





## MEMORANDUM

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**Date:** June 6, 2024

**To:** Honorable Mayor and Commissioners

**Via:** Albert P. Childress   
City Manager

**From:** Tina Burns   
Housing & Community Development Director

**Subject:** **24-5991 Approval for the Monroe County Comprehensive Plan Land Authority to Allocate funding in the amount of Ten Million Dollars (\$10,000,000.00) for the purpose of construction costs for the Key West Housing Authority Poinciana Housing Project and requesting that Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) be allocated for FY 25/26 for the City-owned Homeless Assistance Project at Poinciana; pursuant to Section 380.0666 (3)(A), Florida Statutes; Authorizing the City Manager to execute all documents consistent therewith upon consent of the City Attorney, providing for an effective date,**

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### Introduction

This resolution is to request funding allocations from the Monroe County Land Authority (MCLA) for two (2) housing projects to be developed at Poinciana Plaza. The Housing Authority of Key West is constructing 54 units of Work Force Housing units on the property located 3400 Duck Avenue, known as the Poinciana Plaza Housing Complex, and the City of Key West is also requesting funding for 16 units of affordable permanent supportive housing to be constructed on the City owned property located at 3401 Duck Avenue.

Upon the approval of the Land Authority, the ten million dollars (\$10,000,000.00) requested for the Housing Authority of Key West project shall be allocated as follows: eight million dollars (\$8,000,000.00) upon the effective date of the resolution approving the allocation by the Land Authority, and provided that there is at least two million dollars (\$2,000,000.00) allocated to the City of Key West fund in the FY24/25 MCLA budget, two million dollars (\$2,000,000.00) upon the passage of the FY24/25 MCLA budget.

Additionally, upon the approval of the Land Authority, two million eight hundred thousand dollars (\$2,800,000.00), for the City owned housing project located at 3401 Duck Avenue, is requested to be allocated for FY 25/26.

### **Background**

The Housing Authority of the City of Key West owns the property at 3400 Duck Avenue, commonly known as Poinciana Plaza Community, located in the single-family district. This housing development consists of 153 deed restricted apartments that were part of a surplus housing for the Navy and deeded to the Housing Authority through the Naval Base closure. When the property was transferred to the Housing Authority, it was restricted so that the property and existing units are to be used for affordable housing in perpetuity. The identified area on the property is currently used for overflow parking and unimproved passive recreational use.

The original Housing Authority development project was slated to be used for transitional housing for residents of the Lang B. Milan community to avoid displacement while that project is being rebuilt. During recent discussions with the Housing Authority Executive Director, the project has now changed and will no longer be used for those purposes, but instead will create 54 units that will be Work Force Housing units for persons employed in the local economy and not currently housed by Housing Authority residents. The 54 affordable units will consist of 13 units to assist households up to 100% of the Median County Income and another 41 unit that can house household up to 120% of the County Median. The project is still pending approval of the BPAS units to initiate the start of the project and will be reviewed by the Planning Board at their June 2024 meeting.

The City of Key West owns property at 3400 Duck Avenue, commonly known as Poinciana Plaza, which currently consists of 13 buildings of affordable, permanent, supportive housing. This property was part of surplus housing from the Navy and deeded to the City of Key West, as legally appropriate under the Base Plan / Homeless Assistance submission, which was approved by the Key West Local Redevelopment Agency (LRA) on September 16, 1997. The LRA signed into a Master development / Long Term Lease Agreement with the Housing Authority of the City of Key West to serve as the master developer and Lessee of the Poinciana site. This project will consist of the demolition of existing units and construction of 16 newly constructed units. BPAS units already exist on the property.

### **Procurement**

Approval of the requested disbursements will reduce the available funds in the Monroe County Land Authority monies that are allocated for the City of Key West.

### **Recommendation**

Respectfully request the City Commission approve the request to the Monroe County Comprehensive Plan Land Authority to allocate funding in the amount of ten million dollars (\$10,000,000.00) for the purpose of construction costs for the Housing Authority of Key West's Poinciana Housing Project and an additional two million eight hundred thousand dollars (\$2,800,000.00) in FY 25/26 for the City owned Homeless Assistance Project at Poinciana Plaza; pursuant to Section 380.0666 (3)(A), Florida Statutes.