



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

Date: January 5, 2021

To: Gregory W. Veliz, City Manager

From: Steve McAlearney, Director of Engineering

CC: Patti McLaughlin, Assistant City Manager
Mark Finigan, Finance Director

Subject: Withdrawal of Award for RFP # 001-19: Former Keys Diesel Plant Stabilization & Redevelopment

Action Statement

This Resolution would withdraw the award to the Key West Art and Historical Society in response to RFP # 001-19: Former Keys Diesel Plant Stabilization & Redevelopment.

Background

The City Commission, on August 7, 2018, passed Resolution 18-238, adopting and accepting the opinions of the Historic Architectural Review Committee in HARC Resolution 2018-01, which recommended “preserving the historically significant structures and their contents, and place the buildings in a new use that is compatible and sensitive to the historic character of the site.” In response to this guidance, on September 22, 2018, the City advertised RFP # 001-19: Former Keys Diesel Plant Stabilization & Redevelopment. The intent of the RFP was to attract qualified individuals, firms or organizations with the financial capability, expertise and relevant experience in redevelopment of historic structures and subsequent management as a profitable business or self-sustaining non-profit organization. Stabilization and redevelopment were to be at no cost to the City.

A single proposal, from the Key West Art and Historical Society, was received on December 5, 2018. Despite receiving only one bid, on December 19, 2018, a publicly noticed meeting was held to evaluate the proposal. The evaluation committee found the proposal to be responsive and the proposer to be responsible. City Commission, sitting as the Caroline Street Corridor and Bahama Village Community Redevelopment Agency (CRA), approved the evaluation committee’s recommendation to accept the KWAHS proposal via Resolution 19-070.

The KWAHS proposal included a three-phase plan over a period of ten years. Phase 1 was to include signing a lease, a zoning review, preliminary stabilization and a historic structures report to be completed in the first two years. Ultimately, over a two-year period, the parties were unable to agree to terms on a contract. On December 2, 2020, KWAHS Executive Director Michael Gieda informed the City that the Board of Directors had voted to postpone moving forward with the lease until quarters 1 or 2 of 2021.

Subsequently, staff recommends withdrawing the award to KWAHS and requests further direction from the Commission.

Purpose and Justification

Stabilization and redevelopment of the Diesel Plant meets Key West Strategic Plan, Environment, Goal #2: *The City's built environment reflects and supports Key West values, architectural history, and mixed uses*, and Infrastructure, Goal #4: *Long term sustainability of the City's hard assets*.

Financial

Approving this Resolution results in no adjustments to the current FY budget. However, should direction to staff be to stabilize the structures at City expense, these unbudgeted costs will be significant.

Recommendation

Staff recommends CRA withdraw award to KWAHS for RFP # 001-19: Former Keys Diesel Plant Stabilization & Redevelopment and provide further direction to staff.