Development Team

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La Mezcla is designed around three pillars: ecology, community, and economy. This LEED Platinum, mixed-used development creates an environmentally sustainable community that remains relevant through ensuing climate change. The development seeks to bring together the socioeconomic diversity that exists between Wynwood and Edgewater despite the physical and perceived barrier occurring on the site. In creating new jobs through the commercial hubs and new corporate tenants, current residents will directly benefit from the economic growth.

Ecology and Climate Resilience
Through carbon reduction, storm water management, heat island mitigation and urban farming, La Mezcla models a new urban design paradigm for the entire shoreline community of South Florida, rethinking the way it plans for sea level rise, transit-oriented development and democratizing the waterfront. The proposal plays to the geology of The Ridge as the best defense against storm surge. The master plan extends east, to the Bayshore to encourage the creation of public green space. Within the site, Las Rampas, a multilevel park provides open space, native plantings and elevated refuge in times of flooding. La Mezcla is designed on a microgrid, supplying solar power to its residents and at times of surplus, feeding back to the macro grid.

Community Development and Inclusivity
The master plan calls for a realignment of the street grid to create an East-West neighborhood connection, which does not exist in the current North-South orientation of the City. The site opens to Wynwood Norte with The Paseo, a neighborhood scale shopping corridor that leads to Midtown Station Plaza, the heart of the district, with access to the Tri-rail platform and the Nader Latin American Art Museum. It seeks to preserve and enhance the existing diversity and offer these communities resilience in the form of education, job creation, housing variety and options, refuge in times of flood disaster, and cultural programming. La Mezcla supports and strengthens the sense of place in Wynwood Norte and is the gateway to the Design District, the Wynwood Building Improvement District (“BID”) and a renewed relationship to the Bay. The two-year, participatory planning process with local stakeholders produced a vision for La Mezcla that is a vision for the broader community. Transit, housing, and employment options are the ingredients for an inclusive and successful place.

Economic Growth and Innovation
Life Sciences and community wealth will drive the economic development engine of La Mezcla as they become ever more relevant in Florida. The project seeks to create a space where the life sciences can leverage the new pool of talent attracted by the dynamic community. The plan is centralized around the arts and new modes of mobility while preserving light industrial uses key to closing the loop with local tech and craft production. One such way is the Farm which is a vertical agriculture production and distribution facility that supplies local restaurants and grocery stores within the development and provides learning and empowerment to the local community.

Through the three pillars, La Mezcla will create an inclusive place propagated by learning, leisure, and resilience.
La Mezcla, a 2.7 million square foot mixed-use development project, will be built in two phases over six years of construction. In order to complete this development, we will acquire all of the surrounding lots excluding Edgewater Sites 1-3 which brings our land size to just under 750,000 square feet. Phase I will have 1.1 million gross square feet and Phase II will have 1.6 million gross square feet, for a total development square footage of 2.7 million. These phases will include 7 public plazas totaling over 170,000 square feet of public green space, and will also include street grid realignment, storm-water retention systems, and solar panel energy use.

Phase I
The Phase I capital stack will be comprised of $58.9 million in developer equity, $55.5 million in Opportunity Zone Fund Equity that will be raised from the Banyan Opportunity Zone Fund, $18.0 million in Low Income Housing Tax Credit ("LIHTC") Equity that will go towards the affordable housing component of the project, $1.1 million in Transportation Infrastructure Improvement District ("TIID") tax increment financing ("TIF"), $11.5 million from the Miami Forever Bond, as well as $217.6 million in construction loan debt at 60 percent loan-to-cost.

Phase II
The Phase II capital stack is similar to Phase I, however, it is not in the opportunity zone so does not include opportunity zone financing. The Phase II capital stack is comprised of $159.0 million in developer equity, $23.3 million in LIHTC equity, $33.3 million in TIID SMART Plan debt, $11.5 million from the Miami Forever Bond, and $421.8 million in construction loan debt.

Phasing Strategy
The phasing is integral to our financing strategy to secure the opportunity zone incentives before the expiration date to minimize the up-front equity necessary to get the project funded. Furthermore, the TIID financing is a high priority for Miami as it is aiming to generate over $1.8 billion for transit-oriented development. The total project over the two phases will aim to utilize over $35 million in TIID TIF because of the nature of the transit oriented development. The Miami Forever Bond has allocated a total of $400 million towards infrastructure improvements that increase the potential longevity of the City due to sea level rise and flood protection as well as cultural facility development and affordable housing. We are achieving this by placing parking on the lower sacrificial floors, creating a recessed plaza that will act as a stormwater detention space, and use pervious ground material allowing water to permeate through the surface. Given these qualities, La Mezcla qualifies for the roadway improvements, parks and cultural facilities, and affordable housing criteria of the Miami Forever Bond.

Return Metrics
From a cash flow strategy perspective, we are projecting the multifamily uses to stabilize quicker than the other asset classes; however, over time the commercial cash flows will offset the operation expenses of the multifamily market rate rentals and the component of the project that is 30 percent affordable. The levered returns are at 18.4 percent for the project.
La Mezcla Vision - The Three Pillars

ECOLOGY
- Carbon Reduction
- Increased Biodiversity
- Water Management
- Heat Island Mitigation

RESILIENCE
- Dense, Transit Oriented Development
- Urban Agriculture
- Permeable Surfaces
- LEED Certification
- Solar Energy
- Green Roofs
- Connection to the Bay
- Increased Canopy
- Reflective Roofs
- Stormwater Catchment
- Native Planting
- YMCA
- Access to Greenspace
- Low Income Housing
- Participatory Planning
- Multifunctional Open Space
- Latin American Art Museum
- Street Grid Alignment
- 24/7/365 Programming
- Tourism
- Multilingual Wayfinding
- Public Art
- Vertical Farming
- Light Industrial Uses
- STEM Learning Center
- Biotech HQ
- Local Mom & Pops
- Street Vending
- Women & Minority Owned Businesses

COMMUNITY
- Equity
- Social Wellbeing
- Festive Urban Core
- Latinx Heritage

INCLUSIVITY
- Community Wealth
- Bioscience Leadership
- Industrial Preservation
- Employment Spatial Match

ECONOMY
Master Plan - Phasing

Phase I - Opportunity Zone that includes:
- Brightline Rail Line
- 501 residential units (30% affordable)
- 332,873 sf of life science and technology space
- 158,414 sf of retail space including restaurants and Nader Latin American Art Museum

Phase II – Builds on value created in Phase I:
- 541 residential units (30% affordable)
- 275 key hotel
- 50,000 sf of plaza space including a water detention plaza
- 477,591 sf office tower
- 202,091 sf of light industrial/maker space
Site Plan - Zoning

Purpose for New Zoning:

• Increase zoning for the site to balance between Wynwood (low density) and Edgewater (high density)
• Current zoning places most of the density near the water and in the floodplain
• Create resiliency by moving the density away from the water and onto the ridge line
• Ecological Resilience of La Mezcla from ensuing climate change

Zoning Legend

- URBAN CORE, 35 STORIES MAX
- URBAN CORE, 24 STORIES MAX
- URBAN CORE, 12 STORIES MAX
- URBAN CORE, 8 STORIES MAX
- DISTRICT ZONE, INDUSTRIAL
- DISTRICT ZONE, WORK PLACE
- GENERAL URBAN ZONE RESTRICTED
- URBAN CENTER OPEN
- URBAN CENTER LIMITED

Existing Zoning

Proposed Zoning
Site Strategy - Parcel Acquisition

Brightline Train Station coincides with location of ridge line and Opportunity Zone boundary - used to determine phasing to take advantage of Opportunity Zone Funding + flood resiliency

- Total development site: 80 parcels
- Total Land Valuation: $137,088,392
- Total Area: 739,539 SF
Urban Design - Circulation

Grid Re-Alignment
Miami is a N-S city with limited waterfront access. The development goal is to create stronger connectivity in the E-W axis by re-aligning the city grid on the La Mezcla site.

Alleviating pressure on congested streets through multi-modal transportation:
- Brightline Rail
- Bus service
- Autonomous vehicle loops
- Designated drop-off areas
- Bike lanes
- 806 parking spaces (surface and garage)
- Pedestrian Bridge

Development Focus:
- Enhance pedestrian circulation on site
- Activate the ground plane
- Provide safe streets
Master Plan - Placemaking Strategies

Live / Work / Play Culture
There is a plethora of publicly accessible spaces that provide people with a range of experiences - both at grade and above ground - ensuring that the community has an effective sense of PLACE

Grade Level:
- Depressed water detention/ performance plaza
- Restaurant way
- Retail corridor
- Food truck plaza
- Elevated sculpture garden
- Resilience park
- Food hall

Terrace Level:
- Pools
- Bars
- Lounges
- Dog runs

Roof Level:
- Green roofs
- Solar panels

Water Detention Plaza
Restaurant Row
Wynwood Norte Entrance
Development and Community Partners

Community and Business Partnerships
• Preserve existing tenants on site
• Work with local community organizations
• Partner with community, sustainability partners and corporate tenants

Financial Partnership with the City of Miami
• Miami Forever Bond
• TIID SMART Plan

Community Creation and Enhancement:
• 3,000 new residents
• 1,042 new dwelling units (30% affordable)
• 1,750 new commercial + industrial jobs

Nader Latin American Art Museum
Sustainability

LEED Neighborhood Development: Platinum (+90 points)
Transit, local food production, access to open and active spaces, and solar energy generation all contribute to our qualification for LEED.

Urban Agriculture

La Mezcla Food Hall
Financing - Overview

Development Metrics:

Cost & Return Summary
Total Development Cost $1,011,572,439
Phase I 14.2% levered IRR
Phase II 23.1% levered IRR
Total Project 18.4% IRR
Stabilized Annual NOI $55,213,546

Sources and Uses
Phase I TDC $352,375,683
Phase II TDC $648,996,541

General Underwriting
Efficiency 85%
Vacancy 5% - 10%
Average Rent Increase 2.5%
Management Fee 2.0%
Expense Inflation 2.5%

Construction Financing
Interest Rate (1mL + 550) 7.15%
LTC 60.0%
Origination Fee 1.0%
Phase I Blended Refi. Cap Rate 5.6%
Phase II Blended Refi. Cap Rate 5.5%
Financing - Strategy

Strategy

- Opportunity zone fund proceeds go towards the residential buildings – this will be a more stabilized investment for the fund and will help to secure more equity.
- Stabilized commercial cash flows in both phases to diversify potential cash flow deficiency.
- Capitalize on Miami as the gateway to Latin America – one of our major anchor tenants will be Itau Bank, one of the largest banks in Latin American.

Financing Partners

- Banyan Opportunity Zone, $90 million fund focused on Florida investment.
- Deutsche Bank, seasoned real estate debt professionals.
- Florida Teacher’s Pension Fund, limited partner equity that aligns values with Florida community development.
Conclusion

Ecological Resilience

• Increased zoning density on the ridge-line
• LEED Platinum for Neighborhood Development
• Master Plan move to the water

Community Creation and Placemaking

• Nucleus for surrounding neighborhoods
• 24/7/ 365 Community
• 30% affordable housing
• 7 Public Plazas

Financial Feasibility

• Attractive but feasible return metrics
• Emphasis on utilizing local infrastructure and local capital partners
• Life Science & Technology platform offers economic engine for community
• Retention of existing local businesses