

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Rickelle Williams, Interim City Manager *RW*

DATE: June 26, 2024

TITLE: DISCUSS/TAKE ACTION ON THE PROGRAMMING FOR THE NEW BYRON CARLYLE G.O. BOND PROJECT FOR A MULTI-PURPOSE CULTURAL ARTS SPACE AND POSSIBLY WORKFORCE HOUSING AND/OR OTHER USES THAT ARE COMPATIBLE WITH A CULTURAL ARTS CENTER AND THE SURROUNDING NEIGHBORHOOD AND TO CONSIDER THE VARIOUS OPTIONS FOR FINANCIAL AND FUNDING MODELS FOR THE PROJECT.

BACKGROUND/HISTORY

The Byron Carlyle Theater complex is located at 500 71st Street, between Byron Avenue and Carlyle Avenue, where it opened in 1968 as Twin Cinemas hosting first-run movies. The City purchased the Byron Carlyle Theater (the Theater) from the WBC Broadcasting Corporation in 2001 and partially renovated it to spur economic development and bolster North Beach arts and culture. In 2014, the City executed a Management Agreement with Living Arts Trust d/b/a O Cinema, who occupied the Theater's western portion. The remaining eastern portion remained vacant and unutilized. The poor condition of the building required it to be permanently closed and has remained so since October 31, 2019.

Since its closure, there have been several discussions held regarding the future of the Byron Carlyle. In January of 2019, a Request for Proposals (RFP) was issued to develop a mixed-use project with a cultural component. Two (2) respondents initially returned proposals. One (1) of the respondents withdrew their proposal upon commencement of the first round of negotiations. Following preliminary negotiations, at the February 24, 2021, City Commission meeting, the single remaining proposal was presented to the City Commission. During public comment, a large majority of the comments opposed the sale and private development of the property. The Mayor and City Commission deliberated on the item and the motion to approve the RFP proposal from the developer failed 4-2.

On September 13, 2021, a citywide survey was issued to better understand the community's desire for the future of the Byron Carlyle. On October 26, 2021, the results were published via LTC 452-2021, which indicated a strong preference to moderately or fully renovate the existing theater (59% of respondents).

Subsequently, on September 17, 2021, the Mayor and City Commission made a referral to the Finance and Economic Resiliency Committee (FERC) to discuss ways to move forward with the Byron Carlyle Theater. At the September 24, 2021, FERC meeting, the Administration presented a cost estimate for developing conceptual design options (Conceptual Design). FERC's recommendation was transmitted to the City Commission, and on September 30, 2021, at the request of Commissioner Mark Samuelian, the Mayor and City Commission approved the allocation of \$400,000 to fund the development of conceptual designs and charettes for the Byron Carlyle Theater cultural center project (the Project). Subsequently, at the December 8, 2021, City Commission meeting, a discussion was held regarding the future steps to help move the Project

forward. And on January 20, 2022, the Mayor and Commission adopted Resolution No. 2022-32021 directing the Administration to immediately initiate the conceptual design options process for the Project, to be informed by community outreach, survey remits, and input of industry professionals, using funds previously appropriated from the City's FY 2022 Budget. The City then engaged Shulman + Associates (Shulman) to facilitate the charettes and develop the Conceptual Design plan.

On April 27-28, 2022, the City held two (2) publicly noticed meetings to obtain community input regarding the future use or redevelopment of the Theater. Shulman compiled the findings of these meetings and prepared a Conceptual Design plan (Exhibit A) for review and comment during a final community input session.

On November 8, 2022, the City's voters approved a \$159 million General Obligation (G.O.) Bond for Arts and Culture that included \$30,570,000 (split over two tranches) for the redevelopment of the Byron Carlyle Theater.

On December 14, 2022, in response to item R7 E, the Mayor and City Commission directed the Administration to seek expressions of interest from cultural institutions to occupy and/or activate the proposed cultural center. On January 25, 2023, the Administration issued Request for Letters of Interest (RFLI) 2023-261-KB for Cultural Partners for Byron Carlyle Theater. The RFLI was developed with input gathered from the City's Cultural Arts Council and Michael Spring, then Director of Miami-Dade County Department of Cultural Affairs. On February 22, 2023, responses to the RFLI were received and published via LTC 106-2023.

Additionally, on January 27, 2023, the FERC discussed the Project and recommended the Administration engage with a cultural arts consultant to guide the City with regard to the redevelopment of the Theater, help refine the vision for the space and, ultimately, advise the City Commission on the industry's "best practices" for developing innovative cultural facilities. This additional input would provide technical advice and models for developing an innovative cultural arts center (the Cultural Arts Center). In April 2023, of three (3) submissions received, AMS Planning and Research (AMS) were the consultants recommended by the Administration and approved by the City Commission.

At the April 28, 2023, City Commission Meeting, member of the Friends of the Byron Carlyle, David Sexton and architect Roberto Espejo, presented a concept and massing study for the Byron Carlyle (Exhibit B). This presentation illustrated that a well thought out, multidisciplinary cultural arts center could be accommodated on this site, with or without 72 workforce housing units. During discussions, Commissioner Richardson stated that the inclusion of workforce housing would present opportunities for additional funding from the state and the G.O. Bond for Arts and Culture. Mayor Gelber requested financial modeling of a cultural center with the additional funding and revenue provided by the workforce housing.

At the October 18, 2023 City Commission meeting, a motion was made by Vice-Mayor Richardson to direct the Administration to develop a RFP, which must come back to the City Commission for discussion and approval before issuance, for the development of the Byron Carlyle to accommodate multiple potential partners, with or without a workforce housing component, with the City to retain ownership of the property, and utilizing the financial structure used for the Collins Park Workforce Housing Project. This motion passed 5-2.

At the March 13, 2024, City Commission meeting, before all information could be gathered for the draft of the requested RFP, the Mayor and City Commission approved at the request of Commissioner Bhatt, the referral of item (C4 D) to the FERC to discuss the programming for the new Byron Carlyle G.O. Bond project for a multi-purpose cultural arts space and possibly workforce housing and/or other uses that are compatible with a cultural arts center and the surrounding neighborhood and to consider the various options for financing construction and funding models for the project. Additionally, on April 3, 2024, the Mayor and City Commission approved a dual referral of item C4 H to FERC and the Land Use and Sustainability Committee

(LUSC) to conduct a detailed review of the two (2) different models for the proposed Byron Carlyle cultural center.

This item was presented and discussed at the May 1, 2024, LUSC meeting. A motion was made to recommend moving forward with the Cultural Arts Center with some level of workforce housing. Two board members voted in favor of the motion and two against, citing they would like to have more information on the impact of the workforce housing. Some questions considered were how the Project could affect parking and traffic, as well as if there are ways to ensure residents of the building work in the area to avoid additional congestion. The item moves to the June 26, 2024, Commission meeting with an unfavorable recommendation from LUSC.

At the G.O. Bond Oversight Committee meeting held on May 9, 2024, the Committee moved with a 7/0 vote to include workforce housing, including artist housing, as part of the Byron Carlyle Theater Project, utilizing \$4 million of G.O. Bond funds available in Tranche 2 (for workforce housing) (LTC# 184-2024).

Subsequently, the North Beach CRA Advisory Committee adopted at their May 14, 2024, meeting, a unanimous motion, supporting, in concept, the Byron Carlyle redevelopment incorporating the workforce housing component, prioritizing artistic and cultural workers, provided that there are no short-term rentals and/or micro-units (LTC # 199-2024).

On May 24, 2024, the FERC discussed this item and recommended in favor of proceeding with the project incorporating workforce housing with no micro-units and no short-term rentals. It was also discussed that there should be further deliberation on the qualifications for those seeking to live in the workforce housing created. The FERC further recommended to return this item to Commission for discussion.

ANALYSIS

Programming

Beginning in June 2023, AMS has worked with the Administration and local arts presenters to understand the artistic and cultural landscape and offerings of Miami Beach and the surrounding areas. AMS met with City staff to understand the objectives of the City and, through surveys and interviews, compiled the offerings and needs of local cultural organizations. They have synthesized the data gathered into a final report received on April 8, 2024 (Exhibit C).

This report provides a list of numerous local, established arts organizations that could utilize the proposed Cultural Arts Center and what these presenters would need to support their programming.

AMS also explores governance structures to consider for the long-term successful operation of the facilities. With direction from the Administration, AMS looked into how the City may choose to operate the Center on its own or explore other options as the details of the project are settled. The best choice of model will be informed by the nature of the project: a standalone Cultural Arts Center or a Cultural Arts Center with workforce housing.

Standalone Cultural Arts Center

Under the standalone model, a Cultural Arts Center similar to that presented at the April 28, 2023, City Commission meeting can be built for approximately \$30.5M. Currently there are no other funding sources identified for this option so the project would have to be designed to budget. The City would likely choose to self-operate the facilities to serve as "host", ensuring balanced programming among the interested arts organizations and development of community programs. The Cultural Arts Center's revenue would depend on rentals and/or ticket sales from the arts organizations that use the space, the possible inclusion of retail space, philanthropy, and City funding. In this instance, the City would likely need to budget for the ongoing operational subsidy of the Cultural Arts Center.

Cultural Arts Center with Workforce Housing

The second building program under consideration would include workforce or “artforce” housing. With the inclusion of workforce housing, new financing options become available to the project. In this scenario, the City could procure and contract a 501c(3), similar to that used in the Collins Park Artist Workforce Housing development or create a 501c(3) in the form of a Trust, to manage the delivery of the project and subsequent operation of the facilities. The exact nature of the City agreement with the 501c(3) (the Operator) still needs to be explored. This can potentially be done with the guidance of AMS, as a natural continuation of their work on the project. The non-profit Operator would enter into an agreement with terms drafted by the City’s Administration. The agreement would give the Operator a ground lease, and the funding available through G.O. Bond for Art and Culture, for the construction of the Cultural Arts Center. Additional funds may be available for workforce housing projects through the G.O. Bond for Art and Culture, the North Beach Community Redevelopment Agency (CRA), and the State. The Operator, under the City’s terms, would take on a construction bond for the incremental cost of developing the workforce housing. This bond will be serviced from the future rent revenues. The net revenues, after the bond is serviced, would go towards the operation and maintenance of the Cultural Arts Center and the residential units. The City will always retain ownership of the land and may exercise the right to reclaim the building at any time by paying off the balance of the bond. The cashflows for this scenario have been modeled by Servitas, the developer working on the Collins Park project and are included here (Exhibit D). As the modeled cashflows illustrate, the net revenues could mostly or wholly cover the operating costs of the Cultural Arts Center in the first years. This model has been characterized by the developer as “moderately conservative” and allows for some adjustment to meet objectives such as cost of rent, unit mix, and number of units. As the bond is paid down, rent revenue will give the Cultural Arts Center a significant funding source that would allow for expanded programming, commissioning of artistic works and subsidies for all manner of community programs.

The Administration has taken into consideration 1) the analysis by AMS of available artistic programming, 2) two architectural concepts, and 3) a model of future cashflows. Based on these factors, it is determined that a project with workforce housing offers a greater value. This option provides anywhere from 72 to 160 workforce housing units, potential for additional funding sources, and ongoing operational funding for the Cultural Arts Center. The workforce housing inventory could also serve to enhance opportunities for artists and workers that support Cultural Arts Center programming and operations.

FISCAL IMPACT STATEMENT

FINANCIAL INFORMATION

The 2022 G.O. Bond for Arts and Culture has appropriated \$30,570,000 (split over two tranches) for the redevelopment of the Byron Carlyle Theater: \$10,590,000 in tranche 1 and \$19,980,000 in tranche 2.

CONCLUSION

Based on the foregoing, the Administration recommends the Commission discuss and consider the two options for the Cultural Arts Center as provided herein.

If the Cultural Arts Center with workforce housing option is selected, the Administration’s next steps would be to:

1. Explore the process and benefits of creating a managing non-profit intermediary versus procuring and contracting an existing non-profit intermediary for the financing and operation of the proposed Center.
2. Seek expert recommendation on the structure of a managing Non-Profit entity and development of an operating plan and proforma for the Cultural Arts Center, based on the AMS report and the chosen governing structure.
3. Draft a Request for Proposals (RFP) using the information gathered in steps 1 and 2 for the delivery of the Cultural Arts Center Project that will be contracted between the builder and the non-profit intermediary.

If the standalone Cultural Arts Center is selected, the Administration's next steps would be to:

1. Present the "host" model from the AMS report to Commission for adoption.
2. Draft a Request for Qualifications (RFQ) for a design firm based upon the information gathered to date.

Applicable Area

North Beach

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

Yes

Is this item related to a G.O. Bond Project?

Yes

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

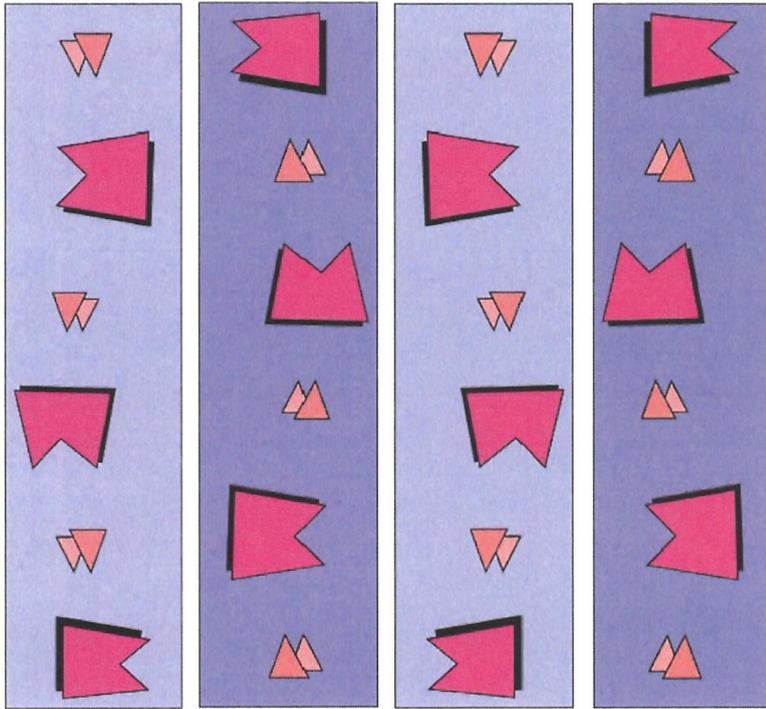
Facilities and Fleet Management

Sponsor(s)

Commissioner Tanya K. Bhatt

Co-sponsor(s)

Exhibit A



Byron Carlyle Theater Conceptual Master Plan

Synthesis from First Round of Public Meetings
April 27-28, 2022

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Shulman +
Associates
Consultant

MIAMI BEACH

The Byron Carlyle Theater Conceptual Master Plan should:

- Engage public in a meaningful way during design process
- Propose a thoughtful vision for redevelopment
- Consider historic role of theater in the community and its redevelopment potential
- Proactively engage resiliency issues
- Provide an architectural framework for a civic minded, economically viable, sustainable, community enriching project

STRENGTHS

- Landmark of the community
- Memory of neighborhood;
Value to continuity
- Notable midcentury architect, Mathes
- Civic façade –marquee at the front (though changed), gives shade

WEAKNESSES

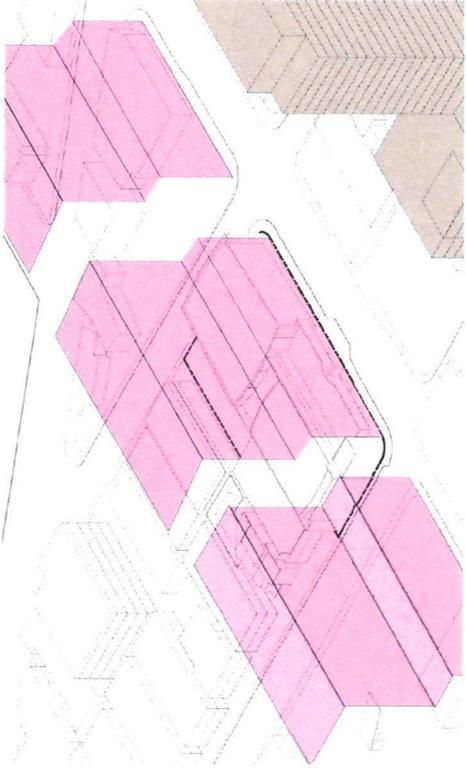
- Issues of resilience: built way below FEMA flood elevation, starts at grade and goes down beneath grade. Bathrooms are below grade.
- Deterioration, especially west building: electrical room, concrete is spalled and needs major repair, not up to code, not accessible

OPPORTUNITIES

- North Beach needs a major cultural facility, others down in South Beach (except Bandshell)
- Adding program(s) could meet other needs in the community
- Workforce housing? Office space? Hotel? Parking?

THREATS

- Climate change/flooding
- Lack of vision/ funding to renovate, manage theater
- No market for theater in North Beach?



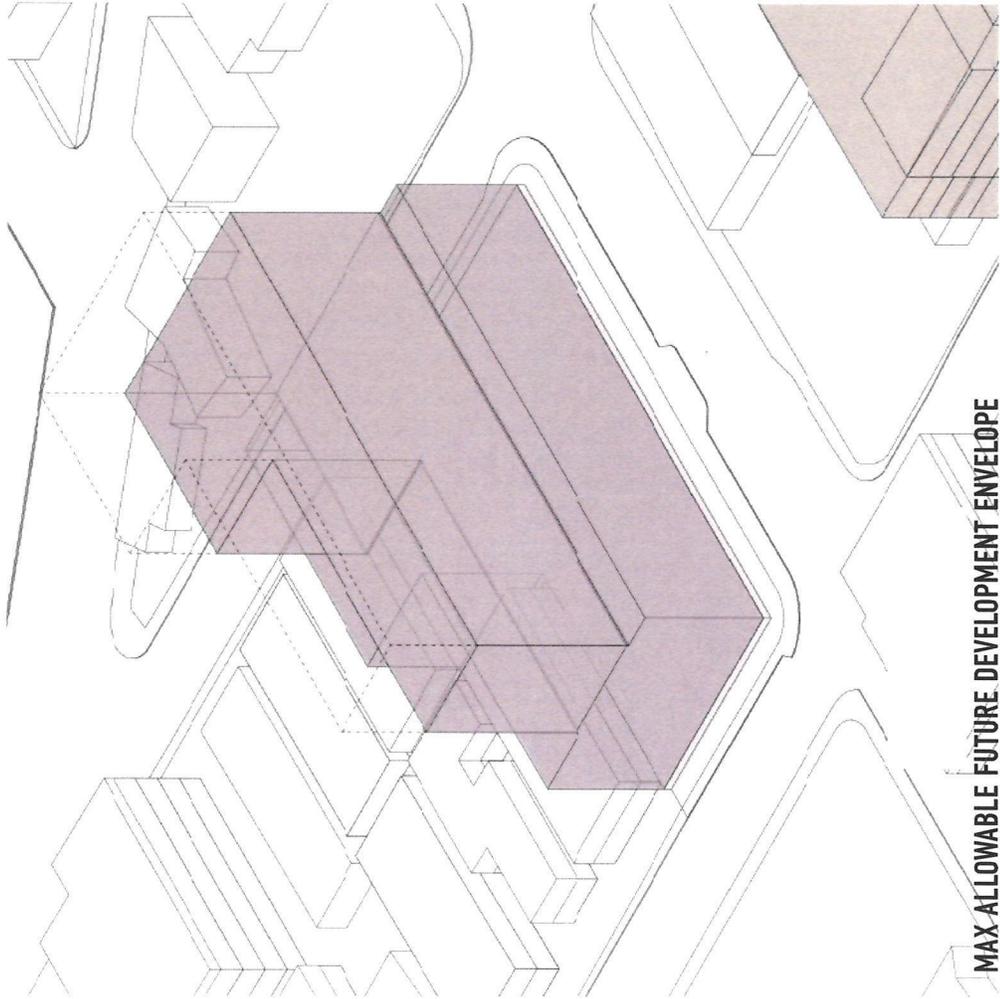
POTENTIAL SCALE



13.0' HIGH - MAXIMUM FREEDOM - BE - 5'
 7.0' HIGH - BE - 1'
 - 5.5' HIGH - SUBWALK

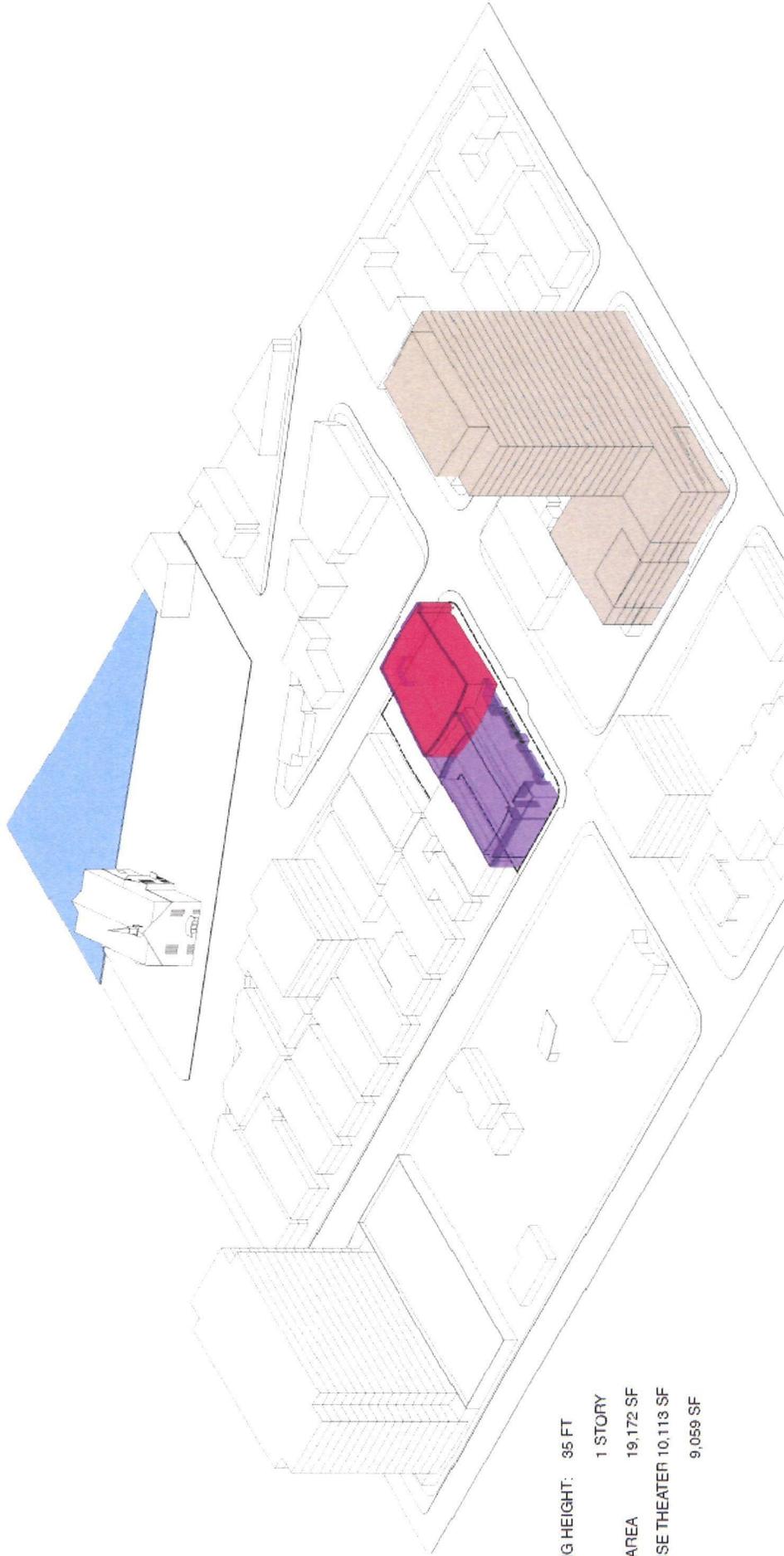
RESILIENCY

MAX ALLOWABLE FUTURE DEVELOPMENT ENVELOPE



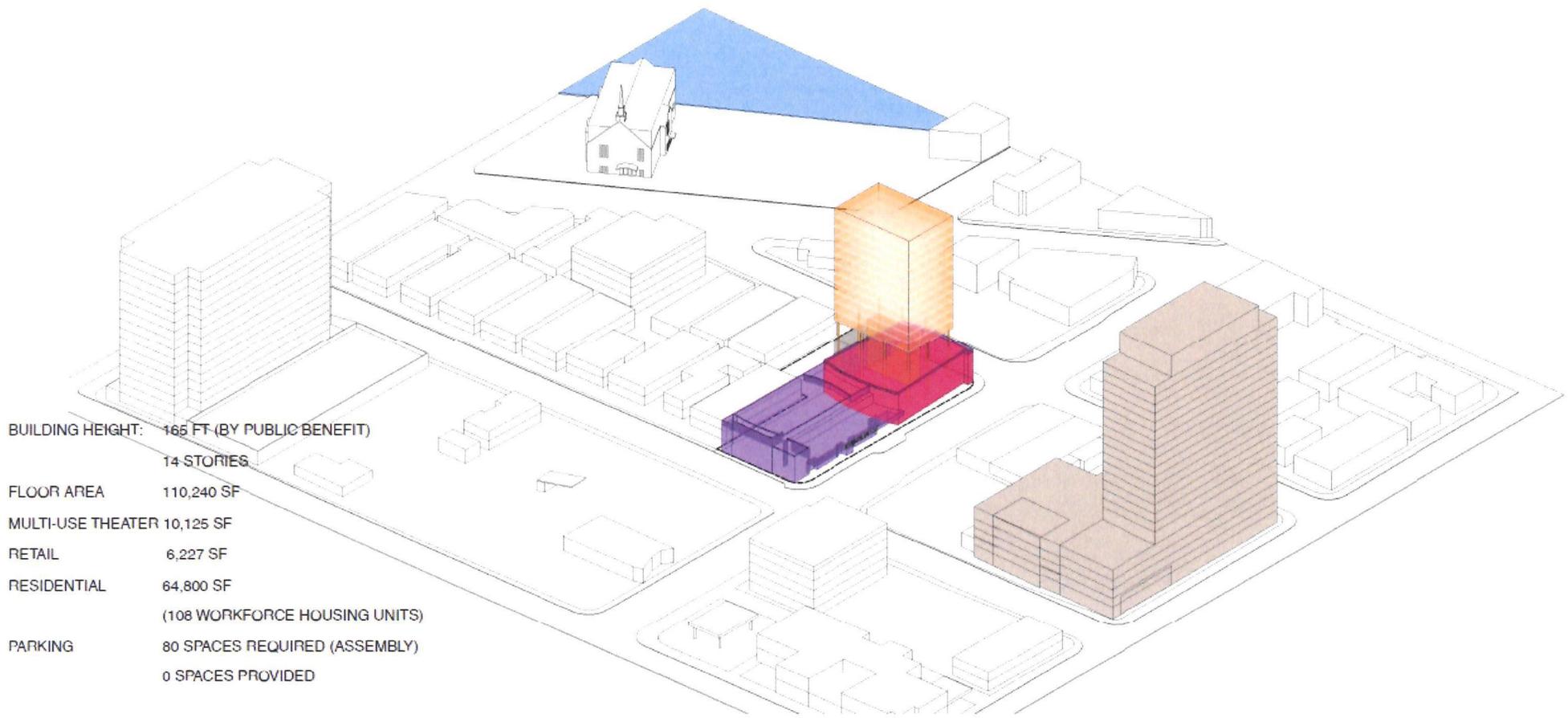
DEVELOPMENT SCENARIOS

PRESERVE
PRESERVE+EXPAND
DEMOLISH+BUILD NEW



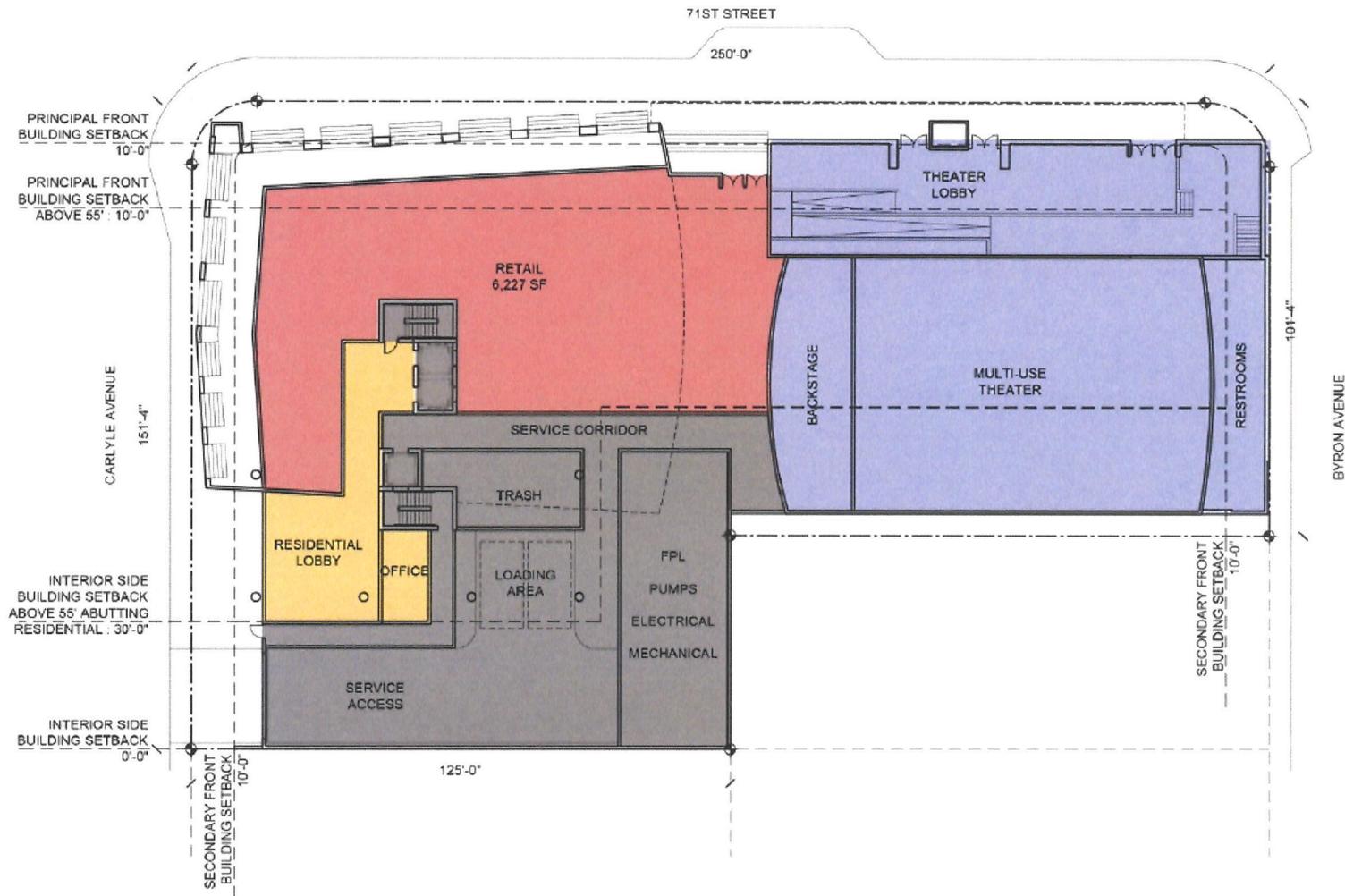
BUILDING HEIGHT: 35 FT
1 STORY
FLOOR AREA 19,172 SF
MULTI-USE THEATER 10,113 SF
RETAIL 9,059 SF

IDEA 1 - PRESERVE: RESTORATION/ADAPTIVE USE

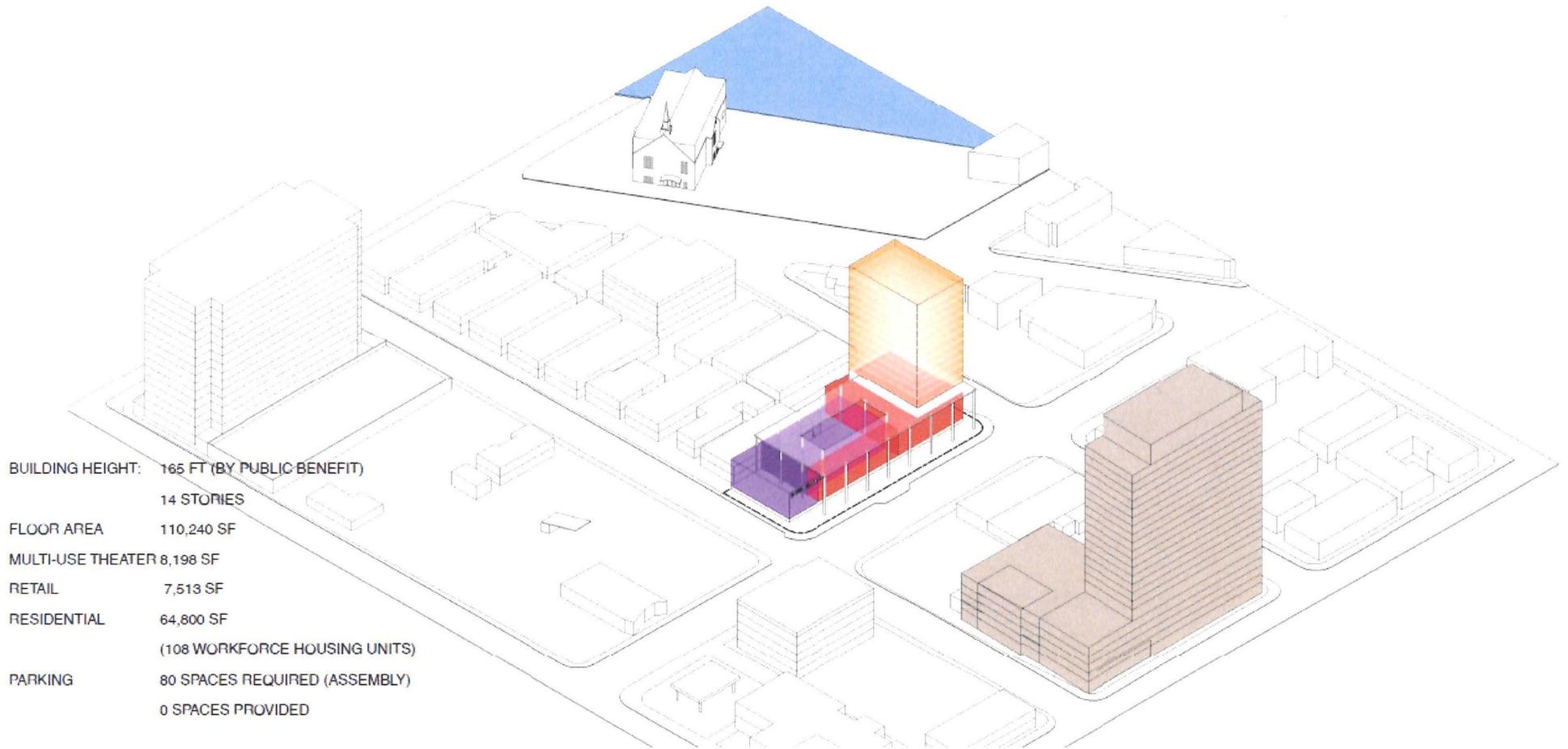


BUILDING HEIGHT: 165 FT (BY PUBLIC BENEFIT)
 14 STORIES
 FLOOR AREA 110,240 SF
 MULTI-USE THEATER 10,125 SF
 RETAIL 6,227 SF
 RESIDENTIAL 64,800 SF
 (108 WORKFORCE HOUSING UNITS)
 PARKING 80 SPACES REQUIRED (ASSEMBLY)
 0 SPACES PROVIDED

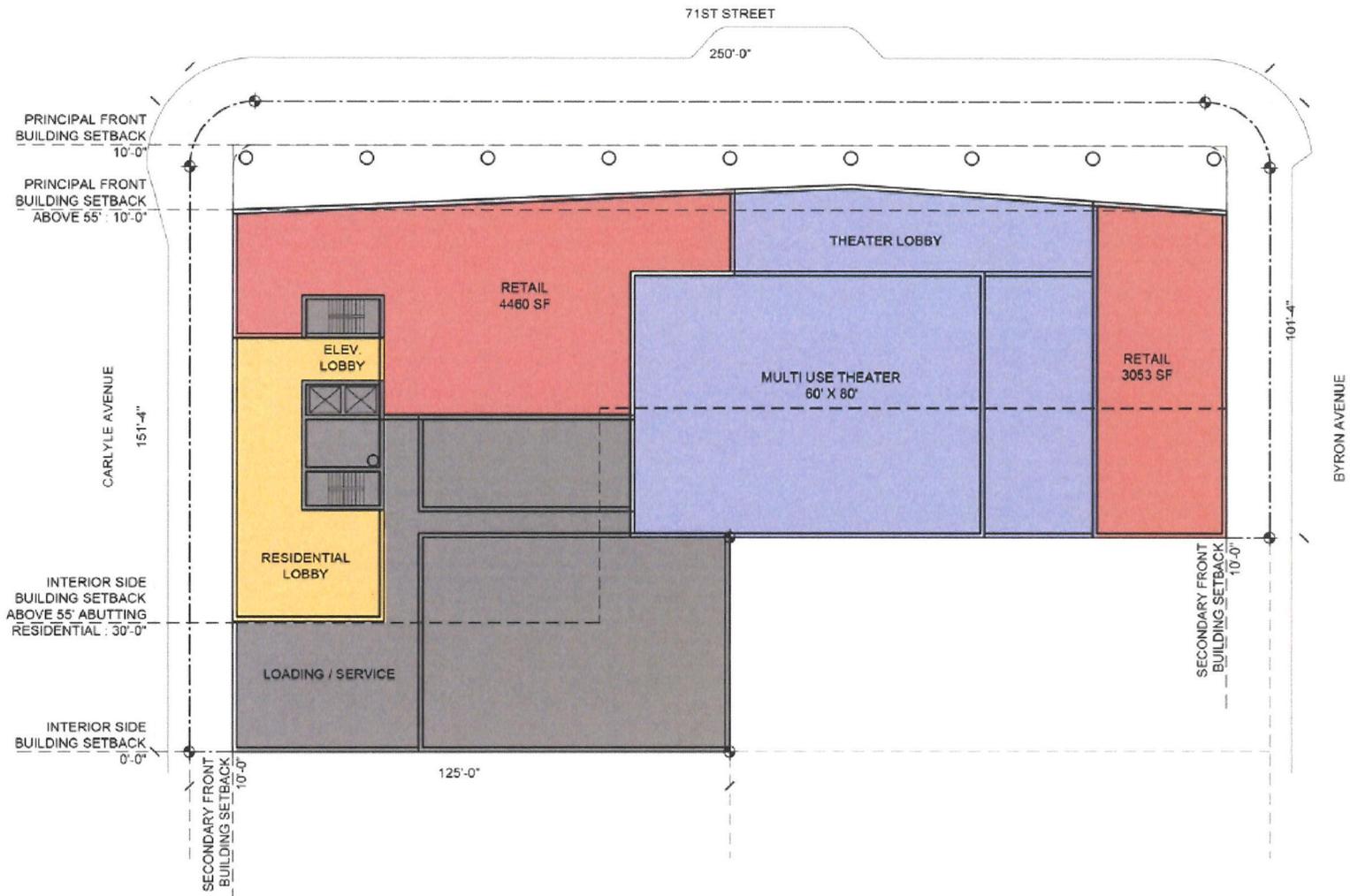
IDEA 2 – PRESERVE+EXPAND: RESTORATION/ADAPTIVE USE & EXPANSION



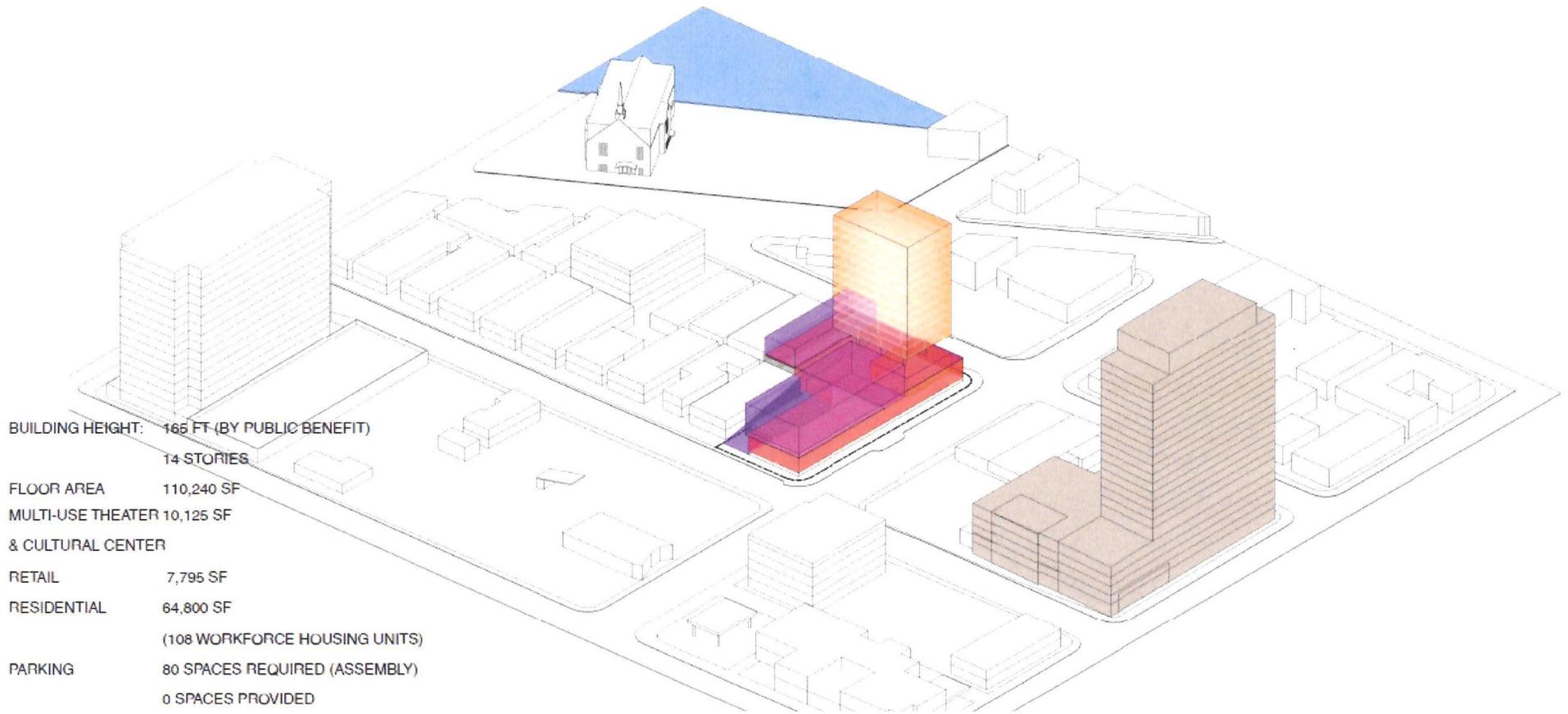
IDEA 2 – PRESERVE+EXPAND: RESTORATION/ADAPTIVE USE & EXPANSION



IDEA 3 – DEMO+BUILD NEW: MULTI-USE THEATER, ROOFDECK AND TOWER



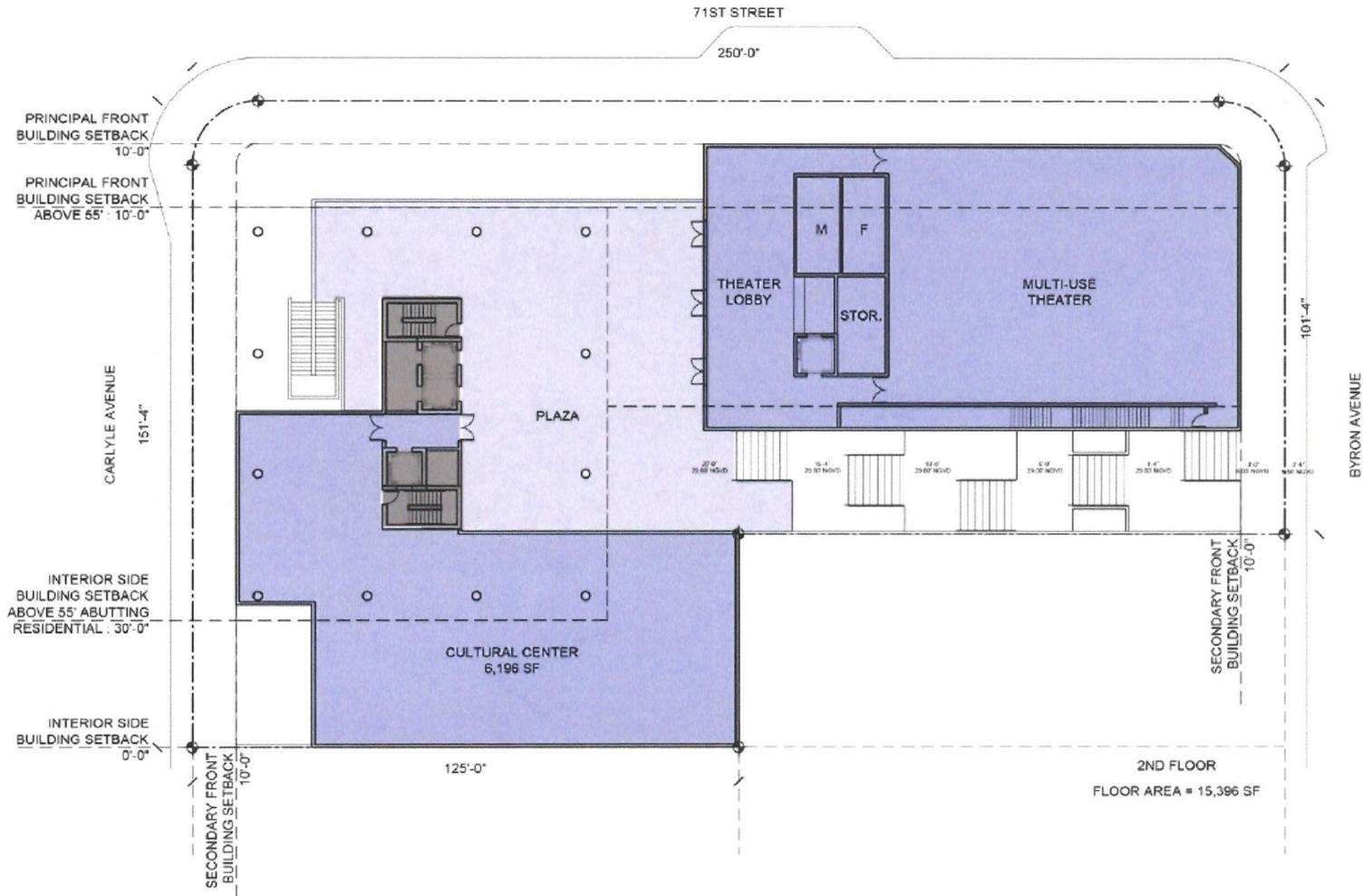
IDEA 3 – DEMO+BUILD NEW: MULTI-USE THEATER, ROOFDECK AND TOWER



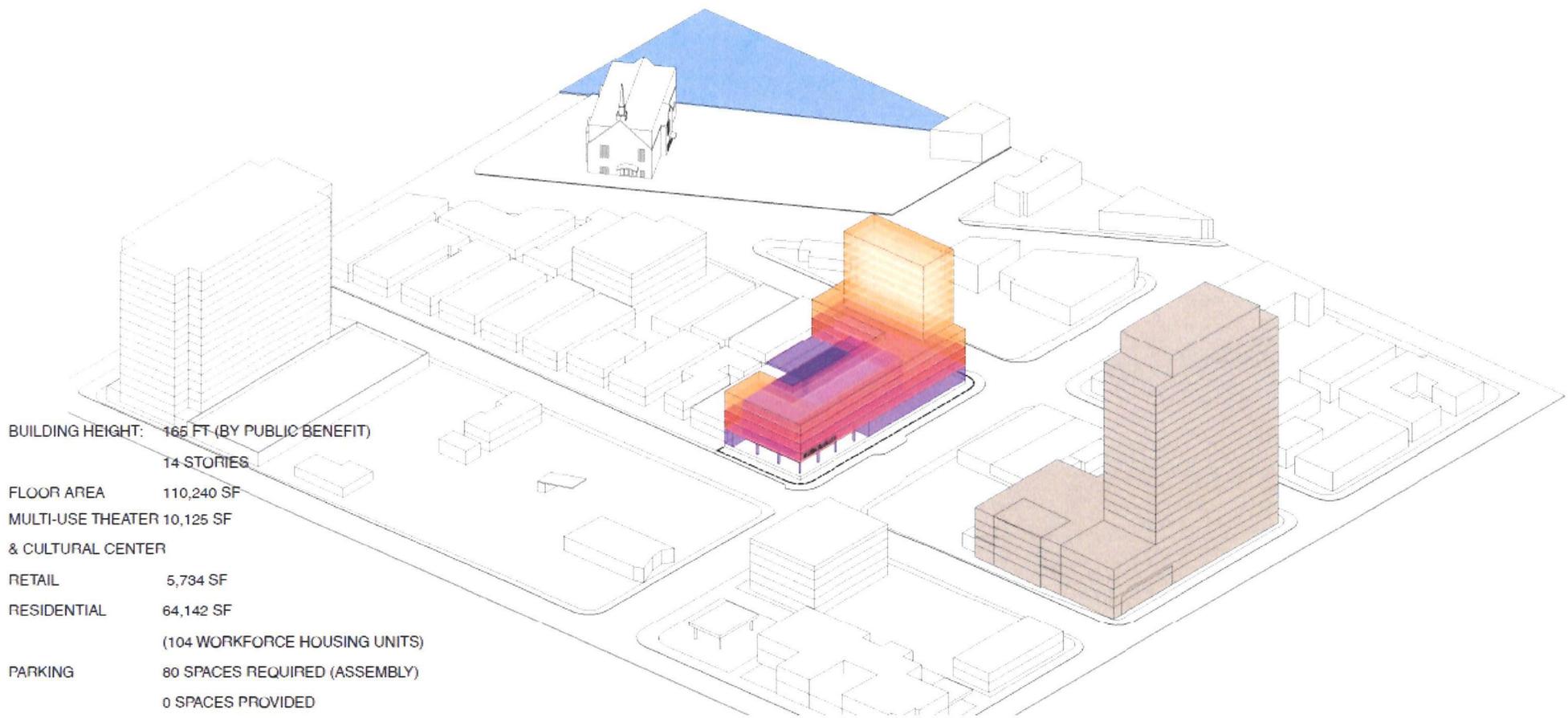
IDEA 4 – DEMO+BUILD NEW: CULTURAL PLATFORM



IDEA 4 – DEMO+BUILD NEW: CULTURAL PLATFORM

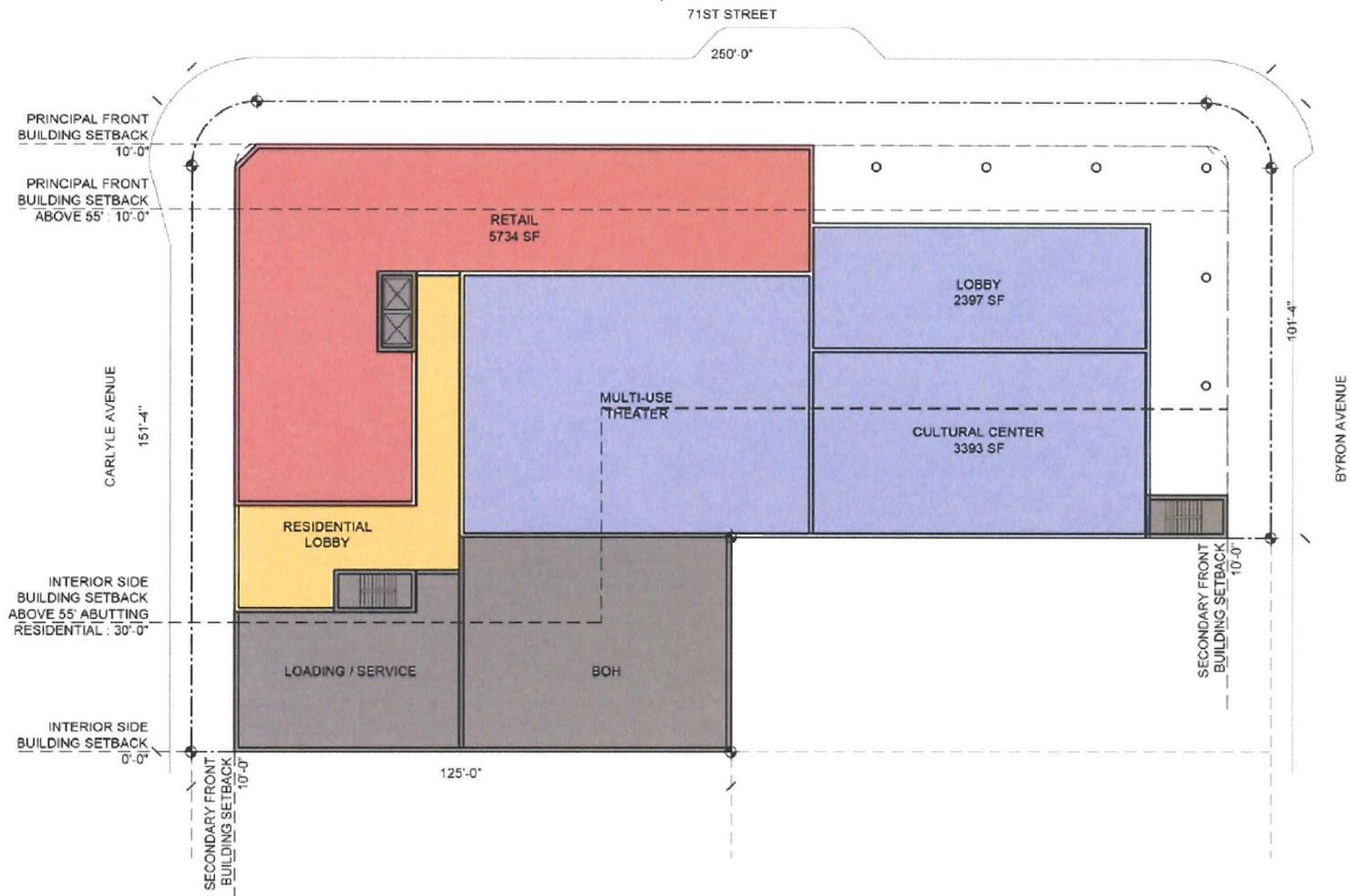


IDEA 4 – DEMO+BUILD NEW: CULTURAL PLATFORM



BUILDING HEIGHT: 165 FT (BY PUBLIC BENEFIT)
 14 STORIES
 FLOOR AREA 110,240 SF
 MULTI-USE THEATER 10,125 SF
 & CULTURAL CENTER
 RETAIL 5,734 SF
 RESIDENTIAL 64,142 SF
 (104 WORKFORCE HOUSING UNITS)
 PARKING 80 SPACES REQUIRED (ASSEMBLY)
 0 SPACES PROVIDED

IDEA 5 – DEMO+ BUILD NEW: MULTI-USE THEATER BEHIND RESIDENTIAL WRAPPER



IDEA 5 – DEMO+ BUILD NEW: MULTI-USE THEATER BEHIND RESIDENTIAL WRAPPER

COMMUNITY OUTREACH

FEEDBACK AND DISCUSSION



- Should the site continue to have a **cultural public use**, and if so, should that use be on the ground floor, and should it be on 71st Street?
- Parking isn't generally required in this TC-C district for residential and retail uses; some is required for the theater but can be located within 2,000 feet. What priority should be given to providing **parking** on the site? Do you like the idea of underground parking?
- Are new **hotel or residential** uses desirable on this site? If it's residential, should it be market rate or workforce or other?
- Should the site have enhanced **retail** opportunities? Should it maximize retail opportunities?
- Should the existing building be **retained and restored** for adaptive use? Should the existing structure be reinterpreted in conformance with current **resiliency** standards? How important is it to use sustainable and resilient systems?
- What criteria (beyond zoning) would be important to you in setting the **scale** of the project?
- What **additional criteria or ideas** do you have for this project?



Participants in the two public meetings fell generally into three groups of opinions about next steps for the Byron Carlyle: (1) **Preserve**, (2) **Preserve +Expand**, and (3) **Demolish/Build New**. The first group stated that they wanted to preserve the historic structure, use “as is” as a theater, and simply renovate; the second group wanted to preserve the structure in whole or in part and build on top; and a third group wanted to demolish and build an entirely new complex. Regardless of form, the three groups were adamant about maintaining or creating a **significant cultural component** that is accessible to the neighborhood and visitors.

A few themes emerged over the two days of discussion and subsequent meetings with individuals.

Process

Several participants referred to the public process to date with some unhappiness. They doubted the effectiveness of the City’s October 2021 survey. Several expressed the idea that despite strong activism and engagement by residents, preservationists and even public officials related to the Byron Carlyle, the redevelopment process remains somewhat opaque and doesn’t seem to reflect the voice of the people. Another respondent said that preservationists are often the loudest voices, and that homeowners and residents in the North Beach do not feel strongly about preserving the existing theater; but that because those people don’t often attend public meetings, their voices are not being heard in the current process.



Feelings about the Byron Carlyle

- Several mentioned happy memories of seeing movies there when they were children, or when O Cinema was housed there.
- Almost all participants expressed fond feelings for the Byron Carlyle; not always for the building itself, but for what it has been and could be for North Beach: a true community-focused cultural center.
- Several people mentioned feeling that the City should “do the right thing” by the Byron Carlyle, i.e. maintaining full control rather than involving developers
- Several participants were staunch preservationists who feel strongly about the renovation-only of the building as per the MC Harry study, citing cultural importance to the neighborhood even if the building itself is not particularly noteworthy architecturally.
- Several participants expressed the feeling that the Byron Carlyle is a community landmark and that it should be considered as part of a circuit connecting the Fountain and Bandshell.
- Some participants mentioned the desire to preserve the site was amplified by the recent demolition of the Deauville and a feeling of losing North Beach’s ties to the past.
- A few participants felt that progress is inevitable and felt that a more intangible essence of the Byron Carlyle should be captured in the design for a new facility; and that preservation of the building was not needed to accomplish this.



Program for Redevelopment

Cultural is the highest priority use, mentioned by all participants.

- Theater – Several participants expressed interest in a multiplex (one specifically mentioning a multiplex with art house films), one mentioned they did not want a multiplex but rather a more flexible, varied set of spaces, i.e. one larger theater and a smaller black box theater with a stage for films and musicals.
- Several participants expressed desire for artist studios, a location for classes, art camps for kids, gallery spaces.
- Many referenced the South Florida Art Center / ArtCenter South Florida / now Oolite on Lincoln Road and the desire to create such an experience here: the ability to attend a cultural event and then have a meal or drinks or a coffee.
- Some mentioned that the site should actually become the home of a local arts organization, e.g. Rhythm Foundation, Miami Light Project or DanceNow: or to be programmed/curated by one, a la the Bandshell
- Multiple participants expressed concerns over the blank wall and a desire to get rid of it or add a mural to it.
- One community member specified they thought Idea 4 with its open plaza combining two entertainment or performance spaces is the most desirable.
- The majority of participants expressed a desire to activate the site through cultural programming, often stressing the importance of affordability and accessibility.



Residential is the second-highest priority use mentioned by participants

- Several participants expressed desire for workforce or affordable housing options. Conversely, a few participants who were of the first group (Preserve) opposed housing of any kind.
- One resident expressed need for artist housing as artists are being priced out of the neighborhood
- One participant felt that the site does not need microunits but rather reasonably priced 1- or 2-bedroom apartments, to bring in families with kids who can't afford higher end residential and need more space than microunits.
- One participant felt that microunits would put too much of a drain on parking need.

Retail is not a priority for participants; with the exception of F&B, which is a high priority

- Several participants felt there is already an abundance of retail in the area and said retail would not be occupied on this site, referring also to the garage being built close by with retail; as well as the global tendency to shop online now.
- Many participants expressed a desire for a café, restaurant, or café/bookstore due to a lack of these spaces in the area.
- One expressed a desire for a rooftop restaurant where cultural events could be held.



Office is a moderate priority for participants.

- One participant expressed desire for Class A office space here; one felt that the site does not need office space as people are now working from home, and one felt that office could work but lack of parking opportunities on the site needs to be considered.

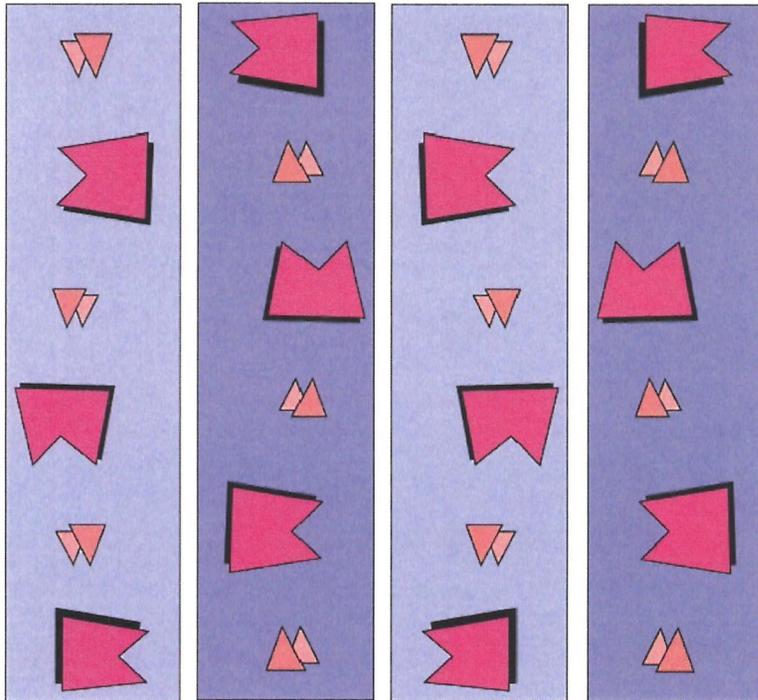
Parking is not a priority for participants.

- Many referred to garage being built close by as an argument for no parking.
- One mentioned the site is not conducive to both parking and a cultural center due to space.



Scale

- Several participants referred to the Dover Kohl Masterplan, advocating for continuous ground floor activation on 71st Street as well as lesser height.
- Several voiced the desire that new development should not be a tower or highrise to maintain the character of North Beach and provide a break from the scale of other skyscrapers being built.



Byron Carlyle Theater Conceptual Master Plan

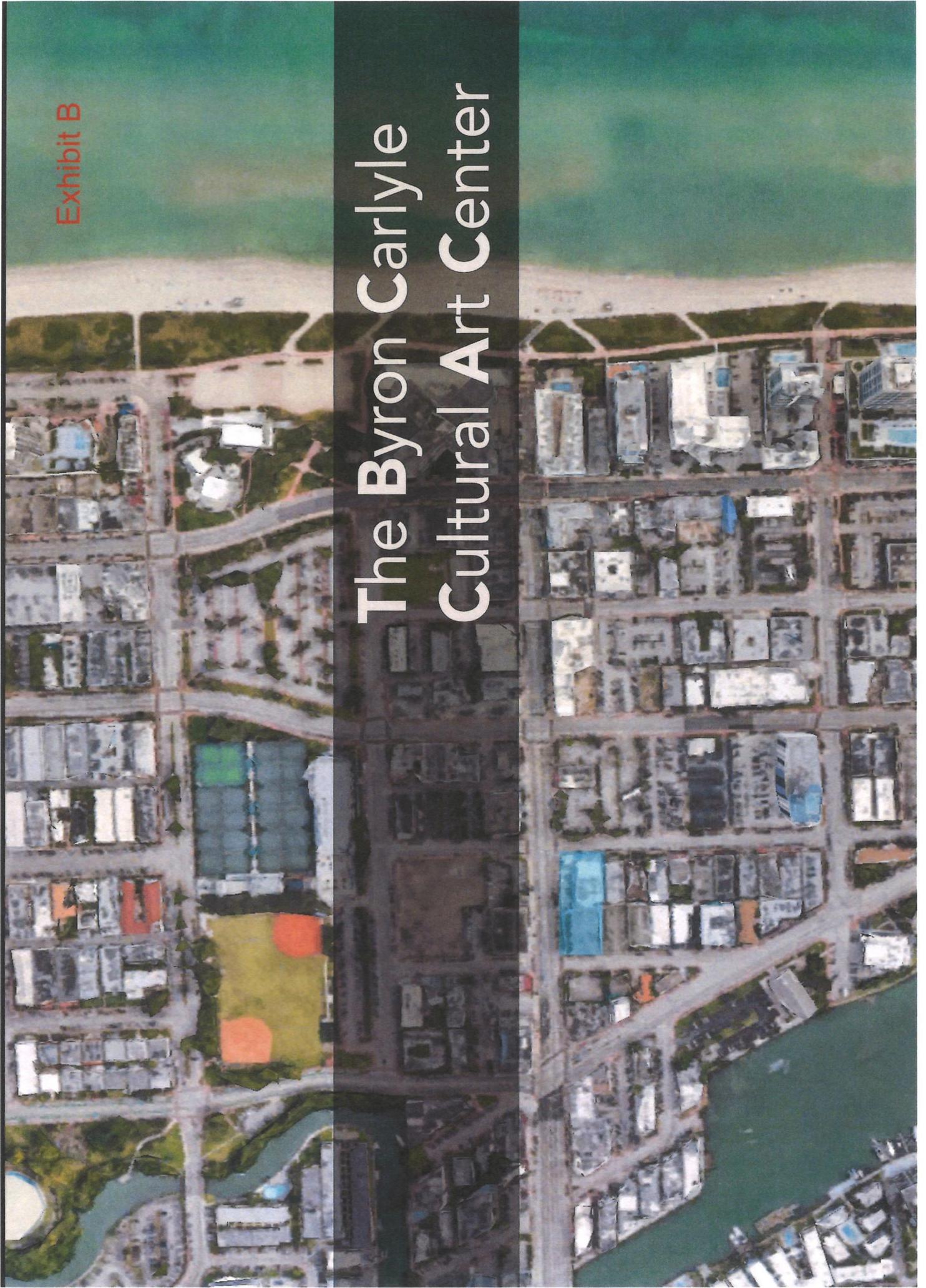
Synthesis from First Round of Public Meetings
April 27-28, 2022

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Associates
Consultant

Exhibit B

The Byron Carlyle Cultural Art Center



THE TEAM: James Quinlan/Rhythm Foundation, Esther Park/Oolite Arts, Beth Boone/Miami Light Project, Vivian Marthell/O Cinema, Sammy Gonzales/Young Musicians Unite, Nicholas Richberg/Miami New Drama, Ever Chavez/ FUNdarte, Carol Coombes/PRIDE, David Sexton/Normandy Fountain Business Asc., Bruce Carter/Cultural Arts Council,Roberto Espejo/Architect.

THE CONCEPT: Multi-Disciplinary Cultural Arts Center with Cinema, Theater, Art Gallery, Recording Studio, Cafe,Teaching Space and Event Space.

THE AESTHETIC: Although the Byron was built in 1968 and is not a historically designated building, the emotional attachment our residents have to the Byron was definitely part of our discussions. We would want the final design to retain and reference key elements of the original 1968 structure with an added MIMO influence.

THE STATS: This preliminary study fits within the 3.5 FAR requirements for the building and a preliminary cost estimate for the first two floors (Cultural Center only) conducted by NV2A Group came in with in the range of \$30m. The Art Force Housing component would need to be funded through a model like the one being implemented in the Collins Park Project with additional Work Force housing grants

BYRON CARLYLE CULTURAL ARTS CENTER

I. OVERVIEW

II. GROUND FLOOR

2700 SF Visual Arts Gallery
Public Lobby/Cafe/Concessions Area
200 Seat Black Box Theater Space
350 Seat Proscenium Theater Space
1 Rehearsal Studios / Event Spaces
3000 SF Recording/Podcast Studio and Office

III. MEZZANINE LEVEL

2830 SF Shared Office Space for Arts Organizations and Non-Profits -
- Offices/Conference Rooms/Shared Reception Area and Ameneties
- 1 Rehearsal Studio

IV. LEVEL TWO

100 Seat Cinema and 75 Seat Cinema
2 Small Digital Media Flex Sapaces/Teaching Studio Space
Outdoor Terrace Event Space / Residential Amenity Terrace
Adjoining Indoor Event /Rehearsal Space

V. LEVEL THREE - LEVEL SEVEN

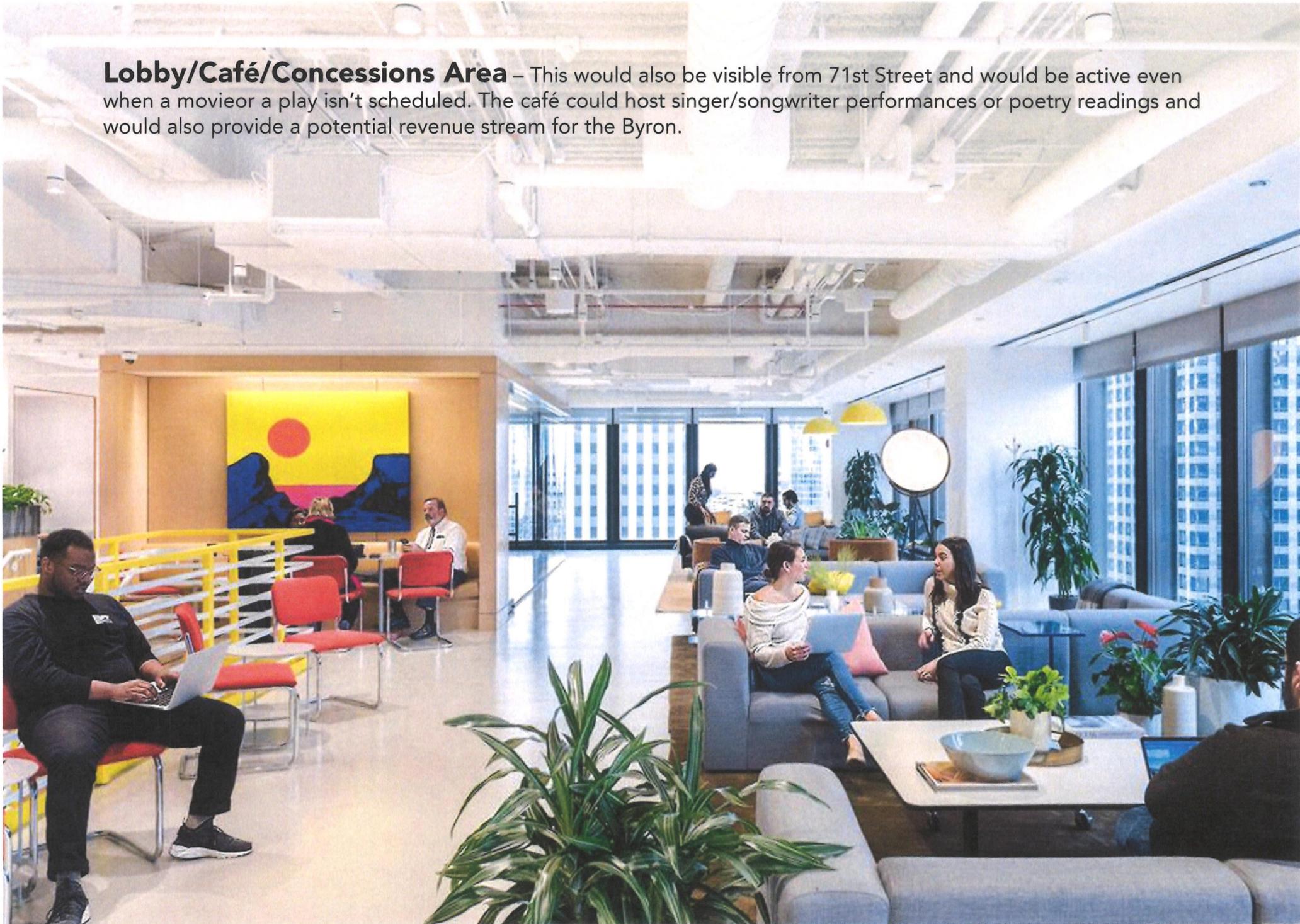
Art Force Housing (Total 72 Units Ranging from 580 SF to 900 SF)

VI. ROOF TOP EVENT SPACE

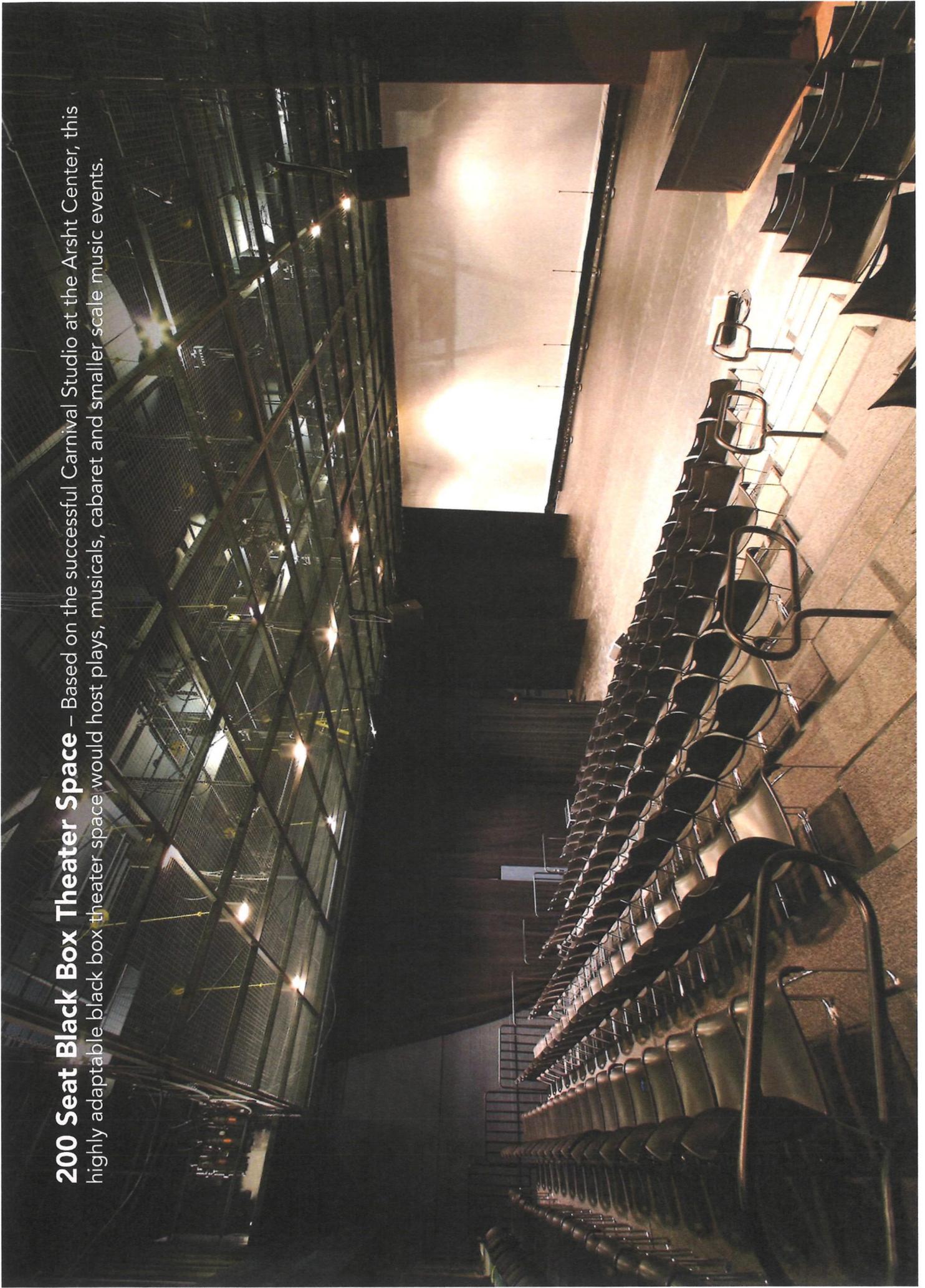


Visual Arts Gallery – With its exhibits visible from 71st Street, this 2700+ sq ft gallery would give the Byron Carlyle Cultural Arts Center an immediate and powerful impact on North Beach’s Town Center. Though this is not a programming proposal, an exciting idea that came out of the discussion was that the gallery space would be curated by the City of Miami Beach’s Art in Public Places. This would allow them to present work by important artists and would enable the many South Beach Arts Anchors like the Jewish Museum, Oolite Arts, Urban Design Studios, the Wolfsonian and the Bass Museum to share exhibits with North Beach.

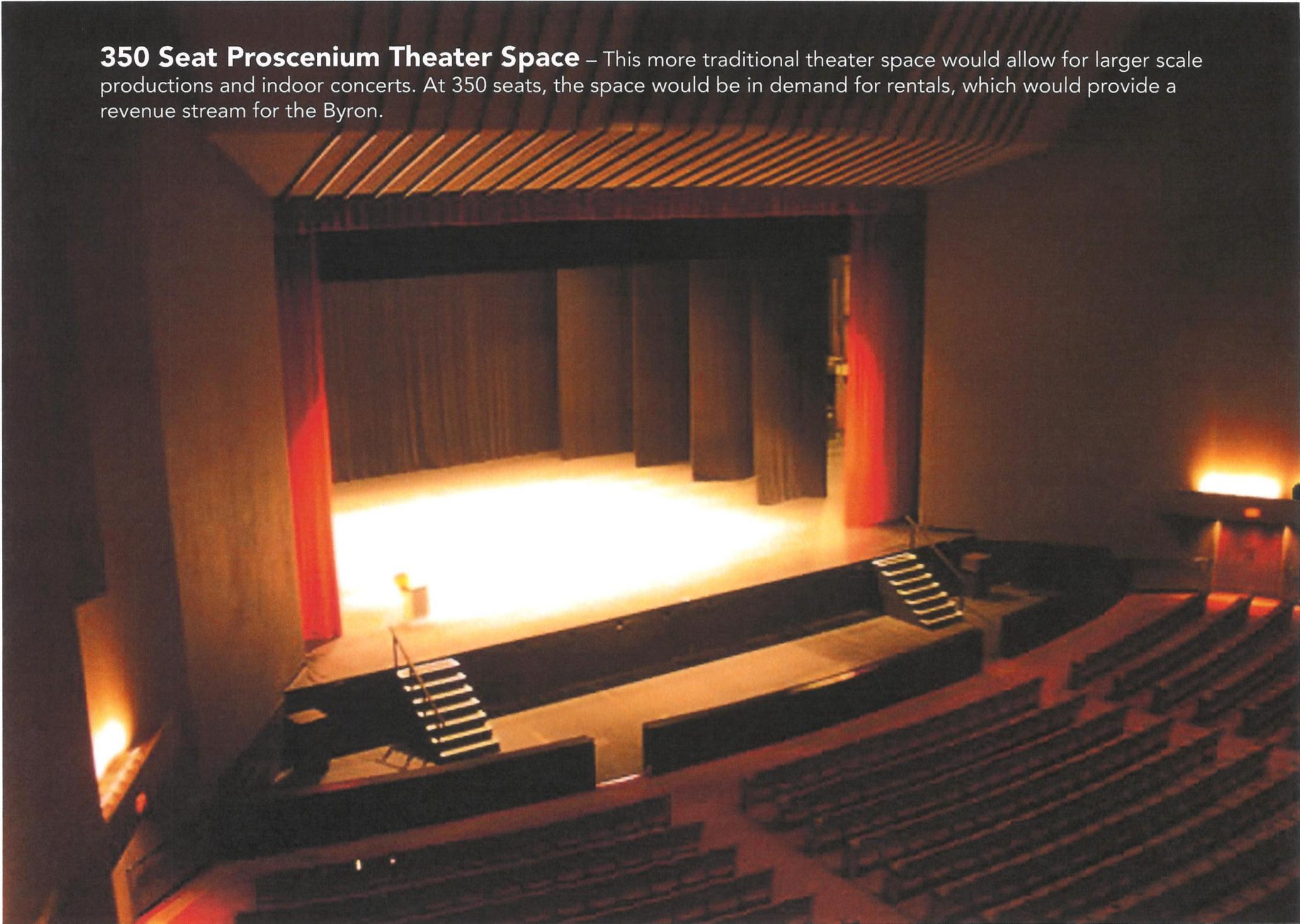
Lobby/Café/Concessions Area – This would also be visible from 71st Street and would be active even when a movie or a play isn't scheduled. The café could host singer/songwriter performances or poetry readings and would also provide a potential revenue stream for the Byron.



200 Seat Black Box Theater Space – Based on the successful Carnival Studio at the Arsht Center, this highly adaptable black box theater space would host plays, musicals, cabaret and smaller scale music events.



350 Seat Proscenium Theater Space – This more traditional theater space would allow for larger scale productions and indoor concerts. At 350 seats, the space would be in demand for rentals, which would provide a revenue stream for the Byron.



Rehearsal Studio – This large rehearsal space could service both theaters or be used as an event space or classroom for art classes.

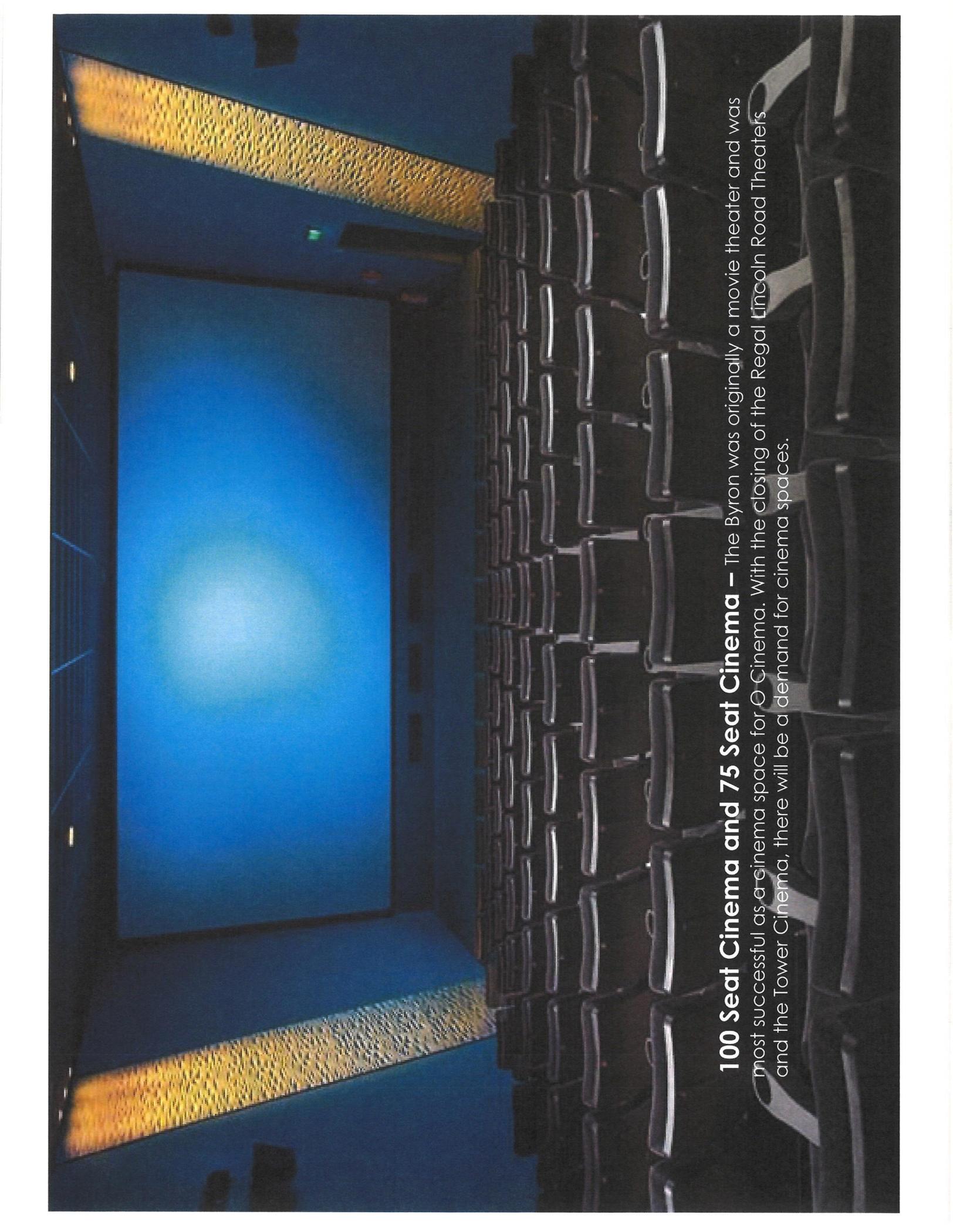




3000+ SF Recording/Podcast Studio and Office – This community recording studio would erase the barrier of entry for students into the music industry. The studio would be an accessible, professional-grade platform where students can share their stories, create original new works by writing and releasing their music, record audition tapes, showcase live performances/live streaming events, and create their own podcasts; all at no cost to participants. Studio rental by non-students could also be an additional revenue stream.

2830 SF Shared Office Space for Arts Organizations & Non-Profits – This would be an open, interactive office area patterned after the WeWork/Buro model with organizations being able to rent a desk, an office or a conference room and share a mutual reception area.



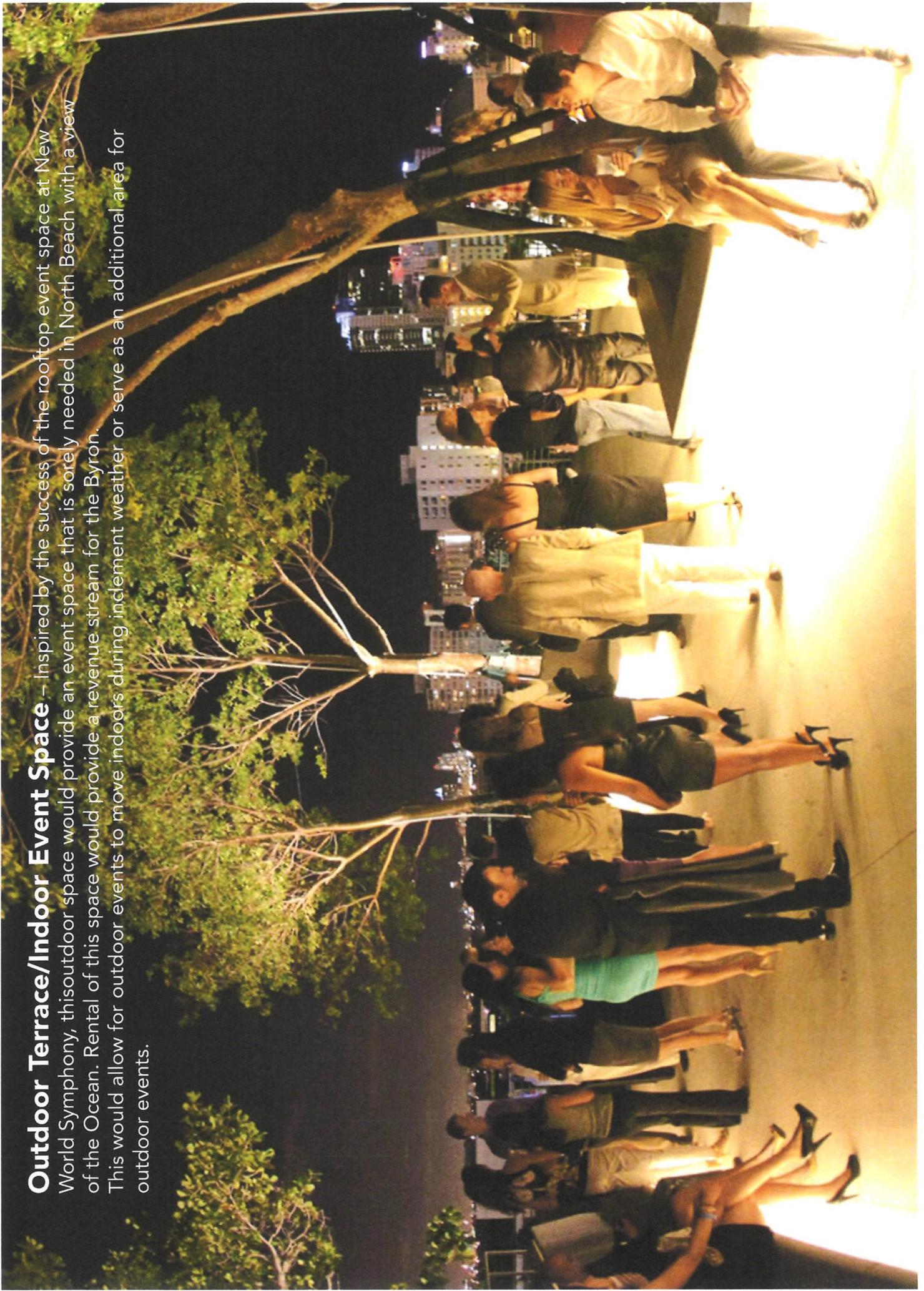


100 Seat Cinema and 75 Seat Cinema – The Byron was originally a movie theater and was most successful as a cinema space for O Cinema. With the closing of the Regal Lincoln Road Theaters and the Tower Cinema, there will be a demand for cinema spaces.

Two Smaller Cinema/Teaching Studio/Virtual Reality Spaces – These could be flexible cinema theater spaces, classroom for teaching artists, lecture spaces for visiting speakers and virtual reality spaces



Outdoor Terrace/Indoor Event Space -- Inspired by the success of the rooftop event space at New World Symphony, this outdoor space would provide an event space that is sorely needed in North Beach with a view of the Ocean. Rental of this space would provide a revenue stream for the Byron. This would allow for outdoor events to move indoors during inclement weather or serve as an additional area for outdoor events.



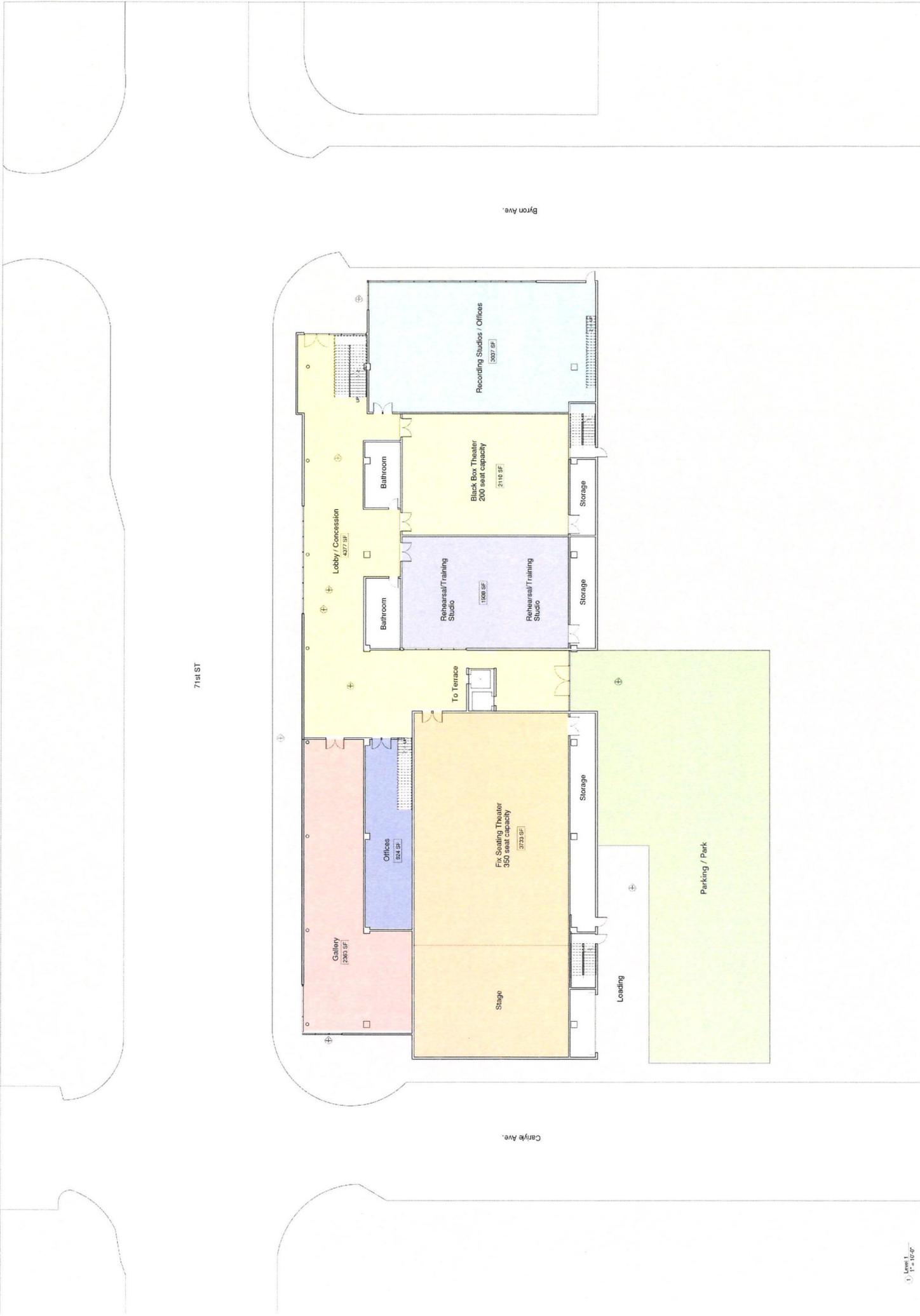


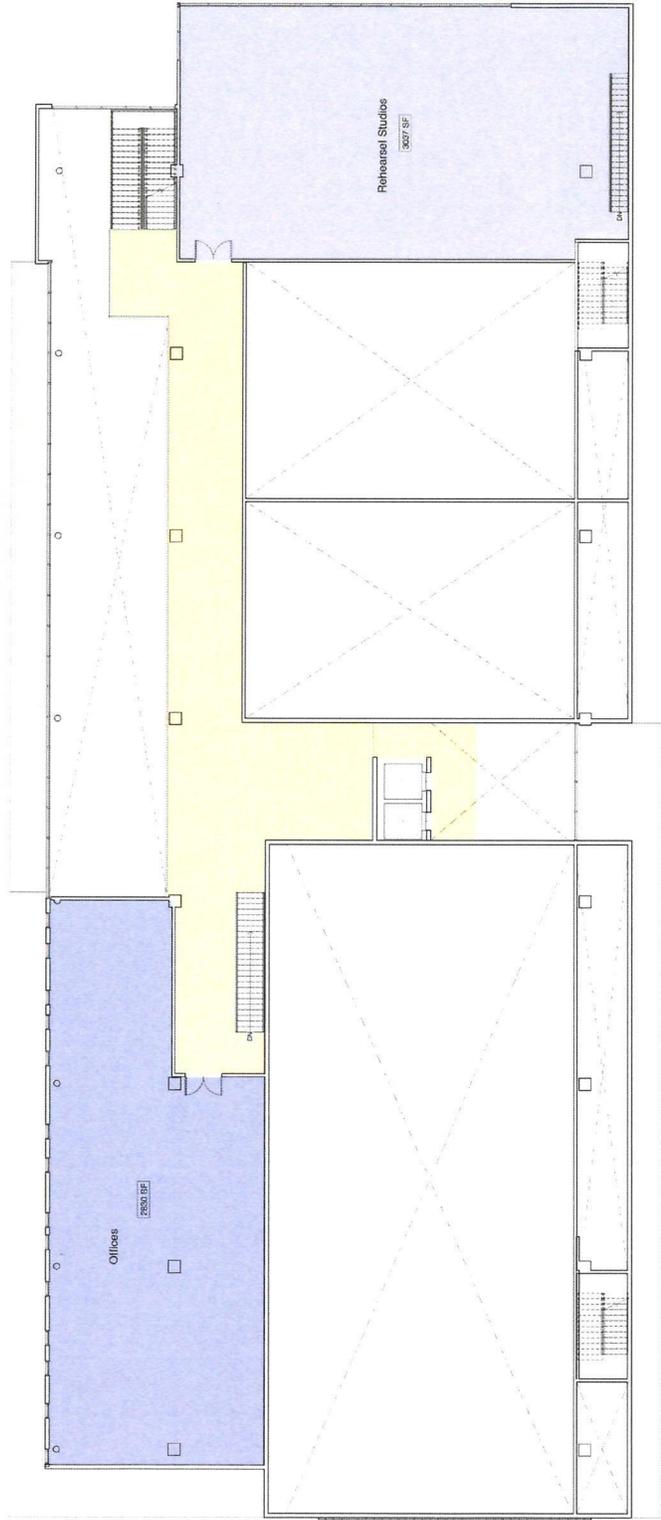
Art Force Housing – We are proposing five floors of housing with a total of 72 units ranging from 580 SF to 796 SF. Preferential treatment would be given to artists and organizational staff that work in the Byron.

Roof Top Event Space – A rooftop covered outdoor space with spectacular views of the ocean and can be used as a performance venue, which could become a revenue stream if rented as an event space.





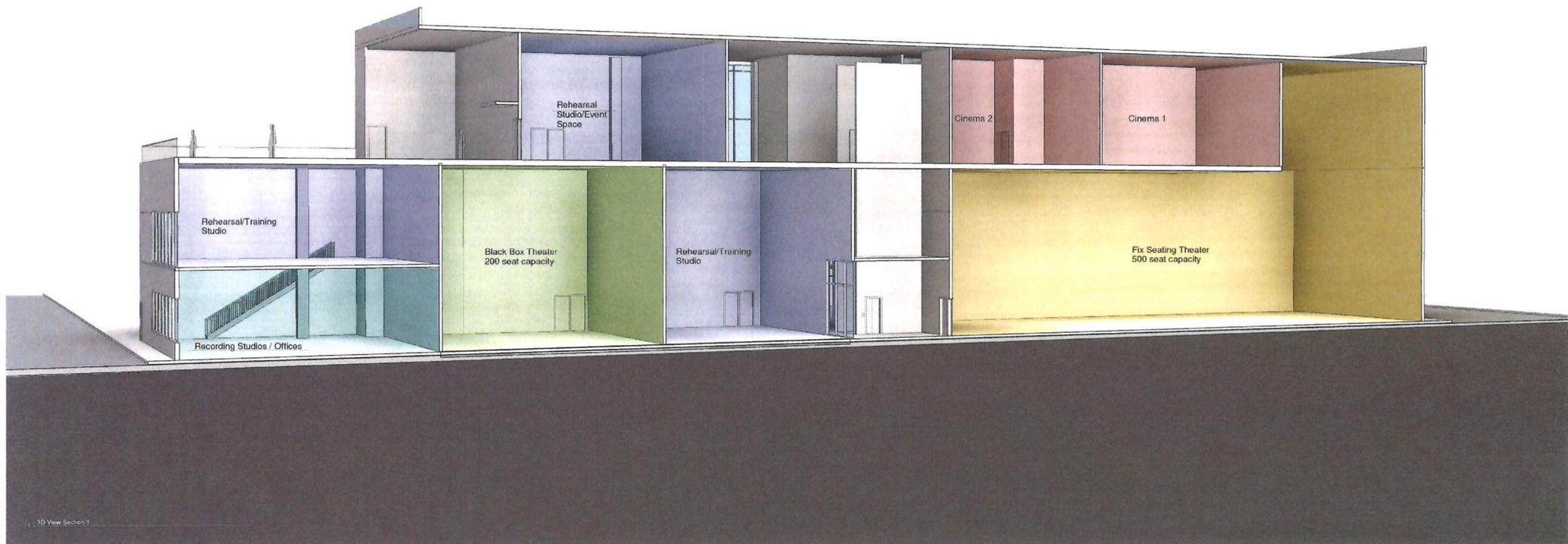




Level 2
118'-1'0"



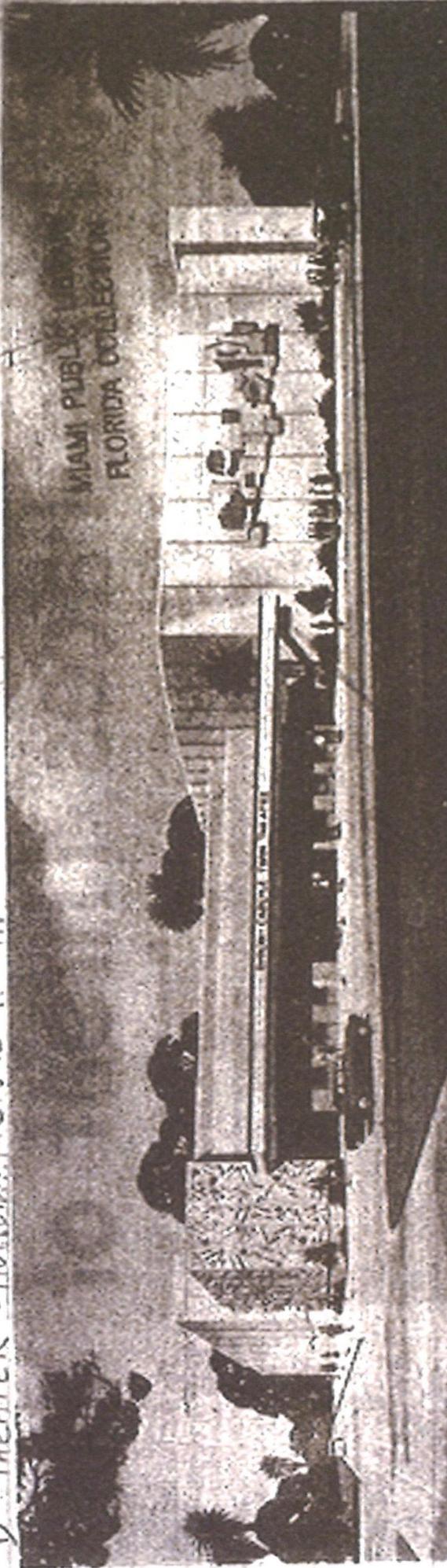
Level 2
118'-1'0"



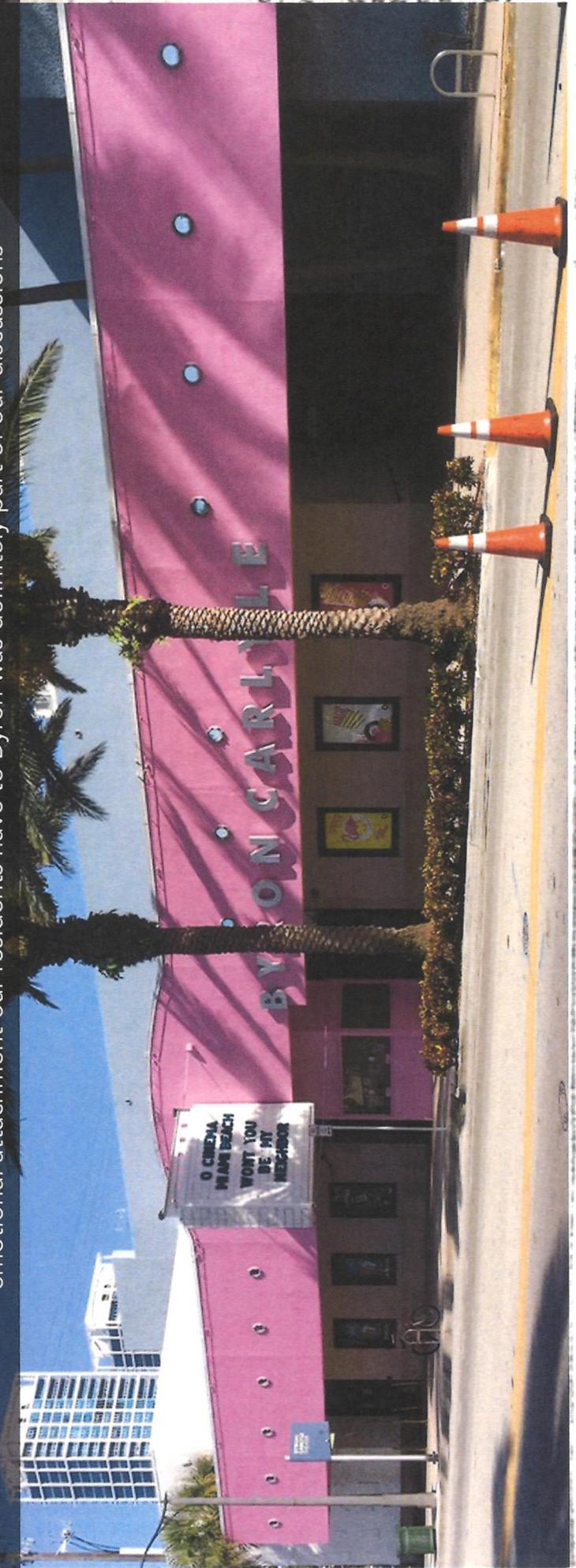
D THEATER - MOTION PICTURE

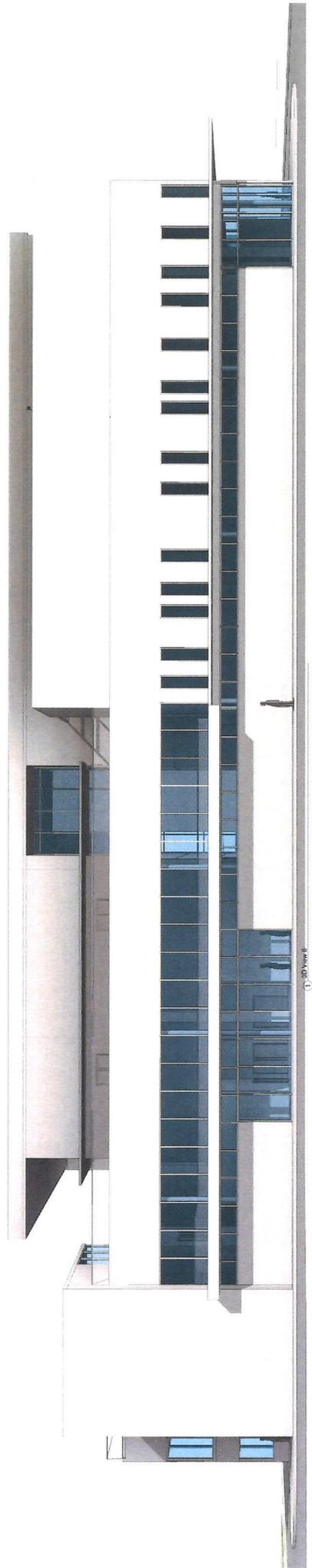
ADVERTISING SECTION Sun., Oct. 27, 1968

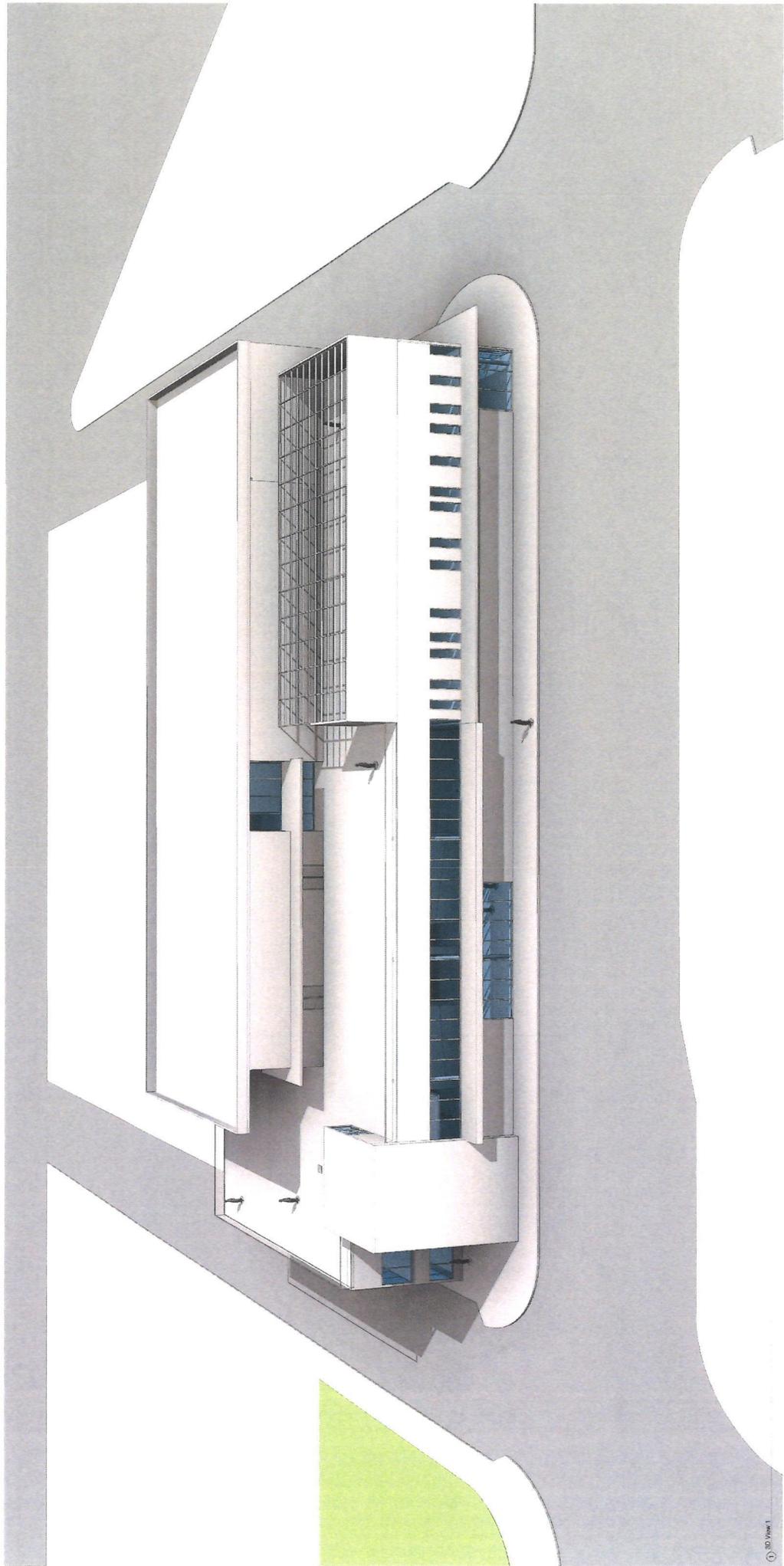
THE MIAMI HERALD

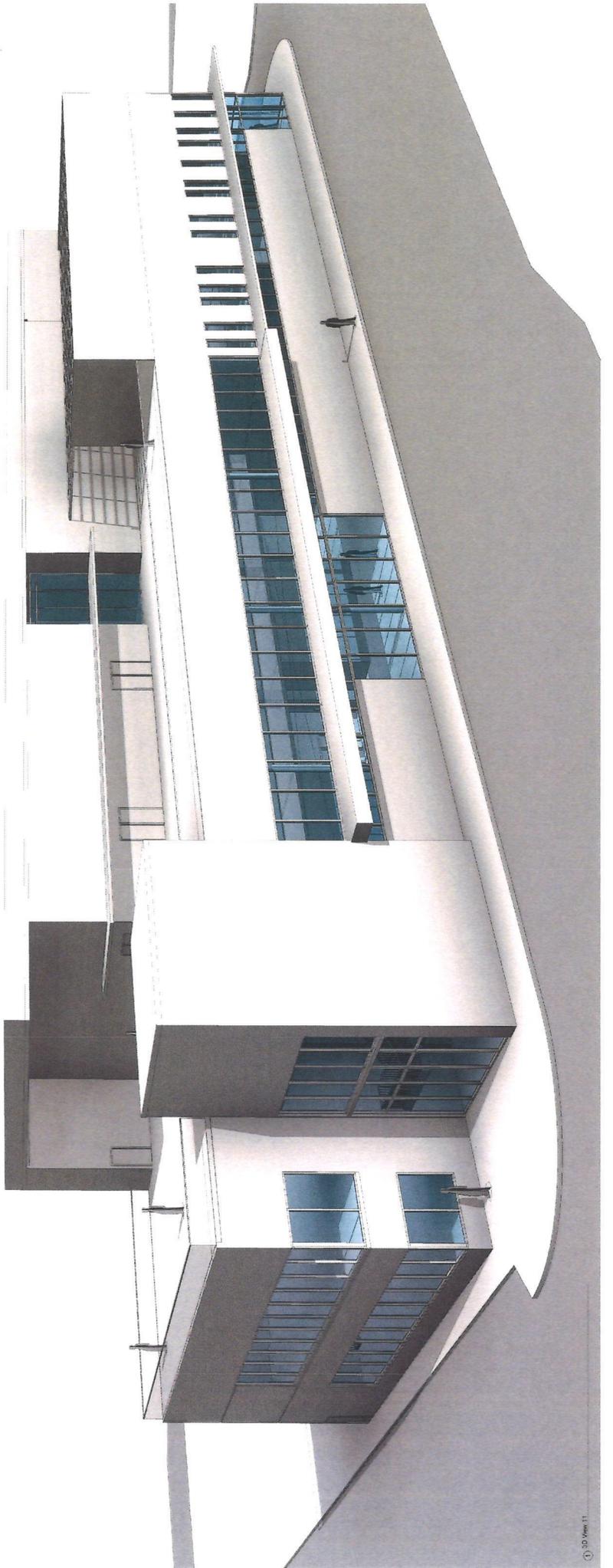


Although the Byron was built in 1968 and is not a historically designated building, the emotional attachment our residents have to Byron was definitely part of our discussions





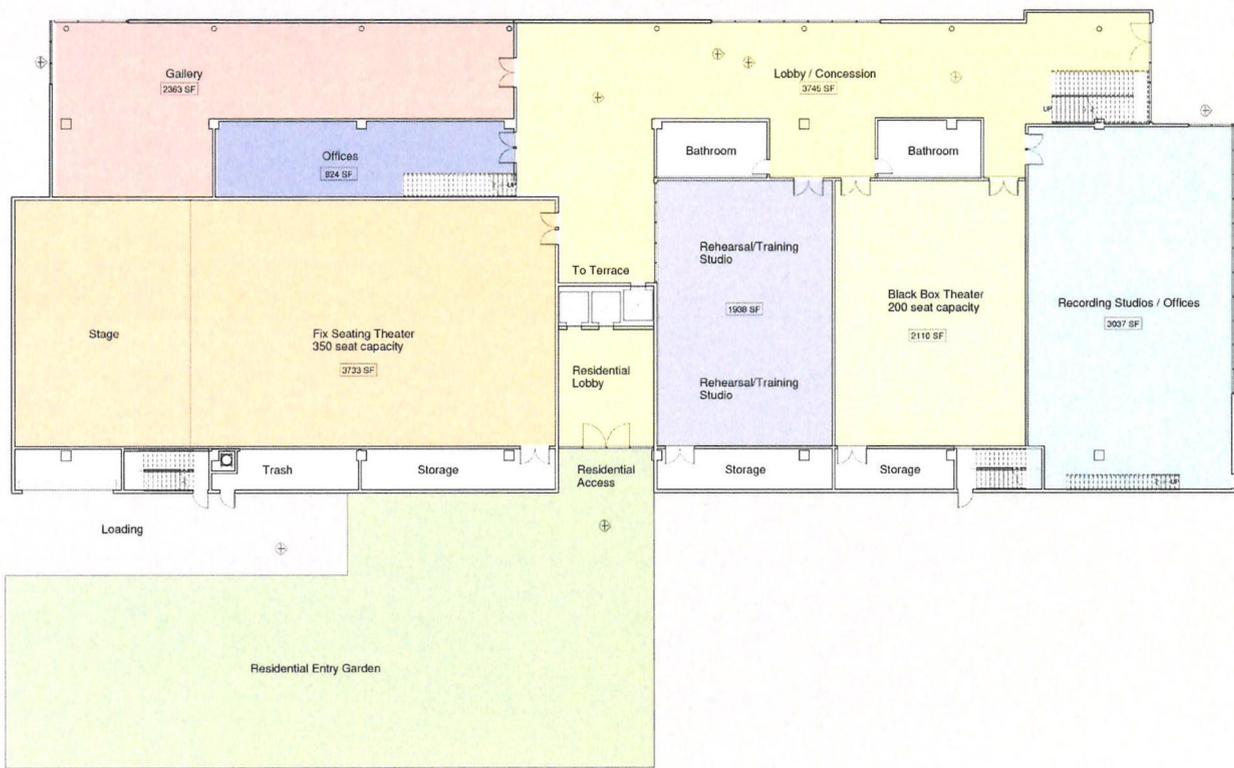


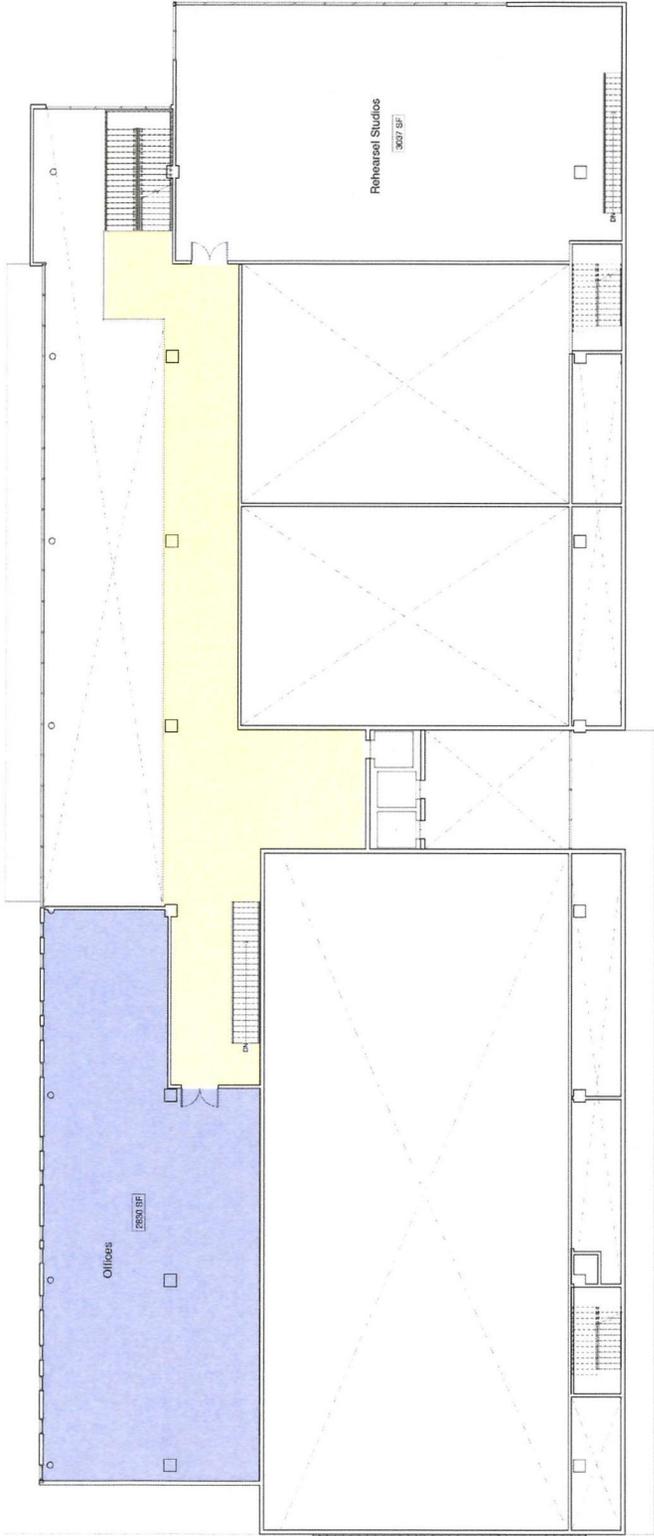


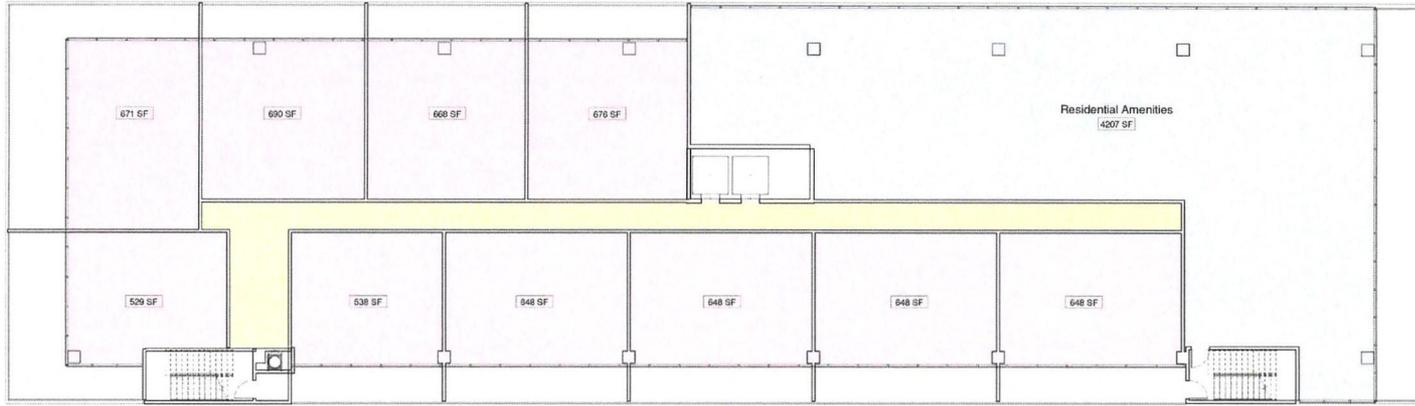
71st ST

Carroll Ave.

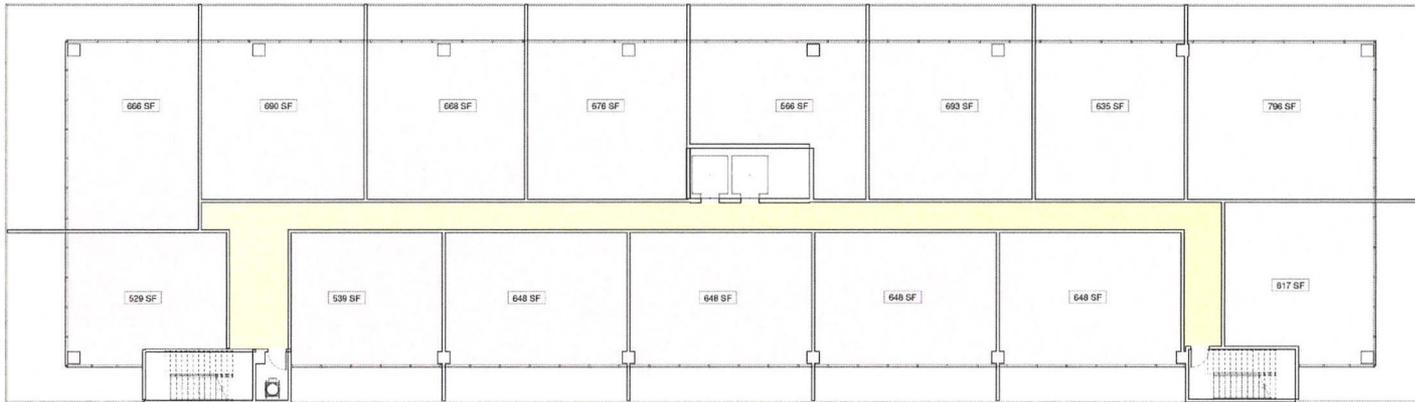
Byron Ave.



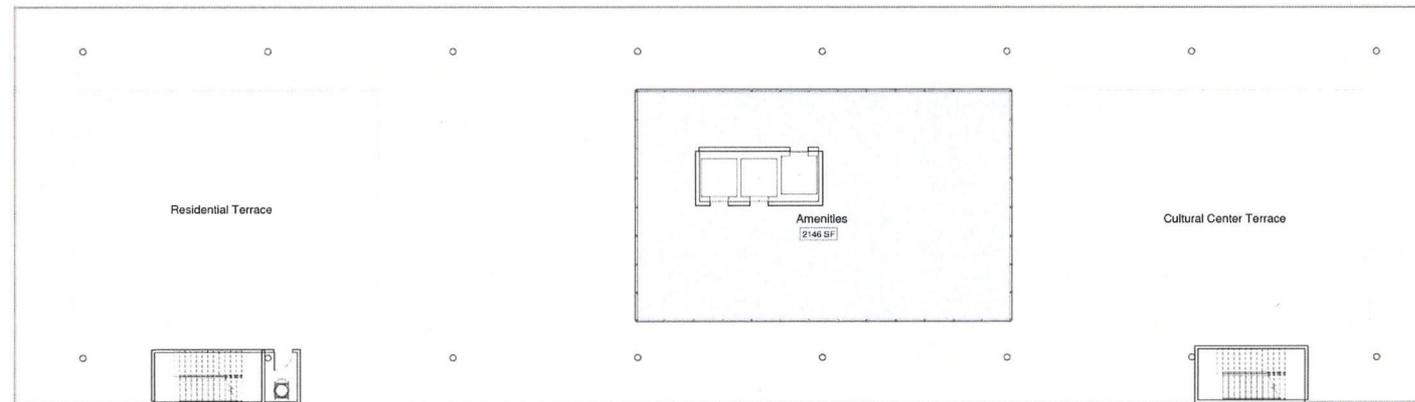




1 Level 3
1/8" = 1'-0"



2 Level 5
1/8" = 1'-0"



3 Level 8
1/8" = 1'-0"

Residential Level
15 units per level
5 Levels
Total 72 Units Ranging from 580 SF to 900 SF.



Residential

Residential

Residential Amenities

Rehearsal
Studio/Event
Space

Cinema 2

Cinema 1

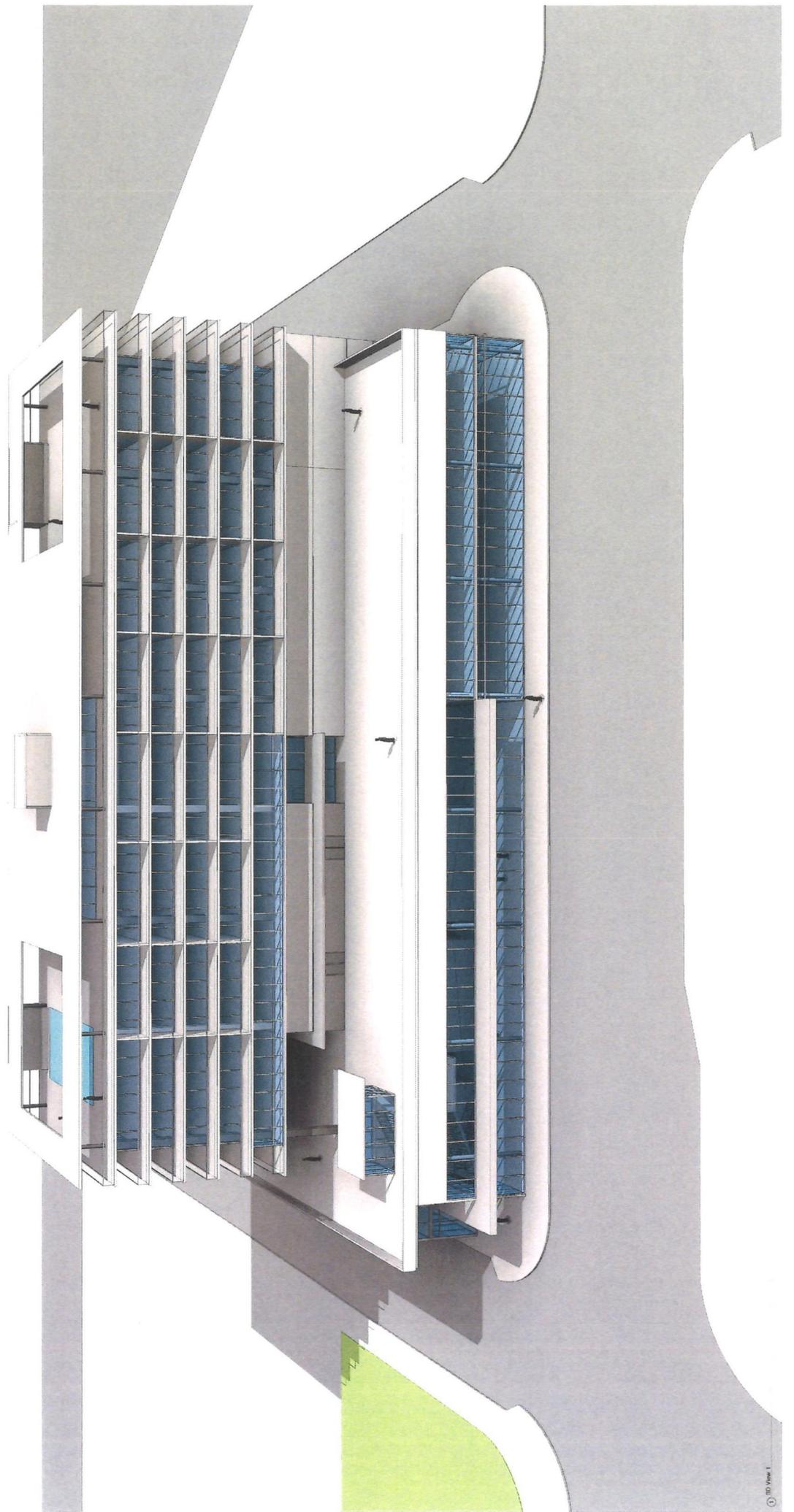
Rehearsal/Training
Studio

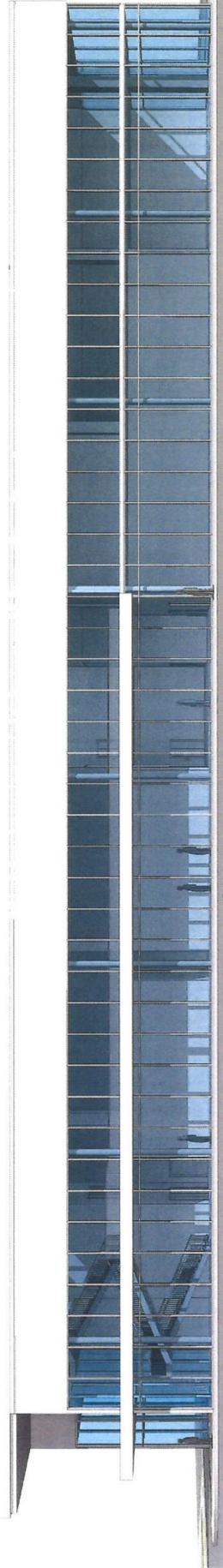
Black Box Theater
200 seat capacity

Rehearsal/Training
Studio

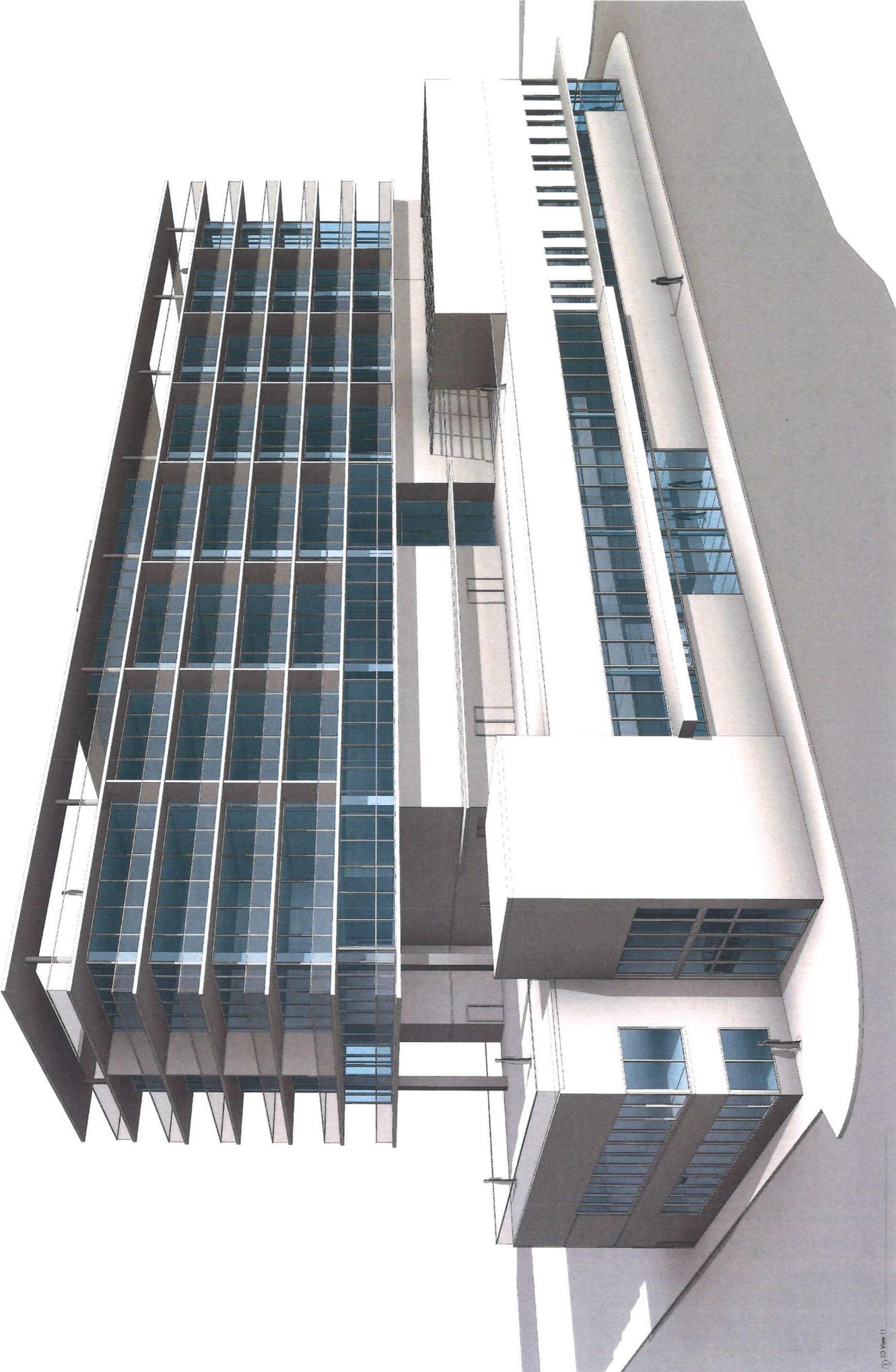
Fix Seating Theater
500 seat capacity

Recording Studios / Offices





1-30. View 8

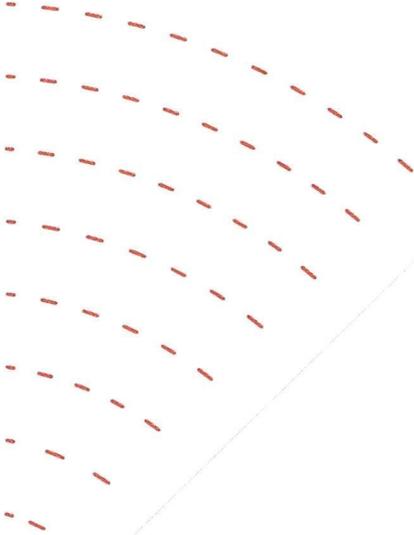
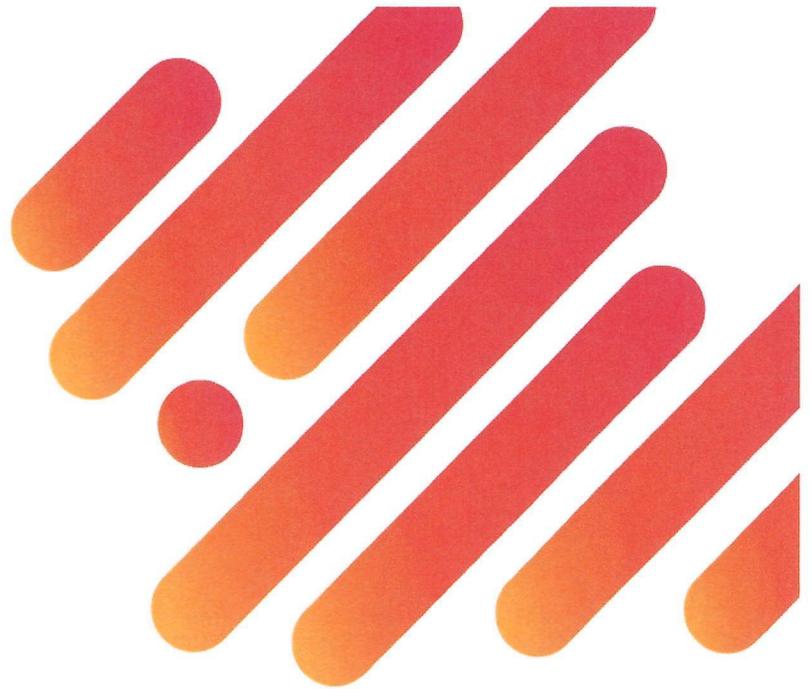




**The Byron Carlyle
Cultural Art Center**

Thank You





City of Miami Beach Report on the Byron Carlyle Theater

February 2024



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Introduction

The City of Miami Beach engaged AMS Planning & Research and TheatreDreams to support the reimagining of the Byron Carlyle Theater as a cultural hub for North Beach. Miami-Dade County and the cities in its bounds have a long history of investing in cultural infrastructure. Moreover, the Miami Metro’s global population has proven itself as a dynamic force not just in consuming culture, but in creating it. The City of Miami Beach has an opportunity to realize the desired community outcomes for a restored Byron Carlyle Theater and is poised to commit to the restoration and operations of a vibrant community arts center, embodying the spirit and vibrancy of North Beach.

The Context

City Commission and City voters have shown longstanding support for the redevelopment of the Byron Carlyle Theater. In 2021, City Commission allocated \$400,000 for a conceptual master plan and community outreach which was completed. In November 2022, City voters approved a \$159 million General Obligation Bond for Arts and Culture, earmarking \$30,570,000 for the Byron Carlyle Theater's redevelopment. Buoyed by this support, in December 2022, upon direction from City Commission, the Administration sought expressions of interest from cultural institutions to occupy and activate the facility with its issuance of the RFLI (RFLI 2023-261-KB) *Cultural Partners for Byron Carlyle Theater*.

Defining a Community Arts Center

AMS/TheatreDreams frames arts and culture initiatives in terms of purpose – *why* and *for whom* an activity, organization, or program exists. The vision describes what impacts (and outcomes) are desired. The mission describes programs and initiatives that realize the vision. And as importantly, the values reflect the behaviors, priorities, and competencies that support the work. Research into best practice illustrates four key components for successful development:

| | |
|----------------|--|
| Purpose | Why you do it and for whom |
| Vision | The impacts you aspire to make |
| Mission | What you do |
| Values | How you do it |



Community arts centers’ purpose is to enable arts access.

Whether in a neighborhood, a town, or in a bustling metropolis, community arts centers exist to make arts experiences available.



Community art centers’ impacts center on activity and engagement.

Maximizing arts engagement opportunities across community households, age groups, racial groups, and income levels is often an explicit priority. A parallel priority is often to create a home for artists, professional or amateur, and space for a range of creative genres that can nurture discovery.



Community arts centers’ programming and initiatives are intentionally diverse in genre and modest in scale.

Unlike large, legacy cultural institutions that focus on a single genre or cultural tradition, community arts centers prioritize a wide range of genres and disciplines. This approach is meant to pique interest in many art forms. Community art center buildings tend to be modest in size, with the best available technology for many kinds of users to hone and share their creative work.



Community arts centers put human development first and economic development... later.

Uplifting a local, regional, and/or culturally specific population is the priority woven into development and implementation of a community arts center. While the ancillary economic benefits of a community arts center may be substantial, the core operation typically requires ongoing subsidy to stay faithful to the center’s purpose.

The Opportunity

In conversations with stakeholders across Miami Beach, and reinforced by responses to a potential user survey issued to the City of Miami Beach Cultural Partners, the restoration of the Byron Carlyle Theater is viewed as a positive development. There is a demonstrated need for arts experiences in North Beach, when compared to the more robust cultural infrastructure and activity in South Beach as illustrated in



the map above. Praise for programming at the Miami Beach Bandshell, whose activities contribute to North Beach cultural life, was balanced with the caveat that it is outdoors and thus weather limited in its use, leaving additional demand unmet. Furthermore, arts organizations indicated a lack of small to medium performance venues in the Miami Beach area more broadly.

There is an appetite for arts experience in North Beach. A restored Byron Carlyle Theater would meet it by being a hub for cultural activity in the community, and simultaneously driving expanded activity by the arts and culture organizations who can activate it. 17 survey respondents (61%) to AMS's potential user survey noted they would anticipate expanding their existing activities (level would increase) were they to access space in a redeveloped Byron Carlyle Theater that suited their needs. Many also noted they would develop new activity (46%) or relocate existing activity (46%).



Desired Outcomes

To illustrate the opportunity and frame recommendations with a clear understanding of desired goals, the City steering committee reflected on what community outcomes they aspire to realize through the redevelopment of the Byron Carlyle Theater. The following desired outcomes and operator role were defined to guide the study:

Performance and working space for local arts organizations.

- Offered at accessible costs to the organizations
- Shared services to support the organizations (e.g., unified contact database for marketing purposes , common box office)
- Shared equipment (e.g. lighting and sound)
- Partnerships with many local not-for-profit cultural organizations and artists

Cultural Hub dedicated to the community of North Beach.

- A variety of activities offered for community members of all ages (workshops, classes, lectures)

- Gathering spaces that are open to the public (including community meetings)
- Partnerships with local businesses and community groups

City to have a role in facility operations; defined as a Host.

- Prioritize inclusivity and diversity of the local cultural community
- Dedicated city subsidy of the facility’s annual operating costs
- Collaboration with City departments (Tourism and Culture, Facilities Management, Economic Development)

With the City identifying its role as a Host, it means continuing a meaningful role in the advancement of arts and culture through the

operations of the facility while at the same time limiting its financial exposure related to programming as enabling other organizations to present programming in the venue. The terms of the City’s engagement would be defined as the details of the project are further studied and cemented. In the future, the City of Miami Beach may engage a small team of

City employees to manage the facility and oversee activity, directly partnering with a variety of users to be content providers primarily through venue rentals and long-term partnerships, and taking risk on some portion (<50%) of the programming.

| | |
|------------------|--|
| Presenter | Operate the venue and program more than 50% of all activity at-risk |
| Host | Operate the venue and program less than 50% of all activity at-risk, with one or more third parties programming at-risk the balance of available use days. |
| Landlord | Carry no programming risk and would identify a third-party operator to activate the space. |

Potential Users

The City of Miami Beach has a rich cultural ecosystem with arts organizations in and/or providing cultural activities to the local community. These organizations that have current connections with the City of Miami Beach are known cultural partners. In addition, respondents to the RFLI (RFLI 2023-261-KB) *Cultural Partners for Byron Carlyle Theater* expressed interest in Miami Beach’s cultural ecosystem. Both of these groups were identified as potential users of a restored Byron Carlyle Theater by this study – a total of 67 organizations.



Activity Implications

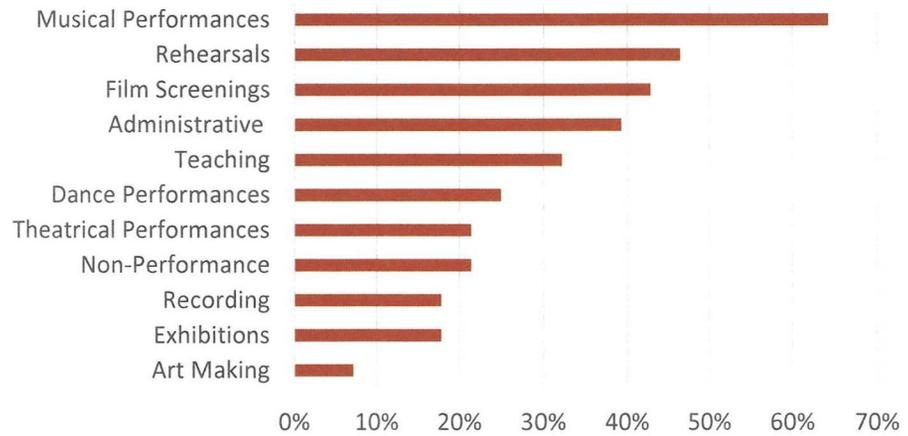
A restored Byron Carlyle Theater is poised to be activated 365 calendar days a year with both anchor and iterant users. Anchor users are defined as those with regularly repeated activity at the Byron Carlyle Theater (over 60 use days a year). Iterant users are defined as those with annual activity at the Byron Carlyle Theater (under 40 use days a year).

Potential Anchor Users

- Area Stage
- Dance NOW! Miami
- O Cinema
- Miami Beach Classical Music Festival
- Miami Light Project, Inc.
- Nu Deco Ensemble
- Miami International Piano Festival
- Rhythm Foundation
- Young Musicians Unite

Potential Iterant Users: Bas Fisher Invitational, Miami Jewish Film Festival, Cinema Italy, Community Arts and Culture Inc, Cuban Classical Ballet of Miami, FUNDarte, Hued Songs, Inffinito Art Foundation, Live Arts Miami, Miami Chamber Music Society, Miami Children’s Chorus, Miami Music Project, Miami Short Film Festival, OUTshine LGBTQ+ Film Festival, Seraphic Fire, South Beach Chamber Ensemble, South Florida Symphony Orchestra, YoungArts, as well as many other arts and cultural organizations and artists operating in Miami Beach.

What types of programming/activities would you be interested in using the redeveloped Byron Carlyle site for?



With such a deep group of users, the Byron Carlyle Theater would be home to many artform genres, disciplines, and means of community participation. A performance may take place in a proscenium theatre, while an experimental performance happens in a black box theatre. A film may be screened in the film theatre while a rehearsal takes place in an adjacent space. Educational classes and music lessons may take place in the educational spaces, as students learn how to be sound engineers in the recording studio and lectures and presentations are offered for North Beach residents.

| Space type | # of Interested Orgs | Annual Use Days |
|--|----------------------|-----------------|
| Proscenium stage with fixed seating | 18 | 296 |
| Cinema/film screening rooms with fixed seating | 11 | 365 |
| Rehearsal room | 14 | 365 |
| Black box/flexible performance space | 15 | 308 |
| Administrative/meeting space | 10 | 365 |
| Outdoor terrace/event space | 9 | 65 |
| Flat-floor, multi-use activity/event space | 9 | 74 |
| Recording studio | 7 | 365 |
| Classrooms/teaching studios | 6 | 365 |
| Gallery/exhibit space | 3 | 365 |
| Artist studios/maker space | 3 | 365 |



Facility Implications

To ensure that the reimagined Byron Carlyle serves the artistic organizations and the North Beach community it should be comprised of spaces that meet the contemporary standards of performance.

A **proscenium theater** of at least 300 seats with appropriate dressing rooms and rest rooms with showers. It should have an orchestra pit that could be mechanically raised or lowered to be able to provide a pit or additional orchestra seating. If the orchestra floor had the ability to be easily converted to a flat floor, it could be used for immersive performances and special events such as gala dinners or community dance evenings.

A **black box** flexible space theater is desired by almost all potential users of the Byron. It should have a flexible seating system with a minimum capacity of 200. It could also be used as additional rehearsal space. It should have its own set of dressing rooms.

A **rehearsal room** with a flexible seating system with a minimum capacity of 50 is needed by almost all performing arts groups in the Miami Beach area and would be in great demand.

A **film theater** with a minimum capacity of 150 would be used up to 365 days a year, not only by O Cinema and the various Miami Beach Film Festivals, but also by a number of the performing arts groups who expressed an interest in film as an adjunct to their live performance.

A **recording studio** would be used full-time by at least two of the potential users and one (Young Musicians) indicated that they would fully equip the studio.

All groups expressed a desire for a **spacious lobby** and that it should contain a concessions area and / or café which they believe is an important part of the theater going experience. Furthermore, if the lobby were large enough it could also serve as an event space for opening night receptions.

All groups believe that a **gallery** and or “makers” space would be a complement to the theater activities. Some would use it to stage non-traditional performances. One group would use it to create immersive art. None were in the business of mounting exhibitions.

At least 3 **classrooms** would support a complement the teaching activities offered by a number of the users.

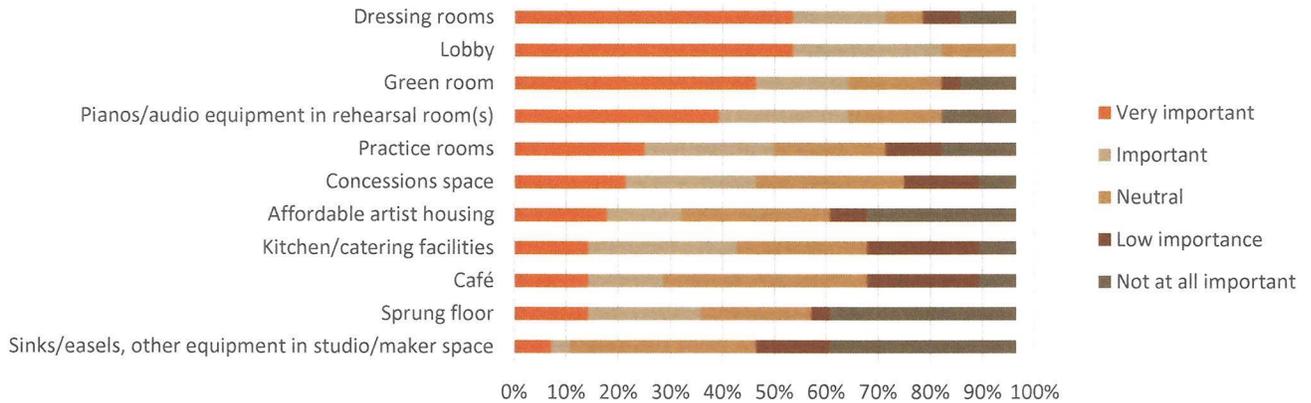
All groups expressed a desire for **office space** and/or **meeting space**.

A breakdown of the most used space types by the most active anchor users can be found below:

| Space type | Potential Anchor Users | Capacity |
|--|--|---------------------|
| Proscenium stage with fixed seating | Classical Music Festival, Area Stage, DanceNOW!, Nu Deco, Piano Fest, Young Musicians Unite, Rhythm Foundation | 150-400 (250avg) |
| Cinema/film screening rooms with fixed seating | O Cinema, Young Musicians Unit, Rhythm Foundation | 50-150 (90avg) |
| Rehearsal room | Classical Music Festival, Area Stage, DanceNOW!, Nu Deco, Miami Light Orchestra, Young Musicians Unite | 30-50 (40avg) |
| Black box/flexible performance space | Classical Music Festival, Area Stage, Nu Deco, Miami Light Orchestra, Young Musicians Unite Rhythm Foundation | 50-300 (160 avg) |
| Classrooms/teaching studios | Classical Music Festival, Nu Deco, Young Musicians Unite | 3-4 |

In addition to the aforementioned spaces, equally important will be the ancillary spaces that offer the necessary support needs for organizations, artists, and participants.

How important would it be to have the following ancillary spaces and features available when using the redeveloped Byron Carlyle site?



Governance Recommendations

Governance of the Byron Carlyle Theater should reflect “success” as defined above, intentionally aligning desired outcomes with the City of Miami Beach agency best able to meet those outcomes. The City has asserted its interest in being the operator of the venue, playing a Host role to a set of users who would provide a variety of artistic programming and activities. The “cultural hub” would primarily serve the North Beach community, including both residents and local arts organizations. With these priorities in mind, AMS recommends the following:

Governance principles should be established and should reflect the key stakeholders and desired outcomes for the theater. These principles may be a lightly edited version of “success, defined” or could be crafted anew with City and public input. In either case, it is important that there be a set of values assertively describing how the theater – its operator and users – will work.

The operating unit should reside in a City agency or other enterprise that best matches the desired community and creative sector outcomes. Multiple City departments have an interest in the successful

operation of the Byron Carlyle Theater. The departments of Tourism and Culture, Economic Development, and Parks and Recreation may have strong alignment, for example. The new unit the City proposes to establish should be structured within the agency best aligned with the theater’s critical inputs, like program providers, and the most important constituencies – the local community and arts organizations.

Community voice is a key to success. A governing body that advises, but does not directly supervise, the operating unit would be important. Such “advisory boards” are typically composed of up to 11 individuals with demonstrated expertise and interests in the work of the venue. For example, if the City resources that support the venue are derived from a Hotel Occupancy Tax, it would be appropriate to allocate a number of governing seats to local leaders in the hotel and leisure industry. Similarly, given the Byron Carlyle Theater is intended to provide space for local arts organizations, representatives of these organizations (potentially drawn from their Boards of Directors) would also be appropriate to include in the governing body. It will be important to create a transparent, efficient process by which people are invited to serve on the governing body. From past experience, the AMS team recommends that these be appointed positions, rather than elected.



Next Steps

This study substantiates the opportunity to reimagine the Byron Carlyle Theater as a cultural hub for North Beach. The venue’s best and highest use would include performance and working/support space for local artists and organizations.

Following evaluation of any possible housing component related to this development opportunity, pursuant to City Commission’s direction to Administration to draft and RFP to development partners for workforce housing, it is recommended that the City of Miami Beach complete tasks related to a business plan for the facility. This would include a detailed activity profile, *pro forma* financial forecasts, staffing recommendations, and operating cost analysis. In parallel, we recommend engaging an architect with expertise in the building type to advance a concept design.

In tandem, the City of Miami Beach should create and implement a transition plan to prepare to operate the facility.

Community input is an essential part of the development phase, to encourage the people and organizations who would be most impacted by the center are invited to voice their needs and aspirations. In the implementation and operating phases, it is critical to identify a skillful manager with knowledge of the arts, who will be able to understand and balance community needs, while stewarding the financial and real estate resources.

The City of Miami Beach is poised to build on longstanding commitment to the redevelopment of the Byron Carlyle Theater. This endeavor is envisioned to drive positive community outcomes, embodying the spirit and vibrancy of North Beach.

Project: Byron Carlyle

Updated: 4/8/2024

| Residential Unit Program | | Annual Rent | Month Rent | Bedrooms | Bathrooms | NRSF | Units | Beds/Bedroom | Total NRSF | |
|--------------------------|-----|---------------------|------------|----------|-----------|--------------|-------|--------------|------------|--------|
| 64% | 0% | | | | | | | | | |
| | 64% | Studios @120% AMI | 24,588 | 2,049 | - | 1 | 420 | 101 | 1 | 42,420 |
| | 0% | | | | | | | | | |
| 36% | 26% | 1 Bedroom @120% AMI | 28,080 | 2,340 | 1 | 1 | 540 | 42 | 1 | 22,680 |
| | 0% | | | | | | | | | |
| | 10% | 2 Bedroom @120% AMI | 31,608 | 2,634 | 2 | 1 | 680 | 16 | 1 | 10,880 |
| 100% | | | | | | | | | | |
| | | | | | | Total | 159 | | | 75,980 |

#DIW/DI
3.87
0.00

| | |
|---------------|-----------|
| Weighted Avg | 26,216.83 |
| Rent Adjuster | 105.0% |
| New Rent | 27,527.67 |

1.20

| Construction Costs | | |
|---------------------------------------|-------------|------------------|
| Duration | 24 | Months |
| Total NRSF | 75,980 | |
| Efficiency | 62% | |
| Cultural Center | 14,193 | 1bd |
| Est. GSF | 123,545 | |
| Sitework Hard Costs | 0 | |
| Rooflop Activation Space | 0 | |
| Cultural Center Hard Costs | 0 | |
| Workforce Housing Hard Costs | 0 | |
| \$/GSF | 450 | |
| Parking @ new lot | \$ - | 00 parking ratio |
| 10% Inflation Escalation | (6,000,000) | |
| Total Est. Hard Cost, need escalation | 49,595,122 | |

| Development Costs | | |
|--|------------|----------------------|
| Predev, Power line relo | 1,250,000 | |
| Permit, etc | 2,846,825 | |
| Design | 4,463,561 | 9.0% of Hard Cost |
| Construction | 49,595,122 | |
| FF&E + Low Voltage (assuming outfitting theatre) | 2,128,950 | 150 per GSF |
| Start up (residential + arts) | 500,000 | |
| Contingency | 2,479,756 | 5.0% of Hard Cost |
| Subtotal | 63,264,214 | = Program Cost |
| CA Fee | 991,902 | 2.0% of Hard Cost |
| Dev Fee | 3,795,853 | 6.0% of Program Cost |

Total Dev 68,051,969

| | |
|-------------------------|--------------|
| Byron Carlyle BOND | (30,000,000) |
| WFH Contribution | (4,000,000) |
| Additional Contribution | - |

Total 34,051,969

Debt Adjustment 0%

| Financing | | |
|---------------|-----------|------------------|
| Interest Rate | 6.500% | |
| Term | 37 | years |
| Cap Int | 3,571,159 | <----- 7,137,816 |
| DS Reserve | 1,428,464 | <----- 2,855,126 |
| Cost of Debt | 600,000 | <----- 893,032 |

Total Project 39,651,592

73,651,592

Annual Operations Expenses - Base Year

| | Unsubordinated | Subordinated |
|-------------------------|----------------|--------------|
| Marketing & Leasing | 31,800 | - |
| Administrative | 23,850 | - |
| Utilities | 127,200 | - |
| Payroll | 151,050 | - |
| Common Area & Amenities | 23,850 | - |
| Fire & Life Safety | 23,850 | - |
| Grounds & Landscaping | 55,650 | - |
| Insurance | - | - |
| Repairs & Maintenance | 19,080 | - |
| Turnover & Cleaning | 39,750 | - |
| Utilities | 208,290 | - |
| Insurance | 151,050 | - |
| | /bed/yr | - |

| | | |
|----------------------------------|----------------|----------|
| Parking Garage Maintenance | - | - |
| Property Taxes | - | - |
| Utilities/Expense Reimbursements | - | - |
| Totals | 855,420 | - |

this project
5,380 /unit/yr

Operations Assumptions

| | |
|---------------------|-----------------------------|
| Growth Rate | 3% |
| Base yr OpEx | 855,420 /year |
| R&R Reserve | 300 /unit/yr |
| Manage Fee | 4.0% Based on Total Revenue |
| Vacancy | 5.0% |
| Other Vacancy | |
| Other Income | 31,800 200 /unit/yr |
| Parking Revenue | - \$80 /spot per month |
| Additional Income | - |
| Net Summer Revenue | - |
| Ownership Expenses | 125,000 /year |
| Subordinated | - /year |
| Annual Period Start | January 2027 |

Proforma Cash Flows

| Operations Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | |
|---|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Operations Year Ending | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | |
| Growth Factor | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | |
| Revenue | | | | | | | | | | | | | | | | | | | |
| Gross Potential Rent | 4,782,757 | 4,926,239 | 5,074,026 | 5,226,247 | 5,383,035 | 5,544,526 | 5,710,861 | 5,882,187 | 6,058,653 | 6,240,413 | 6,427,625 | 6,620,454 | 6,819,067 | 7,023,639 | 7,234,348 | 7,451,379 | 7,674,920 | 7,905,168 | |
| Arts Space Revenue | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other Income | 34,749 | 35,791 | 36,865 | 37,971 | 39,110 | 40,283 | 41,492 | 42,736 | 44,019 | 45,339 | 46,699 | 48,100 | 49,543 | 51,030 | 52,560 | 54,137 | 55,761 | 57,434 | |
| Vacancy | 239,138 | 246,312 | 253,701 | 261,312 | 269,152 | 277,226 | 285,543 | 294,109 | 302,933 | 312,021 | 321,381 | 331,023 | 340,953 | 351,182 | 361,717 | 372,569 | 383,746 | 395,258 | |
| Other revenues | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Net Rental Revenue | 4,578,367 | 4,715,718 | 4,857,190 | 5,002,906 | 5,152,993 | 5,307,583 | 5,466,810 | 5,630,814 | 5,799,739 | 5,973,731 | 6,152,943 | 6,337,531 | 6,527,657 | 6,723,487 | 6,925,192 | 7,132,947 | 7,346,936 | 7,567,344 | |
| Operating Expenses | | | | | | | | | | | | | | | | | | | |
| Property Operations | 934,741 | 962,783 | 991,666 | 1,021,416 | 1,052,059 | 1,083,620 | 1,116,129 | 1,149,613 | 1,184,101 | 1,219,624 | 1,256,213 | 1,293,900 | 1,332,716 | 1,372,698 | 1,413,879 | 1,456,295 | 1,499,984 | 1,544,984 | |
| Property Management Fee | 183,135 | 188,629 | 194,288 | 200,116 | 206,120 | 212,303 | 218,672 | 225,233 | 231,990 | 238,949 | 246,118 | 253,501 | 261,106 | 268,939 | 277,008 | 285,318 | 293,877 | 302,694 | |
| Total Operating Expense | 1,117,875 | 1,151,411 | 1,185,954 | 1,221,532 | 1,258,178 | 1,295,924 | 1,334,801 | 1,374,846 | 1,416,091 | 1,458,574 | 1,502,331 | 1,547,401 | 1,593,823 | 1,641,637 | 1,690,887 | 1,741,613 | 1,793,862 | 1,847,677 | |
| Reserves | 52,123 | 53,687 | 55,297 | 56,956 | 58,665 | 60,425 | 62,238 | 64,105 | 66,028 | 68,009 | 70,049 | 72,151 | 74,315 | 76,544 | 78,841 | 81,206 | 83,642 | 86,152 | |
| Net Operating Income | 3,408,369 | 3,510,620 | 3,615,939 | 3,724,417 | 3,836,149 | 3,951,234 | 4,069,771 | 4,191,864 | 4,317,620 | 4,447,149 | 4,580,563 | 4,717,980 | 4,859,519 | 5,005,305 | 5,155,464 | 5,310,128 | 5,469,432 | 5,633,515 | |
| Other Revenues and Expenses | | | | | | | | | | | | | | | | | | | |
| Corporate Expenses | 136,591 | 140,689 | 144,909 | 149,257 | 153,734 | 158,346 | 163,097 | 167,990 | 173,029 | 178,220 | 183,567 | 189,074 | 194,746 | 200,588 | 206,606 | 212,804 | 219,188 | 225,764 | |
| DS Funded by DSRF Interest | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | |
| DS Funded by Capitalized Interest | 1,427,563 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Cash Available for Debt Service | 4,742,195 | 3,412,785 | 3,513,883 | 3,618,014 | 3,725,269 | 3,835,742 | 3,949,528 | 4,066,728 | 4,187,445 | 4,311,782 | 4,439,850 | 4,571,760 | 4,707,627 | 4,847,571 | 4,991,712 | 5,140,178 | 5,293,098 | 5,450,605 | |
| Senior Debt Service | | | | | | | | | | | | | | | | | | | |
| Annual Senior Net Debt Service | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | |
| Debt Adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Senior Net Debt Service | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | |
| Cashflow after Senior Net Debt Service | 1,887,069 | 557,659 | 658,757 | 762,888 | 870,143 | 980,615 | 1,094,402 | 1,211,602 | 1,332,318 | 1,456,656 | 1,584,724 | 1,716,634 | 1,852,501 | 1,992,444 | 2,136,586 | 2,285,051 | 2,437,971 | 2,595,478 | |
| Senior Fixed Charges Coverage Ratio | 1.66 | 1.20 | 1.23 | 1.27 | 1.30 | 1.34 | 1.38 | 1.42 | 1.47 | 1.51 | 1.56 | 1.60 | 1.65 | 1.70 | 1.75 | 1.80 | 1.85 | 1.91 | |
| Net Cash Flow to City | 272,044,364 | 1,887,069 | 557,659 | 658,757 | 762,888 | 870,143 | 980,615 | 1,094,402 | 1,211,602 | 1,332,318 | 1,456,656 | 1,584,724 | 1,716,634 | 1,852,501 | 1,992,444 | 2,136,586 | 2,285,051 | 2,437,971 | 2,595,478 |

| | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Proforma Cash Flows | | | | | | | | | | | | | | | | | | | |
| Operations Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Operations Year Ending | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Growth Factor | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 |
| Revenue | | | | | | | | | | | | | | | | | | | |
| Gross Potential Rent | 8,142,323 | 8,386,593 | 8,638,190 | 8,897,336 | 9,164,256 | 9,439,184 | 9,722,359 | 10,014,030 | 10,314,451 | 10,623,885 | 10,942,601 | 11,270,879 | 11,609,006 | 11,957,276 | 12,315,994 | 12,685,474 | 13,066,038 | 13,458,019 | 13,861,760 |
| Art's Space Revenue | 59,157 | 60,932 | 62,760 | 64,643 | 66,582 | 68,579 | 70,637 | 72,756 | 74,939 | 77,187 | 79,502 | 81,888 | 84,344 | 86,874 | 89,481 | 92,165 | 94,930 | 97,778 | 100,711 |
| Other Income | 407,116 | 419,330 | 431,910 | 444,867 | 458,213 | 471,959 | 486,118 | 500,702 | 515,723 | 531,194 | 547,130 | 563,544 | 580,450 | 597,864 | 615,800 | 634,274 | 653,302 | 672,901 | 693,088 |
| Other revenues | 7,794,364 | 8,028,195 | 8,269,041 | 8,517,112 | 8,772,625 | 9,035,804 | 9,306,878 | 9,586,085 | 9,873,667 | 10,169,877 | 10,474,974 | 10,789,223 | 11,112,899 | 11,446,286 | 11,789,675 | 12,143,365 | 12,507,666 | 12,882,896 | 13,269,383 |
| Net Rental Revenue | | | | | | | | | | | | | | | | | | | |
| Property Operations | 1,591,333 | 1,639,073 | 1,688,245 | 1,738,893 | 1,791,000 | 1,844,791 | 1,900,135 | 1,957,139 | 2,015,853 | 2,076,329 | 2,138,619 | 2,202,777 | 2,268,861 | 2,336,936 | 2,407,034 | 2,479,245 | 2,553,623 | 2,630,231 | 2,709,138 |
| Property Management Fee | 311,775 | 321,128 | 330,762 | 340,684 | 350,905 | 361,432 | 372,275 | 383,443 | 394,947 | 406,795 | 418,999 | 431,569 | 444,516 | 457,851 | 471,587 | 485,735 | 500,407 | 515,316 | 530,775 |
| Total Operating Expense | 1,903,108 | 1,960,201 | 2,019,007 | 2,079,577 | 2,141,965 | 2,206,223 | 2,272,410 | 2,340,582 | 2,410,800 | 2,483,124 | 2,557,618 | 2,634,346 | 2,713,377 | 2,794,778 | 2,878,621 | 2,964,980 | 3,053,929 | 3,145,547 | 3,239,914 |
| Reserves | 88,736 | 91,398 | 94,140 | 96,964 | 99,873 | 102,869 | 105,955 | 109,134 | 112,408 | 115,780 | 119,254 | 122,831 | 126,516 | 130,312 | 134,221 | 138,248 | 142,395 | 146,667 | 151,067 |
| Net Operating Income | 5,802,520 | 5,976,596 | 6,155,894 | 6,340,571 | 6,530,788 | 6,726,711 | 6,928,513 | 7,136,388 | 7,350,659 | 7,570,973 | 7,798,102 | 8,032,045 | 8,273,066 | 8,521,197 | 8,776,833 | 9,040,138 | 9,311,442 | 9,590,682 | 9,878,402 |
| Other Revenues and Expenses | | | | | | | | | | | | | | | | | | | |
| Corporate Expenses | 232,537 | 239,513 | 246,698 | 254,099 | 261,722 | 269,574 | 277,661 | 285,991 | 294,571 | 303,408 | 312,510 | 321,885 | 331,542 | 341,488 | 351,733 | 362,285 | 373,153 | 384,348 | 395,878 |
| DS Funded by O&M Interest | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 | 42,854 |
| DS Funded by Capitalized Interest | | | | | | | | | | | | | | | | | | | |
| Cash Available for Debt Service | 5,612,837 | 5,779,937 | 5,952,049 | 6,129,325 | 6,311,919 | 6,499,991 | 6,693,705 | 6,893,231 | 7,098,742 | 7,310,419 | 7,528,446 | 7,753,014 | 7,984,318 | 8,222,562 | 8,467,894 | 8,720,707 | 8,981,042 | 9,206,334 | 9,482,524 |
| Senior Debt Service | | | | | | | | | | | | | | | | | | | |
| Annual Senior Net Debt Service | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 |
| Debt Adjustment | | | | | | | | | | | | | | | | | | | |
| Total Senior Net Debt Service | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 | 2,855,126 |
| Cashflow after Senior Net Debt Service | 2,757,711 | 2,924,811 | 3,096,923 | 3,274,199 | 3,456,793 | 3,644,865 | 3,838,579 | 4,038,105 | 4,243,616 | 4,455,293 | 4,673,320 | 4,897,887 | 5,139,192 | 5,367,436 | 5,612,827 | 5,865,580 | 6,125,516 | 6,396,334 | 6,672,390 |
| Senior Fixed Charges Coverage Ratio | 1.97 | 2.02 | 2.08 | 2.15 | 2.21 | 2.28 | 2.34 | 2.41 | 2.49 | 2.56 | 2.64 | 2.72 | 2.80 | 2.88 | 2.97 | 3.05 | 3.13 | 3.21 | 3.30 |
| Net Cash Flow to City | 2,757,711 | 2,924,811 | 3,096,923 | 3,274,199 | 3,456,793 | 3,644,865 | 3,838,579 | 4,038,105 | 4,243,616 | 4,455,293 | 4,673,320 | 4,897,887 | 5,139,192 | 5,367,436 | 5,612,827 | 5,865,580 | 6,125,516 | 6,396,334 | 6,672,390 |

| | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2055 | 2066 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2074 | 2075 | 2076 | 2077 |
| | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 |
| Proforma Cash Flows | | | | | | | | | | | | | |
| Operations Year Ending | | | | | | | | | | | | | |
| Growth Factor | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | |
| Gross Potential Rent | 14,277,613 | 14,705,941 | 15,147,119 | 15,601,633 | 16,069,579 | 16,551,666 | 17,048,216 | 17,559,663 | 18,086,452 | 18,629,046 | 19,187,917 | 19,763,555 | 20,356,462 |
| Arts Space Revenue | 108,733 | 106,845 | 110,050 | 113,351 | 116,752 | 120,255 | 123,862 | 127,578 | 131,405 | 135,348 | 139,408 | 143,590 | 147,898 |
| Other Income | 713,881 | 735,297 | 757,356 | 780,077 | 803,479 | 827,583 | 852,411 | 877,983 | 904,323 | 931,452 | 959,396 | 988,178 | 1,017,823 |
| Other Revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Rental Revenue | 13,667,465 | 14,077,489 | 14,499,813 | 14,934,808 | 15,382,852 | 15,844,337 | 16,319,667 | 16,809,257 | 17,313,535 | 17,832,941 | 18,367,929 | 18,918,967 | 19,486,536 |
| Operating Expenses | | | | | | | | | | | | | |
| Property Operations | 2,790,412 | 2,874,125 | 2,960,348 | 3,049,159 | 3,140,634 | 3,234,853 | 3,331,898 | 3,431,855 | 3,534,811 | 3,640,855 | 3,750,081 | 3,862,583 | 3,978,461 |
| Property Management Fee | 546,699 | 563,100 | 579,983 | 597,392 | 615,314 | 633,773 | 652,787 | 672,370 | 692,541 | 713,318 | 734,717 | 756,759 | 779,461 |
| Total Operating Expense | 3,337,111 | 3,437,224 | 3,540,341 | 3,646,551 | 3,755,948 | 3,868,626 | 3,984,685 | 4,104,226 | 4,227,352 | 4,354,173 | 4,484,798 | 4,619,342 | 4,757,922 |
| Reserves | 155,599 | 160,267 | 165,075 | 170,027 | 175,128 | 180,382 | 185,794 | 191,367 | 197,108 | 203,022 | 209,112 | 215,386 | 221,847 |
| Net Operating Income | 10,174,754 | 10,479,997 | 10,794,397 | 11,118,229 | 11,451,776 | 11,795,329 | 12,149,189 | 12,513,665 | 12,889,074 | 13,275,747 | 13,674,019 | 14,084,240 | 14,506,767 |
| Other Revenue and Expenses | | | | | | | | | | | | | |
| Corporate Expenses | 407,755 | 419,987 | 432,587 | 445,565 | 458,932 | 472,699 | 486,880 | 501,487 | 516,531 | 532,027 | 547,988 | 564,428 | 581,361 |
| DS Funded by DSRF Interest | - | - | - | - | - | - | - | - | - | - | - | - | - |
| DS Funded by Capitalized Interest | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash Available for Debt Service | 9,767,000 | 10,060,010 | 10,361,810 | 10,672,664 | 10,992,844 | 11,322,630 | 11,662,308 | 12,012,178 | 12,372,543 | 12,743,719 | 13,126,031 | 13,519,812 | 13,925,406 |
| Senior Debt Service | | | | | | | | | | | | | |
| Annual Senior Net Debt Service | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt Adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Senior Net Debt Service | 9,767,000 | 10,060,010 | 10,361,810 | 10,672,664 | 10,992,844 | 11,322,630 | 11,662,308 | 12,012,178 | 12,372,543 | 12,743,719 | 13,126,031 | 13,519,812 | 13,925,406 |
| Senior Fixed Charges Coverage Ratio | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Cash Flow to City | 9,767,000 | 10,060,010 | 10,361,810 | 10,672,664 | 10,992,844 | 11,322,630 | 11,662,308 | 12,012,178 | 12,372,543 | 12,743,719 | 13,126,031 | 13,519,812 | 13,925,406 |