



Bogdan Vitas Jr.
City Manager

THE CITY OF KEY WEST
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11011
Ser OPDB/467
February 7, 2013

Sent by e-mail and FedEx

Mr. Robert W. McDowell III
Head, Real Estate
Real Estate Contracting Officer
By direction of the Commanding Officer
Naval Facilities Engineering Command Southeast
Box 30, Bldg. 903
Naval Air Station Jacksonville, FL 32212-0030

RE: PROPOSAL FOR PUBLIC BENEFIT LEASE FOLLOW UP RESPONSE

Dear Mr. McDowell,

This letter shall serve to acknowledge electronic receipt of your letter of January 24, 2013 as I confirmed by e-mail on that date and receipt of the original letter on January 29, 2013 by FedEx. The primary purpose of this letter is to respond to your letter as requested and further expand upon the several points you have raised in your response to the City of Key West's letter of January 18, 2013 requesting a public benefit lease for the Navy outer mole. We remain firm in our belief, and will point out clearly in our follow up response to your questions, that the public benefit lease we are requesting under the authority of 10 USC Section 2667(h) (2), far outweighs any form of competitive bidding for this property, and that the Navy should move quickly to negotiate and approve a public benefit lease with the City of Key West; the Navy's principal strategic partner for many years and well into the future.

PROPOSED PUBLIC BENEFIT TO BE SERVED AND PRESENT SCHEDULE

Proposed Public Benefits

The Truman Waterfront Park Master Plan adopted by the City of Key West is the realization of planning efforts by the City first initiated in 1995, resulting in the first Base Re-use Plan of October 1997 and culminating in the City BRAC Plan of 1999. The legally adopted and valid Truman Waterfront Master Plan is now undergoing final technical approvals prior to the start of phased construction in commencing in early 2014.

Key to the Caribbean - Average yearly temperature 77° F.

In arriving at the final Master Plan the City will realize the following substantial tangible public benefits in the construction and operation of the Truman Waterfront Park and associated activities for the Navy outer mole public benefit lease:

1. A 28.0 acre waterfront park serving all of Key West and the Lower Keys, the potential for no less than 250,000 exclusive park visitors annually arriving by land, air and sea, serving in particular all Key West citizens and all military personnel and their families stationed in Key West and NAS Boca Chica.
2. A 1,300 sq. ft. restaurant and museum as an adaptive reuse of the former Navy Building 103, showcasing both City and US Navy history on the island, and providing recreation and dining facilities for all park visitors. Based on similar restaurant leases on other City owned property, after design build out, City can net an estimated \$350,000 - \$500,000 annually.
3. A 1,500 person outdoor amphitheater for hosting local, regional and national entertainer performances and other special events capable of generating new net revenues of an estimated \$200,000 - \$250,000 annually.
4. A 24,000 sq. ft. Community Center serving the City and Lower Keys to promote community health, support community recreation, elderly affairs, education and professional training programs in multiple technical disciplines, as well as athletic events and training. Estimate usage is 365 days a year.
5. An Olympic size multi-purpose athletic field to serve the entire school age population of Key West, youth and adult leagues, capable of hosting soccer, football, lacrosse and other field sports. Estimated usage is 250 - 300 days a year.
6. A park design which will continue to accommodate both the annual powerboat and sailboat race events , up to two weeks each in duration , generating a positive economic benefit of \$1million to \$3million in associated economic activity in lodging, retail sales and advertising.
7. A new city marina in the Truman Harbor development zone along the east quay that will serve as an economic revenue generator to support the ongoing long term maintenance of the entire park. The marina is estimated to generate between \$1,200,000 initially and \$3,000,000 annually upon stabilization.
8. Ongoing use of the Navy outer mole to accommodate tourism from the cruise ship industry that has historically generated an estimated \$2,000,000 annually.
9. A park design that compliments the City public benefit needs and the ongoing needs of the Navy at the outer mole and the Truman Harbor.

Present Schedule

The Master Plan has been fully approved and is now going through final technical approvals involving creation of design development documents in anticipation of construction documents being completed for phased construction beginning in the first quarter of 2014. During the first quarter of 2013, the City's technical Development Review Committee and the City's Architectural and Engineering Consultant will meet

with local US Navy personnel to establish final compatibility with adjacent US Navy properties before moving to preparation of bid documents and construction.

The City's projected schedule can be realized as presented below:

- a. January 2014 to July 2014 Phase 1 – basic infrastructure, roads, utilities and park Improvements located North of Building 103
- b. May 2014 to February 2015 Phase 2 – development of the Olympic sized multipurpose field and outdoor Amphitheater
- c. February 2015 to September 2015 Phase 3 – development of the remainder of all park fields and open space areas
- d. May 2015 to June 2016 Phase 4 – reconstruction of Building 103 utilizing a Design/Build contract
- e. June 2016 to December 2017 Phase 5 – new construction of the Community Center Design utilizing a Design Build contract

Enclosed please find Exhibits A and B, the City Commission approved Master Plan for the Truman Waterfront Park and Major Development Plan Submittal, respectfully. These plans can also be viewed on the City web site at the following address: www.keywestcity.com. Also enclosed, is Exhibit C, a detailed schedule of all required approvals remaining to be completed.

PUBLIC INTEREST SERVED VERSUS COMPETITIVE LEASE

The City Comprehensive Plan, Zoning Districts and Master Plan for the entire Truman Waterfront, inclusive of the proposed marina, have all been crafted over the past twelve years specifically to benefit all the citizens of Key West, its numerous visitors, and the entire Lower Keys region. The history of the mid 1980's transfer of another portion of former US Navy, land commonly known as the Truman Annex, to a private developer for its ensuing development as luxury housing and commercial areas, prompted the City in the 1995 BRAC transfer process to assure that all future transferred Navy lands remain in public ownership to guarantee assured public purpose and benefit. Since that time and until 2001, the transfer included the Outer Mole with the intention of developing a cruise port for the economic and social good of the entire community. The lease between the City and Navy for the Outer Mole, versus the originally contemplated transfer of this property ensuing after the national emergency of September 11, 2001 assumed and assured that the public benefit to the City and region would continue.

To contemplate that a private entity would be entitled to that lease area or any other part of the Truman Waterfront would effectively turn the planning efforts to date and the expectations of Key West's dreams into nothing more than another full blown commercial operation on a small island already overburdened by commercial activity. Simply stated, there is no prudent reasonable alternative to public ownership or a permanent lease of the Outer Mole to the City, and ongoing public ownership and

development of the planned Truman Waterfront Park. Any other approach would not take into account the 190 years of successful collaboration between the City and Navy.

TANGIBLE COMMITMENT & APPROVALS TO DEVELOP TRUMAN WATERFRONT PARK

The City over the past decade has committed and expended hundreds if not thousands of hours of manpower on the planning and design of the Truman Waterfront Park and Outer Mole. A significant amount of that time has been by uncompensated citizen volunteers, numerous boards and committees necessary to develop and review conceptual plans and to utilize public comment to guide the development of the final plans for the Truman Waterfront Park and as relates to the Outer Mole and Truman Harbor. After that protracted time and slow recovery from the worst recession since the Great Depression, the City has committed and allocated almost \$8 million dollars for the development of the Truman Waterfront Park towards the anticipated total cost of \$60,257,459; \$26.4 million for the park, \$11,700,000 for the marina, and another \$22.1million for renovated and new buildings. Please refer to Exhibits D, E and F, park development budgets.

In Fiscal Year 2013, the City budgeted and is expending nearly \$500,000 on the initial design and construction documents for this capital improvement project in anticipation of the start of construction in the first quarter of 2014. Please refer to Exhibit G that identifies the available budgeted funds of \$515,841 to achieve this end.

The Truman Waterfront Park Master Plan adopted by the City Commission on Tuesday, October 16, 2012 committed the City to a rapid plan of action to develop the overall project. Please refer to Exhibits H and I for the Executive Summary dated October 15, 2012 presented to the City Commission and the official minutes from that meeting.

When undertakings on the scale of this Park are delayed or phased for a lengthy period of time, initial investments in infrastructure age requiring repair, new standards arise affecting initial cost estimates, and the ability to achieve the initial vision can rapidly fade. The Truman Waterfront Park project, linked directly to the Outer Mole lease, is a world class park with all its elements working together to achieve both the passive and recreation uses intended. The Park cannot and will not be piecemealed together as that would be irresponsible and lead to greater cost at the tax payers' expense. For this very reason, the City's commitment must be and thus far has been both tangible and significant. Such a commitment cannot and will never be achieved by the private sector. Most importantly, if lease funds from the Outer Mole are not available for the development and ongoing operation of the park, then the project may simply have to be further delayed. The thought of the City having to abandon the development of all or part of the original BRAC properties at the Truman Waterfront would be unconscionable.

SOURCE OF FUNDS

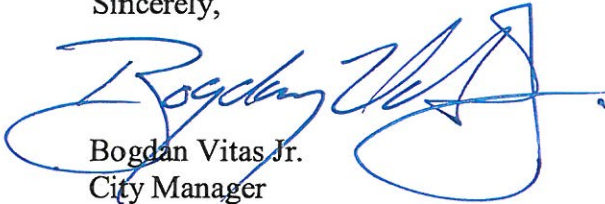
The table below identifies the current and proposed source of funds for the project.

FUNDING SOURCES	ESTIMATED AMOUNTS
Outer Mole Lease (dockage and disembarkation fees)	\$500,000 net annually
Local Government Infrastructure Surtax -reserved	\$8,000,000 - \$10,000,000
Marina (slip leases, fuel sales)	\$1,200,000 - \$3,000,000
Building 103 Restaurant, Museum and Shops	\$350,000 - \$500,000 annually
Amphitheater (tickets, concessions, parking)	\$200,000 - \$250,000 annually
Tourist Development Council (matching grants)	To be determined

The attached budgets, Exhibits D, E & F, for the Truman Waterfront Park and its buildings, illustrate how the City intends to make a major commitment to the Park and the former US Navy properties. These costs and revenues will be further refined as the detailed construction plans are authorized, released for competitive bids and as approved by the City Commission. Further, the City will have a dedicated enterprise fund for the purpose of developing and maintaining the entire park, which ultimately will rely in part on the long term outer mole lease derived funds.

We look forward to our ongoing dialog and positive relationship with the Navy and a favorable response for a permanent public benefit lease as yet to be negotiated. The city is fully prepared to meet with you and other Navy officials to discuss the public benefit lease at your earliest. Thank you for the opportunity to provide this response.

Sincerely,



Bogdan Vitas Jr.
City Manager

pc: Mayor Craig Cates
City Commissioners
Shawn Smith, City Attorney
Mark Finigan, Assistant City Manager
Donald Craig, Director of Planning
Patrick Lefere, Commanding Officer, NAS Key West

Attachments (Exhibits A through I, note: A and B will be delivered by FEDEX)

EXHIBIT - C

Truman Waterfront Submittal and Approval Schedule	
November, 2012	Local Navy staff discussion and review
December, 2012	Pre-application meetings with staff
January 14, 2013	Development Review Committee (DRC) application submittal
January 18, 2013	Letters of Coordination submitted by B&A
January 22, 2013	City Clerk advertisement deadline for request to initiate Development Agreement
January 25, 2013	City Manager Request to Initiate LDR Amendment
January 31, 2013	Special DRC Meeting - Major Development Plan and Variances
February 2013	Meeting regarding Admirals Cut
February 7, 2013	Post DRC Meeting with Navy
February 15, 2013	Revised application submittal due
February 17 - May 17, 2013	Navy preliminary review - 90 days
February 20, 2013	City Commission Meeting - Request to Initiate Development Agreement
March 21, 2013	Planning Board Meeting - LDR Amendment
March 11, 2013	Tree Commission Meeting
March 28, 2013	DRC Meeting - Development Agreement
April 2, 2013 or May 7, 2013	City Commission Meeting - LDR Amendment. 1 st reading
May 17, 2013	Navy review period closes
May 21, 2013	City Commission Meeting - LDR Amendment. 2 nd reading
May 24, 2013	Application revisions due reflecting Navy comments
June 6, 2013	Bahama Village Redevelopment Advisory Committee (BVRAC) Meeting - courtesy review
June 17, 2013	Truman Waterfront Advisory Board Meeting
June 20, 2013 (possible special meeting in June)	Planning Board Meeting - Development Plan, Variances and Development Agreement
June, 2013	Local Appeal Period ends - Render LDR Amendment to DEO
June 26, 2013	Revisions for HARC and City Commission due
July 8, 2013	Tree Commission Final Review Meeting
July 9, 2013	1 st HARC Meeting
July 23, 2013	2 nd HARC Meeting
August 6, 2013	DEO Appeal Period ends - LDR Amendment listed in F.A.R
August 6, 2013 (possible special July Meeting)	City Commission and LRA hearing - Development Plan and Development Agreement
August 7, 2013	Transmit LRA approved Plan to the Navy - Official 90 day review
August-September	Local appeal period closes
September	Department of Economic Opportunity waiver of right to appeal
September - December	Building and Construction Drawings completed
January - April, 2014	Construction begins - Phase 1

Key to the Caribbean - Average yearly temperature 77° F.

EXHIBIT - D



Truman Water Front
City of Key West, Florida
 Based on Approved Concept
 Prepared October 12, 2012



DEMOLITION				
QTY.	UNIT	ITEM	UNIT COST	TOTAL
29327	SY	Asphalt roadway & sub-base	\$4.50	\$131,969.50
1414829	SF	Clear and grub	\$0.15	\$212,224.35
1	LS	Electrical Utilities	\$0.00	\$0.00
1	LS	Sanitary Sewer	\$0.00	\$0.00
1	LS	Storm Sewer	\$0.00	\$0.00
67310	SF	Concrete slabs	\$13.00	\$875,030.00
1	LS	Rehab of Florida Keys Bldg (demo only) (no environmental)	\$100,000.00	\$100,000.00
1	LS	Partial Rehab of Bldg. 103 (demo only)	\$50,000.00	\$50,000.00
1	LS	Horse Stable (demo only)	\$25,000.00	\$25,000.00
1	LS	Community Center (demo only)	\$200,000.00	\$200,000.00
DEMOLITION SUBTOTAL				\$1,594,223.85

SITE PREPARATION				
QTY.	UNIT	ITEM	UNIT COST	TOTAL
3000	LF	Gravity Sewer	\$55.00	\$165,000.00
4200	LF	Force Main	\$48.00	\$201,600.00
5500	LF	12" Waterline	\$62.00	\$341,000.00
2400	LF	8" Waterline	\$58.00	\$139,200.00
40	EA	Fire Hydrants	\$4,000.00	\$160,000.00
2	EA	Fire Pumps	\$25,000.00	\$50,000.00
1	EA	Injection Well	\$42,000.00	\$42,000.00
40	EA	Catch Basins	\$2,500.00	\$100,000.00
3200	LF	Exfiltration Trench	\$150.00	\$480,000.00
20	EA	Man Holes	\$3,500.00	\$70,000.00
3	EA	Pump Station	\$400,000.00	\$1,200,000.00
SITE PREPARATION SUBTOTAL				\$2,948,800.00

SITE WORK / LIGHTING				
QTY.	UNIT	ITEM	UNIT COST	TOTAL
64,235	QY	Fill; 4'-0" average ht. in mounding areas	\$55.00	\$3,532,925.00
13,680	LF	Type 'F' curb	\$17.00	\$232,560.00
202,057	SF	Asphalt roadway paving and associated base	\$4.00	\$808,228.00
46,501	SF	Concrete paver parking, cross walks and associated base	\$8.50	\$395,258.50
34,999	SF	Bike path and transit stops specialty paving and associated base	\$8.50	\$297,491.50
62,522	SF	10" thick Specialty vehicular/dock paving and associated base	\$12.50	\$781,525.00
68,795	SF	Sidewalk - concrete	\$4.75	\$326,776.25
73,871	SF	Specialty pedestrian paving and associated base	\$8.00	\$590,968.00
10,527	SF	Traffic circle specialty paving	\$8.50	\$89,479.50
1	LS	Traffic circle water feature	\$75,000.00	\$75,000.00
110	EA	Lights - pedestrian	\$3,000.00	\$330,000.00
45	EA	Lights - spine road @ 50'-0" on center spacing	\$5,000.00	\$225,000.00
24	EA	Lights - parking	\$4,000.00	\$96,000.00
1	EA	Lights - recreational field	\$250,000.00	\$250,000.00
40	EA	Regulatory signage with concrete footer	\$250.00	\$10,000.00
10	EA	Wayfinding signage	\$2,000.00	\$20,000.00
1	LS	Interactive fountain	\$850,000.00	\$850,000.00
1	LS	Pedestrian/bicycle bridge	\$65,500.00	\$65,500.00
SITE WORK SUBTOTAL				\$8,976,711.75

BUILDINGS/ARCHITECTURE (see attached work sheet for additional detail)				
QTY.	UNIT	ITEM	UNIT COST	TOTAL
1	LS	Horse stables	\$852,000.00	\$852,000.00
1	LS	Community center	\$15,703,000.00	\$15,703,000.00
1	LS	Maintenance facility	\$5,163,000.00	\$5,163,000.00
1	LS	Building 103 renovation & public restroom	\$403,750.00	\$403,750.00
0	LS	Amphitheatre (Not included)	\$0.00	\$0.00
BUILDINGS/ARCHITECTURE SUBTOTAL				\$22,121,750.00



Truman Water Front
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MARINA				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
0	SF	Pier		\$0.00
				\$0.00
				\$0.00
MARINA SUBTOTAL				\$0.00

SITE FURNITURE				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
25	EA	Umbrellas	\$1,500.00	\$37,500.00
32	EA	Light Obelisks	\$850.00	\$27,200.00
20	EA	Tables	\$500.00	\$10,000.00
80	EA	Chairs	\$250.00	\$20,000.00
30	EA	Benches	\$2,000.00	\$60,000.00
45	EA	Trash receptacles	\$1,500.00	\$67,500.00
10	EA	Bike racks - holds five bikes each	\$450.00	\$4,500.00
2	LS	Tot lot and associated safety surface	\$125,000.00	\$250,000.00
1,504	LF	Fencing - 6' decorative perimeter fence	\$80.00	\$120,320.00
480	LF	Fencing - stables - 48" tall aluminum picket	\$75.00	\$36,000.00
9	EA	Fitness station with rubberized surface and containment curb	\$4,500.00	\$40,500.00
SITE FURNITURE SUBTOTAL				\$673,520.00

LANDSCAPE				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
10	EA	Large Palm; 30' overall height	\$2,500.00	\$25,000.00
517	EA	Small Palms; 12' overall height	\$250.00	\$129,250.00
450	EA	Canopy Trees; 15' X 7'; 4 1/2" cal.	\$1,250.00	\$562,500.00
40	EA	Ornamental trees; 8' X 6'; 3 1/2" cal.	\$385.00	\$15,400.00
14,000	SF	Shrubs; 7 gal; 30" X 24"; 42" on center spacing	\$4.00	\$56,000.00
120,000	SF	Shrubs; 3 gal.; 18" X 12"; @ 30" on center spacing	\$2.25	\$270,000.00
10,000	SF	Groundcover; 1 gal; 12" x 12"; 18" on center spacing	\$1.10	\$11,000.00
755,385	SF	St Augustine Sod with 2" of topsoil	\$0.60	\$453,231.00
LANDSCAPE SUBTOTAL				\$1,522,381.00

IRRIGATION				
<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
875,385	SF	Full coverage emitter drip irrigation system	\$0.80	\$700,308.00
IRRIGATION SUBTOTAL				\$700,308.00

SUBTOTAL				\$38,537,694.60
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<u>QTY.</u>	<u>UNIT</u>	<u>ITEM</u>	<u>UNIT COST</u>	<u>TOTAL</u>
GENERAL CONDITIONS & CONTINGENCY				
			(insert percentage)	
1	LS	Mobilization	1%	\$385,376.95
1	LS	Maintenance of Traffic	1.25%	\$481,721.18
1	LS	Bonds & Insurance	1.75%	\$674,409.66
1	LS	Testing & Quality Control	1%	\$385,376.95
1	LS	Permits & Inspections	1%	\$385,376.95
1	LS	Contingency	20%	\$7,707,538.92

GRAND TOTAL				\$48,557,495.20
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EXHIBIT - E

City of Key West
 Truman Waterfront Redevelopment
 Wednesday, September 26, 2012

Cost Estimate Summary

Buildings

	Community Center	Horse Stables **	Maintenance Garage / Redevelopment of Historic Keys Energy Buildings *B*	Public Restrooms / Partial Redevelopment of Historic Navy Generator Building
Demolition				
Existing Building Demolition	\$200,000	\$25,000	\$100,000	\$50,000
Environmental Clean Up / Remediation	\$0	\$0	*****	*****
Construction	\$11,943,750	\$650,000	\$4,200,000	\$325,000
Area in Square Feet	36,750	2,600	14,000	1,000
Cost per Square Foot	\$325	\$250	\$300	\$325
FF & E	\$1,000,000	\$50,000	\$50,000	\$0
Subtotal	\$13,143,750	\$725,000	\$4,350,000	\$375,000
Soft Costs				
General Conditions (3%)	\$394,313	\$21,750	\$130,500	\$11,250
Contingency (10%)	\$1,314,375	\$72,500	\$435,000	\$37,500
A / E Fees (8%)	\$1,051,500	\$58,000	\$348,000	\$30,000
Total each Building	\$15,903,938	\$877,250	\$5,253,500	\$453,750

*** Environmental Clean Up costs are unknown at this time. An in-depth report and analysis is required to determine associated costs of clean up and remediation.

A - Includes fencing for exercise area.
 B - Assumes stabilization of historic structures as required with minimal interior improvements, sufficient for a maintenance facility compliant with current codes.

Our project estimate is based on our expertise, experience, and qualifications at this conceptual design phase of the project. These numbers represent our best judgment, as professionals familiar with the current market conditions. We cannot and do not guarantee that proposals, bids, or construction costs will not vary from our opinions of probable construction costs. With this project being delayed for an unknown period of time, we highly recommend that once a scope and schedule is established and approved, the projected costs are reviewed.

EXHIBIT - F

MARINA COSTS

Truman Waterfront Property Projected Construction Expenses
Option "B-1"

Key West Proposed Marina Building Costs

Name of Dock	A	B	C	D Dock Wave Att	Totals
Number of Slips	11	18	10	0	39
Length of Main Pier	262	213	109	920	
Length of Slips	80 ft and side ties	80ft and 70 ft	60 ft and 50 ft	side ties	
Beam of Slips (in feet)	24 ft	24, and 22	21 and 20	NA	
Width of Main Walkway (in feet)	20	10	10	20	
Width of T Head (in feet)	12	10	10	NA	
Width of Finger Piers (in feet)	6	6	6	NA	
Main Dock Sq. Ft	5240	2130	1090	18400	26860
Finger piers Sq. Ft	3360	5100	2420	0	10880
Total Sq Footage of Dock	8600	7230	3510	18400	37740

Costs	A Dock	B Dock	C Dock	D Dock	Totals
Cost At 200 per Sq Ft for main walkway	1,048,000.00	426,000.00	218,000.00	NA	1,692,000.00
Cost at 300 per sq ft for Wave attenuation wall	NA	NA	NA	5,520,000.00	5,520,000.00
Cost at 90,000 per slip for (finger piers etc)	990,000.00	1,620,000.00	900,000.00	0.00	3,510,000.00
Gangways per dock @ 25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	100,000.00
Water utilities per 100ft @ 5,000.00	N/A	N/A	N/A	N/A	0.00
for grey and black water pumpouts	15,000.00	10,000.00	5,000.00	40,000.00	70,000.00
Environmental and construction permitting	N/A	N/A	N/A	N/A	250,000.00
Development Fee					557,100.00
Floating Dock Construction					11,699,100.00

Schedule C

Truman RFP

EXHIBIT - G

1/15/2012

**CITY OF KEY WEST
FY 12-13 BUDGET
CRUISESHIP Base BUDGET SUMMARY**

	<u>Mallory</u>	<u>Pier B</u>	<u>Mole</u>	<u>Anchorage</u>	<u>Total</u>
Revenues					
Disembarkation Fees					
Passengers @ 98% arrival rate	27,055	491,894	192,842	-	711,791
Disembarkation Rate / Pass.	\$ 10.00	\$ 2.50	\$ 10.00		
Subtotal	270,550	1,229,735	1,928,420		3,428,705
Security Surcharge					
Passengers @ 98% arrival rate	27,055	491,894	192,842		711,791
Port Security Rate / Pass.	\$0.63	\$0.00	\$0.63		
Subtotal	17,045	-	121,490		138,535
Disembarkation Fees Total	\$ 287,595	\$ 1,229,735	\$ 2,049,910		\$ 3,567,240
Cruiseship Utilities					
001-0000-344.21 (Mallory)	10,000	0	0		10,000
Dockage Fees					
Based on tonnage rates	12,309		47,609		59,918
Revenue Subtotal	\$ 309,904	\$ 1,229,735	\$ 2,097,519		\$ 3,637,158
Revenue Offset:					
Outer Mole Navy Lease					
Gross Revenue Total (calculated above)	N/A	N/A	\$ 1,976,029		\$ 1,976,029
Rate	N/A	N/A	40%		40%
Revenue Offset Subtotal	0	0	\$ (790,412)		\$ (790,412)
Revenue Total	\$ 309,904	\$ 1,229,735	\$ 1,307,108	\$ -	\$ 2,846,747
Direct Expenses					
Contract Security					
Budgeted Calls @ 100%	33		99		132
Hours Per Call	9.0	0.0	9.0		
Guards Per Call	2.0	0.0	5.0		
Total Hours	594	-	4,455		5,049
Final Cost per Hour FY 10-11 new contract (ass)	\$15.00	\$0.00	\$15.00		\$15.00
Contract Security Expenses	\$8,910	\$0	\$66,825		\$75,735
Outer Mole Transportation					
Passengers @ 98% arrival rate			192,842		192,842
Billing % per contract			80%		80%
Adjusted Passenger count for billing			154,274		154,274
Transportation fee per passenger (contract)			\$ 3.66		\$ 3.66
Transportation Fee (passenger) Subtotal	N/A	N/A	\$ 564,641	N/A	\$ 564,641
Crew at 100%			89,105		89,105
Arrival Rate			98%		98%
Crew at Arrival %			87,323		87,323
Billing % per contract			50%		50%
Adjusted Crew Count for billing			43,661		43,661
Transportation fee per crew employee (contract)			\$ 3.66		\$ 3.66
Transportation Fee (crew) Subtotal	N/A	N/A	\$ 159,801	N/A	\$ 159,801
Transportation Fee Total	0	0	\$ 724,442	\$0	\$ 724,442
Expense Total	\$ 8,910	\$ -	\$ 791,267	\$ -	\$ 800,177
Net Income/(Loss)	300,994	1,229,735	515,841	0	2,046,569
Net Revenues per Passenger	\$ 10.30	\$ 2.50	\$ 2.43		\$ 2.78
Net Revenues as a % of Gross Revenue	97%	100%	25%		56%



THE CITY OF KEY WEST
3140 Flagler Ave Key West, FL 33040 (305) 809-3700

EXECUTIVE SUMMARY

TO: Bob Vitas, City Manager

FROM: Doug Bradshaw, Senior Project Manager
Don Craig, Planning Director

DATE: October 15, 2012

RE: Approving the Truman Waterfront Master Plan

ACTION STATEMENT:

A resolution by the Naval Properties Local Redevelopment Authority (LRA) approving the attached Master Plan for the Truman Waterfront.

BACKGROUND:

In 1995, the Naval Air Station (NAS), of Key West, Florida, was designated for realignment by the Federal Base Realignment and Closure Commission. In 1996, certain land and facilities, including the Truman Waterfront Parcel, were declared excess by the Department of the Navy. On September 16, 1997, the City of Key West Local Redevelopment Agency (LRA), submitted its Base Reuse Plan, which was subsequently approved on August 11, 1998. Part of that Base Reuse Plan included a conceptual plan for the property (See Attachment A)

In 1999, the City adopted modifications to its Comprehensive Plan to establish Land Use Classifications (zoning) for the Truman Waterfront (See Attachment B). That plan, known as the Chapter 288 Plan due to the State statute controlling the adoption process, was modified in July 2000 in response to mediated settlements. The zoning was developed based on the uses developed in the Base Reuse conceptual plan.

In September 2002 the City submitted and Economic Developed Conveyance (EDC) for acquisition of the property. The EDC has the benefit of maximizing flexibility of uses within the site, while at the same time ensuring that important community land use decisions are maintained. All development thresholds and uses proposed in the EDC are based on the adopted Land Use Classifications (as approved by the Chapter 288 Plan) for the site. The EDC was approved by the BRAC Commission and the property was conveyed to the City in November 2002. The original 50-acres identified in the Base Reuse Plan were reduced to approximately 34-acres. The remaining 16-acres was retained by the Navy

EXECUTIVE SUMMARY

Key to the Caribbean - Average yearly temperature 77° F.

In order to reduce the original concept plan to the new foot print, the City held a series of community meetings similar to the original community meetings. Based on those meetings a new conceptual plan was developed (Attachment C). On July 6, 2005, the LRA approved that conceptual master plan for the Truman Waterfront under Resolution No. 05-242.

In July 2008, the City advertised Request for Proposal (RFP) #08-011 which offered the opportunity for development of a marina and upland area based on the conceptual plan and zoning. On January 14th, 2009 the LRA selected the proposal submitted by Meisel and Spottswood Marina Management Company, LLC (MSM) by Resolution #09-249. The MSM proposal offered the opportunity for the City to not only have the marina developed and managed but also the surrounding upland. However the financial plan was deemed unfeasible, so LRA removed the upland portion of the plan from MSM but is continuing to negotiate on a marina lease. MSM did develop a more detailed conceptual plan (Attachment D) as part of this process.

All of the plans since the Base Reuse Plan have consistently maintained the same components including a marina, open space/parkland, amphitheater, and a community recreational type facility.

The LRA issued RFQ No. 11-004 –Professional Landscape Architectural/Engineering/Architectural/Land Surveyor Services for Truman Waterfront Upland Design and Construction Administration on May 8, 2011 and qualification packages were received on June 29, 2011. The LRA selected Bermello Ajamil and Partners, Inc. (BA) by Resolution #11-327. It was BA's task with input from the City Commission, Truman Waterfront Advisory Board (TWAB), Bahama Village Redevelopment Advisory Committee (BVRAC), public, and other interested parties to take all the previous conceptual plans and development the final Master Plan.

This process began by obtaining direction on five (5) major design program elements. The LRA approved the following elements on April 16, 2012 per Resolution 12-129 (Attachment E)

1. Build a minimum 110 yard x 65 yard multi-use field adjacent to the Navy Property where Building 1287 is currently located.
2. Require the Miami Dade Historical Maritime Museum to relocate the USCG Ingham perpendicular to and at the south end of the East Quay seawall.
3. Design, fund, and construct a needs based community center at the Truman Waterfront Park to replace Building 1287.
4. Accommodate future power boat races on hard surface areas only including streets, parking lots, the East Quay and the proposed event lawn adjacent to Building 103. Request the use of the adjacent Navy Mole Pier property.
5. Design a band shell to provide approximately 250 fixed seats with informal lawn seating that can also be used as a multi-use recreation area.

Once the major design program elements were approved, BA developed several conceptual master plans that were presented to the public, TWAB, BVRAC, NOAA, State Park, TAMPOA, Last Stand, Navy, etc. Staff wanted to build a consensus on what the majority of the community wanted to see developed at the Truman Waterfront. The plan as presented in Attachment F was overwhelming endorsed by the community. BVRAC approved the plan on August 2, 2012 and TWAB approved the plan on August 20, 2012.

PURPOSE & JUSTIFICATION:

In order to continue in the development process of the Truman Waterfront and to allow for cohesive development of the property, City Staff is seeking LRA approval of the Master Plan.

OPTIONS:

There are three (3) options:

1. Approve the Master Plan
2. Approve the Master Plan with modifications
3. Do not approve the Master Plan

Option 1 and 2: By approving the Master Plan or a modified version, the LRA is providing staff with a roadmap for all future development of the Truman Waterfront. The developmental agreement, design, and construction will all be based on this plan. With the approval, the City will be able to continue the momentum toward development of the property as well as begin identifying funding sources for development.

Option 3: This option delays the ability to move forward with development.

FINANCIAL IMPACT:

By approving the Master Plan, the LRA is not obligating any financial burden on the City at this time, but it is understood that in order to achieve and realize the plan, financial decisions and obligations will have to be made in the near future.

RECOMMENDATION:

City staff recommends option # 1, LRA Approval of the Action Statement in its entirety



- Fort Zachary Taylor Park
- Access to EZT Park
- Turn Around
- KWPD Horse Stables
- Public Parking - 87 spaces
- Transit Stop
- 8' wide Bike Path
- Transit Stop
- Community Center
- Community Playground
- NOAA Employee Parking
- NOAA
- NOAA Visitor Parking
- Multi Use Recreation Field
- Boat Launch
- TACTIS Tower

- Development Site
- US Navy Base
- Development Zone
- Amphitheater
- Proposed Marina
- Mole Pier
- Development Site
- Pedestrian Access
- Maintenance Facility
- Pedestrian Access
- Future Vehicular Access
- Transit Stop
- Public Parking - 95 spaces

- Public Parking - 79 spaces
- Building 103
- Interactive Fountain
- 4' Wide Bike Path
- Navy Emergency Access
- Pedestrian/Bicycle Bridge
- Commissioner Merrill McCoy Public Gardens
- Mole Pier

LEGEND

- Navy Property
- Development Site
- State Property

0' 30' 60' 120' 180'

Truman Waterfront Park

THE CITY OF KEY WEST
DATE: 10-3-2012



City of Key West, FL

Old City Hall
510 Greene Street
Key West FL 33040

Action Minutes - Final
Naval Properties Local
Redevelopment Authority

Tuesday, October 16, 2012

6:00 PM

Old City Hall

ADA Assistance: It is the policy of the City of Key West to comply with all requirements of the Americans with Disabilities Act (ADA). Please call the TTY number at 305-809-1000 or the ADA Coordinator at 305-809-3951 at least five business days in advance for sign language interpreters, assistive listening devices, or materials in accessible format.

Call Meeting To Order

7:18 P.M.

Roll Call

Present 7 - Commissioner Johnston, Commissioner Lopez, Commissioner Rossi, Commissioner Wardlow, Commissioner Weekley, Commissioner Yaniz, and Mayor Cates

Consent Agenda*

*Item is considered to be routine and enacted by one motion with no separate discussion, unless requested by a Commission Member or citizen, in which event the item will be removed from the order and considered in its normal sequence on the agenda. The City of Key West may take action on any matter during this meeting, including items that are not set forth within this agenda.

Approval of Minutes

1 *April 3, 2012 (Regular)

Approved

2 *April 16, 2012 (Special)

Approved

Approval of the Consent Agenda

A motion was made by Commissioner Weekley, seconded by Commissioner Lopez to Approve the Consent Agenda. The motion was carried unanimously.

Resolutions

3

Accepting and approving the attached Master Plan for the Truman Waterfront Property.

Sponsors: City Manager Vitas

A motion was made by Commissioner Johnston, seconded by Commissioner Weekley, that the Resolution be Passed. The motion carried by the following vote:

Yes: 7 - Commissioner Johnston, Commissioner Lopez, Commissioner Rossi, Commissioner Wardlow, Commissioner Weekley, Commissioner Yaniz, and Mayor Cates

Enactment No: Res 12-285

Adjournment

8:16 P.M.

Reconvene as the City Commission



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February 8, 2013

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		Weight:	14.0 lbs/6.4 kg

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US

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