

MIAMI BEACH



CITY OF MIAMI BEACH COLLINS PARK ARTIST WORKFORCE HOUSING PROJECT

224 23rd St
Miami Beach, FL 33139

Folio Number:
02-3226-001-0460

Bids Received: 1

TRANSACTION SUMMARY AS PROPOSED BY RESPONDENT

SERVITAS

- 50-year ground lease with two 20-year options
- City's contribution will be limited to providing the ground lease, and City will not be responsible for any costs or expenses related to development, financing, design, construction, operation or maintenance of the Facility
- 7-story building
 - Two floors with communal dormitory-style living and dining space - 63 beds total
 - If needed, dorm space can be converted to co-living workforce housing in the future
 - Four floors dedicated to 64 residential units of workforce housing
 - Ground floor retail
- Est. 2.5 years for development schedule
 - The City would need to expedite permitting to meet this schedule
- Total project budget - \$24,846,498; Construction budget (hard & soft costs) - \$19,955,016
- Proposed financing mechanism ensures the project is 100% self-supported by rental revenues
 - No requirement for MCB to pay rent for project
 - All surplus cash flows after payment of debt service, capital reserves & operating expenses is paid to the City and MCB in the form of ground lease payment

APC responded to ITN then backed out

MIAMI BEACH

CITY OF MIAMI BEACH | COLLINS PARK WORKFORCE HOUSING

224 23rd St, Miami Beach, FL 33139

Folio Number:

02-3226-001-0460

QUESTIONS FOR CITY

- Does the City have a current appraisal?
- Is the proposed use consistent with what the City desires?
- What does zoning permit?
- Does the City want to see if there is additional interest if this site were broadly marketed & recompeted?

QUESTIONS FOR DEVELOPER



CBRE

MIAMIBEACH

CITY OF MIAMI BEACH | COLLINS PARK WORKFORCE HOUSING

224 23rd St, Miami Beach, FL 33139

Folio Number:

02-3226-001-0460

DEVELOPER MEETING NOTES

- 50-year ground lease w/ two 20-year options
- City's contribution to provide ground lease and not responsible for providing:
 - Costs or expenses related to development, financing, design, construction, operation or maintenance of the facility
- Total development cost: \$24,846,498; \$19,955,016 (hard & soft costs) and includes:
 - 2 floors with communal dormitory-style living & dining spaces – 63 beds
 - Dorm space can be converted to co-living workforce housing in the future
 - 4th floor dedicated to 64 residential units of workforce housing
 - Ground floor retail
 - Floors 3-7 80%-110% AMI
 - Single purpose entity/nonprofit (ballet is being proposed)
- Financing 100% self-supported by rental revenues
 - No requirement for MCB to pay rent for project
 - All surplus cash flows after debt service, capital reserves & operating expenses is paid to the City and MCB in the form of ground lease payment
 - FOIC3 to issue tax exempt bonds (100%)
- Est. 2.5 years for development schedule*

*City would have to expedite permitting to meet this schedule

MIAMI BEACH

CITY OF MIAMI BEACH | COLLINS PARK WORKFORCE HOUSING

224 23rd St, Miami Beach, FL 33139

Folio Number:

02-3226-001-0460

CBRE RECOMMENDATIONS FOR NEXT STEPS

- Award to Servitas
- Consider a TBD Letter of Credit to protect ballet rent stream
- Consider floor plan / fit out that allows for more flexible tenant backfill
- Consider scaling back % ballet occupies in the project to reduce risk



CBRE