

June 10, 2024 (revised July 2, 2024)

Daniel Alzuri, Assistant Director  
Facilities and Fleet Management Department  
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Dear Mr. Alzuri,

AMS and TheatreDreams are delighted to share our revised proposal to continue supporting the City of Miami Beach with the reactivation of the Byron Carlyle Theater.

In this proposal we focus on refining the vision for the facility, determining an organizational model, identifying a not-for-profit partner, and building out the building program, order of magnitude capital costs and an operating forecast.

Our February 2024 report substantiated the opportunity to reimagine the Byron Carlyle Theater as a cultural hub for North Beach. It was recommended that the City of Miami Beach next undertake a feasibility study for the facility in coordination with a study of a proposed workforce housing component. In this regard we will support the City and its partner in developing an RFP to select a development partner.

The attached scope of work illustrates our proposed work plan to achieve the above goals. 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 "Steven Wolff".

Steven Wolff

TheatreDreams

A handwritten signature in black ink, appearing to read "Lawrence Wilker".

Lawrence Wilker



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# Scope of Services

## Phase 1 – Refine the Vision

### 1.1 Project Kick-Off

AMS & TheatreDreams would meet with project leadership to confirm the work plan and project timeframe.

### 1.2 Management & Operating Strategy

AMS & TheatreDreams would partner with project leadership to develop a recommended strategy and structure for developing, managing and operating the proposed facility based on our February 2024 report. Models for consideration include existing not-for-profit, City trust, new entity, and others, as appropriate.

Drawing on work completed in the first stage, AMS & TheatreDreams would solicit business approaches from potential partners and make a recommendation to the City. We would assist the City in defining business terms and support partnership discussions.

### 1.3 Activity Profile

AMS & TheatreDreams, in partnership with a designated operator, would refine an activity profile for a base year of operations under the preferred operating model. Activity from potential anchor tenants will be informed by the February 2024 report. Up to 10 additional stakeholder interviews will be completed to explore the opportunity for community, educational, event, and civic use.

### 1.4 Community Input (As Requested)

AMS & TheatreDreams, together with the operating partner, would conduct two open focus groups of culturally active individuals. We would test the proposed activity profile and explore programming interests, entertainment habits and preferences, and other factors, and make any recommended edits to the activity profile based on community input. The resulting feedback would inform planning by the team's theater planning partners in phase 2 as well as support the development of an operating pro forma.

### 1.5 Scenario Development

AMS and TheatreDreams, together with the operating partner and joined by a theater planner (to be selected collectively), would explore a series of building program scenarios (up to 3) that encompass multiple options regarding spaces and programming scenarios.



## 1.6 Scenario Workshop

The project team, together with the designated operator, would meet with the City to review and evaluate the scenarios. A preferred / recommended scenario would be identified and inform the basis for continued planning in phase 2 (and phase 3 if authorized).

## Phase 2 – Financial Analysis

### 2.1-Pro Forma Operating Model & Capital Cost Estimate

AMS & TheatreDreams, together with the operating partner, would prepare a pro forma operating forecast for the base year of operations and as well as a timeline for implementation. The forecast would include projected income from operations including program fees, rentals, leases, concessions, and contributed revenue (as applicable). Operating expenses would be forecast including staffing level with associated salaries and wages, occupancy costs, administrative and marketing costs, presentation costs, and an analysis of net gain/loss.

AMS together with a specialist performing arts facility cost estimator would provide an order of magnitude cost estimate for the proposed concept.

### 2.2 Development Partner Selection

Supporting the operating partner, AMS & Theater Dreams would assist in the preparation and issuance of an RFP for a workforce housing developer. AMS & TheatreDreams would identify possible respondents and also advise the City with regard to the need for additional specialists and advisors.

AMS & Theater Dreams would participate in the review of workforce housing proposals to assure compatibility in site utilization, building program and operations.

### 2.3 Interim Report

To conclude phase 2, the project team would prepare a detailed development recommendation to include an executive summary with analysis of scenarios and presentation of programming and financial estimates and forecasts for the arts center.

### 2.4 Community Input (Optional – if requested)

To test the project concept with key stakeholders, AMS & TheatreDreams would assist the operating partner in conducting 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 phase of the project.



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## Timeline and Cost Proposal

Based on the scope of the above, we anticipate five to six months (dependent on start date) to complete the work described in Phases 1 and 2. Our fees, inclusive of a theater consultant and cost estimator to be selected with project leadership, are based on scope and project duration. For phases 1 and 2 of this project, we propose a basic services fee of \$142,000, plus a \$10,000 expense allocation. The effort is approximately distributed by phase as described below.

Phase 1 – Refine the Vision	\$63,000
Phase 2 – Operating Pro Forma	\$42,000
Theater Planner	\$20,000
Cost Estimate	\$17,000
AMS & TheatreDreams Expense Allocation	\$10,000
If Requested – Community Input	\$10,200

In addition to professional fees, AMS & TheatreDreams would bill direct expenses incurred in the execution of the project. These expenses include travel and accommodation for consultants, any advertising or listing expenses, data processing, communications costs (e.g., telephone, couriers, and printing), and other expenses typically incurred by AMS & TheatreDreams in the delivery of these services. Expenses are billed at cost. Based on up to 6 site visits by no more than two team members<sup>1</sup>. Additional site visits would be 'Additional Services' at the rate of \$2,200 per person per day.

This proposal and quote are valid for thirty days from the date of this letter.

We are excited to continue to assist the City of Miami Beach. Provided this letter correctly reflects our agreed scope, we are happy for it to be appended to a professional services agreement as authorization to proceed.

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<sup>1</sup> Allowances for travel and accommodation are based on the City of Miami Beach travel policy.