



## THE CITY OF KEY WEST

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# EXECUTIVE SUMMARY

**Date:** December 20, 2018

**To:** Jim Scholl, City Manager

**From:** Jim Bouquet, Senior Project Manager

**Subject:** Former KEYS Diesel Plant Stabilization & Redevelopment RFP No. 001-19

### **Action Statement**

Approve City staff ranking of Key West Art and Historical Society to stabilize and redevelop the Former KEYS Diesel Plant in response to Request for Proposal (RFP) No. 001-19. Authorize City Manager to negotiate and, pursuant to legal review, enter into an agreement on behalf of the Caroline Street Corridor and Bahama Village Community Redevelopment Area including a 20-year property lease with the selected entity.

### **Background**

The City of Key West solicited proposals to stabilize and ultimately redevelop the former Keys Energy Services (KEYS) Diesel Plant with connected buildings located at 101 Geraldine Street, 709 Fort Street and 100 Angela Street. Stabilization and redevelopment is to be consistent/conforming with Chief Building Official Order dated February 21, 2018 and City Commission Resolution 18-238. Stabilization and redevelopment shall be at no cost to the City of Key West. Stabilization and redevelopment shall be subject to internal City review and approvals including, but not limited to, Planning Board, Historic Architectural Review Commission and Caroline Street Corridor and Bahama Village Community Redevelopment Area (CRA).

The City issued RFP No. 001-19: *Former KEYS Diesel Plant Stabilization & Redevelopment* September 22, 2018. Respondents were required to demonstrate financial capability, expertise and relevant experience in redevelopment of historic structures and subsequent management as a profitable business or self-sustaining non-profit organization. The City received one response to the RFP on December 5, 2018 from the following entity:

- Key West Art and Historical Society (KWAHS)

Upon review of the received proposal, qualifications, KWAHS was considered responsive and responsible.

On December 19, 2018, a selection committee including representatives of Engineering Services, Planning, Building, Property Management and Risk Management held a publicly advertised meeting to conduct qualification ranking of the received proposal using the Selection Criteria Matrix in the RFQ. The received proposal ranked an average of 73.4 points out of 150 total available. Selection committee qualification rankings are attached for review.

Ranking considerations included whether the development proposed by KWAHS was the highest and best use of City property, funding and schedule for near term stabilization of the buildings, and the availability of long term capital funding for redevelopment.

### **Financial Issues**

RFP No. 001-19 stated that stabilization and redevelopment shall be at no cost to the City of Key West; therefore, the CRA is under no financial obligation by entering into an agreement with KWAHS.

### **Options**

1. Approve selection of KWAHS to stabilize and redevelop the Former KEYS Diesel Plant in response to RFP No. 001-19, and authorize the City Manager to negotiate and, pursuant to legal review, enter into an agreement on behalf of the CRA including a 20-year lease with the selected entity.
2. Reject the proposal of KWAHS and provide further direction to Staff regarding stabilization and redevelopment of the Site at a yet to be determined cost to the City.