

Miami Economic Associates, Inc.

June 29, 2015

Mr. Jack Osterholt
Director
Department of Regulatory and Economic Resources
Miami-Dade County
Miami, Florida

**Re: Proposed CDMP Amendment No. 5
May 2015 Cycle**

Dear Mr. Osterholt:

Miami Economic Associates, Inc. (MEAI) has analyzed the above-captioned application to amend the Miami-Dade County Comprehensive Development Master Plan (CDMP), which was filed on behalf of Brown Development Group, LLC. The purpose of our analysis was to evaluate whether a need exists to re-designate approximately 2.19 gross acres of property located on the northeast corner of the intersection of Eureka Drive (SW 184th Street) and SW 112th Avenue from "Office/Residential" to "Business and Office". We understand that the subject property, if re-designated, would be limited by covenant to the development of no more than 30,000 square feet of the uses permitted under the Business and Office designation; however, no residential uses would be permitted. We further understand that it is the Applicant's intention to develop the re-designated property with a use that is retail in nature.

In conducting our analysis consideration was given to the following objectives of the CDMP:

- **LU-1C.** Miami-Dade County shall give priority to infill development on vacant sites in currently urbanized areas, and redevelopment of substandard or underdeveloped environmentally suitable urban areas contiguous to existing urban development where all necessary urban services and facilities are projected to have capacity to accommodate additional demand.
- **LU-1G.** Business development shall preferably be placed in clusters or nodes in the vicinity of major roadway intersections, and not in contiguous strips or in isolated spots,

with the exception of small neighborhood nodes. Business development shall be designed to relate to adjacent development, and large uses should be planned and designed to serve as an anchor for adjoining smaller businesses or the adjacent business district. Granting of commercial or other non-residential zoning by the County is not necessarily warranted on a given property by virtue of nearby or adjacent roadway construction or expansion, or by its location at the intersection of two roadways.

- **LU-8B.** Distribution of neighborhood or community serving retail sales uses and professional offices throughout the County shall reflect the spatial distribution of residential population, among other salient social, economic and physical considerations.

Summary of Findings

MEAI believes that the proposed amendment should be adopted based on the following findings of our analysis:

- As stated above, the subject property is located on the northeast corner of Eureka Drive (SW 184th Street) and SW 112th Avenue which places it at the intersection of a section line road and a half-section line road. However, as a result of the location of Florida's Turnpike along the alignment of SW 117th Avenue, SW 112th Avenue functions as a sectional arterial in this portion of Miami-Dade County. This means that the intersection on which the subject property is located is an "activity center" in the accordance with the CDMP's guidelines for urban form, which encourage commercial uses to be located within such activity nodes. Given the subject site's location at what is effectively the intersection of two section line roads and within two blocks of a Turnpike entrance, the subject property is currently underutilized as the site the of a day nursery that by zoning is limited to a maximum enrollment of 100 children. Substantial portions of the property are also undeveloped.
- The subject property is substantially surrounded by commercial uses with a gas station being located across SW 112th Avenue to the west and two additional automotive uses as well two retail centers being located on the south side of Eureka Drive. Other physical factors favoring re-designation of the property for a retail commercial use are the fact that it is within a block of bus stop and within walking distance of a residential community to the north. As noted in the CDMP, the "proximity of housing and retail uses will allow residents to walk or bike for some daily trips".
- The subject property is located in Minor Statistical Area (MSA) 5.8. The bulleted paragraphs that follow are based on Information compiled by the Planning Division of the Department of Regulatory and Economic Resources in February 2015:
 - There are currently 95.1 acres of land designated for commercial uses in Minor Statistical Area (MSA) 5.8, which means that in 2020 it will have 3.0 commercially-designated acres per 1,000 of its projected population. In

contrast, in 2020 the County as a whole will have 5.4 acres per 1,000 of its projected population, or 1.8 times the amount in MSA 5.8. In fact, only four of the County's 31 urbanized MSA's will have a lower ratio of commercial acreage to population than MSA 5.8 in 2020, making it one of the County's most poorly served areas in term of commercial uses. It should also be noted that nearly 20 percent of the total commercially-designated acreage in MSA 5.8 is occupied by one project, The Falls, which is a shopping center in which a substantial portion of the shops offer goods at price points not generally affordable to large portions of the residents of the MSA.

- At the current time, there are 20.4 vacant commercially-designated acres in MSA 5.8 and absorption is occurring at a rate of 1.32 acres per year, which means that it will not be fully absorbed until after 2030. However, it should be noted that retail uses can be developed on only 6.72, or approximately one-third, of those acres. The remainder are restricted to office use. Further, none of the acres that can accommodate retail uses are located on major arterial roadways including 5.72 acres in the heart of Richmond Heights. The other acre is sandwiched between a group of existing buildings that front on South Dixie Highway (U.S. 1) and the Busway, hence lacking direct access. With respect to the vacant land located in Richmond Heights, 2.76 acres are owned by churches in the area and generally used by them for parking while approximately one acre is comprised of two non-contiguous parcels that are owned by Miami-Dade and Habitat for Humanity, respectively. The location of these vacant acres and their ownership substantially explains the low absorption rate being experienced in the MSA for commercially-designated property. Indeed, it is unlikely that any of remaining vacant acreage that can accommodate retail uses will ever be absorbed for that purpose.
- The subject site is the only one within a square mile that is designated for Office/Residential use. The other land so designated in MSA 5.8 is located along the north side of SW 152nd Street in proximity to Jackson South Hospital and is either vacant or occupied by non-office uses. There has been no office development along Eureka Drive in the past 25 years when the building constructed at 11241 SW 184th Street was built. That building, which was formerly occupied by the Florida Department of Children and Family Services, is currently being renovated by Miami-Dade County to serve in a non-office use as Adult Day Care Center.
- Development of 30,000 square feet of retail space on the subject property, which would cost approximately \$4.8 million to build and fixture in terms of hard costs, would generate fiscal and economic benefits for Miami-Dade County and its residents. The bulleted paragraphs that follow describe the most significant of these benefits:
 - The term "fiscal benefits" refers to the positive impacts that a project such as the proposed retail facility would have on the finances of Miami-Dade County and the other governmental jurisdictions in which it would be located. MEAI estimates that the proposed retail facility is completed would have a taxable

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value approximating \$5.0 million, which is an amount equal to the hard cost to build the space and the current value of the land on which it would be constructed. The proposed retail facility will generate ad valorem taxes for Miami-Dade County and its Unincorporated Municipal Service Area (UMSA) on an annual recurring basis in the amount of \$48,806 and for the Miami-Dade County Public School District in the amount of \$39,590. The property as the site of a day care center is currently exempt from ad valorem taxes.

- The term "economic benefits" refers to the positive impact that that a project such as the proposed retail facility would have on the overall economy of Miami-Dade County. Development of the proposed retail facility at a cost of \$4.8 million will provide a basis for approximately 94 man-years of direct construction employment during the development period as well as an approximately equal number of indirect and induced jobs.¹ It is anticipated once the proposed retail facility is completed, the permanent workforce on-site will approximate 60 people on a full-time equivalent basis, who will earn an average of between \$20,000 and \$25,000 annually depending on the mix of tenants that actually occupy the space.² Finally, it is estimated that the operations of the proposed retail facility would provide support for an approximately equal number of indirect and induced jobs.

Closing

In summary, MEAI strongly believes that the proposed CDMP amendment to re-designate it from Office/Residential to Business and Office use should be adopted.

Sincerely,
Miami Economic Associates, Inc.



Andrew Dolkart
President

¹ The estimate of direct construction employment assumes that 45 percent of the moneys expended on hard construction would be spent on labor that the average worker would earn \$51,168. The estimate of average earnings is based on the QCEW reports compiled by the Florida Department of Economic Opportunity for the 4th Quarter of 2014 and

² The estimate of employment assumes 2 FTE per 1,000 square of space. The estimate of earnings is based on the QCEW reports compiled by the Florida Department of Economic Opportunity for the 4th Quarter of 2014.