MEMORANDUM

Amended
Substitute
Agenda Item No. 2 (c)

TO: Honorable Mayor and Members, Board of County Commissioners

DATE: July 7, 1987

SUBJECT: Ordinance - Omni Tax Increment Financing District

FROM: Robert A. Ginsburg
Dade County Attorney

87-47

The attached substitute ordinance is being submitted in lieu of the ordinance originally approved on first reading in December, 1986. The substitute ordinance modifies the original by:

1. Establishing the redevelopment trust fund;

2. Approving the redevelopment plan,and its addendum;

3. Clarifying the nature of financing instruments that would require subsequent approval by this Board; and

4. Clarifying when tax increment revenues would be remitted by the County to the redevelopment agency so as to be consistent with state law.

The City of Miami, G. A. Partners, Inc. (the consultants studying tax increment for the County), the County Attorney's Office, the County Manager's Office and the Office of Economic Development have reviewed and approve these modifications.

Robert A. Ginsburg

RAG:se
Attachment

MEMORANDUM

Substitute
Agenda Item No. 2(c)

(Public Hearing 7-7-87)

TO Honorable Mayor and Members
Board of County Commissioners

DATE December 2, 1986

SUBJECT Ordinance - Omni Tax Increment Financing District

87-47

FROM Sergio Pereira
County Manager

The attached ordinance is being submitted for your review at the request of the City of Miami. The Finance Committee at its November 26, 1986 meeting voted to send this ordinance to the full Board without a recommendation.

The Omni Redevelopment Area is to be financed with tax increment monies and other creative financing techniques. Enactment of the attached ordinance will put into place the tax increment process pursuant to the Community Redevelopment Act of 1969 as presently contained in Part III of Chapter 163, Florida Statutes. This Ordinance contains the conditions of approval of the Omni Redevelopment Area Plan that are appropriate for the creation of a redevelopment trust fund, the delegation of certain redevelopment powers to the City of Miami for redevelopment of the Omni Area and provides for County review and authorization for bond indentures, other financing instruments, or ordinances or resolutions authorizing a financing instrument.

Attachment

Amended
Substitute
Agenda Item No. 2(c)
7-7-87

ORDINANCE NO. 87-47

ORDINANCE RELATING TO REDEVELOPMENT OF THE OMNI AREA BOUNDED BY NORTH 20TH STREET ON THE NORTH, THE FLORIDA EAST COAST RAILROAD RIGHT OF WAY ON THE WEST, INTERSTATE I-395 ON THE SOUTH, AND BISCAYNE BAY ON THE EAST; PROVIDING FOR DELEGATION OF POWERS TO CITY OF MIAMI FOR IMPLEMENTATION OF THE OMNI AREA REDEVELOPMENT PLAN; ESTABLISHING REDEVELOPMENT TRUST FUND; PROVIDING FOR APPROPRIATION OF FUNDS AND CALCULATION OF INCREMENT FOR DEPOSIT INTO FUND; SETTING FORTH OBLIGATION TO APPROPRIATE TO FUND AND DURATION OF OBLIGATION; PROVIDING FOR REVIEW AND APPROVAL OF BOND INDENTURE, OTHER FINANCING INSTRUMENTS OR ORDINANCES OR RESOLUTIONS AUTHORIZING A FINANCING INSTRUMENT; PROVIDING FOR REVIEW OF FINANCIAL RECORDS AND RIGHT OF AUDIT; PROVIDING A FINDING OF PUBLIC PURPOSE; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

WHEREAS, the Legislature of the State of Florida enacted the Community Redevelopment Act of 1969 (the "Act") and the Act as is presently contained in Part III of Chapter 163, Florida Statutes, as amended; and

WHEREAS, all power arising through the Act was conferred upon counties with home rule charters, which counties in turn are authorized to delegate such powers to municipalities within their boundaries when such municipalities wish to undertake redevelopment projects within their respective municipal boundaries; and

WHEREAS, such authorization for counties to delegate such powers to municipalities is contained in Section 163.410, Florida Statutes, which recites:

> In any county which has adopted a home rule charter, the powers conferred by this part shall be exercised exclusively by the governing body of such county. However, the governing body of any such county which has adopted a home rule charter may, in its discretion, by resolution delegate the exercise of the powers conferred upon the county by this part within the boundaries of a municipality to the governing body of such a municipality. Such a delegation to a municipality shall confer only such powers upon a municipality as shall be specifically enumerated in the delegating resolution. Any power not specifically delegated shall be reserved exclusively to the governing body of the county.

WHEREAS, The City of Miami (the "City"), acting through its City Commission, Planning Department, and Department of Development, pursuant to Part III of Chapter 163 F.S., as amended, indicated its wish to undertake a project that will involve the redevelopment, in accordance with a plan for redevelopment, of that portion of the City of Miami known as the Omni Area, generally bounded by North 20th Street on the north, the Florida East Coast Railway right-of-way on the west, Interstate I-395 on the south, and Biscayne Bay on the east, which is specifically described on the attached map and legal description made a part hereof as Exhibit "A"; and

WHEREAS, the City of Miami has requested that Dade County (the "County") adopt a resolution pursuant to the provisions of Section 163.410, Florida Statutes, delegating to the City of Miami certain powers with regard to that portion of the City of Miami described in Exhibit "A", so that the city could arrange for the redevelopment of the above-described portion of the city through the implementation of the Omni Area Redevelopment Plan, which was prepared and approved by resolution of the City of Miami City Commission on October 23, 1986 (Resolution No. 86-868); and

WHEREAS, the Omni Area Redevelopment Plan as supplemented by the Addendum thereto dated June 17, 1987, together attached hereto as Exhibit "B", will be presented to the Board of County Commissioners for consideration on July 7, 1987; and

WHEREAS, a delegation of authority is expressly made subject to the implementation of the redevelopment plan presented to the Dade County Board of County Commissioners (the "Board"), with any deviation being subject to the subsequent approval of the Board of County Commissioners; and

WHEREAS, the County is sympathetic to the Omni Area project envisaged and proposed by the City of Miami, which will ultimately involve the expenditure of many millions of dollars, and which will be financed in part through a range of financing

strategies suggested by the City of Miami to be secured by such revenue sources as are provided by law; and

WHEREAS, a redevelopment trust fund must be created from incremental revenues, pursuant to Section 163.353 and 163.387, Florida Statutes (1985), in order to facilitate the implementation of creative tax increment financing strategies; and

WHEREAS, the redevelopment trust fund could also provide payment for the construction, reconstruction or relocation of County facilities made necessary by the redevelopment project; and

WHEREAS, this Board desires to accomplish the purposes outlined in the memorandum from the County Manager, a copy of which is attached hereto, for the reasons delineated therein; and

WHEREAS, this Board hereby finds that this delegation of power and ensuing appropriation of funds serves a public purpose,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF DADE COUNTY, FLORIDA:

Section 1. Incorporation of foregoing recitations. -- The foregoing recitations are hereby deemed true and correct and are hereby incorporated as a part of this ordinance.

Section 2. Delegation of exercise of powers. -- Pursuant to Section 163.357 and 163.410, Florida Statutes, the City of Miami City Commission is designated as the Community Redevelopment Agency (the "Agency") for the Omni Area (legally described in Exhibit "A"). Dade County (The "County") will enter into an interlocal agreement with the City of Miami (the "City") that when approved by resolution of the Board of County Commissioners, will provide the specified redevelopment powers delegated to the City of Miami with respect to the Omni Redevelopment Area. All powers not specifically delegated therein shall be reserved exclusively to the Board of County Commissioners. This delegation is made so that the City of Miami City Commission may proceed with the implementation of a plan for redevelopment of the Omni Area.

Section 3. Establishment of Redevelopment Trust Fund; appropriation of funds; calculation of increment. An Omni Area Redevelopment Trust Fund is hereby established. The County shall annually pay into the Fund, a sum equal to the increment in the income, proceeds, revenues and funds of the County derived from, or held in connection with the community redevelopment project area, and the City's undertaking and implementing the Omni Area Redevelopment Plan. The increment shall be determined annually and shall be that amount equal to 95 percent of the difference between:

(a) The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of the Omni Area; and

(b) The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the Omni Area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of this ordinance.

Section 4. Obligation to appropriate; duration of obligation; limitations on obligation, bond sales and refundings; accounting requirements for county increment. -- The County shall annually appropriate to the Fund the tax increment due the Fund at the beginning of the County's fiscal year. The County's obligation to appropriate to the Fund shall be rescindable, at the discretion of the County, if a period of 4 years passes from the date of the initial bonding or indebtedness described below without a new sale of bonds or other new commitment of County tax increment dollars to the payment of debt service for capital improvement or land acquisition bonds, except that the rights of existing bondholders shall be protected. The County's obligation to annually appropriate to the Fund shall commence immediately upon the effective date of this ordinance and continue until all loans, advances and indebtedness incurred as a result of the community redevelopment project have been paid or for 4 years

from the effective date of this ordinance, if there has not been, at the end of that 4 year period, a pledge of the tax increment funding granted by this ordinance through the issuance, sale and delivery of an instrument of indebtedness such as, but not limited to, bonds or tax anticipation notes described in section 163.385, Florida Statutes. In no year shall the County's obligation to the Fund exceed the amount of that year's tax increment as determined in Section 3 of this ordinance. Any bond, note or other form of indebtedness pledging increment revenues to the repayment thereof shall mature not later than the end of the 30th fiscal year after the fiscal year in which increment revenues are first deposited into the redevelopment trust fund. Beginning with the twentieth year after the date of sale of the initial bonding or indebtedness, no new sale of bonds or indebtedness supported by the County's tax increment may occur nor may existing indebtedness so supported be refunded without approval of the Board of County Commissioners. The County's increment contribution is to be accounted for as a separate revenue within the Fund but may be combined with other revenues for the purpose of paying debt service.

Section 5. Review and approval of master bond indenture or other financing instrument or ordinance or resolution authorizing financing instruments; review of subsequent financing instruments to assure compliance with master indenture. -- The Board of County Commissioners shall review and approve the initial master bond indenture and ordinance or resolution authorizing financing instruments and instruments of indebtedness such as, but not limited to, bonds or tax anticipation notes as described in Section 163.385, Florida Statutes. Said review and approval shall include the provisions of the initial master bond indenture and the ordinance or resolution authorizing the above-noted financing instruments or instruments of indebtedness. Subsequent financing instruments or instruments of indebtedness prepared pursuant to the master indenture shall be reviewed by the County

Manager and shall be approved unless he determines that the instruments do not conform with the terms of the approved initial master indenture and ordinance or resolution authorizing financing instrument.

Section 6. Review of financial records; right of audit. -- The financial records for the Redevelopment Trust Fund shall be available for County inspection and the County reserves the right of audit.

Section 7. Approval of Plan. -- The Board hereby approves and adopts the Omni Area Redevelopment Plan as supplemented by the Addendum dated June 17, 1987.

Section 8. Public Purpose. -- This ordinance is hereby declared to be for a public purpose and for the welfare of the citizens of Dade County, Florida, and shall be liberally construed to effectuate the purposes thereof.

Section 9. Severability. -- If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 10. Inclusion in Code. -- It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Metropolitan Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section", "article", or other appropriate word.

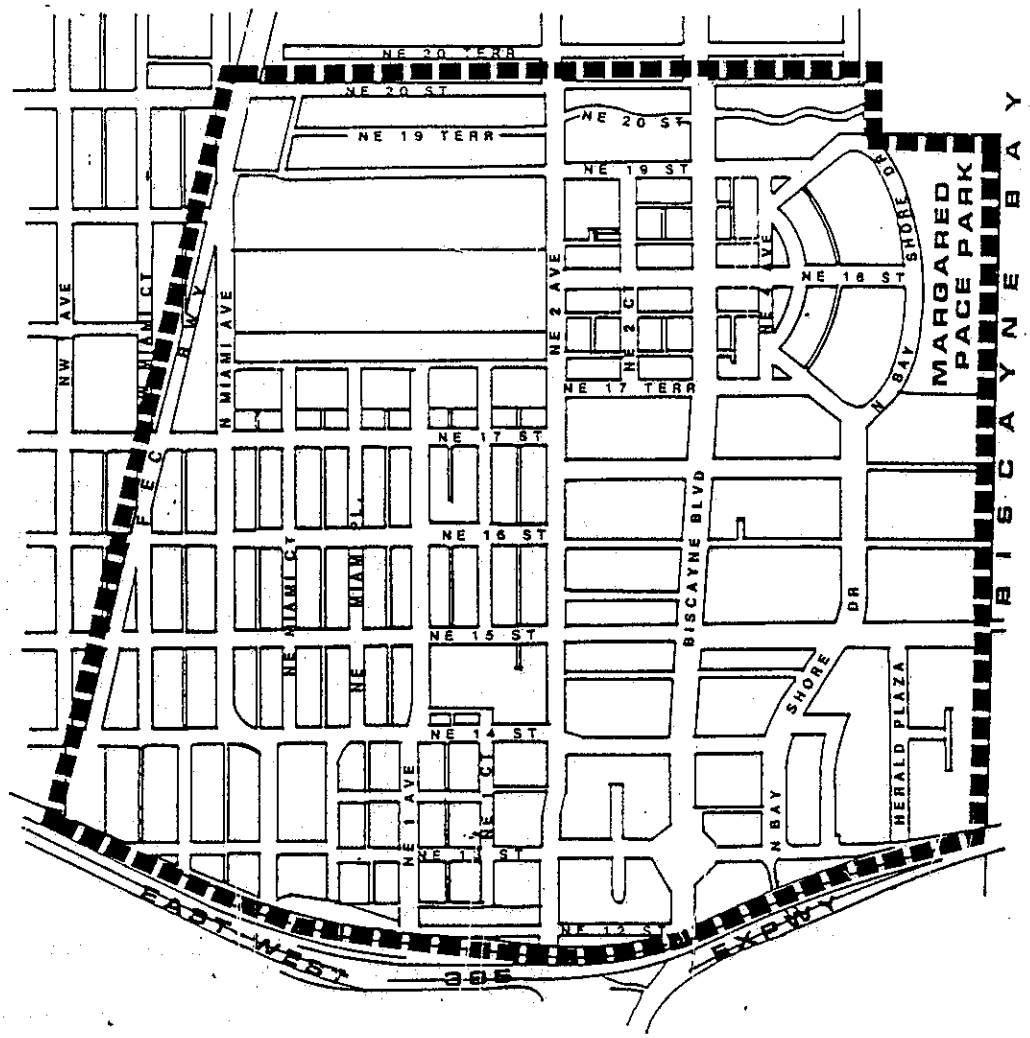
Section 11. Effective Date. -- This ordinance shall become effective ten (10) days after the date of its enactment.

PASSED AND ADOPTED: July 7, 1987

Approved by County Attorney as to form and legal sufficiency. RAG

Prepared by: T.G.

EXHIBIT "A"



OMNI AREA

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9

EXHIBIT A

LEGAL DESCRIPTION

All that portion of the following listed record plats lying within the area bounded by the Florida East Coast Railroad right-of-way on the West, the Northerly right-of-way line of I-395 on the South, the Westerly shore of Biscayne Bay on the East and the Southerly right-of-way of N.E. 20 Street on the North:

Plat Name	Plat Book	Page
The Causeway Fill	5	120
First Addition to Serena Park	80	8
Resubdivision of Pershing Court and Walden Court	4	148
Serena Park	76	86
Pershing Court	4	147
Walden Court	4	148 1/2
Walden Court First Addition	6	23
Rickmers Addition Amended	4	149
Windsor Park Third Amended	4	145
Windsor Park Second Amended	4	123
The Villa La Plaisance	4	114
Boulevard Tract	100	65
Belcher Oil Company Property	34	29
The Garden of Eden	4	12
Nelson Villa and Garden of Eden Resubdivision	9	174
Nelson Villa and Garden of Eden Amended	30	20
Amended Map of Nelson Villa Subdivision	4	81
Biscayne Park Addition Amended	4	22
Rice and Sullivan Subdivision	4	64
Amended Plat of Miramar Plaza	33	18
Miramar Third Amended	5	4
Biscayne Park Addition	2	24
Replat of a Portion of Nelson Villa Amended	56	69
ASC Tract	89	21
Margaret Pace Park	(Unplatted)	
Coral Park	2	66
Resubdivision of Coral Park	4	106
Grand Union Replat	76	78
Mary Brickell Subdivision	B	9
Windsor Park	3	147
Rickmers Addition Amended	3	2
Alice Baldwin Addition	1	119
Alice Baldwin, Jenny M. & Charles E. Oxar Subdivision Amended	B	87
Ward & Havling's Resubdivision	4	185
Charles E. Oxar Block 24 Amended	3	101
Charles E. Oxar Block 15 Corrected	3	58
Alice Baldwin Block 1 Corrected	6	43
Lindsey Hopkins Education Center	84	48
Heyn Prop. Inc. Resubdivision	6	93
North Miami	A	49 1/2
Lindsey Hopkins Educational Center North Parking Lot	93	90
T.W. Palmers Resubdivision	4	60

Plat Name	Plat Book	Page
W.T. Heslington Subdivision	B	97
City of Miami Cemetary	2	16
San Jose	3	158
Niles Court Resubdivision	32	36
Fire Station Site 1972	93	42
Seitter Addition Amended	2	60
Style Accessories Subdivision	62	8
Replat of Lot 2, North Miami	57	69
Omni International	102	3
Plaza Venetia	107	91
Herald Park	121	4
Bay Serena	7	135
Replat of Johnson and Waddell	50	15
Johnson and Waddell	B	53
Jefferson Addition	108	55
Biscayne Federal Plaza First Addition	116	7
Amended Plat of Les Violins	109	16
Biscayne Federal Plaza Amended	109	77
Replat Biscayne Federal Plaza	103	60

and all that portion of any unsubdivided lands lying in Section 36, Township 53 South, Range 41 East and Section 31, Township 53 South, Range 42 East, lying within the area defined above, and all that portion of any street, avenue, terrace, lane, way, drive, court, place, boulevard or alley lying within the area defined above and any other subdivisions, not listed above, lying within the above defined area.

m:H58.q

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EXHIBIT "B"

OMNI AREA REDEVELOPMENT PLAN

SEPTEMBER 1986

12

OMNI AREA

REDEVELOPMENT

PLAN

SEPTEMBER 1986

Prepared by the City of Miami
Planning Department and
the Department of Development

/3

OMNI AREA REDEVELOPMENT PLAN

TABLE OF CONTENTS

List of Exhibits

EXECUTIVE SUMMARY

Substantial redevelopment has occurred in the Central Business District of Downtown Miami and Brickell which has resulted in significant spin-off development. This redevelopment pattern is not evident , however, in the Omni area located just north of the Central Business District (CBD). Although some of the parcels in the area have been improved on a scale comparable to Brickell and the CBD (e.g., the Omni/Venetia complex, one of the largest and most substantial concentrations of development constructed by a single developer within the State of Florida in recent years), none have generated significant redevelopment spin-offs. Instead, the developers of these projects have been confronted with high vacancy rates and the highest petty crime rate in the City of Miami, a phenomenon that appears to center almost entirely around the Omni, a mixed-used development constructed in the mid 1970's. Much of the land in the area, which is bounded by I-395 to the south, the FEC right-of-way to the west, N.E. 20th Street to the north and Biscayne Bay to the east, remains underdeveloped and in blighted condition, particularly west of N.E. 2nd Avenue. The Omni Area Redevelopment Plan examines several development alternatives, of varying degrees of public involvement, that should be considered in order to stimulate economic development and investment activities in the area.

The Omni Area Redevelopment Plan proposes a comprehensive and coordinated approach to the revitalization of the area with the following recommendations:

1. Economic Development Activities.

   a. Identification of a development strategy that will result in the redevelopment of the area's significant holdings of consolidated, vacant or underutilized land, thereby bringing new economic vitality to the area and to the City. In order to facilitate and expedite the revitalization process, the City will consider undertaking land acquisition activities, with priority being given to large parcels which require a minimum of residential or commercial relocation. In the event that relocation proves necessary, this plan will be amended with all relocation activities fully conforming to the Uniform Relocation Act of 1970.

   b. Establishment of a Tax Increment District. The plan recommends the establishment of a tax increment district to fund needed public improvements and programmatic activities that will lead to the revitalization of this area. Funds generated through the establishment of the district could be used for street improvements and other public infrastructure improvements (including parking structures), land acquisition, and the administration of City-sponsored economic revitalization program in the area. It is important to note that tax increment funds are generated from property value increases and not through tax rate increases. Instead, the tax base is theoretically frozen at a particular tax year with any future increases in property values being collected and spent exclusively within the area. If the tax

increment district is established prior to January 1, 1987, first year funding would be estimated at $1.5 million (due to Plaza Venetia's entrance into the tax rolls at that time). The City's financial advisors have suggested that up to $13 million could be floated in bond monies as a result of the increment.

c. Expansion of economic activity within the area through the recruitment of new economic anchor uses currently not present in the area, but for which market support can be identified. Special attention will be focused on attracting new businesses to now vacant buildings. The range of uses to be researched include port-related activities, film/media and fashion industries, exhibition hall and downtown support services.

d. Utilization of existing and potential economic development incentives contained in the newly established Florida Enterprize Zone Act.

2. Modification of Existing Zoning.

a. Creation of a SPI-6.1 zoning district to be applied to the area bounded by Biscayne Bay, N.E. 13th Street, North Bayshore Drive, and Margaret Pace Park. This new district should permit high intensity mixed use development similar to SPI-6; but subject to inclusion of housing on-site or payment in-lieu thereof to the City of Miami's Affordable Housing Trust Fund.

b. Creation of a SPI overlay district for the CR-3/7 district north of N.E. 17th Terrace that would provide a floor area ratio increase up to a total FAR 2.41 for inclusion of housing on-site or payment inlieu thereof to the City of Miami's Affordable Housing Trust Fund.

c. Creation of a SPI overlay district for the commercial zoning districts located west of N.E. 2nd Avenue that would contain special design guidelines to insure that the wide variety of commercial and light industrial uses permitted would not create adverse visual or physical impacts on one another.

3. Enhancement of Community Facilities and Services.

a. Improvement of code enforcement and police protection in the area.

b. Refurbishment of Biscayne Boulevard to create a visual and functional link between the Omni area and the rest of downtown and establishment of a gateway feature at N.E. 13th Street and Biscayne Boulevard. Encourage of development of a (pedestrian level) sidewalk cafe district along Biscayne Boulevard between N.E. 15th and 17th Streets.

c. Improvement of Bicentennial Park and the FEC Bayfront tract to provide a sequence of visitor attractions linking the Omni area to the Central Business District.

d. Development of an urban landmark at the intersection of North Miami Avenue and N.E. 14th Street.

e. Requirement for new developments to provide uninterrupted walkways along the Bay to establish a baywalk linkage between Pace Park and Bicentennial Park. Provision of a pedestrian crossing at MacArthur Causeway.

f. Review of public right-of-ways at corners of N.E. 4th Avenue at N.E. 19th and N.E. 17th Streets for better utilization. Refurbishment of N.E. 14th Street east of N.E. 1st Avenue to create an east-west pedestrian corridor.

g. Consideration of retaining Miramar-Elementary School to serve the high density residential development projected for the Omni and Edgewater neighborhoods.

4. Transportation Improvements.

Numerous traffic studies have identified physical capacity improvements to the street system in order to relieve rush hour congestion, reduce vehicular turning movements, and promote lot assembly for redevelopment. The improvements, for the most part, would be limited to the use of existing public rights-of-way in order to minimize the social and economic impacts of extensive new acquisition programs.

The recommended improvements include:

1. Construction of the planned Omni Extension of the Metromover system, with an additional station built to serve the Herald Plaza area (to be funded by the adjacent developer).

2. Reconstruction/redesign of the intersection of North Miami Avenue and NE/NW 14th Street to improve alignment.

3. Examination of the existing I-395 interchange (in the vicinity N.E. 1st Avenue and N.E. 2nd Avenue) for possible efficiency improvements.

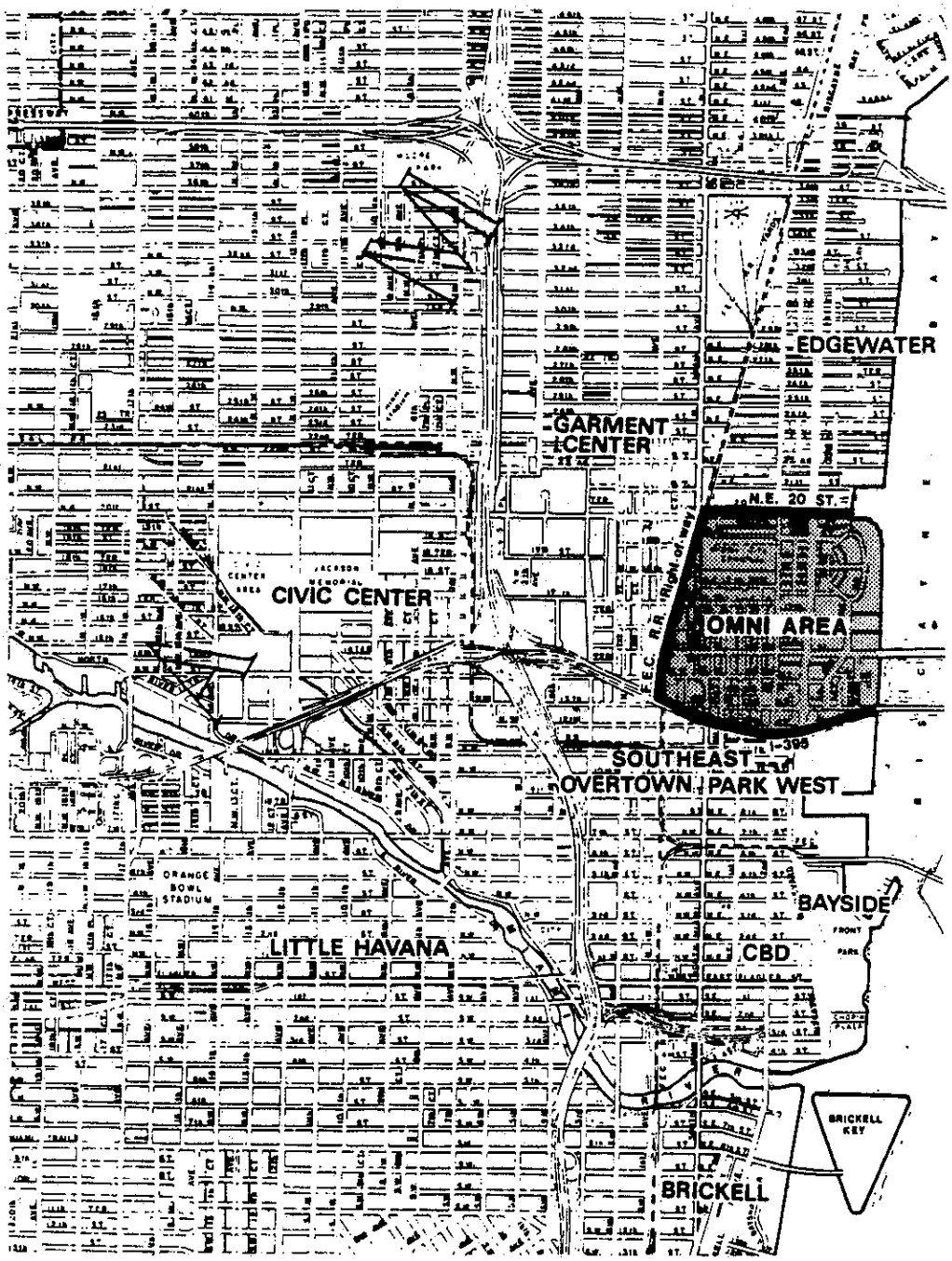
4. Reconstruction of N.E. 2nd Avenue north of N.E. 13th Street and North Miami Avenue north of N.E. 17th Street to provide two northbound and two southbound through lanes with center turn lanes.

5. Extension of N.E. 20th Street to Biscayne Boulevard from its present eastern terminus at N.E. 2nd Avenue through right-of-way acquisition and improvement.

6. Redesign/restriping of Biscayne Boulevard to improve traffic flow and maneuvers.

7. Realignment of N.E. 14th Street east of North Bayshore Drive to eliminate off set intersection at North Bayshore and to connect to Herald Plaza.

8. If a convention center is constructed, its cost should include relocation of the Metromover guideway and station to serve the center.



Map 1

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CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Location Map

OMNI AREA REDEVELOPMENT PLAN

I. INTRODUCTION

A. PURPOSE

In July 1986, the Miami City Commission instructed the City Administration (per Motion 86-634) to prepare a study of the Omni area for the purpose of creating a tax increment district in order to facilitate redevelopment in the area and to report the findings of the study and related recommendations to the Commission for its review and consideration. The Omni Area Redevelopment Plan summarizes those findings and recommendations in accordance with Chapter 163 of the Florida Statutes.

The Omni Redevelopment Area encompasses 260 acres of land bounded by I-395 on the south, Biscayne Bay on the east, N.W. 20th Street on the north and F.E.C. Railroad right-of-way on the west. (See Location Map, page v). Included within this general area are three distinct subareas: the residential area north of the Omni Complex composed of apartment buildings, aging single family homes and converted estate mansions; the Omni/Venetia Complex east of Biscayne Blvd. composed of modern megastructures housing condominiums, hotels and a major shopping mall; and the western portion of the study area (for the purposes of this study to be referred to as Omni West) composed of a mixture of rundown warehousing, industrial uses, general commercial and residential structures.

The redevelopment area is located within Downtown Miami, just north of the core area which is undergoing major physical and economic revitalization. Major new developments such as the downtown Government Center, Southeast Financial Center, and the City of Miami/University of Miami James L. Knight Center have increased downtown employment and attracted new businesses and daytime activities. The continued growth of the Port of Miami, redevelopment of Bayfront Park, opening of the Metromover loop, construction of Bayside Specialty Center, and the upcoming redevelopment of the Southeast Overtown/ Park West community will reinforce the development potential for all of the downtown area.

The scale and type of new development in the core area is undoubtedly going to have an impact on the development potential of the neighboring area in time, yet the change will occur slowly. This is because development appears to flow from the core southward to the Brickell area, despite dramatic attempts by a few developers to generate a new downtown node of activity and development in the Omni area.

The most notable examples of private investment in area are the mixed-use developments known as Omni-Venetia which include the Plaza Venetia high-rise residential condominiums, the Omni Shopping Mall/Hotel and the Biscayne Bay Marriott. The public projects already in place include the Anna Brenner Meyer Telecommunication Center and the Dade County School Board Administration Building. The School Board is also planning to demolish the Lindsey Hopkins Building and build its second administration building. In addition, the planned extension of a north loop of the Metromover system will have at least two stations in the area. These proposed and existing investments have failed to generate additional development activity. Instead, the new projects sit as islands amidst urban decay and disinvestment.

In order to foster new development and to maximize the public benefit, a major public-private redevelopment effort will be necessary. Without such a comprehensive effort and a demonstrated commitment from the public sector, trends suggest that the decline of the area will accelerate.

This study, outlines the type of coordinated and comprehensive role that the public sector must assume in order to effectively stimulate new development and investment in the area. Due to the uncertainty of federal funds and limited local dollars, the primary financing mechanism available is the establishment of a tax increment financing district so that new tax dollars generated through anticipated private sector improvements can be targeted for needed area improvements. The employment of this tool, however, necessitates the establishment of a community redevelopment area and the preparation of a redevelopment plan. Consequently, this planning effort has been initiated, in full conformance with Chapter 163 of the Florida Statutes, to formulate an effective decision-making tool for guiding development and creating a proper environment for investment.

I. B. PLANNING PROCESS

The Omni Area Redevelopment Plan has been prepared according to the requirements specified by the Community Redevelopment Act of 1969, as amended (Fla. Statutes 163.330 et. seq.) As mandated by the Act, the redevelopment plan must conform to the adopted comprehensive plans for the City of Miami and Dade County. Final approval must be granted by the Miami City Commission and the Board of Dade County Commissioners following recommendations by their respective planning advisory agencies.

Since the mid 1970's, the City of Miami has undertaken three major planning programs which address development opportunities for the Omni area. In 1976, the City adopted the Miami Comprehensive Neighborhood Plan 1976-86 which provides the framework for the overall development of the municipality. The Omni neighborhood is identified in this document as an area suitable for residential, industrial, and commercial uses.

The Southeast Overtown/Park West Redevelopment Plan, adopted in 1981, identifies the Omni West area (area west of NE 2nd Avenue) as a primary relocation area for commercial services and light industrial uses displaced by redevelopment within the Southeast Overtown/Park West project area.

In 1985, the City began the process of preparing an updated and more detailed master plan for Downtown Miami, whose boundaries incorporate all of the redevelopment area plus Southeast Overtown/Park West, the Central Business District, and Brickell. This plan provides policies and guidelines for implementation of all downtown development and provides the foundation for the preparation of a Development of Regional Impact application for the area within the jurisdiction of the Downtown Development Authority.

A Citizen's Advisory Committee was established to provide input to the master plan. This group includes representatives from the Omni neighborhood and provides a forum where interested citizens, civic leaders, and public officials join forces to address development issues and community concerns. During a series of workshops, held over a six-month period, a draft downtown policy plan has been formulated. The document identifies development objectives for the Omni neighborhood including the following: establishment of strong functional and visual connections with the Central Business District through a redeveloped Bayfront open space, baywalks, redesigned Biscayne Boulevard, and extension of Metrorail and Metromover; development of a high quality "uptown" district with a viable mixture of hotel, residential, and retail uses; promotion of a nightlife and entertainment district; creation of a special use district to attract new types of specialized commercial activity to the area including media and fashion related businesses; and reinforcement of the area west of N.E. 2nd Avenue as a commercial/industrial area serving the downtown and Seaport.

The major recommendations from all three planning programs have been further refined and incorporated into this redevelopment plan.

II. BACKGROUND INFORMATION

A. GEOGRAPHIC LOCATION

The Omni Redevelopment Area is located in the northern most section of Downtown Miami, adjacent to the planned Southeast Overtown/Park West residential community. It is within 1/2 mile of the heart of the Central Business District and within 1 mile of the rapidly growing office district along Brickell Avenue. The geographic location and boundaries of the area are illustrated on the Location Map (see page v). A legal description of the site is provided in Appendix A.

The redevelopment area is strategically positioned within the City of Miami and the metropolitan area. It has convenient access to the Miami International Airport, Miami Beach and the regional highway system. The Port of Miami, the Civic Center, and other major business and activity centers in the City of Miami are within easy reach of the Omni neighborhood residents and employees. The planned Metromover extension will provide a direct link to the CBD and the existing Metrorail system.

II. B. EXISTING CONDITIONS

Land Use

Several different types of land uses are present in the Omni Redevelopment Area, with varying degrees of structural condition (see Map 2 - Existing Land Use). Of the 292 buildings surveyed, 109 are dilapidated or in need of major repair, representing almost forty per cent of the structures in the redevelopment area. In addition, almost 35 per cent of the land is vacant or used for surface parking (see Map 3 - Dilapidated Structures, Vacant Land and Surface Parking). With the exception of a few megastructures, the area has seen little change (other than decline) in the past 40 years. For example, during the period between 1970 and 1980, only sixteen building permits for new construction or renovation were filed in the 260 acre area. Included among those permits were the City of Miami Fire Station, the Omni complex, and a renovation of Jefferson's store which is now closed. Two major retailers in the area, Jefferson's and Sears, are no longer in operation leaving the once-active department stores vacant.

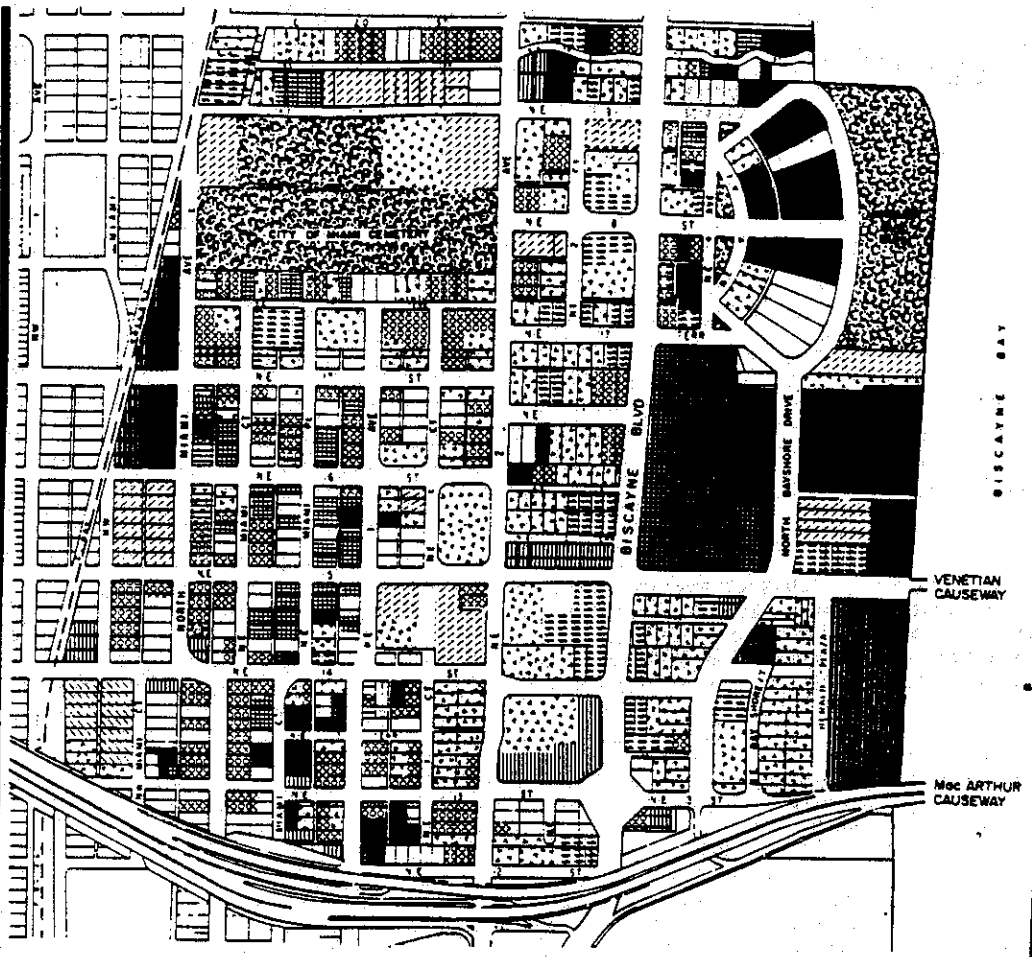
a. Omni West

This area is bounded by FEC right-of-way to the west, N.E. 20th Street to the north, N.E. 2nd Avenue to the east, and I-395 to the south. Ranging from single family residential to industrial warehousing to high-rise multifamily to cement manufacturing, the western portion of the Omni Redevelopment Area is a crazy quilt of a variety of land uses. Many of the uses are mutually incompatible since zoning allows for general commercial activities (e.g., wholesaling, warehousing, light manufacturing, etc.) and prohibits housing; but established land uses include well over 100 units of nonconforming single family and multifamily housing.

The general commercial zoning prohibits new residential units (except as on-site accessory uses for caretakers and watch guards) but since the existing units were constructed before 1940 and prior to such restrictions, which were applied in the early 1960's, the existing housing is "grandfathered", provided the housing remains in continuous operation (with short term vacancies of no more than 6 months) or provided that no more than 50% of the structure is destroyed due to fire or other causes. Failure to meet these conditions requires that the structure must be converted to new uses that conform to the zoning regulations.

More than 75 per cent of the more than 100 housing structures are in need of major repair or are considered dilapidated. Nine buildings offer commercial uses on the ground floor frontage and residential uses either in the back of the building or on the upper floors, most of these also require substantial repair.

Almost seventy of the parcels are technically vacant, but most of them are used for outside storage of inoperative vehicles, machinery, and trash, making the area not only unsightly but potentially unhealthy as well. In addition to the vast number of vacant lots, approximately 50 lots are being used for surface parking.



- SINGLE FAMILY AND DUPLEX
- MULTIFAMILY AND HOTEL
- MIXED USE
- OFFICE
- COMMERCIAL RETAIL / WHOLESALE
- GOVERNMENT/INSTITUTIONAL
- PARKING
- INDUSTRIAL
- VACANT STRUCTURES
- PARKS OPEN SPACE
- VACANT LAND

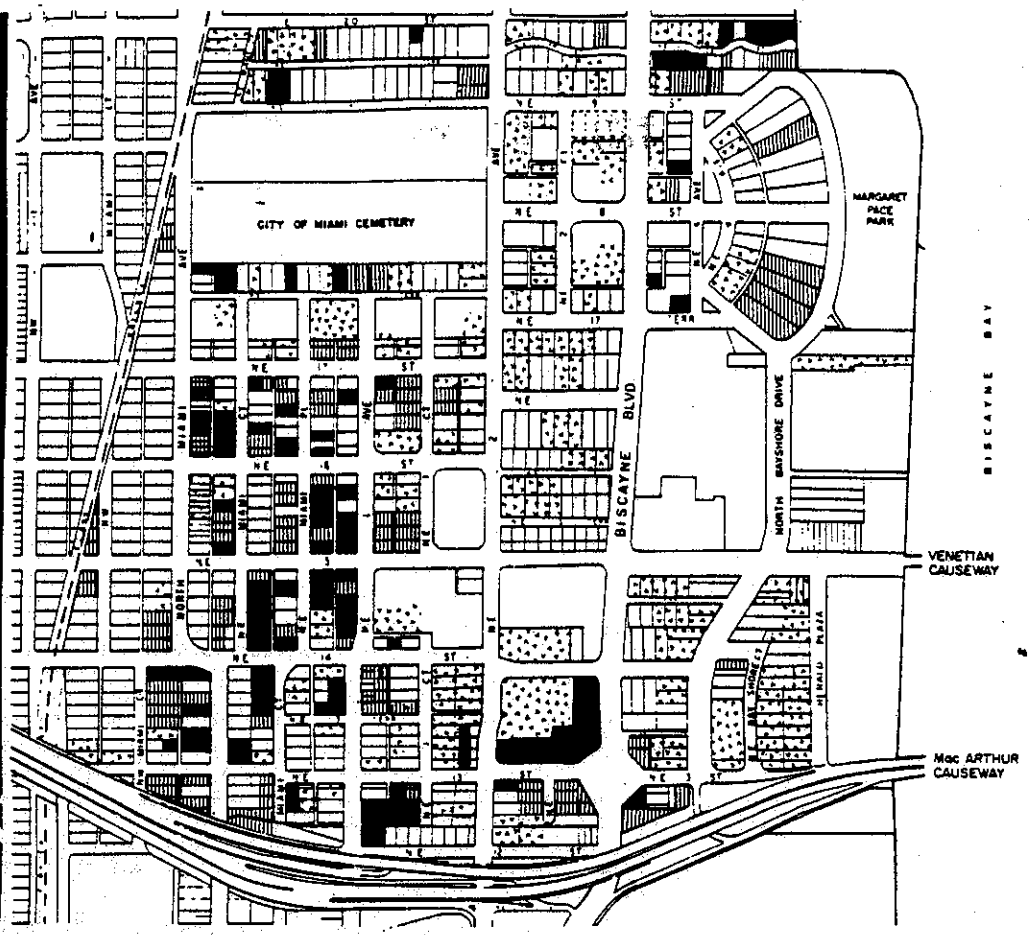
Map 2

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Existing Land Use
OMNI AREA REDEVELOPMENT PLAN

26



VACANT LAND

SURFACE PARKING

DILAPIDATED STRUCTURES

Dilapidated Structures, Vacant Land and Surface Parking

Map 3

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

OMNI AREA REDEVELOPMENT PLAN

27

Thirty buildings are used for warehousing, wholesaling, and distribution activities. There are also approximately 35 retail commercial structures, with several restaurant equipment supply services clustered in a group. Four of the commercial structures appear vacant or abandoned. There is also a cement batch plant, several tire recapping and outside auto repair services existing throughout this portion of the study area.

In terms of governmental or institutional uses in the area, the administrative headquarters of the Dade County Public School System are located here along with the Anna Brenner Meyer Telecommunications Center (a training center and production studio for Channel 17). The school system also operates an administrative annex in the area and the Miami Skills Center. There is also a City of Miami Fire Station, a large historic cemetery, a neighborhood center/day care facility, an elementary school, and a synagogue in the area.

b. Omni East

This area is bounded by N.E. 2nd Avenue to the west, N.E. 20th Street to the north, Biscayne Bay to the east, and I-395 to the south. The land east of N.E. 2nd Avenue differs greatly from the land west of N.E. 2nd Avenue in both condition and land use with some exceptions. It, like the west, is underdeveloped, with several of the structures in need of repair.

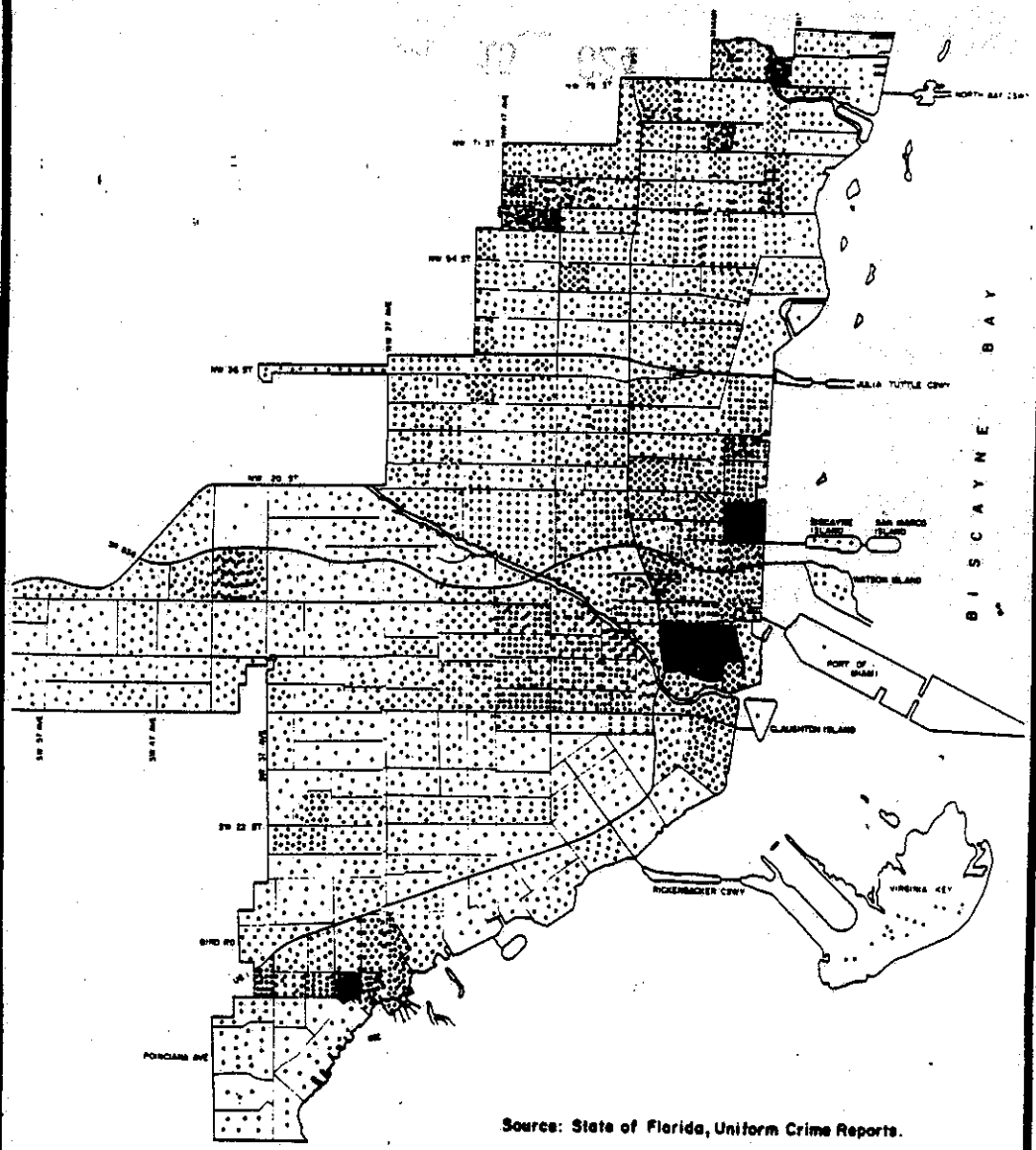
There are an estimated 14 existing single family and duplex homes in the area, and several other structures that have been converted from homes into offices and restaurants. There are also approximately 30 apartment/condominium buildings, ranging in size from four units to 800 units, for a total of more than 1500 residential units (Plaza Venetia Phases I and II provide approximately 70 per cent of the units). The Omni, Biscayne Bay, Marriott, and Plaza Venetia also provide first-class hotel space, with a total of more than 1350 rooms. In spite of the major investment with the Omni/Venetia complex, high-rise mixed use zoning, and its downtown location, most of the area is underdeveloped with 30-35% of the area being used for surface parking, and the majority of the structures only 1 to 2 stories in height.

Unlike the area to the west, the eastern portion of the study area has no industrial or warehousing facilities with the exception of the Miami Herald's main facility. There are several churches, a YWCA and a small government office in the area. There are also a number of new and used car dealerships with outside storage of vehicles and car repair/body shops located in this portion of the area. The area has one large grocery store, a major shopping mall, and several smaller commercial operations, particularly along N.E. 2nd Avenue and Biscayne Boulevard. Four commercial buildings are currently vacant, including the former Sears and Jefferson's stores. In addition, there are approximately 30 office buildings. These buildings are relatively small with the owners appearing to be the primary tenants in each structure.

c. State of Florida Distress Rating

The area is experiencing a high level of distress, as verified by the State of Florida's Department of Community Affairs. The Department ranked every census tract in the State of Florida for level of distress, based upon 11 variables which included percentage of housing units in the area that lack some or all plumbing facilities, percentage of persons in the area unemployed for greater than 15 weeks, and per capital taxable value of property in the area. Three of the four census tracts in the Omni area scored in the top ten for the City of Miami in terms of highest level of distress. Even the area east of Biscayne Boulevard received a distress score higher than the City-wide average.

Interestingly enough, the Community Conservation Index (CCI) failed to consider crime rate in determining level of distress. The Omni area has the highest petty crime rate in the City of Miami and has one of the highest rates of reported Part I Crimes which includes both violent and nonviolent crimes within the City of Miami (see Map 4 which illustrates the 1984 Part I Crime Distribution). The area is also prone to storm water flooding problems, and it is difficult to maneuver in several parts of the area due to the inefficient and faulty street layout (e.g., numerous no-thru and one way streets).



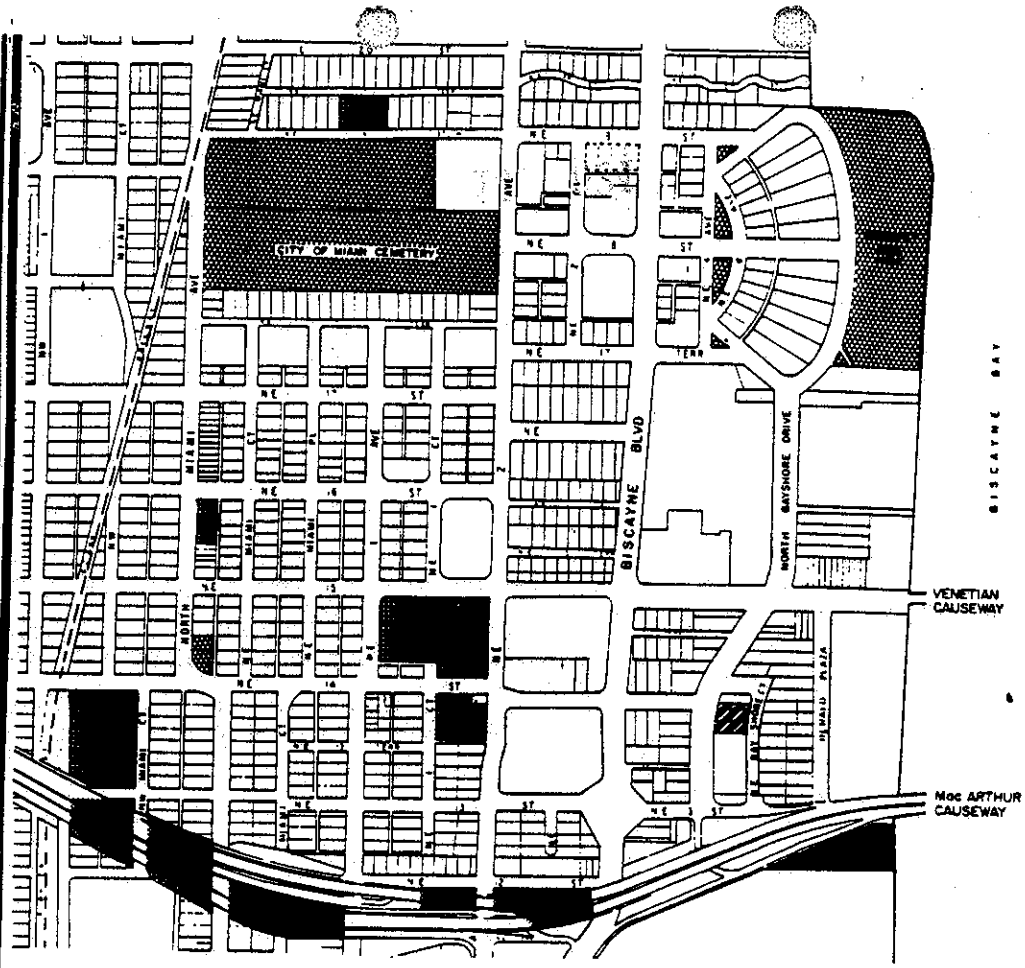
Source: State of Florida, Uniform Crime Reports.

Map 4

Distribution of Reported Crimes 1984

OMNI AREA REDEVELOPMENT PLAN

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT



CITY OWNED

COUNTY OWNED

STATE OWNED

SCHOOL BOARD

Map 5

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Publicly Owned Property
OMNI AREA REDEVELOPMENT PLAN

31

EXISTING LAND USE IN REDEVELOPMENT AREA[1]

Number of Structures

LAND USE	OMNI	OMNI-WEST	TOTAL
SINGLE FAMILY	13	75[2]	88
MULTI-FAMILY/HOTEL	26	19	47
MIXED USE	2	9	11
OFFICE	30	4	34
COMMERCIAL	20	35	55
VACANT STRUCTURES	4[3]	4	8
GOVERNMENT/INSTITUTIONAL	6	7	13
WAREHOUSE/WHOLESALING	0	29	29
INDUSTRIAL	1	2	3
PARKING	56	47	103
VACANT LOTS	14	67[4]	81
PARKS	1	1	2

[1] Source: Windshield Survey, September 1986

[2] As noted in the text, residential is no longer permitted in the area; most structures are in dilapidated condition or in need of major repair

[3] This figure includes the old Sears site and the Jeffersons site, two large department stores which closed due to external factors

[4] While the term vacant is used here, the land is commonly used for outside storage and dumping

III. REDEVELOPMENT OBJECTIVES

Redevelopment objectives have been formulated to serve as guiding principles for preparing the Omni Area Redevelopment Plan. They were derived from the analysis and evaluation of existing conditions and the issues affecting future development of the area. These objectives also reflect established community priorities and overall development objectives of the City of Miami:

A. **Issue: Slum and Blight Conditions**

Objectives

1. Provide incentives for redevelopment of blighted properties
2. Eliminate conditions which contribute to blight
3. Promote rehabilitation and maintenance of existing viable uses and structures
4. Achieve orderly and efficient use of land

B. **Issue: Economy**

Objectives

1. Maximize existing public investments
2. Reinforce the property tax base
3. Create economic magnets to draw more businesses to the Omni area to compliment (without competing with or diminishing) established activities in the surrounding area
4. Promote concentrations of similar business activities that reinforce each other and improve the areawide economic climate
5. Provide for the development and/or relocation of downtown support service uses in selected locations within the redevelopment area

C. **Issue: Public Infrastructure and Amenities**

Objectives

1. Provide adequate public utilities and services for the area's residents and businesses
2. Provide a system of public open spaces
3. Maximize access and views to Biscayne Bay
4. Encourage preservation and restoration of historic buildings

5. Enhance the area's visual attractiveness to businesses and residents

6. Emphasize crime prevention and improve security in the area

7. Encourage the Dade County School System to retain and improve Miramar Elementary as a neighborhood school serving local residents

D. **Issue: Housing and Social Needs**

Objectives

1. Maximize conditions for residents to continue to live in the area

2. Achieve rehabilitation of the maximum feasible number of housing units

3. Provide incentives for construction of new housing to attract downtown workers

4. Improve the delivery of human services

5. Provide employment opportunities and upward job mobility for residents

6. Provide opportunities for minorities and women to manage and own businesses

7. Minimize condemnation and relocation

E. **Issue: Traffic and Circulation**

Objectives

1. Resolve existing and future transportation conflicts

2. Set priorities within the transportation network for pedestrians, cars, service and transit vehicles

3. Improve access to existing and planned major activity areas such as the Central Business District and Civic Center

4. Support construction of the Omni Extension of the Metromover system

5. Provide adequate parking to serve the needs of area residents, visitors, and employees

IV. REDEVELOPMENT PROPOSAL

A. THE CONCEPT

The proposed Omni Area Redevelopment Plan reflects the stated planning objectives and major recommendations contained in the Miami Comprehensive Neighborhood Plan 1976-86 and the Draft Downtown Policy Plan prepared in June 1986.

In general, the intent of this plan is to stimulate redevelopment of the area's significant existing supply of vacant and under-utilized land, thereby bringing new vitality to this northern-most section of downtown. The principal strategy for this revitalization process is the recruitment of new economic anchor uses, currently not present in the area, but for which market support can be demonstrated. The criteria for selecting anchor uses will be uses that will compliment rather than compete with established activity patterns in other downtown locations; uses that will benefit from the geographic location of the Omni area; uses that will reinforce the existing hotel, residential, retail, and commercial service uses in the area; and uses that will act as catalysts to stimulate rehabilitation and development of other supporting uses within the district. In order to facilitate and expedite the revitalization process, the City will consider undertaking land acquisition activities, with priority being given to large parcels which require a minimum of residential and commercial relocation.

The second major revitalization strategy of the Omni area is to create the image of a desirable high quality "uptown" district with an attractive appearance, a 24-hour activity pattern, and a perception of safety and security. The attractive appearance can be achieved by maintenance and improvements to public streets and sidewalks including landscaping and street furniture, and implementation of design guidelines for private development. A 24-hour activity pattern can be encouraged to evolve through emphasis on additional residential and hotel uses, as well as the creation of a restaurant/entertainment district. The safety and security problems in this area are perhaps the most difficult challenge to address in a redevelopment plan. In addition to efforts by the Miami Police Department, partial solutions that can be offered include targeted code enforcement or acquisition of properties known to harbor criminal activity, improved street lighting, and development guidelines that prohibit internalized fortress-like buildings, and that emphasize openness and visibility between interior and exterior spaces. In the long run, the addition of more residents and street level activity would do more than anything else to improve security in this area.

Although new construction is intended to be encouraged on this area's abundant supply of vacant land and surface parking lots, the plan encourages retention of viable existing residential and commercial uses. It does not call for major clearance and displacement of families or businesses. Current residents of the area will have the opportunity to continue to reside there and share in all aspects of redevelopment efforts. Rehabilitation and adaptive reuse is recommended for historic buildings. New development will result in new job opportunities, create a perception of stability, and considerably upgrade the quality of life for both residents and employees.

Revitalization strategies for the Omni area cannot succeed unless public infrastructure and service needs are satisfied. This plan examines the existing and projected future demands for transportation, utilities, schools, parks, police, fire, and health care services. Where it is necessary and feasible, new capital improvements are recommended.

The implementation of the plan depends upon the establishment of a tax-increment district to fund needed public improvements and activities such as street improvements, parking facilities, land acquisition, park and open space improvements, and/or the administration of a City-sponsored economic revitalization program.

IV. B. LAND USE PLAN

Conceptually, the Omni Redevelopment Area should be divided into two general sub-areas, delineated by N.E. 2nd Avenue. The sub-area located to the east of N.E. 2nd Avenue is proposed to be a high-rise, high-intensity mixed residential/commercial area. The area located to the west of N.E. 2nd Avenue is proposed to be a low to mid-rise moderate intensity commercial/industrial district. Within each of the two general sub-areas are smaller specific land use zones described later in this section.

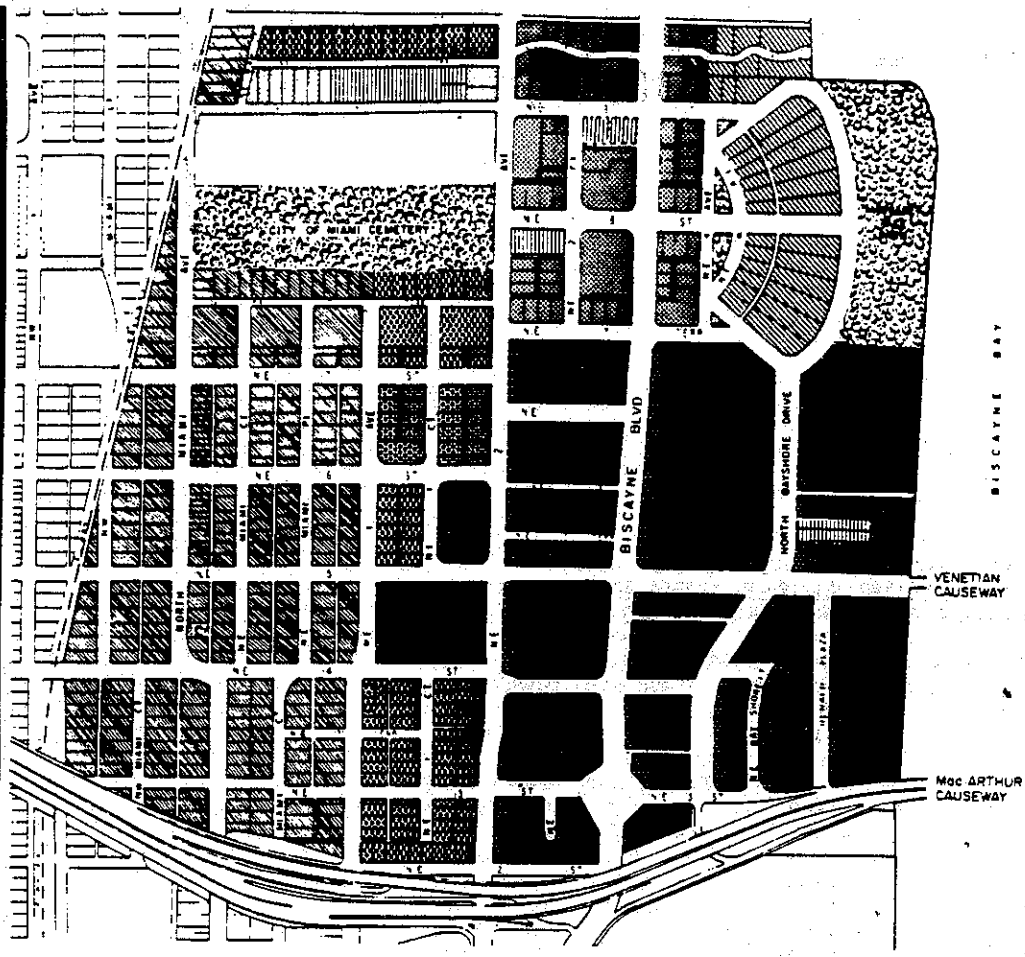
The reasons for the distinction between the two general sub-areas are both geographic and market oriented. The sub-area east of N.E. 2nd Avenue is better suited to attract high-intensity urban development due to the amenity provided by Biscayne Bay and the visibility and access offered by proximity to Biscayne Boulevard. The sub-area to the west of N.E. 2nd Avenue cannot be expected to sustain high intensity uses due to the limited regional market for such growth, and the sub-area's relative lack of amenity, visibility, and accessibility. An additional impediment to large scale redevelopment is the existing pattern of small individual lots and fragmented ownership. This Omni West area is best suited to provide a broad range of commercial uses and support services for the downtown area such as printing, furniture and office supplies, storage, automotive repair, construction supplies, import-export businesses, and seaport services. It is also well located for certain specialty uses such as educational facilities and TV/radio broadcast studios.

Long range projections of market demand for housing, retail, office, and hotel development were made by an independent economic consultant, Hammer Siler George, Assoc., in conjunction with the preparation of the Downtown Miami Master Plan. The forecasts summarized in Appendix B show two alternative growth potentials for the Omni area, each reflecting projected economic trends and anticipated market share of the downtown area. These projections indicate minimal potential for growth in future space needs for general tenant office use and retail shoppers goods.

Accordingly, this plan does not envision the Omni area to be a major office district similar to the existing Brickell and Central Business District office concentrations, nor does it encourage major new concentrations of retail shopping similar to the existing Omni mall. Rather, it encourages a balance of land uses, relying on an increased resident population to support the ground level retail/restaurant uses needed to activate the sidewalk environment, and specialty uses such as the media/communications industry, or owner-occupants such as the Dade County School System and Knight-Ridder Corp. to anchor the market for office/commercial construction.

The location and distribution of proposed land use activities is illustrated in the Proposed Land Use Plan (see map 6). The following is a description of all land use categories proposed within the area by type, location and intensity.

1. **High Density Mixed-Use** - this predominant land use category in the redevelopment area is designated for parcels located generally south of N.E. 17th Terrace and east of N.E. 2nd Avenue. Future



HIGH DENSITY MIXED USE

MODERATE-HIGH DENSITY COMMERCIAL/RESIDENTIAL

MODERATE-HIGH DENSITY RESIDENTIAL

GENERAL COMMERCIAL

COMMERCIAL/INDUSTRIAL

MODERATE DENSITY RESIDENTIAL

INSTITUTIONAL USE

PARKS AND OPEN SPACE

Map 6

Proposed Land Use Plan

OMNI AREA REDEVELOPMENT PLAN

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CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

35

development in this area will be predominantly high density residential and commercial uses, including hotel, office, retail, and entertainment activities. Allowable floor area ratios (FAR) range from six (6.0) to ten and one half (10.5), depending on the type of use and specific location of structures. Actual development intensities are expected to be in the range of 3.0-4.0 FAR, coincident with market demand.

2. **Commercial/Industrial** - The area designated for this use lies between the FEC Railroad right-of-way and N.E. 1st Avenue, south of the Miami City Cemetery. The predominant uses should include general commercial and light industrial uses such as wholesale, car service, warehousing, light manufacturing and other uses permitted by the CG-2 District of the Zoning Ordinance. The emphasis will be on accommodating downtown support services, media district services and seaport related services. Special design and development guidelines shall be formulated to improve the appearance and desirability of the area with attractive landscaping and building design, and to ensure provision of visual barriers from unsightly activities. These design standards should ensure that special uses such as a convention center or educational institution could exist harmoniously, if located in the area. Allowable floor area ratio shall not exceed 1.72.

3. **General Commercial** - The predominant use in this area, occupying twelve city blocks between N.E. 1st and 2nd Avenues, should be service establishments with emphasis on activities related to the media district and fashion industries. New development shall be consistent with the regulations specified by the CG-2 District of the Zoning Ordinance with a maximum allowable floor area ratio of 1.72.

4. **Moderate High Density Residential** - Development in this two and a half block area adjacent to Pace Park should be predominantly residential with related uses as defined by the RG-3 District of the Zoning Ordinance. Allowable floor area ratio should not exceed 1.72.

5. **Moderate - High Density Commercial/Residential** - This use is proposed for the area located north of N.E. 17th Terrace between N.E. 2nd Avenue and N.E. 4th Avenue. Development in this area should be limited to structures appropriate for residential and commercial developments as defined by the CR-3 district of the Zoning Ordinance. Generally permitted uses in this district include multifamily dwellings, retail, office and service establishments with maximum allowable floor area ratio of 1.72. Residential development should be encouraged by offering an intensity bonus. This could represent an increase in development intensity of approximately 50% over the present FAR of 1.72 or a total of FAR 2.42. This is appropriate to ease the transition from the floor area ratios of 6-10 permitted south of N.E. 17th Terrace to the maximum floor area ratio of 1.72 permitted north of N.E. 20th Street.

6. **Moderate Density Residential** - This district lies immediately north of the cemetery and will remain limited to the presently permitted residential development including related uses as defined by the RG-2 District of the Zoning Ordinance. Allowable floor area ratio shall not exceed 1.21.

7. **Institutional Use** - This designation encompasses school and church property throughout the redevelopment district, regardless of zoning classification.

8. **Parks and Open Spaces** - This designation encompasses publicly owned parks and cemeteries.

IV. C. COMMUNITY FACILITIES AND SERVICES

The provision of quality community facilities and services is essential in order to compliment redevelopment activities proposed for the Omni area. This plan is intended to identify those important facilities and services and provide guidelines for their maintenance and improvement, as necessary to support future growth.

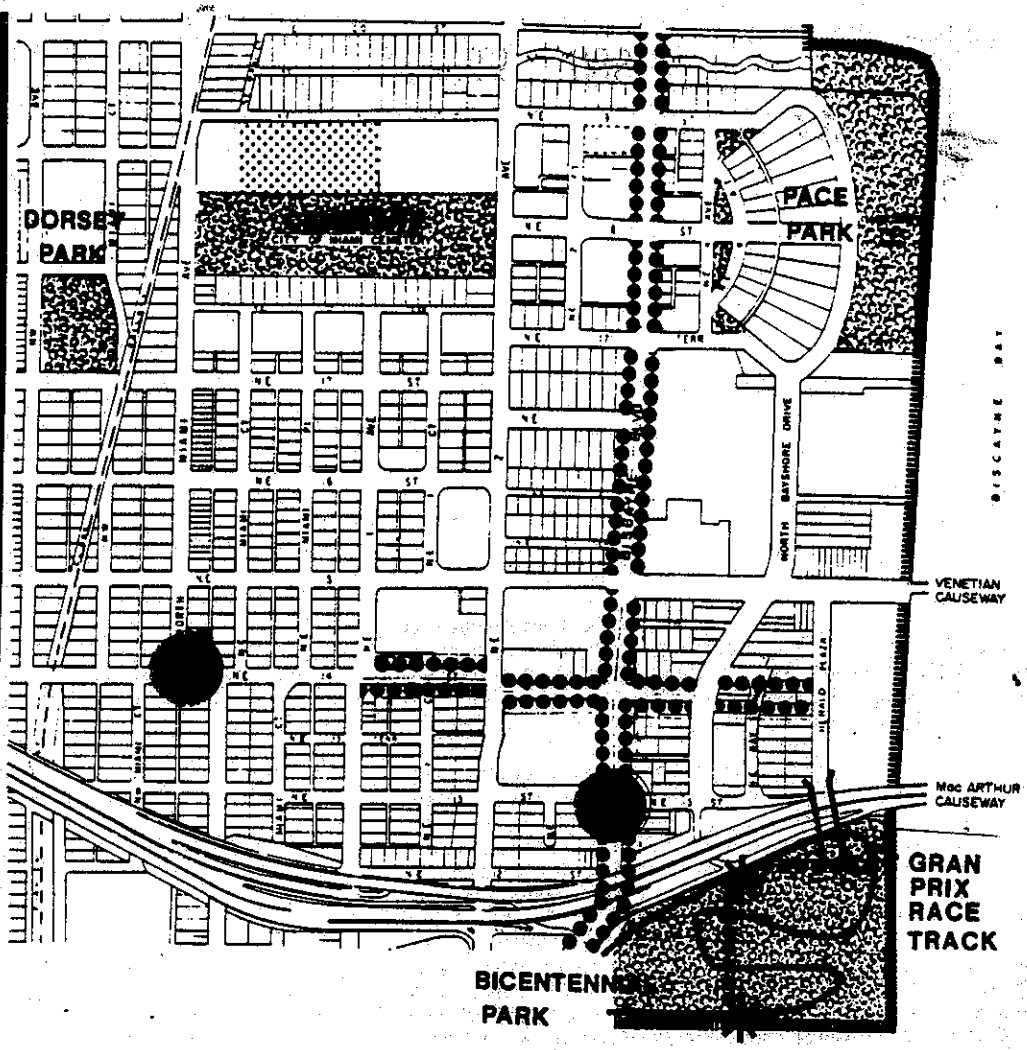
1. **Parks and Open Space** - The existing and future needs of the Omni area for large scale public open space are well served by the existing 40.5 acres of public park space, including Margaret Pace Park, Bicentennial Park, Dorsey Park, and a little known mini-park along North Miami Avenue near N.E. 14th Street. The Miami City Cemetery provides an additional 9.6 acres of permanent green open space; and the Miramar Elementary School maintains a 4.1 playground space that was a part of the former Biscayne Park.

The Proposed Open Space Plan for the Omni area, illustrated on Map 7 , emphasizes the amenity of the waterfront, suggests better utilization of existing public open spaces (including street rights-of-way), provides an open space linkage system of pedestrian promenades, and relies on requirements for private development to provide new smaller scale open spaces scattered throughout the area.

Bicentennial Park, together with the FEC Tract, Bayside and Bayfront Park, is a major opportunity to bring activity and vitality back to the downtown area, and to link the Omni area with the heart of downtown. This linkage can best be achieved by strategically locating a series of special public attractions along the length of the bayfront park system. Examples of attractions that could be located in the park without dominating the open space are an aquarium or maritime museum. The completion of the programmed pedestrian crossing at the MacArthur Causeway and completion of a continuous baywalk would help to further unite the Omni area with the bayfront park system to the south.

Biscayne Boulevard represents another opportunity to unify the Omni area with the central business district and to provide a major visual and functional pedestrian open space. Plans are underway to design a world class Boulevard from the Miami River to N.E. 20th Street including new landscaping, sidewalk paving, lighting and street furniture. A sidewalk cafe district should be encouraged between N.E. 15th and 17th Streets. A landmark feature should be incorporated into the excess right-of-way at the N.E. 13th Street intersection. N.E. 14th Street, as the major east-west arterial street connecting the Civic Center, should also be developed as a high amenity pedestrian street. A landmark feature could be created at the Miami Avenue intersection to help create a sense of place in the Omni West district. The eastern terminus of N.E. 14th Street should be a public open space provided by the redeveloped Herald Square property.

2. **Utilities and Drainage** - The Omni area is presently provided with water and sanitary sewer service by the Miami Dade Water and Sewer system. Both systems contain sufficient capacity to serve future growth in the Omni area; however certain of the local distribution lines within the district may need to be upgraded as redevelopment occurs.



CITY PARKS AND OPEN SPACES

MAJOR PEDESTRIAN CORRIDOR WITH SIDEWALK AMENITIES

BAYWALK

PROPOSED LANDMARK FEATURE

SCHOOL PLAYGROUND

SPECIAL PUBLIC ATTRACTION FACILITY

Map 7

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Proposed Open Space Plan

OMNI AREA REDEVELOPMENT PLAN

42

Storm drainage is adequate on public streets. The existing positive drainage system with discharge to Biscayne Bay is being replaced with french drains and covered trench exfiltration systems over a period of time in connection with the schedule for replacement/reconstruction of existing streets. Since 1980, new private development has been required to retain all stormwater on site, a fact which will result in a long term gradual reduction in demand on the street drainage system.

3. **Police, Fire, Health Care** - Crime and security are major concerns of the Omni area residents and businesses. The Miami Police Department will be encouraged to provide all feasible resources to serve the Omni area. Extra police service, beyond the normal level of service able to be supported by the City budget, may be able to be funded through tax increment revenues or a special taxing district.

Excellent fire and emergency rescue service is provided by the City of Miami Fire Station #2 within the redevelopment district at 1901 N. Miami Avenue. Jackson Memorial Hospital, a public facility, is conveniently located one mile to the west.

4. **Schools** - The Miramar Elementary School, located at 109 NE 19th Street, is the neighborhood public school serving grades 4-6 in the Omni area. (The school is paired with Buena Vista Elementary, located at 3001 NW 2nd Avenue, for grades K-3.) The Dade County School system has plans to replace both Miramar and Buena Vista with a new elementary school that would replace the existing Robert E. Lee Jr. High School at 3100 N.W. 5th Avenue. Consideration should be given to retaining Miramar Elementary School to serve the high density residential development projected for the Omni and Edgewater neighborhoods.

The Dade County School System also operates a technical training center and the Anna Brenner Meyer Telecommunications Center within the redevelopment area. Both of these facilities provide valuable anchors in efforts to increase commercial development.

IV. D. TRANSPORTATION NETWORK

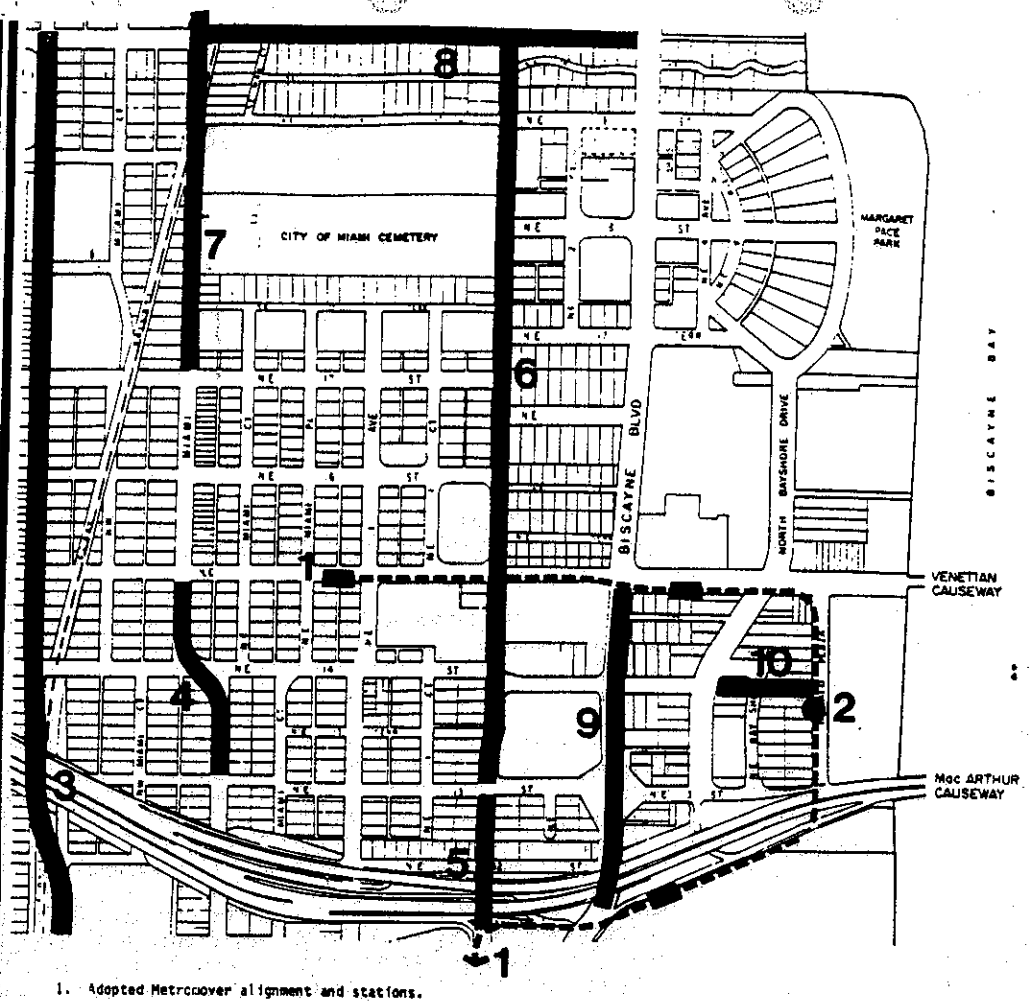
Access to the Omni area is provided by the regional expressway system with interchanges on I-395 and SR 112; arterial streets including Biscayne Boulevard, N.E. 2nd Avenue, N.E. 1st Avenue, North Miami Avenue, N.E. 20th Street, and N.E. 14th Street; and two direct causeway connections to Miami Beach. A few of these access routes are highly congested during rush hour, but provide excellent access during remaining time periods.

The street system within the Omni area can be characterized by a few north-south arterial streets that are highly congested during morning and evening rush hour, a good overall grid system of arterial and collector streets with excess capacity, and an over abundance of local streets and alleys that would be desirable to abandon for the purposes of reducing vehicular turning movements and promoting lot assembly for redevelopment.

Numerous traffic studies have identified physical capacity improvements to the street system that are feasible to implement. Those improvements, illustrated on Map 8 and listed below, are primarily confined to use of existing public rights-of-way in order to minimize the social and economic impacts of extensive new acquisition programs. The only notable exception is the proposed extension of N.E. 20th Street between N.E. 2nd Avenue and Biscayne Boulevard.

Recommended Improvements

1. Construct the planned Omni extension of the Metromover system.
2. An additional Metromover station should be built by the adjacent developer to serve the Herald Plaza area.
3. Extend the proposed improvements to N.W. 1st Avenue ("West Side Corridor", the 5 lane boulevard planned for Southeast Overtown/Park West and the Central Business District) from N.W. 11th Street to N.W. 20th Street.
4. Reconstruct the intersection of N. Miami Avenue and N.E./N.W. 14th Street to improve the alignment of N. Miami Avenue.
5. The existing I-395 interchange in the vicinity of N.E. 1st Avenue and N.E. 2nd Avenue should be re-studied for efficiency improvements, particularly the potential for east-to-northbound turns from I-395 to N.E. 2nd Avenue.
6. Reconstruct N.E. 2nd Avenue north of N.E. 13th Street to provide two northbound and two southbound through lanes with center turn lane.
7. Reconstruct North Miami Avenue north of N.E. 17th Street to provide two northbound and two southbound through lanes with center turn lane.
8. N.E. 20th Street should be extended to Biscayne Boulevard from its present eastern terminus at N.E. 2nd Avenue, through right-of-way acquisition and improvement. A further eastward extension to the Bay connecting North Bayshore Drive should be considered in connection with development of that area.



1. Adopted Metromover alignment and stations.
2. Additional Metromover station to be constructed by adjacent development.
3. Extend N. W. 1st Avenue (West Side Corridor) improvements from N. W. 11th Street to N. W. 20th Street.
4. Reconstruct N. Miami Avenue to improve intersection alignment.
5. Restripe N. E. 2nd Avenue to provide 1 north bound thru lane from I-395 exit.
6. Reconstruct N. E. 2nd Avenue to provide 2 north bound and 2 south bound thru lanes with center turn lane.
7. Reconstruct N. Miami Avenue to provide 2 north bound and 2 south bound thru lanes with center turn lane.
8. Acquire right-of-way and reconstruct N. E. 20th Street with 2 lanes east bound and 2 lanes west bound.
9. Redesign/restripe Biscayne Boulevard to improve traffic flow.
10. Extend N. E. 14th Street to Herald Plaza in conjunction with development of adjacent property.

Map 8

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Proposed Transportation Improvements

OMNI AREA REDEVELOPMENT PLAN

4/5

9. Redesign/restripe Biscayne Boulevard to improve traffic flow and merging maneuvers.

10. N.E. 14th Street east of N. Bayshore Drive should be realigned to eliminate the offset intersection at N. Bayshore Drive and connect to Herald Plaza in conjunction with development of adjacent property.

11. If a convention center is to be constructed in the area, its cost should include relocation of the planned Metromover guideway and station to serve the center.

The major strategy for easing congestion at peak hour is to shift some of the traffic away from the most congested locations (i.e., the I-395 ramps, Biscayne Boulevard, N.E. 2nd Avenue and N.E. 1st Avenue toward the underutilized streets in the western portions of downtown (i.e., North Miami Avenue and N.W. 1st Avenue). Planned construction of connecting ramps between I-95 and SR 836 outside the study area will provide an alternative to the Omni area I-395 ramps for a significant amount of traffic generated by the Central Business District.

The 1981 transportation analysis prepared for the SPI-6 zoning district by Barton-Aschman Associates, Inc. concluded that buildout of the commercial floor area ratio permitted in the SPI-6 district could not be supported by the street system if all feasible improvements were implemented. Therefore, emphasis is provided in this plan toward building a balance of residential uses that will serve downtown employees, thereby reducing peak hour work related auto trips.

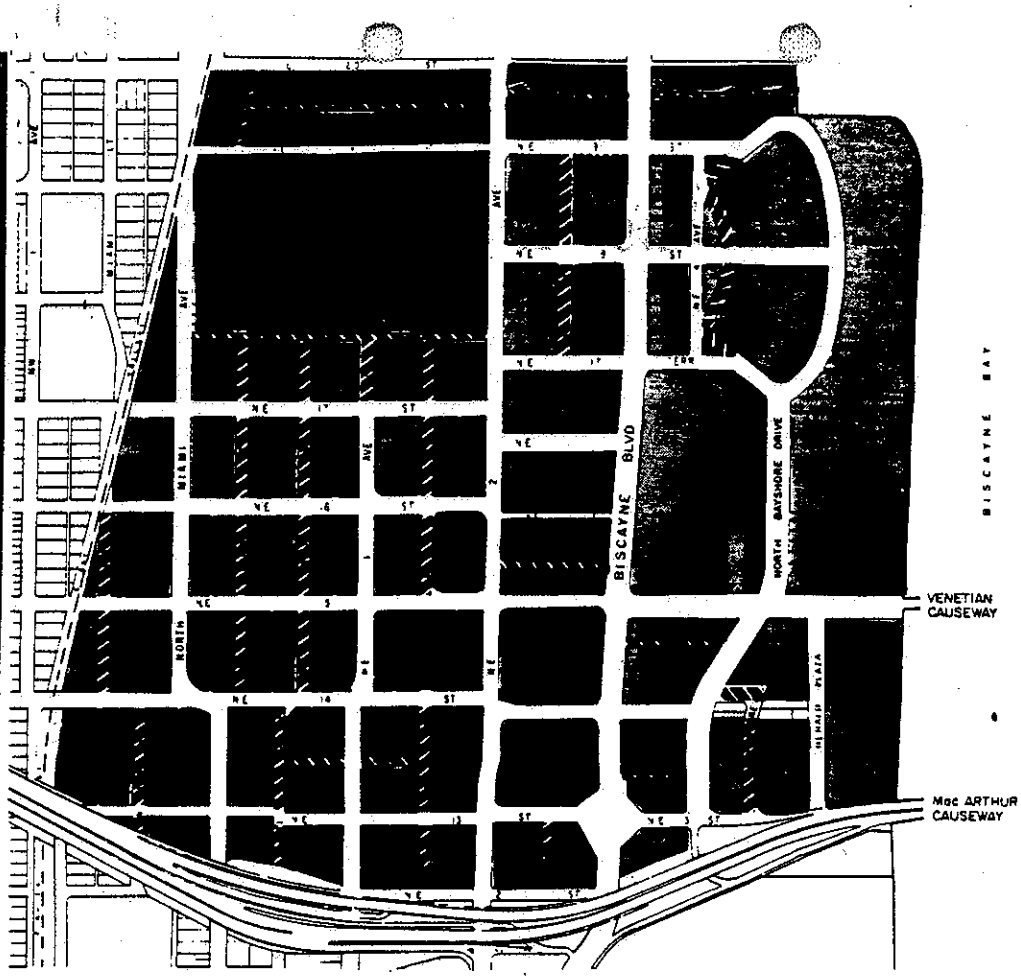
The Downtown Development of Regional Impact study will further define needs and feasibility for future street improvements, and provide safeguards to ensure that improvements are provided coincident with new development.

Map 9 illustrates the street network system that is needed to maintain adequate circulation within the redevelopment area; and it shows the streets that could be closed to promote lot assembly and redevelopment. Such street closures would only be initiated upon request of all adjoining property owners. Existing underground utilities may need to be protected with easements in the event of a street closure.

Public transportation in the area now consists of Metrobus service on N.E. 1st and 2nd Avenues, N.E. 14th, 15th, 17th and 20th Street/17th Terrace, and Biscayne Boulevard. The Omni Extension of the Metromover system is planned and awaiting release of authorized federal funds. Construction of this system is of critical importance to the revitalization of the Omni area. The system would provide an economic development stimulus by serving intra-downtown trips, and would provide direct access to the Metrorail system.

The Florida East Coast (FEC) Railway right-of-way, which lies on the west boundary of the study area, has been suggested as the location of a future Metrorail extension, or for the Florida High Speed Rail (HSR) line, or both; hence it should be protected from encroachment along its length.

A water taxi system is recommended to be implemented with frequent stations along Biscayne Bay and the Miami River in the downtown vicinity. Vessels should be



STREETS THAT COULD BE CLOSED TO PROMOTE SITE ASSEMBLY

Map 9

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CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Proposed Street Network

OMNI AREA REDEVELOPMENT PLAN

47

small, unique, and festive in design, and operate like a land taxi system taking passengers to their individual destinations on demand. The water taxi system is primarily intended to link hotels and waterfront attractions, providing an enjoyable alternative transportation mode for visitors.

IV. E. HISTORIC PRESERVATION PLAN

The Omni area contains a number of structures and sites that are important in the historical and architectural development of Miami. The earliest is the City of Miami Cemetery, which dates to 1897, and reflects Miami's pioneer era. Miramar, one of the City's early exclusive residential subdivisions, was laid out in 1912, while Biscayne Boulevard, the City's first "shopping center," was completed in 1927. Buildings in the Omni area also reflect the wide variety of architectural styles common to Miami, including frame and masonry vernacular, Mediterranean Revival, and Art Deco.

The Dade County Historic Survey, completed in 1979, identified approximately 140 structures of varying degrees of historic and/or architectural significance within this area. Since that time, approximately 30 of these have been demolished, while many others have been drastically altered. Two buildings are listed in the National Register of Historic Places (Miami Woman's Club, 1737 N. Bayshore Drive and Trinity Episcopal Church, 464 N.E. 16th Street), while one has been determined eligible for the National Register (Sears, Roebuck and Co., 1300 Biscayne Boulevard). In addition, two properties (Miami Woman's Club and City of Miami Cemetery, 1800 N.E. 2nd Avenue) have been designated as local historic sites by the City of Miami under its Heritage Conservation Ordinance.

As part of the Downtown Master Plan, the Dade County Historic Survey was updated, and all buildings eligible for the National Register of Historic Places and/or local historic site designation were identified. These sites are listed on the following page and illustrated on Map 10. It is the policy of the City of Miami to promote the preservation of these historic sites and to encourage that any remodeling respect their historic character.

To promote preservation, the City will nominate all of the ten potentially eligible buildings to the National Register of Historic Places. If listed in the National Register, income producing buildings would be eligible for a 20 percent investment tax credit for rehabilitation. Other federal incentives would also be available.

The City will also encourage the designation of all eligible buildings as local historic sites under the Heritage Conservation Ordinance. This ordinance provides for certain zoning incentives in exchange for the preservation of a building. These incentives may include floor area or density bonuses, transfer of development rights, change in use, and modification of height, setback, parking and other zoning regulations. The City will continue to explore other incentives to encourage preservation.

Because of its historic and architectural significance, as well as its visual prominence at the entrance to the Omni area, the Sears Building is worthy of special attention. Every attempt should be made to find a buyer who will rehabilitate the building, either individually or as a component in a larger development. In the meantime, the exterior should be cleaned and painted in Art Deco colors to eliminate the negative visual image the building currently projects.

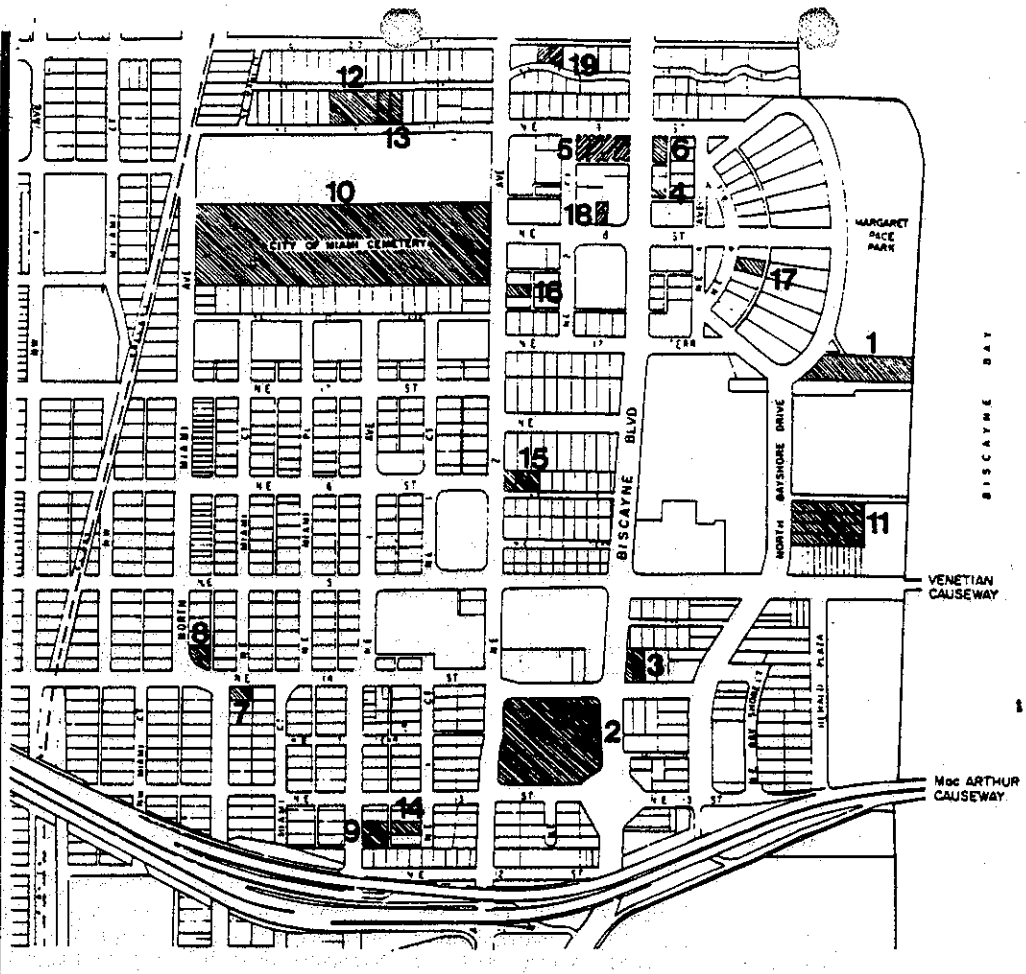
PROPERTIES OF ARCHITECTURAL AND/OR HISTORIC SIGNIFICANCE

Properties of major architectural and/or historic significance that are listed in or potentially eligible for the National Register of Historic Places:

Address	Historic Name
1. 1737 N. Bayshore Drive	Miami Woman's Club
2. 1300 Biscayne Boulevard	Sears, Roebuck and Company
3. 1401 Biscayne Boulevard	Boulevard Shops
4. 1825 Biscayne Boulevard	Algonquin Apartments
5. 1836 Biscayne Boulevard	First Church of Christ Scientist
6. 1845 Biscayne Boulevard	Priscilla Apartments
7. 1367 N. Miami Avenue	Citizens Bank
8. 1401 N. Miami Avenue	Fire Station No. 2
9. 1221-27 N.E. 1st Avenue	Kentucky Home
10. 1800 N.E. 2nd Avenue	City of Miami Cemetery
11. 464 N.E. 16th Street	Trinity Episcopal Cathedral
12. 109 N.E. 19th Street	Miramar Public School
13. 137 N.E. 19th Street	Temple Israel

Additional properties of architectural and/or historic significance that are potentially eligible for designation by the City of Miami as local historic sites.

1. 1227 N.E. 1st Court	Anderson Hotel Annex
2. 1603 N.E. 2nd Avenue	Franklin Court Apartments
3. 1757 N.E. 2nd Avenue	S & S Restaurant
4. 1799 N.E. 4th Avenue	Pelican Apartments
5. 263 N.E. 18th Street	
6. 219 N.E. 20th Street	



Properties of
Historical /Architectural Significance
OMNI AREA REDEVELOPMENT PLAN

Map 10

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CITY OF MIAMI PLANNING DEPARTMENT
AND DEPARTMENT OF DEVELOPMENT

V. IMPLEMENTATION PROGRAM

The Community Redevelopment Act outlines the minimum criteria for community redevelopment plans and authorizes the use of various municipal powers to implement them. However, the success of the redevelopment depends, to a large measure, upon the effectiveness of mechanisms available to implement and regulate the plan recommendations.

This section outlines major implementation tools and regulations that shall apply to new development and redevelopment within the Omni Redevelopment Area.

A. ZONING PLAN

The Zoning Plan provides a major vehicle for implementing the Proposed Land Use Plan. It proposes some changes to the existing zoning within the area. In general, the existing zoning categories are retained, in some cases SPI (Special Public Interest) overlay districts are introduced, and some revisions are proposed to district boundaries as necessary to accomplish redevelopment objectives.

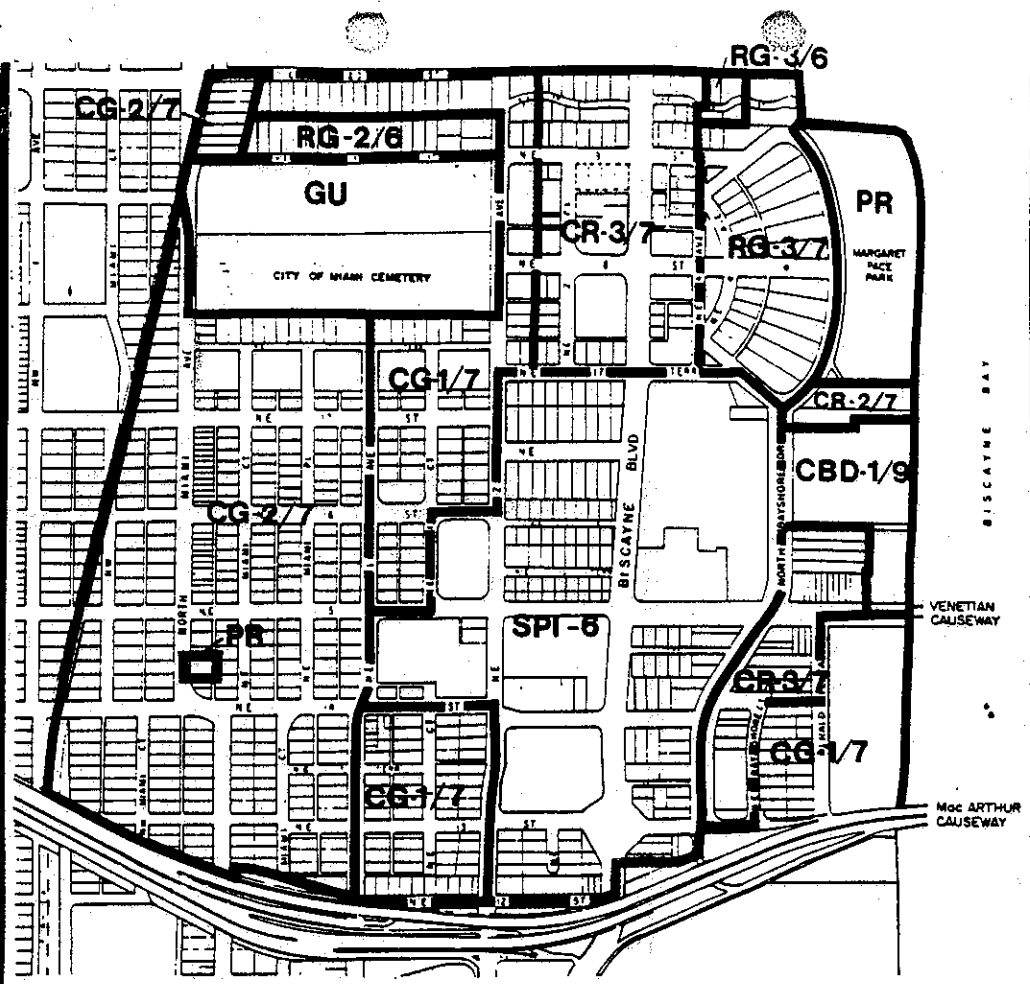
Existing zoning is shown on Map 11; and proposed changes are shown on Map 12 and described below. Zoning categories incorporated within this plan are illustrated on Map 13 Proposed Zoning.

1. Create a SPI-6.1 zoning district to replace the existing pattern of unrelated zoning districts in the area east of North Bayshore Drive. This new zoning classification should have all of the essential characteristics of the adjoining SPI-6 district; however, greater emphasis should be placed upon residential uses and special waterfront development design standards. To ensure that residential uses are developed within this district or in nearby areas, the Floor Area Ratio for non-residential uses should be limited to approximately 3.0, with bonuses up to FAR 6.0-8.0 (depending upon proximity to Metromover Stations) in exchange for on-site housing or assistance for an equivalent amount of off-site housing through contribution to the City of Miami's Affordable Housing Trust Fund. The following existing zoning districts should be changed to SPI-6.1:

   -- CR-2/7 immediately south of Pace Park
   -- CBD-1/9 between North Bayshore Drive and Biscayne Bay north of N.E. 15th Street
   -- CR-3/7 along North Bayshore Drive and west of N.E. Bayshore Court and Herald Plaza
   -- CG-1/7 east of N.E. Bayshore Court and Herald Plaza

2. Expand the western boundary of the CR-3/7 district located between N.E. 17th Terrace and N.E. 20th Street to include CG-1/7 district lying east of N.E. 2nd Avenue.

3. Extend and straighten the western boundary of RG-3/7 district located north of N.E. 19th Street to include a small pocket of RG-3/6 district.



CBD-1/9	CENTRAL BUSINESS DISTRICT
SPI-6	CENTRAL COMMERCIAL RESIDENTIAL
CG-2/7	GENERAL COMMERCIAL
CG-1/7	GENERAL COMMERCIAL
CR-3/7	RESIDENTIAL COMMERCIAL
RG-2/6	GENERAL RESIDENTIAL
RG-3/7	GENERAL RESIDENTIAL
PR	PARK AND RECREATION
GU	GOVERNMENTAL

Map 11

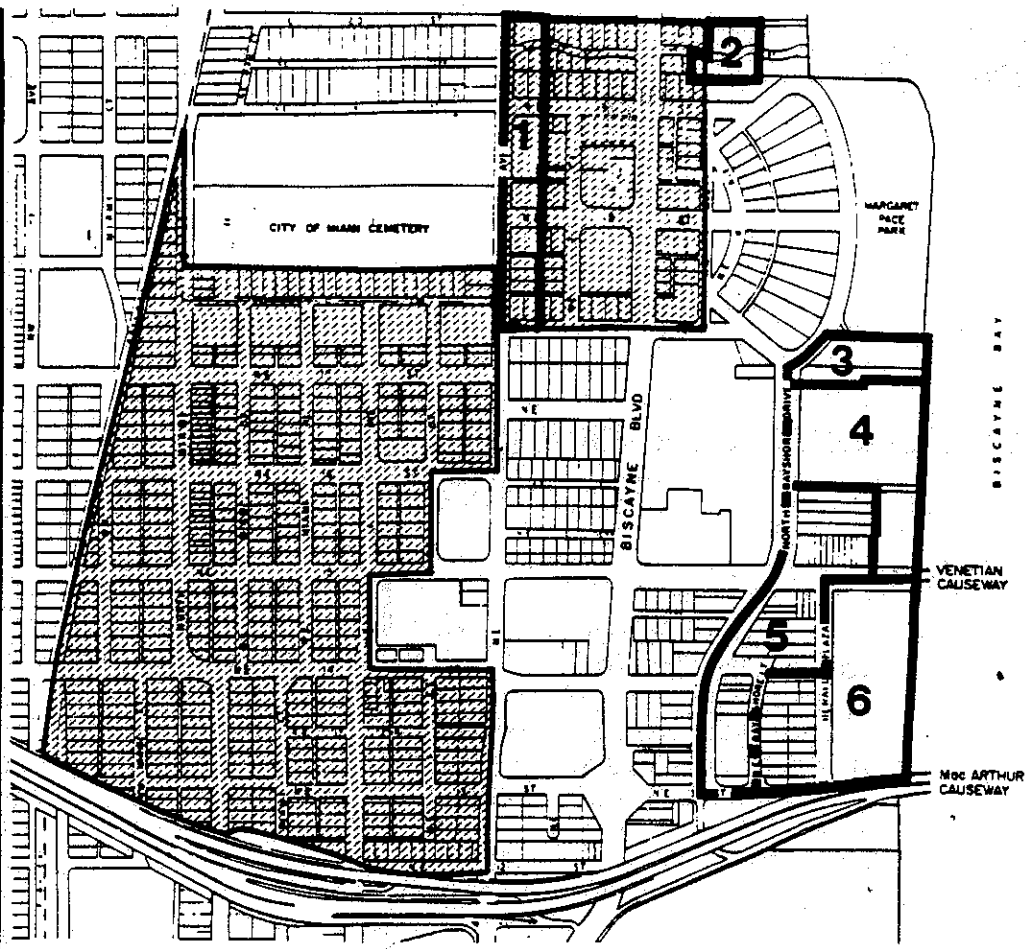
0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Existing Zoning

OMNI AREA REDEVELOPMENT PLAN

53



FROM:

1 CG-1/7 TO CR-3/7

2 RG-3/6 TO RG-3/7

3 CR-2/7 TO SPI-6.1

4 CBD-1/9 TO SPI-6.1

5 CR-3/7 TO SPI-6.1

6 CG-1/7 TO SPI-6.1

SPI OVERLAY DISTRICT

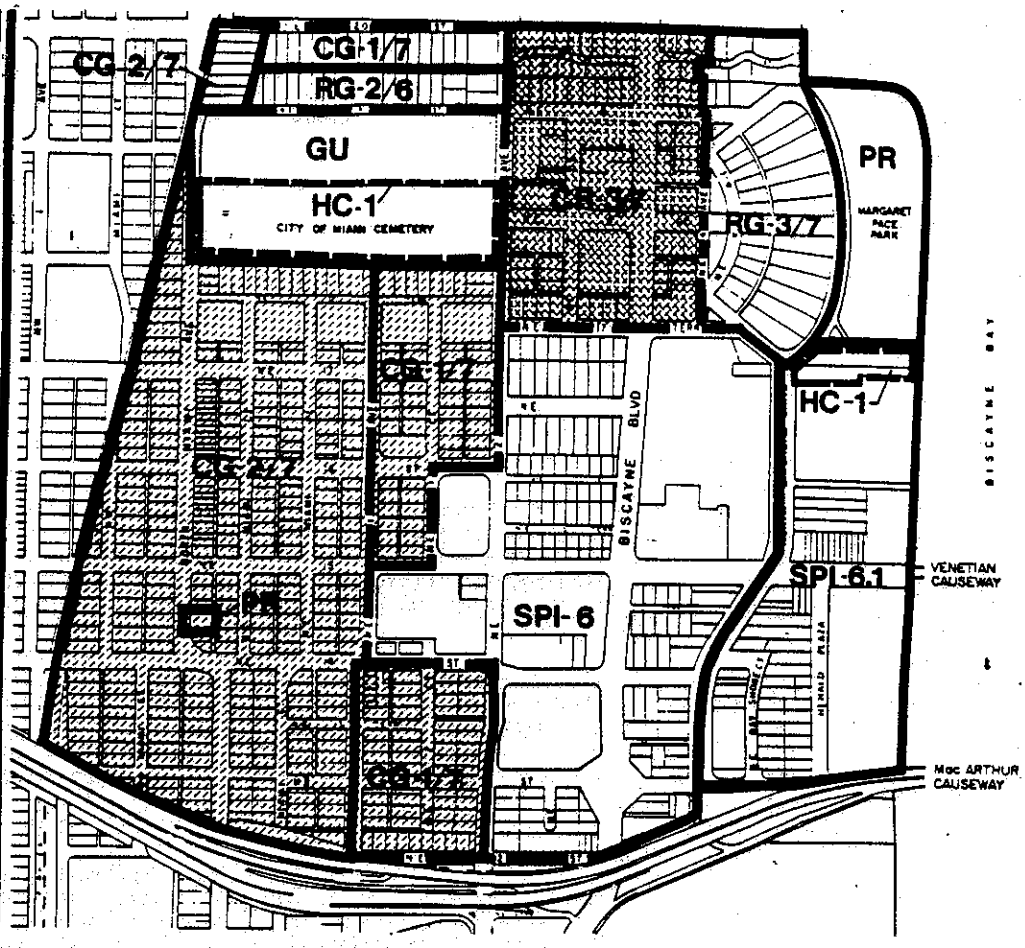
Map 12

Proposed Zoning Changes
OMNI AREA REDEVELOPMENT PLAN

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

51



SPI-6	CENTRAL COMMERCIAL RESIDENTIAL
SPI-6.1	CENTRAL COMMERCIAL RESIDENTIAL
CG-2/7	GENERAL COMMERCIAL
CG-1/7	GENERAL COMMERCIAL
CR-3/7	RESIDENTIAL COMMERCIAL
RG-2/6	GENERAL RESIDENTIAL
RG-3/7	GENERAL RESIDENTIAL
PR	PARK AND RECREATION
GU	GOVERNMENTAL USE
	SPI OVERLAY DISTRICT
	SPI OVERLAY DISTRICT

Map 13

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Proposed Zoning

OMNI AREA REDEVELOPMENT PLAN

55

4. Create an SPI overlay district for the CR-3/7 district located between N.E. 17th Terrace and N.E. 20th Street. Such SPI district would permit an fntensity increase from sector 7 to sector 8 when such added intensity is used for on-site housing, or when an equivalent amount of off-site affordable housing is assisted by contribution to the City of Miami's Affordable Housing Trust Fund.

5. Create an SPI overlay district for the CG-1 and CG-2 areas located west of N.E. 2nd Avenue that would contain special design guidelines to ensure that the wide variety of commercial and light industrial uses permitted there would not create adverse visual impacts on one another.

A portion of the proposed Redevelopment District falls within the boundary of the Dade County Shoreline Development Review Committee (SDRC)[1]. As a result, this plan and any proposed "development action"[2] within the area must undergo review by the SDRC of the Executive Council of the Dade County Developmental Impact Committee (DIC)[3].

The Shoreline Development Review Ordinance contains certain review criteria that are to be utilized by the SDRC in their evaluation of this plan and in the evaluation of any proposed development action to be taken within the Shoreline Development Review Boundary. These criteria include standards for shoreline

---

[1] Section 33D-32 of the Dade County Code describes the "shoreline development review boundary" with a map and as being:

"defined by the nearest public roadway, or extension of such roadway alignment, paralleling the shoreline of Biscayne Bay and the northern embayments of Dumfoundling Bay, Maule Lake and Little Maule Lake and Intracoastal Waterway from N.E. 163rd Street to the Broward County Line. Where it is not feasible to follow existing road configurations or extensions of those alignments, zoning district boundaries shall be used to define the boundaries. The boundary line shall extend southward from the Broward County Line to the northern boundary of Biscayne National Park".

[2] "Development Action" is defined by Section 33D-32 of the Dade County Code as:

"Any standard fpr, coastal construction permit as defined in Chapter 24 of the Dade County Code or any plat approval, building permit, zoning permit or approval, rezoning or district boundary change; varience; special exception; conditional permit; unusual use; special use permit or any other zoning action ancillary structure or change the existing grade elevation or use of any parcel whithin the shoreline development of a review boundary".

[3] Section 33D-34 and 33D-35 of the Dade County Code set forth the respective duties and responsibilities of the SDRC and the DIC. Primarily, the SDRC has jurisdiction and responsibility regarding the review and recommendations as to this Redevelopment Plan while the DIC may become involved in certain decisions regarding the issuance of development approvals and the necessity for shoreline review or exemptions therefrom.

setbacks, visual corridors, side setbacks and side street setbacks, as well as conditions where the criteria may be waived by exception in order to provide additional publicly accessible amenities along the shoreline of Biscayne Bay. These criteria are set forth in Section 33D-38 of the Dade County Code and are incorporated within this plan, by reference. While adopting of this Plan will not actually implement any "developmental actions" as defined by the Code, the criteria of the Shoreline Development Ordinance are intended to be applied to the recommendations of this plan dealing with those properties within the boundaries of the Shoreline Review Ordinance. Thus, the criteria of the Shoreline Development Ordinance should be applied in the individual determinations of this plan.

For example, this plan does recommend certain zoning changes to take place in the future that would apply a new SPI-6.1 district along the shoreline of Biscayne Bay. When the new SPI-6.1 district regulations are written, the Shoreline Development standards will be incorporated into the requirements of the district. Once the proposed zoning changes are adopted, individual applications for development action will be reviewed by the Shoreline Development Review Committee.

V. B. CAPITAL IMPROVEMENT PROJECTS

The redevelopment plan provides for a range of capital improvements to accomplish the objectives of the plan. Capital improvements include:

1. Acquisition and assembly of one or more sites for public facilities to become activity anchors in order to stimulate additional redevelopment by the private sector.

2. Acquisition and assembly of one or more sites for disposition for private redevelopment in order to create specialized industry activity anchors that would create additional economic activity as a catalyst project. Should this catalyst project proceed, the initial tax increment could be utilized to create an available capital pool of between 11.5 million to 13 million through the issuance of a tax increment revenue bond in 1987 or 1988, which could be used for land assembly.

3. Public infrastructure improvements including, but not limited to, utilities, streets, sidewalks, parks, landscaping and upgrading of publicly-acquired easements.

The capital improvements will be accomplished over time at a pace set by the resources available for their completion, the primary resource being the tax increment revenues and land acquisition contemplated does not include residential properties.

The construction of the Omni Extension of the Metromover system is also scheduled for construction, the financing of which is to be supported in part by a special taxing district for the Omni area.

In addition to the above capital improvements which are recommended as part of the redevelopment plan, the 1985-86, City of Miami Capital Improvement Program includes the following projects for the Omni area:

1. Downtown Component of Metromover - Stage II

   The City of Miami has made a commitment to Metro-Dade County to finance a percentage of the project cost of Stage II. This consists of a total of $7,239,300 by the year 1991, from the City of Miami General Fund.

2. Edgewater Street Improvements - Phase II

   This project consists of the rebuilding of streets, which are to be selected by the City of Miami Public Works Department at the time of construction. Improvements will include asphalt pavement, concrete sidewalk, concrete curbs and/or gutters, storm drainage and landscaping. This consists of a total of $1,500,000 by the year 1990; of which $1,000,000 is to be appropriated from Highway G.O. Bonds, and $500,000 from 1984 storm sewer G.O. Bonds.

3. Miramar Storm Sewers Project

This project involves replacement of an existing storm sewer system to be accomplished in conjunction with the rebuilding of streets in the area bounded by N.E. 20th Street, Biscayne Boulevard, N.E. 17th Terrace, and Biscayne Bay. This consists of a total of $600,000 by the year 1989, all of which is to be appropriated by 1984 Storm Sewer G.O. Bonds.

4. Doran Jason/School Board Feasibility Study

This project will study the feasibility of an office/retail/parking building on both sides of N.E. 14th Street between N.E. 1st and N.E. 2nd Avenues, to be owned and primarily utilized by the school board. This consists of a total of $35,000 for 1987, all of which will be appropriated from Off-street Parking Revenues.

5. Renovation of all Fire Stations

This project involves the renovation of all existing Fire Stations, specifically Fire Station No. 2 in the Omni area. This consists of a total (for the entire city) of $697,500 by the year 1987; of which $472,000 has already been appropriated by 1981, Fire G.O. Bonds, and $225,5000 will be appropriated by 1981, Fire G.O. Bonds.

V. C. RELOCATION

The Community Redevelopment Act specifies that any plan prepared under this Act provide assurances that there will be replacement housing for the relocation of persons temporarily or permanently displaced from housing facilities within the redevelopment area [Fla Stats. 163.362(7)]. Chapter 163 also mandates that an appropriate procedure be established and adhered to which insures that such families are relocated to decent and safe housing without any undue hardship [Fla. Stats. 163.360(6)(a)].

Because no public acquisition activities are currently being proposed, a relocation plan is not included at this time. Public demolition activity, consistent with City-wide policies, will be limited to those cases where a health or safety problem is present which can not be resolved through code enforcement. In the event that public acquisition and subsequent relocation proves necessary, a detailed relocation plan in full conformance with Chapter 163 (and the Uniform Relocation Assistance and Real Property Acquisition Properties Act of 1970) will be developed and submitted for public review and approval, as required with any plan amendment under this Act.

V. D. DISPOSITION OF PROPERTY

Any publicly owned property to be transferred for private development as part of this redevelopment plan will be either sold in conformance with Section 18 of the Miami City Code, or will be made available on a long-term lease basis. Private redeveloper(s) of leased property will be selected under the procedures of the Unified Development Process (UDP) Ordinance of the City of Miami (Ordinance 9572).

V. E. REHABILITATION

Certain residential, commercial and industrial properties within the redevelopment area are in a deteriorated and/or substandard and/or underutilized condition and require rehabilitation and/or adoption to uses related to the new economic activity to be fostered within the area as part of this plan. An effort will be made to provide a range of incentives to allow rehabilitation to occur on a widespread basis in conjunction with the implementation of other components of the redevelopment plan, resulting in a widespread upgrading of the area and additional new private capital investment.

Part of the exterior rehabilitation of key commercial properties may be accomplished through the use of facade easement/facade improvement arrangements, whereby facade easements are granted to the City in exchange for improvements being made to the exterior facades of buildings.

V. F. ECONOMIC DEVELOPMENT PLAN

The creation of additional economic activity within the project area is the central purpose of the redevelopment plan. The scheduled Omni Extension of the Metromover system into the area will allow an added linkage to the Downtown Miami Central Business District. This, in itself, should increase the location desirability of the project area for a broad range of activities. In addition, market support for new economic activity will come from the continued development and occupancy of the Omni area hotels, condominiums, restaurants, entertainment, and shopping facilities.

However, this plan recognizes the need to actively seek additional activity to fully accomplish the redevelopment objectives. This activity will come from the location and concentration of new specialized industry anchor activities and new public use facilities in the area, key components of this redevelopment plan.

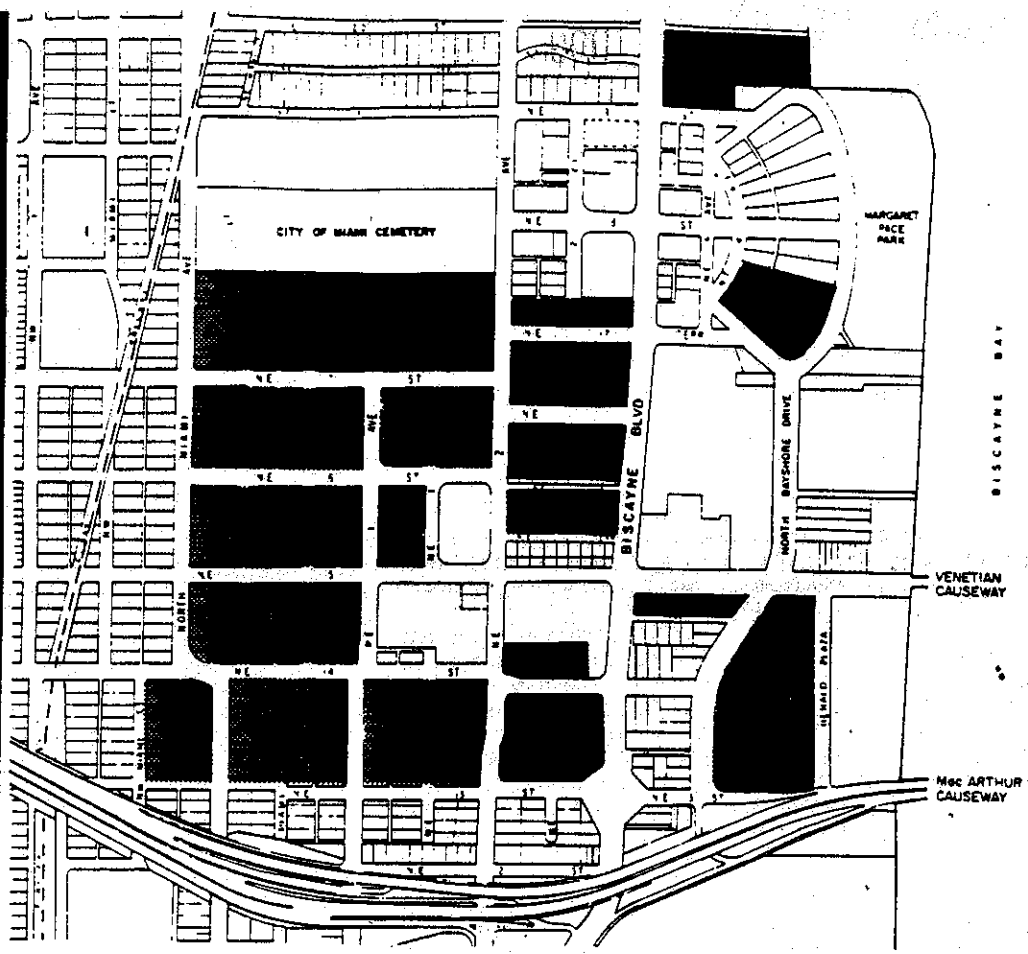
The redevelopment plan has identified a range of possible specialized activities, one or more of which could be concentrated at locations in the redevelopment area. Preliminary market investigation suggests these that these activities could include a media/film district, an exhibition center, port-related support functions and an apparel mart. Additional market research is required to specifically document which activities might be most feasible for concentration within the project area. This detailed research will be accomplished as implementation proceeds.

Several sites within the project area are ideally suited to be locations for concentrated new specialized use anchors. These sites include several major holdings of large, consolidated land, which at this time are either vacant or underutilized. A key component of the economic development strategy is facilitating the redevelopment of these land holdings, utilizing whatever public resources might be available (See Map 14). This could include utilization of tax increment revenues for partial or complete site acquisition for redevelopment.

The immediate strategy is to identify a catalyst project that can be quickly intiated to provide a stimulus to achieving other goals of the redevelopment plan. Should this catalyst project involve public land acquisition, the initial tax increment could be utilized to create an available capital pool of between $11.5 million and $13 million from a taxable or tax-exempt tax increment revenue bond. (See financial projections in Section VI.B.).

Another package of development incentives is available for that portion of the redevelopment area west of Biscayne Boulevard through the newly established Florida Enterprise Zone Act. (The City and County have agreed on a designation of the area shown on Map 15.) New developments or business activities occurring in the enterprise zone are eligible for state corporate income tax credits, state sales tax exemptions on building materials and equipment, and state sales tax remittances keyed to employment. In addition, the City and County have the option of approving additional incentives for the zone, including an abatement of property taxes for new construction.

For most situations, the incentives provided by the State through the enterprise zone designation are not major subsidies to attract development and business activity. The property tax abatement local option can be significant, but approval



PRIMARY DEVELOPMENT OPPORTUNITY AREAS

SECONDARY DEVELOPMENT OPPORTUNITY AREAS

Map 14

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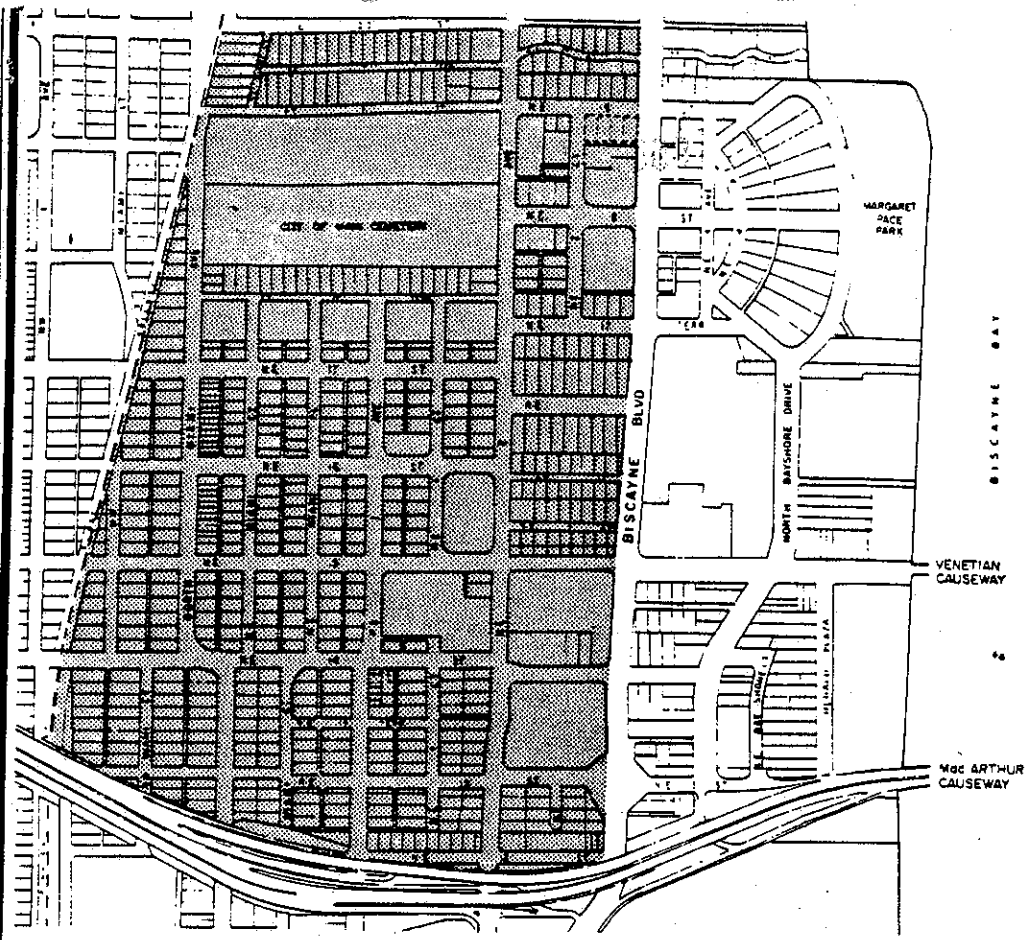
CITY OF MIAMI PLANNING DEPARTMENT AND DEPARTMENT OF DEVELOPMENT

Development Opportunity Areas

OMNI AREA REDEVELOPMENT PLAN

6-4



AREA DESIGNATED AS AN ENTERPRISE ZONE
JANUARY 1,1987 TO DECEMBER 31, 1994
(SUBJECT TO FINAL STATE APPROVAL)

Map 15

0 200 400 600

CITY OF MIAMI PLANNING DEPARTMENT
AND DEPARTMENT OF DEVELOPMENT

Enterprise Zone

OMNI AREA REDEVELOPMENT PLAN

65

of the City and County electorate is required. A more complete discussion of the enterprise zone program is provided in Appendix C.

Other developments occurring outside the project area will also provide an economic stimulus for area redevelopment. The scheduled expansion of the Miami Beach Convention Center, located conveniently across the Venetian Causeway on Miami Beach, will increase convention usage of the Omni area hotels and related uses. The April 1987 opening of the Bayside Specialty Center, and the continued redevelopment of the Southeast Overtown/Park West Redevelopment area, both to the south of the project area, will also provide a new impetus for utilization and redevelopment of the project area.

VI. FINANCING AND MANAGEMENT

A. Estimated Public Costs

The public actions outlined in this plan are currently anticipated to be almost exclusively funded from the projected tax increment revenues. Therefore, actions must be scaled and timed to not exceed the projected magnitude and timing of the receipt of the tax increment revenues. Current projections estimate an annual initial increment revenue to the Redevelopment Trust Fund of approximately $1,500,000. As new private investment occurs, this can be expected to increase accordingly. However, for the initial stages of plan implementation, public costs must be kept at a level to be supportable by an annual income stream of this amount, either utilized on an annual program basis or on a financed income stream basis.

VI. B. FINANCIAL STRATEGY AND STAGING

The financial strategy, simply stated, is to utilize the tax increment revenues to fund the public cost related to the public actions contemplated by the redevelopment plan. The range of public actions to accomplish or implement this plan must be staged to allow the tax increment revenues to be available to fund these actions. Under this constraint, actions must be staged to require no more than $1,500,000 per year in sunk costs or in financed costs.

Alternative uses for the tax increment revenue include:

1. Utilization of the tax increment revenue on a non-financed basis, whereby an annual improvements program is implemented on a level that is limited by the annual increment. A previously stated, the annual increment revenue is estimated to be $1.5 million in 1987, assuming the plan is fully adopted by the end of 1986.

2. Utilization of the tax increment for issuing a tax-exempt tax increment revenue bond in 1988. Assuming the current tax-exempt rate for this type of non-GO (general obligation) bond at 8.5 percent, with a 1.25 debt service coverage ratio, the $1.5 annual increment could float a bond of approximately $13 million. The federal tax legislation pending before Congress will severely restrict the ability of cities to use tax-exempt tax increment revenue bonds for redevelopment. (A full discussion of this issue is included as Appendix D to this document.)

3. Utilization of the tax increment for issuing a taxable tax increment revenue bond in 1988. Assuming the current taxable rate for this type of non-GO bond at 10 percent, with a 1.25 debt service coverage ratio, the $1.5 million annual increment could float a bond of approximately $11.5 million. (A taxable bond would not be bound by the restriction tied to a tax-exempt bond referred to above, affording the City far greater flexibility in use of funds.)

4. Utilization of the tax increment on a non-bond basis, through a contract loan or installment purchase basis with a private party agreeable to such an arrangement. This would allow maximum flexibility and may be an efficient way to finance the increment in certain specific situations.

APPENDIX A

LEGAL DESCRIPTION

All that portion of the following listed record plats lying within the area bounded by the Florida East Coast Railroad right-of-way on the West, the Northerly right-of-way line of I-395 on the South, the Westerly shore of Biscayne Bay on the East and the Southerly right-of-way of N.E. 20 Street on the North:

Plat Name	Plat Book	Page
The Causeway Fill	5	120
First Addition to Serena Park	80	8
Resubdivision of Pershing Court and Walden Court	4	148
Serena Park	76	86
Pershing Court	4	147
Walden Court	4	148 1/2
Walden Court First Addition	6	23
Rickmers Addition Amended	4	149
Windsor Park Third Amended	4	145
Windsor Park Second Amended	4	123
The Villa La Plaisance	4	114
Boulevard Tract	100	65
Belcher Oil Company Property	34	29
The Garden of Eden	4	12
Nelson Villa and Garden of Eden Resubdivision	9	174
Nelson Villa and Garden of Eden Amended	30	20
Amended Map of Nelson Villa Subdivision	4	81
Biscayne Park Addition Amended	4	22
Rice and Sullivan Subdivision	4	64
Amended Plat of Miramar Plaza	33	18
Miramar Third Amended	5	4
Biscayne Park Addition	2	24
Replat of a Portion of Nelson Villa Amended	56	69
ASC Tract	89	21
Margaret Pace Park	(Unplatted)	
Coral Park	2	66
Resubdivision of Coral Park	4	106
Grand Union Replat	76	78
Mary Brickell Subdivision	8	9
Windsor Park	3	147
Rickmers Addition Amended	3	2
Alice Baldwin Addition	1	119
Alice Baldwin, Jenny M. & Charles E. Oxar Subdivision Amended	8	87
Ward & Havling's Resubdivision	4	185
Charles E. Oxar Block 24 Amended	3	101
Charles E. Oxar Block 15 Corrected	3	58
Alice Baldwin Block 1 Corrected	6	43
Lindsey Hopkins Education Center	84	48
Heyn Prop. Inc. Resubdivision	6	93
North Miami	A	49 1/2
Lindsey Hopkins Educational Center North Parking Lot	93	90
T.W. Palmers Resubdivision	4	60

69

Table 5. HOUSING DEMAND PROJECTIONS, DADE COUNTY AND DOWNTOWN MIAMI AREA, 1985-2005
(Based on population projections)

	1985	1990	1995	2000	2005
Dade County					
Population	1,770,000	1,932,700	2,034,400	2,125,200	2,210,200
Household Population	1,745,220	1,905,642	2,005,918	2,095,447	2,179,257
Household Size	2.56	2.55	2.53	2.52	2.50
Vacancy	10.0%	8.8%	8.6%	8.4%	8.3%
Households	681,727	747,311	792,853	831,527	871,703
Total Units	757,500	819,400	867,500	907,800	950,600
Additional Units Required	--	61,900	48,100	40,300	42,800
A. Period Demand		1985-1990	1991-1995	1996-2000	2001-2005
Dade County		61,900	48,100	40,300	42,800
Demand Downtown Share of Dade County					
Alternative I: Trend					
@ 5.0%		3,100	--	--	--
@ 7.5%		--	3,610	--	--
@ 10.5%		--	--	4,230	4,490
OMNI		350	800	900	1,000
Overtown/Park West		2,000	2,000	2,500	2,500
CBD		150	200	230	250
Brickell		600	610	600	740
Alternative II: Latin Impact					
@ Plus 20%		3,720	4,330	5,080	5,390
OMNI		700	1,130	1,380	1,480
Overtown/Park West		2,000	2,000	2,500	2,500
CBD		220	300	300	410
Brickell		800	900	900	1,000

Plat Name	Plat Book	Page
W.T. Heslington Subdivision	8	97
City of Miami Cemetary	2	16
San Jose	3	158
Niles Court Resubdivision	32	36
Fire Station Site 1972	93	42
Seitter Addition Amended	2	60
Style Accessories Subdivision	62	8
Replat of Lot 2, North Miami	57	69
Omni International	102	3
Plaza Venetia	107	91
Herald Park	121	4
Bay Serena	7	135
Replat of Johnson and Waddell	50	15
Johnson and Waddell	8	53
Jefferson Addition	108	55
Biscayne Federal Plaza First Addition	116	7
Amended Plat of Les Violins	109	16
Biscayne Federal Plaza Amended	109	77
Replat Biscayne Federal Plaza	103	60

and all that portion of any unsubdivided lands lying in Section 36, Township 53 South, Range 41 East and Section 31, Township 53 South, Range 42 East, lying within the area defined above, and all that portion of any street, avenue, terrace, lane, way, drive, court, place, boulevard or alley lying within the area defined above and any other subdivisions, not listed above, lying within the above defined area.

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Table 5. HOUSING DEMAND PROJECTIONS, DADE COUNTY AND DOWNTOWN MIAMI AREA, 1985-2005
(Based on population projections)
(Continued)

B. Cumulative Housing Demand

	1985-1990	1991-1995	1996-2000	2001-2005
Alternative I: Trend				
OMNI	350	1,150	2,050	3,050
Overtown/Park West	2,000	4,000	6,500	9,000
CBD	150	350	580	830
Brickell	600	1,210	1,810	2,550
Alternative II: Latin Impact				
OMNI	700	1,830	3,210	4,690
Overtown/Park West	2,000	4,000	6,500	9,000
CBD	220	520	820	1,230
Brickell	800	1,700	2,600	3,600

Source: Hammer, Siler, George Associates.

Cumulative Subarea Housing Summary

	Absorption, 1985-2005	
	Alternative I	Alternative II
OMNI	3,050	4,690
Overtown Park West	9,000	9,000
CBD	830	1,230
Brickell	2,550	3,600
Total	15,430	18,520

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Table 12. ALTERNATIVE I: PROJECTED DEMAND FOR OFFICE SPACE, DOWNTOWN MIAMI BY SUBAREA, 1985-2005

Period	Annual Downtown Demand	Annual Square Feet Of Office Space Demand			
		Omni	Overtown	Core	Brickell
1985-1990	480,400	24,000	28,800	288,300	139,300
1991-1995	446,200	26,800	35,700	258,800	124,900
1996-2000	498,100	34,900	49,800	283,900	129,500
2001-2005	546,900	43,800	60,200	306,200	136,700

Source: Hammer, Siler, George Associates.

Table 13. ALTERNATIVE I: CUMULATIVE PROJECTED DEMAND FOR OFFICE SPACE, DOWNTOWN MIAMI BY SUBAREA, 1985-2005

Period	Downtown Demand	Downtown Demand By Subarea			
		Omni	Overtown	Core	Brickell
1985-1990	2,402,000	120,000	144,000	1,441,500	696,500
1991-1995	4,633,000	254,000	322,500	2,735,500	1,321,000
1996-2000	7,123,500	428,500	571,500	4,155,000	1,968,500
2001-2005	9,858,000	647,500	872,500	5,686,000	2,652,000

Source: Hammer, Siler, George Associates.

Table 14. ALTERNATIVE II: PROJECTED DEMAND FOR OFFICE SPACE, DOWNTOWN MIAMI, 1985-2005

Period	Dade County Demand	Downtown Market Share	Downtown Office Demand	
			Total/Period	Cumulative
1985-1990	8,498,500	32.5%	2,762,000	2,762,000
1991-1995	7,774,000	33.0%	2,565,400	5,327,400
1996-2000	8,550,300	33.5%	2,864,300	8,191,700
2001-2005	9,248,900	34.0%	3,144,600	11,336,300

Source: Hammer, Siler, George Associates.

Table 15. ALTERNATIVE II: PROJECTED DEMAND FOR OFFICE SPACE, DOWNTOWN MIAMI BY SUBAREA, 1985-2005

Period	Annual Downtown Demand	Annual Square Feet Of Office Space Demand			
		Omni	Overtown	Core	Brickell
1985-1990	552,400	27,600	33,200	331,400	160,200
1991-1995	513,100	30,800	41,000	297,600	143,700
1996-2000	572,900	40,100	57,300	326,500	149,000
2001-2005	628,900	50,300	69,200	352,200	157,200

Source: Hammer, Siler, George Associates.

Table 16. ALTERNATIVE II: CUMULATIVE PROJECTED DEMAND FOR OFFICE SPACE, DOWNTOWN MIAMI BY SUBAREA, 1985-2005

Period	Downtown Demand	Downtown Demand By Subarea			
		Omni	Overtown	Core	Brickell
1985-1990	2,767,000	138,000	166,000	1,657,000	801,000
1991-1995	5,327,500	292,000	371,000	3,145,000	1,519,500
1996-2000	8,192,700	492,500	657,500	4,777,500	2,264,500
2001-2005	11,336,300	744,000	1,003,500	6,538,500	3,050,500

Source: Hammer, Siler, George Associates.

2005, over 2,000 additional rooms can be supported by growing commercial, convention, and tourist demand.

The future hotel room demand is distributed by subarea in Table 22.

Table 22. ALTERNATIVE I: PROJECTED HOTEL DEVELOPMENT BY SUBAREA, DOWNTOWN MIAMI, 1985-2005

	No. Hotels and Rooms by Subarea				
Period	Omni	Overtown/ Park West	CBD	Brickell	Total
1985-1990	--	--	--	--	--
1991-1995	--	--	1 = 600	--	1 = 600
1996-2000	1 = 400	1 = 400	--	--	2 = 800
2001-2005	--	--	--	1 = 600	1 = 600
Total	1 = 400	1 = 400	1 = 600	1 = 600	4 = 2,000

Source: Hammer, Siler, George Associates.

A number of factors were taken into consideration when allocating future hotel room demand, particularly anticipated developments and existing competitive facilities in each subarea. The abundance of existing hotels within the CBD area are believed to be sufficient to handle additional demand in the near term through increased occupancy levels. However, DRI's have been approved for 634 rooms in the CBD subarea by 1990. For this reason, 600 rooms have been allocated to the CBD for the 1991-1995 period. The major factor which will generate demand in the Overtown/Park West subarea is the exhibition center/sports area and the Bayside project. There are no existing competitive hotels in that subarea at present. The Omni and Brickell subareas would then capture convention spillover demand, as well as the anticipated increase in commercial demand, respectively.

Alternative II

Under this alternative, the number of room/nights demanded for commercial and convention use would remain constant, while tourist-generated demand would increase greatly as a result of the degree of increased tourism reflected in Table 21 (from 5.9 million in 1985 to 11.6 million by 2005). As a result, the total number of competitive hotel rooms justified in downtown Miami would increase from 3,197 in 1985 to approximately 6,945 by 2005. This is shown in Table 23.

Under Alternative II, seven new hotels, totalling 3,700 additional hotel rooms, could be supported in downtown by 2005. The distribution of these facilities is shown in Table 24 on the following page.

The same rationale was used in allocating hotel facilities and hotel rooms under Alternative II as for Alternative I. However, the substantial increase in tourist-generated room/nights justified the development of more hotel rooms. An initial major hotel of 600 rooms would be justified somewhat earlier than under Alternative I and, presumably, would be located in the CBD subarea.

Table 24. PROJECTED ALTERNATIVE II. (INCREASED TOURISM): HOTEL DEVELOPMENT BY SUBAREA, DOWNTOWN MIAMI, 1985-2005

	No. Hotels and Rooms by Subarea				
Period	Omni	Overtown/ Park West	CBD	Brickell	Total
1985-1990	--	--	1 = 600	--	1 = 600
1991-1995	1 = 400	1 = 500	--	--	2 = 900
1996-2000	--	1 = 600	1 = 500	--	2 = 1,100
2001-2005	--	--	1 = 500	1 = 600	2 = 1,100
Total	1 = 400	2 = 1,100	3 = 600	1 = 600	7 - 3,700

Source: Hammer, Siler, George Associates.

Appendix B
Excerpts from Downtown Development Plan, Miami, Florida - Economic Analysis and Growth Projections, March, 1986.

Table 31. RECOMMENDED RETAIL SPATIAL PROGRAM FOR FUTURE DEVELOPMENT BY SUBAREA, DOWNTOWN MIAMI, 1995-2005 1/

Alternative I	Cumulative Square Feet 1995	2005
CBD		
Department Store	240,000	575,000
Non-Department Store Shoppers' Goods	150,000	370,000
Eating/Drinking	15,000	50,000
Entertainment	35,000	50,000
Subtotal	440,000	1,045,000
Omni		
Department Store	-	-
Non-Department Store Shoppers' Goods	-	40,000
Eating/Drinking	15,000	35,000
Entertainment	-	10,000
Subtotal	15,000	85,000
Overtown/Park West		
Department Store	-	-
Non-Department Store Shoppers' Goods	25,000	40,000
Eating/Drinking	20,000	35,000
Entertainment	-	-
Subtotal	45,000	75,000
Brickell		
Department Store	-	-
Non-Department Store Shoppers' Goods	15,000	40,000
Eating/Drinking	35,000	80,000
Entertainment	-	-
Subtotal	50,000	120,000
Downtown - Total		
Department	240,000	575,000
Non-Department Store Shoppers' Goods	190,000	490,000
Eating/Drinking	85,000	200,000
Entertainment	35,000	60,000
Total	550,000	1,325,000

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Table 31. RECOMMENDED RETAIL SPATIAL PROGRAM FOR FUTURE DEVELOPMENT BY SUBAREA, DOWNTOWN MIAMI, 1995-2005 1/ (Continued)

Alternative II	Cumulative Square Feet 1995	2005
CBD		
Department Store	250,000	600,000
Non-Department Store Shoppers' Goods	160,000	400,000
Eating/Drinking	20,000	65,000
Entertainment	40,000	60,000
Subtotal	470,000	1,125,000
Omni		
Department Store	-	-
Non-Department Store Shoppers' Goods	-	50,000
Eating/Drinking	20,000	45,000
Entertainment	-	20,000
Subtotal	20,000	115,000
Overtown/Park West		
Department Store	-	-
Non-Department Store Shoppers' Goods	30,000	45,000
Eating/Drinking	25,000	40,000
Entertainment	-	5,000
Subtotal	55,000	90,000
Brickell		
Department	-	-
Non-Department Store Shoppers' Goods	25,000	60,000
Eating/Drinking	45,000	100,000
Entertainment	-	-
Subtotal	70,000	160,000
Downtown - Total		
Department Store	250,000	600,000
Non-Department Store Shoppers' Goods	215,000	555,000
Eating/Drinking	110,000	250,000
Entertainment	40,000	85,000
Total	615,000	1,490,000

1/ Does not include Bayside which, although not open, has been considered as "in place of" for this analysis.

Source: Hammer, Siler, George Associates.

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TAX INCENTIVES OFFERED UNDER THE NEW ENTERPRISE ZONE ACT

The Florida Enterprise Zone Act of 1984 offers substantial tax credits and other benefits to firms, especially corporations, which invest their resources in the distressed areas of the state. These incentives fall into two major categories: 1) State incentives, and 2) Local incentives. This summary identifies the incentives offered by the program, and explains how firms and individuals may take advantage of them.

State Incentives:

1. The Community Contribution Tax Credit. This program is designed to encourage private corporations to participate in revitalization projects undertaken by qualified redevelopment organizations. By donating cash or assets to these projects, businesses can help to reverse the trend of deterioration in blighted areas. This program establishes a procedure under which a corporation may receive a tax credit of a 50% of its contributions to an eligible community development project.

Chart 1 shows a sample computation of the tax advantage for a corporation based on its marginal tax bracket. In order to measure the impact of this incentive, a private corporation with $220,000 pre-tax income is used as an example. The cost of contributing $10,000 to an ordinary charitable project and to a qualified community revitalization project in an enterprise zone is computed separately. As shown in Chart 1, the net cost of contributing $10,000 to a qualifying project for a private firm, after state and federal taxes, is $2,403.

2. Enterprise Zone Jobs Credit. This program institutes an economic revitalization job creation credit against the corporate income tax to businesses located anywhere in Florida which employ residents of enterprise zones. The program offers businesses a significant tax incentive to reduce high unemployment rates in blighted areas. The credit is equal to 25% of wages paid, up to a maximum wage of $1,500 a month, for a period of 24 months.

A sample computation of the tax benefit of this program is shown in Chart 2 for the same hypothetical firm. The firm receives a $9,000 tax credit for hiring two employees from enterprise zones, and saves $4,593 after federal and state tax adjustments.

3. Enterprise Zone Property Credit. The new or expanded business tax credit program is designed to encourage private corporations to participate in the revitalization of economically distressed areas. It provides incentives to firms to establish new businesses or expand or rebuild existing businesses in enterprise zones.

The amount of tax credit is set at 96 percent of the school portion of the local ad valorem taxes levied on new or expanded commercial property. A sample computation of the credit is shown in Chart 3, when a firm with a $220,000 pre-tax income invests $800,000 on a new building in an enterprise zone. The firm receives a tax credit of $5,184 and saves $2,651 each year for ten consecutive years.

In addition to the three major incentives explained above, in 1984 the Legislature added the following incentives:

1. Sales tax exemption for building materials used in the rehabilitation of commercial real property in enterprise zones;

2. Sales tax exemption for business equipment used in enterprise zones;

3. Sales Tax remittance of $135.00 per month for each full time employee or $65.00 per month for each part time employee. In either case, wages per month for each employee must not exceed $1500.00. This incentive is open to all types of business establishments (corporations, partnerships, sole proprietorships, etc.). The program allows corporations to choose either the Sales Tax Remittance or the Enterprise Zone Jobs Credit, but not both.

4. Unspecified state regulatory relief in enterprise zones.

Optional Local Incentives:

The State Legislature also authorized the local governments to offer several local optional incentives as a supplement to the State incentives. These incentives are noted below.

1. The economic development ad valorem tax exemption. As much as 100% of the property taxes of a new or expanded portion of an existing property may be abated up to ten years. However, a local referendum is required to initiate the program.

2. Industrial Revenue Bond financing. The principal incentive provided by revenue bonds is the tax exempt status of the interest paid to the bondholders, which translates into lower borrowing costs and, therefore, reduced debt service or lease payments to the business against whose revenues the bonds are secured. Revenue bonds may be used to finance industrial park development, land acquisition, site preparation, etc.

3. Tax Increment Financing. Negotiable redevelopment revenue bonds may be issued by the local governments to finance undertaking of any community redevelopment project when authorized by resolution or ordinance of the governing body. Tax increment financing is often used by local governments to fund redevelopment efforts in blighted areas.

4. Municipal Utility Tax Exemption. Up to 50 percent of municipal utility taxes of new businesses in an enterprise zone may be abated.

5. Occupational License Tax Exemption. The new enterprise zone program also gives the local governments the authority to abate the occupational license fees up to 50 percent.

The new Enterprise Zone program goes into effect on January 1, 1987 and expires on December 31, 1994.

Chart 1

A sample case for the Community Contribution Tax Credit Program:

	No Contribution	An Ordinary Charitable Contribution	A Qualifying Rehabilitation Contribution
Florida Net Income	$220,000	$220,000	$220,000
Contribution	--	(10,000)	(10,000)
Florida Exemption	(5,000)	(5,000)	(5,000)
Taxable Income	215,000	205,000	205,000
Tax at 5.5%	11,825	11,275	11,275
50% Tax Credit	--	--	(5,000)
Florida Taxes Due	$11,825	$11,275	$6,275
Federal Net Income	$220,000	$220,000	$220,000
Contribution	--	(10,000)	(10,000)
Florida Tax	(11,825)	(11,275)	(6,275)
Taxable Income	$208,175	$198,725	$203,725
Federal Tax:			
1st $25,000 x 17%	$4,250	$4,250	$4,250
2nd $25,000 x 20%	5,000	5,000	5,000
3rd $25,000 x 30%	7,500	7,500	7,500
4th $25,000 x 40%	10,000	10,000	10,000
Remainder at 46%	49,761	45,414	47,714
Federal Taxes Due	$76,511	$72,164	$74,464
Cash Required			
Contribution:	None	$10,000	$10,000
Federal Taxes	$76,511	$72,164	$74,464
Florida Taxes	11,825	11,275	6,275
Total	$88,336	$93,439	$90,739
Actual Cost of Contributing $10,000	None	$5,103	$2,403

Chart 2

A sample case for the Enterprise Zone Jobs Credit Program:

Assume 2 employees at $1,500 per month for 12 months.
Total Wages = $36,000
Tax Credit = 25% of $36,000 = $9,000

	Firm that does not qualify	Firm that does qualify
Florida Net Income	$220,000	$220,000
Add Back Credit	--	9,000
Exemption	(5,000)	(5,000)
Taxable Income	215,000	224,000
5.5% Tax	11,825	12,320
Credit	--	(9,000)
Florida Taxes Due	11,825	3,320
Federal Net Income	$220,000	$220,000
Florida Taxes	(11,825)	(3,320)
Taxable Income	$208,175	$216,680
Federal Tax:		
1st $25,000 x 17%	4,250	4,250
2nd $25,000 x 20%	5,000	5,000
3rd $25,000 x 30%	7,500	7,500
4th $25,000 x 40%	10,000	10,000
Remainder at 46%	49,761	53,673
Federal Taxes Due	$76,511	$80,423
Total Taxes Payable	$88,336	$83,743
Savings Realized	--	$4,593
Savings as Percent of Labor Cost	--	12.8%
Savings as Percent of Total Tax Bill	--	5.2%

Chart 3

A sample case for the Enterprise Zone Property Credit Program:

Assuming assessed value of new property = $800,000

Assessed value = $800,000
School portion millage rate = $6.75/$1,000 assessed value
School portion ad valorem tax: $6.75/$1,000*$800,000 = $5,400

Tax Credit = .96 x $5,400 = $5,184

	Firm without Credit	Firm with Credit
Florida Net Income	$220,000	$220,000
Add Back Credit	--	5,184
Exemption	(5,000)	(5,000)
Taxable Income	215,000	220,184
5.5% Tax	11,825	12,100
Credit	--	(5,184)
Florida Taxes Due	11,825	6,916
Federal Net Income	$220,000	$220,000
Florida Taxes	(11,825)	(6,916)
Taxable Income	208,175	213,084
Federal Tax:		
1st $25,000 x 17%	4,250	4,250
2nd $25,000 x 20%	5,000	5,000
3rd $25,000 x 30%	7,500	7,500
4th $25,000 x 40%	10,000	10,000
Remainder at 46%	49,761	52,019
Federal Taxes Due	$76,511	$78,769
Total Taxes Payable	$88,336	$85,685
Total Tax Advantage	--	$2,651
Cash Value of Credit Received for 10 Years		$26,510

Appendix D
Pending Federal Tax Legislation Concerning Tax Exempt Revenue Bonds

Source: Greenberg, Traurig, Askew, Hoffman, Lipoff, Rosen and Quentel, P.A.

August 1, 1986

MEMORANDUM

Re: Omni Venetia Taxing District

The City of Miami proposes to create the Omni Venetia Taxing District in order to redevelop an area of the City near the Omni. The District would finance the redevelopment costs by issuing tax exempt revenue bonds to be secured and paid by real property taxes on the increase in value of the real property located within the District.

The question has arisen as to the treatment of the District's bonds under the Federal tax law.

Present Law

The Internal Revenue Service's only pronouncement on the treatment of tax increment financing under current Federal tax law is Revenue Ruling 73-481 published in 1973. The implicit holding in the ruling is that tax increment bonds are not industrial development bonds and therefore are not subject to the restrictions on the use of proceeds of industrial development bonds imposed by the Internal Revenue Code. The ruling described the financing as follows. Under a redevelopment

plan, bond proceeds are used to acquire property in the blighted area and to improve streets and other public facilities. Buildings on the acquired property are razed and land prepared for sale or lease to private developers. Sale or lease proceeds are used to acquire additional property. Because the sale price to private developers is less than the cost of acquiring and preparing the land for sale, eventually all of the bond proceeds are spent in carrying out the plan. The principal and interest on the bonds are paid by property taxes levied and collected each year on the increase in the assessed value of the property in the redevelopment area.

Proposed Legislation

Both the House and the Senate tax bills would treat tax increment bonds as industrial development bonds (or "nonessential function bonds" in the case of the House bill). The requirements of the two bills in order for interest on the bonds to be exempt are generally similar with the differences noted below. Tax increment bonds meeting the requirements listed below are "qualified redevelopment bonds".

1. Both bills require the proceeds of the bonds to be used for redevelopment purposes in a locally designated blighted area. The House bill requires that 100% of the proceeds, and the Senate bill requires that 95% of the proceeds, be so used.

2. Property tax revenues attributable to any increase in real property values by reason of the bond-financed redevelopment must be reserved exclusively for debt service on the issue "to the extent necessary to cover such debt service". The Senate bill permits the tax increment revenues to be used to pay other tax increment bonds as well. Under both bills, other revenues or the full faith and credit of the issuer may be pledged as well.

3. Real property taxes imposed in the blighted area must be imposed at the same rate and in the same manner as other real property taxes in the same jurisdiction. No owners or users of property in the blighted area may be subject to charges and fees not imposed on similarly situated owners or users elsewhere in the jurisdiction.

4. Qualified redevelopment bonds may be issued only under a State law which authorizes the issuance of the bonds for use in blighted areas. In addition, the city or the other government unit having jurisdiction over the blighted area must adopt a redevelopment plan before the issuance of the bonds.

Both bills go on to define qualifed redevelopment activities and to describe how blighted areas may be designated. Qualified redevelopment activities, for which the bond proceeds must be used, include the acquisition of property in the blighted area by the exercise of the power of eminent domain or its threat and the subsequent transfer of the property to nongovernmental persons.

The Senate bill requires that the subsequent transfer be for fair market value. Other qualified redevelopment activities are the clearing and preparation of land in the blighted area for redevelopment and transfer to private persons, the rehabilitation of real property and the relocation of occupants of buildings in the blighted area. The Senate bill does not permit the use of bond proceeds to construct new buildings or structures.

Both bills require the State to pass legislation adopting criteria under which cities and other local governmental units would designate blighted areas. The House bill permits up to 10% of the total assessed value of all real property within the jurisdiction of the city to be designated as a blighted area, with no blighted area smaller than one-quarter of one square mile. The Senate bill permits 25% of the assessed value to be included in a blighted area, with no blighted area less than 10 contiguous acres.

Under both bills, qualified redevelopment bonds are subject to the volume cap limitation. In Florida, this would mean applying to the Division of Bond Finance for an allocation of the state volume cap prior to issuing the bonds. In the case of states which issued at least $25 million in tax increment financing during the period beginning July 18, 1984 and ending December 31, 1985, the House bill reserves volume cap for tax increment bonds in the amount of $6 per capita. Any state may allocate more of its $150 per person state volume cap to tax increment financing, if it so wishes.

Finally, the House bill provides that, if single or multi-family housing is rehabilitated with, or located on land acquired by, bond proceeds, then the housing must satisfy certain of the rules that would apply to the housing if it were itself financed with tax-exempt bonds. Both bills prohibit the use of bond proceeds for certain facilities which industrial development bonds generally may not finance.

Appendix D

Pending Federal Tax Legislation Concerning Tax Exempt Revenue Bonds

Source: Greenberg, Traurig, Askew, Hoffman, Lipoff, Rosen and Quentel, P.A.

The House and the Senate concurred on treating tax increment bonds as private activity or industrial development bonds. Tax increment bonds meeting the following statutory requirements are "qualified redevelopment bonds" the interest on which is exempt from federal income tax.

1. The Conference bill requires that 95 percent of the bond proceeds be used for redevelopment purposes in a locally designated blighted area. No more than 2 percent of bond proceeds may be used to pay costs of issuance. If costs of issuance exceed 2 percent, the excess may be paid from revenues or other non-bond proceeds.

2. Both the House and Senate bills required that property tax revenues attributable to any increase in real property values by reason of the bond-financed redevelopment must be reserved exclusively for debt service on the issue. According to the Summary, the Conference bill permits "qualified redevelopment bonds to be secured by pledges of generally applicable taxes if the taxes are the principal security for the bonds."

3. The House and Senate apparently agreed that real property taxes imposed in the blighted area must be imposed at the same rate and in the same manner as other real property taxes in the same jurisdiction.

4. The House and Senate also apparently agreed that qualified redevelopment bonds may be issued only under a state law which authorizes the issuance of the bonds for use in blighted

areas and that the city or the other governmental unit having jurisdiction over the blighted area must adopt a redevelopment plan before the issuance of the bonds.

The House and Senate generally agreed on the definition of qualified redevelopment activities and the designation of blighted areas. Qualified redevelopment activities include the acquisition of property in the blighted area by the exercise of the power of eminent domain or its threat and the subsequent transfer of the property to nongovernmental persons. The Conference bill adopted the Senate bill requirement that the subsequent transfer be for fair market value "determined including covenants and restrictions relating to the use of the real property". It also adopted the Senate bill position that the actual threat of eminent domain is not required if the acquiring entity has the power of eminent domain and the acquisition of property is one with respect to which that power may be exercised. The other qualified redevelopment activities are unchanged: the clearing and preparation of land in the blighted area for redevelopment and transfer of private persons, the rehabilitation of real property and the relocation of occupants of buildings in the blighted area. It is unclear from the Summary whether the Conference bill permits the use of bond proceeds to construct new buildings or structures.

The House and the Senate apparently concurred on requiring state legislation adopting criteria under which local govern-

mental units would designate blighted areas. The Conference bill limits the designation of blighted areas within a city or other general purpose governmental unit to 20 percent the total assessed value of all real property within the jurisdiction of the unit. Subject to certain restrictions, districts designated before January 1, 1986 will not count against the 20 percent limit if redevelopment was in progress on that date. The Conference bill requires that a blighted area include at least 100 contiguous acres with the exception that a blighted area may be smaller if "(i) the area is at least 10 contiguous acres and (ii) no more than 25 % of bond-financed land in the area is provided to one person (or group of related persons) determined pursuant to a preapproved plan (as opposed to on an issue-by-issue basis)."

Under the Conference bill, qualified redevelopment bonds are subject to a unified volume cap limitation of $75 per resident of the state until the end of 1987, after which the volume cap drops to $50 per resident. The Conference bill does not reserve volume cap for tax increment bonds.

The Conference bill apparently drops the House bill restrictions on the construction of single or multi-family housing on bond financed land. It adopts the Senate bill provisions permitting up to 25 percent of bond proceeds to be used for certain facilities as to which industrial development bond financing is restricted, or for land on which those facilities will be

located. However, the Conference bill prohibits bond proceeds to be used for:

(i) private or commercial golf courses;

(ii) country clubs;

(iii) massage parlors, hot tub facilities or sun tan facilities;

(iv) race tracks or other gambling facilities; and

(v) facilities for the sale of alcoholic beverages for consumption on premises.

The Conference bill provisions governing tax increment financing are effective for bonds issued after August 15, 1986.

We would caution that the Summary is not an official legislative document and may in certain instances prove to be inaccurate. The Conference bill and Conference Committee report are expected to be released shortly at which time we will prepare a further supplemental memorandum analyzing the actual statutory language.