# **VIIS Caneel Bay Lease**

# Questions and Answers - Batch 2

## **Question 1**

If the resort does not have any WAPA account(s) (past or present) then it had to generate 100% of its own power on site. Can you answer the following:

What type of fuel source did the power plant use?

Do you have any idea of the age of the power plant / equipment?

What is / was the generating capacity of the plant?

## **Answer**

Power was supplied by WAPA with two 75 kW diesel generators as backup. The NPS does not know if the generators were able to provide power to the entire site. The two generators have been removed from the site.

### Question 2

As per park representatives, dock is to remain with park service for the time being. They are looking for funds to repair. Developer will have access to the dock. Is there a possibility that Developer could take over responsibly to repair the dock and have exclusive use?

# **Answer**

The dock will remain under the management of the NPS. The developer could assist with funding to repair the dock, but exclusive use will not be granted.

# **Question 3**

I understand that units 1-13 will remain with park service as per Park representative. Do these units need parking to be provided by developer or will the park be responsible for that parking?

# **Answer**

Any parking designated for the Interpretive/Engagement Zone will be contained within either that zone or the Operations and Management Zone. NPS anticipates being responsible for the parking to serve that zone which includes cottages 1-13.

# **Question 4**

What are the public access expectations for beach areas near the dock, including parking, safety, sanitation, and restroom facilities?

# **Answer**

The Caneel Bay Area Redevelopment and Management Environmental Assessment (Finding of No Significant Impact) is clear that Caneel Beach and Little Caneel Beach are Day Use Zones and open to the public. The dock will remain under the management of the NPS. NPS will provide for safety, restrooms, sanitation, and parking for the beach areas near the dock. These services may also be fulfilled under future leases or concession contracts.

What does "minimal impact" mean concerning natural resource protection, and how does this influence redevelopment efforts?

### **Answer**

The NPS desires to have the least amount of impact to the natural resources associated with the redevelopment of the premises. Therefore, proposals that utilize existing developed areas will be viewed more favorably than those that seek to utilize undisturbed areas of the leased premises.

# **Question 6**

What agreements, monitoring requirements, and protective measures apply to archaeological preservation, especially for unexpected discoveries during construction?

## **Answer**

This project is covered by a Programmatic Agreement (PA) between the NPS and the Virgin Islands State Historic Preservation Office. Section I.A. of the PA states that ground disturbing activity will require an archaeological survey that meets the Secretary of the Interior's Standards. Based on the results of the archaeological survey, monitoring requirements, avoidance, or other protection measures may be prescribed. Any discovery of cultural resources during construction activities will be treated in accordance with 36 CFR 800.11(b)(2) and follow the protocol listed in Section III. A, B, and C of the PA. The PA can be located as an attachment to the FONSI for the Virgin Islands National Park Caneel Bay Area Redevelopment and Management Environmental Assessment.

# **Question 7**

Will the Park Service allocate funds to clean up the Sugar Mill and remove prior restaurant improvements?

# **Answer**

The NPS has developed some projects for removal of improvements and stabilization of the historic factory ruins located on the site. At this time, the NPS does not have funding identified, nor a timeframe for the work to be completed.

# **Question 8**

Should the dock at Caneel Bay restoration costs be included in our budget proposal?

# **Answer**

The Lessee may repair the dock, so dock repair costs may be considered in preparing your response. However, the dock will remain under the management of the NPS. There is an opportunity for the future operator to utilize the dock in their operation, however, exclusive use will not be granted. Currently, the dock has been assessed by NPS structural engineers and has been deemed unsafe in its current condition. It is closed with signage indicating it is unsafe. The NPS has developed a project to replace the dock, but funding has not been identified at this time. It is unlikely funding will be available for several years.

What are the current and potential options for boat access to the beaches, including existing mooring balls and opportunities to expand their capacity?

### **Answer**

Per the Superintendent's Compendium, boats 26 feet or less may use the boat channels. Boats 16 feet or less may use the dinghy tie-offs located at designated beaches. NPS's mooring program was installed around 2000 and underwent required compliance. Additional moorings may not be installed.

# **Question 10**

Can the leasehold interest be sold at any time without approval by NPS by the winning developer/owner/operator?

## **Answer**

No. See page 7 of the Request for Qualifications (RFQ) and Section 16 of the Draft Lease (Exhibit D of the RFQ).

### Question 11

What is the average percentage rent for similar projects (lessee's redevelopment/development cost being greater than \$100M) across the National Park Service's concessionaire and lessee tenant portfolio?

#### **Answer**

All of the large redevelopment projects that have been completed by lessees have variable percentage rents based on a number of different factors including annual revenue, threshold values of other rents paid under the lease terms (including departmental revenue thresholds), consumer price index adjustments, and the given year of the overall lease term, all of which makes it impossible to calculate an "average percentage rent."

# **Question 12**

What taxes or fees will the developer and lessee owe upon project award?

## **Answer**

The developer/lessee will need to check with the local jurisdiction regarding any outstanding or future taxes or fees that may be owed for the property under territorial law. Additionally, upon execution of the lease there may be fees owed to the NPS based on the final negotiated terms of the lease.

# **Question 13**

Are any buildings listed on the National Register or local historic registry?

#### **Answer**

None of the buildings are <u>listed on the National Register of Historic Places</u>, but they are eligible for listing on the National Register of Historic Places under the Caneel Bay Historic District documentation completed in 2012.

#### Question 14

What is the historic boundary of the property, and is new construction permissible?

### **Answer**

The entire lodging zone is located within the Caneel Bay Historic District and new construction will be allowed that follow the historic preservation guidelines that will be provided.

## **Question 15**

What can we anticipate as the public/community involvement in the review and approvals process?

### **Answer**

The NPS is still developing what the public and community involvement will be in this process. That information will be shared once it has been finalized.

### **Question 16**

Are there opportunities for the developer, future hotel operator, and/or guests to engage with the National Park Service in wildlife conservation and protection programs?

### **Answer**

There may be opportunities for the park to utilize volunteers with wildlife conservation and protection programs such as Citizen Scientist, etc.

# **Question 17**

In which years were the original resort structures built? Are any of them or the site as a whole eligible for the National Historic Register?

## **Answer**

Information for the historic buildings, structures, objects, and sites can be found in the Caneel Bay Historic District documentation completed in 2012. The district is eligible for the National Register of Historic Places. The resort buildings, structures, and landscape were constructed over several years starting as early as 1950 with completion in 1969. There are a few buildings and structures that were constructed post 1969 that do not contribute to the Caneel Bay Historic District.

## **Question 18**

Which buildings, structures or features at the formal restaurant are historic?

# Answer

All the buildings at this location (Turtle Bay Estate House) contribute to the Caneel Bay Historic District. Please note some of the construction elements (ruin walls from the Durloo Sugar

Plantation) predate the Turtle Bay Estate House and the resort development and were incorporated into the resort design.

# **Question 19**

What existing fire suppression systems are on the property? Are they functional, in need of refurbishment, or replacement?

## **Answer**

The NPS has not done a full assessment on existing utility systems. At this time, the water distribution system is not operational; therefore, none of the existing systems that rely on the water system can be assessed.

# **Question 20**

The RFQ indicates that the project will need to be considerate of the dark sky nature of the park and the leased area. If we would like to make the dark skies aspect of the area a featured programing opportunity by providing guests star gazing and other related opportunities, is there any allowance for the construction of a small telescope area in which to maximize the opportunity for viewing astronomical events?

# **Answer**

The responder should include this and similar ideas in their response. The NPS would be happy to engage in a conversation with the future Lessee regarding programs at the site.

## Question 21

Are there any cell towers or other infrastructure in place to enhance bandwidth/wifi capabilities?

### **Answer**

There are no such structures currently located within the project limits.

# **Question 22**

Were the original units air conditioned, and if so were these units in each building or was there a chiller plant served the entire site?

# **Answer**

Existing units were cooled via mini splits or central air.

# **Question 23**

Is it possible to create a small farm on the site? Either traditional farm plots or hydroponic farming? Is there restrictions on the type of plants we could grow in this environment?

# **Answer**

The responder should include this and similar ideas in their response. The NPS would be happy to engage in a conversation with the future Lessee regarding programs at the site.

Is the Red Hook Dock a recreational type dock or a working dock?

## **Answer**

The Red Hook dock is a small working type dock. Lessee will not have exclusive use of the Red Hook facility. Any modifications to the current facility will require NPS review, concurrence, and compliance.

# **Question 25**

How involved is the NPS in the design process and direction (ie: do they get involved only in the overall site planning? Or also in the final look of the buildings? How about interiors?

# **Answer**

The National Park Service will review and provide comments for the design documents and site plans, both interior and exterior. This is to ensure that they conform to law, regulations, policies, and the Caneel Bay Area Redevelopment and Management Environmental Assessment (Finding of No Significant Impact).

### Question 26

What is NPS role in crafting Crisis Management Plans: do they have evacuation protocol? Emergency exit strategy? Generators? Or would this be the responsibility of the Operator?

#### **Answer**

The identified items would be the responsibility of the Lessee. These would need to be provided to the NPS for review and concurrence as they would be incorporated into the NPS's plans.

# **Question 27**

Would an external, NGO partner be able to enhance exiting NPS interpretive content by way of a physical presence at the [C]aneel bay area of Virgin [I]slands national park? Would a NGO partner that brought some additional funding to some of the NPS's programing needs be viewed as having value to the Park Service?

## **Answer**

NPS will consider proposals.

### **Question 28**

Could an educational or interpretive structure be built within the Interpretive/Engagement Zone as drawn on Figure 1, exhibit A Caneel Bay FONSI May 508?

#### **Answer**

Yes, an educational and/or interpretive structure could potentially be built within the zone. The NPS would need to be fully involved in any potential work within this zone.

Is it possible to utilize natural seawater, withdrawn from the Park's nearby shoreline for the purpose of research and propagation programing by an internationally recognized NGO expert in the field of conservation, propagation, and research aimed at protecting the environment?

#### **Answer**

NPS requires research permits for all research in the park. Research is encouraged and facilitated when it complies with NPS policies.

## **Question 30**

Could small scale, appropriately designed temporary housing be constructed, or be brought in temporarily, for the use by visiting student interns or participants in conservation education programing? If so, could such infrastructure be located within the Flexible Development Zone area on figure 1, exhibit A caneel bay FONSI May 508?

# **Answer**

The flexible development zone is available to be considered in a design for purposes consistent with the EA FONSI.

# **Question 31**

Can drones be flown over the site for the purpose of reassessing the facilities?

#### **Answer**

Superintendent's Compendium does not allow drones to be flown over Virgin Islands National Park.

# **Question 32**

Is the list of companies that attended the site visit publicly releasable?

## **Answer**

Yes, the companies that attended the site visit are available upon request.

# **Question 33**

Will the list of attendees for the site walk be provided?

## **Answer**

The companies that attended the site visit are available upon request.

## **Question 34**

What are the highest priority cultural or natural landmarks to NPS from a public access perspective?

# **Answer**

Please see the Foundation Document Virgin Islands National Park Virgin Islands Coral Reef National Monument, December 2016, available online.

Is there a maximum buildable square footage?

## **Answer**

The NPS has not determined a maximum allowable building square footage for the redevelopment of the property.

# **Question 36**

Is there a maximum footprint square footage?

# **Answer**

The NPS has not determined a maximum allowable footprint square footage for the redevelopment of the property.

# **Question 37**

Lease Duration and Extensions: Will the NPS consider extending the maximum lease term beyond 60 years or offering optional lease extensions to support the significant capital investment needed for enhancing the guest experience?

### **Answer**

In accordance with 36 C.F.R. 18.10, the lease term cannot exceed 60 years, except, that a lease with an initial term of greater than one year may be extended once for a period not to exceed one additional year if the Director determines that the extension is necessary because of circumstances beyond the Director's control.

# **Question 38**

Rent Evaluation and Concessions: How will the NPS determine fair market value rent, and will there be rent concessions or offsets available to account for the capital investment?

## **Answer**

The NPS will determine the fair market value rent for the leased premises based on the scope and scale of the proposed redevelopment and in consultation with the Department of the Interior Appraisal and Valuation Services Office (AVSO).

Rent offsets for capital improvements may be negotiated as part of the final lease terms.

## **Question 39**

Access Control and Guest Experience: How flexible will the NPS be in allowing the lessee to control site access to provide the best guest experience while maintaining public access to beaches and trails?

### **Answer**

The NPS invites the potential Lessee to propose future site access solutions for review within the proposal.

Exclusive Use of Caneel Bay Pier/Dock: Why does the NPS not provide exclusive use of the Caneel Bay Pier/Dock to the lessee, and how does the NPS believe this might impact operations and guest experiences? Does the NPS have plans to repair the dock before overnight lodging reopens? Is there an operational plan drafted by the Park regarding how access to the pier/dock will be managed for all interested parties? If so, please share it.

#### **Answer**

The dock will remain under the management of the NPS. There is an opportunity for the future operator to utilize the dock in their operation, however, exclusive use will not be granted. Currently, the dock has been assessed by NPS structural engineers and has been deemed unsafe in its current condition. It is closed with signage indicating it is unsafe. The NPS has developed a project to replace the dock, but funding has not been identified at this time. It is unlikely funding will be available for several years. The NPS invites the potential Lessee to propose dock use within the proposal.

# Question 41

Interpretation of Historic Standards: How flexible will the NPS and the Virgin Islands State Historic Preservation Office (VI SHPO) be in interpreting the Secretary of the Interior's Standards under the Programmatic Agreement?

#### Answer

The National Park Service will provide Historic Preservation and Treatment Guidelines for the RFP process. The Secretary of the Interior's Standards under the Programmatic Agreement provides for sufficient flexibilities.

# **Question 42**

Site Design Methodology and Use Zones: What was the NPS's site design methodology in establishing boundaries and uses for overnight lodging versus public day use access areas in the FONSI? How were the interests of developers, businesses, and the NPS balanced?

#### **Answer**

This is discussed in the EA and subsequent FONSI.

# **Question 43**

Please explain how the decision to open Caneel Bay Beach for day use was made and why other beaches, which have less impact on the overnight lodging zone, were not considered. If they were considered, why weren't they chosen?

### **Answer**

This is discussed in the EA and subsequent FONSI.

# Question 44

Funding and Guest Experience: With limited NPS funding for maintaining common areas, how will this affect the guest experience for overnight visitors? What plans exist to ensure high-

quality maintenance outside the overnight lodging zone? Can the NPS confirm that all necessary repairs to common areas will be completed before reopening overnight lodging? What is the NPS maintenance plan for these common areas once repaired?

### **Answer**

The NPS has submitted project requests for funding to complete the repairs to buildings, structures, and landscapes in the NPS managed areas of the Caneel Bay Area. Revenue received by the NPS from business operations such as leases, concession contracts, and commercial use authorizations at the Caneel Bay Area will be used to maintain the NPS managed locations.

# **Question 45**

RFQ Timeline: The RFQ timeline of 2–3 months seems short given the project's complexity. What was the rationale behind this timeline, and is there flexibility in extending deadlines by another 60 to 90 days?

#### Answer

The NPS extended the original RFQ deadline of December 27, 2024.

### **Question 46**

Disclosure of Interest and Attendance: Will/can the NPS post the names of individuals and companies that have shown interest in the RFQ and attended all site visits?

# **Answer**

The companies that attended the site visit are available upon request.

# **Question 47**

Balancing Day Use and Overnight Visitors: What methodology led to prioritizing day use visitors at Caneel Bay over overnight guests, and what economic data supported this decision?

### **Answer**

This is discussed in the EA and subsequent FONSI.

# **Question 48**

Visitor Spending Patterns: What specific spending patterns have been observed among day-use visitors versus overnight guests in the Park? Are there particular sectors (e.g., dining, retail) where day-use visitors tend to spend more?

# **Answer**

This information is available at <a href="https://www.nps.gov/subjects/socialscience/vse.htm">https://www.nps.gov/subjects/socialscience/vse.htm</a>

## **Question 49**

Local Economic Impact Analysis: Has the NPS conducted any studies or analyses that quantify the overall impact of day-use visitors on the local economy compared to overnight guests? If so, what were the findings?

#### **Answer**

This information is available at https://www.nps.gov/subjects/socialscience/vse.htm

# **Question 50**

Historic Guest Experience and Resort Model: How does the Park envision the current RFQ parameters allowing for recreating the historic guest experience that Caneel Bay was known for, given restrictions on site access/ limitations, accommodations, and commercial services?

# **Answer**

The NPS believes that the parameters outlined in the RFQ allow for a future operator, if the operator so desires, to substantially recreate the historic guest experience. However, the NPS also recognizes that given modern technologies, visitor expectations, and the Rockefeller's intention that the property be open and available to the public, there is an opportunity to build on the original design and intent of the resort. We are asking developers, with their vast knowledge of the industry, to help us re-envision a resort that will meet the needs of the visiting public as well as the local community.

# Question 51

Site Inspection: Can a list of Site Visit attendees be provided? If so, when?

### **Answer**

The companies that attended the site visit are available upon request.

## Question 52

RFQ. Sec. Process (p. 1): Page 1 of the RFQ notes a RFP release in early 2025 but page 16 notes a detailed RFP is expected to be issued and evaluated in the Summer of 2025. Please clarify which is the intended RFP release date.

### **Answer**

The NPS intends to release the RFP in the summer of 2025.

# **Question 53**

RFQ. Sec. Process (p. 1): Will the list of individuals or entities that submit responses to the Request for Qualifications (RFQ) be made public prior to the release of the short list of proposers? If so, when will the list be made public?

#### Answer

The companies that attended the site visit are available upon request.

# **Question 54**

RFQ. Sec. Responses Considered Public Documents: To what extent will the details of submissions be made public during the RFQ process? Specifically, will any proposed concepts, or design ideas and costs to the extent they are included to the Response to RFQ be disclosed at any stage prior to the RFP submittal deadline? Given the potential impact of premature disclosure on the willingness of participants to fully develop and share conceptual plans during

the RFQ stage of this process, we request assurances that such sensitive information will remain confidential until after the submission deadline, if not beyond.

## **Answer**

The NPS intends to make the public summaries that offerors provide in response to "D. Public Summary" on page 22 of the RFQ available to the public in PDF format.

Please see "Responses Considered Public Documents" on page 15 of the RFQ, regarding how offerors should identify responses that they believe contain trade secrets or confidential commercial or financial information exempt from disclosure under the Freedom of Information Act.

# **Question 55**

Site Inspection. NPS officials mentioned during the tour that the existing dock has structural issues. Will the developer be permitted to rebuild and expand the dock?

# **Answer**

The dock will remain under the management of the NPS. There is an opportunity for the future operator to utilize the dock in their operation, however, exclusive use will not be granted. Currently, the dock has been assessed by NPS structural engineers and has been deemed unsafe in its current condition. It is closed with signage indicating it is unsafe. The NPS has developed a project to replace the dock, but funding has not been identified at this time. It is unlikely funding will be available for several years. Responders should include such requests in their submissions.

# **Question 56**

RFQ, Sec. Buildings and Other Improvements (p. 10-11): Please provide an explanation for the long period of time between the submission of the RFQ and the issuance of the RFP in the Summer of 2025. Is it possible for the time period to be shortened?

# **Answer**

The NPS wants to ensure that we have adequate time to evaluate responses to the RFQ and make final adjustment to the RFP. It is possible that the RFP could be released prior to the Summer of 2025.

RFQ. Sec. Pre- construction Survey and Monitoring (p. 13): Is there a list of endangered species known to exist within the leasehold premises?

# **Answer**

Hawksbill (Eretmochelys imbricata), leatherback (Dermocheleys coriacea) and green (Chelonia mydas) sea turtles are Federally listed as critically endangered under the ESA and nest at one or more beaches in the resort.

Native plant species of locally rare and Territory-listed endangered plants include: Puerto Rican Royal Palm (Roystonea borinquena), a territorial listed species, Puerto Rican hat palm (Sabal causiarum), territorial endangered species, Christmas orchid (Epidendrum ciliare), territorial endangered species, lignum vitae (Guaiacum officinale), territorial endangered species and IUCN Red List Endangered, Cockspur (Erythrina eggersii), Butterfly Orchids (Psychillis macconnellii), Cobana Negra (Libidibia (Stahlia) monosperma) (IUCN Red List Endangered).

Surveys for these plants are required to confirm their current status.

# **Question 58**

RFQ. Sec. Archaeological Resource Preservation; p. 8; Cultural Resource Protection (p.6): Is there a map with locations of the archeological sites within the leasehold premises?

# Answer

Archaeological site location information is protected under the Archaeological Resource Protection Act (ARPA). Specific site location and information will only be shared with the prospective bidder upon the award of the lease. The information is protected by law and will be shared with only those on a design/construction team that are in need to know the locations.