



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: February 25, 2022

SUBJECT: **A DISCUSSION REGARDING THE BARCLAY PLAZA APARTMENTS (BARCLAY) AT 1940 PARK AVENUE.**

BACKGROUND

The Barclay Plaza Apartments (Barclay) was acquired by the Miami Beach Community Development Corporation (MBCDC) in 2007 using City Redevelopment Agency funds. The property was purchased as affordable workforce housing. The Barclay sits on a single property 170 feet wide, varying in depth from 143 feet to 213 feet for a total of 26,250 SF. The Barclay building is L-shaped and occupies 41% of the site. There are large open space areas to the west and north of the building. The Barclay is currently vacant and contains sixty-six (66) efficiency units, each with a bathroom, closet, and a small kitchen. The City acquired the building vacant and boarded and has remained so the duration of the City's ownership.

Subsequent to its acquisition, the City issued two (2) Requests For Proposals (RFP) in search of a private workforce housing development for the site. The RFP was devised after having held industry meetings to gauge interest and concern regarding the building's redevelopment as affordable workforce housing serving households earning no more than 140 percent of Area Median Income. Unfortunately, there were no responsive respondents to these RFPs.

After both RFPs seeking to find a private development partner were not successful, the City began to explore other uses for the property. The City has evaluated the site from a variety of perspectives, including considering the Barclay's historic structure and unique location in the heart of the RDA.

On June 16, 2021 the City requested an appraisal, which was completed by Cushman and Wakefield (Exhibit A). The property was appraised for \$8.3M. However, the Administration believes this appraisal significantly undervalued the property.

On August 12, 2021, a feasibility study was completed by M.C. Harry & Associates. The study determined the existing units are too small for current zoning regulations due to minimum square footage requirements and must be combined in order to be suitable for residential use. The building is listed as contributing to the Museum Historic District and the Miami Beach Architectural District. The property is in a primarily residential area

surrounded by buildings of similar size and character and is located across the street from the Miami Beach Convention Center.

At the October 13, 2021 Commission Meeting, a discussion was held regarding the status and plan for the Barclay. The direction of the Mayor and City Commission was to refer the item to the Finance and Economic Resiliency Committee (FERC) for further discussion.

ANALYSIS

Considering the size and location of the subject site, the Administration believes that the development of the site should be part of a competitive bidding process. As such, if a competitive bid process is approved by FERC then a formal Project Scope and Term will be developed.

CONCLUSION

The Administration recommends the formal competitive bidding requirement in section 82-39(a) of the City Code, finding that it is in the City's best interest to solicit additional bids and concepts in order to affirm the highest and best use for this site.

Exhibits:

A Appraisal