LEVELS
LAYERING RESILIENCY

DESIGN NARRATIVE

Levels boldly leads Miami into the future by creating a culture of resiliency beginning with the built environment and supporting it throughout the community. By strategically lifting infrastructure, focusing on transit-oriented development, and building community resilience, Levels looks forward and adapts the Floridian landscape to spur mindful, regional development that coastal cities can successfully emulate.

We are electing to adapt in the process of mitigating the detrimental impacts of climate change. The project’s emphasis on resiliency strategies aligns with the City of Miami’s Resilient305 plan in its effort to regionally tackle emerging global trends and challenges. Levels catalyzes a new, adaptive development in the City of Miami, encouraging others to connect and innovatively foster regional resiliency. Built on a major transit stop, Levels creates a hub of activity with a compact, walkable, pedestrian-friendly, and mixed-use development integrating a variety of dynamic public spaces. The project aims to be successful now and into the future.


Performing as a prototype for surrounding communities, the project initiates infrastructure tactics to prepare, protect, and capitalize on global shifts. Detention ponds at either end of the project act as absorption zones and public spaces during both dry and wet periods. Building out and connecting to Miami’s green network allows a natural flow between neighborhoods; this encourages social relationships and binds communities together. Sweeping public spaces create a meeting place and destination for people to recharge. Pedestrian pathways are elevated above sea level rise projection heights creating a network of protected connections throughout the development. Ground floors of all the buildings are flexible in use and have substantially high ceilings allowing the floor to be adapted as sea levels rise, ensuring people can remain in the spaces as time progresses. This height also allows for safe passage of the trains below. As other neighborhoods engage in these practices, the rail system will be raised to align with the pedestrian pathway network and adapted buildings, solidifying the new ground floor.

Reframe.

Levels strives to teach and construct development like never before. As a catalyst for resilient development in Miami, Miami Dade College is collaborating with public and private partners to reframe the regional discussion on coastal development. The three sector partnership will establish a branch campus teaching students on climate change construction, retraining current trade workers, and providing financial assistance to community members wishing to contribute to their resilient communities. Miami Dade College will work with the City of Miami’s PIVOT Team (Progress, Innovation and Vision for Our Tomorrow) to help propel the goals of Resilient 305 forward. Hispanic owned construction group, MV Group, is opening a second Miami office on the site with a vested hands-on, philanthropic interest in being part of the resiliency movement.

Reside.

Levels binds the community together through building resiliency and promoting creativity. This fostered creativity breeds change, embracing the overall intention of the project by continuing the conversation and action taken to mitigate the impacts of climate change to protect our communities.

FINANCIAL NARRATIVE

With focused efforts on resiliency, Levels finances the project in three phases to ensure a thoughtful approach to sustainable development.

Development

Phase 1 straddles mixed-use development around the rail line and the existing residential building on the northeast corner. With the addition of The Grove, this phase creates access East and West, linking the two neighborhoods of Wynwood and Edgewater. Office space, residential units and a hotel enables Levels to be a live, work, and play destination. Phase 2 further activates and strengthens the space around the transit hub by creating more residential units, retail, and a parking garage. Creation of The Meadow invites more people into the space. In phase 3, the Miami Dade College relocates from their temporary space in an existing building on the project site into their permanent facility. Ensuring community sustainability, Levels dedicates 15 percent of the total units to affordable housing as well as releasing space within the site to existing businesses.

Neighborhood Market Value

Located on the periphery of Edgewater, the average market value of property on the project site is $191 per square foot. Levels seiizes on the opportunity that Edgewater is experiencing. Midtown 29, a 20-story 309 residential unit mixed use building adjacent to the project site completed in 2018, has a current sale value of $1,124 per square foot. Wynwood also provides great dynamics for strong development value. Wynwood has a slightly lower average square foot acquisition value than Edgewater at $178; however, the value outliers illustrate a ripe development opportunity. The David Building, a 5 story office building located on .19 acres was selling at a 2.5% CAP rate in 2015 and is currently valued according to public inquiry at $4,035,000.

Market rate value is very high with the acquisition of 17 acres total having an average cost per acre of $9,633,091, which does include a 10% premium over 2019 market valuations. However, Miami, Florida provides us with a unique marketplace. The project site located just north of downtown highlights a gap in development size but a community need with a new transit stop. Occupancy metrics in Miami are already some of the highest in the nation with multi-use developments seeing above 90% occupancy rates and strong pricing across the board. Currently, Levels presents great valuations and with the goal of climate change preparedness. The value of the development today is expected to increase as climate change effects intensify over time.

Valuation Key Measures

The net present value of the development is $396,690,152 with an unleveraged IRR of 15.8% and a leveraged IRR of 21.62%. The ten year end value is $1.8 billion with a blended investment cap at 5.14%.

Capital Structure

The capital structure of this investment will be comprised of a mixture of equity, construction and Mortgage debt facility, and public subsidies largely based on TIFs. TIFs at 3% and a 27% equity stake will secure debt facilities at 70% LTV.