

## Once and Future Flagler

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**INVESTORS ARE INVESTING, PLANNERS ARE PLANNING, AND IF ALL GOES WELL, SHOPPERS WILL BE SHOPPING, DINERS WILL BE DINING, AND MIAMI'S ICONIC MAIN STREET WILL BURST BACK TO LIFE**

**M**iami-Dade College history professor Paul George remembers when Flagler Street was literally Miami's main street. "Growing up here in the 1950s," he says, "downtown was the center of almost everything. There were movie theaters, Burdines, five-and-dime stores. It was wonderful. It's sad to see what happened to it."

*What happened to it?*

"The same thing that happened to other urban centers," sighs George, who also contributes a HistoryMiami photo column to Biscayne Times. "Crime, homelessness..." Yet like a number of other city centers that fell into decline in recent decades, Flagler is making a comeback. And while it may not have happened fast enough for George, in the next few years, "comeback" may be an understatement. Where Flagler passes through downtown's Central Business District (CBD), the street is poised for a monumental boom.

Flagler Street stretches east-west for 12 miles, extending as far west as Galloway Road in unincorporated Miami-Dade County. But within the City of Miami's downtown, Flagler Street spans barely a mile from the Miami River to Biscayne Boulevard and Bayfront Park.

Jam-packed into this mile is an urban maze, lined with buildings erected throughout the 20th Century and into this one as well. Flagler is where you'll find the Stephen P. Clark Center (County Hall), the busy Metrorail Government Center stop, the 87-year-old Miami-Dade County Courthouse, the main Miami-Dade Public Library, the HistoryMiami Museum, the 89-year-old Olympia Theater at the Gusman Center for the Performing Arts, and the 79-year-old Alfred I. DuPont Building.



And that's just for starters. Mini malls operate in office buildings and arcades. A jewelry district lies just a few blocks away from souvenir shops and discount stores. Cuban cafés serve up cortaditos and empanadas with a side of lottery tickets. You can find Italian and Asian-themed restaurants, and upscale coffee houses alongside 7-Elevens. And there's the ever-present sound of buses, cars, and trucks mixed with music piping through electronic speakers.

"This is quite the window of the world," says Reid Foss, who works at the Christian Science Reading Room at 15 W. Flagler St. "You get the street people, the tourists, the business people, the lawyers. The people who walk by, they're in their own little world. They have their headsets, they're talking on the phone, and they're not paying attention."

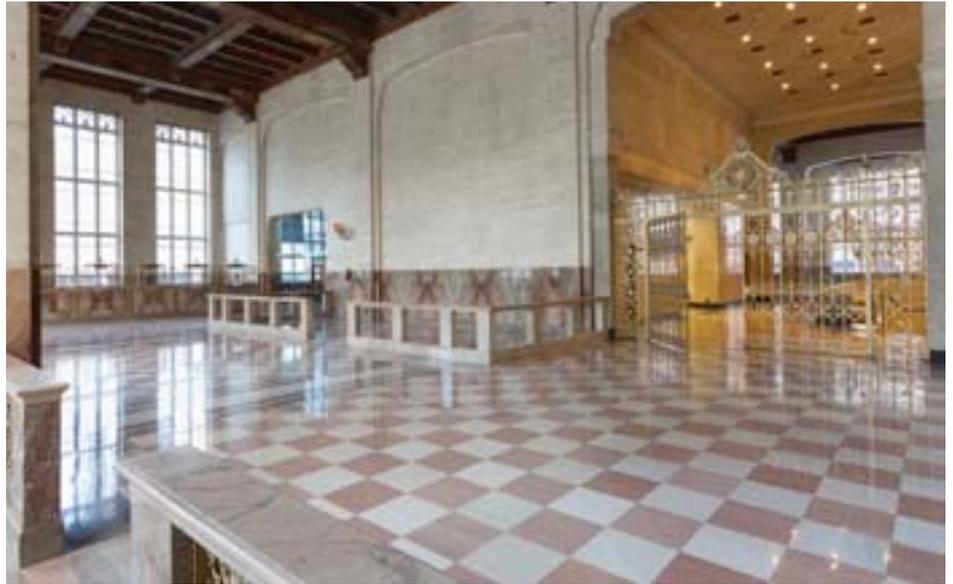
Not that there's much along that stretch of Flagler to draw their attention; some blocks and enclosed shopping areas on Flagler and nearby streets are filled with empty, shuttered storefronts. And after 7:00 in the evening, many existing businesses close, though some late-night food-and-beverage businesses have appeared on cross streets east of Miami Avenue, especially near Biscayne Boulevard.

"Anybody looking at it today would say Flagler needs a little TLC to get back to its former glory," says Javier Betancourt, deputy director of the Downtown Development Authority (DDA), an agency supported by downtown-area taxpayers and dedicated to enhancing economic development in the Central Business District, Brickell, and Omni.

**T**he desire of downtown interests to improve Flagler Street and the surrounding areas has led to a very public, and sometimes bitter, debate over how to deal with its hundreds of hardcore homeless.

In an effort to publicize its frustration with efforts to obtain portable restrooms for the homeless, the DDA recently created a "poop app" to alert users to the location of human feces on sidewalks and other public spaces. The gambit worked. The resulting poop map drew nationwide attention.

In response, Miami Mayor Tomás Regalado authorized



Alfred I. DuPont Building: An Art Deco gem brought back to life by the Ressler family.



On weekends and afterhours, Flagler Street can feel deserted, a far cry from its heyday.

\$500,000 to obtain the restrooms. And responding to pressure from county officials, the Miami-Dade County Homeless Trust also launched the initiative “Strike Force: Urban Core” on July 24. According to a county press release, Strike Force is “a 90-day effort to house all the homeless identified inside a 42-block radius of downtown Miami.”

The real game-changer for Flagler Street, however, will be a \$13 million streetscape slated to begin as early as this month. Plans are to replace aging infrastructure, widen and repair sidewalks, add shade trees, and install streetlights and other street furniture along Flagler between Biscayne Boulevard and the Miami-Dade County Courthouse.

The project -- paid for by contributions from Miami-Dade County, the City of Miami, and special assessments charged to property owners -- comes a decade after a \$9 million streetscape was launched in 2005.

“It was only an aesthetic improvement, and it wasn’t even a good one at that,” Betancourt says of the previous streetscape. “We need to give it another shot and do it right this time.”

Once the streetscape is complete, downtown boosters hope new restaurants, sidewalk cafés, and retailers will move to Flagler Street.

“We’re encouraging the development of a higher-end sort of retail,” says Eddie Padilla, executive director of the Downtown Miami Partnership, a nonprofit that promotes downtown area businesses and events.

There’s already a wave of private-sector interest on Flagler, spurred by nearby mega-projects such as Brickell City Centre, All

Aboard Florida’s Miami Central train station, and Nitin Motwani’s proposed Worldcenter. The Melo Group’s Flagler on the River, a 32-story condo/apartment tower that just opened at 340 W. Flagler St., is somewhat cut off from the rest of the street by an I-95 overpass. However, it’s hard to miss the looming 37-story skeleton of the future Centro condominium at 151 E. Flagler St. being built by local developer Harvey Hernandez.

Then there’s the investment at Flagler’s parallel cousin: SE 1st Street. Venezuelan investors are converting the circa 1925 Miami National Bank Building at 121 SE 1st St. into the upscale 126-room Langford Hotel. Set to open in September, the Langford will feature a ground-level restaurant called PB Station and a rooftop lounge named Pawn Broker.

Meanwhile architect-turned-developer Charles Siegler is seeking setback variances from the city that will enable him to replace a parking garage at 37 SW 1st St. with Liquid Lofts, a 75-story condo.

Finally, there’s Moishe Mana, an Israeli-born developer known for his impact in New York’s Meatpacking District a decade ago and for his 30-plus-acre real estate empire in Miami’s Wynwood Arts District today.



Bayfront Park and busy Flagler Street from the early 1950s, with popular bandshell, newly completed main library, and a modest skyline. Courtesy of HistoryMiami

Besides amassing a Wynwood fiefdom, Mana has sunk \$75 million into the purchase of several properties on or near Flagler Street between NE 2nd Avenue and N. Miami Avenue. His strategy, outlined in a video posted on the developer's Facebook page June 12, is to purchase as many properties at key intersections as possible in order to "achieve critical mass" and "dictate the change." "It's like Cinderella who needs to have a dress," Mana says in the video. "Once you put the dress on Cinderella, she's not Cinderella anymore. And that's the way I feel about Flagler Street. I think we can unveil the beauty of Flagler Street and bring it back to the way it was."



Rendering of the Flagler Streetscape project includes much wider sidewalks, lush shade trees, and very happy people.

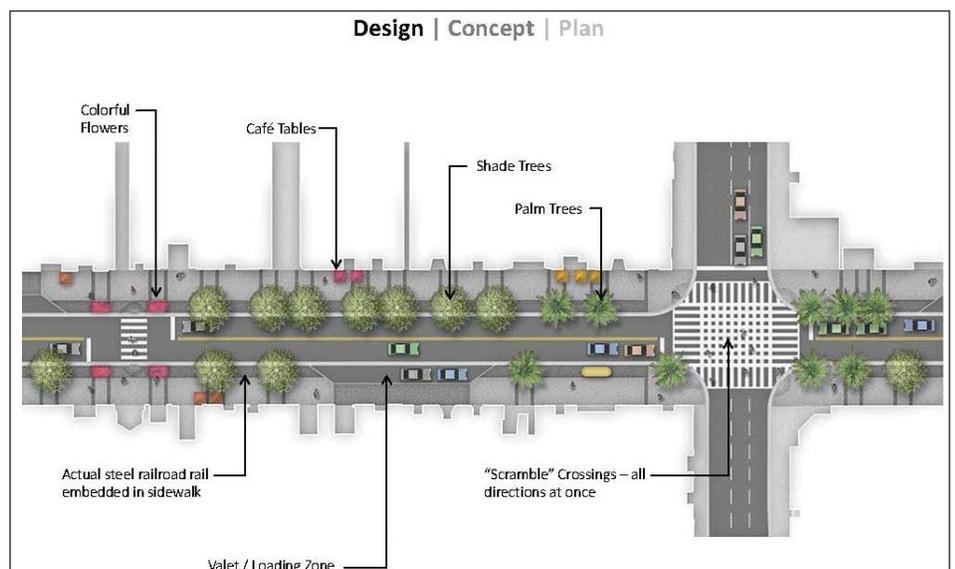
Peter Zalewski, a real estate analyst and founder of CondoVultures.com, believes that most Flagler investors, including Mana, are positioning themselves for the next development boom. "It appears as if the private-sector strategies for the Flagler Street area are more about land banking and obtaining development entitlements for the next cycle than pursuing any game-changing projects today," Zalewski states in an e-mail to the BT. "[Hernandez's] Centro condo tower...is a guinea pig of sorts, in that [other] developers are watching closely to see how the project performs."

Tony Arellano, executive vice president of Metro 1 Properties, predicts that eventually there will be retail/residential projects 80 stories high, buildings made all the more possible by recent tweaks in the downtown area's zoning code, which allows for massive structures without parking spaces.

In addition, along Flagler and in the Central Business District generally, commercial rents are cheap compared to other areas of Miami, says Arellano. Retail rents in Wynwood can go as high as \$60 per square foot, but Flagler Street retail rents range from \$20 to \$35 per square foot. Office rents range from \$10 to \$40 a square foot.

Rental rates will likely climb higher as the older, Class C, office buildings are renovated, the mom-and-pop tourist-trap "legacy tenants" are replaced with fashionable stores and restaurants, and more residential units catering to young professionals come online. Says Arellano: "There's a ton of potential on Flagler that hasn't been realized."

And the instrument of change that forces out some of the older stores and businesses will be the Flagler Streetscape. The project will involve a slew of utility and



Streetscape formula for success: Bustling sidewalk cafés, limited parking for loading and valet, regular street festivals

drainage issues beneath the pavement and take at least 18 months to complete, DDA's Betancourt says. During that time, Flagler Street and its sidewalks will be cratered, making it all the more difficult for current businesses to operate.

But you don't have to wait for the start of the Flagler Streetscape to watch small businesses decline. While a significant number of stores and eateries still operate in Flagler Station at 148 E. Flagler St., one of Mana's newly acquired properties, there are also plenty of empty storefronts. Just four restaurants remain in Flagler Station's sizable upstairs food court.

Yolanda Jarquin has operated Isla Dorada Restaurant in Flagler Station for 12 years. For the first six, Flagler Station received steady business from Brazilian and Argentine tourists in search of bargains. "Now we don't have the tourists," she says.

Rosa Cardenas has run a discount jewelry store on Flagler for 16 years, three of those being inside Flagler Station. She says she'll close by the end of the summer. "The rent is high, \$1800 a month," she explains, adding that the new landlord wants double that amount.

But Edica Amoretti just opened Amoretti Sandwich & More inside Flagler Station. She's sure business will grow once Miami Central station and Worldcenter open. "It's slow, but it's going to get better," she says. "This is the place to be."

Terrell Neil Fritz is a guide for the Miami chapter of the American Institute of Architects and usually leads small groups through downtown. But on this particular day, Fritz is detailing the area's history and showing the BT around his own backyard -- for the past five years, Fritz has been living at the Flagler First Condominium, at 101 E. Flagler.

Edward Romfh Built in 1923, the structure was originally Flagler First National Bank, a financial institution run by Edward Romfh, one of Miami's early mayors.

During the Roaring Twenties, Romfh insisted on keeping a lot of cash in the bank, a policy for which he was ridiculed, until the crash of 1929.

"So then came the bust and the Depression, and there was a run on the banks," Fritz says. "Romfh got wheelbarrows of money, stood on the mezzanine, and said, 'You'll get every penny you have in this bank, and we'll stay open until every customer has been served.' It was a Wonderful Life story, and this is the only bank that survived the Depression."

A reminder of those days can be found in First Flagler's lobby, where the bank vault is now the building's mailroom.

"When they did the redevelopment for residential, the thought was that they'd remove the vault," Fritz says. "That didn't happen because it cannot happen. They [the vault designers] knew what they were doing. So we have the most elegant mailroom in Miami."

Fritz, a 30-year-veteran in the tumultuous world of guiding or advising economic development in various Florida communities (including a stint at the DDA), loves living on Flagler Street. For one thing, he says, it's close to the Olympia Theater, where his longtime partner, Robert Geitner, works as executive director. (Fritz also advises the theater on marketing, on a volunteer basis.) For another, it's close to numerous bus and rail stops, and a Whole Foods Market that operates on the ground floor of the 35-story Monarc at Met 3 condo, which is still under construction at 250 SE 3rd Ave.



Flagler Street today: Too many vacant storefronts, too many fortifications, too little nighttime activity.

“Flagler Street is at the core of all of Miami,” Fritz declares. “The incredible development in Greater Miami gives you the ability to live in a wonderful historic district and then be able to go to the Adrienne Arsht Center by bus in minutes or go to Brickell in the Metromover in no time at all.”

**F**lagler Street was at the center of Miami even before it was Flagler. In 1898, just two years after the City of Miami was incorporated, R.W. Burdine leased an acre of land to build his second Burdines store at what was originally known as 12th Street. That store made so much money selling clothes to construction workers and land investors that he closed his first store in Bartow, just east of Tampa, and expanded the second. The massive Burdines store continued to operate at that spot until it was rebranded as a Macy’s in 2004.

By 1920, 12th Street was renamed Flagler in honor of the former oilman who connected the Fort Dallas trading post along the Miami River with the rest of civilization via the Florida East Coast Railroad, and helped incorporate the trading post into the City of Miami.

The same year that 12th Street became Flagler Street, then-Miami Councilman Josiah Chaille implemented a grid system in which streets (running east-west) and avenues (north-south) extending from the intersection of Flagler Street and Miami Avenue were given numbers and compass points -- northeast, northwest, southeast, and southwest.

One of Miami’s earliest paved roads, Flagler Street was the heart of Miami’s economy, which -- much like today -- chiefly concerned the buying and selling of properties.

“You could buy a piece of swampland at Flagler Street and 1st Avenue, and walk one block over to the Olympia Theater and sell it for twice as much,” Fritz says. “It was real speculation. It was really a boom -- and it really busted.”

The Miami skyline responded to those booms and busts. Fritz points out early 20th-century buildings that either added floors when times were good or demolished stories when the economy tanked.

Yet through the booms and busts, the area survived, Fritz says, adding, “Flagler Street is far more complex than any other of our commercial districts. Miracle Mile [in Coral Gables] is one of our most amazing commercial streets in South Florida. But you can’t compare it to Flagler Street.”

Flagler Street was also the boulevard of second chances. La Época, for example, was founded in Havana in 1885. In 1960 La Época, under the ownership of Diego and Angel Alonso, was the third-largest department store in Havana when the Castro regime seized it. Fearing arrest, the Alonsos came to Miami.



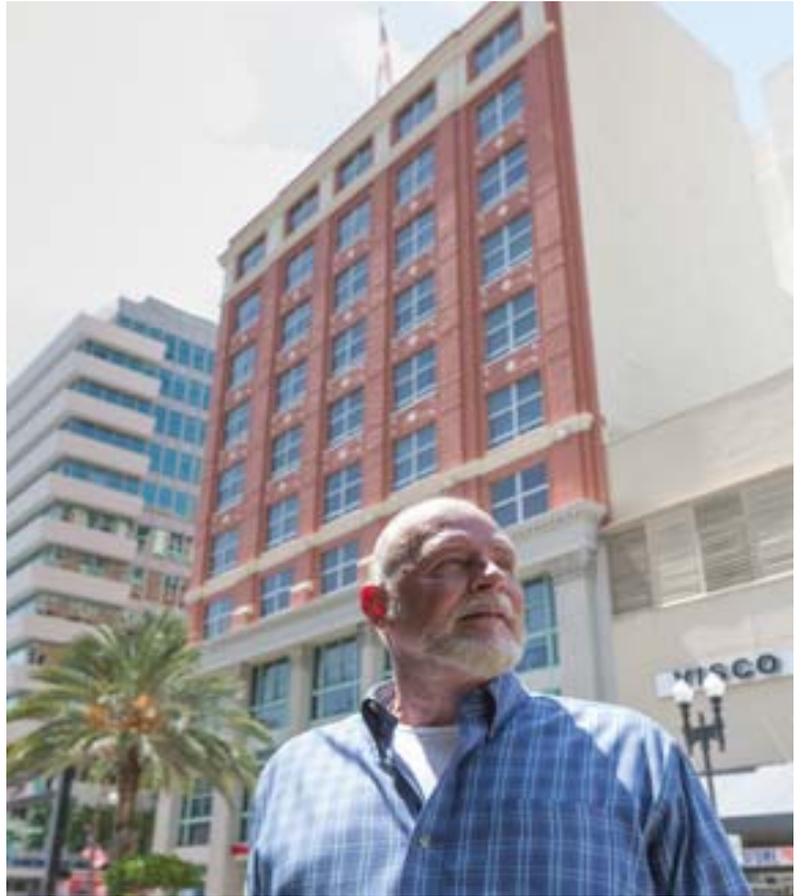
Eddie Padilla of the Downtown Miami Partnership: “We’re encouraging the development of a higher-end sort of retail.”

“They thought they were going to go back,” says Brian Alonso, Diego’s grandson. Five years later, with funds running low, Diego Alonso and his sons Tony and Pepe decided to start over as a corner store at the bottom floor of the Alfred I. DuPont Building. The store soon expanded and took over the entire floor. Today La Época operates within the first three levels of the 50,000-square-foot, circa 1937 Walgreens space, at 200 E. Flagler Street, which the Alonso family owns. “This September is our 50th year in downtown Miami,” Brian Alonso says. “We’re the oldest department store downtown. We say that jokingly. Burdines was here much longer than we were, but now Burdines is Macy’s.”

It was around the time when La Época put down roots on Flagler that Miami’s downtown area went through its first transition. By the late 1960s, middle-class whites were leaving in droves for the suburbs. The Flagler Street area lost its residential base, says historian Paul George, and as a result, it became the mainly nine-to-five operation it is today. Although Burdines didn’t close, many other Flagler retailers left. But downtown didn’t die. It just took on a more Latin flavor as Cuban exiles like the Alonsos opened their own businesses. One of them was Natan Rok, who, with his uncle, opened Dandy Men’s Wear at 72 E. Flagler St. in 1965. By 1972 Rok was snatching up Flagler Street properties on the cheap and renting the spaces to small-business owners. Eventually he became one of the largest property owners on Flagler Street, an empire that, though now somewhat smaller, continues under Natan’s son, Sergio. (Natan Rok died in 2012. Sergio was unavailable to comment for this story.)

Key to Natan Rok’s early real estate growth was the success of his new tenants, many of whom were also Cuban exiles. Their shops were a huge hit with Latin American tourists, and Flagler experienced a rebound of sorts.

“Strong Latin American currencies guaranteed a steady stream of Mexican, Colombian, Peruvian, and other tourists through the end of the Sixties,” wrote William Labbee in “Viva Flagler!” a 1990 article for Miami New Times. “And when Venezuela basked in an oil boom in the mid- and late Seventies, Flagler also flourished.” It was during the 1970s that the circa 1926 Seybold Building at 36 NE 1st St. transitioned from being an office filled with lawyers into a retail center filled with jewelers. But the fairly good times didn’t last. Falling oil prices and inflation battered Latin American economies, and downtown Miami merchants either died or adapted.



Terrell Neil Fritz, downtown architecture guide:  
“Flagler Street is far more complex than any other of our commercial districts.”



“Many of the merchants who survived the lean years held on by gearing their businesses toward lower-income shoppers,” Labbee continued. “Those who couldn’t withstand the slump were replaced by electronics and jewelry dealers, who were willing to pay high rents to secure a place downtown.” That secure place for jewelers was near other jewelers, and when they ran out of space in the Seybold Building, they moved to nearby locations, giving birth to a jewelry district on Flagler and NE 1st Street.

Meanwhile, discount stores and tourist stores proliferated along Flagler Street, especially electronic stores and luggage shops, much to the annoyance of downtown-area planners who longed for a diverse mix of retailers.

“They [the luggage and electronics stores] really didn’t provide a great shopping experience for people visiting downtown because there were a lot of them,” says the Downtown Partnership’s Padilla, who worked in Miami’s downtown Neighborhood Enhancement Team office from 2002 to 2008.

The electronics stores were a particular problem since some of the owners were less than ethical, Padilla says. “There were a lot of complaints from people who visited, that they’d purchase their equipment and then they’d go to their respective countries and realize that the equipment was faulty.” Those who found out before they left Miami called the police. “There was nothing we could do because it wasn’t exactly illegal,” he sighs, “but just bad consumer practices.”

Even as discount shops did brisk business, some Flagler buildings were deteriorating. Gary Ressler, principal of the Tilia Companies, says his family started investing in Flagler Street in 1991, when they bought the Alfred I. DuPont Building. Except for La Époqa, the building was empty. “All the metal was rusted over,” he remembers. “The stone was blemished.”

The DuPont, which is downtown’s only Art Deco building, went through a series of renovations and restorations spanning 14 years. Among the changes was the conversion of the old bank space on the second floor into a lounge area now used for special events. “We spent lots of money, but it certainly paid off. We’re 90 percent occupied,” Ressler says. The Olympia Theater at 174 E. Flagler St. wouldn’t even exist today if it hadn’t been purchased by philanthropist Maurice Gusman in 1975. Designed by John Eberson in 1926, the Olympia is an intricately designed theater that originally screened



The Seybold Building (circa 1926) once housed law offices, but in the 1970s it became jewelry central, and remains so today.



La Époqa’s Havana owners, fearing arrest, fled Havana in 1960; today their grandsons Brian and Randy Alonso, run the store.

silent movies and presented vaudeville acts. Gusman, who died in 1980 at the age of 91, donated the theater to the city. Since then the venue has hosted film festivals and live performances in between its various and costly interior renovations.

Currently under the management of a nonprofit headed by former Hialeah Councilman Herman Echevarría, the Olympia had a busy season last year and, with the support of a \$50,000 Knight Arts Challenge Grant, will be hosting free events on Wednesdays during DWNTWN Art Days, starting in September, according to executive director Robert Geitner. Scheduled shows and activities so far include Kraftwerk, MOTH with WLRN, and recent cinema from Spain.

That's the good news. The bad news is that although the theater's ornate interior is now fully restored, pieces of the building's façade tend to fall off, hence the scaffolding currently surrounding it. It'll cost \$12 to \$14 million to fix. The nonprofit Olympia Center Inc., which has avoided asking for funds from the city since it took over the theater four years ago, will soon be reversing that policy.

"As champions for the facility," Geitner explains, "we've met with the mayor, the city manager, and staff, and will hopefully see the first of a multiyear commitment to create funding for the \$11 to \$12 million that the city needs for exterior repairs in the coming fiscal year."

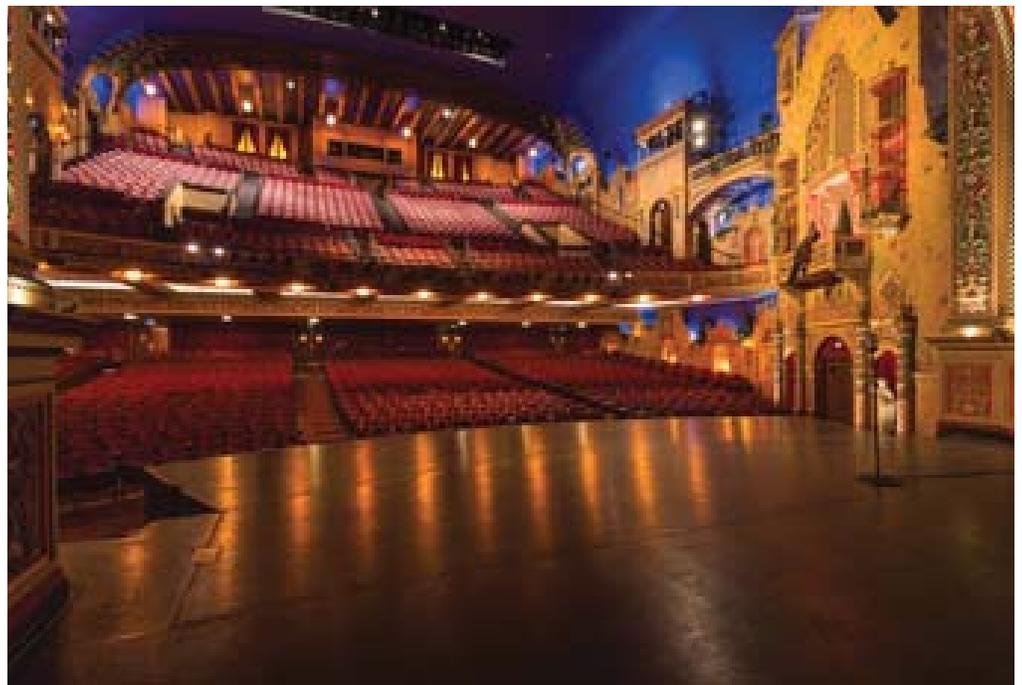
**T**he Olympia is more than just a theater. It's also subsidized affordable housing. In 1997 the Cornerstone Group converted a ten-story office building above the theater into 80 assisted-living housing units. It was one of several affordable-housing projects undertaken during the 1990s to entice people to move back downtown.

By 2001, with the help of \$3 million in subsidies related to housing and historic renovation, Sergio Rok and Rafael Kapustin converted Flagler First National Bank into Flagler First Condominium. Most of the condo, though, was pushed as a

market-rate condo. "The future of [downtown] is in housing, market-rate residential to be exact," Rok told the Miami Herald 14 years ago.

By the next building boom, market-rate or near market-rate condos were being proposed in downtown Miami. As of 2014, 14,358 people lived in the Central Business District, according to the DDA. The median household income of the CBD was \$67,369. While that's well above income figures for the county as a whole, it still pales in comparison to last year's statistics for Brickell, with 32,489 residents and a median household income of \$100,307.

The arrival of a residential base in downtown has had a positive impact on commercial retail. In the Flagler Street area, Fritz says, it can be felt block by block. Retail and restaurants located between N. Miami Avenue and I-95 close before 7:00 p.m. because their customer base is dependent on office workers and county employees. But NE 3rd Avenue has a thriving mix of restaurants, bars, clubs, and retail. It's in the shadow of 50 Biscayne, a 54-story, 528-unit condo just north of Flagler Street that opened in 2007.



The magnificent Olympia Theater is busy with programming, much of it free, but the building exterior is falling apart -- literally.

The Peruvian restaurant Cvi.Che 105 achieved widely publicized success when it opened on NE 3rd Avenue back in 2008. Still, it took a while before the rest of the block could catch Cvi.Che's magic, says Lorry Woods, co-owner of Elwoods Gastro Pub at 188 NE 3rd Ave. "Five years ago, this was a scary street at night," says Woods, who lives in 50 Biscayne with her British-born husband. "There was one 24-hour restaurant that I think has been here 30 years." But within the last six months, she reports, there have been block parties on NE 3rd Avenue that have gone past 2:00 a.m.

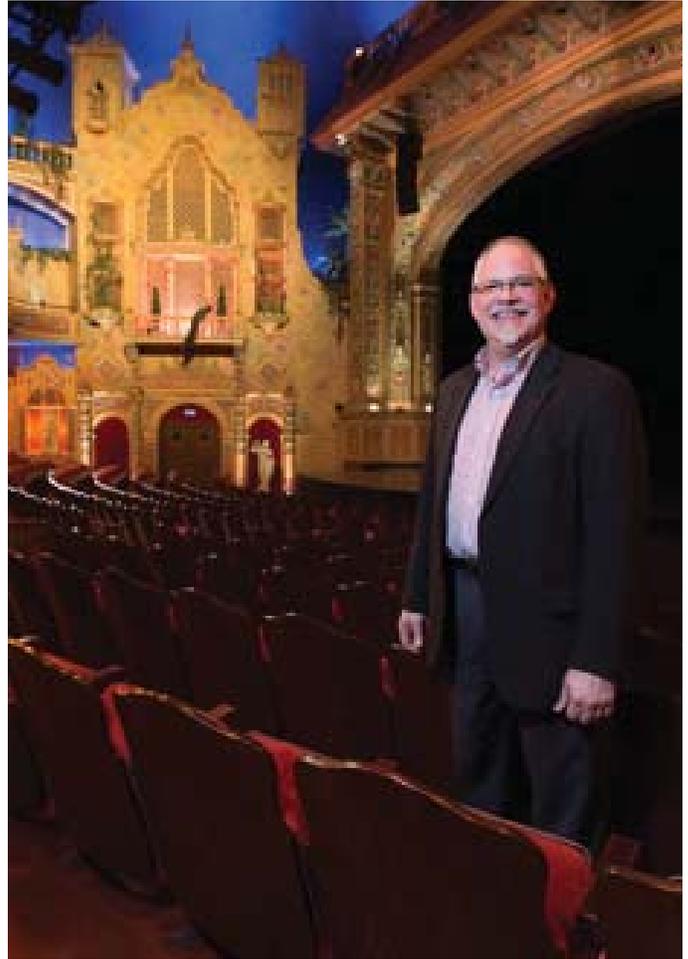
"There's so much here that's so amazing," says Woods. "We're on the verge of becoming a world-class city."

Woods, who serves on the Downtown Miami Partnership Board and is running for city commissioner, would like to see the entire Flagler area benefit from downtown's surge in population. "When you walk around...you're going to see some blight, and it's frustrating," she says.

Ricardo Mor is also frustrated. Living in Westchester, where he was born and raised, the 25-year-old works at the Miami Center for Architecture & Design, the circa 1913 building where the Miami chapter of the American Institute of Architects is based. "I'd love to live and work in this community," says Mor, who also writes opinion pieces for the Miami Herald. "It's just that the rents are still too high."

According to the rental website Zumper, the median rent for a one-bedroom apartment in the central business district is \$2000 a month. Rents are even higher for one-bedrooms in nearby Brickell (\$2100 a month), although they're somewhat lower in the Omni area (\$1925 a month).

In spite of the high rents, Fritz says, downtown residents tend to be young. "The rents are as high as they are because there's a market, and it's a very young market," he says. "Obviously, it's a market that they can afford. I'm 60 years old, and except for my partner, the next oldest person in the building is probably 30. It's the youngest metropolitan area in the nation."



Olympia Theater executive director Robert Geitner is hoping for up to \$12 million from the city for needed building repairs.

In the shadow of the future 352-unit Centro condominium building, and across the street from the Olympia, is a café with a homey, creative vibe called Havana Coffee and Tea. Co-owner Tanya Bredemeier admits she and her partners opened in a DuPont Building storefront “by accident” a year ago. She believes in good luck. “In the next two years, it’s going to be the place to be,” she says.

Next door, Brian Alonso and his brother Randy of La Época have opened a chic clothing store called Lost Boy Dry Goods. In Brian Alonso’s view, the store symbolizes the future of Flagler: “We have a vision for the street and what the street will become, and we wanted to sort of lead the way.” Stores catering to young professionals are a near certainty, he believes -- another positive outcome of the Flagler Streetscape. “This project is going to be the catalyst,” Alonso says. “So whatever you say about Flagler’s conditions today, it’s all going to change.”

Feedback: [letters@biscaynetimes.com](mailto:letters@biscaynetimes.com)



Lorry Woods, co-owner of Elwoods Gastro Pub at 180 NE 3rd Ave.: “Five years ago, this was a scary street at night.”