominiums or apartments where there is a market expectation of on-site parking.
- For each of the alternatives, it is assumed that the off-site parking at James Avenue will continue to be used. If James Avenue is developed, the Richmond Hotel payment-in-lieu costs would be increased by \$1,200,000.

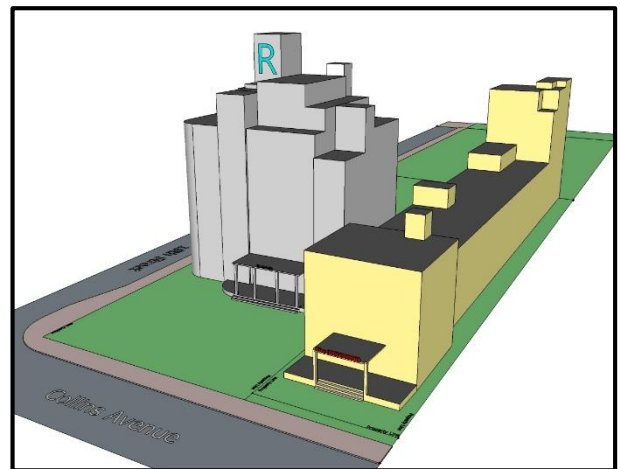
Richmond Hotel Development Alternatives Summary Table

DEVELOPMENT SCENARIO	Existing	Redeveloped	Redeveloped
BUILDING PROGRAM	Existing	5 Floors	6th Floor
Ground Level			
Gross Floor Area	12,550 s.f.	12,550 s.f.	12,550 s.f.
Lobby / Office / BOH	2,000* s.f.	2,000* s.f.	2,000* s.f.
Retail	0	900 s.f.	900 s.f.
Restaurant	2,000* s.f.	2,000* s.f.	2,000* s.f.
Hotel Units	6,000* s.f.	0	0
Guest Amenities	2,550* s.f.	7,650 s.f.	7,650 s.f.
2nd and 3rd Floors	12,550 s.f.	12,550 s.f.	12,550 s.f.
4th Floor	5,900s.f.	12,550 s.f.	12,550 s.f.
5th Floor	3,300 s.f.	12,550 s.f.	12,550 s.f.
6th Floor – Loft Type Hotel Unit	0	0	2,830 s.f.
6th Floor – Relocated Spa for Roof Access	0	2,830 s.f.	0
6th Floor – Penthouse, Existing	3,140 s.f.	3,140 s.f.	3,140 s.f.
7th Floor – Penthouse, Existing	1,600 s.f.	1,600 s.f.	1,600 s.f.
Total Floor Area	51,590 sq. ft.	70,320 s.f..	70,320 s.f..
Floor to Area Ratio (FAR) (lot area by survey)	1.47	2.00	2.00
Total Number of Units	92	121	121
Hotel Units / Floor (average)	30.7	24.2	24.2
Average Area / Unit (using 80% GFA)	270* sq. ft.	332 sq. ft.	351 sq. ft.
Residential Density	114	149	149
Development Limitation	existing	Height	FAR
PARKING			
Total Parking Requirement	104	132	132
On-Site Parking	0	0	0
Off-Site Parking	30	30	30
Pay-In-Lieu of Parking	74	102	102
LAND COST FACTORS			
Appraised Land Value (DCPA Market)	\$9,506,970	\$9,506,970	\$9,506,970
Land Cost per Lot Area (DCPA assessed)	\$291	\$291	\$291
Land Cost per Developable Gross Floor Area	\$184	\$135	\$135
Land Cost per Developable Unit	\$103,337	\$78,570	\$78,570
Pay-In-Lieu Parking Cost	\$2,960,000	\$4,080,000	\$4,080,000
Total of Land and Pay-In-Lieu Parking Cost	\$12,466,970	\$13,586,970	\$13,586,970
Land & Parking Cost per Developable GFA	\$242	\$193	\$190
Land & Parking Cost per Unit	\$135,511	\$112,289	\$110,636

Figure 1
Building Mass Diagram
Richmond Hotel Property Redevelopment Potential
Richmond Property Only
Inset: Existing Development



Existing Richmond Hotel building	yellow
Richmond Hotel additions	blue
Richmond addition from Raleigh	magenta
Raleigh Hotel (existing)	light gray
Lots (private property)	green
Sidewalks in public right-of-way	pink
Street to right-of-way centerline	medium gray
Roof and terrace surfaces	dark gray



II. Richmond Hotel & Raleigh Hotel



Figure 5: Street-Level View of Raleigh Hotel Property Adjacent to Richmond

Property Appraiser Data

Raleigh Hotel Only

Richmond Hotel DCPA Data in prior Section

Property

Property Address	1775 Collins Avenue Miami Beach, FL 33139
Folio:	02-3234-019-0460
Sub-Division:	Alton Beach, 1 st Subdivision
Full Legal Description	Alton Beach, 1 st Sub; Plat Book 2-77; Lots 9to 12 & str of land lying E & between said lots & ocean Block 28
Lot Location	Northwest corner of block, east side of Collins Avenue, south of 18 th St.
Lot Size	60,541 square feet; 1.39 Acres (DCPA)



Figure 6: Aerial View of Raleigh and Richmond Properties Outlined in Yellow

Existing Development

Buildings	None
Floors	8
Living Units	105
Beds / Baths / Half	0
Actual Area	-
Living Area	-
Adjusted Area	63,043
Year Built:	1940

Owner

Owner Elmira Miami, LLC
 Mailing Address: 1133 Broadway New York, NY 10010

Assessment Information (current per Dade County Property Appraiser)

Year	2014	2013	2012
Land Value	\$29,362,385	\$19,675,500	\$16,285,529
Building Value	\$ 10,000	\$ 4,485,500	\$ 2,714,471
Extra Feature Value	\$ 0	\$ 0	\$ 0
Market Value	\$29,372,385	\$24,161,000	\$19,000,000
Assessed Value	\$26,577,100	\$24,161,000	\$16,830,000
Annual Percent Increase (Mkt)	22%	27%	



Figure 7: Oblique View from West with Property Highlighted

Zoning (as currently on file with Property Appraiser)

Primary Zone	CZ 4100	Multi Family – 101+ U/A
Primary Land Use	CLUC 200	Transient-Residential (Hotel-Motel)
Community Development District:	None	
Community Redevelopment Area:	Miami Beach City Center	
Empowerment Zone:	None	
Enterprise Zone:	Miami Beach	
Urban Development:	Inside Urban Development Boundary	
City Zoning Code:	RM-3	Multi-Family Residential

Survey Data

No Survey available: measurements used from DCPA Property description, Richmond survey, and Project Data Sheet for Raleigh Pavilion Site Plan. Measurements in italics extrapolated.

Raleigh Property

Lot Size	63,641 square feet; 1.46 acres	
Lot Shape	trapezoid	
Lot Dimensions:		
Front	Collins Avenue	101.4'
Rear	Atlantic Ocean Beach	<i>101.4'</i>
Left Side	North, along 18 th Street	626.28' to Erosion Control Line 516.66' to Bulkhead Line 337.21' to Coastal Construction Control Line
Right Side	South, abutting Richmond	628.97' to Erosion Control Line 510.40 to Bulkhead Line 332.08' to Coastal Construction Control Line

Richmond Property

Lot Size	35,160 square feet; 0.81 acres	
Lot Shape	trapezoid	
Lot Dimensions:		
Front	Collins Avenue	55.77'
Rear	Atlantic Ocean Beach	55.68'
Left Side	North, abutting Raleigh	632.81' to Erosion Control Line 513.84' to Bulkhead Line 334.90' to Coastal Construction Control Line
Right Side	South, abutting South Seas	628.97' to Erosion Control Line 510.40 to Bulkhead Line 332.08' to Coastal Construction Control Line

Richmond & Raleigh Properties

Lot Size	98,801 square feet; 2.27 acres	
Lot Shape	trapezoid	
Lot Dimensions:		
Front	Collins Avenue	157.17'
Rear	Atlantic Ocean Beach	<i>157.08'</i>
Left Side	North, along 18 th Street	626.28' to Erosion Control Line 516.66' to Bulkhead Line 337.21' to Coastal Construction Control Line
Right Side	South, abutting South Seas	628.97' to Erosion Control Line 510.40 to Bulkhead Line 332.08' to Coastal Construction Control Line

Zoning Regulations and Build-Out Calculations
Richmond & Raleigh Properties Combined

RM-3 Permitted Uses (as-of-right):

Permitted: single family detached dwelling, townhomes, apartments, apartment-hotels, hotels;
 Conditional: adult congregate living facility, day care facility, nursing home, stand-alone religious institutions, private and public institutions, schools, commercial parking lots and garages, accessory outdoor entertainment establishment, accessory neighborhood impact establishment, and accessory open air entertainment establishments.

Zoning District	RM-3
Historic District	Ocean Drive / Collins Avenue Historic District
Architectural District	Miami Beach Architectural District

Abutting Zones:

Front	CD-2
Side (Left)	RM-3, across 18 th Street
Side (Right)	RM-3
Rear	Beach

	Required/Permitted	Property Build Out
Density / Intensity:		
Lot Area:		98,801 s.f.; 2.27 acres
Residential Density:		
RM-3 Land Use	150 DU / Ac.	340 Units
Intensity, Floor Area Ratio (FAR):		
lot equal or less than 45,000 s.f.	2.25	
lot greater than 45,000 s.f.	2.75	
oceanfront lot greater than 45,000 s.f.	3.00	
oceanfront lots in Architectural District	2.00	197,602 s.f.
ocean front lots greater than 100,000 s.f.	3.00	note: lot area under by 708s.f.
	+.15 for hotel amenities or lesser of 20,000 s.f.	
Minimum Unit Size:		
New Residential Construction	550 s.f.	
Rehabilitated Residential	400 s.f.	
Hotel Units	15% at 300-335 s.f. 85% at 335+ s.f.	
Contributing Hotel Units	200 s.f.	200 s.f.
Average Unit Size:		
New Residential Construction	800 s.f.	
Rehabilitated Residential	550 s.f.	
Hotel Units	Not Applicable	

	Required	Property Build-Out (AoR)
Building:		
Lot Occupation:		
Lot Area	7,000 s.f. min.	98,801 s.f.
Lot Width	50' min.	158 ft.
Height		
Other than below	150 ft.	
Oceanfront	200 ft.	
Architectural District, New Construction	120 ft.	120 ft.
Architectural District, Additions: (ground floor, attached or detached)	50 ft.	50 ft.
May exceed (Sec 142-246(d) up to existing roofline Hotel only to expand units, not to add new hotel units Not on front, street side or principal façade plus other conditions		<i>not known</i>
Stories		
Other than below	16	
Oceanfront	22	
Architectural District, New Construction	13	13
Architectural District, Additions:	5	5
Setbacks		
Front		
Subterranean	20'	
Pedestal	20'	20 ft.
Tower	20'	
At-Grade Parking	20'	
Side Street		
Subterranean	greater of 5' or 5%;	
Pedestal	greater of 7½' or 8%; sum = 16%	12.65 ft.
Tower	greater of 7½' or 8%; sum = 16%	
At-Grade Parking	greater of 5' or 5%;	
Side Interior		
Subterranean	greater of 5' or 5%; 0' if width below 50'	
Pedestal	greater of 7½' or 8%; sum = 16%	12.65 ft.
Tower	pedestal plus 0.10 of the tower height, max 50'	
At-Grade Parking	greater of 5' or 5%	
Rear – Non Oceanfront		
Subterranean	0 ft.	
Pedestal	10% lot depth	
Tower	15% lot depth	
At-Grade Parking	5 ft.	
Rear - Oceanfront		
Subterranean	50 ft. from bulkhead line	
Pedestal	greater of 20% or 50 ft. from bulkhead line	102.4 ft.
Tower	greater of 25% or 75 ft. from bulkhead line	
At-Grade Parking	50 ft. from bulkhead line	

II. Redevelopment Potential for Richmond and Raleigh Properties

Development Assumptions

- The Raleigh is contributing on 3 facades: Collins Avenue; 18th Street which is a beach access; and the beach side. While it is underdeveloped in terms of density and intensity, it is very improbable for the Raleigh to receive a COA for a substantial addition on its own property, beyond the presently permitting pavilion structures. Nor is it likely to have significant addition added to the roof.
- Given these constraints, the logical redevelopment scenario with combined properties is to allocate all additional development benefits to the Richmond site to the extent that the Richmond site can accommodate them. The assumptions are generally the same as in for Alternative I, except:
- Expansion of the Richmond without assemblage already maximized the height of the Richmond. Additional development would have to be located to the rear of the building as an expansion or separate building. While this is not a possibility for the Richmond alone, because it would reduce its value by displacing the pool and beach area garden, it is possible if the property is opened up to the Raleigh property and the pool and garden are then used for guests in both buildings.
- An expansion to the pool area would be limited to a height of 2 stories and 25 feet.
- It is assumed that a COA is awarded for full reconstruction of the Richmond as for Alternative I with the addition of the back expansion.
- A maximum of 35,760 s.f. can be sited in this expansion based on FAR for the combined properties and existing plus proposed floor areas.
- Based on setbacks and height restrictions, a rear building expansion could have a footprint of no more than 195-ft. length by 43-ft. width. The footprint of 8,398 s.f. translated to a two story building of 16,796 s.f.
 - 195-ft. length based on starting from existing rear elevation, which is at the CCCL at the center of the property, 333.49 ft. back from the frontage. The rear setback is 102.42 ft. (20% of bulkhead distance) measured from the Erosion Control Line (ECL) which at the centerline of the property is 630.89 feet. This defines a lengthwise distance of 194.98 ft.
 - The 43.07 ft. width is based on the Richmond property width of 55.72, yet with one setback at 12.65 ft. based on the assembled properties (8%); however, the building can sit on the original property line on the inside since the properties are assembled with unity of title, and no setback applies to the former property boundary.
- The table and 3-D diagram further describe this building.

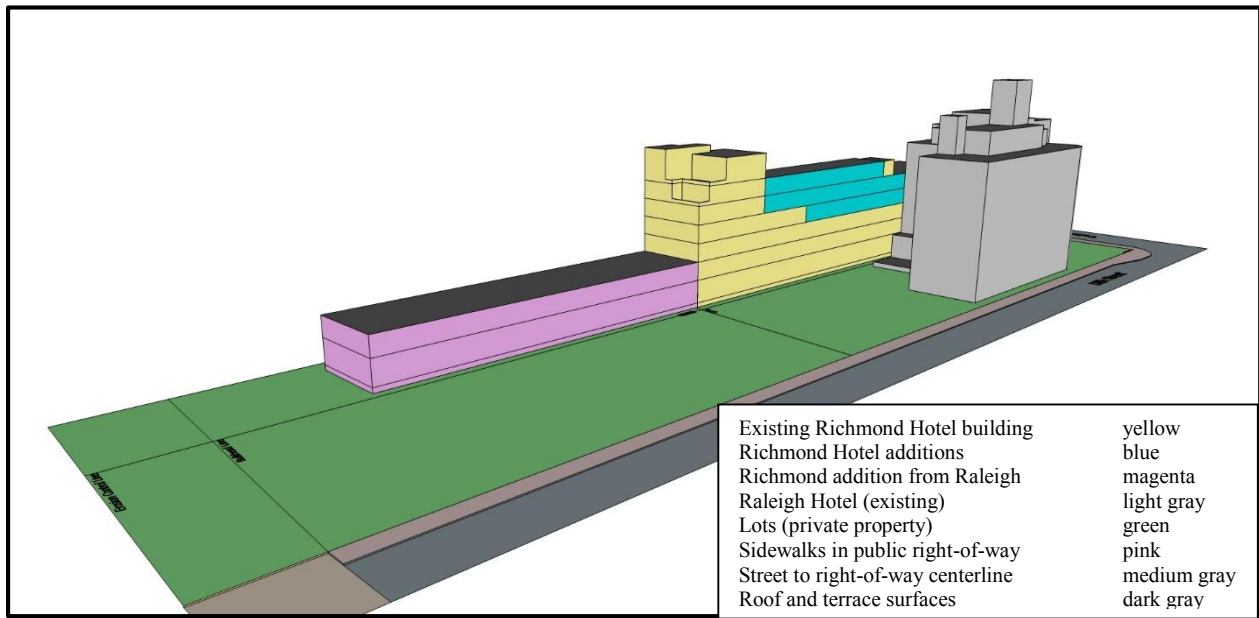
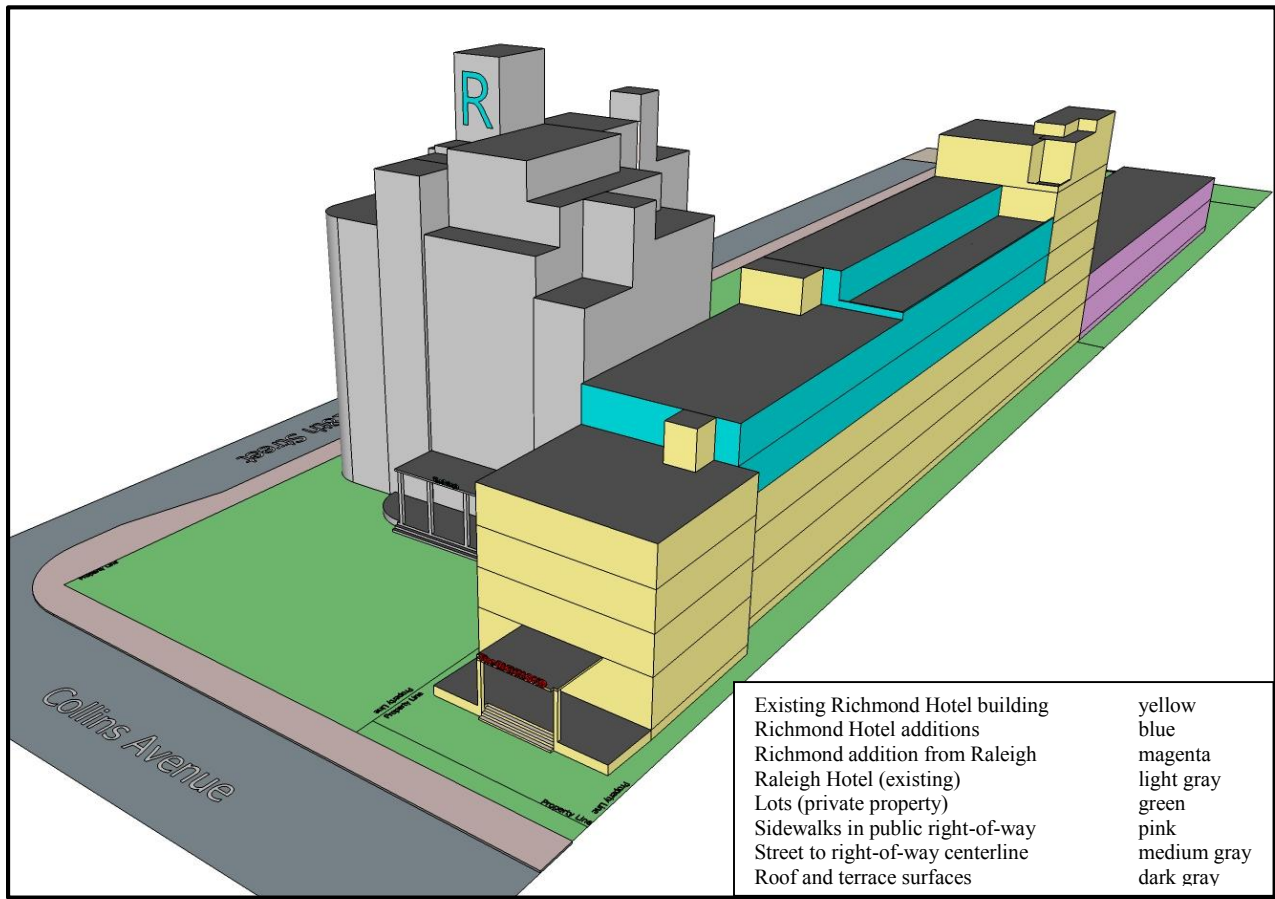
Parking Assumptions

- With all additional development benefits allocated to the Richmond site, parking assumptions are similar to the first alternative.
- The Richmond Hotel currently uses off-site parking at 1832 James Avenue, where 30 marked spaces in a self-park configuration are located; however, if the properties were assembled, the ownership relationship between the James Avenue lot and the Hotel would no longer exist.
- Therefore, it is assumed that the 30 spaces on James Avenue are no longer available for off-site parking.
- The most efficient on-site parking would yield a 65 valet operated, 90-degree spaces with a one way aisle and parallel parking on one side (allowing 40' loss at front for ramp, 40' at back for turn-around, and 10' total for structural columns.). The length of the garage would be 263 ft. (existing building length behind lobby area) + 195ft. (proposed back expansion length)), for a total of 458 ft. Each parking space would require 510 gross square feet. At a current assessed land value of \$291 per square foot and 5 stories permissible, each space would have a land cost of \$24,735 if subterranean (6 levels total).
- For the Richmond property by itself, a subterranean parking level is very unlikely to receive a COA because of the need for the entrance to disturb the contributing front façade. Similarly, the Raleigh has little room for parking beyond its 15 surface spaces for valet operation. Combined, the possibility of subterranean parking under a rebuilt Richmond Hotel building is possible because the driveway can be internally connected from the north side behind the lobby and into the driveway area of the Raleigh.

Unified Richmond & Raleigh Hotel Development Alternatives Summary Table All Expansion on Richmond Site

DEVELOPMENT SCENARIO	Existing	Redeveloped	Redeveloped
BUILDING PROGRAM	Existing Richmond	Richmond without Assy	Richmond Raleigh
Ground Level			
Gross Floor Area	12,550 s.f.	12,550 s.f.	12,550 s.f.
Lobby / Office / BOH	2,000* s.f.	2,000* s.f.	2,000* s.f.
Retail	0	900 s.f.	900 s.f.
Restaurant	2,000* s.f.	2,000* s.f.	2,000* s.f.
Hotel Units	6,000* s.f.	0	0
Guest Amenities	2,550* s.f.	7,650 s.f.	7,650 s.f.
2nd and 3rd Floors	12,550 s.f.	12,550 s.f.	12,550 s.f.
4 th Floor	5,900s.f.	12,550 s.f.	12,550 s.f.
5 th Floor	3,300 s.f.	12,550 s.f.	12,550 s.f.
6 th Floor – Loft Type Hotel Unit	0	0	0
6 th Floor – Relocated Spa for Roof Access	0	2,830 s.f.	2,830 s.f.
6 th Floor – Penthouse, Existing	3,140 s.f.	3,140 s.f.	3,140 s.f.
7 th Floor – Penthouse, Existing	1,600 s.f.	1,600 s.f.	1,600 s.f.
Back Expansion Building, 2 Stories			16,796 s.f.
Total Floor Area	51,590 sq. ft.	70,320 s.f..	87,116 s.f..
Floor to Area Ratio (FAR) (lot area by survey)	1.47	2.00	1.81 <small>combined lot</small>
Additional Units in Back Expansion	0	0	50
Total Number of Units	92	121	171
Average Area / Unit (using 80% GFA)	270* sq. ft.	332 sq. ft.	392 sq. ft.
Residential Density	114	149	117
Development Limitation	existing	Height	Height/Setbacks
PARKING			
Total Parking Requirement	104	132	182
On-Site Parking	0	0	65
Off-Site Parking	30	30	0
Pay-In-Lieu of Parking	74	102	117
LAND COST FACTORS			
Appraised Land Value (DCPA Market)	\$9,506,970	\$9,506,970	\$38,869,355
Land Cost per Lot Area (DCPA assessed)	\$291	\$291	\$393
Land Cost per Developable Gross Floor Area	\$184	\$135	\$446
Land Cost per Developable Unit	\$103,337	\$78,570	\$227,306
Pay-In-Lieu Parking Cost	\$2,960,000	\$4,080,000	\$4,680,000
Total of Land and Pay-In-Lieu Parking Cost	\$12,466,970	\$13,586,970	\$43,549,355
Land & Parking Cost per Developable GFA	\$242	\$193	\$500
Land & Parking Cost per Unit	\$135,511	\$112,289	\$254,675

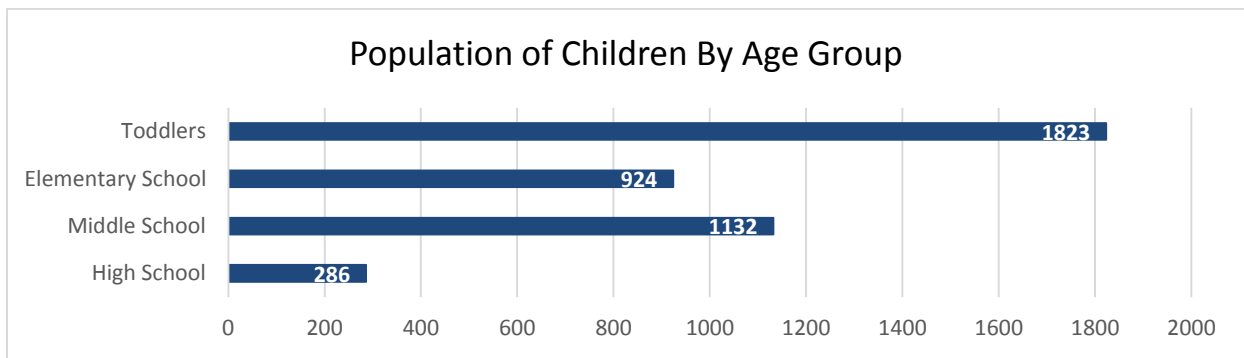
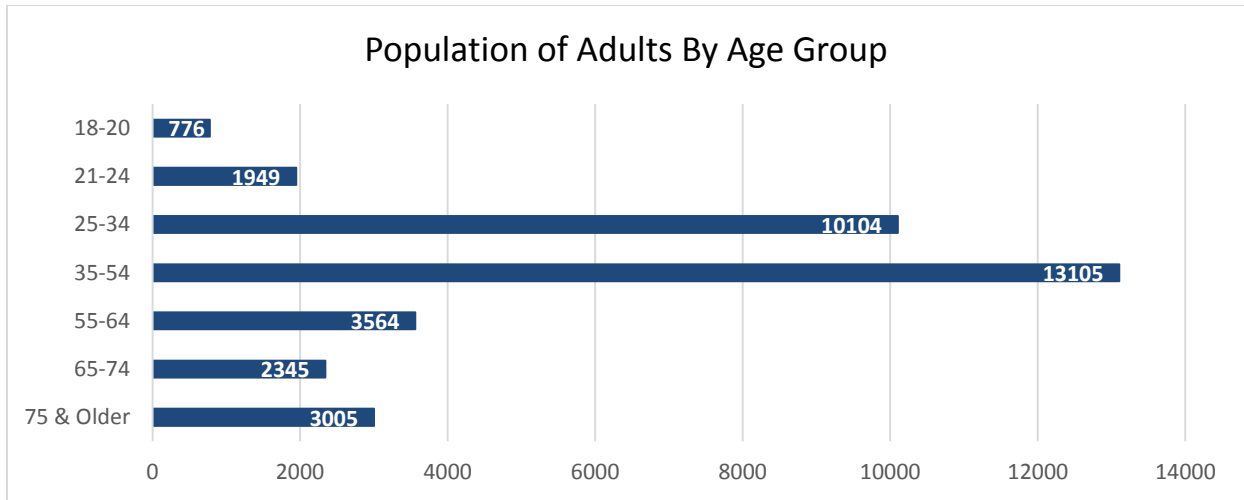
Figure 2
Building Mass Diagram
Richmond Hotel Property, Alternative II



Market Statistics Zip Code 33139

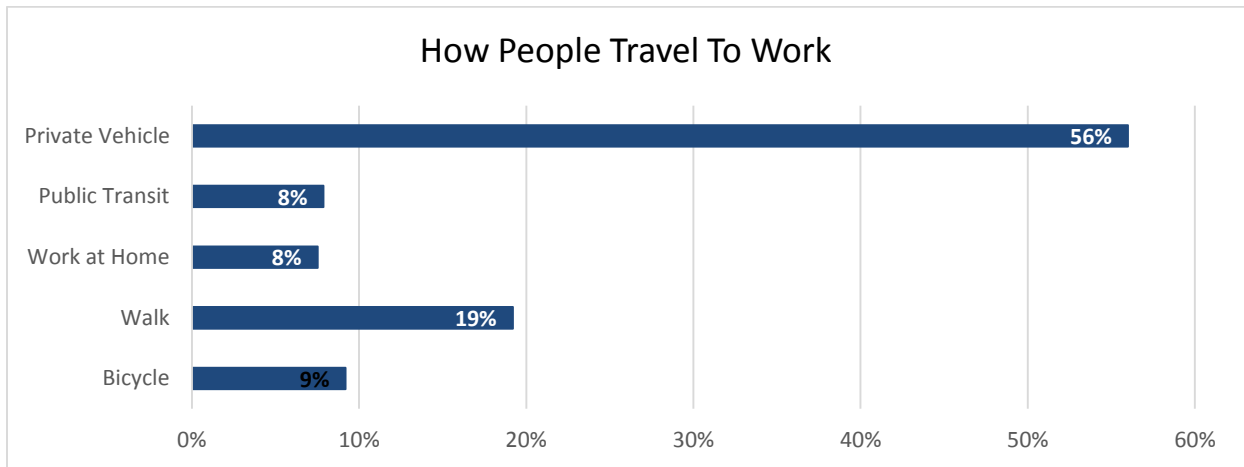
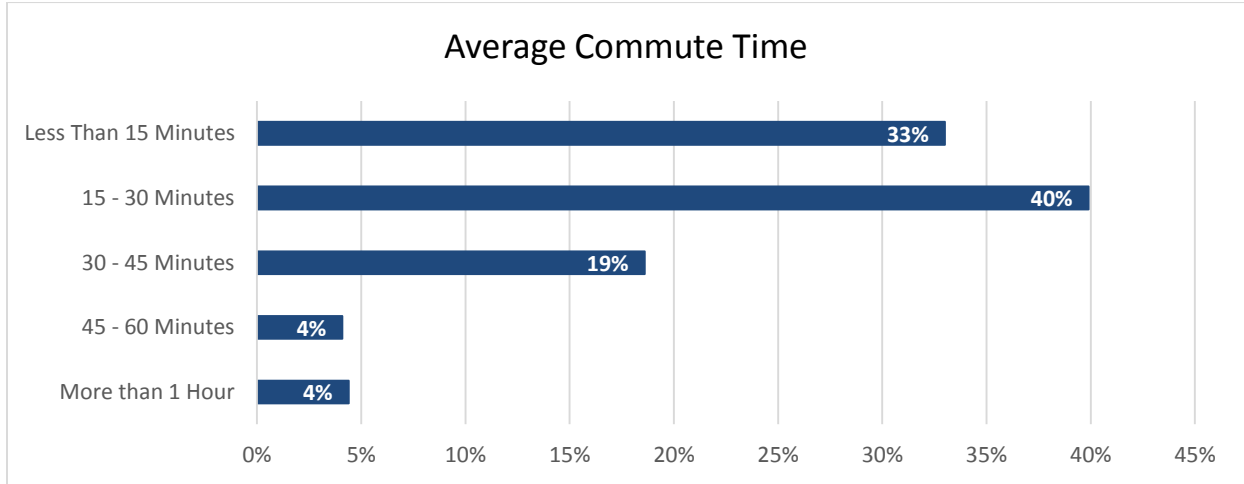
Neighborhood: Zip code 33139, Data Source: US Census

	33139	Miami Beach	Miami-Dade County	Florida
Population				
Population	39,611	88.6 K	2.51 M	18.9 M
Population Density per Square Mile	15.3 K	11.6 K	1.32 K	352
Population Change 2000 to 2014	2.9%	0.6%	11.5%	18.2%
Median Age	37	39	38	41
Male / Female Ratio	59%/41%	53%/47%	48%	49%
Education				
High School Graduates	15%	19%	28%	30%
2-Year Degree	23%	23%	24%	30%
Bachelor Degree	26%	23%	17%	17%
Post-Graduate Degree	21%	20%	10%	9%
Economics				
Median Household Income	\$45,178	\$43,321	\$43,464	\$47,309



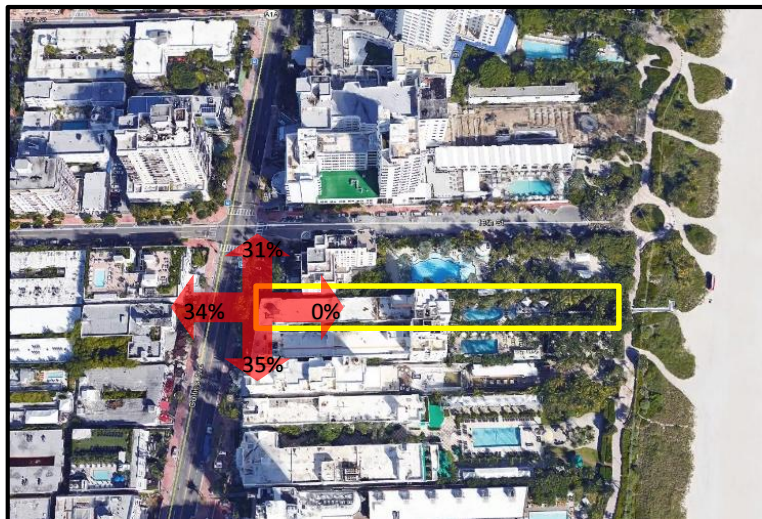
Transportation Statistics

Neighborhood: Zip code 33139, Data Source: US Census; Update Frequency, Annually



Where Vehicular Trips Come From,

Data Source:
 Travel Trips Directional Distribution Report
 Miami-Dade Long Range Transportation Plan
 (TAZ 619)



Notes:

Back cover