

The historic Miami River district has been an open secret among locals. Now it's going bigger

BY RENE RODRIGUEZ

JANUARY 28, 2019

MIAMI RIVER DEVELOPMENT

When Tom Kimen decided to pay \$175,000 for a two-bedroom house on the Miami River along NW 14th Street in 2000, his mother told him he was crazy.

“For a long time, people thought of the river as a cesspool,” Kimen said. “I moved here before the dredging. Miami was the last metropolitan city in the U.S. that pumped sewage into its tributary. The river has had a bad reputation. But now the pendulum is swinging the other way.”

For several years, developers have been circling the Miami River — the 5.5-mile-long waterway on which the City of Miami was literally founded — as [the last piece of desirable property](#) still up for grabs in Miami-Dade County.

The most recent real estate cycles, pre-and-post the 2008 recession, fueled land rushes in areas such as Brickell, Sunny Isles Beach and Miami Beach. The result was a glutted luxury condo market and [little vacant waterfront land](#) left over.

But the development along the Miami River has proceeded at a measured clip, without disrupting the thriving marine industry and pockets of residential neighborhoods that already exist along its 11 miles of shoreline — or the \$4 billion of cargo freight that travels back and forth across the river between the Miami International Airport and the port of Miami every year.

“Ten years ago, our mission was very different than it is today,” said Horacio Stuart Aguirre, chair of the Miami River Commission (MRC), the board created and funded by the state, Miami-Dade County, the City of Miami and private sector contributors. “Ten years ago, our job was to protect the freighter and yacht-servicing industries from developers who wanted to turn the River into a condo canyon. But those are no longer in jeopardy today.”

Instead, Aguirre said the MRC will be conducting a self-audit in the spring to figure out where the group's attention should be focused in light of the projects sprouting up along the river.

Among them:

- The [River Landing Shops and Residences](#), a two million square-foot mixed-use development sprawling over eight acres at 1400 NW North River Drive. It will bring 528 rental apartments, 135,000 square feet of

office space, 2,200 parking spaces and 345,000 square feet of retail, including tenants such as Publix, TJ Maxx, Ross Dress for Less, AT&T and Burlington Stores. The \$429 million development is scheduled for completion in early 2020.

- [Pier 19 Residences and Marina](#), a 199-unit apartment rental building at 1951 NW South River Drive rising 21 stories and featuring an 18-boat marina. The project is a redevelopment of a failed condo tower built just after the recession.

- Miami River Walk, at 1001 NW Seventh Street, comprised of two eight-story buildings offering 688 rental apartments and more than an acre of open green space. Groundbreaking is scheduled for early 2019. The Miami-based developer Mast Capital purchased the 6.3-acre site for \$26 million in May.

They join ongoing projects such as the ultra-luxury [Aston Martin Residences](#), a 66-story condo tower at 300 Biscayne Boulevard Way due in 2021. According to the MRC, a total of 31 residential buildings have been completed or are under construction along the Miami River since 2000. That translates to 8,612 residential units. Another 14 buildings with 4,249 units have been approved or are undergoing permitting.



The view to the west from the River Landing construction on Monday January 7, 2019.

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The Miami River cuts across a multitude of neighborhoods — including Brickell, Little Havana, Allapattah and Overtown, as well as single-family residential enclaves such as Durham Park, Grove Park and Spring Garden. That means housing runs the pricing gamut.

Three buildings — Tuscan Place at 600 NW Sixth Street, Miami River Park Apartments at 445 NW Fourth Street and River Run South at 1401 NW 16th Street Road — offer a combined total of 761 affordable-housing units for low-income tenants.

According to Zillow, there are [currently 91 homes and condos for sale](#) in the Miami River area, ranging from \$139,000 to \$4 million.

DREDGE EFFECT

Development along the river accelerated after the 2010 completion of an \$89 million maintenance dredging and environmental cleanup project that scraped five miles of sediment from the waterway. Polluted feeder canals, graffiti and derelict vessels have also been cleaned up via the Miami River Voluntary Improvement Plan, which is funded by public and private monies.

But according to Dr. Paul George, resident historian at HistoryMiami, pollution wasn't the primary force slowing development along the historic riverfront. "It was the pull of suburbia," George said. "A lot of the development in Miami in the 1980s and 1990s was outside the central core. What's happened over the last two decades is the rediscovery of the central city. Developers have overcome their reluctance to invest in areas seen as old and crime-ridden, and the river is part and parcel of all that."



A boat heads west on the Miami River past the River Landing construction site on Monday January 7, 2019.

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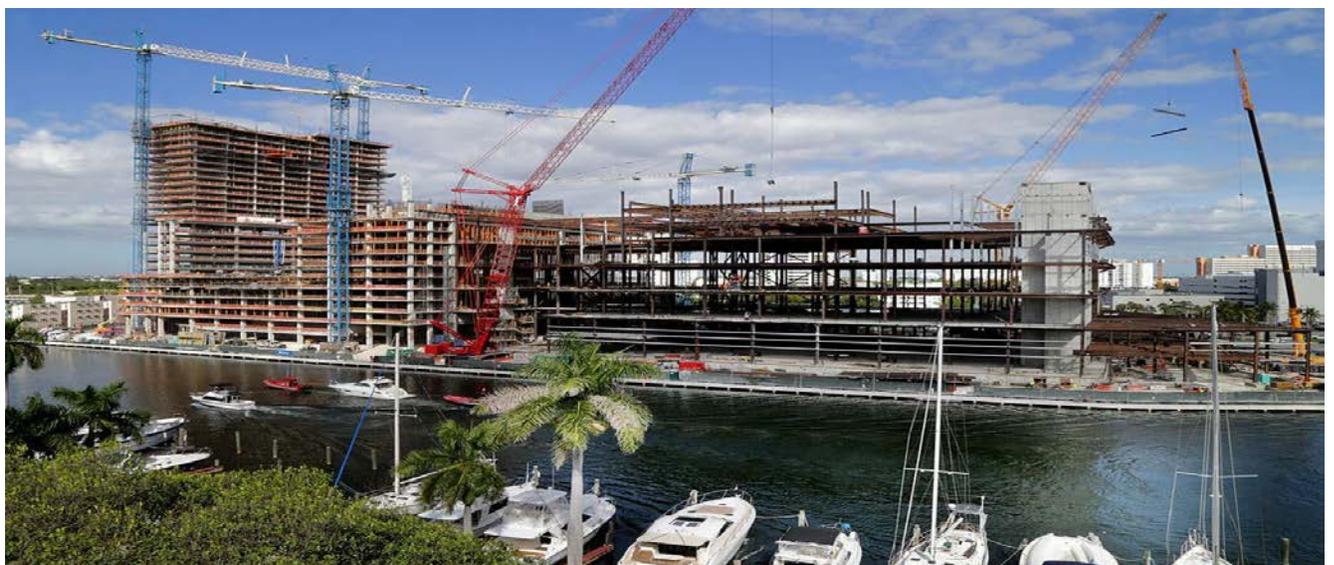
Not every Miami River development has moved forward as planned. In 2015, the City of Miami approved a Special Area Plan by New York-based developer Chetrit Group to build four 60-story towers — which would include 1,678 residences and a 330-room hotel — adjacent to Jose Martí Park on SW Seventh Street between Second and Third Avenues. But the project, estimated [to cost a total of \\$1 billion](#), has yet to break ground.

Other projects are proceeding, but slowly. [One River Point](#), an ultra-luxury project comprised of two symmetrical 60-story towers that will house 402 condos and 20 hotel rooms, is still planned for the north bank of the Miami River, just west of the South Miami Avenue bridge. The ambitious project, which was launched in 2014, is still in the early stages of construction.

The [mixed-use redevelopment of the Hyatt Regency](#) at 400 SE Second Avenue, which would replace the 35-year-old hotel and James L. Knight Auditorium with three new highrise towers, is expected to go before the Miami City Commission later this year, followed by a public referendum in 2020 (the hotel sits on a 4.5-acre site that is owned by the city).

“There’s been a lot of talk about this area changing and evolving, but it’s taken a lot longer than people anticipated,” said Camilo Miguel, founder and CEO of the real estate investment firm Mast Capital, who is developing River Walk. “You’re going to see that start to accelerate now.”

Miguel said he expects many of his tenants to come from the nearby Miami health district, the second-largest in the country, which employs an estimated 70,000 people via Jackson Memorial Hospital, University of Miami’s School of Medicine, Miami-Dade College Medical Campus and other facilities.



The massive River Landing mixed-use project will bring new rental apartments, offices and a Publix supermarket to the Miami River.

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That's the same demographic Andrew B. Hellinger, principal of the Miami-based Urban-X Group, hopes to tap into with the River Landing project.

“Our goal is to bring a sense of community into this district,” Hellinger said. “The average Miami-Dade County employee is priced out of Brickell and downtown Miami, so they’re living in Kendall and Homestead, far from their place of work. That affects their quality of life. River Landing will give those people an alternative, as a place to shop or to live.”

Some developers are simply re-purposing existing properties instead of building new ones from the ground up.

Lisette Calderon, president and CEO of Neology Life Development Group, followed her parents into the real estate business by developing some of the earliest condo towers on the eastern end of the Miami River in the 2000s, including Neo Lofts, Neo Vertika and Wind by Neo.

Her latest project: The renovation of the 20-story River Oaks Marina and Tower, the 199-unit condo tower at 1951 NW S. River Drive that fell prey to the recession and was never properly finished. Her firm acquired the building in September for \$56 million and rebranded it Pier 19 Residences and Marina.



The 20-story Pier 19 Residences and Marina features 199 rental apartments.

Maria Galli NEOLOGY LIFE DEVELOPMENT

When completed later this year, Pier 19 will offer one- to three-bedroom apartment rentals ranging from \$1,700 to \$3,500. The renovation will also improve the building’s lobby and living spaces and activate its riverfront outdoor space, offering tenants the use of cabanas and 10 boat slips.

“We had been looking for the right opportunity to relaunch on the river,” Calderon, 44, said. “What made Pier 19 so special is not only that it was an underutilized oasis, but it also had the rights to have this marina that hadn’t been activated. We are directly on the river with a marina component. You can come down from your apartment and jump on your boat.”

MARINE RESURGENCE

Another element fueling the Miami River’s resurgence: The marine industry. In 2013, the Turkish billionaire Rahmi M. Koç [acquired the Merrill-Stevens boatyard](#), at 881 NW 13th Avenue, which was founded in 1923. The facility is due to complete a \$35 million expansion/renovation this summer, including a new property on the north side of the river that will refit and repair superyachts up to 235 feet in size.

“As Miami has evolved and gone through real estate booms and busts, a lot of the yacht repair business was absorbed by Fort Lauderdale and other areas,” said Aaron Leatherwood, CEO and president of RMK Merrill-Stevens. “But we’ve had a resurgence of the waterfront and the Miami River over the last three years. It’s incredible right now.”

In December 2012, Finlay Matheson, the great-grandson of [Miami pioneer W.J. Matheson](#), paid \$5 million for three adjacent riverfront lots, totaling nearly eight acres, on NW 11 Street between 19th and 21st Avenues. The sports-boat/yacht vendor Apex Marine relocated from its former Fort Lauderdale location to the Matheson property in 2015.

“People look at the marine industry as something that only affects high net worth people,” said Spencer Crowley, a partner specializing in real estate at the law firm Akerman. “But the people who service the mega-yachts are engineers, A/C and engine repairmen and technicians. Those are all relatively high-paying jobs. When you see these mega-yachts going up and down the Intracoastal, we use the analogy of a parade float going up and down Bourbon Street, except instead of throwing out beads they’re throwing out money.”



The boating and marine industry along the Miami River is experiencing a boom in business.

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Restaurants, too, are benefiting from the river's resurgence. According to the MRC, 21 restaurants are currently open along the Miami River district, with another five under construction and 11 more in the planning stages. Old-school mainstays such as Garcia's Seafood are thriving alongside relative newcomers such as [Kiki on the River](#).

Klime Kovaceski, who opened the [Italian eatery Crust](#) on the north side of the river in 2015, said the restaurant was conceived to be a take-out and delivery business.

But word-of-mouth about the restaurant quickly spread beyond the river area, and Crust [made the 2017 list](#) of Open Table's 100 Best Restaurants in America.

Kovaceski said sales at Crust have nearly doubled between 2016 and 2018. The restaurant, which is open six days a week only for dinner, generated nearly \$160,000 in business during the dog days of August 2018 — exceeding the \$148,000 sales achieved in February, during Miami's peak tourist season. Reservations, once never needed, are now a must.

“Locals feel as though they're coming to an out-of-the-way spot that only those in the know are aware of,” Kovaceski said. “Now on weekends, we usually have to turn away as many as 50 people.”

CAUTIOUS OPTIMISM



View of typical houses on the south side of the Miami River across the River Landing Shops and Residences construction site.

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All the attention and development is making some Miami River residents cautiously optimistic. Adam Gettinger, who has lived in a home on South River Drive for 10 years, said he's pleased by many of the improvements the influx of investment has brought to the area, from cleaner river water to a more family-friendly feel.

"But the development has to be done in a responsible, sustainable way," Gettinger said. "If things are well-designed and thought-out, they will improve the area for everyone. But I also don't want to be left behind as a homeowner, stuck living between two big buildings."

Gettinger said he would also like to see city government implement safeguards, such as a camera system, to guard against recreational boaters speeding through manatee zones and creating disruptive wake. He is also eager for city officials to explore alternatives to drawbridges, such as tunnels, to avoid the disruptive traffic jams that paralyze other river neighborhoods such as Brickell.

Experts believe those types of improvements will follow as investments in the river area continue to grow.

"The interest in the Miami River is evident to the naked eye," said Suzanne Amaducci-Adams, a partner at the Bilzin Sumberg law firm. "The projects you're seeing now are much larger than the ones that came before. These transformational neighborhoods get two waves of development.

"You have the people who come in early, like the Goldmans in Wynwood or Craig Robins in Design District, and everyone thinks they're crazy," she said. "Then there's a bit of a lull, because the prices have

risen since those initial pioneers went in there. And then there's a second wave where you see mainstream money coming in fast and furious."



Tom Kimen looks out at the Miami River from the deck in the rear of his two-bedroom home.

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And for longtime river residents such as Kimen, who said real estate brokers now routinely call him to see if he's interested in selling his home, the improvements to the waterway have been a long time coming.

"My wife wanted to move to South Miami, because there's a Publix and a Whole Foods there," he said.

"But now we're getting a Publix. I told her I will take her grocery shopping by boat, and I will carry the groceries. I've already told my neighbors we're going to have Publix boat nights. That's one of the most exciting things for me."



The 20-story Pier 19 Residences and Marina features 199 rental apartments. MARIA GALLINEOLOGY LIFE DEVELOPMENT



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