

OB 5. DISCUSS THE BYRON CARLYLE WORKFORCE HOUSING COMPONENT AS IT PERTAINS TO UNIT SIZE AND AFFORDABILITY.

Applicable Area:

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: May 7, 2025

TITLE: DISCUSS THE BYRON CARLYLE WORKFORCE HOUSING COMPONENT AS IT PERTAINS TO UNIT SIZE AND AFFORDABILITY.

RECOMMENDATION

The City Administration (Administration) recommends that the Committee consider the rents and unit sizes provided (Exhibit A) for comparable workforce housing projects in Miami-Dade County and discuss the desire to set similar minimum unit size(s) and rent limits on the proposed Byron Carlyle workforce housing.

If the Committee would like to impose standards different from those currently set for Workforce Housing, the Administration recommends exploring what effect that will have on the financing and future revenues of the project in order to craft an RFP that would best leverage City Assets while balancing project goals.

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.

At the March 13, 2024, City Commission meeting, 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 moved 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). The Committee also discussed the CRA's requirement to use a minimum 10% of its budget toward the creation of workforce housing and identified the Byron Carlyle project as a way to do so without the added burden of purchasing additional land.

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.

At the June 26, 2024, Commission meeting, the Mayor and City Commission unanimously approved the Byron Carlyle Project to proceed with the inclusion of workforce housing. Additionally, the body authorized the continued engagement of AMS Planning and Research for the additional amount of \$160,000.00, waiving by a 5/7ths vote the formal competitive bidding requirement, finding such waive to be in the City's best interest.

At the Commission meeting held on Dec 11, 2024, a Referral (C4 U) was made to FERC to discuss the status of the Byron Carlyle Project and the structure for the contemplated RFP.

At the January 24 FERC meeting, the Administration presented three (3) sample building programs of differing scales and costs, described in the Analysis below. The Committee unanimously recommended the option titled "Scenario #2" to be used by AMS for the financial modeling of a typical operating year.

Also at the Jan 24 FERC meeting a motion was made to continue the discussion on the unit size and affordability of the Byron Carlyle's Workforce Housing component.

ANALYSIS

The maximum allowable rents for workforce housing units are based on Area Median Income (AMI), as reported by the United States Department of Housing and Urban Development (HUD). Allowable total household income limits for workforce housing are defined as approximately 60% to 140% AMI, adjusted for size of household. The maximum rent is then calculated to be 30% of the top income for that bracket.

Example for a one-person household at 120% AMI:

AMI in Miami-Dade County (2024): \$79,400

Maximum allowable income at 120% AMI: $\$79,400 \times 1.2 = \$95,280$ (HUD Actual \$95,400)

Maximum allowable rent at 120% AMI: $\$95,400 \times 0.3 = \$28,620/\text{year}$ or \$2,385/month

Example for a one-person household at 80% AMI:

AMI in Miami-Dade County (2024): \$79,400

Maximum allowable income at 80% AMI: $\$79,400 \times .8 = \$63,520$ (HUD Actual \$63,600)

Maximum allowable rent at 80% AMI: $\$63,600 \times 0.3 = \$19,080/\text{year}$ or \$1,590/month

A schedule of rent and income limits for Miami-Dade County in 2024 is included as Exhibit B.

Most of the Workforce Housing developments examined in this exercise have an allotment of units available for applicants ranging from 60% AMI through 140% AMI.

Currently, the City of Miami Beach Municipal Code (Sec. 142-276) limits the minimum size of any workforce housing unit to 400 square feet.

As part of the Byron Carlyle development RFP, the City could choose to impose limits, beyond those already governing new workforce housing units. If this is the case, it would be beneficial to model the workforce housing project to better understand how those requirements would affect the financing and the future subsidy of the Cultural Center. Modeling the workforce housing component would inform the City as to what the trade-offs would be, and at what point the project may no longer be viable to a private developer. Understanding these limitations before issuing an RFP would help the City make optimal decisions that leverage its assets to meet its goals in the development deal. Not fully understanding the financial implications of these desired terms may lead to an unsuccessful RFP process for several reasons. First, the requirements set forth by the City could be too onerous and make this project cost prohibitive to a private developer, leading to few or no respondents to the RFP. Secondly, an RFP that does not clearly lay out the critical requirements of the project may lead to proposals that are so far off from the desired goals of the project that the two may be irreconcilable.

Learning of the potential need to define the workforce housing component, AMS Planning and Research has brought two firms to the attention of the City. The first, Denham Wolff (Exhibit C) specializes in advising non-profit organizations on how to craft real-estate development projects that uphold the organization's priorities while best leveraging their assets. Denham Wolff would model the Byron Workforce housing component to find the terms that best balance the needs of the Cultural Center with the affordability of the workforce housing and financing requirements. These values would be made part of the RFP and not left to the discretion of the responding developers. Additionally, because of their experience with these types of development projects, part of their scope will be to advise on what developers could be targeted with this RFP.

Based on the work from AMS and Denham Wolff, Hilltop Securities (Exhibit D) can work to specify the financing model(s) that would work best to fund the part of the project not paid for through the GO Bond. This would give the City the flexibility to choose from financing options that best serve the objectives of the project, instead of solely relying on a private developer financing model which may require the City to compromise its interests.

If the Committee and Commission desire to further explore this option, AMS has provided a preliminary proposal (Exhibit E) for this scope of work. The estimated cost of this work is between \$160,000 and \$190,000.

FISCAL IMPACT STATEMENT

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. This project also qualifies to receive part or all of an additional \$4,000,000 available for workforce housing through the 2022 G.O. Bond for Art and Culture.

If the AMS/Denham Wolff/Hilltop Securities proposal is accepted, the estimated cost could be up to \$190,000. The Committee could choose to recommend this be funded through a budget amendment or the North Beach Community Redevelopment Authority (NBCRA) workforce housing budget.

Does this Ordinance require a Business Impact Estimate?
(FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

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If the AMS/Denham Wolff/Hilltop Securities proposal is accepted, the cost is estimated to be up to \$190,000. The Committee could choose to recommend this be funded through a budget amendment or the North Beach Community Redevelopment Authority (NBCRA) workforce housing budget.

CONCLUSION

The City Administration (Administration) seeks direction as to the Committee's desire to set minimum unit size(s) and rent limits on the proposed Byron Carlyle workforce housing project.

The Committee may choose to proceed with issuing the RFP for a development partner and negotiate the unit size/rent as part of the development agreement, or it may choose to preemptively model and prescribe those parameters as part of the RFP.

If the Committee would like to further explore the proposal from AMS, Denham Wolff, and/or Hilltop Securities, the body may choose to direct the administration to continue the conversation with AMS and bring a final proposal to FERC or Commission for approval.

The following sources may be considered for funding this work:

- 1) Budget Amendment
- 2) North Beach CRA Workforce Housing Budget. If this option is chosen, this request would be presented to the NBCRA Advisory Committee at their next meeting and return to Commission for approval in May.

Applicable Area

North Beach

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

No

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)

Commissioner Joseph Magazine
Commissioner David Suarez

Condensed Title

Discuss the Byron Carlyle Workforce Housing Component as it pertains to unit size and affordability.

C4 U REFERRAL TO THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE TO
DISCUSS THE STATUS OF THE BYRON CARLYLE PROJECT AND THE
STRUCTURE FOR THE CONTEMPLATED RFP(S).

Applicable Area:



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Commissioner Tanya K. Bhatt
DATE: December 11, 2024
TITLE: REFERRAL TO THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE TO DISCUSS THE STATUS OF THE BYRON CARLYLE PROJECT AND THE STRUCTURE FOR THE CONTEMPLATED RFP(S).

RECOMMENDATION

BACKGROUND/HISTORY

ANALYSIS

Please place on the December 11, 2024 City Commission agenda a referral to the January 2025 Finance and Economic Resiliency Committee ("FERC") to discuss the status of the Byron Carlyle Project and the Structure for the contemplated RFP(s).

The Byron Carlyle Theater complex, located at 500 71st Street in North Beach, has long been a focal point for arts and culture in the area. Originally opened in 1968 as Twin Cinemas, the City of Miami Beach acquired the theater in 2001, with the intention of revitalizing it as a cultural venue to support economic development and enhance the arts scene in North Beach. After a partial renovation, the City entered into a Management Agreement in 2014 with Living Arts Trust d/b/a O Cinema. However, due to the deteriorating condition of the building, the City closed the theater in October 2019.

Since its closure, several discussions have taken place regarding the future of the Byron Carlyle Theater. In September 2021, the City Commission referred the matter to FERC to explore options for the future of the theater. This led to the approval of \$400,000 in funding for conceptual designs and charettes for the redevelopment of the Byron Carlyle Theater as a multi-purpose cultural arts center, with the possibility of incorporating workforce housing. Furthermore, the voters of Miami Beach approved a \$159 million General Obligation Bond for Arts and Culture, which included \$30,570,000 earmarked for the redevelopment of the Byron Carlyle Theater.

Following discussions, including a May 2024 recommendation by FERC and the North Beach CRA Advisory Committee, the Commission approved the inclusion of workforce housing in the redevelopment project. The project is also poised to incorporate other cultural and community uses that align with the surrounding neighborhood.

As part of the next steps, AMS Planning and Research (AMS) and TheaterDreams are working with the City to develop an operational model for the center and structure the Request for Proposals (RFP) for the project. However, several important steps remain in the process, including finalizing the governance structure, confirming the programmatic design, and issuing the RFP for a workforce housing builder/developer.

DISCUSSION ITEMS:

I would like for the FERC to discuss the following points:

1. Project Overview and Status Update:

- Review the current status of the Byron Carlyle Project, including the inclusion of workforce housing and other potential uses, as well as the progress made in conceptual designs and planning.
- Discuss the timeline outlined by AMS for the completion of the remaining tasks, including the development of an operating model, creation of an operating pro forma, and the issuance of an RFP.

2. Contemplated RFP Structure:

- Review the structure and scope of the anticipated RFP(s) for the project, focusing on the selection process for the development/operating partner, as well as the procurement of a workforce housing developer/builder.
- Consider the governance structure for the new cultural arts space, including options such as a not-for-profit, city trust, or other appropriate models, and the potential impact of each on the procurement process.
- Discuss the desired qualifications for the workforce housing component, ensuring it aligns with the City's goals of providing affordable housing for cultural and artistic workers while maintaining compatibility with the surrounding neighborhood.

3. Potential Challenges and Opportunities:

- Identify any challenges in the current planning and procurement process, particularly regarding the integration of workforce housing and cultural spaces within the same project.
- Explore opportunities to streamline the timeline, including the possibility of utilizing a Public-Private Partnership (P3) to expedite the development process, as well as ways to align the project with broader city goals for arts and culture, workforce housing, and economic resilience.

4. Next Steps and Timeline:

- Discuss the next steps for the City in advancing the Byron Carlyle Project, including any further coordination required between AMS, the City administration, and potential developers or partners.
- Review the projected timeline for completing the planning, procurement, and construction phases of the project, and the potential for reducing delays through efficient planning and partnerships.

The Administration should be prepared to address the above discussion points at Committee.

FISCAL IMPACT STATEMENT

N/A

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

CONCLUSION

Applicable Area

Citywide

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

No

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

No

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

City Attorney

Sponsor(s)

Commissioner Tanya K. Bhatt

Co-sponsor(s)

Condensed Title

Ref: FERC - Status of Byron Carlyle Project and Contemplated RFP Structure. (Bhatt)

[illegible]

Exhibit B

Note: The general hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD release: 4/2/2024

Effective: 4/1/2024

Implement on/before: 5/16/2024

4/22/2024 add HS Gulf & Levy

2024 Income Limits and Rent Limits

Florida Housing Finance Corporation

Multifamily Rental Programs and CWHIP Homeownership Program

NOTE: Does not pertain to CDBG-DR, HHRP, HOME, NHTF or SHIP

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Martin County (Port Saint Lucie MSA)	20%	12,840	14,680	16,520	18,340	19,820	21,280	22,760	24,220	25,676	27,143	321	344	413	477	532	587
	25%	16,050	18,350	20,650	22,925	24,775	26,600	28,450	30,275	32,095	33,929	401	430	516	596	665	734
	28%	17,976	20,552	23,128	25,676	27,748	29,792	31,864	33,908	35,946	38,000	449	481	578	667	744	822
	30%	19,260	22,020	24,780	27,510	29,730	31,920	34,140	36,330	38,514	40,715	481	516	619	715	798	880
	33%	21,186	24,222	27,258	30,261	32,703	35,112	37,554	39,963	42,365	44,786	529	567	681	787	877	968
	35%	22,470	25,690	28,910	32,095	34,685	37,240	39,830	42,385	44,933	47,501	561	602	722	834	931	1,027
	40%	25,680	29,360	33,040	36,680	39,640	42,560	45,520	48,440	51,352	54,286	642	688	826	954	1,064	1,174
	45%	28,890	33,030	37,170	41,265	44,595	47,880	51,210	54,495	57,771	61,072	722	774	929	1,073	1,197	1,321
	50%	32,100	36,700	41,300	45,850	49,550	53,200	56,900	60,550	64,190	67,858	802	860	1,032	1,192	1,330	1,468
	60%	38,520	44,040	49,560	55,020	59,460	63,840	68,280	72,660	77,028	81,430	963	1,032	1,239	1,431	1,596	1,761
	70%	44,940	51,380	57,820	64,190	69,370	74,480	79,660	84,770	89,866	95,001	1,123	1,204	1,445	1,669	1,862	2,055
	80%	51,360	58,720	66,080	73,360	79,280	85,120	91,040	96,880	102,704	108,573	1,284	1,376	1,652	1,908	2,128	2,349
	120%	77,040	88,080	99,120	110,040	118,920	127,680	136,560	145,320	154,056	162,859	1,926	2,064	2,478	2,862	3,192	3,523
	140%	89,880	102,760	115,640	128,380	138,740	148,960	159,320	169,540	179,732	190,002	2,247	2,408	2,891	3,339	3,724	4,110
Miami-Dade County (Miami-Miami Beach-Kendall HMFA)	20%	15,900	18,160	20,420	22,700	24,520	26,340	28,160	29,980	31,780	33,596	397	425	510	590	658	726
	25%	19,875	22,700	25,525	28,375	30,650	32,925	35,200	37,475	39,725	41,995	496	532	638	737	823	908
	28%	22,260	25,424	28,588	31,780	34,328	36,876	39,424	41,972	44,492	47,034	556	596	714	826	921	1,017
	30%	23,850	27,240	30,630	34,050	36,780	39,510	42,240	44,970	47,670	50,394	596	638	765	885	987	1,090
	33%	26,235	29,964	33,693	37,455	40,458	43,461	46,464	49,467	52,437	55,433	655	702	842	973	1,086	1,199
	35%	27,825	31,780	35,735	39,725	42,910	46,095	49,280	52,465	55,615	58,793	695	745	893	1,032	1,152	1,271
	40%	31,800	36,320	40,840	45,400	49,040	52,680	56,320	59,960	63,560	67,192	795	851	1,021	1,180	1,317	1,453
	45%	35,775	40,860	45,945	51,075	55,170	59,265	63,360	67,455	71,505	75,591	894	957	1,148	1,328	1,481	1,635
	50%	39,750	45,400	51,050	56,750	61,300	65,850	70,400	74,950	79,450	83,990	993	1,064	1,276	1,475	1,646	1,816
	60%	47,700	54,480	61,260	68,100	73,560	79,020	84,480	89,940	95,340	100,788	1,192	1,277	1,531	1,770	1,975	2,180
	70%	55,650	63,560	71,470	79,450	85,820	92,190	98,560	104,930	111,230	117,586	1,391	1,490	1,786	2,065	2,304	2,543
	80%	63,600	72,640	81,680	90,800	98,080	105,360	112,640	119,920	127,120	134,384	1,590	1,703	2,042	2,361	2,634	2,907
	120%	95,400	108,960	122,520	136,200	147,120	158,040	168,960	179,880	190,680	201,576	2,385	2,554	3,063	3,541	3,951	4,360
	140%	111,300	127,120	142,940	158,900	171,640	184,380	197,120	209,860	222,460	235,172	2,782	2,980	3,573	4,131	4,609	5,087



**Mission leads;
real estate follows.**

DENHAM
WOLF

ABOUT DENHAM WOLF

An essential resource for the nonprofit community, Denham Wolf provides expertise in project management, development, and transactions. Through these integrated services, the firm empowers organizations to take a thoughtful, mission-first approach to real estate. Denham Wolf has partnered with hundreds of diverse nonprofit organizations since its founding in 1998, shaping millions of square feet.

In order to best serve the nonprofit community, the professionals at Denham Wolf encompass a range of skill sets. We are experts in evaluating development potential and in helping organizations understand and effectively act on that potential, even in the most complex conditions. Our experienced brokers continually advance their knowledge of the real estate landscape to help clients gain access to the most relevant opportunities. Our firm's project managers ensure that an organization's physical environment is fully supportive of its mission, by thoroughly assessing spaces and guiding clients through design and construction processes.

Denham Wolf serves as the client's trusted advisor on every real estate project. Our extensive experience with nonprofits combined with our culture of learning enables us to derive creative, client-specific solutions. A longstanding commitment to the nonprofit community ensures that, in addition to addressing metrics of financial viability, we continually explore the ways in which real estate projects can improve societal and environmental well-being.

TRANSACTION SERVICES

Denham Wolf's Transaction Services is comprised of more than traditional brokerage. By working with clients to define the multifaceted objectives of a transaction and then applying our continually expanding knowledge of the real estate market, we can approach projects in a tailored and mission-first manner. Ultimately, we ensure that every transaction supports an organization's short- and long-term goals.

We have extensive experience structuring and negotiating transactions of various scales, sectors, and sophistication levels. Our Transaction Services include comprehensive representation of nonprofit landlords and tenants, property acquisition (for lease and purchase), and property disposition (for lease and sale). Our portfolio of transactions includes hundreds of deals, ranging in scale from 2,000 square feet to more than 100,000 square feet.

PROJECT MANAGEMENT SERVICES

Denham Wolf's Project Management Services ensure that an organization's physical environment fully supports its programs and mission. With expertise such as creating capital project budgets, structuring carefully phased project schedules, and navigating the selection of diverse project consultants, our project managers thoughtfully guide clients through planning, implementation, and occupancy.

Comprising all aspects of Owner's Representation, our Project Management Services address every design and construction project phase. We support clients through preliminary planning, funding and financing, design, permitting and approvals, bidding, construction, closeout, and occupancy. Specific services include mapping the sources and uses of project funding (including public sector funding), selection and oversight of design and construction teams, cost and schedule management, and oversight of furniture, fixture, and equipment installations.

ABOUT DENHAM WOLF

DEVELOPMENT SERVICES

Denham Wolf's Development Services provides our clients with the clarity, expertise, and tools they need to unlock the development potential of any underperforming real estate they own. Whether an organization owns a site with development potential or seeks a new location to build a facility, Denham Wolf helps nonprofits build consensus within their organizations and communities around a strategy for tapping that potential to enhance organizational sustainability while maintaining mission alignment and minimizing developer risk. Our development advisory services mainly split between development feasibility and developer selection.

Our feasibility process helps nonprofits arrive at a "go-no-go" decision as quickly and cost effectively as possible. That is why our first step in the process is to complete a thorough development feasibility study to articulate development goals and examine the physical and financial implications of multiple development options. Our process often includes developing answers to the following questions:

- What do you have?
- What do you want?
- What does the market say?

Once we have answers to these questions, we have clear parameters of the vision for the project. After that we help organizations find the next step is to find the right development partner to carry the project forward. To accomplish this, we oversee competitive RFP processes, negotiate aggressively with developers, and coordinate the development of key transaction documents with legal counsel.

Development Planning / Development Feasibility

We assist nonprofits by guiding them through a thorough pre-development planning process to identify the real estate strategy that best aligns with their mission, aspirations, and market conditions. best real estate strategy. This process ensures their goals, mission, and programs align with their real estate plans. As a result, organizations can make informed decisions about whether and, if so, how to move forward with development or consider alternative next steps.

Developer Selection

Once a nonprofit has decided to pursue a developer for its real estate through either a sale or lease, the Development Services team at Denham Wolf assists the organization in creating a selection process and customized RFP that reflects the organization's priorities and non-negotiables. From RFP through final contracts and ribbon-cutting, we ensure the organization's goals are prioritized, and the selected developer and its development plans reflect the criteria established by the nonprofit.

RFP Response

We guide nonprofits through the process of securing a mission-aligned partner for public RFPs. Developers often see nonprofits as a box to check rather than key partners in the proposal drafting process. We recognize the value nonprofits bring to mixed-use projects and ensure their interests are protected. We negotiate strong business terms in both interim and long-term agreements, ensuring the project serves their needs throughout the solicitation process and beyond.

DEVELOPMENT SERVICES TEAM



PRIYA ANANTHANATHAN

Director

panantha@denhamwolf.com

212 736 6777 x2248

Priya Ananthanathan leads a highly collaborative practice group in assessing, structuring, and negotiating real estate development opportunities for the nonprofit community. She is experienced in site development, bringing together private developers, nonprofit organizations, and local government. She holds technical expertise with city government procedures, such as building complex contracting structures, combining financing incentives within a project, and developer selection through an RFP process. Priya has a decade of experience guiding nonprofits through acquisition, renovation, and new construction projects in parallel with the public financing approvals process. Before joining Denham Wolf, Priya was a Vice President within the funding team at the New York City Economic Development Corporation (NYC EDC).



GENE GOLDSTEIN-PLESSER

Project Manager

ggoldstein@denhamwolf.com

212 736 6777 x2241

With over ten years of professional experience in nonprofit leadership and real estate analysis, Gene's versatile toolkit is a valuable asset. Gene's background in data analysis, market research, client services, and nonprofit management enables him to support Denham Wolf clients facing a diverse array of challenges. In particular, his experience working with nonprofit boards and executives enables him to see real estate opportunities through the eyes of nonprofit leaders. During his tenure at Denham Wolf, Gene has managed several complex consulting assignments for a variety of nonprofit organizations seeking data-driven strategic guidance in managing their real estate assets. He has also helped expand Denham Wolf's work in the affordable housing sector, assisting nonprofit housing developers with site acquisition challenges.



CHELSEA MULLEN

Development Services Associate

cmullen@denhamwolf.com

212 736 6777 x2246

Chelsea helps evaluate the feasibility and impact of development projects, conduct thorough diligence of real estate documentation, and support the preparation documents necessary for complex negotiations. She is also instrumental in producing and administering Request for Proposals (RFPs). Chelsea has substantial experience in community and economic development and a track record of impactful work in real estate and affordable housing policy. Before joining Denham Wolf, she worked on a range of urban planning and real estate initiatives, including advising a community foundation on a strategic approach to their first real estate investment, performing financial analysis for a national nonprofit, and developing workforce development plans for offshore wind development proposals. In addition, she worked as a Management Analyst at the Office of Affordable Housing at the U.S. Department of Housing and Urban Development, where she deepened her expertise in policy development and project management.

FEATURED PROJECT

287 EAST 10TH STREET

Boys Club New York's (BCNY) Harriman Clubhouse had housed after-school programming for the East Village's boys and young men since 1901. The seven-story, 50,000-square-foot was a long beloved by the East Village community. Denham Wolf represented a private foundation in the acquisition of the 120-year-old building. The foundation intended to ensure the ongoing nonprofit ownership of the property and to carry forward the building's legacy of community-facing programs. This transaction was the first in an anticipated multi-transaction process, collaboratively designed by Denham Wolf and its client to preserve the building for community use. Subsequently, Denham Wolf led a community-informed RFP for potential new owners of the building, which resulted in the selection of The Joyce Theatre. The Joyce purchased the building for 50% of the original acquisition price and was provided long-term financing from the seller to allow The Joyce to fundraise for the necessary capital improvements.



LOCATION East Village, Manhattan

SIZE 50,000 SF

FEATURED PROJECT

CHURCH OF THE VALLEY

The Church of the Valley (“The Church”) is a non-denominational Christian church in San Ramon. With over 100 members, many of whom are actively involved in various ministries and church activities, the Church benefits from a highly engaged congregation dedicated to supporting its mission. In keeping with its mission to build community within its community, the Church intends to pursue workforce housing to support the community’s workers, educators, and emergency responders, who typically cannot afford to live near their workplaces in San Ramon. Denham Wolf is currently supporting the Church in refining its vision and selecting a vision-aligned developer to realize its goals for this project.



LOCATION San Ramon, CA

SIZE 5.45-acre site

FEATURED PROJECT

ARCHDIOCESE OF NEW YORK

The Roman Catholic Archdiocese of New York ceased operating the Church of St. Emeric and the St. Emeric's parish school in 2013. The buildings lay on a 60,000-square-foot lot in Manhattan's East Village. The Archdiocese was interested in maximizing the value of this site while helping to address the local community's urgent need for affordable housing. Denham Wolf was engaged to run the process of developer selection. Denham Wolf aggregated critical site information, confirmed the Archdiocese's development priorities, curated a list of appropriate developers, and prepared a thorough Developer RFP. Subsequently, Denham Wolf engaged the development community through direct outreach, distributed the RFP to selected recipients, analyzed all responses, led developer interviews, and ultimately worked with counsel to negotiate agreements with the selected respondent. Denham Wolf continued to support the Archdiocese throughout the agreement's pre-closing period, assisting with site access needs and ensuring that all necessary analyses, document revisions, and diligence items were addressed promptly.



LOCATION East Village, NYC

SIZE ~60,000 SF development site

FEATURED PROJECT

THE CHURCH OF SAINT LUKES IN THE FIELDS

The Church of Saint Luke in the Fields is a vibrant and inclusive Episcopal church. A full range of Denham Wolf's services has made it possible for St. Luke's to pursue a lucrative and on-mission approach to private development on its city block. As a development consultant, broker, and project manager, we lead the implementation of this approach, which will result in the growth of Church programming, an endowment to help sustain the Church long-term, the generation of funding for a new community center, and the development of a 75,000 square foot residential building. Denham Wolf has also secured a long-term lease with the site's school, enabling the school's renovation and 20,000-square-foot expansion.



LOCATION

West Village, NYC

SIZE

Two transactions that will facilitate 95,000 square feet of new development; oversight of the renovation of six historic townhomes (approximately 30,000 square feet)

FEATURED PROJECT

CONFIDENTIAL HIGHER EDUCATION ORGANIZATION

A Higher Education Organization sought a development partner to build a mixed-use academic and commercial life sciences building that the Developer and the Organization would jointly operate. The site is a city-owned parking lot, and the organization has over 70 years remaining on a long-term ground lease for the property. Denham Wolf worked with the organization to clarify their goals for the project, craft an RFEI document that reflected those goals, and administer a competitive process on the Organization's behalf. Through that process, Denham Wolf's detailed analysis of the proposals allowed the client to make an informed choice of a small group of Finalists, who were invited to refine their proposals in collaboration with the Client and Denham Wolf. To accomplish this, Denham Wolf worked with the Finalists to develop detailed plans that met the Client's requirements, vetted their financial analyses in various structures, and reviewed renderings. Following a thorough analysis of the Finalist proposals, a preferred partner was selected, and Denham Wolf began the process of negotiating a term sheet for the project that provides maximum benefit to the Client.



SELECT ADDITIONAL PROJECTS

HOLY TRINITY CHURCH INWOOD

The Episcopal Diocese of New York owned a substantial portion of a City block in the heart of Inwood. Holy Trinity, a parish of the Diocese, conducted worship and hosted programming on this site, which comprised a parish house, drill hall, and a sanctuary building. The property's considerable remaining development potential presented the possibility for parish-sustaining revenue. Denham Wolf led the exploration of a creative development approach to the site, administered a highly competitive developer selection process, and oversaw the resulting design and construction process on behalf of the parish.



EPISCOPAL DIOCESE OF RHODE ISLAND

The Cathedral of St. John ceased holding services in 2012. When the Diocese engaged Denham Wolf, it had already been working for nearly ten years to determine a strategy for repurposing the block in support of its mission. Denham Wolf led the Diocese through an efficient process to build consensus among the Diocese on potential strategies. After consulting with major stakeholders and analyzing data from in-depth market analysis, Denham Wolf helped the Diocese develop a road map for the next steps to utilize its real estate assets better. The Diocese is accordingly now engaged in a long-term, deliberate, community-sensitive process to begin implementing the decisions made during our process.



COOKE SCHOOL AND INSTITUTE

Cooke serves students with a full spectrum of cognitive, development, and learning disabilities. When Denham Wolf was engaged, the school was operating its educational programs out of three leased facilities, with administration housed in a separate neighborhood. Denham Wolf helped Cooke explore the full or partial consolidation of its property, and subsequently led the school in the acquisition of an 18,000 square foot off-market development site. This site facilitated the co-location of all Cooke programs that serve students up to 18 years of age.



MIDTOWN ARTS AND THEATER CENTER HOUSTON

In pursuit of its mission to provide a permanent home for several of Houston's visual and performing arts groups and an affordable venue for exhibitions and performances, the Midtown Arts & Theater Center Houston (MATCH) was formed. After several years of looking for the right home, MATCH had identified an ideal location in Midtown, a neighborhood between downtown and the Museum District/Texas Medical Center. Denham Wolf supported MATCH in developing the appropriate conceptual structure for the planned facility's acquisition, development, and operation.



SELECT CLIENT LIST

HEALTHCARE

Betances Health Center
Bronx Community Health Network
Brownsville Multi-Service Family Health Center
Cerebral Palsy Associations of NY
Community Healthcare Network
Planned Parenthood of Greater New York City
Primary Care Development Corporation
Ryan Health

EDUCATION

Amber Charter School
Brooklyn Conservatory of Music
City and Country School
Columbia University
Cooke School and Institute
Diller-Quaile School of Music
HAFTR
Harlem Academy
Maple Street School
National Academy of Design
Neighborhood Playhouse
Teak Fellowship
Third Street Music School
Settlement

FOUNDATIONS AND SOCIAL ENTERPRISE

Atlantic Foundation
Echoing Green
Freelancers Union
Greenwall Foundation
Harry Frank Guggenheim Foundation
Howard Gilman Foundation
J.M. Kaplan Fund
Kosciuszko Foundation
One Acre Fund
Rockefeller Philanthropy Advisors

SOCIAL SERVICES

AHRC New York City
Chinese-American Planning Council
Covenant House of New York
Family and Children's Association
Fountain House
START Treatment & Recovery Centers

LEGAL AND CIVIC SERVICES

Center for Constitutional Rights
Innocence Project
Lawyers Alliance for New York
National Center for Law and Economic Justice
Neighborhood Defender Service
Osborne Association
Social Science Research Council
Women's Prison Association
Vera Institute for Justice
Volcker Alliance

FAITH-BASED

Archdiocese of New York
Church of St Edward the Martyr
Church of St. Luke in the Fields
Community of the Holy Spirit
Congregation Beth Elohim
First Church of Christ Scientist
Fort Tryon Jewish Center
Episcopal Diocese of Long Island
Episcopal Diocese of New York
Fourth Universalist Society of New York
First Unitarian Congregational Society of Brooklyn
Redeemer Presbyterian Church
Society for the Advancement of Judaism
St. Augustine of Hippo

CULTURE AND COMMUNITY

American Academy in Rome
American-Scandinavian Foundation
BOMB Magazine
Caribbean Cultural Center African Diaspora Institute
Children's Museum of Manhattan
Coney Island USA
Family and Children Association
Iyengar Yoga Association of Greater New York
Manhattan Neighborhood Network
National Jazz Museum in Harlem
New York Restoration Project
New York Road Runners
Nonprofit New York
Poets House
Times Square Alliance
Van Alen Institute
Young Judaea

PERFORMING ARTS

Actors' Equity Association
Alliance of Resident Theatres New York (A.R.T./NY)
Atlantic Theater Company
Barrow Group
Baryshnikov Arts Center
Dramatists Guild of America
League of American Orchestras
Lucille Lortel Foundation
New Dramatists
The New Group
OPERA America
The Public Theater
Repertorio Español
Riout Dance NY
Roulette Intermedium
Roundabout Theatre Company
STREB
Symphony Space
Theatre Development Fund
Upright Citizens Brigade

Exhibit



INTRODUCTION TO HILLTOPSECURITIES
NOT-FOR-PROFIT ADVISORY PRACTICE

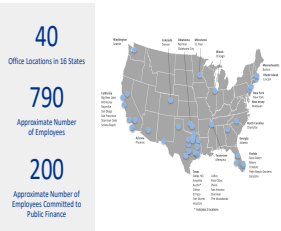
CONFIDENTIAL | JANUARY 2021

EXECUTIVE SUMMARY

- **HilltopSecurities is a the second largest¹⁰ municipal advisor in the nation providing a wide array of services**
 - 770 employees working in 40 offices across 14 states
 - Advisor on “5,000 transactions totaling “\$250 billion over the last five years
 - Eight verticals including municipal advisory, underwriting and debt capital markets
- **Hilltop’s not-for-profit team has four decades of domain expertise across a wide-spectrum of complex tax-exempt debt financings**
 - Extensive experience in tax-exempt housing, including affordable, workforce, senior living and student housing
 - Long history of serving important not-for-profit entities such as: ADPCA, Wildlife Conservation Society, Natural History Museum of Los Angeles County, the Art Institute of Chicago, the Field Collection, the Penitentiary Center among many others
 - Roster of complex higher education clients (including the University of Virginia, the University of Michigan, and Duke University among others) allow sharing/implementing of best practices and cutting-edge strategies
- **Capital markets transactions are a critical component of financial management, however, are often the last step in a long and thoughtful capital planning process**
 - Preliminary work focused on: tax-exempt strategies, debt capacity and structuring, rating agency strategy, peer analysis, pro forma modeling, policy development, and board reporting and presentation
 - High quality, innovative, and trusted advice measured by the long-term success of our clients



HILLTOPSECURITIES MAINTAINS A NATIONAL PLATFORM



MUNICIPAL ADVISOR SCOPE OF SERVICES

WillingSecurities views the provision of municipal advisory services in a holistic manner; we advise on transaction execution, but also advise across a broad spectrum of treasury services and related matters.

Strategic Advisory and Capital Structure	<ul style="list-style-type: none">• Strategic evaluation of debt capacity and affordability• Refunding and restructuring opportunities• Evaluation of new transaction opportunities and recommendations as to proposals• Review of alternative financing vehicles• Financial advisory services leading up to and during any bond or loan transaction
Transactional Services	<ul style="list-style-type: none">• Evaluation of internal bank, scenario analysis, and recommendations as to structure• Preparation of projections and multi-year financing plans• Credit rating agency strategy and support• Peer analysis and leadership and Board presentation support• Debt policy evaluation and analysis
Additional Services	<ul style="list-style-type: none">• Arbitrage rebates, swap advisory, continuing disclosure compliance, and bond proceeds investment• Analytical services provided through our ADS ("analytical and quantitative services") portfolio including cash management, internal bank management, and multi-year financial projections• Additional services upon request (the team is comprised of highly seasoned professionals who are well suited to support clients in any special services)

HILTOPSECURITIES ANALYTICAL & QUANTITATIVE SERVICES PLATFORM

Proprietary platform to aid and quantify risk assessment and enhance strategic decision making

- **Wiltop Analytics is a cloud-based suite of templated tools**

- Capital planning
- Debt management
- Interactive financial modeling
- Benchmarking
- Peer analysis
- Reporting tools

- **Customized multi-year financial projections**

- Capital project prioritization and funding
- Financial analysis and reporting
- Debt and derivatives monitoring
- Cross-campus collaboration across the institution (budget, finance, development, treasury operations, among others)



AFFORDABLE HOUSING EXPERIENCE

HILLTOP TEAM MEMBERS HAVE EXTENSIVE EXPERIENCE SPECIALIZING IN PROJECT AND DEVELOPMENT FINANCE FOR TAX-EXEMPT HOUSING TRANSACTIONS

Multifamily Housing	Special Financing Districts	USDA RD
<ul style="list-style-type: none">AffordableMarket RateWorkforcePermanent SupportiveStudent ResidentialSenior Living	<ul style="list-style-type: none">Special Assessment, including C-PACE FundingsTax IncrementLimited Ad Valorem	<ul style="list-style-type: none">Direct and Guaranty LoansInterim Financing

Recent and Current Transaction Experience
<ul style="list-style-type: none">Refunding of two affordable housing projects with HUD vouchers located in Upland, CaliforniaC-PACE funding of a mixed-use workforce/multifamily housing project for Cleveland Clinic employees188-unit student residential housing project in San Diego, CaliforniaPotential workforce housing projects in California and OklahomaPermanent supportive and senior living transactions in California and ArizonaProviding advice to the Town of Nantucket, Massachusetts on various affordable and workforce housing projects

NOT-FOR-PROFIT EXPERIENCE & CASE STUDIES

SELECT STRATEGIC EXPERIENCE WITH CULTURAL INSTITUTIONS








HILLTOPSECURITIES' BANKING TEAM EXAMPLES OF DEBT POLICY & STRATEGIC INITIATIVES

	<ul style="list-style-type: none">• Estimated average returns 1% to 2011, allowing borrower better liquidity refinancing• Borrowed tax-exempt funds for working capital purposes (during COVID)• Capital Management and Debt Policy development & adoption• Major credit risk assessment and ongoing trend analysis
	<ul style="list-style-type: none">• Debt policy development and monitoring• Liquidity and credit-related cash analysis• Credit rating strategies
	<ul style="list-style-type: none">• Debt affordability analysis• Overhead capital funding strategy, addressed risk associated with using endowment assets in debt financing
	<ul style="list-style-type: none">• Liquidity Analysis• Six-year multi-year cash forecast including any future capital plans/debt affordability/capacity analysis
	<ul style="list-style-type: none">• Assisted in evaluating options for the Open to address with existing debt in 2018 and expiring terms of debt• Estimated average returns 1% to 2011, allowing longer amortizing refinancing
	<ul style="list-style-type: none">• Assisted with creation of strategic approach to debt management• Prepared customized performance model based on PBC's assumptions to project debt service coverage, income statements, balance sheets and financial ratios
	<ul style="list-style-type: none">• Debt and Derivative Policy Development• Cash Forecasting• Minimum Balance Cash Estimation (used for cash flow seasonality)



SELECT TRANSACTION EXPERIENCE WITH CULTURAL INSTITUTIONS

HILLTOPSECURITIES' BANKING TEAM EXAMPLES OF NOT-FOR-PROFIT TRANSACTIONS

	National History Museum of the American Society	<ul style="list-style-type: none">• Engaged in 2020 to assess debt structure and risk tolerance• Engaged to supplement their variable rate financing and help convert• Confidential underwriter MFI, negotiated pro financial statements or security, extended average life of projects from 4.60% and advised ways aligned with investor party
	The Field Museum of Chicago	<ul style="list-style-type: none">• Most recently engaged to reference short term debt coming due and extend maturity• Currently reviewing capital financing needs
	The Field Collection	<ul style="list-style-type: none">• Engaged in 2018 to explore the use of leverage for the 250 million expansion• Analyzing appropriate contribution of funding sources through customized pro forma modeling, cashflow analysis, debt capacity studies• Developing pricing options to the Board level as to the appropriateness of raising debt
	The Franklin D. Roosevelt Library	<ul style="list-style-type: none">• Advising on the structuring and execution of the financing plan for both long-term and permanent needs in relation to the 20th Centennial project
	Loyi Chapel of Chicago	<ul style="list-style-type: none">• In 2017, evaluated debt portfolio ahead of key milestones in 2018• Series 2018 direct loan used to refinance their Series 2008• Issued 2.5 million revolving line of credit and amended Letter of Credit
	The Roosevelt University	<ul style="list-style-type: none">• Engaged in 2018, a \$400 million start up performing arts center near the USIS memorial• Advising on financing options and the cost/benefits of each option• Working very closely with the Finance Committee of the Board
	Woods Foundation	<ul style="list-style-type: none">• Most recently served as financial advisor on WCF Series 2020, 2014, 2013A and 2014-14B• Loan transactions• Continue to assist WCF in rating agency management, debt capacity and ratio analysis



Series 2020

The Objective

- Restructure debt, including termination of difficult-to-manage swap
- Extend principal on a tax-exempt basis
- Borrow \$50 million of working capital on a tax-exempt basis

The Scope of Work

- Conduct underwriter RFP to select optimal partner
- Unwind \$250 million fixed-payor swap with challenging financial covenants
- Work with architect to revisit average economic life of debt-financed projects to allow for extension of tax-exempt principal
- Quantitative rating agency strategy resulting in retention of A2 rating (during COVID closure)
- Work with Board and Finance Committee to select optimal debt structure
- Author and implement debt policy, including a central bank-style tool to grow net assets

The Result

- 6.7x oversubscribed offering resulted in 3.231% all-in cost of capital
- Stable, predictable and easily managed debt structure (3% and 4% coupon, 30-year bullet maturity bonds)

Series 2022

The Objective

- Bridge-finance \$17 million of incremental project costs (due to inflation)

The Result

- Locked in \$17 million, 3-year loan @ 2.95% with draw provisions (mitigating interest rate costs during construction)

The Objective

- The ASPCA has a large endowment but had no debt, as it had not utilized leverage as a source of capital funding in the past.
- Withgill's higher education banking team began working with the ASPCA in 2021 as its Board of Trustees began considering adding some leverage to its balance sheet to fund an upcoming construction project related to its national expansion strategy.

The Scope of Work

- We worked with ASPCA's CFO and its team to analyze its debt capacity and affordability. We explored the various options available to the organization to borrow capital, including both a public market and private credit market transaction, as well as on both a loan agreement and taxable basis.

- We prepared and distributed requests for proposals to several commercial banks and received several competitive proposals in response.

The Result

- The decision was made to pursue a taxable bank financing to take advantage of the relatively low rate environment, the quicker time to close, and the less amount of documentation and disclosure required for a taxable versus a tax-exempt financing.

- Given the ASPCA's strong credit profile, we were able to successfully lock in a low taxable rate, with terms and conditions very favorable to the organization, including a long tenure, no collateral, and minimal financial covenants.

Withgill completed its ASPCA transaction for its portfolio higher education banking team while at Page & Co.

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**THE PERELMAN
CENTER** Financial Advisory - Transaction

Bank Syndication

The Objective

- Successfully positioned a start-up not for profit with limited cash resources and financial flexibility
- Resolved pledge instrument mismatches to construction budget and expected shortfalls

The Scope of Work

- Assisted in determining financing structure, built financial operating models, and researched expected budgetary issues
- Engaged with community and global influential leaders to rally support for the Center
- Led bank RFP process

The Result

- Selected global bank from RFP process with a commitment of \$50 million
- Completed and completed a syndicate of seven banks committing to \$480 million



Financial Advisory – Transaction

Series 2020 Direct Loan

The Objective

- Assist with comprehensive renovation of the Frick residence and funding capabilities
- Educate senior leadership on funding alternatives and leverage

The Scope of Work

- Provided customized debt capacity and affordability models to help determine appropriate level of debt, as well as evaluated the benefits and costs of an all-cash transaction versus the use of short-term bridge financing
- Built a custom pro forma model based on historical financials, along with a cashflow model to incorporate the Frick's yearly capital campaigns, and with these tools
- Developed a hybrid debt and equity plan to address the Frick's needs
- Assisted in selecting a banking partner through competitive RFP process

The Result

- Successfully closed on a \$120 million taxable financing with a national bank through two facilities
- Combined with a significant equity investment and donor contributions, the two facilities will fund a \$250 million renovation of the current building

With emphasis on education and to further higher education funding from which it is.

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Financial Advisory – Annual Retainer

Witkop's banking team has worked with AIC for over 20 years, assisting with debt capacity and ratio analysis, assisting with and preparing bond prospectus materials, and rating agency relationship management, and transaction execution

2022 Private Debt Placement

The Objective

- In 2022, we served as financial advisor to AIC on a series of private placements

The Scope of Work

- We assisted AIC in directly placing approximately \$50 million of debt in three tranches, one with a large commercial bank, and two with a life insurance company
- We assisted AIC in preparing and distributing an RFP to select banks and financial institutions, analyzing proposals and selecting finalists

The Result

- AIC was able to achieve favorable loan terms, including locking in a low cost of capital, long dated maturities, and no security or financial covenants



Financial Advisory - Transaction

Series 2017A / Series 2020AB

The Objective

- Educate senior leadership and Board about financing options and leverage
- Raise capital for new campus expansion

The Scope of Work

- Informal leadership through concise discussion of options and complex analytics in order to allow for an informed decision when issuing debt

The Result

- In 2017, JTS completed its first bond transaction through the Dormitory Authority of the State of New York of \$15 million
- In 2020, JTS completed its second transaction of \$39 million tax exempt bank debt purchase through CIBCNY, culminating in the final leg of its original objective

Not completed by JTS/Advisor nor to further JTS education/teaching but only at JTS's be.



Financial Advisory – Annual Retainer

Wildlife Conservation Society has worked with WCS for nearly 20 years, assisting with debt capacity and ratio analysis, assisting with and preparing board presentation materials, setting agency relationship management, cash and liquidity forecasting, and transaction execution

Series 2020 Taxable Bonds

The Objective

- In 2020, we served as advisor to WCS on its issuance of \$66 million of taxable refunding bonds.

The Scope of Work

- Assisted with refunding and structuring analysis
- Assisted in assembling the financing team, including the underwriting syndicate

The Result

- WCS achieved a favorable yield for a 30-year bullet maturity, and through the refunding captured significant cash flow savings on a net present value basis

Series 2015

- Assist the in

- Assist the Institute with its Strategic Expansion Initiative
- Educate the Trustees on tax-exempt debt and balance of debt and equity

The Scope of Work

- Provided in-depth analysis of the use of leverage (compared to cash) for the purchase and build out of the Institute's new headquarters
- Built a pro-forma model to assist senior leadership and the Board in determining the appropriate balance of debt and equity that would be needed to successfully fulfill their expansion plans.
- Presented the proposed transaction to the Board
- Once the Board had agreed to plan of action, HillardSecurities banking team assisted the Institute with the selection of a bank to purchase the tax exempt bonds, which included the solicitation of proposals from four banks

The Result

- The Institute completed its first bond transaction through the New York Trust for Cultural Resources
- This very successful transaction allowed the Institute to create an endowment (by borrowing rather than using cash) to help secure its long-term future

APPENDIX A: TEAM BIOGRAPHIES

ROCHELLE POWELL

SENIOR MANAGING DIRECTOR



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Suite 1000
New York, NY 10022
Telephone 917-228-2877
rochelle.powell@hillygroupinc.com

- Areas of Focus
- Not for profit & cultural institutions, including K-12
 - Higher education
 - Healthcare
 - Franchise sectors
 - Bringing fast track businesses to the capital markets

- Profile
- Joined HillyGroupInc in 2023
 - Over 25 years of industry experience
 - Prior to joining HillyGroupInc, served as Managing Director at Pricer & Company

- Affiliations
- NYU Economic Development Council Board member
 - President of the Center for Family Support Foundation

- Education
- Masters in Public Administration from the NYU Wagner School of Public Policy

JOSHUA LENTZ

SENIOR VICE PRESIDENT



Contact Information:
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Burlington, MA 01803
Phone: 424.2210
www.424.2210
Telephone 424.442.8572
jlenz@thefundation.com

- Joshua Lentz has over 20 years of extensive experience in public finance
 - Affordable Housing
 - Public Parks
 - Healthcare
 - Structured Finance
- Qualities in project and development finance including
 - Multifamily Housing
 - Special Financing Districts
 - USDA-RD loan and guarantee loans along with interim financing
- Past completed projects include:
 - Refinancing of two affordable housing projects with HUD resources located in Upland, California
 - C-PRAC funding of a moderate workforce multifamily housing project for employees of the Chevrolet Corp located in Cleveland Ohio
- Currently working on (various):
 - 180-unit student residential housing project in San Diego, California
 - Potential workforce housing projects in Long Beach, Riverside and San Bernardino, California and Oklahoma City, Oklahoma
 - Payment assistance and senior living renovations in Puerto Vallarta, California and Tucson, Arizona
 - Providing guidance to the Town of Norfolk, Massachusetts on various affordable and workforce housing projects



ADDITIONAL SUPPORT

COLIN WALSH, SENIOR VICE PRESIDENT



- Colin Walsh has 25 years of experience covering the education and real-estate portfolios. Mr. Walsh joined Wilbur in 2013 from Regent's Company. Prior to that he was Senior Vice President in Wells Fargo's Government & Institutional Banking group, where he had a team of analysts responsible for underwriting and monitoring credit-risk at colleges, universities, school districts, and not-for-profit businesses.
- Prior to joining Wells Fargo, Mr. Walsh was a Director in Fitch Ratings' Public Finance group where he managed credit ratings for a variety of public entities of colleges, universities, independent schools, local schools, school districts, and not-for-profit organizations, and prior to that was a credit analyst and account manager at Citicredit Bank for a portfolio of healthcare, education and not-for-profit clients.
- Mr. Walsh has a B.S. in public accounting and an MBA from Tulane University. He is a FRM Registered Municipal Advisor and holds Series 32 and 63 securities licenses.

MAX LESBERN, ANALYST



- Max Lesbern serves as an Investment Banker Analyst in the Wilbur Securities New York Office.
- Max graduated from the University of Rochester in 2014 with a degree in Business Finance. While there, he was a member of the Delta Sigma Epsilon team.
- At Wilbur Securities, he works with quantitative and qualitative analysis and research in the Municipal Advisory team.

HILLTOPSECURITIES' BROADER NOT-FOR-PROFIT AND HIGHER EDUCATION PRACTICE

HILLTOP'S NOT-FOR-PROFIT AND HIGHER EDUCATION VERTICAL IS HOME TO A SEASONED TEAM OF EXPERIENCED PROFESSIONALS WITH BROAD BACKGROUND

Selected Offerings:

Financial Advisory

Treasury Management

M&A and Partnerships

Peer Benchmarking

Selected Analytical Services

Credit Management

Not-for-Profit/Higher Education Team


Patricia A. Ryan
Senior Advisor
Education & Non-Profit


Megan DeGree
Managing Director


T. J. Brinkley
Managing Director


Ryan Williams
Managing Director


Mark Pappas
Managing Director


Brian O'Connell
Senior Vice President


Brian O'Connell
Senior Vice President


Brian O'Connell
Senior Vice President


Brian O'Connell
Senior Vice President


Brian O'Connell
Senior Vice President

REGULATORY DISCLOSURES

DISCLOSURE

The general market commentary herein is intended for educational and informational purposes only and does not constitute legal or investment advice, nor is it an offer or a solicitation of an offer to buy or sell any investment or other specific product. Information provided in this market commentary was obtained from sources that are believed to be reliable; however, it is not guaranteed to be correct, complete, or current, and is not intended to rely on suitable standards of care applicable to any attorney or advisor in any particular circumstance. This market commentary represents historical information only and is not an indication of future performance. This market commentary may not be shared with anyone other than the intended recipient without the explicit written consent of HilltopSecurities.

This information is intended to be a summary of general market information. HilltopSecurities is not recommending an action to you or the municipal entity or obligated person. This commentary does not represent municipal advice pursuant to Section 12B of the Exchange Act. HilltopSecurities is acting for its own interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate. When already acting as a municipal advisor, HilltopSecurities could seek to serve as an underwriter on a future transaction. The primary role of an underwriter is to purchase securities with a view to distribution in an arms-length, commercial transaction with the issuer. The underwriter has financial and other interests that differ from those of the issuer.



MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement ("Disclosure Statement") is provided by Village Healthcare Inc. ("VHC") to disclose information regarding conflicts of interest and/or in the discharge of its duties as a municipal advisor to the City of Chicago ("City").

DISCLOSURE STATEMENT

VHC has a conflict of interest in its role as a municipal advisor to the City of Chicago. VHC is a subsidiary of Village Health System ("VHS"), which is a subsidiary of the City of Chicago. VHC is also a subsidiary of the City of Chicago. VHC is also a subsidiary of the City of Chicago.

Material Conflicts of Interest: The City is aware of the disclosure of the City's conflict of interest in its role as a municipal advisor to the City of Chicago. The City is aware of the disclosure of the City's conflict of interest in its role as a municipal advisor to the City of Chicago.

Disclosure Statement: The City is aware of the disclosure of the City's conflict of interest in its role as a municipal advisor to the City of Chicago. The City is aware of the disclosure of the City's conflict of interest in its role as a municipal advisor to the City of Chicago. The City is aware of the disclosure of the City's conflict of interest in its role as a municipal advisor to the City of Chicago.

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ix. Secondary Market Transactions in Client's Securities. The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of its clients, and therefore the Firm could have interests in conflict with a client with respect to the value of the client's securities while held in inventory and the levels of markup or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders to buy and acquire a security, submit the security to the market to sell, and/or make a market in the security, without the client's knowledge or consent. The Firm's submission of orders to buy and acquire a security, its submission of the security to the market to sell, and/or its making a market in the security, may be in violation of the client's order, and the Firm may be liable to the client for such violations.

Part 8 – Disclosure of Information Regarding Legal Events and Disciplinary History
 MRB Rule 6-6 requires that municipal advisors provide to their clients certain disclosure of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.
 Accordingly, the firm sets out below required disclosures and related information in connection with such disclosures.

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MUNICIPAL ADVISOR DISCLOSURE STATEMENT (CONTINUED)

* On August 14, 2008, the Securities and Exchange Commission ("SEC") entered into a settlement order with Kibing Securities Inc. ("Kibing") to settle an administrative action finding that Kibing failed to (i) maintain and preserve off-branch communications related to Kibing's broker-dealer business, as well as related to recommendations made or proposed to be made and also given or proposed to be given with respect to Kibing's investment advisory business; and (ii) reasonably supervise its personnel with a view to preventing or deterring certain acts of its personnel's aiding and abetting violations of certain provisions of the federal securities laws. Kibing admitted the facts in the settlement order, acknowledged its conduct under the federal securities laws, and agreed to (a) cease and desist order, (b) a censure, (c) payment of a civil monetary penalty in the amount of \$1,600,000, and (d) certain undertakings related to the retention of electronic communications.

8. How to Access Form 990 and Form 990-E Filings. The Firm's most recent Form 990 and each most recent Form 990-E filed with the SEC are available on the SEC's EDGAR system at www.sec.gov/edgar. The SEC provides certain details of information reported on Form 990 or 990-E to be provided by reference to such required information already filed by the Firm in its capacity as a broker-dealer on Form 801 or Form 444 or an asset investment advisor on Form ADV, as applicable. Information provided by the Firm on Form 801 or Form 444 is publicly accessible through reports generated by BrokerCheck at www.brokercheck.com and the Firm's most recent Form 444 is publicly accessible at the Investment Adviser Public Disclosure website at www.adviserinfo.com for purposes of accessing such BrokerCheck reports on Form 444, data provided hereafter.

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MSRB Rule G-60 covers investor and Municipal Advisory Client education and protection. This rule requires that municipal advisors make certain disclosures to all municipal advisory clients. This communication is a disclosure only and does not require any action by the firm's municipal advisory clients. The disclosures are noted below.

The Municipal Securities Rulemaking Board has posted a municipal advisory client brochure. A copy of the brochure is attached to the news. This link will take you to the electronic version MSA-Client-Brochure.

PDF 2 – Future Supplemental Provisions

As required by NABU Rule 6-0, this Municipal Advisor Disclosure Agreement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with respect to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.





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 a light blue horizontal line.

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.