

REQUEST FOR PROPOSALS (RFP)

FOR THE DEVELOPMENT OF THE BARCLAY WORKFORCE HOUSING PROJECT

2019-098-KB

RFP ISSUANCE DATE: JANUARY 18, 2019

PROPOSALS DUE: APRIL 8, 2019 @ 3:00 PM

ISSUED BY:

MIAMIBEACH

KRISTY BADA, CONTRACTING OFFICER III

PROCUREMENT DEPARTMENT

1755 Meridian Avenue, 3rd Floor, Miami Beach, FL 33139

305.673.7490 | KRISTYBADA@MIAMIBEACHFL.GOV | www.miamibeachfl.gov

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SECTION 0100

INSTRUCTIONS TO RESPONDENTS & GENERAL CONDITIONS

1. GENERAL. This Request for Proposals (RFP) is issued by the City of Miami Beach, Florida (the "City"), as the means for prospective Proposers to submit proposals for the City's consideration as an option in achieving the required scope of services and requirements as noted herein. All documents released in connection with this solicitation, including all appendixes and addenda, whether included herein or released under separate cover, comprise the solicitation, and are complementary to one another and together establish the complete terms, conditions and obligations of the Proposers and, subsequently, the successful Proposer(s) (the "contractor[s]") if this RFP results in an award.

The City utilizes **PublicPurchase** (www.publicpurchase.com) for automatic notification of competitive solicitation opportunities and document fulfillment, including the issuance of any addendum to this RFP. Any prospective Proposer who has received this RFP by any means other than through **PublicPurchase** must register immediately with **PublicPurchase** to assure it receives any addendum issued to this RFP. **Failure to receive an addendum may result in disqualification of proposal submitted.**

2. PURPOSE.

On May 6, 2015, via Resolution No.2015-29017 and later amended Resolution No.2017-29758, the City Commission directed that the Barclay Plaza Apartments be developed as Workforce Housing serving persons employed in the public safety, education and municipal sectors earning up to 140% of the Area Median Income (AMI). In addition, Resolution No. 2017-29758 accepted the recommendations made by the Land Use and Development Committee to incentivize the private development of Workforce Housing. On April 26, 2017, the City Commission adopted Resolution No. 2017-29823 accepting the recommendations made by the Finance and Citywide Projects Committee for the development of the Barclay Plaza Apartments:

- A. Income limits increased to accommodate households earning up to 140% AMI, and thereby ensure the broadest inclusion of City of Miami Beach municipal workers and educators as possible;
- B. Two-year employment tenure be the minimum threshold for eligibility of tenants served by the Project;
- C. The parking lot and existing pool at the Barclay Plaza Apartments are included in the development area for the Project to maximize the number of units that can be developed for Workforce Housing purposes.

On July 27, 2017, the City Commission adopted Resolution No. 2017-29925 that accepted the recommendations of the June 16, 2017 Finance and Citywide Projects Committee providing the following parameters for the Barclay Plaza Apartments development: Projected rents to be established at 30% of the targeted AMI ranges and adjusted for unit size or currently approximately \$1,569 - \$1,813 for a one bedroom unit, and \$1,813 - \$2,380 for a two-bedroom unit in order to ensure that units remain Affordable for the targeted workforce sectors.

By means of this RFP, the City seeks to enter into a lease agreement with a developer to design, build, operate and maintain workforce housing at the Barclay Plaza property owned by the City of Miami Beach. Accordingly, the City is seeking a development partner with proven experience in the development of similar facilities or Projects, and the financial and professional qualifications to deliver high-quality, economically feasible Project(s). The City is interested in evaluating the experience and financial capacity of each developer in assuming the design-build process of the Barclay Plaza Apartments ("Barclay") located at 1940 Park Avenue, Miami Beach, FL 33139 (the "property").

Additionally, the terms "FIRM", "PROPOSER", "CONSULTANT", "PRIME PROPOSER" or "TEAM" are used interchangeably and shall refer to the firm that will contract with the City for the development of workforce housing at the Barclay Plaza property owned by the City of Miami Beach.

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This RFP shall proceed in a two-phase process as follows:

Phase I – Qualifications. Phase I submissions will be evaluated in accordance with the criteria established in Section 0400. Only short-listed proposers may participate in Phase II.

Phase II – Technical and Financial Proposals. Following the selection of the short-listed proposers pursuant to the RFQ, the short-listed proposers will be allotted approximately 60 days to prepare technical and financial proposals.

3. ANTICIPATED RFP TIMETABLE. The tentative schedule for this solicitation is as follows:

PHASE I	
RFP Issued	January 18, 2019
Pre-Proposal Meeting	February 4, 2019
Deadline for Receipt of Questions	March 25, 2019
Responses Due	April 8, 2019
Evaluation Committee Review	April 22, 2019
Tentative City Manager or Commission Approval of Phase I	May 8, 2019

PHASE II	
Phase II Issuance	TBD
Pre-Proposal Meeting	TBD
Deadline for Receipt of Questions	TBD
Responses Due	TBD
Evaluation Committee Review	TBD
Tentative Commission Approval Authorizing Negotiations	TBD
Contract Negotiations	Following Commission Approval

4. PROCUREMENT CONTACT. Any questions or clarifications concerning this solicitation shall be submitted to the Procurement Contact noted below:

Procurement Contact:
Kristy Bada

Telephone:
305-673-7490

Email:
kristybada@miamibeachfl.gov

Additionally, the City Clerk is to be copied on all communications via e-mail at: RafaelGranado@miamibeachfl.gov; or via facsimile: 786-394-4188.

The Bid title/number shall be referenced on all correspondence. All questions or requests for clarification must be received no later than ten (10) calendar days prior to the date proposals are due as scheduled in Section 0200-3. All responses to questions/clarifications will be sent to all prospective Proposers in the form of an addendum.

5. PRE-PROPOSAL MEETING OR SITE VISIT(S). Only if deemed necessary by the City, a pre-proposal meeting or site visit(s) may be scheduled.

A Pre-PROPOSAL conference will be held as scheduled in Anticipated RFP Timetable section above at the following address:

**City of Miami Beach
Procurement Department
Conference Room
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139**

Attendance (in person or via telephone) is encouraged and recommended as a source of information, but is not mandatory. Proposers interested in participating in the Pre-Proposal Submission Meeting via telephone must follow these steps:

- (1) Dial the TELEPHONE NUMBER: 1- 888-270-9936 (Toll-free North America)
- (2) Enter the MEETING NUMBER: 9415468

Proposers who are interested in participating via telephone should send an e-mail to the contact person listed in this RFP expressing their intent to participate via telephone.

6. PRE-PROPOSAL INTERPRETATIONS. Oral information or responses to questions received by prospective Proposers are not binding on the City and will be without legal effect, including any information received at pre-submittal meeting or site visit(s). The City by means of Addenda will issue interpretations or written addenda clarifications considered necessary by the City in response to questions. Only questions answered by written addenda will be binding and may supersede terms noted in this solicitation. Addendum will be released through *PublicPurchase*. Any prospective proposer who has received this RFP by any means other than through *PublicPurchase* must register immediately with *PublicPurchase* to assure it receives any addendum issued to this RFP. Failure to receive an addendum may result in disqualification of proposal. Written questions should be received no later than the date outlined in the **Anticipated RFP Timetable** section.

7. CONE OF SILENCE. This RFP is subject to, and all proposers are expected to be or become familiar with, the City's Cone of Silence Requirements, as codified in Section 2-486 of the City Code. Proposers shall be solely responsible for ensuring that all applicable provisions of the City's Cone of Silence are complied with, and shall be subject to any and all sanctions, as prescribed therein, including rendering their response voidable, in the event of such non-compliance. Communications regarding this solicitation are to be submitted in writing to the Procurement Contact named herein with a copy to the City Clerk at rafaelgranado@miamibeachfl.gov

8. ADDITIONAL INFORMATION OR CLARIFICATION. After proposal submittal, the City reserves the right to require additional information from Proposers (or Proposer team members or sub-consultants) to determine: qualifications (including, but not limited to, litigation history, regulatory action, or additional references); and financial capability (including, but not limited to, annual reviewed/audited financial statements with the auditors notes for each of their last two complete fiscal years).

The City reserves the right to request any documentation omitted, with exception of the Cost/Proposal Form, Proposal Certification, Questionnaire & Requirements Affidavit (Appendix A), and Bid Bond (if

applicable). Bidder must submit any omitted documentation within three (3) business days upon request from the City, or the bid may be deemed non-responsive. Non-responsive bid packages will receive no further consideration.

9. PROPOSER'S RESPONSIBILITY. Before submitting a response, each Proposer shall be solely responsible for making any and all investigations, evaluations, and examinations, as it deems necessary, to ascertain all conditions and requirements affecting the full performance of the contract. Ignorance of such conditions and requirements, and/or failure to make such evaluations, investigations, and examinations, will not relieve the Proposer from any obligation to comply with every detail and with all provisions and requirements of the contract, and will not be accepted as a basis for any subsequent claim whatsoever for any monetary consideration on the part of the Proposer.

10. VETERAN BUSINESS ENTERPRISES PREFERENCE. Pursuant to City Code Section 2-374, the City shall give a preference to a responsive and responsible Proposer which is a small business concern owned and controlled by a veteran(s) or which is a service-disabled veteran business enterprise, and which is within five percent (5%) of the lowest responsive, responsible proposer, by providing such proposer an opportunity of providing said goods or contractual services for the lowest responsive proposal amount (or in this RFP, the highest proposal amount). Whenever, as a result of the foregoing preference, the adjusted prices of two (2) or more proposers which are a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise constitute the lowest proposal pursuant to an RFP or oral or written request for quotation, and such proposals are responsive, responsible and otherwise equal with respect to quality and service, then the award shall be made to the service-disabled veteran business enterprise.

11. DETERMINATION OF AWARD. The final ranking results of Phase II evaluation process will be considered by the City Manager who may recommend to the City Commission the Proposer(s) s/he deems to be in the best interest of the City or may recommend rejection of all proposals. The City Manager's recommendation need not be consistent with the scoring results identified herein and takes into consideration Miami Beach City Code Section 2-369, including the following considerations:

- (1) The ability, capacity and skill of the Proposer to perform the contract.
- (2) Whether the Proposer can perform the contract within the time specified, without delay or interference.
- (3) The character, integrity, reputation, judgment, experience and efficiency of the Proposer.
- (4) The quality of performance of previous contracts.
- (5) The previous and existing compliance by the Proposer with laws and ordinances relating to the contract.

The City Commission shall consider the City Manager's recommendation and may approve such recommendation. The City Commission may also, at its option, reject the City Manager's recommendation and select another Proposal or Proposals which it deems to be in the best interest of the City, or it may also reject all Proposals.

12. NEGOTIATIONS. Following selection, the City reserves the right to enter into further negotiations with the selected Proposer. Notwithstanding the preceding, the City is in no way obligated to enter into a contract with the selected Proposer in the event the parties are unable to negotiate a contract. It is also understood and acknowledged by Proposers that no property, contract or legal rights of any kind shall be created at any time until and unless an Agreement has been agreed to; approved by the City; and executed by the parties.

SECTION 0200 GENERAL CONDITIONS

1. SPECIAL NOTICES. You are hereby advised that this solicitation is subject to the following ordinances/resolutions, which may be found on the City Of Miami Beach website:

<http://web.miamibeachfl.gov/procurement/scroll.aspx?id=79113>

- CONE OF SILENCE –SECTION 2-486
- PROTEST PROCEDURES –CODE SECTION 2-371
- DEBARMENT PROCEEDINGS –SECTIONS 2-397 THROUGH 2-485.3
- LOBBYIST REGISTRATION AND DISCLOSURE OF FEES – SECTIONS 2-481 THROUGH 2-406
- CAMPAIGN CONTRIBUTIONS BY VENDORS – SECTION 2-487
- CAMPAIGN CONTRIBUTIONS – SECTION 2-488
- EQUAL BENEFITS FOR DOMESTIC PARTNERS – SECTION 2-373
- LIVING WAGE REQUIREMENT – SECTIONS 2-407 THROUGH 2-410
- FALSE CLAIMS ORDINANCE – SECTION 70-300
- ACCEPTANCE OF GIFTS, FAVORS & SERVICES – SECTION 2-449

2. PUBLIC ENTITY CRIME. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crimes may not submit a proposal on a contract to provide any goods or services to a public entity, may not submit a proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit a proposal on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, sub-contractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of the threshold amount provided in Sec. 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

3. COMPLIANCE WITH THE CITY'S LOBBYIST LAWS. This RFP is subject to, and all Proposers are expected to be or become familiar with, all City lobbyist laws. Proposers shall be solely responsible for ensuring that all City lobbyist laws are complied with, and shall be subject to any and all sanctions, as prescribed therein, including, without limitation, disqualification of their responses, in the event of such non-compliance.

4. DEBARMENT ORDINANCE: This RFP is subject to, and all proposers are expected to be or become familiar with, the City's Debarment Ordinance as codified in Sections 2-397 through 2-406 of the City Code.

5. COMPLIANCE WITH THE CITY'S CAMPAIGN FINANCE REFORM LAWS. This RFP is subject to, and all Proposers are expected to be or become familiar with, the City's Campaign Finance Reform laws, as codified in Sections 2-487 through 2-490 of the City Code. Proposers shall be solely responsible for ensuring that all applicable provisions of the City's Campaign Finance Reform laws are complied with, and shall be subject to any and all sanctions, as prescribed therein, including disqualification of their responses, in the event of such non-compliance.

6. CODE OF BUSINESS ETHICS. Pursuant to City Resolution No.2000-37379, the Proposer shall adopt a Code of Business Ethics ("Code") and submit that Code to the Procurement Division with its response or within five (5) days upon receipt of request. The Code shall, at a minimum, require the Proposer, to comply with all applicable governmental rules and regulations including, among others, the conflict of interest, lobbying and ethics provision of the City of Miami Beach and Miami Dade County.

7. AMERICANS WITH DISABILITIES ACT (ADA). Call 305-673-7490 to request material in accessible format; sign language interpreters (five (5) days in advance when possible), or information on access for persons with disabilities. For more information on ADA compliance, please call the Public Works Department, at 305-673- 7000, Extension 2984.

8. POSTPONEMENT OF DUE DATE FOR RECEIPT OF PROPOSALS. The City reserves the right to postpone the deadline for submittal of proposals and will make a reasonable effort to give at least three (3) calendar days written notice of any such postponement to all prospective Proposers through *PublicPurchase*.

9. PROTESTS. Proposers that are not selected may protest any recommendation for selection of award in accordance with the proceedings established pursuant to the City's bid protest procedures, as codified in Sections 2-370 and 2-371 of the City Code (the City's Bid Protest Ordinance). Protest not timely made pursuant to the requirements of the City's Bid Protest Ordinance shall be barred.

10. JOINT VENTURES / SINGLE PURPOSE ENTITY.

a. **Joint Ventures Permitted for Proposal Submissions.** For purposes of the Proposal submission and evaluation, a Proposer may form a joint venture entity and the owner/members of the joint venture shall be deemed to be the Proposer (i.e. the joint venture members with an ownership interest in the joint venture may meet the qualification requirement collectively). If the Proposer is a joint venture, the joint venture's Proposal shall contain an executed Proposal Certification Questionnaire and Requirements Affidavit from each of the owner/members of the joint venture participating in the Proposal. If awarded the RFP, the ownership interests of each member of the joint venture entity shall be disclosed, as provided for in the Lease (attached as Appendix G hereto).

b. **Successful Proposer Required to Create Single Purpose Entity to Serve as Contract Entity.** The successful Proposer shall be required to, prior to execution of the Lease, create a single purpose entity (such as a limited liability company) to serve as the entity that enters into the Lease with the City, and shall be the vehicle through which the Developer raises the capital/equity commitments from investors for the Project, subject to the City's rights in and to the Project. If the successful Proposer is a joint venture entity, and the joint venture entity is not a single purpose entity, the joint venture shall be required to create a single purpose entity to serve as the entity that enters into the Lease, as applicable.

11. VETERAN BUSINESS ENTERPRISES PREFERENCE. Pursuant to City Code Section 2-374, the City shall give a preference to a responsive and responsible Proposer which is a small business concern owned and controlled by a veteran(s) or which is a service-disabled veteran business enterprise, and which is within five percent (5%) of the lowest responsive, responsible proposer, by providing such proposer an opportunity of providing said goods or contractual services for the lowest responsive proposal amount (or in this RFP, the highest proposal amount). Whenever, as a result of the foregoing preference, the adjusted prices of two (2) or more proposers which are a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise constitute the lowest proposal pursuant to an RFP or oral or written request for quotation, and such proposals are responsive, responsible and otherwise equal with respect to quality and service, then the award shall be made to the service-disabled veteran business enterprise.

12. POSTPONEMENT/CANCELLATION/ACCEPTANCE/REJECTION. The City may, at its sole and absolute discretion, reject any and all, or parts of any and all, responses; re-advertise this RFP; postpone or cancel, at any time, this RFP process; or waive any irregularities in this RFP, or in any responses received as a result of this RFP. Reasonable efforts will be made to either award the proposer the contract or reject all proposals within one-hundred twenty (120) calendar days after proposal opening date. In accordance with Section 47 below, a Proposer may withdraw its proposal after expiration of one hundred twenty (120) calendar days from the date of proposal opening, by delivering written notice of withdrawal to the Procurement Department as provided in Section 47 below.

13. COSTS INCURRED BY PROPOSERS. All expenses involved with the preparation and submission of Proposals, or any work performed in connection therewith, shall be the sole responsibility (and shall be at the sole cost and expense) of the Proposer, and shall not be reimbursed by the City.

14. RELATIONSHIP TO THE CITY. It is the intent of the City, and Proposers hereby acknowledge and agree, that the successful Proposer is considered to be an independent contractor, and that neither the Proposer, nor the Proposer's employees, agents, and/or contractors, shall, under any circumstances, be considered employees or agents of the City.

15. OCCUPATIONAL HEALTH AND SAFETY. In compliance with Chapter 442, Florida Statutes, any toxic substance listed in Section 38F-41.03 of the Florida Administrative Code delivered as a result of this proposal must be accompanied by a Material Safety Data Sheet (MSDS) which may be obtained from the manufacturer.

16. ENVIRONMENTAL REGULATIONS. The City reserves the right to consider a Proposer's history of citations and/or violations of environmental regulations in investigating a Proposer's responsibility, and further reserves the right to declare a Proposer not responsible if the history of violations warrants such determination in the opinion of the City. Proposer shall submit with its proposal, a complete history of all citations and/or violations, notices and dispositions thereof. The non-submission of any such documentation shall be deemed to be an affirmation by the Proposer that there are no citations or violations. Proposer shall notify the City immediately of notice of any citation or violation which proposer may receive after the proposal opening date and during the time of performance of any contract awarded to it.

17. TAXES. The City of Miami Beach is exempt from all Federal Excise and State taxes.

18. MISTAKES. Proposers are expected to examine the terms, conditions, specifications, delivery schedules, proposed pricing, and all instructions pertaining to the goods and services relative to this RFP. Failure to do so will be at the Proposer's risk and may result in the Proposal being non-responsive.

19. PAYMENT. Payment will be made by the City after the goods or services have been received, inspected, and found to comply with contract, specifications, free of damage or defect, and are properly invoiced. Invoices must be consistent with Purchase Order format.

20. COPYRIGHT, PATENTS & ROYALTIES. Proposer shall indemnify and save harmless the City of Miami Beach, Florida, and its officers, employees, contractors, and/or agents, from liability of any nature or kind, including cost and expenses for, or on account of, any copyrighted, patented, or unpatented invention, process, or article manufactured or used in the performance of the contract, including its use by the City of Miami Beach, Florida. If the Proposer uses any design, device or materials covered by letters, patent, or copyright, it is mutually understood and agreed, without exception, that the proposal prices shall include all royalties or cost arising from the use of such design, device, or materials in any way involved in the work.

21. DEFAULT. Failure or refusal of the successful Proposer to execute a contract following approval of such contract by the City Commission, or

untimely withdrawal of a proposal response before such award is made and approved, may result in a claim for damages by the City, and may be grounds for removing the Proposer from the City's vendor list.

22. MANNER OF PERFORMANCE. Proposer agrees to perform its duties and obligations in a professional manner and in accordance with all applicable Local, State, County, and Federal laws, rules, regulations and codes. Lack of knowledge or ignorance by the Proposer with/of applicable laws will in no way be a cause for relief from responsibility. Proposer agrees that the work and services provided shall be provided by employees that are educated, trained, experienced, certified, and licensed in all areas encompassed within their designated duties. Proposer agrees to furnish to the City any and all documentation, certification, authorization, license, permit, or registration currently required by applicable laws, rules, and regulations. Proposer further certifies that it and its employees will keep all licenses, permits, registrations, authorizations, or certifications required by applicable laws or regulations in full force and effect during the term of this contract. Failure of Proposer to comply with this paragraph shall constitute a material breach of this contract.

Where Developer is required to enter or go on to City of Miami Beach property to deliver materials or perform work or services as a result of any contract resulting from this solicitation, the Developer will assume the full duty, obligation and expense of obtaining all necessary licenses, permits, and insurance, and assure all work complies with all applicable laws. The Developer shall be liable for any damages or loss to the City occasioned by negligence of the Developer, or its officers, employees, contractors, and/or agents, for failure to comply with applicable laws.

23. SPECIAL CONDITIONS. Any and all Special Conditions that may vary from these General Terms and Conditions shall have precedence.

24. NON-DISCRIMINATION. The Proposer certifies that it is in compliance with the non-discrimination clause contained in Section 202, Executive Order 11246, as amended by Executive Order 11375, relative to equal employment opportunity for all persons without regard to race, color, religion, sex or national origin. In accordance with the City's Human Rights Ordinance, codified in Chapter 62 of the City Code, Proposer shall prohibit discrimination by reason of race, color, national origin, religion, sex, intersexuality, gender identity, sexual orientation, disability, marital and familial status, age, ancestry, height, weight, domestic partner status, labor organization membership, familial situation, and political affiliation.

25. DEMONSTRATION OF COMPETENCY. The City may consider any evidence available regarding the financial, technical, and other qualifications and abilities of a Proposer, including past performance (experience) in making an award that is in the best interest of the City, including:

- A. Pre-award inspection of the Proposer's facility may be made prior to the award of contract.
- B. Proposals will only be considered from firms which are regularly engaged in the business of providing the goods and/or services as described in this solicitation.
- C. Proposers must be able to demonstrate a good record of performance for a reasonable period of time, and have sufficient financial capacity, equipment, and organization to ensure that they can satisfactorily perform the services if awarded a contract under the terms and conditions of this solicitation.
- D. The terms "equipment and organization", as used herein shall, be construed to mean a fully-equipped and well-established company in line with the best business practices in the industry, and as determined by the City.
- E. The City may consider any evidence available regarding the financial, technical, and other qualifications and abilities of a Proposer, including past performance (experience), in making an award that is in the best interest of the City.

F. The City may require Proposer to show proof that it has been designated as authorized representatives of a manufacturer or supplier, which is the actual source of supply. In these instances, the City may also require material information from the source of supply regarding the quality, packaging, and characteristics of the products to be supply to the City.

26. ASSIGNMENT. The successful Proposer shall not assign, transfer, convey, sublet or otherwise dispose of the contract, including any or all of its right, title or interest therein, or his/her or its power to execute such contract, to any person, company or corporation, without the prior written consent of the City.

27. LAWS, PERMITS AND REGULATIONS. The Proposer shall obtain and pay for all licenses, permits, and inspection fees required to complete the work and shall comply with all applicable laws.

28. OPTIONAL CONTRACT USAGE. When the successful Proposer is in agreement, other units of government or non-profit agencies may participate in purchases pursuant to the award of this contract at the option of the unit of government or non-profit agency.

29. VOLUME OF WORK. To the extent applicable, it is the intent of the City to purchase the goods and services specifically listed in this solicitation. However, the City reserves the right to purchase any goods or services awarded from State or other governmental contracts, or on an as-needed basis through the City's spot market purchase provisions.

30. DISPUTES. In the event of a conflict between the documents, the order of priority of the documents shall be as follows:

- A. Any contract or agreement resulting from the award of this solicitation; then
- B. Addendum issued for this solicitation, with the latest Addendum taking precedence; then
- C. The solicitation; then
- D. The Proposer's proposal in response to the solicitation.

31. INDEMNIFICATION. The Developer shall indemnify and hold harmless the City and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorney's fees and costs of defense, which the City or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of the agreement by the Developer or its employees, agents, servants, partners, principals or subcontractors. The Developer shall pay all claims and losses in connection therewith, and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the City, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may be incurred thereon. The Developer expressly understands and agrees that any insurance protection required by any agreement with the City or otherwise provided by the Developer shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City or its officers, employees, agents and instrumentalities as herein provided. The above indemnification provisions shall survive the expiration or termination of this Agreement.

32. FLORIDA PUBLIC RECORDS LAW. Proposers are hereby notified that all Proposals including, without limitation, any and all information and documentation submitted therewith, are exempt from public records requirements under Section 119.07(1), Florida Statutes, and s. 24(a), Art. 1 of the State Constitution until such time as the City provides notice of an intended decision or until thirty (30) days after opening of the proposals, whichever is earlier. Additionally, Developer agrees to be in full compliance with Florida Statute 119.0701 including, but not limited to, agreement to (a) Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the services; (b) provide the public with

access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law; (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; (d) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the Developer upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.

33. OBSERVANCE OF LAWS. Proposers are expected to be familiar with, and comply with, all Federal, State, County, and City laws, ordinances, codes, rules and regulations, and all orders and decrees of bodies or tribunals having jurisdiction or authority which, in any manner, may affect the scope of services and/or project contemplated by this RFP (including, without limitation, the Americans with Disabilities Act, Title VII of the Civil Rights Act, the EEOC Uniform Guidelines, and all EEO regulations and guidelines). Ignorance of the law(s) on the part of the Proposer will in no way relieve it from responsibility for compliance.

34. CONFLICT OF INTEREST. All Proposers must disclose, in their Proposal, the name(s) of any officer, director, agent, or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of Miami Beach. Further, all Proposers must disclose the name of any City employee who owns, either directly or indirectly, an interest of ten (10%) percent or more in the Proposer entity or any of its affiliates.

35. MODIFICATION/WITHDRAWALS OF PROPOSALS. A Proposer may submit a modified Proposal to replace all or any portion of a previously submitted Proposal up until the Proposal due date and time. Modifications received after the Proposal due date and time will not be considered. Proposals shall be irrevocable until contract award unless withdrawn in writing prior to the Proposal due date, or after expiration of 120 calendar days from the opening of Proposals without a contract award. Letters of withdrawal received after the Proposal due date and before said expiration date, and letters of withdrawal received after contract award will not be considered.

36. EXCEPTIONS TO RFP. Proposers must clearly indicate any exceptions they wish to take to any of the terms in this RFP, and outline what, if any, alternative is being offered. All exceptions and alternatives shall be included and clearly delineated, in writing, in the Proposal. The City, at its sole and absolute discretion, may accept or reject any or all exceptions and alternatives. In cases in which exceptions and alternatives are rejected, the City shall require the Proposer to comply with the particular term and/or condition of the RFP to which Proposer took exception to (as said term and/or condition was originally set forth in the RFP and any exhibits or Addenda thereto).

37. ACCEPTANCE OF GIFTS, FAVORS, SERVICES. Proposers shall not offer any gratuities, favors, or anything of monetary value to any official, employee, or agent of the City, for the purpose of influencing consideration of this Proposal. Pursuant to Sec. 2-449 of the City Code, no officer or employee of the City shall accept any gift, favor or service that might reasonably tend improperly to influence him in the discharge of his official duties.

38. SUPPLEMENTAL INFORMATION. City reserves the right to request supplemental information from Proposers at any time during the RFP solicitation process, unless otherwise noted herein.

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SECTION 0300 PHASE I PROPOSAL SUBMITTAL INSTRUCTIONS AND FORMAT

1. PHASE I – QUALIFICATIONS. Phase I shall consider the qualifications of each responsive firms that submits a proposal. Only those firms that are deemed to be qualified and are short-listed, in accordance with Section 0400, Sub-section 6, shall be allowed to participate in Phase II for technical and financial proposals. Following the conclusion of Phase I, the City will issue an addendum to all short-listed proposers to initiate Phase II. Firms that are not short-listed will not participate in Phase II.

2. SEALED RESPONSES. One original Proposal (preferably in 3-ring binder) must be submitted in an opaque, sealed envelope or container on or before the due date established for the receipt of proposals. Additionally, ten (10) bound copies and one (1) electronic format (CD or USB format) are to be submitted. The following information should be clearly marked on the face of the envelope or container in which the proposal is submitted: solicitation number, solicitation title, Proposer name, Proposer return address. Proposals received electronically, either through email or facsimile, are not acceptable and will be rejected.

3. LATE BIDS. Phase I Proposals are to be received on or before the due date established herein for the receipt of Bids. **Any Bid received after the deadline established for receipt of proposals will be considered late and not be accepted or will be returned to Proposer unopened.** The City does not accept responsibility for any delays, natural or otherwise.

4. PHASE I PROPOSAL FORMAT. In order to maintain comparability, facilitate the review process and assist the Evaluation Committee in review of proposals, it is strongly recommended that proposals be organized and tabbed in accordance with the sections and manner specified below. Hard copy submittal should be tabbed as enumerated below and contain a table of contents with page references. Electronic copies should also be tabbed and contain a table of contents with page references.

TAB 1	Cover Letter & Minimum Qualifications Requirements
<p>1.1 Cover Letter and Table of Contents. The cover letter must indicate Prime Proposer and Prime Proposer Primary Contact for the purposes of this solicitation.</p>	
<p>1.2 Response Certification, Questionnaire & Requirements Affidavit (Appendix A). Attach Appendix A fully completed and executed.</p>	
<p>1.3 Minimum Qualifications Requirements. Submit verifiable information documenting compliance with the minimum qualifications requirements established in Appendix C, Minimum Requirements and Specifications, as required herein.</p>	
<p>1.3.1 Request for Qualification Similar Experience. For each project that complies with the minimum requirements on Appendix C, Section C1, submit project name, total contract award amount, completion date, scope of work, project contact information (phone and email); and Prime Proposer's role in project.</p>	

TAB 2 Project Team

Prime Proposer shall submit a design-build team organizational structure that has a sufficient number of professionals and other personnel to perform the work, including:

- 2.1 Organizational Chart.** An organizational chart depicting the structure and lines of authority and communication. A narrative that describes the intended structure regarding project management, accountability and compliance with the terms of the RFP.
- 2.2 Key Personnel.** Identify all key personnel, including the Project Manager, who will be assigned to the Project and their intended functions and responsibilities. Also indicate the percentage of time commitment of each key person on this Project.
- 2.3 Resumes.** Resumes of the team's key personnel who will be assigned to the Project that demonstrate their experience and qualifications, education and performance record. The Prime Proposer shall include the above- listed information for the following proposed project team members.
- 2.4 Evidence of Prior Working Experience.** Submit evidence that the proposed team has successfully collaborated on prior projects. For each project, submit project name, brief description of project, date of completion, owner's representative, and owner's representative contact information.
- 2.5 Other.** Provide any other information the Proposer believes will help the City understand and evaluate the team's capabilities.

TAB 3 Prime Proposer Experience & Qualifications

Qualifications of Firm. Describe experience and qualifications of the Prime Respondent in providing the services detailed herein.

- 3.1 Company Information:** Provide background information, including company history, years in business, number of employees, and any other information communicating capabilities and experience.
- 3.2 Company's List of Similar Experience and Qualifications:** Provide a list of the company's experience and qualifications with the services detailed herein. Provide a table that includes the following information: agency name, project name, type of project (right-of-way, design/build, etc.), percentage completed, anticipated completion date, and firm's role (i.e. design/build, lead designer, lead constructor).
- 3.3 Relevant Experience:** Summarize (3) of the company's most similar projects similar in size and Scope. Similar in size and Scope shall be interpreted to mean rehabilitation/development of a vacant multi-family residential Property with approximately 55,000 square feet including design, construction, financing, operation and management.
 - 3.3.1** Complete project description;
 - 3.3.2** Approved permit set of drawings for building construction;
 - 3.3.3** Final budget; and
 - 3.3.4** Any other documentation that demonstrates similar experience and qualifications.
 - 3.3.5** Three (3) References with contact information (including name, address, telephone number and e-mail address).
- 3.4 Renovation or New Construction Design and Compatibility Experience:** The proposer shall demonstrate experience in the area of forward thinking, context sensitive architectural design. Specifically, examples of previously designed and built projects shall be provided substantiating how such renovation or new construction and additions successfully integrate with existing, historic buildings. Additionally, the Proposer shall demonstrate the ability to design new buildings that are resilient, sustainable and utilize a design language of its time, which is compatible with the existing structures.

TAB 4

Financial Capability (SUBMIT IN A SEPARATE ENVELOPE)

The information contained in Tab 4 is for the purpose of the City Manager's due diligence and shall not be evaluated by the Evaluation Committee.

4.1 Prime Proposers must demonstrate the financial capacity to obtain or finance the Project envisioned for the Project site:

4.1.1 Proposers shall provide their most recent Financial Statements as of a date not earlier than the end of the Proposer's preceding official tax accounting period and/or fiscal year, together with a statement in writing, signed by a duly authorized representative, stating that the Proposer's present financial condition is materially the same as that shown on the balance sheet and income statement submitted, or with an explanation for any material change in the financial condition. Proposals that do not include Audited Financial Statements will be deemed non-responsive.

4.1.2 Within three (3) business days of request by the City, each Proposer shall arrange for Dun & Bradstreet to submit a Supplier Qualification Report (SQR) directly to the Procurement Contact named herein. No proposal will be considered without receipt, by the City, of the SQR directly from Dun & Bradstreet. The cost of the preparation of the SQR shall be the responsibility of the Proposer. The Proposer shall request the SQR report from D&B at:

<https://supplierportal.dnb.com/webapp/wcs/stores/servlet/SupplierPortal?storeId=11696>

Proposers are responsible for the accuracy of the information contained in its SQR. It is highly recommended that each Proposer review the information contained in its SQR for accuracy prior to submittal to the City and as early as possible in the solicitation process. For assistance with any portion of the SQR submittal process, contact Dun & Bradstreet at 800-424-2495.

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SECTION 0400

PHASE I PROPOSAL EVALUATION

1. Evaluation Committee. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each Proposal in accordance with the requirements set forth in the solicitation. If further information is desired, Proposers may be requested to make additional written submissions of a clarifying nature or oral presentations to the Evaluation Committee. The evaluation of proposals will proceed in a two-step process as noted below. It is important to note that the Evaluation Committee will score the qualitative portions of the proposals only. The Evaluation Committee does not make an award recommendation to the City Manager. The results of Step 1 & Step 2 Evaluations will be forwarded to the City Manager who will utilize the results to make a recommendation to the City Commission. In the event that only one responsive proposal is received, the City Manager, after determination that the sole responsive proposal materially meets the requirements of the RFP, may, without an evaluation committee, recommend to the City Commission that the Administration enter into negotiations. The City, in its discretion, may utilize technical or other advisers to assist the evaluation committee in the evaluation of proposals.

2. Phase I – Step 1 Evaluation (Qualitative Criteria). Responsive proposals shall be evaluated in accordance with the following criteria.

Step 1 - Qualitative Criteria	Maximum Points
Project Team	50
Prime Proposer Experience and Qualifications	50
TOTAL AVAILABLE STEP 1 POINTS	100

3. Phase I – Step 2 Evaluation (Quantitative Criteria). Following the results of Step 1 Evaluation of qualitative criteria, the Proposers may receive additional quantitative criteria points to be added by the Procurement Department to those points earned in Step 1, as follows.

Step 2 - Quantitative Criteria	Maximum Points
Veterans Preference	5
TOTAL AVAILABLE STEP 2 POINTS	5

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5. Determination of Final Ranking. At the conclusion of the Evaluation Committee Step 1 scoring, Step 2 Points will be added to each evaluation committee member's scores by the Procurement Department. Step 1 and 2 scores will be converted to rankings in accordance with the example below:

		Proposer A	Proposer B	Proposer C
Committee Member 1	Step 1 Points	82	76	80
	Step 2 Points	22	15	12
	Total	104	91	92
	Rank	1	3	2
Committee Member 2	Step 1 Points	79	85	72
	Step 2 Points	22	15	12
	Total	101	100	84
	Rank	1	2	3
Committee Member 2	Step 1 Points	80	74	66
	Step 2 Points	22	15	12
	Total	102	89	78
	Rank	1	2	3
Low Aggregate Score		3	7	8
Final Ranking*		1	2	3

* Final Ranking is presented to the City Manager for further due diligence and recommendation to the City Commission. Final Ranking does not constitute an award recommendation until such time as the City Manager has made his recommendation to the City Commission, which may be different than final ranking results.

6. Short-listing of Firms Eligible to Participate in Phase II. At the conclusion of Phase I evaluation, the City Manager may short-list all firms to participate in Phase II or may recommend to the City Commission that one or more of the firms be short-listed for Phase II.

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SECTION 0500

PHASE II PROPOSAL SUBMITTAL INSTRUCTIONS AND FORMAT

1. PHASE II – TECHNICAL AND FINANCIAL PROPOSALS. Following the conclusion of Phase I, the City will issue an addendum to all short-listed proposers to initiate Phase II. Short-listed Proposers will have approximately 60 days to complete their Phase II Proposals. The information provided herein for Sections 0500 (Phase II Proposal Format) and 0600 (Phase II Evaluation Process) may be amended during the Phase II process.

2. SEALED RESPONSES. One original Proposal (preferably in 3-ring binder) must be submitted in an opaque, sealed envelope or container on or before the due date established for the receipt of proposals. Additionally, ten (10) bound copies and one (1) electronic format (CD or USB format) are to be submitted. The following information should be clearly marked on the face of the envelope or container in which the proposal is submitted: solicitation number, solicitation title, Proposer name, Proposer return address. Proposals received electronically, either through email or facsimile, are not acceptable and will be rejected.

3. LATE BIDS. Phase II Proposals are to be received on or before the due date established herein for the receipt of Bids. **Any Bid received after the deadline established for receipt of proposals will be considered late and not be accepted or will be returned to Proposer unopened.** The City does not accept responsibility for any delays, natural or otherwise.

4. PHASE II PROPOSAL FORMAT. In order to maintain comparability, facilitate the review process and assist the Evaluation Committee in review of proposals, it is strongly recommended that proposals be organized and tabbed in accordance with the sections and manner specified below. Hard copy submittal should be tabbed as enumerated below and contain a table of contents with page references. Electronic copies should also be tabbed and contain a table of contents with page references.

TAB 1	Programming
1.1 Programming Plan. Provide details on the proposed number and size of units, amenities, common spaces, etc.	

TAB 2	Conceptual Design & Resiliency
2.1 Conceptual Design: Provide conceptual architectural elevations and renderings of the proposed Project. It is expected that the conceptual design for the Project will further the City's design standards, and continue the City's legacy as a home to many architecturally significant and historic buildings designed by nationally and internationally-recognized architects. It is further expected that the conceptual design of the Project will be architecturally harmonious with the surrounding area.	
2.2 Resiliency: The Project shall be designed with the objective of meeting LEED Gold certification requirements, in accordance with Chapter 133 of the City Code. In addition, provide Proposer's approach for meeting or exceeding the Resiliency Standards set forth in Appendix E, and specify how the Resiliency Standards are incorporated in the Proposer's conceptual design.	

TAB 3 Approach & Methodology

3.1 Schedule. Provide development schedule outlining key design, construction start, and completion dates.

3.2 Construction Administration. Provide details on construction administration plan, including (but not limited to) phasing options, management of traffic, site considerations, noise mitigation, plans to minimize negative impact on neighborhood.

TAB 4 Operations & Maintenance

4.1 Operations & Maintenance Plan. Submit the O & M plan for the site, including tenant management and detailed maintenance plan. Provide specific examples of current O & M operations for the proposing team that are the same or similar to what is proposed.

TAB 5 Organization Plan / Personnel

5.1 Organizational Plan & Personnel. Submit an organizational structure plan for all phases of the project (design, construction and O & M) that has a sufficient number of professionals and other personnel to perform the work, including:

- 5.1.1** An organizational chart depicting the structure and lines of authority and communication. A narrative that describes the intended structure regarding project management, accountability and compliance with the terms of the RFP.
- 5.1.2** Identify all key personnel, including the Project Manager, who will be assigned to the Project and their intended functions and responsibilities. Also indicate the percentage of time commitment of each key person on this Project.
- 5.1.3** Resumes of the team's key personnel who will be assigned to the Project that demonstrate their experience and qualifications, education and performance record.

TAB 6 Financial Proposal

6.1 Financial Proposal. Summarize your proposal to lease the Site, including 1) percentage rent in the form of a percentage of gross operating revenue, which shall include all revenues and income of any nature derived directly or indirectly from the use or operation of the Site; 2) a schedule of annual proposed fixed minimum rent payment by year for the term, and 3) a summary of any other payments referenced in the Lease, if any. The annual rent paid will be the greater of the percentage rent or the minimum fixed payment.

TAB 7 Finance Plan (SUBMIT IN SEPARATE ENVELOPE)

The information contained in Tab 7 is for the purpose of the City Manager's due diligence and shall not be evaluated by the Evaluation Committee.

5.1 Finance Plan. Specify the planned level of Proposer equity participation, planned level and identification of known third-party equity participation, planned level of third-party equity that needs to be raised, expected financing role of the manager/operator, the structure for and amount of third-party debt, relationships and history with lenders, and the willingness to provide the required level of any anticipated debt guarantees.

- 5.1.1** Proposer shall provide details on how they intend to finance the Project and what resources they intend to utilize. Proposer shall provide a budget to support their conceptual design. If applicable, Letters of Intent from prospective lenders or equity partners shall be submitted with the Proposal. Additionally, Proposers shall provide rates for the team members associated with completion of the conceptual design.

5.2 Operating Pro forma. Provide a 10-year pro forma delineating operating statistics (ADR, occupancy, RevPAR, F&B per occupied room night) operating revenues (Rooms, F&B, Telephone, Parking, other), departmental expenses (Rooms, F&B, Telephone, Parking, other), undistributed expenses (administrative & general, sales & marketing, repairs and maintenance, utilities), fixed expenses (management fees, Insurance, property taxes, site lease), and capital reserves.

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5.3 Capital Cash Flows. Provide a 10-year summary of the capital cash flows delineating net operating income's application to debt, equity, or bond payments, including the calculation of annual leveraged and unleveraged cash-on-cost returns for any privately-owned proposal. Include a summary of all material assumptions, debt service/bonds payment schedules and any other data to assisting in assessing the viability of the proposed plan of finance.

5.4 Preliminary Development Budget. Provide a summary of the development budget for the Project, including estimated construction hard costs, architecture/engineering, furniture, fixtures and equipment (FF&E), development fee, other soft costs and required fees, pre-opening/working capital, art in public places (1.5% of construction costs per City Code Section 82-537), contingency and escalation, financing costs, and any other unique project costs.

5.5 Additional Financial Information.

5.5.1 Proposer must demonstrate a minimum bonding capacity equal to the proposed Project budget as demonstrated by a letter presented in the letterhead of the Surety Company that will bond the Project.

5.5.2 Proposers shall describe any examples of innovative financing arrangements which increased the number of Affordable Workforce Housing units in a rental development project.

TAB 8 Agreements (SUBMIT IN SEPARATE ENVELOPE)

The information contained in Tab 8 is for the purpose of the City Manager's due diligence and shall not be evaluated by the Evaluation Committee.

Provide redline comments to the template Lease Agreement included in Appendix G. Proposers must clearly indicate any exceptions they wish to take to any of the terms, and what, if any, alternative proposed revisions are being offered. All exceptions and alternatives shall be included and clearly delineated by redlining the City's form agreement in this tab. In addition, a redlined Microsoft Word version shall be submitted on a USB Drive. Notwithstanding the foregoing, in no event shall any of the Proposer's terms be inconsistent or in conflict with the Development and Ground Lease Agreement requirements set forth in Section C2 of Appendix C to the RFP. The failure to adhere to the Project Requirements and Development and Ground Lease Agreement requirements shall render a Proposer non-responsive. City reserves the right to reject any proposed exceptions and/or revisions at its sole and absolute discretion.

Acknowledge your acceptance to the template Development and Ground Lease Agreement provided in Appendix G. Revisions to this agreement are not permitted.

SECTION 0600

PHASE II PROPOSAL EVALUATION

1. Evaluation Committee. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each Proposal in accordance with the requirements set forth in the solicitation. If further information is desired, Proposers may be requested to make additional written submissions of a clarifying nature or oral presentations to the Evaluation Committee. The evaluation of proposals will proceed in a two-step process as noted below. It is important to note that the Evaluation Committee will score the qualitative portions of the proposals only. The Evaluation Committee does not make an award recommendation to the City Manager. The results of Step 1 & Step 2 Evaluations will be forwarded to the City Manager who will utilize the results to make a recommendation to the City Commission. In the event that only one responsive proposal is received, the City Manager, after determination that the sole responsive proposal materially meets the requirements of the RFP, may, without an evaluation committee, recommend to the City Commission that the Administration enter into negotiations. The City, in its discretion, may utilize technical or other advisers to assist the evaluation committee in the evaluation of proposals.

2. Step 1 Evaluation. The first step will consist of the qualitative criteria listed below to be considered by the Evaluation Committee. The second step will consist of quantitative criteria established below to be added to the Evaluation Committee results by the Procurement Department. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each Proposal in accordance with the qualifications criteria established below for Step 1, Qualitative Criteria. In doing so, the Evaluation Committee may review and score all proposals received, with or without conducting interview sessions.

Step 1 - Qualitative Criteria	Maximum Points
Programming	30
Conceptual Design & Resiliency	20
Approach and Methodology	10
Operations & Maintenance	10
Organization Plan / Personnel	10
Financial Proposal	20
TOTAL AVAILABLE STEP 1 POINTS	100

3. Step 2 Evaluation. Following the results of Step 1 Evaluation of qualitative criteria, the Proposers may receive additional quantitative criteria points to be added by the Procurement Department to those points earned in Step 1, as follows.

Step 2 - Quantitative Criteria	Maximum Points
Veterans Preference	5
TOTAL AVAILABLE STEP 2 POINTS	5

5. Determination of Final Ranking. At the conclusion of the Evaluation Committee Step 1 scoring, Step 2 Points will be added to each evaluation committee member's scores by the Procurement Department. Step 1 and 2 scores will be converted to rankings in accordance with the example below:

		Proposer A	Proposer B	Proposer C
Committee Member 1	Step 1 Points	82	76	80
	Step 2 Points	22	15	12
	Total	104	91	92
	Rank	1	3	2
Committee Member 2	Step 1 Points	79	85	72
	Step 2 Points	22	15	12
	Total	101	100	84
	Rank	1	2	3
Committee Member 2	Step 1 Points	80	74	66
	Step 2 Points	22	15	12
	Total	102	89	78
	Rank	1	2	3
Low Aggregate Score		3	7	8
Final Ranking*		1	2	3

* Final Ranking is presented to the City Manager for further due diligence and recommendation to the City Commission. Final Ranking does not constitute an award recommendation until such time as the City Manager has made his recommendation to the City Commission, which may be different than final ranking results.

APPENDIX A

Proposal Certification, Questionnaire & Requirements Affidavit

2019-098-KB
FOR THE DEVELOPMENT OF THE
BARCLAY WORKFORCE HOUSING
PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

Solicitation No: 2019-098-KB	Solicitation Title: FOR THE DEVELOPMENT OF THE BARCLAY WORKFORCE HOUSING PROJECT	
Procurement Contact: Kristy Bada	Tel: 305-673-7490	Email: kristybada@miamibeachfl.gov

PROPOSAL CERTIFICATION, QUESTIONNAIRE & REQUIREMENTS AFFIDAVIT

Purpose: The purpose of this Proposal Certification, Questionnaire and Requirements Affidavit Form is to inform prospective Proposers of certain solicitation and contractual requirements, and to collect necessary information from Proposers in order that certain portions of responsiveness, responsibility and other determining factors and compliance with requirements may be evaluated. **This Proposal Certification, Questionnaire and Requirements Affidavit Form is a REQUIRED FORM that must be submitted fully completed and executed.**

1. General Proposer Information.

FIRM NAME:		
NO. OF YEARS IN BUSINESS:	NO. OF YEARS IN BUSINESS LOCALLY:	NO. OF EMPLOYEES:
OTHER NAME(S) PROPOSER HAS OPERATED UNDER IN THE LAST 10 YEARS:		
FIRM PRIMARY ADDRESS (HEADQUARTERS):		
CITY:		
STATE:	ZIP CODE:	
TELEPHONE NO.:		
TOLL FREE NO.:		
FAX NO.:		
FIRM LOCAL ADDRESS:		
CITY:		
STATE:	ZIP CODE:	
PRIMARY ACCOUNT REPRESENTATIVE FOR THIS ENGAGEMENT:		
ACCOUNT REP TELEPHONE NO.:		
ACCOUNT REP TOLL FREE NO.:		
ACCOUNT REP EMAIL:		
FEDERAL TAX IDENTIFICATION NO.:		

The City reserves the right to seek additional information from Proposer or other source(s), including but not limited to: any firm or principal information, applicable licensure, resumes of relevant individuals, client information, financial information, or any information the City deems necessary to evaluate the capacity of the Proposer to perform in accordance with contract requirements.

1. **Veteran Owned Business.** Is Proposer claiming a veteran owned business status?
 YES NO

SUBMITTAL REQUIREMENT: Proposers claiming veteran owned business status shall submit a documentation proving that firm is certified as a veteran-owned business or a service-disabled veteran owned business by the State of Florida or United States federal government, as required pursuant to ordinance 2011-3748.

2. **Conflict Of Interest.** All Proposers must disclose, in their Proposal, the name(s) of any officer, director, agent, or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of Miami Beach. Further, all Proposers must disclose the name of any City employee who owns, either directly or indirectly, an interest of ten (10%) percent or more in the Proposer entity or any of its affiliates.

SUBMITTAL REQUIREMENT: Proposers must disclose the name(s) of any officer, director, agent, or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of Miami Beach. Proposers must also disclose the name of any City employee who owns, either directly or indirectly, an interest of ten (10%) percent or more in the Proposer entity or any of its affiliates

3. **References & Past Performance.** Proposer shall submit at least three (3) references for whom the Proposer has completed work similar in size and nature as the work referenced in solicitation.

SUBMITTAL REQUIREMENT: For each reference submitted, the following information is required: 1) Firm Name, 2) Contact Individual Name & Title, 3) Address, 4) Telephone, 5) Contact's Email and 6) Narrative on Scope of Services Provided.

4. **Suspension, Debarment or Contract Cancellation.** Has Proposer ever been debarred, suspended or other legal violation, or had a contract cancelled due to non-performance by any public sector agency?
 YES NO

SUBMITTAL REQUIREMENT: If answer to above is "YES," Proposer shall submit a statement detailing the reasons that led to action(s).

5. **Vendor Campaign Contributions.** Proposers are expected to be or become familiar with, the City's Campaign Finance Reform laws, as codified in Sections 2-487 through 2-490 of the City Code. Proposers shall be solely responsible for ensuring that all applicable provisions of the City's Campaign Finance Reform laws are complied with, and shall be subject to any and all sanctions, as prescribed therein, including disqualification of their Proposals, in the event of such non-compliance.

SUBMITTAL REQUIREMENT: Submit the names of all individuals or entities (including your sub-consultants) with a controlling financial interest as defined in solicitation. For each individual or entity with a controlling financial interest indicate whether or not each individual or entity has contributed to the campaign either directly or indirectly, of a candidate who has been elected to the office of Mayor or City Commissioner for the City of Miami Beach.

6. **Code of Business Ethics.** Pursuant to City Resolution No.2000-23879, each person or entity that seeks to do business with the City shall adopt a Code of Business Ethics ("Code") and submit that Code to the Procurement Department with its proposal/response or within five (5) days upon receipt of request. The Code shall, at a minimum, require the Proposer, to comply with all applicable governmental rules and regulations including, among others, the conflict of interest, lobbying and ethics provision of the City of Miami Beach and Miami Dade County.

SUBMITTAL REQUIREMENT: Proposer shall submit firm's Code of Business Ethics. In lieu of submitting Code of Business Ethics, Proposer may submit a statement indicating that it will adopt, as required in the ordinance, the City of Miami Beach Code of Ethics, available at <http://www.miamibeachfl.gov/city-hall/procurement/procurement-related-ordinance-and-procedures/>

7. ~~Living Wage.~~ Pursuant to Section 2-408 of the City of Miami Beach Code, as same may be amended from time to time, covered employees shall be paid the required living wage rates listed below:

1. ~~Effective January 1, 2018, covered employees must be paid a living wage rate of no less than \$11.62 per hour with health care benefits of at least \$2.26 per hour, or a living wage rate of no less than \$13.88 per hour without health care benefits.~~
2. ~~Effective January 1, 2019, covered employees must be paid a living wage rate of no less than \$11.70 per hour with health care benefits of at least \$2.74 per hour, or a living wage rate of no less than \$14.44 per hour without health care benefits.~~
3. ~~Effective January 1, 2020, covered employees must be paid a living wage rate of no less than \$11.78 per hour with health care benefits of at least \$3.22 per hour, or a living wage rate of no less than \$15.00 per hour without health care benefits.~~

The living wage rate and health care benefits rate may, by Resolution of the City Commission be indexed annually for inflation using the Consumer Price Index for all Urban Consumers (CPI-U) Miami/Ft. Lauderdale, issued by the U.S. Department of Labor's Bureau of Labor Statistics. Notwithstanding the preceding, no annual index shall exceed three percent (3%). The City may also, by resolution, elect not to index the living wage rate in any particular year, if it determines it would not be fiscally sound to implement same (in a particular year).

Proposers' failure to comply with this provision shall be deemed a material breach under this proposal, under which the City may, at its sole option, immediately deem said Proposer as non responsive, and may further subject Proposer to additional penalties and fines, as provided in the City's Living Wage Ordinance, as amended. Further information on the Living Wage requirement is available at <http://www.miamibeachfl.gov/city-hall/procurement/procurement-related-ordinance-and-procedures/>

SUBMITTAL REQUIREMENT: No additional submittal is required. By virtue of executing this affidavit document, Proposer agrees to the living wage requirement. Any payroll request made by the City during the contract term shall be completed electronically via the City's electronic compliance portal, LCP Tracker (LCPTracker.net).

8. **Equal Benefits for Employees with Spouses and Employees with Domestic Partners.** When awarding competitively solicited contracts valued at over \$100,000 whose contractors maintain 51 or more full time employees on their payrolls during 20 or more calendar work weeks, the Equal Benefits for Domestic Partners Ordinance 2005-3494 requires certain contractors doing business with the City of Miami Beach, who are awarded a contract pursuant to competitive proposals, to provide "Equal Benefits" to their employees with domestic partners, as they provide to employees with spouses. The Ordinance applies to all employees of a Contractor who work within the City limits of the City of Miami Beach, Florida; and the Contractor's employees located in the United States, but outside of the City of Miami Beach limits, who are directly performing work on the contract within the City of Miami Beach.

- A. Does your company provide or offer access to any benefits to employees with spouses or to spouses of employees?
 YES NO
- B. Does your company provide or offer access to any benefits to employees with (same or opposite sex) domestic partners* or to domestic partners of employees?
 YES NO
- C. Please check all benefits that apply to your answers above and list in the "other" section any additional benefits not already specified. Note: some benefits are provided to employees because they have a spouse or domestic partner, such as bereavement leave; other benefits are provided directly to the spouse or domestic partner, such as medical insurance.

BENEFIT	Firm Provides for Employees with Spouses	Firm Provides for Employees with Domestic Partners	Firm does not Provide Benefit
Health			
Sick Leave			
Family Medical Leave			
Bereavement Leave			

If Proposer cannot offer a benefit to domestic partners because of reasons outside your control, (e.g., there are no insurance providers in your area willing to offer domestic partner coverage) you may be eligible for Reasonable Measures compliance. To comply on this basis, you must agree to pay a cash equivalent and submit a completed Reasonable Measures Application (attached) with all necessary documentation. Your Reasonable Measures Application will be reviewed for consideration by the City Manager, or his designee. Approval is not guaranteed and the City Manager's decision is final. Further information on the Equal Benefits requirement is available at <http://www.miamibeachfl.gov/city-hall/procurement/procurement-related-ordinance-and-procedures/>

9. **Public Entity Crimes.** Section 287.133(2)(a), Florida Statutes, as currently enacted or as amended from time to time, states that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a proposal, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit proposals, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

SUBMITTAL REQUIREMENT: No additional submittal is required. By virtue of executing this affidavit document, Proposer agrees with the requirements of Section 287.133, Florida Statutes, and certifies it has not been placed on convicted vendor list.

10. **Non-Discrimination.** Pursuant to City Ordinance No.2016-3990, the City shall not enter into a contract with a business unless the business represents that it does not and will not engage in a boycott as defined in Section 2-375(a) of the City Code, including the blacklisting, divesting from, or otherwise refusing to deal with a person or entity when such action is based on race, color, national origin, religion, sex, intersexuality, gender identity, sexual orientation, marital or familial status, age or disability.

SUBMITTAL REQUIREMENT: No additional submittal is required. By virtue of executing this affidavit document, Proposer agrees it is and shall remain in full compliance with Section 2-375 of the City of Miami Beach City Code.

11. **Moratorium on Travel to and the Purchase of Goods or Services from North Carolina and Mississippi.** Pursuant to Resolution 2016-29375, the City of Miami Beach, Florida, prohibits official City travel to the states of North Carolina and Mississippi, as well as the purchase of goods or services sourced in North Carolina and Mississippi. Proposer shall agree that no travel shall occur on behalf of the City to North Carolina or Mississippi, nor shall any product or services it provides to the City be sourced from these states.

SUBMITTAL REQUIREMENT: No additional submittal is required. By virtue of executing this affidavit document, Proposer agrees it is and shall remain in full compliance with Resolution 2016-29375.

12. **Fair Chance Requirement.** Pursuant to Section 2-376 of the City Code, the City shall not enter into any contract resulting from a competitive solicitation, unless the proposer certifies in writing that the business has adopted and employs written policies, practices, and standards that are consistent with the City's Fair Chance Ordinance, set forth in Article V of Chapter 62 of the City Code ("Fair Chance Ordinance"), and which, among other things, (i) prohibits City contractors, as an employer, from inquiring about an applicant's criminal history until the applicant is given a conditional offer of employment; (ii) prohibits advertising of employment positions with a statement that an individual with a criminal record may not apply for the position, and (iii) prohibits placing a statement on an employment application that a person with a criminal record may not apply for the position.

SUBMITTAL REQUIREMENT: No additional submittal is required at this time. By virtue of executing this affidavit, Proposer certifies that it has adopted policies, practices and standards consistent with the City's Fair Chance Ordinance. Proposer agrees to provide the City with supporting documentation evidencing its compliance upon request. Proposer further agrees that any breach of the representations made herein shall constitute a material breach of contract, and shall entitle the City to the immediate termination for cause of the agreement, in addition to any damages that may be available at law and in equity.

13. **Acknowledgement of Addendum.** After issuance of solicitation, the City may release one or more addendum to the solicitation which may provide additional information to Proposers or alter solicitation requirements. The City will strive to reach every Proposer having received solicitation through the City's e-procurement system, PublicPurchase.com. However, Proposers are solely responsible for assuring they have received any and all addendum issued pursuant to solicitation. This Acknowledgement of Addendum section certifies that the Proposer has received all addendum released by the City pursuant to this solicitation. Failure to obtain and acknowledge receipt of all addenda may result in proposal disqualification.

Initial to Confirm Receipt		Initial to Confirm Receipt		Initial to Confirm Receipt	
	Addendum 1		Addendum 6		Addendum 11
	Addendum 2		Addendum 7		Addendum 12
	Addendum 3		Addendum 8		Addendum 13
	Addendum 4		Addendum 9		Addendum 14
	Addendum 5		Addendum 10		Addendum 15

If additional confirmation of addendum is required, submit under separate cover.

DISCLOSURE AND DISCLAIMER SECTION

The solicitation referenced herein is being furnished to the recipient by the City of Miami Beach (the "City") for the recipient's convenience. Any action taken by the City in response to Proposals made pursuant to this solicitation, or in making any award, or in failing or refusing to make any award pursuant to such Proposals, or in cancelling awards, or in withdrawing or cancelling this solicitation, either before or after issuance of an award, shall be without any liability or obligation on the part of the City.

In its sole discretion, the City may withdraw the solicitation either before or after receiving proposals, may accept or reject proposals, and may accept proposals which deviate from the solicitation, as it deems appropriate and in its best interest. In its sole discretion, the City may determine the qualifications and acceptability of any party or parties submitting Proposals in response to this solicitation.

Following submission of a Bid or Proposal, the applicant agrees to deliver such further details, information and assurances, including financial and disclosure data, relating to the Proposal and the applicant including, without limitation, the applicant's affiliates, officers, directors, shareholders, partners and employees, as requested by the City in its discretion.

The information contained herein is provided solely for the convenience of prospective Proposers. It is the responsibility of the recipient to assure itself that information contained herein is accurate and complete. The City does not provide any assurances as to the accuracy of any information in this solicitation.

Any reliance on these contents, or on any permitted communications with City officials, shall be at the recipient's own risk. Proposers should rely exclusively on their own investigations, interpretations, and analyses. The solicitation is being provided by the City without any warranty or representation, express or implied, as to its content, its accuracy, or its completeness. No warranty or representation is made by the City or its agents that any Proposal conforming to these requirements will be selected for consideration, negotiation, or approval.

The City shall have no obligation or liability with respect to this solicitation, the selection and the award process, or whether any award will be made. Any recipient of this solicitation who responds hereto fully acknowledges all the provisions of this Disclosure and Disclaimer, is totally relying on this Disclosure and Disclaimer, and agrees to be bound by the terms hereof. Any Proposals submitted to the City pursuant to this solicitation are submitted at the sole risk and responsibility of the party submitting such Proposal.

This solicitation is made subject to correction of errors, omissions, or withdrawal from the market without notice. Information is for guidance only, and does not constitute all or any part of an agreement.

The City and all Proposers will be bound only as, if and when a Proposal (or Proposals), as same may be modified, and the applicable definitive agreements pertaining thereto, are approved and executed by the parties, and then only pursuant to the terms of the definitive agreements executed among the parties. Any response to this solicitation may be accepted or rejected by the City for any reason, or for no reason, without any resultant liability to the City.

The City is governed by the Government-in-the-Sunshine Law, and all Proposals and supporting documents shall be subject to disclosure as required by such law. All Proposals shall be submitted in sealed proposal form and shall remain confidential to the extent permitted by Florida Statutes, until the date and time selected for opening the responses. At that time, all documents received by the City shall become public records.

Proposers are expected to make all disclosures and declarations as requested in this solicitation. By submission of a Proposal, the Proposer acknowledges and agrees that the City has the right to make any inquiry or investigation it deems appropriate to substantiate or supplement information contained in the Proposal, and authorizes the release to the City of any and all information sought in such inquiry or investigation. Each Proposer certifies that the information contained in the Proposal is true, accurate and complete, to the best of its knowledge, information, and belief.

Notwithstanding the foregoing or anything contained in the solicitation, all Proposers agree that in the event of a final unappealable judgment by a court of competent jurisdiction which imposes on the City any liability arising out of this solicitation, or any response thereto, or any action or inaction by the City with respect thereto, such liability shall be limited to \$10,000.00 as agreed-upon and liquidated damages. The previous sentence, however, shall not be construed to circumvent any of the other provisions of this Disclosure and Disclaimer which imposes no liability on the City.

In the event of any differences in language between this Disclosure and Disclaimer and the balance of the solicitation, it is understood that the provisions of this Disclosure and Disclaimer shall always govern. The solicitation and any disputes arising from the solicitation shall be governed by and construed in accordance with the laws of the State of Florida.

PROPOSER CERTIFICATION

I hereby certify that: I, as an authorized agent of the Proposer, am submitting the following information as my firm's proposal; Proposer agrees to complete and unconditional acceptance of the terms and conditions of this document, inclusive of this solicitation, all attachments, exhibits and appendices and the contents of any Addenda released hereto, and the Disclosure and Disclaimer Statement; proposer agrees to be bound to any and all specifications, terms and conditions contained in the solicitation, and any released Addenda and understand that the following are requirements of this solicitation and failure to comply will result in disqualification of proposal submitted; Proposer has not divulged, discussed, or compared the proposal with other Proposals and has not colluded with any other proposer or party to any other proposal; proposer acknowledges that all information contained herein is part of the public domain as defined by the State of Florida Sunshine and Public Records Laws; all responses, data and information contained in this proposal, inclusive of the Statement of Qualifications Certification, Questionnaire and Requirements Affidavit are true and accurate.

Name of Proposer 's Authorized Representative:	Title of Proposer 's Authorized Representative:
Signature of Proposer 's Authorized Representative:	Date:

DRAFT

APPENDIX B

MIAMI BEACH

“No Bid” Form

2019-098-KB FOR THE DEVELOPMENT OF THE BARCLAY WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

Note: It is important for those vendors who have received notification of this solicitation but have decided not to respond, to complete and submit the attached “Statement of No Bid.” The “Statement of No Bid” provides the City with information on how to improve the solicitation process. Failure to submit a “Statement of No Bid” may result in not being notified of future solicitations by the City.

Statement of No Bid

WE HAVE ELECTED NOT TO SUBMIT A PROPOSAL AT THIS TIME FOR REASON(S) CHECKED AND/OR INDICATED BELOW:

- Workload does not allow us to proposal
- Insufficient time to respond
- Specifications unclear or too restrictive
- Unable to meet specifications
- Unable to meet service requirements
- Unable to meet insurance requirements
- Do not offer this product/service
- OTHER. (Please specify)

We do do not want to be retained on your mailing list for future proposals of this type product and/or service.

Signature: _____

Title: _____

Legal Company Name: _____

Note: Failure to respond, either by submitting a proposal or this completed form, may result in your company being removed from our vendors list.

PLEASE RETURN TO:
CITY OF MIAMI BEACH
PROCUREMENT DEPARTMENT
ATTN: KRISTY BADA
PROPOSAL #2019-098-KB
1755 MERIDIAN AVENUE, 3rd FLOOR
MIAMI BEACH, FL 33139

APPENDIX C

MIAMI BEACH

Minimum Requirements & Specifications

2019-098-KB
FOR THE DEVELOPMENT OF THE
BARCLAY WORKFORCE HOUSING
PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

C1. Minimum Eligibility Requirements. The Minimum Eligibility Requirements for this solicitation are listed below. Proposer shall submit, the required submittal(s) documenting compliance with each minimum requirement. Proposers that fail to submit the required submittals or fail to comply with minimum requirements shall be deemed non-responsive and shall not have its proposal considered.

1. Prime proposer or team member shall have successfully completed a project similar in size and scope within the last ten (10) years. Similar in size and scope shall be interpreted to mean rehabilitation/development of a vacant multi-family residential property which includes design, construction, financing, operation and management.

Submittal Requirement: For each project, submit project name, brief description of project, date of completion, owner's representative, and owner's representative contact information.

C2. Statement of Work Required.

The City of Miami Beach is seeking proposals for a ground lease with developers for a public/private partnership to design, build, operate, and maintain workforce housing at the current Barclay Plaza Apartments property owned by the City of Miami Beach. Accordingly, the City is seeking a developer with proven experience in the development of similar properties or Projects, and the financial and professional qualifications to deliver high-quality, economically feasible apartment units. The City is interested in evaluating the financial capacity and development experience of each developer to initiate and complete the design-build process of the Barclay Plaza Apartments (Barclay) located at 1940 Park Avenue, Miami Beach, FL 33139 along with a negotiated ground lease agreement dedicated to workforce housing for individuals earning up to 140% of the Area Median Income and employed in the public safety, education and municipal sectors.

This Request for Proposals (RFP) is issued by the City of Miami Beach, Florida (the "City") as the means for prospective qualified developers ("Developers") to submit their qualifications, experience, approach, financial and other terms for the City's consideration, with respect to the development of the Barclay Plaza Apartments, [0.60] acre City-owned site located at [1940 Park Avenue, Miami Beach, FL 33139] (the "Property"), for the development, design, construction, financing, maintenance, and operation of a residential Workforce Housing apartment building serving City of Miami Beach Municipal workers and feeder pattern educators ("Project"). The Project includes the renovation of the existing historical building in accordance with historic preservation requirements. The Project may include the potential development of the existing parking lot on the Property (approximately 24,000 sf remaining FAR), and commercial accessory uses, in accordance with the City's Land Development Regulations and subject to approval by the applicable regulatory boards and the City Commission.

Once the Developer is selected, the City intends to negotiate a Development Agreement and Ground Lease ("Lease") with the Developer. The agreement will be structured as a 50-year initial lease term, with two (2) 20-year renewals. The resulting development should yield the maximum number of units feasible under current zoning and provide the most efficient use of the Property.

2.1 Property Information:

Location: The 3-story Barclay Plaza Apartments is located at 1940 Park Avenue (Site Diagram and Survey provided as Appendix F) across the street from the Miami Beach Convention Center currently undergoing a \$500 million renovation. (A rendering of the East Façade is provided below.)

Lot Size: 26,250 Square Feet.

Folio Number: 02-3234-016-0110

Elevation Certificate: The Property has an estimated elevation of 5.37 NAVD 1988 as stated in the Elevation Certificate as indicated in Appendix F.

2.2 Historical Context:

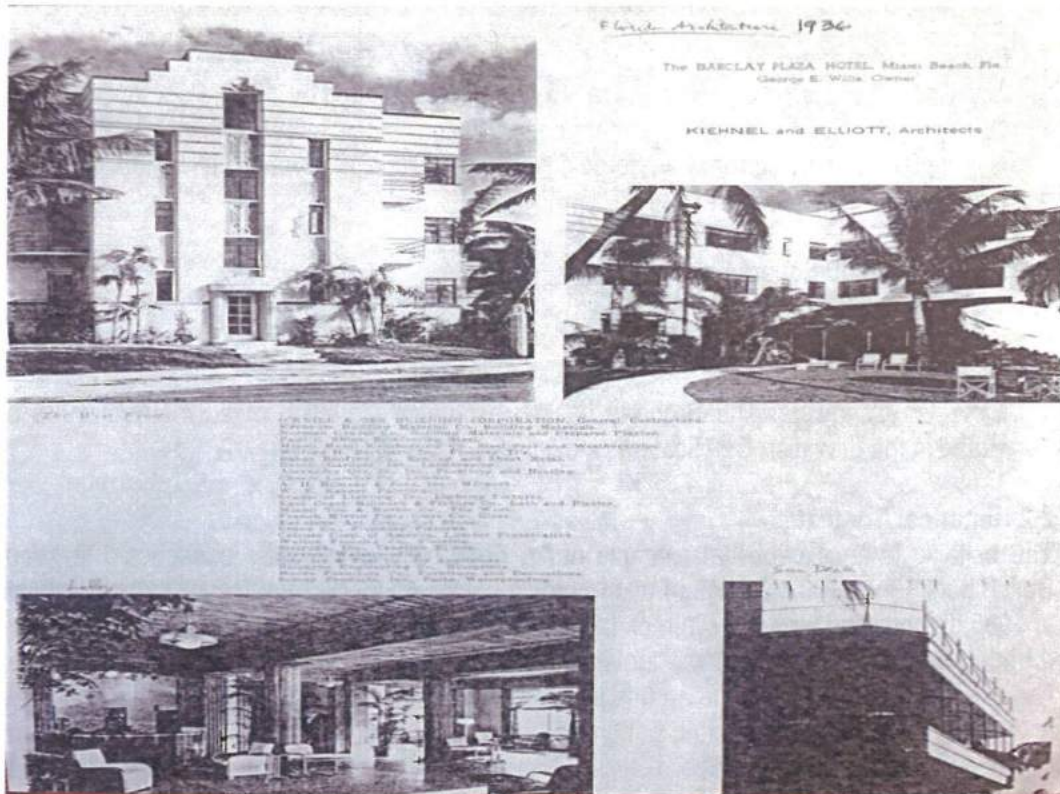
The building is an exceptional example of Art Deco-style architecture constructed in Miami Beach during the 1930s. Designed by the prominent local architectural firm of Kiehnel & Elliott in 1935, the building features symmetrical facades, a stepped ziggurat parapet wall at roofline, rounded corner balconies with wrought iron balustrades, horizontal stripe, bas relief ornament, flagpole, oolitic limestone frame around entryway on Park Avenue, chevron banding, bas relief ornament and abstract geometric patterned balustrade on ground level. In 1942, the United States Army Air Forces Technical Training Command took control of the then hotel which was used as housing for soldiers training for World War II. The hotel was returned to its owners on July 27, 1944.

Although the building was originally used as a hotel, it was later utilized as a residential building when acquired by Miami Beach Community Development Corporation in May 2007. The Barclay Plaza Apartments later fell in disrepair and substantial renovations were needed. The City acquired the vacant building on January 30, 2015. The building was subject to arson in February, 2015 destroying a portion of its historical lobby.



*A new and unique hotel
in the heart of MIAMI BEACH*





2.4 Workforce Housing:

1. On May 6, 2015, via Resolution No.2015-29017, the City Commission directed that the Barclay Plaza Apartments be developed as Workforce Housing serving persons employed in the public safety, education and municipal sectors earning between 120% to up to 140% of the Area Median Income (AMI). This definition was later amended via Resolution No.2017-29758 to serve persons earning up to 140% (AMI).
2. In 2016, the City secured The Concourse Group as its Public-Private Partnership Consultant ("Consultant"). The Consultant prepared a Neighborhood Analysis of the Barclay Plaza Apartments, provided here as Appendix H, to give a better understanding of the area, its needs and the Project. In addition, the City is providing additional Tri-County Area data to provide a better understanding of its community. This demographic data is attached as Appendix I.
3. On March 1, 2017, the City Commission adopted Resolution No. 2017-29758 that accepted the recommendations made by the Land Use and Development Committee to incentivize the private development of Workforce Housing. Some of these recommendations affect the development of the Barclay Plaza Apartments:
 - A. Define Workforce Housing beneficiaries as those households earning up to 140% of Area Median Income (AMI);
 - B. Assess the potential housing demand from the City' s workforce, and ensure that appropriate units are developed;
 - C. Expedited review and permitting for construction and rehabilitation projects providing Workforce Housing;

- D. Encourage micro-housing and mixed-tenant projects on a case-by-case basis;
 - E. Utilize City-owned properties to develop Workforce Housing (e.g., Barclay Apartments and Collins Park artist workforce housing projects);
 - F. Establish a long-term deed restriction program to preserve affordability on City-assisted developments;
 - G. Encourage mixed income/mixed use development through positive marketing efforts that accentuate its benefits to the community;
 - H. Research the possibility of short-term tax abatements for eligible new projects; and
 - I. Promote these incentives to developers.
4. On April 26, 2017, the City Commission adopted Resolution No. 2017-29823 that accepted the recommendations made by the Finance and Citywide Projects Committee for the development of the Barclay Plaza Apartments:
 - A. Income limits increased to accommodate households earning up to 140% AMI, and thereby ensure the broadest inclusion of City of Miami Beach municipal workers and educators as possible;
 - B. Two-year employment tenure be the minimum threshold for eligibility of tenants served by the Project;
 - C. The parking lot and existing pool at the Barclay Plaza Apartments may be considered for inclusion in the development area for the Project to maximize the number of units that can be developed for Workforce Housing purposes; and
 - D. The Project's potential inclusion of a commercial component or accessory use, subject to prior review and approval by the City.
 5. On July 27, 2017, the City Commission adopted Resolution No. 2017-29925 that accepted the recommendations of the June 16, 2017 Finance and Citywide Projects Committee providing certain parameters for the Barclay Plaza Apartments development:
 - A. Projected rents to be established at 30% of the targeted AMI ranges and adjusted for unit size or currently approximately \$1,569 - \$1,813 for a one bedroom unit, and \$1,813 - \$2,380 for a two-bedroom unit, as adjusted for inflation via the Area Median Income Levels, in order to ensure that units remain Affordable for the targeted workforce sectors.
 - B. Units are to have minimum amenities such as laundry facilities.
 - C. RFP is to include the survey data so that potential developers can adequately gauge tenant's needs with regards to onsite amenities.
 - D. Prospective P3 Partners will need to demonstrate sufficient past experience in developing projects of this size and Scope by submitting examples of their past development projects including design, construction, financing and management experience. Prospective P3 partners must also demonstrate the financial capacity to fully finance the project they envision for the Barclay Plaza Apartments site.
 - E. The Project must include the rehabilitation of the existing building to ensure its historic preservation, and may possibly include the construction of an accessory building (to maximize site development) on the site's existing parking lot (located to the west) should this be part of the Proposer's proposal.
 6. On July 27, 2017, the City Commission passed the first reading of the Ordinance amending the City's *Comprehensive Plan* to allow increased density on Workforce Housing projects.

7. On July 27, 2017, the City Commission passed the first reading of the Ordinance amending the SubPart A - General Ordinances reducing the parking requirements and unit size.

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APPENDIX D

MIAMI BEACH

Prevailing Wage and Local Workforce Participation Program

2019-098-KB
FOR THE DEVELOPMENT OF THE
BARCLAY WORKFORCE HOUSING
PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

The Requirements of the
Prevailing Wage and Local Workforce Participation Programs
shall apply to the award of this project.

The purpose of this appendix is to summarize, for clarity, the requirements of the City's Prevailing Wage and Local Workforce Program Requirements. In the event of any omissions or conflicts, the requirements of the City Code, with respect to these programs, shall prevail.

I. MINIMUM WAGES AND BENEFITS

1. Employee Compensation. The rate of wages and fringe benefits, or cash equivalent, for all laborers, mechanics and apprentices employed by the contractor or subcontractor on the work covered by the contract, shall be not less than the prevailing rate of wages and fringe benefit payments or cash equivalence for similar skills or classifications of work as established by the Federal Register last published by the United States Department of Labor prior to the date of issuance of this solicitation. (reference: Sec 31-27).

2. Notice Requirement. On the date on which any laborer or mechanic commences work on a construction contract to which this article applies, the contractor shall be required to post a notice in a prominent place at the work site stating the requirements of this article. (reference: Sec 31-29).

3. Certified Payrolls. With each payment application, Contractor shall submit a copy of all payrolls, including (at a minimum) the name and zip code for the covered employee, to the City accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper prevailing wage rate for the work performed. Beginning, January 30, 2018, all payroll submittals shall be completed electronically via the City's electronic compliance portal, LCP Tracker. No payment application shall be deemed accepted until such time as the Procurement Department has confirmed that a certified payroll for the applicable payment application has been accurately submitted in LCP Tracker.

a. LCP Tracker Training. The Procurement Department offers ongoing training in LCP Tracker to all contractors. To schedule a training session, contact Alian Gonzalez at AlianGonzalez@MiamiBeachFL.gov or at 305-673-7490.

II. LOCAL WORKFORCE PARTICIPATION GOALS

1. Responsible Contractor Affidavit. As a condition of being responsive to the requirements of the solicitation and eligible to be considered for award, the bidder shall submit a Responsible Contractor Affidavit. The Responsible Contractor Affidavit (RCA) is comprised of two (2) forms – RCA-Part A and RCA-Part B. Both forms are required to be submitted with the bid or within 48 business hours of being notified by the Procurement Contracting Officer for the solicitation. Failure to submit the RCA shall result in the bid or proposal being disqualified and deemed non-responsive.

a. **Part A – Commitment to Promote Local Workforce Participation.** The contractor, and each subcontractor, shall submit RCA-Part A affirming that it will make its best reasonable efforts to promote employment opportunities for Miami-Dade County residents by seeking to achieve a project goal of having thirty percent (30%) of all construction labor hours performed by Miami-Dade County residents. The contractor shall also affirm that it will make its best reasonable efforts to promote employment opportunities for Miami Beach residents. To download RCA-Part A affidavit, visit [miamibeachfl.gov/procurement/local workforce](http://miamibeachfl.gov/procurement/local%20workforce).

b. **Part B – Position / Employee Data.** The contractor, and each sub-contractor shall submit RCA-Part B with the following sections completed:

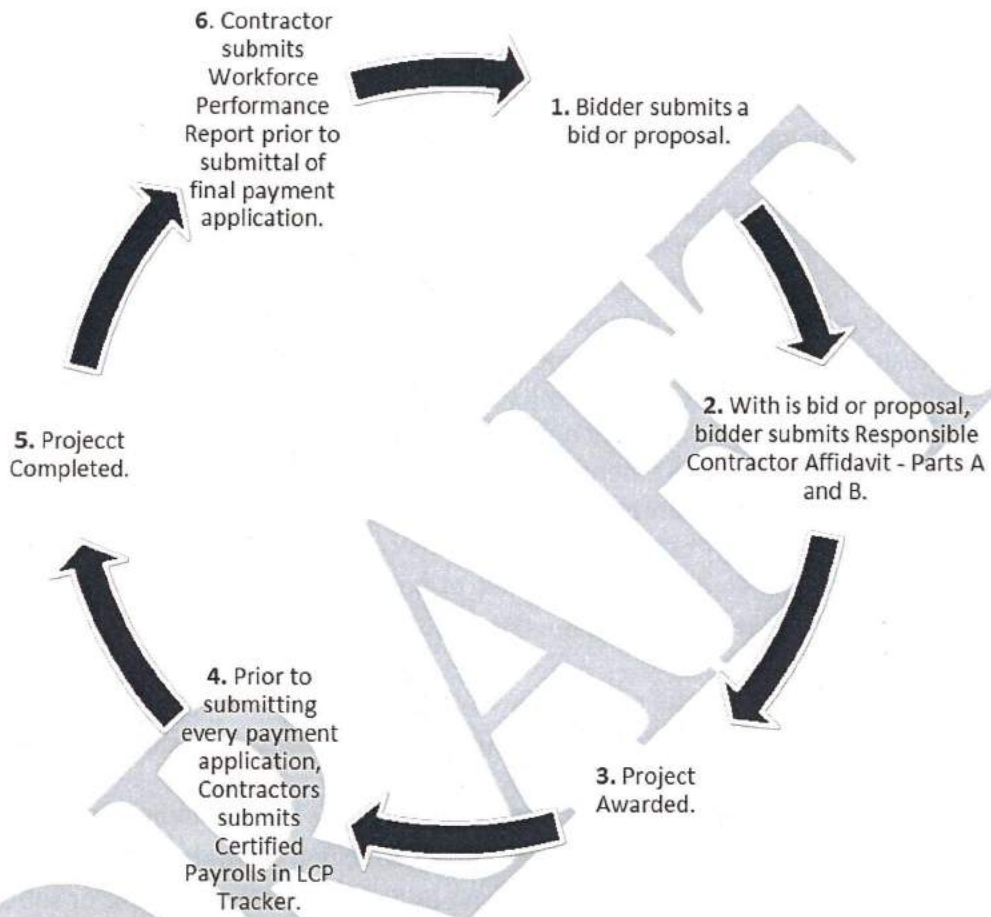
- Section 1 – Indicate the number of positions required to complete the contract work, and the minimum qualification(s) for each position.
- Section 2 – For the positions indicated in Section 1, specify the name, address, and position of each current employee of the contractor or subcontractor.
- Section 3 - For the positions indicated in Section 1, not indicated in Section 2, each contractor or subcontractor shall specify the number of positions, and the minimum qualification(s) for each position, that the contractor or subcontractor shall seek to hire to supplement the current employees listed in Section 2.

To download RCA-Part B form, visit [miamibeachfl.gov/procurement/local workforce](http://miamibeachfl.gov/procurement/local%20workforce).

3. Workforce Performance Report. Before its final application for payment, the contractor shall submit its final Certified Payroll in LCP Tracker, which shall be deemed its final Workforce Performance Report. If the project goal of thirty percent (30%) of all construction labor hours to be performed by Miami-Dade County residents is not met, the Contractor shall submit supporting documentation verifying reasonable efforts to promote employment opportunities for Miami Beach and Miami-Dade County residents. No final payment application may be approved without this information.

III. PROCESS FLOW

The following graphic outlining the major steps of the Prevailing Wage and Local Workforce Participation programs is provided illustrative purposes only.



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APPENDIX E

MIAMI BEACH

Resiliency Standards

2019-098-KB
FOR THE DEVELOPMENT OF THE BARCLAY
WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

The City of Miami Beach requires all new construction over 7,000 square feet or ground floor additions to existing structures that encompass over 10,000 square feet of additional floor area to be LEED Gold Certified or Living Building Challenge certification.

The City's goal is to design, build, and operate a new generation of efficient, environmentally responsible, healthy and resilient buildings, as well as to reduce the City's greenhouse gas emissions. The practice of green building can have a significant impact on reducing energy, water, natural resource consumption, GHG emissions and improve our citizens' and visitors' well-being through improved indoor air quality and comfort.

A resilient building should incorporate the following elements:

- Increase energy efficiency in buildings and reduce greenhouse gas production and emissions;
- Encourage water and resource conservation;
- Reduce waste generated by construction projects;
- Reduce long-term building operating and maintenance costs;
- Improve indoor air quality and occupant health;
- Maximize the use of green and blue infrastructure to treat, retain, and manage stormwater;
- Utilize native vegetation and trees to maximize natural infrastructure throughout the site;
- Consider the stresses of climate change, including but not limited to extreme heat and frequency and severity of storms when designing for function and form;
- Utilize the South Florida Climate Change Compacts Unified Sea Level Rise Projection when considering elevations of the site;
- Utilize public art and placemaking opportunities to enhance the resiliency of the site;
- Placemaking should incorporate business and marketing opportunities; community aesthetics, cultural identity, and cohesion; and serve to brand the City of Miami Beach as a resilient City;
- Encourage sound urban planning principles; and
- Per the newly adopted North Beach Town Center-Central Core regulations, all projects must be designed with a five-foot freeboard to help mitigate against future sea level rise and storm surges.

Resiliency design principles should be incorporated into the design and construction of the Project. These include:

- Robust design is well-conceived, constructed and managed and includes making provision to ensure failure is predictable, safe, and not disproportionate to the cause. For example, protective infrastructure that is robust will not fail catastrophically when design thresholds are exceeded.
- Redundancy: refers to spare capacity purposively created to accommodate disruption due to extreme pressures, surges in demand or an external event. It includes diversity where there are multiple ways to achieve a given need.
- Flexibility: refers to the willingness and ability to adopt alternative strategies in response to changing circumstances or sudden crises. Systems can be made more flexible through introducing new technologies or knowledge, including recognizing traditional practices.
- Integrated: processes bring together systems and institutions and can also catalyze additional benefits as resources are shared and actors are enabled to work together to achieve greater ends.

The successful proposer will be familiar with the work of the Southeast Florida Regional Climate Compact <http://www.southeastfloridaclimatecompact.org/> and the 100 Resilient Cities (100 RC) Greater Miami and the Beach partnership to develop a Resilience Strategy for the greater Miami community <http://resilient305.com/>. 100RC defines urban resilience as "the capacity of individuals, communities, institutions, businesses, and systems within a city to

survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience.”

Building urban resilience requires looking at a city holistically: understanding the systems that make up the city and the interdependencies and risks they may face. By strengthening the underlying fabric of a city and better understanding the potential shocks and stresses it may face, a city can improve its development trajectory and the well-being of its citizens.

Chronic stresses are slow moving disasters that weaken the fabric of a city. They include, like overtaxed or inefficient public transportation system. On the other hand, acute shocks are sudden, sharp events that threaten a city, like floods or terrorist attacks for example.

Resilient design is therefore the intentional design of buildings, landscapes, communities, and regions in order to respond to natural and manmade disasters and disturbances—as well as long-term changes resulting from climate change—including sea level rise, increased frequency of heat waves, and drought.

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APPENDIX F

MIAMI BEACH

Site Diagram/Survey

2019-098-KB
FOR THE DEVELOPMENT OF THE BARCLAY
WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

APPENDIX G

MIAMI BEACH

Development and Ground Lease Agreement

2019-098-KB
FOR THE DEVELOPMENT OF THE BARCLAY
WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

TO BE ISSUED VIA ADDENDUM

DRAFT

APPENDIX H

MIAMI BEACH

Concourse Study

2019-098-KB
FOR THE DEVELOPMENT OF THE BARCLAY
WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

THE CITY OF MIAMI BEACH -BARCLAY PLAZA-

WORKFORCE HOUSING INITIATIVE

THE CONCOURSE 
group

2553 Housley Rd., Suite 100
Annapolis, MD 21401
www.theconcoursegroup.com
410.267.6064
Version 9.4.2018

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EXECUTIVE SUMMARY

A diverse workforce is fundamental to smart growth. Across the country and in the City of Miami Beach, many municipal workers can no longer live in the community where they work, as they can neither afford to pay a mortgage at market rate nor shoulder the burden of market rate rent. The City recognizes the existence of a significant and growing affordability gap between market level housing rental rates and the ability of the local workforce (municipal, education, and public safety personnel) to pay for housing in the community, and has committed to the development of affordable and sustainable workforce housing in the interests of a stable economy.

City of Miami Beach Commissioners developed a vision to create a cost-effective and market-accepted plan to increase the inventory of housing stock dedicated to its critical workforce members. Accordingly, the City has established a goal to develop workforce housing on City-owned land located throughout the City. As part of the efforts to realize this vision, the Concourse Group was charged with conducting a housing analysis for several City-owned sites. Concourse is required to identify, evaluate, and propose cost-effective and market-acceptable approaches for a viable mix of workforce housing units under a joint venture or Public Private Partnership (P3). The proposed approach will make each identified project financially feasible and realistically developable in terms of long-term affordability and livability.

In addition to the expanded development parameters and zoning waivers for the development sites, the Commission opened doors to all possibilities available to increase affordable housing stock in Miami Beach. Notable among these has been the concept of coupling several City owned sites together creating a single entity from several projects that is attractive to a potential housing developer, and performs financially.

This analysis identifies development considerations and financial strategies and provides an assessment to support the production of new housing units on a vacant apartment site. The site's potential for housing and complementary commercial development was conceptually analyzed; a visit of site and surrounding neighborhood was performed; a review of zoning, height restrictions, site set-backs, unit size, and man-made barriers was completed; the viability of site coupling was explored; and an internal analysis of the intended mixed-use was also completed. These reviews were predicated on the idea that all construction/ development will eventually be managed through

joint ventures with private owners or partnerships with the City. Concourse also analyzed other important mitigating factors such as considerations for commercial activity, neighborhood and resident participation, development finance, environmental issues, and potential impediments from State and Local governments.

Assessment

Narrowing focus to workforce housing within the proposed improvements, Concourse created a development budget and structured financial scenarios projecting unit mix, rental rates and operating expenses to the potential improvements. These scenarios were predicated upon 80%-140% of the Area Median Income for potential tenants as established by the Commission. The analysis focuses on maximizing housing inventory, maintaining affordability, and supplying workforce housing for the target workforce members. Concourse provides both quantitative and qualitative scenarios creating the underpinnings of which financial method, or set of financial methods, best meet the City's goals.

Establishing Feasibility

Currently, the site is improved vacant apartment building owned by the City of Miami Beach. The anticipated improvements will include multiple levels of workforce housing units. The improvements will be developed as to meet all City requirements for building height, set-backs, massing and conformity to the surrounding neighborhood.

Concourse structured a development envelope allowable under the current zoning, utilizing the site Floor Area Ratio (FAR) and allowable building heights and set-backs, and calculating a density yield. The housing density yields for total allowable square feet to accommodate workforce housing was provided by the City. Utilizing the calculated density yield and the provided allowable square feet, unit count and mix were established by using market acceptable and financially feasible unit mix ratios and massing the development potential of the site with the anticipated improvements and housing and income requirements.

Concourse developed a housing-only financial pro forma factoring the established unit count and mix as discussed above; rental rates, vacancy rates, and estimated project expenses were also considered. Of Note: the focused workforce housing on the sites is restricted in achieving "Market Rate" rents and limited to rents aligned to 80% - 140% of the Area Median Income levels; however, commercial rents were not limited.

Once the density yield and financial analysis were completed, Concourse considered the full development potential of the focused real estate, creating a financial scenario incorporating cost of construction, debt capacity, and equity contribution, and analyzing the risk associated with the construction, marketing and lease-up of the improvements.

Development Assumptions

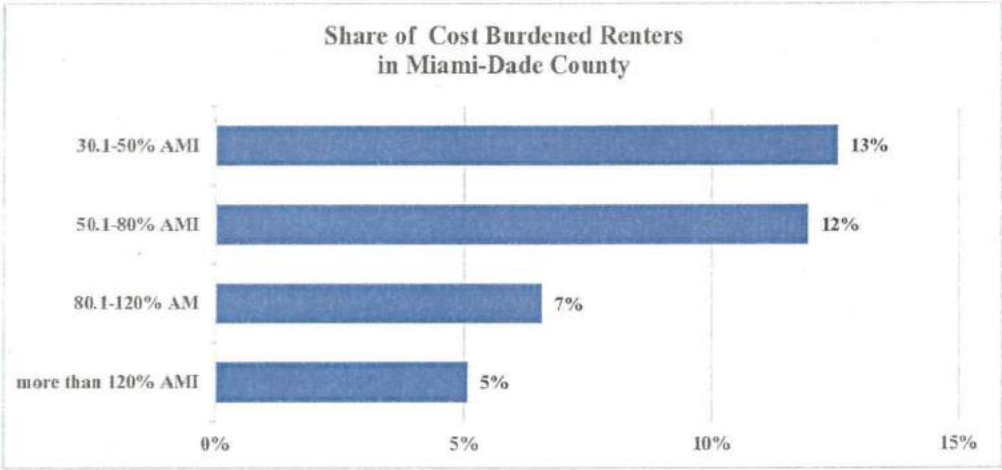
Concourse analyzed the gathered financial and market data and developed a financial baseline, creating financial performance and valuation scenarios. These scenarios were then utilized to establish reasonable assumptions in determining project construction budgets and debt and equity structure.

Incorporating the above methodology, Concourse analyzed sequencing and phasing to best accommodate financial, development and market opportunities as well as City needs. Some alternatives present higher costs with longer anticipated delivery schedules or greater risks. However, if other criteria are determinative, the City could immediately pursue any one alternative or a combination of multiple alternatives to achieve the desired goals.

MARKET CONDITIONS AND KEY RENTAL ASSUMPTIONS

According to a July 2017 article in *The Miami Herald*, “53 percent of all Miami-Dade County residents are cost burdened when it comes to housing”: Most spend more than 30 percent of income on rent. More than 1.1 million people rent apartments in Miami, Broward, and Palm Beach Counties, according to the advocacy groups National Multifamily Housing Council and the National Apartment Association. The total number of rental households is projected to grow to 700,000 by 2030, requiring an additional 185,414 units to meet the demand.

Figure 1 – Share of Cost Burdened Renters



A recent report dated July 2017, by the Joint Center for Housing Studies at Harvard University, uses census data from 2005 through 2016 to show that low-cost housing is disappearing around the Country and being replaced by pricier, less affordable units.

The University of Florida, Shimberg Center for Housing Studies, reports that Florida faced a shortage of affordable housing throughout the housing boom, downturn, and recovery. In 2000, 50% of low-income (<60% AMI) households in Florida were cost burdened (paid more than 40% of income for housing). The rate of cost burden rose to 65% in 2009 before falling to 61% in 2013. Renters have been the hardest hit. A staggering 69% of Florida's low-income renters are cost burdened, compared to 52% of homeowners. More than 715,000 renter households are cost burdened. There are only 31 affordable and available rental units for every 100 extremely low-income (<30% AMI) renter households. According to '2015 American Community Survey' by the U.S. Census Bureau, "while large multifamily buildings are the most visible sources of rental housing in the region, units in these buildings make up just 17 percent of the rental housing stock. Half of rental units are in 2-49 unit multifamily structures. Single family homes make up a growing share of rental units, rising from 24 percent of the total rental stock in 2005 to 31 percent in 2015. The repurposing of single family homes as rental units follows the national trend in the wake of the housing market crash."

Figure 2 – Household Demographic Data

Household Demographic Data - Households by:			
Jurisdiction	Year	Tenure	Household Count
Miami-Dade	2016	Owner	537805
Miami-Dade	2016	Renter	423947
Miami Beach	2016	Owner	19971
Miami Beach	2016	Renter	30745

Notes: Not Available.
Sources: Estimates and projections by Shimberg Center for Housing Studies, based on 2000 and 2010 U.S. Census data and population projections by the Bureau of Economic and Business Research, University of Florida.

In Miami-Dade County, the situation is particularly dire. Research analyst Elizabeth La Jeunesse, who authored the recent study, says Miami ranks third nationwide in the lowest percentage of rental units under \$800 a month at only 16 percent; the region saw a loss of 20,000 rentals in that price range over the past 10 years, accounting for a total inventory decline of 13 percent. The supply of high-cost rentals (\$2,000 a month and up) has more than doubled, with more than new 50,000 units in the market accounting for an increase of 148 percent over the past decade. Meanwhile, the median household income in Miami-Dade County for a family of four is \$51,800, one of the lowest in the United States.

Figure 3 – Household Demographic Data by Unit Type

County	Units in the Structure													
	1, detached		1, attached		2		3 or 4		5 to 9		10 to 19		20 or more	
	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)	Estimate	Margin of Error (+/-)
Miami-Dade	405,933	2,487	98,377	19,48	20,666	863	33,242	1,347	31,791	1,528	67,651	1,729	305,320	3,033

According to Apartment List.com, of the largest 100 metros in the United States, Miami has the highest share of cost-burdened renters at 66.2 percent.

Figure 4 – Cost Burdened Renters by State 2007-2014

State	2007	2008	2009	2010	2011	2012	2013	2014
United States	49.3%	49.8%	51.5%	53.0%	53.4%	52.0%	51.5%	51.8%
Florida	56.4%	57.5%	60.3%	60.4%	60.9%	58.6%	57.8%	57.9%

Figure 5 – Cost Burdened Renters by City 2007-2014

2014 rank	City	2007	2008	2009	2010	2011	2012	2013	2014
1	San Francisco, CA	42.7%	42.7%	45.0%	46.2%	45.2%	47.7%	44.7%	42.5%
9	Washington, DC	48.4%	47.5%	49.1%	50.7%	49.3%	48.1%	49.5%	48.6%
43	Jacksonville, FL	50.4%	51.0%	55.5%	54.9%	56.5%	58.9%	53.1%	59.2%

44	Boulder, CO	62.6%	65.0%	68.0%	63.1%	65.1%	64.8%	61.0%	59.2%
45	Memphis, TN	55.6%	56.0%	60.2%	58.7%	60.9%	61.5%	56.8%	59.6%
46	Los Angeles, CA	57.4%	58.1%	58.4%	60.9%	62.0%	61.7%	61.5%	61.8%
47	Fort Lauderdale, FL	56.1%	55.0%	58.6%	59.9%	59.4%	56.1%	60.3%	62.5%
48	Kansas City, KS	49.2%	55.8%	54.7%	55.0%	54.6%	52.1%	50.4%	63.4%
49	Detroit, MI	62.8%	66.2%	67.9%	69.8%	69.3%	67.2%	66.1%	65.3%
50	Miami, FL	64.9%	68.8%	67.1%	67.9%	66.2%	66.4%	67.7%	66.2%

Among 50 American cities examined for cost-burdened renters, San Francisco has the lowest share of cost-burdened renters thanks to the combination of rent control and recent gains in wages, which have eased the pain of renting in San Francisco. At the bottom of the table are Miami, Detroit, and Los Angeles. Each of these cities has more than 60% of their renters facing cost burdens, and Miami has 37% of renters paying at least half their income in rent.

Multifamily Rental Markets

Demand for multifamily units remained strong across the country. Coldwell Banker Commercial Real Estate (CBRE) data indicates that during the 4th Quarter of 2017, 265,900 new multifamily units were completed. The net absorption reached 241,200 multifamily units, with an overall multifamily vacancy of just under 5 percent. In addition, multifamily acquisition transactions remained strong at nearly \$151 billion.

Multifamily Figures¹

- United States
 - Vacancy rate: 4.9% / 20-year average: 5.3%
 - Net absorption: 230,400 units (past four quarters)
 - Completions: 265,900 units (past four quarters)
 - Acquisitions volume: \$151 B (past four quarters)

Figure 6 - Vacancy Rate



¹ (CBRE, Q3 2017 U.S. Multifamily Figures, 2017)
² (CBRE, Q4 2017 U.S. Multifamily Figures, 2017)

Figure 7 – Multifamily Net Completions

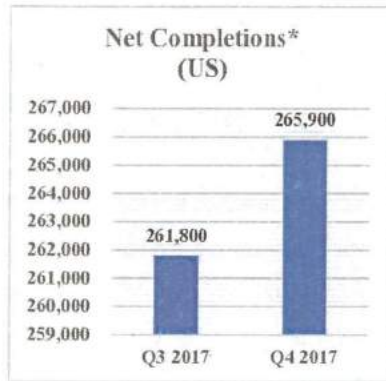


Figure 8 – Multifamily Net Acquisitions



Florida Multifamily

Florida added 560,713 renter households between 2005 and 2015. These include new households formed, households moving to the state, and homeowners shifting to rented accommodation. The state lost 130,950 owner households during the same period. Home ownership fell from 70 percent in 2005 to 65 percent in 2015. The decline in the home ownership rate was particularly sharp for households headed by someone under age 55, from 61 percent in 2005 to 50 percent in 2015. Florida’s rental housing stock has grown, but affordable units have not kept pace. Between 2000 and 2015, Florida’s rental housing supply grew by 859,202 units. Of these, only 133,527 units were affordable to renters with incomes below 60 percent of AMI. The other 725,675 units had rents above this 60 percent affordability threshold.

In an October 2017 research brief, The Shimberg Center of the University of Florida reports that the South Florida region added 171,709 renter households between 2005 and 2015. This included newly formed households, households moving to the region, and homeowners shifting to rented accommodation. The region lost 130,950 owner households and the homeownership rate fell from 67 percent in 2005 to 59 percent in 2015. The drop in homeownership was particularly sharp for households headed by someone under age 55, from 59 percent in 2005 to 47 percent in 2015.

In Miami, net absorption reached 20,100 of new multifamily units in the third and fourth quarters of 2017 alone, while multifamily vacancy continues to hover at just over 2 percent.

- Miami-South Florida - Q4 2017:
 - Net absorption as % of inventory: 1.7%
 - Net absorption as % of new supply: 79.5%
 - Rent year-over-year change: 1.3%
 - Miami Vacancy Rates: 2.2%²

Figure 9 - New Miami/ South Florida Supply



Figure 10- Multifamily New Supply



Figure 11- Miami/ South Florida Net Absorption



The Miami Herald published an article entitled, “Miami is getting lots of new apartments, but you may not be able to afford them”³ in July 2017. There is a real rental housing crisis in Miami. The article, written by Rene Rodriguez, indicated that the supply side of high-cost multifamily rentals has more than doubled and rents have climbed seven percent over the same period in 2016. Meanwhile median household income remained flat, one of the lowest in the United States.

Miami Multifamily Rental Rates as of December, 2017⁵

- 1 Bedroom: \$1,750
 - Month-over-month change: 0.00%

² (Sharf, 2017)

³ (Rodriguez, Miami is getting lots of new apartments, but you may not be able to afford them, 2017)

- Year-over-year change: -2.80%
- 2 Bedroom: \$2,400
 - Month-over-month change: -1.20%
 - Year-over-year change: -4.00%

In Miami-Dade County and the surrounding metro area, the HUD Fair Market Rent in 2018, representing rent for a typical modest apartment, is \$871 for a studio apartment; \$1,066 for a one-bedroom; \$1,351 for a two-bedroom ; \$1,796 for a three-bedroom; and \$2,173 for a four-bedroom unit.

Figure 12 – Florida Metro Cities Ranked by One Bedroom Rental



Figure 13 – Miami-Dade HUD Fair Market Rents

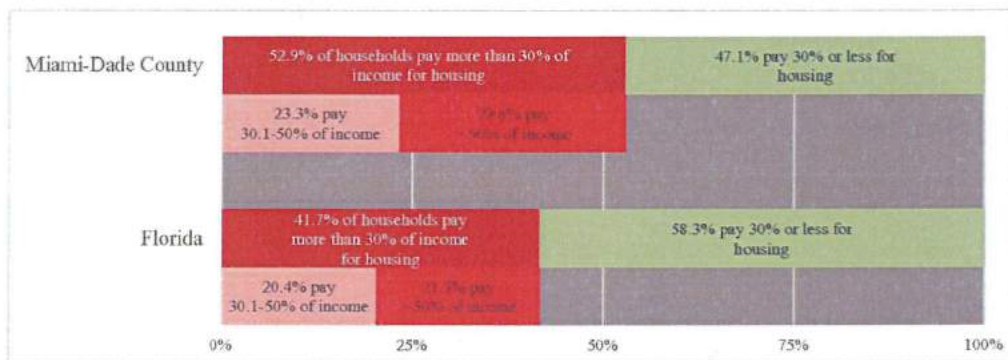


City of Miami Beach – Barclay Plaza

Miami-Dade: Cost Burden for Renters

Between 2005 and 2015, 71,412 low-income renters were added in South Florida. Overall the region added slightly more renters with incomes above 100 percent of AMI (76,519 households). The region also added renters in the middle range (60-100 percent of AMI), but in lower numbers at 23,778 additional households. In 2016, 509,129 Miami-Dade County households (53%) paid more than 30% of their income for housing. By comparison, 42% of households statewide are cost-burdened.

Figure 14 – Miami-Dade Multifamily Rentals, December 2017



- In comparison, in 2015 there were 56,962 low-income, cost burdened renters in the Jacksonville Metropolitan area; 63 percent of these households with incomes at or below 60 percent of AMI were cost burdened compared to 12 percent with incomes between 60 and 100 percent of AMI.
- In the Tampa Bay area, rental housing supply between 2000 and 2015 grew by 138,973 units. Of these, only 45,014 units, or 44 percent, were affordable to renters with incomes below 60 percent of AMI. The other 93,959 units had rents above the 60 percent affordability threshold.

Household Growth

- According to the National Apartment Association and the National Multifamily Housing Council forecasts, the number of rental households will surpass 700,000 by 2030, requiring

an additional 185,000 units to meet the demand. This figure far exceeds the average annual construction rate of 14,200 units in the area.⁴

Figure 15 – Apartment Household and Population Growth

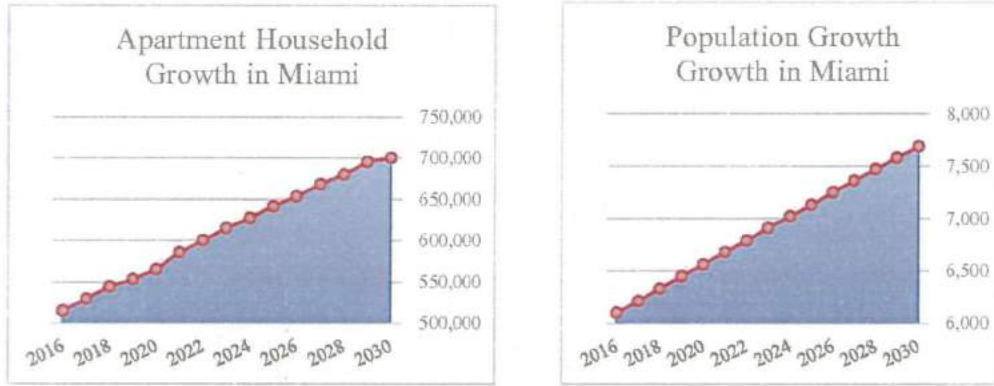
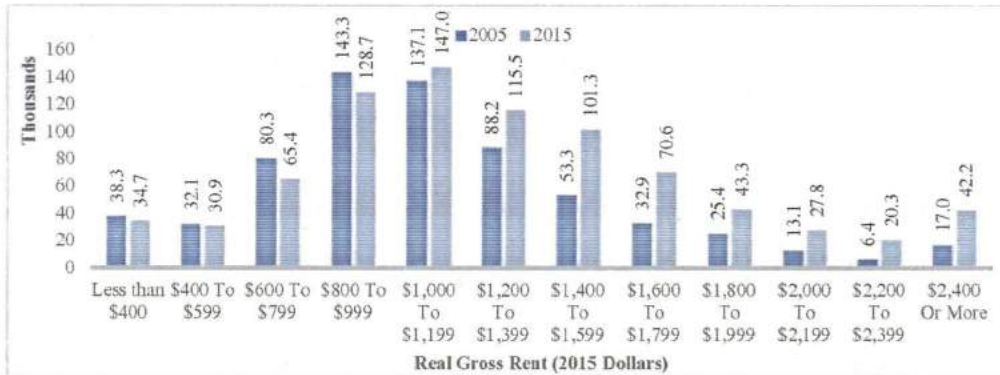


Figure 16 - Number of Units Added in Miami



- Compounding the issue of increased demand despite the shortage of units is research documenting a shift in construction trends favoring high-rent units over low-rent units.⁵ At every price point beyond \$1,000 per unit, more high-rent units were built in 2015 compared to 2005.

South Florida Construction News

- The 2017 forecasts project \$8 billion for new multifamily construction.⁶

⁴ (National Apartment Association & National Multifamily Housing Council, 2017)

⁵ (Joint Center for Housing Studies of Harvard University, 2017)

⁶ (Hanks, 2017)

- Q2 2017 multifamily sales in South Florida approached \$1 billion ⁷
 - “At least 11 apartment communities have changed hands over the last three months in deals valued north of \$49 million each for a combined value approaching \$1 billion.”
 - Buyers are attracted to the steady population and job growth in the area.
- In West Miami, developers Estate Investment Group, Fortune Capital Partners, and Mattoni Group completed a 196-unit apartment building in 2016. Rents range between \$1,680 for a one-bedroom to \$3,475 for a three-bedroom unit. At the time of sale, the building was 95% leased. The 168,872 square foot building sold for \$61 million or \$360 per square foot.⁸
- Miami-Dade County approved a \$464M mixed-use development project in July 2016. Located in South Miami and spanning over seven acres, the Transportation Oriented District (TOD) redevelopment site will include roughly 1,000 apartments, retail space, and a 150-room hotel. The project is a joint-venture between 13th Floor Investments and the Adler Group. The development will take advantage of the Workforce Housing Development Program, enacted in 2016 by Miami Dade County. The program is voluntary and provides a unit density bonus of up to 25% and a deferral of up to 90% exemption of road improvement fees for up to two years, in exchange for 10% workforce housing units set aside.

WORKFORCE HOUSING DISCUSSION

Some 43.3 million U.S. households currently rent their housing, including more than 80 million adults and families with more than 30 million children. The renter share of U.S. households now stands at a 50-year high of 37% percent, up more than 5% percentage points from 2004 when home ownership rate peaked.

Meanwhile, the share of high-income households (earning at least \$100,000) that rented their homes increased from 12 percent to 18 percent between 2005 and 2016. High-income households drove 22 percent of the overall growth in the renter segment. Households earning \$50,000–99,999

⁷ (Vianna, 2017)

⁸ (Rodriguez, Apartment building in red-hot neighborhood sells for \$61 million, 2017)

accounted for an equal share of rentals. The move to renting among high-income households—most have dual earners—intensified in recent years, accounting for nearly half (47 percent) of the growth in the number of renters between 2013 and 2016, further stimulating construction for high-end multifamily rental units.

Despite the influx of higher-income households into the rental market, the typical renter household had an annual income of about \$37,900 in 2015, only about half the \$70,800 annual income of the typical homeowner household. In addition, 16 million renter households had annual incomes of less than \$25,000, including 11 million people with incomes below the federal poverty threshold of \$24,600.

According to the latest *American Community Survey* (a leading source for local-level population data), the share of households renting their homes continued to grow in much of the nation's 50 largest metro areas between 2013 and 2015. Increases in renting even picked up pace in several markets (including Houston, Jacksonville, and Miami) relative to the previous eight years. However, the share of renter households fell in 11 of the 50 largest metros.

Recent additions to the rental supply remain concentrated on the upper end of the market. According to preliminary data from the *Survey of Market Absorption*, the typical asking rent for a new unfurnished apartment climbed by 5.6 percent annually in real terms in 2016, rising to \$1,478. Although newly-constructed units have always commanded a rent premium, the asking rent for new multifamily apartments increased at a significantly higher pace from 61 percent above the median asking rent for all existing vacant units in 2015 to 73 percent in 2016. The '2016 *American Community Survey*' data for the 100 largest metros confirm this trend, indicating that nearly half (46 percent) of the rental units built in 2010 or later were in the top quartile of area rents, while more than two-thirds fell into the top half.

Nearly half of the nation's 100 largest metro areas posted absolute declines in their stocks of low-rent units (defined as having real gross rents under \$800) between 2005 and 2015. Metros with the largest losses in percentage terms included Austin, Denver, Portland, and Seattle, where supplies were down by a third or more during the studied period. Furthermore, 88 of the largest 100 metros reported declines in the shares of low-rent units. Among the markets with the smallest shares of low-rent units were San Diego, San Jose, and Washington, DC, where under 10 percent of units rented for less than \$800 in 2015.

The result is a worsening mismatch of demand and supply, with the number of low-income renters far outstripping the number of available units at the lowest end of the market. The National Low-Income Housing Coalition reports that the absolute deficit of affordable rental units that are available to low-income households exceeds 500,000 in the New York and Los Angeles metro areas. In addition, the gap in units affordable and available to extremely low-income renters exceed 50,000 units in 31 metropolitan areas. The failure of higher-end units to filter down to lower price points is also evident in the deficit of units affordable and available to middle-income renters in more than 10 metro areas, including Los Angeles, New York, Miami, and San Francisco.

Rental market conditions did, however, show some signs of easing last year. *MPF Research* (MPF documents performance fundamentals of the multifamily sector) reported a slowdown in nominal rent increases from the 4.7 percent pace averaged in 2014–2015. In addition, rent gains slowed in 2016 in more than half (58) of the 100 markets that *MPF Research* tracks, while the number of markets posting actual rent declines rose to 10. Houston, New York City, and San Francisco are among the list of large high-profile metro areas where rents have declined.

Within markets, signs of easing were most apparent in the high-end segment. Vacancy rates of professionally managed (Class A) rental units went up in more than two-thirds of the top 100 markets in the first quarter of 2017 from the same time a year earlier, climbing more than 2.0 percentage points to a nationwide average of 6.4 percent. At the same time, vacancy rates in the lowest-quality segment (Class C) fell nationwide for the seventh straight year, to just 3.8 percent.

VALUATION

The rise in nominal apartment property prices slowed somewhat from a 14.8 percent increase in 2015 but remained a healthy 11.0 percent in 2016, according to Moody's/RCA Apartment Price Index. As of March 2017, apartment property prices were still rising at an 8.1 percent annual rate, exceeding the 2007 peak by 52 percent in nominal terms and 31 percent in real terms. The rebound in rental property prices outstrips the recoveries in both the single-family housing and commercial real estate markets.

Investor demand for institutional-quality assets remains strong, even though returns dipped slightly to 6.7 percent in the first quarter of 2017. Capitalization rates that help determine value remain near their historic lows; data from the National Council of Real Estate Investment Fiduciaries

shows a drop in the capitalization rate to 4.6 percent in the first quarter of 2017, the lowest rate posted since 1982. According to CBRE Econometric Advisors data, the average apartment capitalization rate is currently 4.8%, which represents a 20-basis point decline from year-end 2014. The average capitalization rate for Class A properties is forecasted to remain the same through year-end 2018.

Many property owners have taken advantage of years of strong financials to make improvements deferred during the downturn. The National Apartment Association (NAA) reports that capital spending per unit increased 13 percent in real terms annually from 2010 to 2015. Community-wide upgrades are typically focused on fitness centers, business centers, clubhouses and other common areas. In-unit improvements usually include washer/dryers and high-end kitchen appliances. According to National Apartment Association, these upgrades and other major renovations have lifted effective rents for apartment properties by 8 percent on average.

TARGETED POPULATION

Municipal Employees

The City of Miami Beach has targeted the site as workforce housing for municipal employees. These employees include personnel from the Police Department, Fire Department, City Employees, and Teachers. Within 2 miles of the site there is one police station, two fire stations, City hall, and 5 public grade schools and high schools, making this site ideally located and convenient for municipal

Figure 17- Miami Beach Targeted Employment Centers



Figure 19- Miami Beach Employee Salaries

Miami Beach Municipal Workers and Salaries			
Profession	Median Salary	% AMI	Number of Employees
Police	59,926	116%	384
Firefighter	48,367	93%	331
Teacher	54,994	106%	258
City Employee	64,446	124%	1,285
Total	56,933	110%	2,258

a. Salary Median based on grade 13 unclassified employees salary information; City Employees' not actual household income

employees. In Miami Beach there are 2,258 police staff, firefighters, teachers, and other city employees, creating a great demand in the area for convenient and moderately priced housing. The targeted municipal employees' median salaries range from 93% to 124% of AMI, averaging \$56,933 or 110% AMI, which falls comfortably in the workforce housing salary range of 80% to 140% of the \$51,400 AMI. Assuming employees can spend 30% of their income on rents, the target rents for these employees range from \$1,058 to \$2,643, dependent on household size. Current average market rents in the vicinity of the site range from \$1,829 for studio to \$2,889 for a 2-bedroom unit. These high market rents make most housing in the area out of these municipal employees' price range. It is necessary to develop workforce housing with lower rents to allow these

employees. In Miami Beach there are 2,258 police staff, firefighters, teachers, and other city employees, creating a great demand in the area for convenient and moderately priced housing. The targeted municipal employees' median salaries range

Figure 18- AMI Income Rent Projections

Rent Projection				
AMI	51,800			
Miami Beach	51,800			
Household Sizes	1	2	3	4
80%	42,300	48,350	54,400	60,400
90%	46,620	54,394	61,200	67,950
100%	51,800	60,438	68,000	75,500
110%	56,980	66,481	74,800	83,050
120%	62,160	72,525	81,600	90,600
130%	67,340	78,569	88,400	98,150
140%	72,520	84,613	95,200	105,700
Rent Limits				
80%	1,058	1,209	1,360	1,510
90%	1,166	1,360	1,530	1,699
100%	1,295	1,511	1,700	1,888
110%	1,425	1,662	1,870	2,076
120%	1,554	1,813	2,040	2,265
130%	1,684	1,964	2,210	2,454
140%	1,813	2,115	2,380	2,643
Rent Averages	1,554	1,813	2,040	2,265

Figure 20- Projected Average Rents Based on AMI Compared To Market

Rent Comparisons	80%-140% AMI			Market		
	Rent	Size	\$/SF	Rent	Size	\$/SF
Studio	1,236	400	3.09	1,829	450	4.06
One Bedroom	1,542	550	2.80	2,140	710	2.80
Two Bedrooms	1,765	750	2.35	2,889	939	2.81
Three Bedrooms	1,972	1,000	1.97	4,476	1,846	2.42

Notes:
 1. Rent based on City Center Concourse Apartment Land-Candidate for Rent (Table 7), Table 2 (rents based on average rent for City of Miami Beach)
 2. Average rent based on 1 person: 80%-100%
 3. Average rent based on 1 person: 120%-140% and 2 people: 80%-110%
 4. Average rent based on 2 people: 120%-140% and 3 people: 80%-110%
 5. Average rent based on 3 people: 120%-140% and 4 people: 80%-110%
Market:
 6. Based on City Center Concourse Apartment Land-Candidate for Rent (Table 7), Table 2 (rents based on average rent for City of Miami Beach)

employees to live close to their job sites. Based on the recommendation that these employees spend no more than 30% of their income on housing, we suggest that rents in the building are maintained at an average \$1,236 for a studio and \$1,765 for a two bedroom. These rents are affordable for the

municipal employees based on the average salaries in the city based on our previous study.

Demand Analysis

There is a strong demand for workforce housing for Municipal Employees. There are over 2,258 targeted municipal employees. Based on the home ownership percentage in Miami Beach, it is assumed that 57% of those employees are renters, and there is an employee household demand of 1,287. There are 429 units, accounting for only 38% of currently available supply of rental units, which fall within the rents affordable to the targeted employees' income levels. There are 1,582 for sale and rental units in development. Assuming that 38% of those units are affordable to the target population, the total number of available units in development will be 258. Adding the current 429 available units and 258 units to be constructed, the total supply of units in Miami Beach is 687 units. The total employee household demand was calculated to be 1,287. Once the supply of 687 units are subtracted from the total demand for units, the remaining demand for targeted employee units in area are 600 units.

Figure 21- Apartment Demand Analysis

Demand Analysis	
Total Employees	2,258
% Rental Households *	57%
Employee Household Demand	1,287
Supply of Available Rental Units *	1,133
Supply of Available Rental Units in AMI Range †	429
% of Supply of Available Rental Units in AMI Range	38%
Pipeline For Sale and Rental Multifamily Units †	1,582
Pipeline Multifamily Rental Units †	680
Pipeline Multifamily Rental Units in AMI Range †	258
Total Unit Supply	687
Targeted Employee Household Demand ‡	600

Notes:
 * Percentage based on Census Bureau's assessment. Housing, Type
 † Units currently available in all types
 ‡ Assumptions currently available in all types
 † Pipeline includes rental and for sale units that are proposed, planned, and under construction from table 6
 † Pipeline rental units in the present of rental households (percentage of the current pipeline of multifamily units)
 † Pipeline of units in AMI range is the supply of multifamily rental units by the percent of supply of available rental units in AMI range (table 6)
 ‡ Targeted household demand minus current units in supply

SITE DETAILS

Barclay Plaza

The subject property is located between Park Ave and Washington Ave between 19th and 20th streets. This site is centrally located in a predominantly residential area across the street from the Miami Beach Convention Center. The convention center is currently undergoing \$620 million renovation and expansion to nearly 600,000 square feet. The urban neighborhood is densely populated with over the vast majority consisting of small apartment and midrise buildings, many of which were built before 1940. Currently, there is construction and renovation in the neighborhood, predominately revitalization of small apartment buildings and boutique hospitality and retail venues with a limited number of new buildings being developed. The subject site is currently vacant and contains a former apartment building and hotel owned by the City.

Zoning Analysis

The Barclay Plaza site is zoned as RM-2. RM-2, residential multifamily, is a medium intensity district. Permitted uses are single-family detached dwellings, townhomes, apartments, apartment-hotels, hotels, and offices that are incidental and customary to a hotel. The site is located in a historic district, so any development must be sensitive to current buildings and the neighborhood. All development must be approved the by the Historic Preservation Board. In addition to historic requirements, the site has a maximum FAR of 2.0 and a height limit of 50', or 5 stories. One exception to the height requirement is that the city would allow a roof top pool. Any new buildings on site would need to comply with the setback requirements: the side requirements are 7½' and front and back are 20' with a minimum of 10' between buildings. Further, the layout must be approved by the historic preservation board. Zoning previously required a minimum unit size of 550 sf and an average of 800 sf. However, according to Affordable Housing Unit Size and Parking Requirements Ordinance No. 2017-4148, the minimum unit size is now 400 sf and the average unit square footage is 400 sf. This ordinance also eliminates the parking requirement or impact fee for affordable and moderate-income housing. The market rate ordinance requires 1.5 spaces per unit on site or within 1,200' feet of the property; alternatively, the developer may elect to pay an impact fee of \$40,000/unit. Because this property will be dedicated workforce housing, the new ordinance would waive this

requirement, saving the developer money as they will not be required to build parking or pay the impact fee.

Figure 22- Current Zoning Renovation Floor Plans



FAR Calculation

The current existing building on site is a 3-story historical building. Previously, the building was used as a hotel before being converted into senior apartments, so all the units are arranged as small studios or efficiencies. Under current zoning, the minimum unit size would need to be 400 square feet and the average unit size must be 800 square feet. In order to meet the zoning minimum, many of these units will need to be combined. With the current zoning, the existing building could be renovated to 30 units: 2 studio, 20 one-bedroom, and 8 two-bedroom units. To reach the site's highest and best use, it is desirable to use the new comprehensive zoning amendment. This site would qualify for the amendment if the developer agreed to a LURA to offer the apartments at moderate or workforce rent limits. The new zoning will allow additional studios and smaller unit sizes, increasing the number of units in the project. The suggested unit mix under the new zoning is 15 studios, 23 1-bedrooms, and 7 2-bedrooms, adding up to a total of 45 units. This increases the number of rental units in the existing building by 150% or 15 units. This will allow the developer to increase their potential income and validate the cost of the large renovation that is needed to preserve the existing building.

Figure 23- Comprehensive Rezoning Renovation Floor Plans



Figure 24- FAR Unit Calculation

FAR Assumptions		FAR Assumptions with Comprehensive Zoning Amendment	
Land Area	26,250	Land Area	26,250
FAR	2.00	FAR	2.00
Total Area Allowed	52,500	Total Area Allowed	52,500
Existing Building	28,433	Existing Building	28,433
Accessory Building Area Allowed	24,067	Accessory Building Area Allowed	24,067
Accessory Building		Accessory Building	
Number of Stories	4.81	Number of Stories	4.81
Floor Size Allowance (Per Setback)	4,996	Floor Size Allowance (Per Setback)	4,996
Maximum Allowable Building Size	24,031	Maximum Allowable Building Size	24,031
Total Unit Space (Minus Common Area)	91%	Total Unit Space (Minus Common Area)	91%
Unit Space Remaining	21,932	Unit Space Remaining	21,932
Average Unit Size	800	Average Unit Size	400
# of Units	27	# of Units	54

The total FAR allowed on site is 2.0. Based on the land area, there is a total of 52,500 square feet of developable area on site. The existing building on site to be renovated is 28,433 square feet, so the remaining developable area is 24,067 square feet. Based on setbacks, the maximum floor plan allowed would be 5,000 square feet. Under current zoning, the average unit size must be 800 square feet; this would allow 27 total units. Given that the new amendment allows the property to have an average unit size of 400 square feet, the new building would be able to double the number of units to a maximum of 54 units. Given the increased number of units allowed in both the existing building and new development, it is assumed that any chosen developer would use the new zoning amendment. This assumption has been applied in all of our feasibility scenarios.

Comparable Project Operating Proforma and Valuation

Utilizing the given parameters, Concourse developed multiple feasibility scenarios to maximize the number of workforce housing units on the given site to create a workforce rental property that is financially feasible, design-compatible, and acceptable in the market. Each scenario presents its own feasibility issues including a lack of project amenities.

Scenario One: This scenario offers 81 workforce housing units in two buildings: 45 units in the existing building and an additional 36 units in a new development. This scenario maximizes the FAR but does not allow for additional parking on site. Though it is the less financially feasible scenario it offers the most workforce housing units, generating about \$1,554,000 in operating

income, and delivering net operating income of \$1,118,000. We believe the 19.87% cash on cash return will be enough to attract a qualified developer.

Scenario Two: This scenario removes the first floor of the accessory building to integrate approximately 24 parking spots on the site. This scenario has 75 workforce housing units in two buildings: 45 units in the existing building and an additional 30 units in a new development. This scenario does not maximize the FAR due to the height restrictions but does decrease construction costs due to removal of the first floor. This scenario is the most financially feasible based on the 28% cash on cash return it offers. To be specific, it generates just over \$1,473,000 in operating income and delivering \$1,069,000 in net operating income.

Concourse created an operating and development budget for each development scenario and structured project financial scenarios coupling unit mix, rental rates and operating expenses with the potential improvements. Rents are based upon a schedule published by the State of Florida for renters within 80%-140% of the Area Median Income range, while expenses are typical for the unit and building type in the market.

Scenario 1 - Operating and Valuation Proforma

Scenario One provides gross revenue of \$1,564,262 with an average proforma rent of \$1,648 monthly for 81 units. We estimate operating expenses per unit to average about 28% of revenue or \$5,376 per unit annually. As per our estimate the 81 units will deliver net operating income close to \$1,118,000. A valuation of \$21.3 million was obtained by applying a market reasonable capitalization rate of 5.25% to net operating income. Loan proceeds of \$16 million for a HUD-financed multifamily building are calculated at the lesser of 87% loan to cost or 1.15 debt service coverage ratio. Developer-invested equity capital of \$1,409,740 delivers a 19.87% return after debt service.

Figure 25- Scenario 1 Proforma

Barclay- Scenario One							
New Development Assumptions: Rents as of 9/4/2018							
	# Units in Building 1	# of Units in Accessory Building	Total Units	Rent	Size	Cost/sf	Total Rent
Workforce Housing							
Studio	15	10	25	\$1,440	400	\$3.40	\$433,350
One Bedroom	25	15	40	\$1,673	612	\$2.69	\$773,914
Two Bedrooms	7	10	17	\$1,898	812	\$2.35	\$989,063
Workforce Total	45	35	81	\$1,648	589	\$2.80	1,602,332
Total Gross Potential Rent							\$1,602,332
Vacancy							(80,117)
Miscellaneous Income						2%	32,047
Effective Gross Income							1,554,262
Operating Expenses							
Controlable Expenses							243,000
Management Fee							46,628
Utilities							121,500
Land Lease							0
Replacement Reserve							24,300
Total Operating Expenses							435,428
Proforma NOI							1,118,834
Debt Service							838,694
Cash Flow After Debt Service							280,140
Rental Housing Value				5.25%	1,118,834		21,311,131
Return on Cost							122.41%
Cash on Cash Return							19.87%

Scenario 1 - Project Construction Sources and Uses

Scenario One's Construction Sources and Uses proforma demonstrates the costs of new construction in Miami Beach for the proposed improvements. As the development involves renovation of an existing building, construction costs will be less than a total new construction. Our sources and uses show a blend of the costs of new construction and renovation based on square feet. We estimate both hard and soft costs for construction at \$332 per square foot, for a total project cost of \$17.4 million for 81 units or \$215,000 Per Unit.

Figure 26- Scenario 1 Sources and Uses

Sources and Uses- Construction				
Sources	%	Per NSF	Per Unit	Total
Debt - Market	92%	305	197,531	16,000,000
Land/Building Loan	0%	0	0	0
Grants	0%	0	0	0
Owner Equity	8%	27	17,404	1,409,740
Total Sources	100%	332	214,935	\$ 17,409,740
Uses	%	Per NSF	Per Unit	Total
Acquisition	0%	0	0	\$ -
Hard Costs	60%	198	128,578	\$ 10,414,796
Financing Fees	15%	50	32,628	\$ 2,642,850
Soft Costs	16%	52	33,792	\$ 2,737,112
Permit/Impact Fees	9%	31	19,938	\$ 1,614,982
Total Uses	100%	332	214,935	\$ 17,409,740

Scenario 1 - Development Floorplate

Scenario One's design maximizes the FAR on site, and offers 81 units of studio, 1 bedroom, and 2-bedroom units averaging 589 square feet, in two different buildings. Forty five of the units will be located in the renovated existing building. An additional 36 unit, 5 story new building will be constructed over the current parking lot/swimming pool area. It is assumed that a rooftop pool would be added to the 5th level of the building for added amenities to this community. This design maximizes the amount of workforce housing of all the proposed development scenarios.

Figure 27- Scenario 1 Site Plan

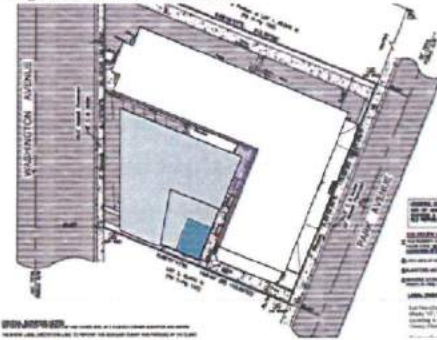
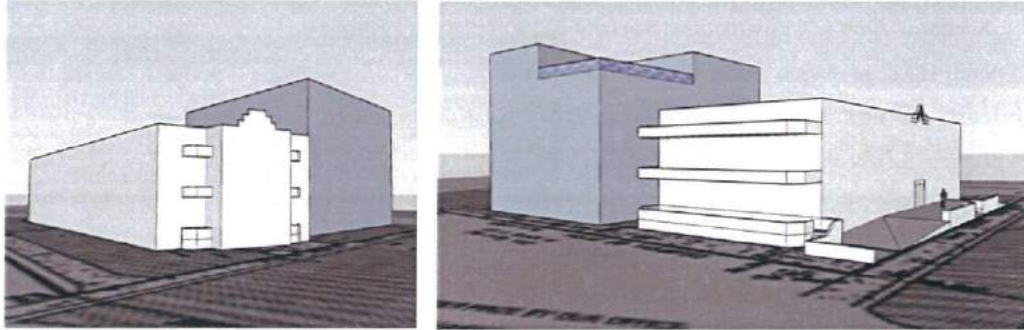


Figure 28- Scenario 1 Massing Studies



Scenario 2 - Operating and Valuation Proforma

Scenario 2 removes the 6 first-floor units from the building to be newly developed, and provides approximately 24 monthly parking spots, each available for \$125 per month. This scenario delivers an estimated gross revenue of \$1,473,563 with an average proforma rent of \$1,647 per month for 75 units. We estimate operating expenses to be 27% of revenue or \$5,389 per unit annually. This will deliver an estimated net operating income of \$1,069,356. A valuation of \$20.368 million was obtained by

Figure 29- Scenario 2 Proforma

Barclay- Scenario Two							
New Development Assumptions: Rent as of 9/4/2018							
	# Units in Building 1	# of Units in Accessory Building	Total Units	Rent	Size	Cost/psf	
Workforce Housing							
Studio	15	8	23	\$1,440	400	\$3.40	
One Bedroom	23	13	36	\$1,673	612	\$2.69	
Two Bedrooms	7	8	15	\$1,898	812	\$2.33	
Workforce Total	45	30	75	\$1,647	587	\$2.81	
Total Gross Potential Rent							1,482,023
Vacancy							(74,101)
Parking Income							36,000
Miscellaneous Income						2%	29,640
Effective Gross Income							1,473,563
Operating Expenses							
Controlable Expenses							225,000
Management Fee							44,207
Utilities							112,500
Land Lease							0
Replacement Reserve							22,500
Total Operating Expenses							404,207
Proforma NOI							1,069,356
Debt Service							800,691
Cash Flow After Debt Service							268,665
Rental Housing Value				5.25%	1,069,356		20,368,680
Return on Cost							125.60%
Cash on Cash Return							28.51%

applying a market reasonable capitalization rate of 5.25% to net operating income. Loan proceeds of \$15.275 million for a HUD-financed multifamily building are calculated at the lesser of 87% loan to cost or 1.15 debt service coverage ratio. Developer-invested equity capital of \$942,256 delivers 28.51% return after debt service.

Scenario 2 - Project Construction Sources and Uses

Scenario Two's Sources and Use proforma demonstrates costs for new construction in Miami Beach for the proposed improvements. As the development involves renovation of an existing building, construction costs will be less than those for a total new construction. Our sources and uses show a blend of the costs of new construction and renovation based on square feet. We estimate both hard and soft costs for construction at \$309 per square foot, for a total project cost of \$16.2 million for 75 units or \$213,500 Per Unit.

Figure 30- Scenario 2 Sources and Uses

Sources and Uses- Construction				
Sources	%	Per NSF	Per Unit	Total
Debt - Market	94%	291	203,667	15,275,000
Land/Building Loan	0%	0	0	0
Grants	0%	0	0	0
Owner Equity	6%	18	12,563	942,256
Total Sources	100%	309	216,230	\$ 16,217,256

Uses				
Uses	%	Per NSF	Per Unit	Total
Acquisition	0%	0	0	\$ -
Hard Costs	59%	182	127,523	\$ 9,564,189
Financing Fees	16%	48	33,708	\$ 2,528,092
Soft Costs	16%	49	34,167	\$ 2,562,561
Permit/Impact Fees	10%	30	20,832	\$ 1,562,415
Total Uses	100%	309	216,230	\$ 16,217,256

Scenario 2 - Development Floorplate

Scenario Two renovates the existing building and adds a second new 4-story building over 1 story of covered parking. Forty-five of the units will be located in the renovated existing building. An additional 30 units would be located in the new building. This site will also have approximately 24 parking spots in a first story covered lot. It is assumed that a roof top pool would be added to the roof of the building, as zoning allows. This design does not maximize the FAR owing to the first story of parking, so

Figure 31- Scenario 2 Site Plan

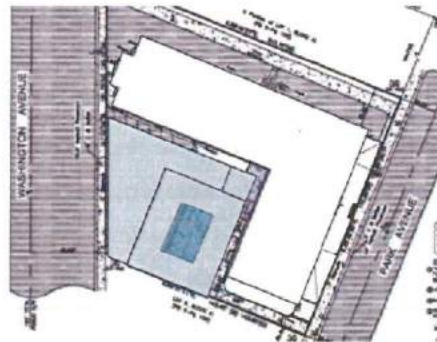
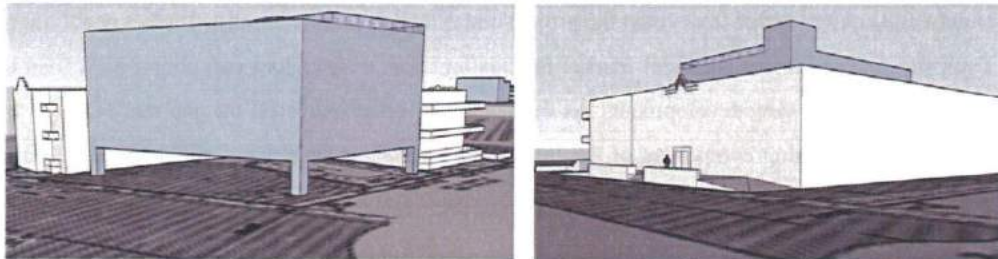


Figure 32- Scenario 2 Massing Studies



City of Miami Beach – Barclay Plaza

there are less units. However, the addition of the parking income and reduced construction costs from not developing the first floor of the building jointly make the total return attractive to a developer.

Comparable Project Operating Proforma

A pro forma operating budget forecasts revenues and expenses, and depicts anticipated results including the amount of cash flow generated from the project

Figure 33- Comparable Operating Proforma

Comparable Operating Proforma				
	Revenue	Expenses	NOI	Cash/Cash
Scenario One:	1,554,262	435,428	1,118,834	19.87%
Scenario Two:	1,473,563	404,207	1,069,356	28.51%

to pay operating expenses and debt service. Recent and historic trends in building sale prices, occupancy rates, operating expenses and capitalization rates were also analyzed. The estimated project valuation for Barclay Plaza is based on the capitalization of proforma net operating income for each of the three potential development scenarios as compared.

(See Barclay financial and development proforma valuation exhibits)

Project Valuation

There are two ways in which a capitalization rate is used by investors. One is to value a property they want to sell based on current

Figure 34- Cap Rate Valuation

Cap Rate Sensitivity				
	NOI	5.25%	5.5%	6.0%
Scenario One:	1,118,834	21,311,131	20,342,443	18,647,239
Scenario Two:	1,069,356	20,368,680	19,442,831	17,822,595

market cap rates for recently sold comparable properties. The other is to determine if the asking price of a property is reasonable from the perspective of a purchase. The income capitalization approach converts the net operating income of a property into an estimate of value. A cap rate sensitivity analysis was performed, establishing a range of value based upon each of the above income and expense financial scenarios. The range of value will assist in determining the amount of debt and equity needed to develop the project and establish a value baseline for P-3 negotiation. Typically, in the current financial market for this location, a developer can obtain 87% loan to value financing for new development. As the sensitivity chart indicates, the cap rate of value for the workforce housing component of the improvements ranges from a low of \$17.8 million and 6% cap rate for Scenario 2 to \$21.3 million for Scenario 1 at a likely 5.25% cap rate.

(See Barclay financial and development proforma valuation exhibits)

Execution Risk

The current market for housing in Miami Beach is strong. Vacancy rates for multifamily rentals are lower in the study area than in the rest of the City. Market rents and sales prices for residential units are high. There is a strong demand for housing, but coupled with high land values and construction costs, new development can be difficult.

Redevelopment and renovation of the site involves neighborhood and community considerations and interruptions, including parking issues, dust, noise, traffic patterns, and construction vehicles. Other concerns include constructing quality improvements, streetscape, and public art.

Construction and Development Cost Risk

Construction costs for the workforce housing portion of the structured garage include estimated soft and hard construction costs, financing costs, off-site costs associated with impact, and user fees and developer return typical for the market. Unknown costs include infrastructure that support the surrounding neighborhood, including storm water management and utility support. Typical risks associated with development include: increasing labor and materials costs, weather delays, and significant interest rate changes that may affect net loan proceeds. Other potential development risks include: changes in market trends, and surrounding neighborhood advocacy that may delay the start of construction.

Project Amenities

Once developed, the density of the site and the limited amount of available non-rented and non-revenue producing square feet leave little room for project amenities. We believe the non-revenue producing amenities could include a fitness room and community room in the lobby of the existing building and a roof-top swimming pool. We estimated the cost of adding the swimming pool at \$500,000. An additional \$200,000 was included in the budget for furniture, fixtures, and equipment for a lobby, leasing office, fitness center, community room, and model unit.

Market Data

Concourse collected market data applicable to the study area specifically. These data points have been collected from a variety of sources including CoStar Group, market conditions reports from local brokerage firms, DataQuick/ CoreLogic sales reports, investor and developer survey data

from Realty/Rates.com, CBRE Cap Rate Survey, BOMA Experience Exchange Reports, RS Means Constructions Costs data, and assessors' data.

Neighborhood Assets

The site has various assets within the immediate neighborhood of Barclay Plaza. The subject property is situated in a very active commercial, residential and hospitality area. Assets within a short two-three block radius include, Collins Park to the north, the Convention Center to the west, Lincoln Road Mall to the south, and AIA to the east.

Financing

Leveraging the prime real estate value of this site to finance the construction of workforce housing units and a mixed-use property is a financially feasible plan that can be executed within a reasonable timeline, as approved by the City.

Sale Risk

There is no sale risk as the site is owned by the City and will be ventured as Public Private Partnership (P3). The City will contribute the land that will be conveyed with title restrictions, and continue to deliver workforce units. The (P3) will be structured as a 100-year ground lease with a land use agreement for workforce housing.

CONCLUSION

Housing costs within the City of Miami Beach represent a severe financial challenge for the average working household. If the City is to attract a diverse population that can live and work within the city limits, greater emphasis must be placed on creating affordable housing opportunities. The housing thus developed must be affordable to households whose annual incomes are under \$82,000, which represents 120% of the Area Median Income of \$51,800 for a typical three-person household.

Currently, about 58% of households making between 80.1% and 120% of AMI in Miami Beach are renters. Of those renters, over one-third are classified as being cost burdened, meaning they pay over 30% of their household income towards rent. Even more unsettling is the fact that about 12 percent are classified as severely cost burdened, paying more than 50 percent of their income towards rent. For example, a household earning the median income in Miami-Dade County

(\$52,000) would spend over 36 percent of their income to pay the median rent of \$1,580 for a one-bedroom apartment in Miami Beach.

Shortage of affordable units for low and moderate households brings numerous adverse impacts on the City. A larger number of people who work within the City must commute over long distances, further clogging the already busy streets with additional traffic and lowering the quality of life for residents and visitors. This also limits the effectiveness of City-sponsored public transit and increases the need for additional parking spaces for commuters. Households that can live within the City may be forced into an overcrowded situation so they can afford housing, further stretching City services. Those who currently live within the City with housing costs in excess of 30 percent deliver a trickle-down effect to the local economy as they have less disposable income to spend at neighborhood restaurants, stores, and local services.

The proposed project would add additional workforce housing units that can alleviate housing cost burdens for municipal employees and allow them to live within City limits. If we extrapolated the number of renters and cost-burdened households to correspond with the number of municipal employees of the City of Miami Beach, it would mean that approximately 600 municipal employees alone would be eligible to benefit from the proposed project's workforce rental rates. In addition, the project would provide a combined direct and indirect economic contribution of construction, operations, and resident spending worth approximately \$14 million.

Applying City parameters to the site, multiple development feasibility models were developed and analyzed, and a broad range of building massing options and mixed income scenarios were evaluated to create a financially feasible and commercially viable workforce housing development model that would attract a development partner. Two models were closely examined. Scenario 1 does meet the minimum development threshold but does not allow for parking on site. Scenario 2 allows for parking on site but has less workforce housing units. We strongly recommend considering the benefits of either scenario 1 or 2 to attract a qualified developer for a residential development that is financially feasible and sustainable over the long term, to help meet the goal of increasing the inventory of local workforce housing for City of Miami Beach.

Figure 35- Development Scenario Summary

Development Scenario	Workforce Units	Market Rate Units	Commercial Space	NOI	Value@ 5.25%	Cashflow After Debt Service	Developer Equity	Developer Fee	Cash on Cash
Scenario 1	81	0	0	1,118,834	21,311,131	280,140	1,409,740	1,041,480	19.87%
Scenario X 2	75	0	0	1,069,356	20,368,680	268,665	942,256	956,419	28.51%

Figure 36 – Neighborhood Map



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Figure 37 - Barclay Plaza Site Views



City of Miami Beach – Barclay Plaza

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Figure 38 – Scenario 1 Development Proforma

Assumptions					Barclay Scenario Chart							
Full Allocation with Comprehensive Leasing Assumptions					New Development Assumptions: Basis as of 9/1/2016							
Land Area				28,252	# of Units in Building 1	# of Units in Accessory Building	Total Units	Area	Size	Cost/Unit	Total Cost	Total Area
FAR				1.00	13	18	31	52,440	400	\$1,400	\$43,960	10,032
Total Area				28,252	23	18	41	\$1,679	83.3	\$2,069	\$178,964	24,770
Current Building				28,412	7	13	20	\$1,898	81.2	\$2,358	\$89,089	13,009
Building Area Allowed				24,567	Total Averages			\$1,649	89.9	\$1,640	1,402,332	47,641
Accessory Building				4.81	# of Units, Area, Size, Cost/Unit, As % Complete							
Number of Stories				4.96	61	\$1,048	59.9	\$1,000	\$1,000	\$1,002,332		
Floor Size				14,211	Total Gross Potential Rent			\$1,649	\$1.00	\$1,002,332		
Accessory Building Size				38,011	Vacancy					182,175		
Building Size as % Allowed				8%	Total Operating Expenses					12,247		
Total Common Space				23,742	Other Gross Income					1,554,454		
Unit Space Per Allow				532	Operating Expenses							
Average Unit Size				38	Construction Expenses					283,200		
# of Units				38	Management Fee	1.00%				576		
Rent Projection					Per Unit							
Average Income	\$1,300				Landlord					1,500	151,500	
Household Size	1	2	3	4	Land Lease					0	0	
90%	41,300	46,150	54,000	62,400	Equipment Reserve					200	24,000	
95%	47,070	54,796	65,200	77,950	Total Operating Expenses	20%				1,128	458,628	
100%	52,840	60,448	72,000	85,500	Profession Fees						1,118,818	
110%	57,530	66,488	79,600	93,050	Debt Service						6,250,076	
120%	62,240	71,525	85,600	100,600	Interest						40	
130%	66,990	76,569	91,600	108,150	Association						608,676	
140%	71,740	81,613	97,600	115,700	Debt Service						240,140	
Sub-Units					Cash Flow After Debt Service						1,311,131	
90%	1,039	1,039	1,082	1,110	Rental Value			5.25%	1,131,898		12,311,131	
95%	1,177	1,160	1,230	1,289	Return on Cost						122,41%	
100%	1,306	1,311	1,390	1,464	Cash on Cash Return						12.87%	
110%	1,435	1,462	1,572	1,676	Reserve and Other Construction							
120%	1,564	1,583	1,720	1,825	Design	%	Per Unit	Per Unit	Total			
130%	1,700	1,764	1,920	2,024	Cost - Market	35%	305	197,512	36,052,000			
140%	1,835	1,915	2,080	2,185	Land/Building Loss	0%	0	0	0			
Sub Averages	1,604	1,689	1,823	1,937	Grants	0%	0	0	0			
Sales Projection					Owner Equity	0%	17	17,406	1,401,143			
Average Income	\$1,800				Total Sources	100%	312	214,908	17,499,143			
Household Size	1	2	3	4	Uses							
90%	41,300	46,150	54,000	62,400	Acquisition	0%	0	0	\$			
95%	46,070	54,796	65,200	77,950	Hard Costs	60%	188	138,576	\$ 30,434,796			
100%	50,840	60,448	72,000	85,500	Financing Fees	15%	50	31,500	\$ 1,940,000			
110%	55,530	66,488	79,600	93,050	Soft Costs	14%	33	31,702	\$ 1,737,111			
120%	60,240	71,525	85,600	100,600	Period/Impact Fees	0%	0	0	\$ 1,024,964			
130%	64,990	76,569	91,600	108,150	Total Uses	100%	111	154,991	\$ 17,429,147			
140%	69,740	81,613	97,600	115,700	Total Sources							
Sub-Units					100%	312	214,908	17,499,143				
90%	131,400	140,313	160,000	186,500	Uses							
95%	171,590	199,444	234,000	281,150	Acquisition	0%	0	0	\$			
100%	186,240	211,515	244,000	291,400	Hard Costs	60%	188	138,576	\$ 30,434,796			
110%	203,730	235,706	285,000	334,450	Financing Fees	15%	50	31,500	\$ 1,940,000			
120%	219,040	253,938	305,000	371,100	Soft Costs	14%	33	31,702	\$ 1,737,111			
Sub Averages	196,121	224,041	275,000	332,121	Period/Impact Fees	0%	0	0	\$ 1,024,964			

City of Miami Beach – Barclay Plaza

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Figure 19 – Scenario 2 Development Proforma

Assumptions				Scenario Two									
All of Units leased with absorption rate of 100%				All of Units leased with absorption rate of 100%									
Land Area			12,120										
FAR			6.00										
Floor Area			72,720										
Common Building			12,584										
Building Area Allowed			60,136										
Accessory Building													
Number of Units			9,000										
Floor Size			4,000										
Accessory Building Size			52,552										
Building size on lot allowed			60,136										
Floor Completion			97%										
Land Value at Closing			10,200										
Average Unit Size			444										
# of Units			9,000										

Unit Proforma			
Average in line	A	B	C
100%	42,200	48,000	52,400
90%	47,270	54,750	57,000
80%	53,200	60,400	63,000
70%	61,700	70,100	74,000
60%	73,200	84,000	88,000
50%	88,200	102,000	106,000
40%	107,200	124,000	128,000
30%	130,200	150,000	154,000
20%	157,200	180,000	184,000
10%	188,200	214,000	218,000
0%	223,200	252,000	256,000
Average	118,200	134,000	140,000

Unit Proforma			
Average in line	A	B	C
100%	42,200	48,000	52,400
90%	46,250	53,250	57,400
80%	51,500	59,000	63,000
70%	58,200	66,000	70,000
60%	66,500	75,000	79,000
50%	76,500	86,000	90,000
40%	88,200	99,000	103,000
30%	101,500	114,000	118,000
20%	116,200	130,000	134,000
10%	132,000	148,000	152,000
0%	148,500	168,000	172,000
Average	118,200	134,000	140,000

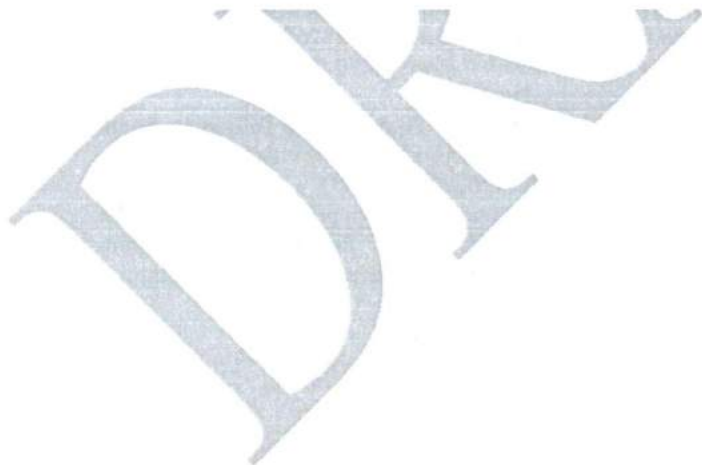
Scenario Two						
# of Units in Building	Building	Total Units	Unit	Per Unit	Total Cost	Total Area
20	20	20	20,000	400	8,000	8,000
40	40	40	16,000	400	64,000	16,000
100	100	100	40,000	400	160,000	40,000
200	200	200	80,000	400	320,000	80,000
400	400	400	160,000	400	640,000	160,000
800	800	800	320,000	400	1,280,000	320,000
1,600	1,600	1,600	640,000	400	2,560,000	640,000
3,200	3,200	3,200	1,280,000	400	5,120,000	1,280,000
6,400	6,400	6,400	2,560,000	400	10,240,000	2,560,000
12,800	12,800	12,800	5,120,000	400	20,480,000	5,120,000
25,600	25,600	25,600	10,240,000	400	40,960,000	10,240,000
51,200	51,200	51,200	20,480,000	400	81,920,000	20,480,000
102,400	102,400	102,400	40,960,000	400	163,840,000	40,960,000
204,800	204,800	204,800	81,920,000	400	327,680,000	81,920,000
409,600	409,600	409,600	163,840,000	400	655,360,000	163,840,000
819,200	819,200	819,200	327,680,000	400	1,310,720,000	327,680,000
1,638,400	1,638,400	1,638,400	655,360,000	400	2,621,440,000	655,360,000
3,276,800	3,276,800	3,276,800	1,310,720,000	400	5,242,880,000	1,310,720,000
6,553,600	6,553,600	6,553,600	2,621,440,000	400	10,485,760,000	2,621,440,000

Operating Expenses			
Category	Per Unit	Per Sq Ft	Total
Common Area	0.50	0.12	110,000
Management Fee	0.50	0.12	110,000
Utilities	1.00	0.24	220,000
Landscaping	0.25	0.06	55,000
Repairs & Maintenance	0.50	0.12	110,000
Total Operating Expenses	2.75	0.66	595,000

Proforma NOI			
Category	Per Unit	Per Sq Ft	Total
Gross Revenue	1,000	240	2,640,000
Operating Expenses	(275)	(66)	(715,000)
Net Operating Income	725	174	1,925,000
Operating Ratio	72.5%	72.5%	72.5%

Water and Sewer Charges			
Category	Per Unit	Per Sq Ft	Total
Water	1.00	0.24	220,000
Sanitary Sewer	0.50	0.12	110,000
Stormwater	0.50	0.12	110,000
Total Water and Sewer	2.00	0.48	440,000

Water and Sewer Charges			
Category	Per Unit	Per Sq Ft	Total
Water	1.00	0.24	220,000
Sanitary Sewer	0.50	0.12	110,000
Stormwater	0.50	0.12	110,000
Total Water and Sewer	2.00	0.48	440,000



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APPENDIX I

MIAMI BEACH

Demographic Data

2019-098-KB
FOR THE DEVELOPMENT OF THE BARCLAY
WORKFORCE HOUSING PROJECT

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

Table 1 - Demographics

Race/Ethnicity	(Miami Beach, FL CDBG, HOME) Jurisdiction		(Miami-Fort Lauderdale-West Palm Beach, FL) Region	
	#	%	#	%
White, Non-Hispanic	26,196	40.04%	1,937,939	34.83%
Black, Non-Hispanic	2,037	3.11%	1,096,536	19.71%
Hispanic	34,978	53.46%	2,312,928	41.56%
Asian or Pacific Islander, Non-Hispanic	1,160	1.77%	123,823	2.23%
Native American, Non-Hispanic	83	0.13%	7,579	0.14%
Two or More Races, Non-Hispanic	720	1.10%	67,645	1.22%
Other, Non-Hispanic	251	0.38%	18,184	0.33%
National Origin				
#1 country of origin	Cuba	13,256 15.68%	Cuba	695,838 13.02%
#2 country of origin	Colombia	3,358 3.97%	Haiti	201,643 3.77%
#3 country of origin	Argentina	3,316 3.92%	Colombia	160,599 3.00%
#4 country of origin	Peru	2,148 2.54%	Jamaica	130,820 2.45%
#5 country of origin	Guatemala	2,094 2.48%	Nicaragua	91,346 1.71%
#6 country of origin	Venezuela	1,765 2.09%	Venezuela	67,778 1.27%
#7 country of origin	Brazil	1,701 2.01%	Mexico	63,977 1.20%
#8 country of origin	Honduras	1,455 1.72%	Peru	62,604 1.17%
#9 country of origin	Uruguay	1,160 1.37%	Dominican Republic	61,621 1.15%
#10 country of origin	France	960 1.14%	Honduras	59,837 1.12%
Limited English Proficiency (LEP) Language				
#1 LEP Language	Spanish	24,322 28.78%	Spanish	1,004,653 18.80%
#2 LEP Language	Tagalog	656 0.78%	French Creole	129,002 2.41%
#3 LEP Language	Russian	602 0.71%	Portuguese	19,131 0.36%
#4 LEP Language	Portuguese	512 0.61%	French	16,955 0.32%
#5 LEP Language	Italian	312 0.37%	Chinese	12,083 0.23%
#6 LEP Language	French	296 0.35%	Russian	7,510 0.14%
#7 LEP Language	German	221 0.26%	Vietnamese	6,166 0.12%
#8 LEP Language	Other Asian Language	174 0.21%	Italian	6,108 0.11%
#9 LEP Language	Other Indo-European Language	155 0.18%	Other Asian Language	4,019 0.08%
#10 LEP Language	Other Indic Language	139 0.16%	Tagalog	3,995 0.07%
Disability Type				
Hearing difficulty		2,375 2.83%		154,313 2.92%
Vision difficulty		2,479 2.96%		114,546 2.17%
Cognitive difficulty		4,171 4.98%		232,262 4.39%
Ambulatory difficulty		6,137 7.32%		345,132 6.53%
Self-care difficulty		2,577 3.07%		139,844 2.64%
Independent living difficulty		4,033 4.81%		240,133 4.54%
Sex				
Male		34,634 52.94%		2,693,823 48.41%
Female		30,791 47.06%		2,870,812 51.59%
Age				
Under 18		8,068 12.33%		1,205,961 21.67%
18-64		47,403 72.45%		3,472,082 62.40%
65+		9,954 15.21%		886,592 15.93%
Family Type				
Families with children		4,692 35.32%		594,299 43.12%

Note 1: All % represent a share of the total population within the jurisdiction or region, except family type, which is out of total families.
 Note 2: 10 most populous places of birth and languages at the jurisdiction level may not be the same as the 10 most populous at the Region level, and are thus labeled separately.
 Note 3: Data Sources: Decennial Census; ACS
 Note 4: Refer to the Data Documentation for details (www.huxexchange.info).