



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Honorable Chair and Members of the Neighborhood and Quality of Life Committee

FROM: Alina T. Hudak, City Manager

DATE: July 21, 2021

SUBJECT: **A DISCUSSION REGARDING THE CURRENT OPTIONS ON WHAT TO DO WITH THE BYRON CARLYLE TO INCLUDE ALTERNATIVES AND RECOMMENDATIONS FROM THE CITY ADMINISTRATION.**

A DISCUSSION REGARDING FUNDING FOR THE BYRON CARLYLE THEATER.

BACKGROUND

The Byron Carlyle Theater complex is located at 500 71st Street, between Byron Avenue and Carlyle Avenue. 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 2004, the City executed a Management Agreement with the Stage Door Theater Company and subsequently in 2014, executed a Management Agreement with Living Arts Trust d/b/a O Cinema. During this time, the Byron Carlyle was partially occupied by the O Cinema. The remaining portion of the Theater continued vacant and in 2019, the entire Theater was closed.

On January 17, 2018, the City Commission adopted Resolution No. 2018-30145, authorizing the City Administration to conduct a community charrette to obtain public input regarding the future use or redevelopment of the Theater, and further authorizing the Administration to obtain market feedback with respect to potential redevelopment of the site. This item was referred to the Finance and Citywide Projects Committee (FCWPC) by the City Commission on July 25, 2018 to consider reissuing a revised solicitation as an RFP and to solicit guidance from the Committee on the proposed redevelopment.

On September 14, 2018, the Committee received public input and directed the Administration on several elements affecting the development site and surrounding neighborhood. Based on the direction received at said meeting, the Administration recommended key terms for the Byron Carlyle RFP which were discussed at the FCWPC on November 18, 2018. Subsequently, on January 14, 2019, the Mayor and City Commission approved and authorized issuance of RFP No. 2019-100-KB to establish an agreement for a long-term lease with a private developer for the development of a mixed-use project that incorporates a cultural component. Thereafter, on October 17, 2019, the Mayor and City Commission adopted Resolution No. 2019-30149 authorizing simultaneous negotiations with the two proposers, top-ranked Pacific Start Capital,

LLC, and second-ranked Menin Hospitality an KGTC, LLC, with final award and material terms subject to City Commission approval.

Following meetings with the proposers, Pacific Star withdrew its hotel proposal from the RFP negotiations. Consequently, staff proceeded finalizing the material terms of the Menin Hospitality project, details of which were discussed at the September 23, 2020 Finance and Economic Resiliency Committee (FERC); with additional updates provided at the November 13, 2020 FERC meeting. At said meeting, the Committee made a motion referring the terms to be further discussed at Commission. On February 24, 2021, the Mayor and City Commission rejected a proposal to sell the Theater and redevelop the parcel. Thereafter, on April 21, 2021, the Mayor and City Commission referred two (2) items to the Neighborhood and Quality of Life Committee requesting the Administration to present short and long-term alternatives and recommendations for the Byron Carlyle Theater.

The North Beach community and the City Commission have expressed interest in exploring various uses for the building, primarily as a theater or cultural center, but also considering potential use as a museum, a business incubator, university use, gallery space, artist studios, a film or arts center, as well as retail or office space.

M.C. Harry & Associates (the Consultant) was retained by the Property Management Department to prepare a Conditions Assessment and Recommendations report. The Consultant's architect engineer team reviewed all available as-built documentation and visited the site to observe the current conditions of each building system. The existing building conditions, including a hazardous materials survey, are detailed in the attached report (Attachment A), along with recommendations for repairs and improvements to the venue, or building replacement.

ANALYSIS

The Byron Carlyle Theater's structural shell is in good condition considering its age, but all exterior doors and storefronts, and all interior systems and finishes must be replaced to extend the life of this building. As such, the Consultant's report examined two options for the complete renovation of the building, and a third option to replace the building altogether.

This study includes a Theater option in both renovation scenarios, suggesting a multi-use theater which would offer flexibility of programming for the City with the intent of maximum activation of the building. The space could operate as a traditional theater, and also accommodate banquets, concerts, dancing, fitness classes, theater in the round, films, lectures, or other uses that a large level floor space could host. Architecturally, the Consultant's renovation options suggest returning some of the exterior elements of the building to their original 1968 appearance.

The existing structure is assumed to have been built to 1968 code requirements. Today's code requirements for wind and flood resiliency will require significant reinforcing of the ground floor slab, the exterior walls, and some upgrades to the roof structure. The required work could be considered constructing a building within a building, which is challenging but possible.

The New Construction option considers a new ground-up building of the size and programming included in Renovation Option 2. The existing theater building would be demolished.

Below is a summary of the Options and projected costs:

- **Renovation Option 1: Multi-Use Theater + Tenant Space**

- Total Project Cost: \$15,447,257

- **Renovation Option 2: Multi-Use Theater + Cultural Center**

- Total Project Cost: \$19,921,788

- **New Construction: Renovation Option 2 with a new building shell**

Total Project Cost: \$22,014,868

Total Project Cost = Construction Cost, Furniture, Fixtures, and Equipment, Permit Fees, Contractor General Conditions Overhead and Project, Insurance and Bond, and Design Fees.

CONCLUSION

The Consultant's Conditions Assessment and Recommendations report, including two options for Renovation and a third option for New Construction, has been included herein for the Committee's review and consideration.

The Committee should consider that the rough order of magnitude cost estimates, found in Section 6 of the report, are inclusive of construction costs, furniture, fixtures and equipment, permit fees, contractor general conditions, overhead and profit, insurance and bond, and design fees. At this time no funding has been identified for this project.

Attachments:

A – Conditions Assessment and Recommendations Report