



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

COMMITTEE MEMORANDUM

TO: Honorable Chair and Members of the Finance and Economic Resiliency Committee

FROM: Alina T. Hudak, City Manager

DATE: September 24, 2021

SUBJECT: **DISCUSSION REGARDING FUNDING A CONCEPTUAL DESIGN FOR THE BYRON CARLYLE**

BACKGROUND

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 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 western portion of Byron Carlyle was partially occupied by the O Cinema until 2018. The remaining eastern portion, consisting of vacant office spaces, remained uninhabited. The poor condition of the Theater’s eastern and western portions, included a series of electrical deficiencies, flooding, poor air circulation, and deferred interior maintenance. Consequently, in 2019 the Theater was condemned and permanently closed.

Since its closure, there have been several discussions held regarding the condition and future of the Byron Carlyle. 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 (“Developer”), 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. On February 24, 2021, the Mayor and City Commission rejected the RFP proposal from the Developer and terminated negotiations. Thereafter, on April 21, 2021, the Mayor and City Commission referred two (2) items to the Neighborhood and Quality of Life Committee (NQLC) requesting the Administration to present short and long-term alternatives and recommendations for the Byron Carlyle Theater.

ANALYSIS

The Administration retained third-party consultant, M.C. Harry & Associates (the Consultant) to prepare a Conditions Assessment and Recommendations report. The report detailed existing building conditions, including a hazardous materials survey, along with two options recommendations for repairs and improvements to the venue: and a third option of building replacement. 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:

<hr/>	
-	Renovation Option 1: Multi-Use Theater + Tenant Space
-	Total Project Cost: \$15,447,257
<hr/>	
-	Renovation Option 2: Multi-Use Theater + Cultural Center
-	Total Project Cost: \$19,921,788
<hr/>	
-	New Construction: Renovation Option 2 with a new building shell
-	Total Project Cost: \$22,014,868
<hr/>	

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

The estimated \$15.5 to \$22.0 million cost to renovate or replace the Byron Carlyle Theater is currently unfunded in the Capital Budget. At the September 17th Commission meeting, an item was discussed and ultimately referred to the FERC to discuss potentially funding the development of a conceptual design at the estimated cost of \$500,000. On September 15th, the North Beach CRA Advisory Committee unanimously recommended in favor of supporting this request. The Conceptual Design options, along with input gathered from community survey results, charette and outreach efforts, would drive the development of future plans for the Byron Carlyle cultural center.

An estimated conceptual design cost for this project could range from approximately \$1.7 million to \$2 million. Preliminary design or conceptual design services are assumed to be approximately 25% of total design costs, or \$400,000 to \$500,000. This does not include services during construction.

Preliminary design scope would include due diligence, community engagement, program development, conceptual design and construction cost estimates for a state-of-the-art cultural facility.

The consultant would prepare complete as-built drawings and perform necessary due diligence to evaluate the existing facility and any proposed programming and alterations for compliance with current code requirements including zoning regulations review. Assessments would include building interior, as well as the exterior, materials testing, mechanical, electrical, plumbing and fire protection systems. The building's structural components would be evaluated to determine the existing structural system types and their general present condition, building code issues affecting future repair and renovation, and conceptual level recommendations for possible repairs and renovation. The site stormwater management conditions, existing utility information, land use and zoning regulations, parking requirements, and landscaping requirements will also be evaluated.

Once the due diligence is complete, the consultant would commence community outreach activities and program development. It is expected that the consultant would need to go through several rounds of community outreach and conceptual design once the program is finalized. Conceptual designs would likely include multiple options.

Deliverables for this early stage design scope would include, at a minimum, development of site and floor plan options indicating proposed alterations and spatial layout, several conceptual designs, with corresponding 3D renderings and possibly 3D animation. Cost estimates would be prepared for each conceptual design. Consultant would present designs to the community, a minimum of three meetings, to obtain community input to derive a final concept design for the cultural facility.

CONCLUSION

If the City Commission approves funding a Conceptual Design for the Byron Carlyle Theater, the Administration recommends funding of up to \$400,000 from the Resort Tax Reserve to be added to the FY 2022 Capital Budget at the second budget public hearing on September 30th. The Conceptual Design process would incorporate charettes and preparation of conceptual plans to include the Byron Carlyle Theater's renovation of the ground floor Cultural Center. The cost of the final proposed conceptual design would be competitively negotiated and subject to prior approval of the Mayor and City Commission.