

# The property developer looking to transform Miami

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6–8 minutes

“Egress and ingress. That’s what’s going to win the day!” Marc Roberts bellowed, sounding more like a general surveying the field of battle than a Florida property developer riding a golf cart through a building site.

This particular site was in downtown Miami, next to new on- and off-ramps for a highway extension that Roberts is counting on to deliver a stream of visitors to 350,000 square feet of new retail space, hotels and restaurants. The Miami Worldcenter, as it is known, is more a neighbourhood than a development.

Soaring over it all will be a trio of luxury residential towers inspired by the decadent E11even nightclub owned by Roberts and his partners. “It’s one of those only-in-Miami type of things that you’re going to have a condo project branded by a nightclub,” one of the city’s top property lawyers observed.

With its all-night, dollar bill-raining revelry and VIP tables that fetch upwards of \$100,000 for an evening, E11even has become a glittery emblem of boomtown Miami in the way Studio 54 was for

1980s Manhattan.

It is also an example of an older, seedier [Miami](#) being over-layered by a new and glossier version, thanks to a blitz of development. Scratch just beneath the surface of E11even and you will find a strip club. Not just any strip club, but a grotty one called Gold Rush, that enjoyed a certain infamy in Miami.

“A down-and-dirty strip club. Like, gum on the carpet. Like, it was as scummy as you could get,” is how Roberts described it.



Marc Roberts began amassing property in downtown Miami in 2003, guided by the conviction that the city was on the rise

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A man of pluck and hustle, Roberts, 64, turned a single lacklustre season of college basketball into a successful career as a sports agent. Among his clients was the world champion boxer Shannon Briggs.

In the late 1990s he moved to south Florida and left sports for real

estate. An advantage of his second career, he quipped, was that buildings do not fail drug tests or impregnate people.

Roberts began amassing [property](#) in downtown Miami in 2003, guided less by a specific plan than the conviction that the city was on the rise and that the area would eventually become valuable. His prospects brightened when the city eventually decided to build a \$1bn tunnel under the neighbourhood, burying an unsightly parade of trucks bound for the nearby port. There was also the highway extension.

But what to do about Gold Rush? “It was a really seedy place,” Roberts explained. “You couldn’t build a first-class neighbourhood — at least right here you couldn’t. So, I said: let me get them out of the neighbourhood.”

Doing so would not be easy. While it may have been seedy, Gold Rush was lucrative. It was one of only a few clubs in the country with a licence to operate all-nude entertainment and sell liquor 24 hours a day. It was also owned by a canny strip club mogul, Jack

Galardi, who had started in Las Vegas in the 1970s and owned dozens of clubs around the country.

To get his way, Roberts employed a bit of developer’s cunning: rather than approach Galardi directly, he sent a friend, Alan Meyers, as a “beard”. Meyers, whom Roberts befriended when he was a maître d’ at an Italian restaurant in Fort Lauderdale, approached Galardi with a bogus story that he was a small-time restaurateur working with a professional athlete who had more cash than sense and was desperate to buy a strip club.

“I always have a beard,” Roberts said of how he went about acquiring discrete lots to create a viable development site — or an

“assemblage”, as developers call it. “You can’t let people know it’s the same person. They’ll just jack [the price] up.”

As it happened, they learnt that Galardi was suffering from terminal cancer and open to selling. His accountant asked to see the money. Roberts, calling in a favour from his sports agent days, was able to produce a brokerage account from a well-known athlete — he will not say who — listing \$51mn in securities.

Roberts sent Meyers to the hospital to negotiate with an infirm Galardi until, at last, they agreed a price. Then came the agony of waiting for Galardi’s 91-year-old lawyer to type up a contract before his client died.

“It took like three weeks,” Roberts recalled. “Every day I’m on pins and needles because I know somebody else could get word that this guy is selling and people come out of the woodwork. Pins and needles, pins and needles, pins and needles.”

They ended up closing the deal in December 2012 — the month Galardi died — for about \$11.9mn. Sure enough, as soon as word got out, members of the strip club community began beating down Roberts’ door, desperate to pry Gold Rush away from him and his partner, Michael Simkins.

“They came in with passion: ‘We’ll renovate it, we’ll put \$5mn into it, we’ll give you 50 per cent of the profit, we’ll give you a hundred grand in rent.’ Boom! They were begging us,” Roberts recalled. “And then they go: ‘By the way, how did you even get

that under contract? He promised me he would sell it to me!”

The experience was eye-opening for the partners. It made them realise how valuable Gold Rush was in its own right. So, rather than cut a deal, they recruited Dennis DeGori, a well-known club operator in Las Vegas, as a partner, to try to reimagine it. “That’s how E11even was born,” Roberts said.

The club still features nudity. But its style is more risqué and titillating than raunchy, according to Roberts. “Half of our clientele is female. Why is half our clientele female? Because it’s clean. It’s clean fun,” he said. “We have Cirque du Soleil shows.”

As E11even’s reputation grew, the partners took advantage with licensing deals — most notably, for E11even brand vodka and candles that carry its trademark fragrance. The idea of extending that to a condominium tower might sound outlandish, even in a city that adores branded properties. (Consider: the Porsche Design Tower or the Diesel Wynwood.)

But apparently not. The first tower, the E11even Residences, will feature a five-star hotel, sports bar, restaurants, medical spa and more. It sold out in a matter of months, and is now rising out of the ground. “It’s going to be like a casino without a casino,” said Roberts.

Meanwhile, the ground is being cleared for a second tower, which will be connected to the first by a skybridge. All but a few dozen of its 475 units have been sold. A planned third tower, with 675 units, is also mostly sold. Eventually, Roberts envisions E11even as the core of a sort of miniature Las Vegas in central Miami.

Taking it all in, he sounded as surprised as anyone. “Who sells \$1bn in real estate off a club?” he asked.