



To: Daniel Alzuri / City of Miami Beach
From: Steven Wolff & Nora Fleury / AMS
Date: March 31, 2025
Project: 1558 – Byron Carlyle Cultural Center
Re: Expanded Scope for Phase 3: Proposal for Workforce Housing
Feasibility Study

Dear Mr. Alzuri,

AMS Planning & Research and TheatreDreams are delighted to put forward this revised proposal to continue supporting the City of Miami Beach with the reactivation of the Byron Carlyle Theater.

Our March 2025 report completed the exploration of the feasibility of the proposed Byron Carlyle Cultural Center and expands upon the opportunity by presenting an informed business plan and facility solution (work Phases 1 and 2). The next steps, Phase 3, are to formally identify all partners involved in the public-private partnership (not-for-profit, developer, and municipality) for this combined culture/workforce housing venture, defining their roles, establishing development relationships, and confirming the financing capital stack.

To complete this work, following our discussions with you, we have developed this revised scope in partnership with the Denham Wolf and Hilltop Securities teams, development counsel with expertise in workforce housing and financing respectively. Please do not hesitate to be in touch with any questions.

Best regards,

AMS Planning & Research

A handwritten signature in black ink, appearing to read "S. Wolff", written over the printed name.

Steven Wolff



Scope of Services

AMS Planning & Research

Advancing the Project

- Operating Partner Selection & Management. AMS & TheatreDreams would assist to advance the appointment of a selected operating partner for the cultural center (Friends of the Byron) and support their preparation and planning to operate the proposed facility, including selection of a design architect.
- Development Partners. AMS would support the work of the proposed subcontractors for the development and issuance of an RFP for a workforce housing development partner.
- Financial Model. AMS & TheatreDreams would update the pro forma operating model for the cultural center to incorporate financial assumptions from workforce housing.
- Community Input (if authorized). AMS & TheatreDreams would assist project leadership in conducting public presentations to City leadership, potential donors, programming partners, culturally active community members, and/or other influential stakeholders to gain feedback and suggest adjustments prior to completing this conceptual phase of the project. (2 workshops)
- Vision Report. To conclude the Phase 3 work, AMS & TheatreDreams would submit a final report, combining findings from the interim report (March 2025) and workforce housing study findings.

ADDITIONAL SERVICES: \$40,000 - \$50,000

TIMELINE: ~ 4-6 MONTHS

Denham Wolf

Context & Development of RFP (subsequent tasks to be introduced at the appropriate time)

- Denham Wolf would conduct research on zoning, incentives, the local real estate market, development feasibility, and potential revenue sources to determine whether the housing component can effectively operate and, possibly, offset some costs of operating the cultural center while aligning with city priorities.



Denham Wolf's work would be coordinated with financing exploration by Hilltop and incorporated into financial modeling.

- **Deliverable:** A comprehensive summary of key research findings, including:
 - Demand analysis of revenue-generating opportunities from the housing component.
 - Documentation of the City's priorities integrated with market research.
 - Assessment of development feasibility, including zoning regulations and available financial incentives.

RFP Preparation

- **Deliverable:** Development of RFP materials, methodology, preliminary list of proposed RFP recipients, and preliminary term sheet.

ADDITIONAL SERVICES: \$75,000 - \$85,000

TIMELINE: ~ 4-6 MONTHS

Hilltop Securities

Financing Options

- Hilltop Securities would focus on exploring financing options for workforce housing, which may include the following alternatives:
 - Public Private Partnership ("P3") where a developer would bring in equity, design build, and then enter into a management contract with the NFP
 - Developer financing.
 - Issue tax exempt high-yield workforce housing bonds without any credit support
 - Federal Home Loan Bank credit support through a standby letter of credit (this would require a band to be involved)
 - Straight commercial loans
 - Bank direct placements
 - CDFI (Community Development Financial Institutions)
 - Florida HFA (if existing) workforce housing program

ADDITIONAL SERVICES: \$45,000 - \$55,000

TIMELINE: ~3 MONTHS

Based on further discussions, the range of fees for Phase 3 are proposed at \$160,000 - \$190,000 plus expenses as detailed in our current agreement. We look forward to reviewing this with you. Thank you for your continued confidence in our team.