

Developer secures \$228M in bond financing for project near FIU bridge collapse

Project will be completed in time for 2020 academic year

By Katherine Kallergis | September 26, 2018



Rendering of University Bridge Residences, Brian Pearl and Diego Procel

The developer of University Bridge Residences, a planned student housing project next to the Florida International University pedestrian bridge that collapsed earlier this year, raised nearly \$228 million in bond financing to complete the project, and has transferred ownership to a nonprofit.

Global City Development sold the property at 740 Southwest 109th Avenue to Atlantic Housing Foundation for \$48.6 million, a sale that is required under the bond financing, principal Brian Pearl said. Vivian de las Cuevas-Diaz, a partner at Holland & Knight, senior counsel Isabel C. Diaz and associate Alejandro Arias, represented Global City, which will stay on as the developer and asset-manage the property for 30 years.

Atlantic Housing, a South Carolina-based nonprofit that specializes in affordable housing, is using \$227.64 million in bond financing for the project. Construction is expected to be completed in time for the 2020 academic year.

Global City, led by Diego Procel and Brian Pearl, paid \$16.6 million for the property in 2016, and initially planned to develop the building as condos.

In March, Global City canceled the condo project and [converted it](#) to rentals, returning deposits to more than 200 buyers. The partnership developing the project includes

Podium Developments and Reichmann International. Later that month, the pedestrian bridge connecting FIU's main campus to the project next door collapsed suddenly, killing six people. The U.S. Occupational Safety and Health Administration recently [fined](#) the contractors involved.

De las Cuevas-Diaz said the developer was already in talks with Atlantic Housing when the bridge collapsed. Earlier this month, FIU approved the agreement with University Bridge LLC, calling for a 20-story, 886-unit, 1,244-bed residential tower on the site to house students, faculty, and staff of the university. Coastal Construction is the general contractor. FIU isn't part of the ownership and is not responsible for development of the project, but Pearl said that FIU would take over ownership of the building when the bond is completed in 2058.

The agreement states that the project would be funded by student housing revenue bonds capped at \$225 million that are payable over 40 years. It also mentions that the university can currently house only 8 percent of its total enrollment on campus. A number of apartment buildings surrounding the campus have recently been built or sold. In August, the Rilea Group sold Vista Verde at Westchester, just east of the university, to Advenir for [\\$59.75 million](#).

An earlier version of this story incorrectly stated that Atlantic Housing is developing the project. Global City and its partners will continue developing the building.



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