

# Miami Herald

## 'It's going to go kaboom!' Redevelopment may reap a windfall in forgotten Miami corner

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After a rezoning was approved by the Miami Commission last year, one of Miami's Highland Park is facing redevelopment. BY [MATIAS J. OCNER](#)

When Habitat for Humanity built a house for Jose Montero and his family in 1997 in the old, nearly forgotten Miami neighborhood of Highland Park, the cargo-ship crewman pitched in with the only equity he possessed: the labor of his own two hands.

Now, as speculators and investors zero in on Highland Park and its proximity to Jackson Memorial Hospital and downtown, Montero may be on the verge of an equity windfall he could not have dreamed of 23 years ago.

His modest Habitat house is on the market, and he's asking \$1 million. He settled on the price after one other Habitat house and a 1940 home on smaller lots across the street recently sold to an investment group for \$850,000 and \$895,000, respectively. Montero said he got an offer of \$700,000, but he's holding firm.

"I thought I should sell now and go somewhere else, but I'm in no hurry," said Montero, now 60 and on disability, while chuckling at the price he thinks his house should fetch. "Anyway, sooner or later, this is all going to change around here."

One key accelerant for the change: A rezoning approved last year by the Miami Commission with little public attention that's designed to kick-start redevelopment of the compact neighborhood, much of it vacant lots. One of the city's original suburbs, wedge-shaped Highland Park — or what's left of it — is squeezed between the confluence of the 836 expressway and the Metrorail line on the north, west and south, and Northwest Seventh Avenue and Overtown on the east.

The zoning change won't dramatically jack up development intensity or building heights, which remains limited to about eight stories, planners say. But it will permit a more flexible mix of uses, including office buildings — something they believe will promote new construction. Those developers availing themselves of the new zoning, meanwhile, must adhere to city requirements to include defined workforce or affordable housing in residential projects, planners said.

Highland Park is ideally situated for revitalization, planners and investors say. It's a short stroll south of the Jackson Memorial medical complex and the abutting Miami-Dade justice center, both among the largest job centers in the county. The Culmer Metrorail station sits smack in the center of the neighborhood.

That's one reason why Miami investment group [TSG](#) has spent millions amassing land in Highland Park, which it's trying to rebrand as Miami Central District. A request by TSG prompted the zoning change, though other speculators and investors are also active in the area.

"It's an incredible location," said TSG CEO and managing partner Camilo Lopez. "We saw an opportunity with the city to upzone this and have more flexibility with the uses. Now we can design for and we can do all the uses — residential, hotel office and retail. From the urban perspective, it was an absolutely obvious move."

While some homeowners are wary, and a scattering of renters could face displacement down the road, others like Montero hope to reap the benefits. Backers say redevelopment could give one of city's oldest neighborhoods a new lease on life as a middle-scale, mixed-use and transit-oriented urban district of apartments and offices. Because of the Metrorail station, developers working in Highland Park can ask for reduced parking requirements, which lowers costs and allows for building designs that are more sidewalk-friendly.

"You're in very centrally located area," said Yalian Serrano, a real estate broker with Keller Williams who has handled numerous sales in the neighborhood. "You have the Metrorail station. You're right next to all the hospitals. People can move in and live in an area connected to everything else and it's cheaper than Brickell or Miami Beach."

"I think they have been focusing on getting the parcels of land and permits," Serrano said, referring to TSG. "Once they start breaking ground, everything is going to change very rapidly. It's going to go 'kaboom!'"

Highland Park, which dates to 1910, was once a desirable address. It slid into a long decline from the 1970s to the 1990s after the highways cut through and suburban flight took off, Miami historian Paul George said.

Today nothing remains of its original suburban splendor. Most of its original wood homes fell prey to deterioration and demolition; only a couple of crumbling examples survive. The neighborhood was once larger and boasted a long-vanished park near where Jackson stands today that gave the neighborhood its name, George said. The area has one of the highest elevations in Miami.

“It became a victim over time of a lot of things,” George said of the neighborhood. “The place has almost completely evaporated.”

One odd remnant still stands in a lot tucked away on a lot almost under an expressway overpass: A pair of ornate masonry columns for the gate to early Miami Mayor John Sewell’s grand estate, which once stretched all the way to the Jackson Memorial site. His house, [Halisee Hall](#), served as one of the hospital’s first buildings and is preserved today at the center of the medical campus.

Highland Park has seen relatively little new development until recently — a puzzle given its prime location, city planners say. One of the few improvements came with the construction of about 20 Habitat homes in the late 1990s, which helped stabilize the neighborhood. A SpringHill Suites hotel built in 2009 and two recently finished apartment buildings are among a handful of realized projects that took advantage of a previous upzoning designed to attract redevelopment to the area to serve Jackson.

That it mostly hasn’t been developed may be due to strict limits on commercial uses under that old zoning code, city planners believe. Loosening those restrictions should make it more feasible for developers to build new, mixed-use projects in which office and high-density residential uses can feed off each other, they say.

“It’s been an incredible lost opportunity,” said Miami deputy planning director Jeremy Calleros Gauger.

There’s another good reason for redevelopment, according to a city analysis: Though it’s high ground, the area is vulnerable to flooding from the nearby Miami River and the tributary Wagner Creek, a concern aggravated by climate change. New construction would by law be built at a higher base elevation than existing homes and buildings.

Highland Park is one of several neighborhoods around Jackson and the adjacent Miami River that planners and real estate figures say are in the early stages of a dramatic transformation. The area is increasingly a nexus for large-scale residential and commercial infill development that will bring residents and commerce to swaths of the city that have long been desolate or depressed, Calleros Gauger said.

Just to the west of Highland Park, on the river’s north bank, the massive \$425 million [River Landing project just opened](#), bringing a Publix, big-box retail, offices and 528 apartments to the site of the demolished Mahi Shrine Auditorium and its parking lot. It’s only part of \$1.5 billion worth of new development happening around the justice center and Jackson, Calleros Gauger said.

“There is a tremendous amount of development ringing the district,” he said.

In Highland Park, Calleros Gauger said, most new development will likely still be focused on condos or apartments. But TSG, the investment group that has assembled numerous contiguous parcels in the heart of the neighborhood, has something else in mind.

A plan for a hotel is on hold because the impact of the COVID-19 pandemic has “dried up” financing for hospitality projects, TSG’s Lopez said.

But the group — which Lopez and partners say is using a \$130 million investment from Latin American families to buy and bank land across Miami — is currently in talks with three developers for a joint venture to build a life-sciences research park, similar to the University of Miami’s facility near the Jackson campus. As the nearly built-out Jackson expands, Highland Park is a logical landing place for medical offices and related facilities, Lopez said.

“Sooner rather than later [Jackson is] going to be maxed out, and the obvious move is to the south,” he said. “Near the hospital, to have this flexibility with the new zoning, it opens up conversations with investors and other users.”

The land purchases in Highland Park, combined with a broader development wave moving west from Biscayne Bay across Edgewater and Wynwood, has raised fears of gentrification and displacement in Little Haiti, Allapattah and working-class neighborhoods along the Miami River.

At least some residents in Highland Park could be poised to do well, however.

That includes Montero and the owners of homes built by Habitat for Humanity of Greater Miami between 1997 and 2001. The nonprofit, which last year [marked 30 years of local operation](#), uses a “sweat equity” model in which owners put in labor and buy homes at the cost of construction with no-interest mortgages. Owners are free to sell. They must repay Habitat some portion of its investment, which varies by how long they have owned the house, local Habitat CEO Mario Artecona said.

Most longtime owners who opt to sell in Highland Park can pocket a substantial profit even after paying Habitat and capital gains taxes and buying a new place, said Serrano, the local broker. Two sellers were able to put away as much as \$250,000 each in savings, he said.

“It’s pumping money back into good organizations like Habitat for Humanity and it’s transforming [owners’] lives and that of their families,” he said. “It’s like winning the lottery.”

Still, some homeowners say they’re uncertain what development might mean for them. Kenisha Ford, one of two Habitat residents who wrote to the city expressing concerns about the rezoning, said she and her family would prefer to stay but worry about the impact of increased commercial and high-density residential development around them.

Already, she noted, an investor has purchased a narrow, vacant lot next to her home and put up a sign with a rendering for a 15-unit apartment building. The building would be sandwiched between the one-story Ford family home and another, similar Habitat house.

Ford said she moved into the Habitat home in 1997 as a 7-year-old with her mother, who worked on its construction. They still share the home with two of her younger siblings, said Ford, 29, who attended nearby Booker T. Washington High and works in Brickell.

It's the first home anyone in her family has ever owned, Ford said, and they hoped to pass it down to the next generation. Now she doesn't know if that will happen, she noted

"We built these houses from the ground up. The fear was we would be forced out and lose it, because we've heard of that happening before," Ford said, sitting on her front porch one recent afternoon after work. "Our question is, what does this mean for our neighborhood and these houses? We're now in a wait-and-see position. Seeing how fast things are moving, we're unsure. But it [development] seems inevitable, of course."