



## CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **COUNCIL ZONING MEETING** on **September 22, 2021, beginning at 6:30 PM** to consider the adoption of the 2021 Update to the Capital Improvements Element (CIE) of the City's Comprehensive Plan. The City Council will consider this item for **SECOND READING**. The meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166**.

The City of Doral proposes to adopt the following Ordinance:

### ORDINANCE No. 2021-25

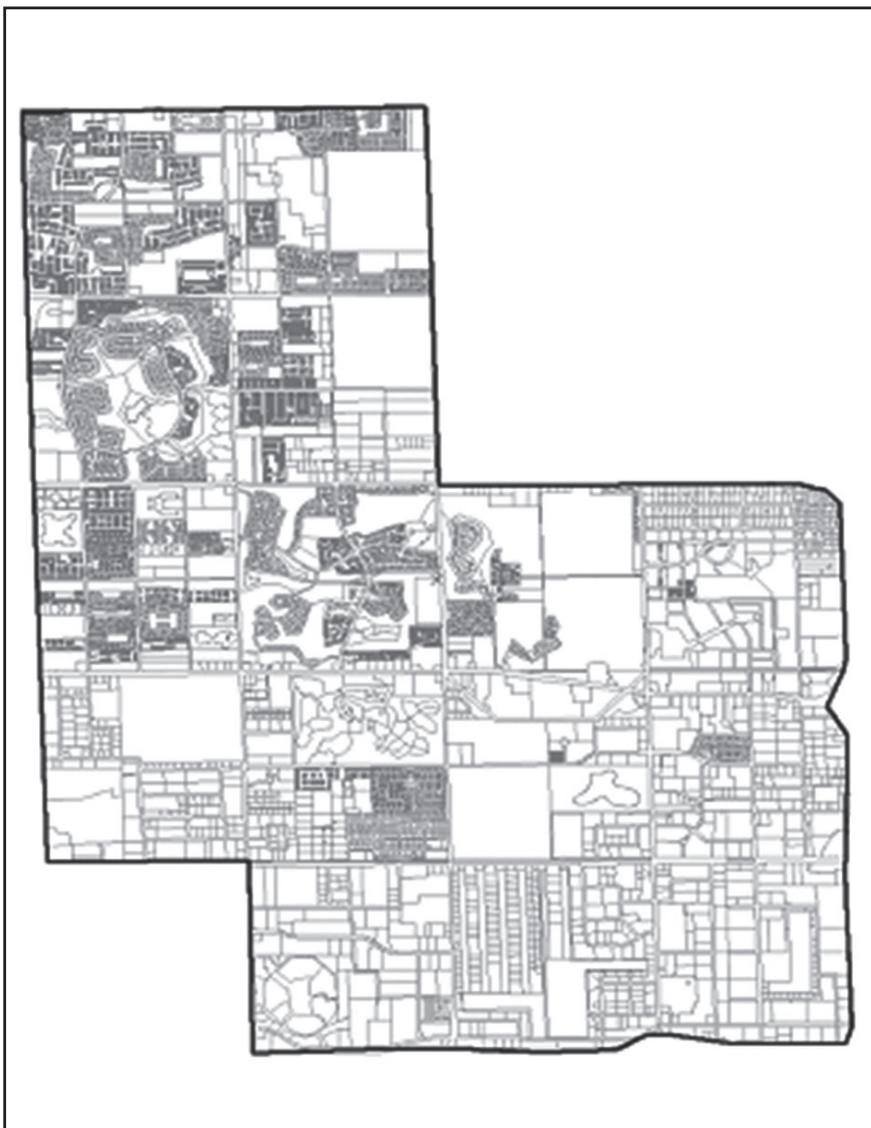
**AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, ADOPTING THE ANNUAL UPDATE TO THE CAPITAL IMPROVEMENTS ELEMENT (CIE) OF THE CITY'S COMPREHENSIVE PLAN FOR 2021 AND THE FIVE-YEAR SCHEDULE OF CAPITAL IMPROVEMENTS FOR FISCAL YEARS 2021/2022 - 2025/2026, PURSUANT TO SECTION 163.3177(3)(B), FLORIDA STATUTES; AND PROVIDING FOR AN EFFECTIVE DATE**

**HEARING NO.:** 21-09-DOR-02

**APPLICANT:** City of Doral

**REQUEST:** The City Manager's Office respectfully recommends that the Mayor and City Councilmembers approve the 2021 Update to the Capital Improvements Element (CIE) of the City's Comprehensive Plan and the Five-Year Schedule of Capital Improvements for Fiscal Years 2021/2022 - 2025/2026, consistent with Section 163.3177(3)(B), Florida Statutes.

#### Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any person who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC  
City Clerk  
City of Doral

## COMMERCIAL REAL ESTATE

# There's Amazon and Then There's Everyone Else in Industrial

by Erik Sherman

Of the ten largest industrial projects underway in the US this year, Amazon accounts for eight of them, with a total footprint of 28.3 million square feet—an area about the size of New York City's Central Park, according to CommercialEdge.

At the same time, investment sales prices are on a steady climb for industrial products, averaging roughly, as of June 2021, \$94 per square foot. Unless Amazon is a tenant. In that case—and since the beginning of last year, buildings with Amazon as a tenant accounted for 7% of all sales volume—investors will gladly pay a premium for the asset, according to CommercialEdge, of \$145 per square foot.

Developers have taken notice of the activity.

"All of a sudden, these developers are buying industrial land and building," says Aviva Sonenreich, head of the office and senior broker at Sonenreich & Co., which owns and operates warehouses in Denver. "National developers are fighting for these build-to-suit spaces. They can't build fast enough for Amazon and other companies like Amazon."

It is not easy to overstate the footprint that Amazon, which did not respond to a request for an interview, has in the commercial real estate industry. So much so, that it is easy to forget that Amazon's main business focus is elsewhere. Volumes have been written about its sophisticated business model and in many cases, the story of its real estate holdings is left out. That is understandable if you are buying cloud computing power from it or using it as a platform for sales. But for CRE, it has become essential to monitor all aspects of Amazon's operations in order to stay on top of its real estate needs. And its real estate needs are immense.

### AMAZON'S CRE SCALE

In North America alone, according to the 2019 and 2020 annual reports, the company went from 236.5 million square feet of leased and 345.4 million square feet owned office space, physical stores, and fulfillment, data centers, and other properties to 330.6 million leased and 14.8 million owned in 2020. That represents year-over-year growth of 105.3 million square feet leased and 3.6 million owned.

The pandemic's effect was like the addition of a turbocharger to Amazon's real estate engine.

"We own about 9 million square feet over a \$1 billion of industrial properties," Allan Swaringen, president and CEO of JLL Income Property Trust, tells GlobeSt.com. "Amazon's a tenant in one of our warehouses in East Bay, San Francisco. Even in running a diversified real estate portfolio, we see them in the office, the retail, and the warehouse."

"They've been affecting things since 2015," Juan Arias, CoStar Group senior consultant for industrial/logistics, tells GlobeSt.com. "In 2020, they greatly increased the speed which added to their distribution footprint by 50%." In 2017 through 2019, the pace was closer to

30 million square feet a year and in the immediate prior year, between 10 million and 20 million.

The industrial sector has by far been the biggest area of investment for Amazon. "It's pretty obvious that they are definitely throwing their weight around in supply chain and logistics," says Erik Foster, a principal of Avison Young and the practice leader of the firm's industrial capital markets group. "They are moving into secondary and tertiary markets with a speed that we haven't seen other companies do. As a differentiator, they are trying to be everywhere in a very massive way. They have the capability, and the development machine is already built for them to already go into these secondary and tertiary markets."

But Amazon's expansion isn't a story of just warehouses. Cloud computing means that another significant part of increases in industrial space is data centers because those computers and IT personnel must work somewhere. "They're hyper-scalers in terms of building massive data centers," Michael Silver, CEO of Vestian, says. "Clearly they're a player on the office side as well," Paul Leonard, managing consultant for office at CoStar Group says. "They are one of the largest office users ... one of the top five or so office tenants in the United States. They've been pretty vocal about having their office workers returning to the office. That's probably going to influence their employees and other companies in general."

Then there are Amazon's retail stores: between leased and owned, 21.8 million square feet worth in North America, although what Amazon will continue to do with retail space isn't certain, according to Kevin Cody, a CoStar Group senior consultant in retail. "Amazon is exploring converting dead malls into distribution centers," he says. "Not necessarily a good thing for the retail sector. They're also looking at leasing space in existing shopping centers."

Then again, Amazon also owns Whole Foods and its own physical stores. It could be that a cross between distribution and conventional retail might be possible, like the old concept of combining shopping and customer pick-up in larger locations and smaller pick-up only locations that companies like Sears used effectively.

### WHERE AND WHAT IT BUILDS

Like its omnivorous business tastes, Amazon's interest in locations is geographically broad, stretching through primary, secondary, and tertiary markets, especially for industrial. The direction is a competitive differentiator that is key to the company's success.

"There was a time when you could afford to take a couple of days to get products to people," Steve Buss, founder of real estate investment firm Likewise Partners, says. Large distribution centers in select areas like New York City, Atlanta, Chicago, Los Angeles, and others were sufficient. The approach doesn't work when a company wants to enable as much same-day delivery as possible to attract more consumers.

Erik Sherman reports for GlobeSt.com.