

Office of Facilities Design and Construction
Raul F. Perez, Chief Facilities Design and Construction Officer

SUBJECT: APPROVAL OF MEMORANDUM OF UNDERSTANDING WITH THE OMNI COMMUNITY REDEVELOPMENT AGENCY, APPROVAL OF TRANSACTION AND DEVELOPMENT AGREEMENT AND DEVELOPMENT AND SBAO CONVEYANCE RIDER WITH 1370 NE 2ND, LLC FOR DISTRICT-OWNED PROPERTY LOCATED AT 1370 N.E. 2ND AVENUE (PARCEL 7), AND AUTHORIZATION TO NEGOTIATE RELATED FUTURE IMPLEMENTATION AGREEMENTS IN SUPPORT OF THE DISTRICT'S STRATEGIC REDEVELOPMENT FRAMEWORK FOR THE FULL DOWNTOWN ASSEMBLAGE

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC PLAN: EFFECTIVE & SUSTAINABLE OPERATIONAL PRACTICES

BACKGROUND AND STRATEGIC CONTEXT:

At the October 1, 2025 School Board Finance Committee meeting, the Superintendent presented the Strategic Redevelopment Framework for District-owned properties located within and adjacent to the Omni Community Redevelopment Area (Omni CRA). The framework established a coordinated approach across the District's full downtown assemblage, including the approximately 10.5-acre School Board Administrative Building (SBAB) assemblage, the Phillis Wheatley Elementary School campus, and the City-owned Biscayne Park site identified for a future iPreparatory Academy (iPrep) facility. These interconnected sites were presented as part of a unified redevelopment strategy intended to advance the District's educational mission, modernize administrative functions, support workforce and affordable housing opportunities, and strategically leverage District-owned assets to generate long-term public value and economic impact.

The Strategic Redevelopment Framework was developed in response to the unique redevelopment opportunity associated with the District's downtown properties, which are strategically located near major transit infrastructure, the Adrienne Arsht Center, Biscayne Boulevard, Miami Worldcenter, and other significant downtown redevelopment activity. Portions of the assemblage are located within designated Omni CRA residential density increase areas allowing up to 500 residential units per acre, while Parcel 7 currently benefits from Rapid Transit Zone (RTZ) approvals and development rights allowing immediate redevelopment potential without requiring additional rezoning approvals.

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Independent valuation analysis prepared in support of the Strategic Redevelopment Framework identified approximately \$334 million in current land value across the assemblage, including approximately \$27.5 million associated with Parcel 7 and approximately \$307.3 million associated with the remaining District-owned sites.

At its November 19, 2025 meeting, the School Board authorized the Superintendent to negotiate redevelopment terms for District-owned property located at 1370 N.E. 2nd Avenue (Parcel 7) and to negotiate a Memorandum of Understanding (MOU) with the Omni CRA covering the comprehensive and interconnected downtown assemblage, including the SBAB assemblage, Phillis Wheatley Elementary School, and the City-owned Biscayne Park site. In doing so, the Board established clear priorities and implementation guardrails, including that the District's educational mission remain the primary priority, that a new iPreparatory Academy facility and a new reenvisioned Phillis Wheatley Elementary School facility remain central outcomes of the redevelopment effort, that redevelopment be coordinated across the full assemblage, and that all future implementation agreements be returned to the Board for consideration and approval.

Since that authorization, the Administration has continued coordination and negotiations with the Omni CRA, 1370 NE 2nd, LLC, an affiliate of Crescent Heights, and related implementation parties to advance the implementation structure associated with the Strategic Redevelopment Framework.

REDEVELOPMENT FRAMEWORK AND VALUE STRATEGY:

The District's downtown assemblage properties are publicly owned, currently off the tax roll, and underutilized from the standpoint of long-term value generation aligned with District priorities. The Strategic Redevelopment Framework is intended to position the District to strategically activate and leverage these publicly owned assets in a manner that generates long-term economic value and future Tax Increment Financing (TIF) associated with redevelopment of District-owned property.

Unlike traditional redevelopment structures where public incentives are negotiated after development priorities are established by outside parties, the District's approach is intended to ensure that School Board priorities guide how redevelopment value and future TIF are structured and reinvested. Through this coordinated framework, the District is seeking to leverage both the underlying value of the assemblage and future TIF generated from redevelopment activity to support implementation of Board priorities, including a new iPreparatory Academy facility, a new reenvisioned Phillis Wheatley Elementary School facility, workforce and affordable housing opportunities, modernization of District administrative operations, and broader community and infrastructure improvements associated with the downtown assemblage.

The framework further establishes a phased redevelopment structure intended to align redevelopment sequencing, future CRA/TIF negotiations, infrastructure coordination, and intergovernmental implementation efforts with School Board direction and District priorities. The extension of the Omni CRA through 2047 creates a long-term opportunity to leverage TIF generated from District-owned property to support phased implementation of these priorities over time.

AGREEMENTS PRESENTED FOR BOARD APPROVAL:

Pursuant to the Board's prior authorization, the Administration has completed negotiations and now presents for Board consideration and approval the Memorandum of Understanding with the Omni Community Redevelopment Agency ("MOU") and the Transaction and Development Agreement with 1370 NE 2nd, LLC, an affiliate of Crescent Heights, for Parcel 7 ("TDA"), including the Development and SBAO Conveyance Rider attached to and incorporated into the TDA ("Development Rider").

These agreements are interrelated and collectively establish the framework and initial implementation phase of the District's Strategic Redevelopment Framework for the downtown assemblage. The MOU establishes the overarching framework for coordination, prioritization, redevelopment sequencing, and alignment of future funding and intergovernmental implementation efforts, including continued coordination regarding iPreparatory Academy, Phillis Wheatley Elementary School, workforce and affordable housing opportunities, administrative modernization, parking and mobility considerations, and related infrastructure needs. The TDA and Development Rider establish the legal and implementation structure for the Parcel 7 transaction, including the conveyance of Parcel 7, project delivery obligations, delivery and conveyance of the School Board administrative office improvements, parking rights/use, design and construction requirements, pre-development milestones, closing conditions, and related safeguards.

Together, these agreements initiate activation of District-owned property, establish the foundation for leveraging future TIF associated with District-owned property, and position the District to advance its educational and operational priorities through a coordinated and phased redevelopment strategy. Approval of these agreements is intended to establish the framework and implementation structure necessary for the District to proceed into the next phase of redevelopment coordination, CRA/TIF negotiations, intergovernmental implementation discussions, and future redevelopment sequencing activities during 2026.

Future agreements, including the CRA/TIF Agreement between the Omni CRA and 1370 NE 2nd, LLC and the future interlocal agreement among the School Board, Omni CRA, and the City of Miami, are expected to provide the next mechanisms for advancing implementation of key Board priorities. The future interlocal agreement is expected to address iPreparatory Academy site coordination, related public facilities coordination, Biscayne Park access and shared-use considerations, infrastructure coordination, funding responsibilities, and implementation approvals. Phillis Wheatley Elementary School remains a central priority within the MOU framework and the broader redevelopment sequencing strategy for the downtown assemblage.

MEMORANDUM OF UNDERSTANDING (MOU):

The MOU establishes a non-binding, assemblage-wide structure between the District and the CRA to guide redevelopment priorities, coordination, sequencing, and future implementation activities for the District's downtown assemblage.

The MOU is an initial implementation step that establishes the Board-approved parameters necessary for the Administration to advance the next phase of work with the CRA and, as appropriate, the City of Miami. This structure ensures that the School Board

first establishes the District's priorities, redevelopment parameters, implementation sequencing, and Tax Increment Financing ("TIF") alignment approach before future CRA/TIF agreements, interlocal agreements, or site-specific implementation negotiations proceed.

The MOU is intended to guide how redevelopment activity and future TIF generated from activation of District-owned property are aligned with the District's educational mission and Board priorities, including iPreparatory Academy ("iPrep"), Phillis Wheatley Elementary School, workforce and affordable housing opportunities, modernization of District administrative operations, parking and mobility considerations, and related infrastructure improvements.

The MOU also establishes a pathway for advancing iPrep site planning in coordination with the CRA and the City of Miami through a coordinated public facilities approach involving iPrep, potential relocation of an existing City of Miami Fire Station, Biscayne Park access and shared-use coordination, and the District's broader downtown assemblage redevelopment strategy.

Appendix A to the MOU identifies the Fire Station Site concept as the primary site concept to inform future interlocal coordination among the District, the City of Miami, and the CRA. Under this concept, iPrep would be evaluated for development on the existing Fire Station parcel immediately adjacent to Biscayne Park, subject to confirmation that the site can safely and effectively accommodate the footprint, circulation, operational, safety, and green space access requirements associated with a Pre-K–12 urban school environment. This evaluation would include the school's relationship to Biscayne Park, including secure student access, shared-use coordination, outdoor learning and recreation opportunities, and related park, mobility, and public realm considerations.

If advanced through the future interlocal agreement process, the existing Fire Station would be relocated and incorporated into the District's broader redevelopment strategy as part of a coordinated public facilities implementation approach among the District, the City of Miami, and the CRA.

The future interlocal agreement would address the iPrep site solution, Fire Station relocation, Biscayne Park access and improvements, traffic circulation, student and pedestrian safety considerations, funding, implementation responsibilities, and related approvals.

The MOU does not constitute final approval of future CRA/TIF agreements, interlocal agreements, redevelopment scope, or future implementation terms. Rather, it establishes the framework, sequencing structure, and Board-approved parameters that will guide future negotiations and implementation activities. Any future interlocal agreement, Biscayne Park-related implementation agreement, or other material District implementation agreement developed pursuant to this structure will be brought back to the School Board for consideration and approval prior to execution. The CRA/TIF Agreement, which is expected to be negotiated between the CRA and 1370 NE 2nd, LLC, will be reported to the School Board for status and alignment with the Board-approved framework.

The Administration understands that, consistent with CRA procedures and applicable authorizations, the Executive Director of the CRA is expected to execute the MOU following School Board approval, allowing the parties to proceed with the next phase of redevelopment coordination and implementation discussions.

In parallel with development of the MOU, the CRA secured County approval associated with its bond issuance during the week of April 20, 2026, further advancing its overall funding capacity and future ability to support redevelopment initiatives within the Omni CRA.

PARCEL 7 – INITIAL IMPLEMENTATION PHASE:

The Administration has completed negotiations associated with the Transaction and Development Agreement with 1370 NE 2nd, LLC, an affiliate of Crescent Heights, for redevelopment of Parcel 7 within the Omni CRA (“TDA”), including the Development and SBAO Conveyance Rider attached to and incorporated into the TDA (“Development Rider”).

Parcel 7 is strategically positioned within the Omni CRA and currently benefits from RTZ approvals that allow immediate redevelopment potential without requiring additional rezoning approvals. The site is located near the Adrienne Arsht Center, Biscayne Boulevard, Miami Worldcenter, and major transit infrastructure and is viewed as a catalyst site capable of unlocking broader redevelopment opportunities throughout the downtown assemblage.

The Parcel 7 transaction is intended to serve as the initial implementation phase of the broader redevelopment strategy by facilitating delivery of new District administrative space and structured parking, while creating the operational and physical conditions necessary to advance future redevelopment phases across the assemblage. By activating Parcel 7 first, the District is able to begin unlocking the operational, redevelopment, and future TIF potential associated with the broader downtown assemblage.

Valuation analysis prepared in support of the Strategic Redevelopment Framework identified a combined market value of approximately \$27.5 million for the Parcel 7 properties, consisting of approximately \$25.1 million for 1367 NE 1 Court and approximately \$2.4 million for 1370 NE 2 Avenue.

Under the proposed transaction structure, the District would leverage the appraised land value of Parcel 7 to facilitate delivery and conveyance to the School Board of approximately 100,000 BOMA-measured square feet of condominiumized School Board administrative space for District ownership and use, together with structured parking for District use. The BOMA-measured administrative space includes office areas, auditorium space, circulation areas, elevators, restrooms, building support areas, and other components included within the applicable BOMA measurement standard. Benchmark valuation analysis previously presented to the Board estimated the value of the administrative space and use of 600 parking spaces at approximately \$78.5 million, subject to final plans, specifications, and transaction documents.

The TDA and Development Rider establish the structure necessary to advance implementation of the Parcel 7 transaction, including the deposit structure, redevelopment milestones, pre-development obligations, construction commencement deadlines, completion timelines, approval requirements, closing conditions, and termination provisions associated with the future CRA/TIF Agreement and project delivery. The agreements also establish a phased implementation schedule tied to CRA/TIF negotiations, financing coordination, permitting, and pre-development activities.

Implementation of the Parcel 7 transaction is dependent upon successful negotiation and execution of a future CRA/TIF Agreement between the CRA and 1370 NE 2nd, LLC. As provided in the TDA, execution of the CRA/TIF Agreement is a critical condition to implementation and must occur within the timelines established in the agreements, including the December 2026 target period for execution of the CRA/TIF Agreement.

At the same time, the broader MOU coordination framework, future interlocal negotiations, iPrep site analysis, Fire Station relocation coordination, and strategy for the remaining District-owned properties are expected to advance on parallel tracks during 2026. These workstreams are intended to inform one another and advance in coordination, but are not dependent on a single linear sequence.

This coordinated work will help determine whether the contemplated implementation structure remains viable and how the District should proceed with the remaining downtown assemblage. That includes evaluating when and how District-owned properties beyond the iPrep site may be positioned or unencumbered for future redevelopment, subject to future Board direction and approval.

If the CRA/TIF Agreement is not successfully negotiated within the required implementation period, either party may terminate the TDA in accordance with its terms. In such an event, the District would evaluate alternative redevelopment strategies for the broader downtown assemblage, including consideration of a future competitive process for the full 10.5-acre assemblage rather than the currently contemplated 9.5-acre redevelopment phase.

The Parcel 7 transaction is coordinated with the broader redevelopment framework established through the MOU because the CRA/TIF Agreement is intended to define how future TIF generated from activation of District-owned property will be structured, allocated, and leveraged to support redevelopment activities across the assemblage, including iPrep, Phillis Wheatley Elementary School, administrative facilities, workforce and affordable housing opportunities, parking and mobility considerations, and related infrastructure improvements. While the District is not expected to be a direct party to the CRA/TIF Agreement, the Administration will coordinate with the CRA and 1370 NE 2nd, LLC and report back to the School Board regarding the status and alignment of such negotiations with the Board-approved framework.

INTERLOCAL AGREEMENT AND PROGRAM IMPLEMENTATION:

Implementation of an iPrep site on City-owned property would require a future interlocal agreement among the School Board, the CRA, and the City of Miami. The future interlocal agreement is intended to serve as the primary implementation mechanism for coordinating the iPrep site solution, Fire Station relocation, Biscayne Park access and shared-use coordination, infrastructure coordination, redevelopment sequencing, funding

responsibilities, and allocation of responsibilities among the District, the CRA, and the City.

Following School Board consideration and approval of the MOU and iPrep site solution framework, the Administration anticipates coordination with the CRA and the City of Miami regarding advancement of a City Commission legislative item acknowledging the coordinated public facilities concept and authorizing negotiation of the future interlocal agreement. The Administration currently anticipates such authorization being considered no later than September 2026.

Following such authorization, the District, the CRA, and the City of Miami would proceed with the detailed refinement, coordination, and analysis necessary to negotiate the future interlocal agreement, including school footprint evaluation, Fire Station relocation coordination, Biscayne Park access and improvements, traffic circulation, student and pedestrian safety considerations, operational feasibility, funding structure, implementation responsibilities, and related approvals.

The future interlocal agreement, together with related implementation agreements developed pursuant to the MOU framework, would be brought back to the applicable governing bodies for consideration and approval prior to execution.

NEXT PHASE OF IMPLEMENTATION:

The redevelopment strategy is structured to advance through a phased and coordinated approach that maintains School Board oversight throughout major redevelopment, funding, and implementation activities.

The MOU, TDA, and Development Rider establish the initial implementation structure necessary to advance the next phase of work during 2026, including CRA/TIF coordination, iPrep site solution coordination, future interlocal negotiations, Phillis Wheatley planning, and development of a strategy for the remaining District-owned properties within the downtown assemblage.

This next phase will also include development of a proposed strategy for the remaining District-owned properties so the Board can consider how future redevelopment sequencing, procurement approach, educational priorities, housing opportunities, and TIF alignment should proceed beyond Parcel 7 and the iPrep site solution.

This phased structure allows the District to advance immediate priorities while maintaining flexibility to respond to evolving operational needs, redevelopment opportunities, market conditions, funding availability, and future implementation considerations.

CONCLUSION:

This item advances the District's Strategic Redevelopment Framework from negotiation toward implementation by bringing forward the MOU with the CRA and the TDA and Development Rider with 1370 NE 2nd, LLC for Board approval. Together, these agreements establish the coordinated redevelopment structure, initiate Parcel 7 as the first implementation phase, and authorize the continued work necessary to advance the CRA/TIF Agreement, future interlocal agreement, and related implementation agreements required for the broader redevelopment strategy.

This phased approach preserves the District’s ability to reassess redevelopment strategies for the broader assemblage as implementation progresses, including the strategy for the remaining District-owned properties.

Consistent with Board direction, the District’s educational mission remains the priority, with iPrep and a reenvisioned new Phillis Wheatley Elementary School facility remaining central outcomes of this effort. As part of the next phase of work, planning for Phillis Wheatley is expected to advance during summer 2026 through the workforce housing procurement process, including evaluation of the educational facility footprint needed to support a reenvisioned new school facility.

Because the CRA/TIF Agreement is expected to be negotiated between the CRA and 1370 NE 2nd, LLC, the Administration will report back to the School Board regarding the status of those negotiations and their alignment with the Board-approved redevelopment framework.

Any agreements requiring School Board approval, including the future interlocal agreement and other District implementation agreements, will be brought back to the School Board for consideration and approval. Consistent with standard District practice and School Board policy, all agreements negotiated by or on behalf of the District pursuant to this framework have been and will continue to be reviewed by the Office of the General Counsel prior to presentation to the School Board.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida authorize the Superintendent to:

- 1) Execute the Memorandum of Understanding with the Omni Community Redevelopment Agency in substantially the form attached hereto; to the extent varied by changes herein;
- 2) Execute the Transaction and Development Agreement and Development and SBAO Conveyance Rider, together with related ancillary agreements, with 1370 NE 2nd, LLC, an affiliate of Crescent Heights, associated with redevelopment of Parcel 7 in substantially the form attached hereto;
- 3) Coordinate with the Omni Community Redevelopment Agency and 1370 NE 2nd, LLC regarding development of the CRA/TIF Agreement to help ensure the negotiations remain informed by District priorities, the Board-approved redevelopment framework, and the MOU coordination structure, and report back to the School Board regarding the status and alignment of such negotiations;

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4) Following input by the District member, enter into further discussions with ~~Negotiate a future interlocal agreement among the School Board, the Omni Community Redevelopment Agency and the City of Miami associated with~~ regarding implementation of ~~an~~ the iPreparatory Academy concept within the targeted area, including issues such as, site concept, Fire Station relocation, Biscayne Park coordination, relocation, infrastructure coordination, redevelopment sequencing, and related implementation activities, and bring such agreement back to the Board for consideration and approval, in a manner that honors the prior iPreparatory Academy commitments made by the Board;

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5) Provide regular updates to the School Board regarding implementation progress, including redevelopment sequencing, CRA/TIF negotiations, interlocal coordination, future agreement development, and continued alignment with the District's educational mission and Board-approved Strategic Redevelopment Framework; and

6) Call a workshop within 120 to 180 days to inform the formulation of a strategy ~~Develop and submit to the School Board, within 180 days following execution of the MOU, a proposed strategy~~ for the remaining District-owned properties within the downtown assemblage, including to discuss recommended sequencing, procurement approach, redevelopment priorities, and alignment with the Board-approved Strategic Redevelopment Framework.

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