



## City of Gainesville Agenda Item Report

---

**File Number:** 2023-992

**Agenda Date:** October 19, 2023

**Department:** City Manager

**Title:** 2023-992 Invitation to Negotiate Award Recommendation for the Redevelopment of Old RTS Administration and Maintenance Facility (B)

**Department:** Office of the City manager

**Description:** Request for City Commission to award the Invitation to Negotiate DOSD-230051-GD to The Knot Climbing Gym for redevelopment of the former RTS Maintenance and Administration facility located south of Depot Park.

**Fiscal Note:** The pricing proposal range for site acquisition is estimated to be between \$2-4 million, the proceeds of which would need to be returned to the Federal Transportation Agency (FTA) per federal regulations. The total planned investment is approximately \$19-27 million over the next seven years.

**Explanation:** In September 2022, the Knot Climbing Gym submitted an unsolicited project proposal to the City of Gainesville for the redevelopment of the former RTS Maintenance and Administration Facility located south of Depot Park. The conceptual project proposal was submitted under the pilot Unsolicited Proposal Policy adopted by the City Commission last year. On March 9, 2023, the City Commission considered the unsolicited proposal and directed staff to prepare and post a formal solicitation for redevelopment of the site.

Invitation to Negotiate DOSD-230051-GD was issued on June 28, 2023 “seeking proposals from experienced Respondents and/or existing business owners with a proven track record of undertaking and successfully completing site/building and redevelopment/renovation projects involving multi-component, mixed-use developments” for the redevelopment of the Old RTS Administration and Maintenance Facility. The City received two responses by the deadline of August 11, 2023 from The Knot Climbing Gym and The Florida Music Hall of Fame, Inc. The evaluation committee met on August 22, 2023 and unanimously recommended The Knot Climbing Gym proposal based on review of both proposals.

This project involves the sale of approximately 5.2-acres of property (parcel ID #16005-000-000 and ID #16004-000-000).

If selected by the Commission, the awardee and the City would conduct additional environmental assessment and appraisal work during the due diligence period prior to determining a final sale price which is estimated to be between \$2-4 million.

The Knot Climbing Gym is an existing local, small business located at 704 South Main Street. The proposal includes a phased schedule as follows:

Phase 1: Negotiation, Site Planning, and Environmental Remediation

Phase 2: Conversion of Existing Bus Facility to Climbing Gym

Phase 3: Construction of New Building for Gym, Skate Park, and Restaurant

Phase 4: Installation of the Standing Wave Complex

Phase 5: Development of Housing Units

The expanded climbing gym would be an adaptive reuse of the old RTS bus maintenance facility in addition to construction of a proximate new building. Other existing buildings would be reconstituted/renovated to be occupied by a fast casual dining restaurant and a skate/bike shop. Finally, the proposal includes a stationary wave surfing facility capable of hosting competitions and the construction of approximately 37 townhome housing condos in the final phase of construction. Additional projected economic impacts from the proposal are listed on page 34 of the submission. Funding for the project will be from a combination of Small Business Administration (SBA) loans along with other private equity funding sources.

In the proposal, the Knot Climbing Gym is requesting City reimbursement for environmental assessment and remediation (if required) of the site and collaboration on improvement of the transition between Depot Park and the subject site.

The proposer offers to place the property under contract to purchase at an appraised price to be finalized once the appraisals are received. The proposer is requesting a one year due diligence period to evaluate the environmental conditions, review and supply quotes for remediation if needed, provide time for appraisals, and work on obtaining the necessary approvals (zoning and building permits) prior to closing.

If awarded, Staff will provide the City Commission periodic updates on the progress of the items identified for completion in the due diligence period and will return to the Commission with a final sale contract for execution once the environmental assessment and appraisals have been completed

**Strategic Connection:**

- ☐ Goal 1: Equitable Community
- ☐ Goal 2: More Sustainable Community

- ☒ Goal 3: A Great Place to Live and Experience
- ☒ Goal 4: Resilient Local Economy
- ☐ Goal 5: “Best in Class” Neighbor Services

**Recommendation:** The City Commission 1) approve the ranking of the evaluation committee, 2) award ITN #DOSD-230051-GD, Redevelopment of Old RTS Administration and Maintenance Facility to The Knot Climbing Gym, 3) authorize the City Manager or their designee to work with the awardee to undertake the proposed due diligence activities for a period not-to-exceed one year from the date of the Commission approval, and 4) request the City Manager return to the City Commission with periodic updates during the due diligence period.