

Video

2020 ULI Hines Student Competition: La Mezcla Presentation

Date: April 07, 2020

00:00:03 --> 00:00:05: Awesome, thank you. Well good afternoon everyone.

00:00:05 --> 00:00:07: We are lomez Bob which means the mix and we

00:00:07 --> 00:00:09: just want to start off by thanking all of you

00:00:09 --> 00:00:11: for taking the time this afternoon.

00:00:11 --> 00:00:13: We know you all very busy schedules and you've been

00:00:13 --> 00:00:15: listening to presentations all day.

00:00:15 --> 00:00:16: So thank you. Were excited.

00:00:16 --> 00:00:19: Share vision with you. So we wanted to start off

00:00:19 --> 00:00:21: with this image because it does a great job of

00:00:21 --> 00:00:23: capturing the essence of our development projects.

00:00:23 --> 00:00:27: View from the pedestrian bridge which democratizes the

00:00:27 --> 00:00:29: out over the train station and the major Latin American

00:00:29 --> 00:00:31: Art Museum with public community space.

00:00:31 --> 00:00:34: Featuring a collection of Latin artists.

00:00:34 --> 00:00:36: This moment really encapsulates the heart of the message

00:00:36 --> 00:00:38: list,

00:00:38 --> 00:00:40: so thank you so much for taking the time to

00:00:40 --> 00:00:43: listen and we look forward to hearing your thoughts.

00:00:43 --> 00:00:45: I'm John Hong from Columbia University,

00:00:45 --> 00:00:48: msba development. In the sack Alisa,

00:00:48 --> 00:00:51: come from University and it's really sad development.

00:00:51 --> 00:00:56: Bell Petrol, Columbia University. Also real estate

00:00:56 --> 00:00:59: development.

00:00:59 --> 00:01:03: Play Martinez City and regional planning from practicing 2.

00:01:03 --> 00:01:06: Matthew Mitchell from Pratt Institute Master of Architecture

00:01:06 --> 00:01:08: and Team

00:01:08 --> 00:01:11: Advisors are John Shapiro from Pratt Institute,

00:01:11 --> 00:01:14: David Cruz from Columbia University,

00:01:14 --> 00:01:17: Phil Warm from Twining Properties and Eric Rose from

Tishman
 00:01:11 --> 00:01:11: Speyer.
 00:01:14 --> 00:01:16: La Mezcla or the mix of the two point 7
 00:01:16 --> 00:01:19: million square foot 1.1 billion dollar transit oriented mixed
 Use
 00:01:19 --> 00:01:21: development project in Midtown Miami.
 00:01:21 --> 00:01:24: It's designed around three major pillars,
 00:01:24 --> 00:01:27: ecology, community and economy and our goal here is to
 00:01:27 --> 00:01:30: focus our design and development around these three
 themes.
 00:01:30 --> 00:01:34: While bringing together the socioeconomic diversity between
 Wynnewood in Edgewater.
 00:01:34 --> 00:01:36: So if the Recology specifically,
 00:01:36 --> 00:01:38: we're focusing on stormwater management,
 00:01:38 --> 00:01:42: urban farming, and increased density of the ridgeline to
 combat
 00:01:42 --> 00:01:43: climate change in community.
 00:01:43 --> 00:01:45: We created seven public plazas.
 00:01:45 --> 00:01:48: In green space, including the redevelopment of the major
 Latin
 00:01:48 --> 00:01:49: American Art Museum.
 00:01:49 --> 00:01:51: On top of that, 30%
 00:01:51 --> 00:01:55: of our 1042 multifamily rental units or remain permanently
 affordable.
 00:01:55 --> 00:01:58: Economically, we're focusing on preserving existing demand
 for technology,
 00:01:58 --> 00:02:00: but also bringing in new industry in the form of
 00:02:00 --> 00:02:01: life,
 00:02:01 --> 00:02:02: science and vertical farming.
 00:02:05 --> 00:02:09: Financially lamasco structured over 2 phases and six total
 years
 00:02:09 --> 00:02:10: of construction.
 00:02:10 --> 00:02:13: So that's three years per phase and our capital stack
 00:02:13 --> 00:02:15: is made up of developer and LP equity,
 00:02:15 --> 00:02:18: Opportunity Zone, fund equity, light equity and two city
 financing
 00:02:18 --> 00:02:20: programs that TID smart plan,
 00:02:20 --> 00:02:23: which focuses on transportation in the Miami Forever Bond,
 00:02:23 --> 00:02:25: which focuses on ecological resilience.
 00:02:25 --> 00:02:29: Lastly, construction loan debt. Our idea here is to establish
 00:02:29 --> 00:02:31: value in a sense of place in phase one.
 00:02:31 --> 00:02:34: It's a smaller space, 1.1 million gross square feet that
 00:02:34 --> 00:02:37: has a larger proportion of residential units.
 00:02:37 --> 00:02:40: And capitalize off of that increase intrinsic value in phase

00:02:40 --> 00:02:43: two with additional residential units and commercial space.

00:02:45 --> 00:02:48: As John mentioned, Lamasco is based off of three of

00:02:48 --> 00:02:49: three pillars,

00:02:49 --> 00:02:52: ecology, community, community, and economy.

00:02:52 --> 00:02:56: These pillars were created through a robust community engagement process

00:02:56 --> 00:02:59: with a diverse set of stakeholders.

00:02:59 --> 00:03:02: The diagram illustrated here is organized with these three pillars,

00:03:02 --> 00:03:07: and therefore, associated goals. The implementation strategy of those four

00:03:07 --> 00:03:12: goals has resulted in a multi layered vision that creates

00:03:12 --> 00:03:14: a 24/7 live work play environment.

00:03:14 --> 00:03:17: Ecology has been considered at various scales.

00:03:17 --> 00:03:19: Three of three of these are the regional scale,

00:03:19 --> 00:03:23: the neighborhood scale, and the site scale.

00:03:23 --> 00:03:26: At the regional scale, Medical offers a zoning plan that

00:03:26 --> 00:03:29: densifies along the ridgeline 12 feet above sea level,

00:03:29 --> 00:03:32: which is one of Miami's highest points and also outside

00:03:32 --> 00:03:34: the current flood zone.

00:03:34 --> 00:03:37: The ridgeline also contains the train tracks and our new

00:03:37 --> 00:03:39: proposed Brightline station.

00:03:39 --> 00:03:42: In addition, the master plan includes a greenscape that leads

00:03:42 --> 00:03:45: out to Biscayne Bay for stormwater management.

00:03:45 --> 00:03:48: Loesch's Master Plan offers a repeatable president for the East

00:03:48 --> 00:03:49: coastline of Florida,

00:03:49 --> 00:03:52: making the entire state more resilient.

00:03:52 --> 00:03:54: From the scale of the neighborhood,

00:03:54 --> 00:03:58: La Mezcla offers numerous ways to engage the ecology,

00:03:58 --> 00:03:59: from green roofs to park space,

00:03:59 --> 00:04:01: as well as baywalk. In addition,

00:04:01 --> 00:04:04: Las Rampas, the pedestrian Walking Bridge,

00:04:04 --> 00:04:08: another elevated parks act as an emergency refuge during hurricanes.

00:04:08 --> 00:04:11: These areas can temporary housing emergency services.

00:04:11 --> 00:04:15: While the agricultural hub and office tower can can serve

00:04:15 --> 00:04:16: as emergency housing,

00:04:16 --> 00:04:19: raising the entire neighborhood above the storm surge.

00:04:19 --> 00:04:21: At the scale of the site,

00:04:21 --> 00:04:26: lemez Ghazali, Platinum development that services both its tenants and

00:04:26 --> 00:04:28: anyone who visits the site.

00:04:28 --> 00:04:31: Through the plazas Greens gate and promotion of pedestrian,

00:04:31 --> 00:04:33: bike and public transportation.

00:04:33 --> 00:04:36: Through various efforts, Lamasco will reduce carbon,

00:04:36 --> 00:04:40: increased biodiversity, managed water with efficacy,

00:04:40 --> 00:04:42: and mitigate the heat island effect,

00:04:42 --> 00:04:47: leading all to a greater community health and Wellness.

00:04:47 --> 00:04:49: The Community pillar is driven by inclusivity,

00:04:49 --> 00:04:52: the social fabric that Lumesse click creates,

00:04:52 --> 00:04:55: is reflective of the culturally diverse community that is Miami,

00:04:55 --> 00:04:57: and it is rooted in transportation,

00:04:57 --> 00:05:01: housing, cultural, institution, and waterfront access equity.

00:05:01 --> 00:05:05: We've improved circulation through the site to connect the amenities

00:05:05 --> 00:05:08: proposed amescua with the adjacent neighborhoods offering community benefits,

00:05:08 --> 00:05:10: not just to the neighborhood,

00:05:10 --> 00:05:13: but to the city and through the bright land connection

00:05:13 --> 00:05:14: to the region.

00:05:14 --> 00:05:17: The open space in Parkland that Matthew mentioned as part

00:05:17 --> 00:05:20: of the ecology pillar not only serves as crucial climate

00:05:20 --> 00:05:21: regulation and habitat,

00:05:21 --> 00:05:25: but provides abundant spaces for people to gather and enjoy

00:05:25 --> 00:05:27: the very social atmosphere that we have designed.

00:05:27 --> 00:05:31: Less rumpus or signature elevated park starts at the northwest

00:05:31 --> 00:05:31: corner,

00:05:31 --> 00:05:34: inviting Wynnewood North Day into the site.

00:05:34 --> 00:05:36: And we used for the community connecting to you in

00:05:36 --> 00:05:40: providing views of the various native gardens and plazas that

00:05:40 --> 00:05:42: are programmed for pop up food and music events,

00:05:42 --> 00:05:45: St Fairs daily and destination shopping.

00:05:45 --> 00:05:47: And just relishing in the local art scene.

00:05:47 --> 00:05:50: Our jobs and housing mix also creates a diverse and

00:05:50 --> 00:05:53: vibrant community equity and social well being are crucial to

00:05:54 --> 00:05:55: the success of this project.

00:05:55 --> 00:05:58: Over 30% of our housing is affordable and the first

00:05:58 --> 00:06:03: floor retail and light industrial spaces offer working class jobs

00:06:03 --> 00:06:05: alongside corporate and biotech offices.

00:06:05 --> 00:06:08: As far as the economy pillar goes,

00:06:08 --> 00:06:12: we understand that placemaking attracts talent and our goal is

00:06:12 --> 00:06:16: to raise the economic denominator for the Community using

our
 00:06:16 --> 00:06:16: life,
 00:06:16 --> 00:06:22: science and technology platform. Leveraging vertical farming
 by preserving existing
 00:06:22 --> 00:06:27: makerspaces and partnering with local retail operators to
 drive growth
 00:06:27 --> 00:06:29: and innovation.
 00:06:29 --> 00:06:33: Florida itself has very strong fundamentals and is an
 attractive
 00:06:33 --> 00:06:35: destination for both business and people.
 00:06:35 --> 00:06:37: There's no state income tax.
 00:06:37 --> 00:06:42: There's many lucrative incentives for corporations and the
 University systems
 00:06:42 --> 00:06:43: graduate.
 00:06:43 --> 00:06:47: Large volumes of STEM graduates that can support the type
 00:06:47 --> 00:06:50: of program we're proposing at lamasco
 00:06:50 --> 00:06:54: life science is the economic engine of the project and
 00:06:54 --> 00:06:58: has been expanding into Florida in recent years.
 00:06:58 --> 00:07:02: While major clusters remain on the West Coast and in
 00:07:02 --> 00:07:04: the northeast costs an land.
 00:07:04 --> 00:07:08: Prices of ask did so much so that Miami's affordability
 00:07:08 --> 00:07:13: and global appeal make it a logical destination for expansion.
 00:07:13 --> 00:07:20: The three Martin three major market drivers that we've
 identified.
 00:07:20 --> 00:07:24: For the Life Science platform or federal funding venture,
 00:07:24 --> 00:07:27: capital investment and private donations,
 00:07:27 --> 00:07:30: there's been a 5% year over year growth in NIH
 00:07:30 --> 00:07:31: grant funding,
 00:07:31 --> 00:07:35: a 25% year over year growth in venture capital investment
 00:07:35 --> 00:07:39: and upwards of 38 billion dollars raised by private donors
 00:07:39 --> 00:07:41: to research and fight diseases.
 00:07:41 --> 00:07:44: This is critical given our current climate,
 00:07:44 --> 00:07:48: especially when you consider that only 500 of 10,000
 identified
 00:07:48 --> 00:07:50: diseases have a cure,
 00:07:50 --> 00:07:54: and. We feel strongly that funding will continue to increase
 00:07:54 --> 00:07:56: in the near term as a result.
 00:07:56 --> 00:08:01: Our economic platform offers diverse job opportunities for a
 broad
 00:08:01 --> 00:08:04: range of educational backgrounds.
 00:08:04 --> 00:08:06: Based on those three pillars as a guide,
 00:08:06 --> 00:08:09: we created the master plan highlighting community ecology
 and economy
 00:08:09 --> 00:08:10: that you see here.

00:08:10 --> 00:08:12: Phase one, outlined in blue,
 00:08:12 --> 00:08:15: starts by establishing a sense of community through the 501
 00:08:15 --> 00:08:16: residential units,
 00:08:16 --> 00:08:18: 30% of which are affordable.
 00:08:18 --> 00:08:20: It's one point, 1,000,000 gross square feet,
 00:08:20 --> 00:08:22: and includes the Brightline train station,
 00:08:22 --> 00:08:24: 333 thousand square feet of life,
 00:08:24 --> 00:08:27: science and technology space, and 160,000 square feet of
 retail
 00:08:27 --> 00:08:28: and restaurant space,
 00:08:28 --> 00:08:31: including the urban agriculture and food Hall space.
 00:08:31 --> 00:08:35: Denoted by item six and seven in the legend below.
 00:08:35 --> 00:08:37: So create were creating a sense of place in phase
 00:08:37 --> 00:08:39: one while maximizing the proportion of residential units.
 00:08:39 --> 00:08:42: This is because the creation of more stable assets would
 00:08:42 --> 00:08:42: be easier to sell.
 00:08:42 --> 00:08:45: The opportunity zone funds. These two,
 00:08:45 --> 00:08:48: outlined in Orange is 1.6 million gross square feet and
 00:08:48 --> 00:08:51: is made up of 541 residential units,
 00:08:51 --> 00:08:53: 30% of which are affordable.
 00:08:53 --> 00:08:56: 275 key boutique hotel and 400 in a 480,000 square
 00:08:56 --> 00:08:57: foot office tower,
 00:08:57 --> 00:09:01: both on Miami Ave with the retail corridor between them
 00:09:01 --> 00:09:04: that activates the pedestrian experience.
 00:09:04 --> 00:09:07: The future phase of the project moves past Second Ave
 00:09:07 --> 00:09:10: to the East through a linear public park towards the
 00:09:10 --> 00:09:12: same day and terminates at a future PR.
 00:09:12 --> 00:09:15: In very formal, this connection satisfies regional needs for
 increased
 00:09:15 --> 00:09:17: open space in coastal resilience,
 00:09:17 --> 00:09:20: democratizing the waterfront.
 00:09:20 --> 00:09:23: In order to accomplish this community vision,
 00:09:23 --> 00:09:27: we've rezoned our parcels, nsap or special area plan under
 00:09:27 --> 00:09:27: Miami 21.
 00:09:27 --> 00:09:29: Zoning code for sites over 9 acres.
 00:09:29 --> 00:09:33: This allows us to fit the right density and integrated
 00:09:33 --> 00:09:35: mix of uses throughout the site,
 00:09:35 --> 00:09:38: while the rezoning puts the entire site at AT 624
 00:09:38 --> 00:09:40: urban core zoning district or design,
 00:09:40 --> 00:09:44: maintains the spirit of the D2 industrial D1C2 commercial
 Corridor
 00:09:44 --> 00:09:47: districts from the original Miami 21 zoning,
 00:09:47 --> 00:09:51: while adding appropriate height and dynamic open space

programming.

00:09:51 --> 00:09:53: From Midtown Miami's Cultural transit hub.

00:09:53 --> 00:09:57: This rezoning allows our design to respect and weave together

00:09:57 --> 00:09:59: the open air art experience of Wynwood to the West

00:09:59 --> 00:10:02: and areas more vulnerable to sea level.

00:10:02 --> 00:10:02: Rise to the East.

00:10:05 --> 00:10:08: Our development site is situated on five city blocks spanning

00:10:08 --> 00:10:11: the area between Marketplace 6 St and N 29th St

00:10:11 --> 00:10:14: in North South direction as well as between North Miami

00:10:14 --> 00:10:16: Ave in NE 2nd Ave West is expressions are cited

00:10:16 --> 00:10:20: bisected by the bright line which is currently proposed.

00:10:20 --> 00:10:22: Rail line with the city of Miami.

00:10:22 --> 00:10:24: Brightline coincide with the location of the Ridge,

00:10:24 --> 00:10:28: which places our entire development side above the floor plan.

00:10:28 --> 00:10:31: The original line and the bright line both coincide with

00:10:31 --> 00:10:34: the opportunity zone boundaries noted in the yellow on the

00:10:35 --> 00:10:37: plan and extends over to this game Blvd.

00:10:37 --> 00:10:39: We're using the opportunity zone as a means to phase

00:10:39 --> 00:10:42: or project with the area in blue being developed first.

00:10:42 --> 00:10:46: This is because opportunity zone funds are time sensitive.

00:10:46 --> 00:10:49: We currently own 48 parcels on the size noted in

00:10:49 --> 00:10:51: the light blue in the light orange colors and we

00:10:51 --> 00:10:54: are seeking to acquire an additional 32 parcels out in

00:10:54 --> 00:10:57: the dark blue origin.

00:10:57 --> 00:11:01: Their total development cycle consist of 80 parcels,

00:11:01 --> 00:11:05: would have area of 739 thousand square feet for evaluation

00:11:05 --> 00:11:08: of 139 million or \$186 per square foot.

00:11:11 --> 00:11:13: After we've assembled on site,

00:11:13 --> 00:11:15: the first move will be to realign the city grids.

00:11:15 --> 00:11:19: Currently Miami is a North South oriented city with limited

00:11:19 --> 00:11:22: East West connections and pour water from access,

00:11:22 --> 00:11:24: largely owing to the fact that it's private eyes.

00:11:24 --> 00:11:28: By strengthening the East West connection through griddle realignments,

00:11:28 --> 00:11:32: we will provide direct corridors leading from the graffiti walls

00:11:32 --> 00:11:35: of Lynnwood for the waterfront of this game day.

00:11:35 --> 00:11:38: Moreover, my areas of 7th worst congested city in the

00:11:38 --> 00:11:41: United States and after visiting the site is notice.

00:11:41 --> 00:11:45: There are very few safe production crossings on the side.

00:11:45 --> 00:11:49: This problem. We are creating a multimodal transit hub on

00:11:49 --> 00:11:52: our development site that begins with the Brightline station.

00:11:52 --> 00:11:56: Brightline Station will be supplemented by bus service as well

00:11:57 --> 00:12:01: as black flammability automated vehicle roofs without the need to

00:12:01 --> 00:12:04: drop off the translation to accommodate the color.

00:12:04 --> 00:12:07: We are providing 800 parking spaces both in garages and

00:12:08 --> 00:12:09: on the surface of the site.

00:12:09 --> 00:12:13: In addition, we are providing bike lanes resource.

00:12:13 --> 00:12:16: Pedestrian only streets in either phase will be located between

00:12:16 --> 00:12:17: pole buildings,

00:12:17 --> 00:12:20: ensuring ample shared in the tropical climate.

00:12:20 --> 00:12:23: The train line crosses are spite upgrade,

00:12:23 --> 00:12:27: so they're providing free safe crossings without strings,

00:12:27 --> 00:12:28: one on North East 26 St,

00:12:28 --> 00:12:32: NE, 9th St, and 1 via our elevated pedestrian bridge

00:12:32 --> 00:12:34: called last number.

00:12:34 --> 00:12:36: Or is this a safe crossing like nonplus mode and

00:12:36 --> 00:12:39: it rendering below will be a public amenity space with

00:12:39 --> 00:12:42: ample shading that provides extensive use to the heart of

00:12:42 --> 00:12:46: Alaska logic surrounding neighborhoods as well at the waterfront additional

00:12:46 --> 00:12:49: you'll be a direct connection between our commercial power in

00:12:49 --> 00:12:51: our food halls and will share would be at their

00:12:51 --> 00:12:53: lunchtime spot for money.

00:12:57 --> 00:13:00: La Mesa embraces live play culture,

00:13:00 --> 00:13:04: providing the community with effective and strategic placemaking.

00:13:04 --> 00:13:09: The design takes advantage of the tropical climate while providing

00:13:09 --> 00:13:11: shade and water for visitors.

00:13:11 --> 00:13:17: It leverages sustainable design practices and provide significant community benefits.

00:13:17 --> 00:13:21: These benefits are achieved through use of public space wooden

00:13:21 --> 00:13:22: podium levels,

00:13:22 --> 00:13:26: along with rooftop gardens. The design offers a linear park

00:13:26 --> 00:13:27: network.

00:13:27 --> 00:13:31: But aspirationally reaches out to Biscayne Bay and the pedestrian

00:13:31 --> 00:13:35: bridge Democratizes views the skyline for all members of the

00:13:35 --> 00:13:38: community along the bottom of the screen.

00:13:38 --> 00:13:42: You can see 3 examples of how these public spaces

00:13:42 --> 00:13:43: manifest in reality.

00:13:43 --> 00:13:48: The rendering on the left depicts the detention Plaza in
00:13:48 --> 00:13:49: the event of storms,
00:13:49 --> 00:13:53: the Plaza acts as a catchment basin to alleviate pressure
00:13:54 --> 00:13:57: on the storm water system in general use.
00:13:57 --> 00:14:01: This is a flexible Plaza space that's used for events,
00:14:01 --> 00:14:06: live music, theatrical screenings, or just people watching.
00:14:06 --> 00:14:09: The middle rendering depicts the restaurant row.
00:14:09 --> 00:14:14: This is offering a more formal dining experience to contrast
00:14:14 --> 00:14:17: the Food truck Plaza and the La Mescall of Food
00:14:17 --> 00:14:18: Hall,
00:14:18 --> 00:14:22: situated between the Life science and complexes.
00:14:22 --> 00:14:25: The 3rd and Final view on the bottom right hand
00:14:25 --> 00:14:29: corner of the screen shows the entrance to La Mascola
00:14:29 --> 00:14:32: from Wynnewood North to the office.
00:14:32 --> 00:14:35: Tower peels back to open up views of the site
00:14:35 --> 00:14:39: and views of the Bay while providing visitors with the
00:14:39 --> 00:14:43: option to either explore the pedestrian bridge and view the
00:14:43 --> 00:14:47: site from above or enter into the retail corridor to
00:14:47 --> 00:14:48: do shopping again.
00:14:48 --> 00:14:51: All roads lead back to the station.
00:14:55 --> 00:14:58: And we. Yep, the station is the physical part of
00:14:58 --> 00:15:02: our plan and the business institutional and Sustainability
00:15:02 --> 00:15:03: partners create
00:15:03 --> 00:15:07: the heartbeat.
00:15:07 --> 00:15:09: The Wynwood Business Improvement District has helped
00:15:09 --> 00:15:11: organize the existing
00:15:11 --> 00:15:14: business community,
00:15:14 --> 00:15:16: some of whom and some of whom have secured tenancy
00:15:16 --> 00:15:19: in La Mesa LA by working with residents and community
00:15:19 --> 00:15:21: based organizations.
00:15:21 --> 00:15:23: We've been, we've been able to ensure that nearly 3000
00:15:23 --> 00:15:25: new residents and over 1700 new jobs find not only
00:15:25 --> 00:15:29: a new location at La Mesa LA,
00:15:29 --> 00:15:33: but are resilient and cohesive community.
00:15:33 --> 00:15:37: Some of the key local community partners include Catalyst
00:15:37 --> 00:15:42: Miami.
00:15:42 --> 00:15:46: Which spearheaded our community engagement process.
00:15:46 --> 00:15:50: Urban Impact Lab, which work with our checking to develop
the contextual placemaking strategies available just talking
about.
XCOM Conservancy and the city of Miami's Parks and Rec
Department have been instrumental in making our big move
to

00:15:50 --> 00:15:51: the water a reality.

00:15:51 --> 00:15:55: Some potential corporate tenants there will be that we were

00:15:55 --> 00:15:59: thrilled to be in conversation with the anchor La Mesa's

00:15:59 --> 00:16:02: business community include Plaza Construction,

00:16:02 --> 00:16:04: Metro one real estate Freda Baby.

00:16:04 --> 00:16:08: In fluent, as well as numerous arts and food establishments

00:16:08 --> 00:16:10: that are located on the site already,

00:16:10 --> 00:16:14: we're already excited that Arrow forms out of Newark,

00:16:14 --> 00:16:17: NJ. Has played on to establish their second US headquarters

00:16:17 --> 00:16:18: at La Mesa,

00:16:18 --> 00:16:21: LA, with their hydroponic vertical farming Associated Food

00:16:24 --> 00:16:26: Hall.

00:16:26 --> 00:16:30: As Dwayne mentioned, error farms is one of our anchor

00:16:30 --> 00:16:33: tenants and and his help drive our sustainability initiatives as

00:16:33 --> 00:16:35: tenants of the urban agriculture and Food Hub seen in

00:16:35 --> 00:16:38: the rendering is on the left of the screen.

00:16:38 --> 00:16:41: They offer food resiliency to our neighborhood and build off

00:16:41 --> 00:16:43: the already thriving food culture of Miami.

00:16:43 --> 00:16:47: In the rendering on the bottom left of the screen

00:16:47 --> 00:16:49: you also see St level shading techniques like umbrellas in

00:16:49 --> 00:16:52: the street canopy and the tree canopy.

00:16:52 --> 00:16:54: Well, Michael achieves a LEED Platinum status as a

00:16:54 --> 00:16:57: neighborhood

00:16:57 --> 00:17:00: development and his various elements,

00:17:00 --> 00:17:04: which makes the development sustainable and resilient.

00:17:04 --> 00:17:05: Access to public and shared transportation as well as civic

00:17:05 --> 00:17:09: space and various shading techniques all enhance the

00:17:09 --> 00:17:10: comfort and

00:17:10 --> 00:17:13: walkability of LA.

00:17:13 --> 00:17:14: Mezcla building on the sustainability as well as health and

00:17:14 --> 00:17:17: Wellness.

00:17:17 --> 00:17:20: There are two main reasons we would strive for such

00:17:20 --> 00:17:23: strong sustainability goals.

00:17:23 --> 00:17:26: First, because it is the ethically correct decision.

00:17:26 --> 00:17:30: But in addition, we believe the higher upfront costs will

00:17:32 --> 00:17:35: result in a higher return on investment as well as

00:17:35 --> 00:17:37: lower ongoing ongoing maintenance fees.

00:17:37 --> 00:17:40: Ultimately, the theory is Community investment will attract

00:17:40 --> 00:17:43: quality business.

00:17:32 --> 00:17:35: Return on cost for sustainability in placemaking is one of

00:17:35 --> 00:17:37: the core drivers for economic pillar.

00:17:37 --> 00:17:40: So to reiterate, our total development costs,

00:17:40 --> 00:17:43: or 1.1 billion dollars and we're building to 55.2 million

00:17:43 --> 00:17:44: stabilized Noid.

00:17:44 --> 00:17:45: Roughly 5.5% return on cost.

00:17:45 --> 00:17:48: One thing that I want to highlight on this slide

00:17:48 --> 00:17:51: is that the phase two returns are substantially higher than

00:17:51 --> 00:17:52: those of Phase One.

00:17:52 --> 00:17:55: And aside from the upfront risk of creating a sense

00:17:55 --> 00:17:56: of place,

00:17:56 --> 00:17:59: we structured the financing to be relatively lower risk on

00:17:59 --> 00:18:00: the first phase.

00:18:00 --> 00:18:03: We think this is defensible for four main reasons.

00:18:03 --> 00:18:06: The first is that we were taking substantial opportunity zone

00:18:06 --> 00:18:08: fund equity in the first phase.

00:18:08 --> 00:18:12: 53.6 million were also taking 18.4 million of light equity

00:18:12 --> 00:18:13: in the first phase,

00:18:13 --> 00:18:15: and you can see on the chart on the right

00:18:15 --> 00:18:16: that's roughly 20%

00:18:16 --> 00:18:18: of the capstock as compared to 4%

00:18:18 --> 00:18:21: in phase two. We're also taking 60%

00:18:21 --> 00:18:23: leverage in Phase One versus 65%.

00:18:23 --> 00:18:26: And Lastly, there's a potential to convert some of our

00:18:26 --> 00:18:28: 501 residential units in Phase 1,

00:18:28 --> 00:18:31: two condos, giving us more upfront cash flow and increase

00:18:31 --> 00:18:33: returns while mitigating risk.

00:18:33 --> 00:18:36: We wanted to show the base case with all rental

00:18:36 --> 00:18:38: units because it supports our inclusivity,

00:18:38 --> 00:18:42: narrative and market is already saturated with condos in Edgewater.

00:18:42 --> 00:18:46: From an underwriting perspective, each of the properties will be

00:18:46 --> 00:18:49: capitalized individually and in order to expand on the defense

00:18:49 --> 00:18:51: ability of our risk adjusted returns.

00:18:51 --> 00:18:55: We highlighted some of our underwriting from our pro forma,

00:18:55 --> 00:18:57: so from an efficiency perspective,

00:18:57 --> 00:18:59: we targeted 85% for multifamily vacancy,

00:18:59 --> 00:19:01: 5% for multifamily, upwards of 10%

00:19:01 --> 00:19:04: for retail, and we matched rent an expense inflation at

00:19:04 --> 00:19:05: 2.5%,

00:19:05 --> 00:19:08: with two percent management fee across the board.

00:19:08 --> 00:19:12: From construction financing perspective, we underwrote L + 550 using

00:19:12 --> 00:19:15: a floor of 165 and we think that given today's

00:19:15 --> 00:19:16: debt capital markets,

00:19:16 --> 00:19:18: this is a conservative with 60%

00:19:18 --> 00:19:20: LTC and 1% origination fee,
 00:19:20 --> 00:19:23: which is high for a project of this scale.
 00:19:23 --> 00:19:25: From an exit valuation perspective,
 00:19:25 --> 00:19:28: our blended valuation cap rates were five point 6%
 00:19:28 --> 00:19:29: for phase one and 5.5%
 00:19:29 --> 00:19:32: for phase two, ranging anywhere from ranging from 4.5%
 00:19:32 --> 00:19:34: for the multifamily assets up to 7%
 00:19:34 --> 00:19:37: for the hotel. The takeaway here is that we're not
 00:19:37 --> 00:19:39: assuming cap rate compression.
 00:19:39 --> 00:19:42: We're building to a similar return on cost that we're
 00:19:42 --> 00:19:44: valuing it except.
 00:19:44 --> 00:19:45: So for all these reasons,
 00:19:45 --> 00:19:47: we think there's a lot of upside potential from the
 00:19:47 --> 00:19:49: base case return as presented here.
 00:19:49 --> 00:19:51: While we can still justify and support the existing scenario.
 00:19:55 --> 00:19:57: From a strategy perspective, and just to reiterate,
 00:19:57 --> 00:20:01: we're focusing on the opportunity zone first to establish
 fundamentals
 00:20:01 --> 00:20:03: with more stable multifamily assets and supported by this,
 00:20:03 --> 00:20:06: we're also establishing a sense of place in phase one
 00:20:06 --> 00:20:08: by redeveloping the major Latin American Art Museum,
 00:20:08 --> 00:20:11: making the mark that destination.
 00:20:11 --> 00:20:14: You can see that the residential proportion is 49%
 00:20:14 --> 00:20:17: of the programming, so that's the yellow buildings in both
 00:20:17 --> 00:20:18: of the phases.
 00:20:18 --> 00:20:21: Let's 53 point \$6,000,000 of Opportunity Zone funding.
 00:20:21 --> 00:20:24: That's going towards that first phase of yellow buildings.
 00:20:24 --> 00:20:27: In both phases we were sure to include commercial assets
 00:20:27 --> 00:20:31: to help diversify potential cash flow deficiency and the first
 00:20:31 --> 00:20:31: phase.
 00:20:31 --> 00:20:34: That's specifically the life science and biotech cluster.
 00:20:34 --> 00:20:37: Those blue buildings in the bottom and the second phase.
 00:20:37 --> 00:20:40: That's the 480,000 square foot office tower,
 00:20:40 --> 00:20:42: which will be anchored by Italian.
 00:20:42 --> 00:20:45: Today is one of the largest largest banks in Latin
 00:20:45 --> 00:20:45: America,
 00:20:45 --> 00:20:49: so that helps us to support the narrative of capitalizing
 00:20:49 --> 00:20:51: on Miami and now La Mezcla as the gateway to
 00:20:51 --> 00:20:55: Latin American capital markets from a financing partners
 perspective,
 00:20:55 --> 00:20:58: we're going to partner with Onion opportunity Zone fund.
 00:20:58 --> 00:21:02: Their \$90,000,000 fund focused specifically on Florida
 investment.

00:21:02 --> 00:21:06: Deutsche Bank will provide the construction debt they have experience

00:21:06 --> 00:21:09: in capital to lend to mixed use development projects of

00:21:09 --> 00:21:10: this scale,

00:21:10 --> 00:21:12: and from an LP equity perspective.

00:21:12 --> 00:21:15: We're going to partner with the Florida Teachers Pension Fund

00:21:15 --> 00:21:18: because they align interests with community development in Florida with

00:21:18 --> 00:21:18: us.

00:21:21 --> 00:21:24: La Mascular is a 24/7 365 live work and play

00:21:25 --> 00:21:29: oriented mixed use community that's at the nucleus for the

00:21:29 --> 00:21:32: surrounding neighborhoods of Wynnewood.

00:21:32 --> 00:21:35: Wynnewood Norte, Midtown Edge water and really,

00:21:35 --> 00:21:37: the entire Miami Dade region.

00:21:37 --> 00:21:42: This is a destination where these communities can all come

00:21:42 --> 00:21:43: together.

00:21:43 --> 00:21:46: The design focuses on ecological resilience.

00:21:46 --> 00:21:52: Sustainable practices achieves LEED Platinum status for neighborhood development and

00:21:52 --> 00:21:55: offers a strong connection to Biscayne Bay.

00:21:55 --> 00:22:00: As you can see in the rendering on the screen.

00:22:00 --> 00:22:04: La Mesa also offers ample public and open space 7

00:22:04 --> 00:22:06: clauses ranging in program,

00:22:06 --> 00:22:10: 30% affordable units in a variety of housing,

00:22:10 --> 00:22:15: dining and workplace options. Finally.

00:22:15 --> 00:22:19: Our development team is generated in attractive but more importantly

00:22:19 --> 00:22:22: feasible capital structure with realistic returns.

00:22:22 --> 00:22:27: Our emphasis has been on utilizing local infrastructure and local

00:22:27 --> 00:22:28: capital through ecology,

00:22:28 --> 00:22:33: economy, and community domestically will create an inclusive place propagated

00:22:33 --> 00:22:36: by learning leisure and resilience.

00:22:36 --> 00:22:39: Thank you. Will take your questions at this time.

00:22:41 --> 00:22:45: Great job. Richard, do you want to start off this

00:22:45 --> 00:22:45: question?

00:22:45 --> 00:22:48: Yeah, well, our team. I'll turn it over to either

00:22:48 --> 00:22:51: Jose or Ellen if they want to do the first

00:22:51 --> 00:22:52: question.

00:22:56 --> 00:22:59: Sure, I will take it.

00:22:59 --> 00:23:03: Old ladies first. Thank you.

00:23:03 --> 00:23:06: Is is a very interesting proposal here.

00:23:06 --> 00:23:11: I was really impressed, especially your three pillows approach to

00:23:11 --> 00:23:12: this project.

00:23:12 --> 00:23:15: Not to take too much time for what you have

00:23:15 --> 00:23:16: just told us.

00:23:16 --> 00:23:20: I'd like to just ask the question about urban form.

00:23:20 --> 00:23:24: It is very interesting that you you pick some interesting

00:23:24 --> 00:23:29: angular geometry and then you also have some interesting building

00:23:29 --> 00:23:30: forms.

00:23:30 --> 00:23:33: I was hoping that you get to talk a little

00:23:33 --> 00:23:35: bit about your concept.

00:23:35 --> 00:23:40: To to help us understand the rational or the inspiration

00:23:40 --> 00:23:41: and also in particular,

00:23:41 --> 00:23:45: the museum that spends over the train tracks.

00:23:45 --> 00:23:48: Um, you know why take that expense or long spend

00:23:48 --> 00:23:49: structure?

00:23:49 --> 00:23:51: What benefit are you going to?

00:23:51 --> 00:23:55: Is that project going to bring to the community that

00:23:55 --> 00:23:57: worth the extra expense?

00:23:57 --> 00:23:59: Thank you for the question.

00:23:59 --> 00:24:02: So the forms initially started out with the most efficient

00:24:02 --> 00:24:04: form for each type,

00:24:04 --> 00:24:08: so each building was first for Residential's first computer stuff

00:24:08 --> 00:24:11: as either a bubble loader simulator corridor with some other

00:24:11 --> 00:24:12: side,

00:24:12 --> 00:24:14: and for commercial use.

00:24:14 --> 00:24:18: Before that was the most optimal rectangle shape with a

00:24:18 --> 00:24:19: central core.

00:24:19 --> 00:24:22: The way the buildings that came shape was when we

00:24:22 --> 00:24:25: took a look at the existing St Grids,

00:24:25 --> 00:24:29: which we realigned. But then there is also these streets

00:24:29 --> 00:24:32: of such as analogies 1st Ave which is a diagonal

00:24:32 --> 00:24:35: that runs through our site and so when we looked

00:24:35 --> 00:24:39: at the surrounding context that push and pull some of

00:24:39 --> 00:24:43: our buildings and creative angles based on the new

00:24:43 --> 00:24:45: corridors,

00:24:43 --> 00:24:45: such as in the first phase,

00:24:45 --> 00:24:47: we had a bag. Orderly.

00:24:52 --> 00:24:54: To answer your question about the museum,

00:24:54 --> 00:24:58: we kept the so currently onsite today to museum is

00:24:58 --> 00:25:01: existing as much more of a sculpture storage space and

00:25:01 --> 00:25:04: we want to rebuild it for the Community in that
00:25:04 --> 00:25:08: location. It is currently next to the train tracks,
00:25:08 --> 00:25:11: so we wanted to provide a space that connects over
00:25:11 --> 00:25:15: to the other phase but project so it's easily accessible
00:25:15 --> 00:25:18: for both phases and there's direct entrance to the museum
00:25:18 --> 00:25:22: from our food. So both sides of the projects have
00:25:22 --> 00:25:26: equal access to it and also by bridging across the
00:25:26 --> 00:25:27: rail line,
00:25:27 --> 00:25:32: we're creating views to the surrounding neighborhood which
enhance the
00:25:32 --> 00:25:34: good neighbor aspect of our project.
00:25:34 --> 00:25:38: Meaning people who typically don't have views from above in
00:25:39 --> 00:25:42: house on they can enjoy the art from above or
00:25:42 --> 00:25:43: below and.
00:25:43 --> 00:25:48: It made sense for us to give my viewing opportunities.
00:25:52 --> 00:25:53: Thank you.
00:25:56 --> 00:25:58: As I do, you want to go next.
00:25:58 --> 00:26:01: Yeah, just let me. I guess there's a great slide
00:26:01 --> 00:26:04: have up 'cause I'm my questions really dealt with the
00:26:04 --> 00:26:05: public space.
00:26:05 --> 00:26:08: I love the public spaces that the plan has and
00:26:08 --> 00:26:11: the ability that it you know brings in the property
00:26:11 --> 00:26:13: and connects it to the water.
00:26:13 --> 00:26:17: My question really is, is this something that the project
00:26:17 --> 00:26:20: is taking honest and expense or is this something that
00:26:20 --> 00:26:23: you're looking to partner up with the city and the
00:26:23 --> 00:26:25: public partners to fund that?
00:26:25 --> 00:26:29: That public open space out to the water and is
00:26:29 --> 00:26:32: that sort of a when you talked about the other
00:26:32 --> 00:26:34: Part 2 part questions.
00:26:34 --> 00:26:37: First of that there was about the ASAP and how
00:26:37 --> 00:26:38: you.
00:26:38 --> 00:26:41: Looked at, there's only and wanted to take advantage of
00:26:41 --> 00:26:43: that opportunity in the code.
00:26:43 --> 00:26:46: What do you see is the benefits of doing ASAP
00:26:46 --> 00:26:50: versus just trying to work within the the boundaries of
00:26:50 --> 00:26:51: the code?
00:26:51 --> 00:26:54: I can answer the first part of that question and
00:26:54 --> 00:26:55: then doing.
00:26:55 --> 00:26:58: Maybe you can take the second part to your point
00:26:58 --> 00:27:02: about financing the Plaza so the seven public plazas that
00:27:02 --> 00:27:05: we spoke to we budgeted for in our pro forma,

00:27:05 --> 00:27:08: and those are all within the blue and orange outlines

00:27:09 --> 00:27:12: in the first 2 phases and then going forward in

00:27:12 --> 00:27:15: the future phase past Second Ave and towards the same

00:27:15 --> 00:27:18: day those will. The idea there to your point,

00:27:18 --> 00:27:21: you're right on the dot is to work with the

00:27:21 --> 00:27:22: city and.

00:27:22 --> 00:27:24: Future did offer some planners and capitalize icon form.

00:27:27 --> 00:27:31: OK yeah I and then to the to the zoning

00:27:31 --> 00:27:33: question I think.

00:27:35 --> 00:27:38: The the ASAP allowed us to take both sides of

00:27:38 --> 00:27:41: the track really as one sort of unit when we

00:27:41 --> 00:27:45: really looked at the design of the place and I

00:27:45 --> 00:27:49: think it allowed us to really design around that connection

00:27:49 --> 00:27:54: across the tracks connecting Winwood and Edgewater and.

00:27:54 --> 00:27:57: I think the the existing zoning,

00:27:57 --> 00:28:01: also the the NRD the neighborhood.

00:28:01 --> 00:28:05: Revitalization District that is in Wynwood now also is really

00:28:05 --> 00:28:08: focusing on on keeping the form based code to the

00:28:08 --> 00:28:09: to the West of the tracks.

00:28:09 --> 00:28:12: And so I think by creating an nsap around our

00:28:12 --> 00:28:16: entire site where we're allowed to be a little more

00:28:16 --> 00:28:20: intentional with our design to really connect to edge water

00:28:20 --> 00:28:23: and then also play out this masterplan idea to the

00:28:23 --> 00:28:26: Bay which is just as close to important I think

00:28:26 --> 00:28:28: to the site as Wynwood is to the to the

00:28:28 --> 00:28:29: West.

00:28:32 --> 00:28:35: OK, great, thank you.

00:28:35 --> 00:28:39: Excellent so my question relates sort of to the phasing,

00:28:39 --> 00:28:42: but really on the same page you have here related

00:28:42 --> 00:28:46: to the difference in financial returns that are coming from

00:28:46 --> 00:28:48: phase two versus Phase one.

00:28:48 --> 00:28:53: And my questions, the common question that I always have

00:28:53 --> 00:28:57: on these large scale long-term deals is what would you

00:28:57 --> 00:28:59: do to re balance the plan?

00:28:59 --> 00:29:07: OK, to have those returns be more congruent.

00:29:07 --> 00:29:10: Because we always find in these long term deals that

00:29:10 --> 00:29:12: if we go in with a lower return on phase

00:29:12 --> 00:29:12: one,

00:29:12 --> 00:29:16: it's very rare that you get the higher return on

00:29:16 --> 00:29:16: phase two.

00:29:16 --> 00:29:19: Yeah, unless something blows up.

00:29:19 --> 00:29:20: So the question really is,

00:29:20 --> 00:29:24: how would you looking at this mix more conceptually,
00:29:24 --> 00:29:28: not necessarily mathematically financially. How would you re balance the
00:29:29 --> 00:29:32: mix to have a more appropriate return or market driven
00:29:32 --> 00:29:34: return purely for phase one?
00:29:34 --> 00:29:38: Because you don't know if phase two is going to
00:29:38 --> 00:29:39: happen right?
00:29:39 --> 00:29:41: Yeah, to answer your point directly,
00:29:41 --> 00:29:43: I think I think you hit it right on the
00:29:43 --> 00:29:44: money and that's that.
00:29:44 --> 00:29:47: Was definitely something that we were trying to highlight is
00:29:47 --> 00:29:48: look.
00:29:48 --> 00:29:50: We understand that these returns are low on phase one,
00:29:50 --> 00:29:52: but there are a lot of ways in which we
00:29:53 --> 00:29:55: underwrote conservatively and we think that week,
00:29:55 --> 00:29:57: but maybe I was going to interrupt let let's.
00:29:57 --> 00:30:01: Let's assume that for this conversation 'cause I'm not sure
00:30:01 --> 00:30:04: I agree that it's underwritten conservatively in context.
00:30:04 --> 00:30:06: So the question I have specifically is,
00:30:06 --> 00:30:08: what would you do in the land use mix?
00:30:08 --> 00:30:13: And maybe it's a planning question architectural question as much
00:30:13 --> 00:30:16: to re balance the uses so that we have a
00:30:16 --> 00:30:18: more congruent set of returns.
00:30:18 --> 00:30:22: In terms of land is currently in phase one providing
00:30:22 --> 00:30:22: 49%
00:30:22 --> 00:30:24: residential and we have 30%
00:30:24 --> 00:30:28: affordable units, we could do this and number of ways
00:30:28 --> 00:30:31: in which we either reduced affordability in it.
00:30:31 --> 00:30:34: But we would tend to not want to do that
00:30:34 --> 00:30:38: because a lot of the neighborhood just running neighborhood wants
00:30:38 --> 00:30:42: optionality and residential so we can lower the total number
00:30:42 --> 00:30:46: of units slightly in order to favor more commercial uses
00:30:46 --> 00:30:49: or within potential charge higher rents.
00:30:51 --> 00:30:55: Landry's perspective we could cut down on our affordable on
00:30:55 --> 00:30:57: our residential units,
00:30:57 --> 00:31:01: increase our commercial, and maybe dedicate less space to our
00:31:01 --> 00:31:05: urban agriculture which might not receive as high runs as
00:31:05 --> 00:31:07: some of our lifetimes.
00:31:07 --> 00:31:09: Texas tenants.
00:31:09 --> 00:31:11: And then just out on that.

00:31:11 --> 00:31:13: I think that's great material,

00:31:13 --> 00:31:16: I think. Yeah, increasing commercial and then potentially increasing some

00:31:16 --> 00:31:20: of our 501 residential units that are all currently rentals

00:31:20 --> 00:31:22: in that first phase two condos to get more cash

00:31:22 --> 00:31:23: flow front.

00:31:25 --> 00:31:29: OK, I see there's a question and then Steve.

00:31:32 --> 00:31:34: Did you save me first?

00:31:34 --> 00:31:37: No will you go ahead and and then we'll do

00:31:38 --> 00:31:38: that next.

00:31:38 --> 00:31:43: Oh OK, my question is actually piggybacks pretty nicely be

00:31:43 --> 00:31:45: after Richards.

00:31:45 --> 00:31:50: It's also about sources and uses and phasing.

00:31:50 --> 00:31:56: Your your equity expectation. And your equity raises pretty substantial,

00:31:56 --> 00:31:58: with almost 30% of the entire project,

00:31:58 --> 00:32:01: and just basically the developer writing the check.

00:32:01 --> 00:32:04: So I'm curious, are you anticipating that as the developer,

00:32:04 --> 00:32:06: if you were the development?

00:32:06 --> 00:32:09: If you're expecting to write those big checks?

00:32:09 --> 00:32:11: Or did you have any conversation at all about where

00:32:11 --> 00:32:13: that money is coming from?

00:32:13 --> 00:32:16: Terms of a financial partner that may take a stake

00:32:16 --> 00:32:19: in that that might also erodes some of your returns.

00:32:19 --> 00:32:23: Specifically, in that phase one where the equity is a

00:32:23 --> 00:32:25: little bit less \$56,000,000,

00:32:25 --> 00:32:28: which represents about 17% of the of the investment when

00:32:28 --> 00:32:30: you strip out the public funds.

00:32:30 --> 00:32:33: But when you get to phase two,

00:32:33 --> 00:32:34: you're really at about 27%.

00:32:34 --> 00:32:40: You're anticipating down the line writing 159 million dollar check.

00:32:40 --> 00:32:42: What went through your mind and you in terms of

00:32:42 --> 00:32:45: strategy with that that we're going to raise a smaller

00:32:45 --> 00:32:47: amount of money in phase one,

00:32:47 --> 00:32:50: and then we're hoping that phase two is going to

00:32:50 --> 00:32:51: better returns.

00:32:51 --> 00:32:54: But we're also going to be looking at writing this

00:32:54 --> 00:32:56: really big equity check.

00:32:56 --> 00:32:58: How you doing that and then?

00:32:58 --> 00:33:00: And then that Brazilian Park,

00:33:00 --> 00:33:03: which I by the way love is there a promise

00:33:03 --> 00:33:06: to your phase one investors that that is going to

00:33:06 --> 00:33:06: come into play.

00:33:06 --> 00:33:09: Do you have to have that in play or basically

00:33:10 --> 00:33:12: put that together before you move forward?

00:33:12 --> 00:33:16: Yeah, absolutely. I think just to finish the last part

00:33:16 --> 00:33:17: of your thought first.

00:33:17 --> 00:33:21: We didn't think about it contingent on the future phasing,

00:33:21 --> 00:33:23: but to just start back at the beginning.

00:33:23 --> 00:33:25: Matthew, I'm going to the second to last.

00:33:25 --> 00:33:30: That's first financing slide or sorry this the second last

00:33:30 --> 00:33:31: total slide.

00:33:31 --> 00:33:35: Yeah, so I don't know if this was clear and

00:33:35 --> 00:33:36: sorry bout that.

00:33:36 --> 00:33:38: If it wasn't but our equity,

00:33:38 --> 00:33:43: total equity will be split between a typical probably waterfall

00:33:43 --> 00:33:45: structure from 10%

00:33:45 --> 00:33:49: GP, 90% LP structure. So the Florida Teachers Pension

00:33:49 --> 00:33:53: Fund

00:33:49 --> 00:33:53: is who we were targeting as the LP equity.

00:33:53 --> 00:33:57: So specifically in that first phase to take about 90%

00:33:57 --> 00:34:00: of that 59 million.

00:34:00 --> 00:34:03: And we think that there's liquid in the market given

00:34:03 --> 00:34:05: the capital markets today,

00:34:05 --> 00:34:07: and you know the amount of dry powder that's out

00:34:07 --> 00:34:09: there that needs to be put out,

00:34:09 --> 00:34:12: if not from them, then definitely someone else.

00:34:12 --> 00:34:14: And I think to speak on your point that I

00:34:14 --> 00:34:18: completely agree the equity check in Phase two is

00:34:18 --> 00:34:18: substantially

00:34:18 --> 00:34:18: higher,

00:34:18 --> 00:34:21: and that was kind of feeding into the narrative of

00:34:21 --> 00:34:24: building kind of showing a system that works in phase

00:34:24 --> 00:34:25: one and saying,

00:34:25 --> 00:34:27: hey, look here we can do this.

00:34:27 --> 00:34:31: We understand the neighborhood, we understand everything

00:34:31 --> 00:34:33: that's going on.

00:34:31 --> 00:34:33: And this is the plan that we're going until an

00:34:33 --> 00:34:35: now that we've established this value,

00:34:35 --> 00:34:37: that we can build off of.

00:34:37 --> 00:34:41: We can go go forward and syndicate more equity at

00:34:41 --> 00:34:42: a higher rate.

00:34:42 --> 00:34:44: OK, so where you returned,

00:34:44 --> 00:34:47: I did hear you talk about your financial partner,

00:34:47 --> 00:34:50: but I didn't see the breakout in that split up.

00:34:50 --> 00:34:51: How much developer would put in?

00:34:51 --> 00:34:54: How much your equity partner was going to put it

00:34:54 --> 00:34:55: in?

00:34:55 --> 00:34:58: And then are these returns that you're projecting an overall?

00:34:58 --> 00:35:01: Or is this to the to the financial partner?

00:35:01 --> 00:35:05: Investor ultimately was the developers return the over these are

00:35:05 --> 00:35:08: overall returns from a project level and we structured it

00:35:08 --> 00:35:10: as a as a water Bob.

00:35:10 --> 00:35:11: 10% BP 90% update. OK,

00:35:11 --> 00:35:12: thank you yeah.

00:35:15 --> 00:35:16: Do you want to go ahead?

00:35:16 --> 00:35:17: I can.

00:35:17 --> 00:35:20: Yeah, the question I had had to do it right.

00:35:20 --> 00:35:23: The train station, um, I was hoping you could explain

00:35:23 --> 00:35:24: better for me.

00:35:24 --> 00:35:27: To me the sexual relationship between the train.

00:35:27 --> 00:35:30: Station the Upper Plaza that goes across it and the

00:35:30 --> 00:35:31: street.

00:35:31 --> 00:35:35: And how do you get between those three levels?

00:35:35 --> 00:35:38: Yes, thank you so that the rail line is upgrade

00:35:38 --> 00:35:41: so it's equal to St level with the rest of

00:35:41 --> 00:35:42: the site.

00:35:42 --> 00:35:46: The crossings happen basically above and below our site at

00:35:46 --> 00:35:49: North East 26 St and 29th St and then it's

00:35:49 --> 00:35:50: a bathroom.

00:35:50 --> 00:35:54: Bridge is 3 stories above the train line with access

00:35:54 --> 00:35:58: points from the commercial power an from a fairway on

00:35:58 --> 00:36:00: the Wynnewood North side,

00:36:00 --> 00:36:03: and was I believe, back into our food Hall in

00:36:03 --> 00:36:05: train station building.

00:36:05 --> 00:36:08: On the Edgewater side so.

00:36:08 --> 00:36:10: There are really two plans at play.

00:36:10 --> 00:36:14: Here is a pedestrian antrain level are both upgrade and

00:36:14 --> 00:36:15: classroom registry.

00:36:15 --> 00:36:17: Sorry the most.

00:36:17 --> 00:36:20: So if I can to follow on question if your

00:36:20 --> 00:36:22: if your bridges are three stories up,

00:36:22 --> 00:36:26: you have quite a lot of space underneath that bridge

00:36:26 --> 00:36:28: that it doesn't have access to daylight.

00:36:28 --> 00:36:31: So what do you do in that space?

00:36:31 --> 00:36:34: That space is where we saw our city bikes.

00:36:34 --> 00:36:37: I believe it's on the third slide where we have
00:36:37 --> 00:36:39: our financing overview.
00:36:39 --> 00:36:42: Though we get a snapshot of what that space looks
00:36:42 --> 00:36:43: like,
00:36:43 --> 00:36:47: that is part of the transit hub and it's actually.
00:36:47 --> 00:36:51: Well, go forward now.
00:36:51 --> 00:36:55: Matt, go to the 4th one slide #3.
00:37:02 --> 00:37:05: So this is a snapshot.
00:37:05 --> 00:37:07: 11 afternoon.
00:37:11 --> 00:37:14: One app.
00:37:14 --> 00:37:18: So snapshot of what life beneath the bridge looks like.
00:37:18 --> 00:37:21: So this is an afternoon view taken late afternoon,
00:37:21 --> 00:37:23: six o'clock 7:00 o'clock.
00:37:26 --> 00:37:29: So the bridge is falling up where wants it's morning
00:37:29 --> 00:37:32: and they like there will be like sitting below it.
00:37:32 --> 00:37:36: But we have strategically planted the area with restaurants
and
00:37:36 --> 00:37:38: we created bike parking beyond.
00:37:38 --> 00:37:41: And we've also created enough space between the bridge
and
00:37:41 --> 00:37:45: the surrounding buildings to create a wide Plaza that's not
00:37:45 --> 00:37:46: directly beneath this,
00:37:46 --> 00:37:49: so it's not going to be oppressively dark space.
00:37:53 --> 00:37:55: Yeah, but the bottom of the bridge is about 40
00:37:56 --> 00:37:56: feet off of.
00:38:01 --> 00:38:04: Thank you.
00:38:04 --> 00:38:06: I don't see any other hands raised.
00:38:06 --> 00:38:09: Are there any other jurors we have until 3:30 so
00:38:09 --> 00:38:12: we actually have 5 to 7 more minutes.
00:38:15 --> 00:38:21: Brad Jenny maneesha Kim. Anyone have some questions?
00:38:21 --> 00:38:24: I just have one question right and I saw that
00:38:24 --> 00:38:27: you guys went after the LEED certification.
00:38:27 --> 00:38:30: Is that for all of the buildings or is that
00:38:30 --> 00:38:34: you know you're trying to be aspirational for the project
00:38:34 --> 00:38:36: as a whole to have meter ification?
00:38:36 --> 00:38:39: Or you just doing a building for building?
00:38:39 --> 00:38:44: Yeah, they we went after a LEED neighborhood development
certification
00:38:44 --> 00:38:47: that that's what we talked about in the in the
00:38:47 --> 00:38:48: presentation.
00:38:48 --> 00:38:52: So that is actually for the entire site.
00:38:52 --> 00:38:54: And then for each building,
00:38:54 --> 00:38:57: we would allow we allowed for lead to be pursued

00:38:57 --> 00:39:00: on a singular buildings status and there are,
00:39:00 --> 00:39:05: you know certain requirements for buildings on the site to
00:39:05 --> 00:39:08: be to be a certain LEED standard under outside,
00:39:08 --> 00:39:11: but that was for the entire site,
00:39:11 --> 00:39:15: not just specifically to buildings.
00:39:15 --> 00:39:15: Yeah.
00:39:19 --> 00:39:23: Diana Dave, anyone have additional questions for the team?
00:39:23 --> 00:39:27: Looks like Brad does. Yeah I raise my hands.
00:39:27 --> 00:39:31: Good afternoon everybody. I wanted to talk about and get
00:39:31 --> 00:39:34: you to comment on your your retail strategy around keeping
00:39:34 --> 00:39:36: as you as you called him into the some of
00:39:36 --> 00:39:39: the materials and mom and pop stores that have been
00:39:39 --> 00:39:42: existing in the area for awhile and I'm wondering how
00:39:42 --> 00:39:44: you're doing that financially.
00:39:44 --> 00:39:47: Are you underwriting them at all in terms of their
00:39:47 --> 00:39:49: their participation in the project?
00:39:49 --> 00:39:52: Or how are you retaining those shops in particularly targeting
00:39:52 --> 00:39:53: them for the project?
00:39:56 --> 00:39:59: So I can speak to the underwriting perspective,
00:39:59 --> 00:40:03: and then maybe pavell you can expand on on the
00:40:03 --> 00:40:06: design from an underwriting perspective.
00:40:06 --> 00:40:09: We under wrote about \$30 triple net rents based on
00:40:09 --> 00:40:13: our review of the market with with expense the same
00:40:13 --> 00:40:14: expense,
00:40:14 --> 00:40:17: growth and inflation that we did before.
00:40:17 --> 00:40:19: And we value them at A5 cap,
00:40:19 --> 00:40:23: but just in terms of financially underwriting them,
00:40:23 --> 00:40:26: yeah, they were very much built into built into.
00:40:26 --> 00:40:30: How we structured the financing and overall development
proforma for
00:40:30 --> 00:40:33: the product and how much of the overall retail program
00:40:33 --> 00:40:35: do you think that that group occupies?
00:40:35 --> 00:40:37: How much of it? It's 13%
00:40:37 --> 00:40:43: of the total programming spaces that speak to your question.
00:40:43 --> 00:40:44: Yes, it does.
00:40:48 --> 00:40:51: How about we go with Ellen next and then Steve
00:40:51 --> 00:40:52: and then Richard?
00:40:52 --> 00:40:54: Good.
00:40:54 --> 00:40:57: Sure, just a follow up question on facing.
00:40:57 --> 00:41:00: I guess. Face one it's not.
00:41:00 --> 00:41:03: Uh, some or I guess the other way to put
00:41:03 --> 00:41:04: it.

00:41:04 --> 00:41:07: You have put the open space connection to the Bay
00:41:07 --> 00:41:09: in the last phase.
00:41:09 --> 00:41:12: If it's not a project that you were going to
00:41:12 --> 00:41:13: be funding,
00:41:13 --> 00:41:15: but working with the city,
00:41:15 --> 00:41:20: would you consider doing it first to bring benefit to
00:41:20 --> 00:41:25: the Community's part to support your project and also
enhanced
00:41:25 --> 00:41:27: the value of your development?
00:41:27 --> 00:41:29: For the first part of that,
00:41:29 --> 00:41:33: future Fastpark actually begins in phase one between
buildings three
00:41:33 --> 00:41:34: and four.
00:41:34 --> 00:41:37: Noted in this plan. So the way we can see
00:41:37 --> 00:41:39: this part is that it will be a flexible space,
00:41:39 --> 00:41:43: depending on availability of land surrounding us.
00:41:43 --> 00:41:46: So we've proposed this form on the plan because we
00:41:46 --> 00:41:49: believe that we could acquire those sites down the line.
00:41:49 --> 00:41:52: But as parcels become more or less available,
00:41:52 --> 00:41:55: that shape would be more or less malleable.
00:41:55 --> 00:41:58: But we are creating the beginning of it on our
00:41:58 --> 00:42:01: site to help build the values like.
00:42:01 --> 00:42:04: Publicly open space in phase one.
00:42:04 --> 00:42:05: Intern.
00:42:08 --> 00:42:11: So we're going to say to piggyback on the test
00:42:11 --> 00:42:11: point,
00:42:11 --> 00:42:14: I think part of the appeal of this gesture to
00:42:14 --> 00:42:17: the water is that we think that it actually be
00:42:17 --> 00:42:20: replicated in other areas and creating a strong,
00:42:20 --> 00:42:24: resilient waterfront will actually help with some of the climate
00:42:24 --> 00:42:27: concerns that South Florida faces in the near term.
00:42:27 --> 00:42:30: So we just wanted to create a system that is
00:42:30 --> 00:42:33: flexible and adaptable to the existing conditions,
00:42:33 --> 00:42:36: realizing that there is going to have to be some
00:42:36 --> 00:42:39: give and take in order to make it.
00:42:39 --> 00:42:41: A reality and it may not take on this final
00:42:41 --> 00:42:42: form.
00:42:44 --> 00:42:45: Thank you.
00:42:49 --> 00:42:52: Steve, yeah my question. One minute for Steve.
00:42:52 --> 00:42:56: Yeah, my question has to do with parking so you're
00:42:56 --> 00:43:00: projecting 2.7 million square feet of built space,
00:43:00 --> 00:43:05: exclusive of any parking structure you're only projecting 694
spaces.

00:43:05 --> 00:43:07: And no, this is a transit based project.

00:43:07 --> 00:43:10: But if you do the math on that,

00:43:10 --> 00:43:13: just on the commercial retail space alone,

00:43:13 --> 00:43:17: that's providing 1/2 the space per 1000 square feet and

00:43:17 --> 00:43:18: leaving no spaces.

00:43:18 --> 00:43:20: For anyone in the residential,

00:43:20 --> 00:43:24: multifamily, Miami auto centric market like that.

00:43:24 --> 00:43:26: Feel good about that projection.

00:43:26 --> 00:43:31: Or do you think that's a hard sell for your

00:43:31 --> 00:43:32: investors?

00:43:32 --> 00:43:37: So we would consider parking currently with rejected 1042 dwelling

00:43:37 --> 00:43:38: units on site,

00:43:38 --> 00:43:42: and that's 1/2 spaces that is mentioned for dwelling units.

00:43:42 --> 00:43:46: What about what the total of 695 spaces within garages

00:43:46 --> 00:43:50: and we've provided roughly 111 additional spaces in garages and

00:43:51 --> 00:43:52: on the surface,

00:43:52 --> 00:43:55: the reason we feel OK with this with this number

00:43:55 --> 00:43:59: is because one we're multimodal handed space that we are

00:43:59 --> 00:44:03: accommodating jobs or different education levels.

00:44:03 --> 00:44:06: So we're anticipating by a lot of art.

00:44:06 --> 00:44:10: Employers and employees on the site will be coming through

00:44:10 --> 00:44:14: the train line through bus service for automated vehicle loops

00:44:14 --> 00:44:18: and also there's also significant turnover over during the day,

00:44:18 --> 00:44:20: so the people who will be there in the morning

00:44:20 --> 00:44:23: will not be there in the evening and the demand

00:44:23 --> 00:44:25: will be very proud today.

00:44:25 --> 00:44:29: Moreover, when was North is a very low dense neighborhood

00:44:29 --> 00:44:29: Anna,

00:44:29 --> 00:44:32: such as plenty of on street parking that we notice

00:44:32 --> 00:44:34: when he wants to be the site.

00:44:34 --> 00:44:37: So we believe that this will be sufficient given all

00:44:37 --> 00:44:38: of our.

00:44:38 --> 00:44:41: Most transportation thank you.

00:44:41 --> 00:44:43: So we have a quick man.

00:44:43 --> 00:44:45: I'll ask a quick question or maybe it can be

00:44:45 --> 00:44:45: a quick,

00:44:45 --> 00:44:49: very quick answer as you're thinking about the life Sciences

00:44:49 --> 00:44:50: and biotech.

00:44:50 --> 00:44:52: What analogs have you seen?

00:44:52 --> 00:44:55: Either you know across the country where you kind of

00:44:55 --> 00:44:57: envision this being comfortable,
00:44:57 --> 00:45:02: where it's actually where it's been successful as a catalyst.
00:45:02 --> 00:45:05: And did you think about that in terms of your
00:45:05 --> 00:45:06: programming?
00:45:06 --> 00:45:09: Sure, yeah, that's a great question.
00:45:09 --> 00:45:11: We we did look at the West Coast and the
00:45:12 --> 00:45:13: Northeast in particular,
00:45:13 --> 00:45:17: but I think the research triangle in Raleigh has really
00:45:17 --> 00:45:20: taken off in the last couple years,
00:45:20 --> 00:45:22: and I think it's one of the Sunbelt.
00:45:22 --> 00:45:26: It's the closest to the sunbelt markets that I think
00:45:26 --> 00:45:27: would be applicable.
00:45:27 --> 00:45:30: There's been a lot of growth,
00:45:30 --> 00:45:34: particularly around Tampa. I believe Bill Gates is foundation.
00:45:34 --> 00:45:37: Just partnered with somebody and.
00:45:37 --> 00:45:41: They expanded research, I believe at University of South
Florida.
00:45:41 --> 00:45:44: If I remember correctly, but the.
00:45:44 --> 00:45:48: I. I guess part of why we feel like it's
00:45:48 --> 00:45:53: an appealing destination is it's a place where people want
00:45:53 --> 00:45:54: to be.
00:45:54 --> 00:45:58: In general Miami's very I guess the type of workers
00:45:58 --> 00:46:01: that work in these environments.
00:46:01 --> 00:46:05: Really value the type of lifestyle that you would be
00:46:05 --> 00:46:06: able to have,
00:46:06 --> 00:46:10: and I think that the corporations will follow where their
00:46:10 --> 00:46:11: talent wants to be,
00:46:11 --> 00:46:15: and so if you create a destination that is appealing
00:46:15 --> 00:46:18: to the types of workers that will occupy the space
00:46:19 --> 00:46:22: and provide the service these companies need,
00:46:22 --> 00:46:26: I think there's a really good sales pitch there along
00:46:26 --> 00:46:30: with when you consider the land value and the volume
00:46:30 --> 00:46:31: will run the.
00:46:31 --> 00:46:36: Business taxes the state and the volume of stem grads.
00:46:36 --> 00:46:40: I think you can start to ideally pluck talent out
00:46:41 --> 00:46:43: of some of these more.
00:46:43 --> 00:46:46: Places on the West Coast and in the northeast.

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