

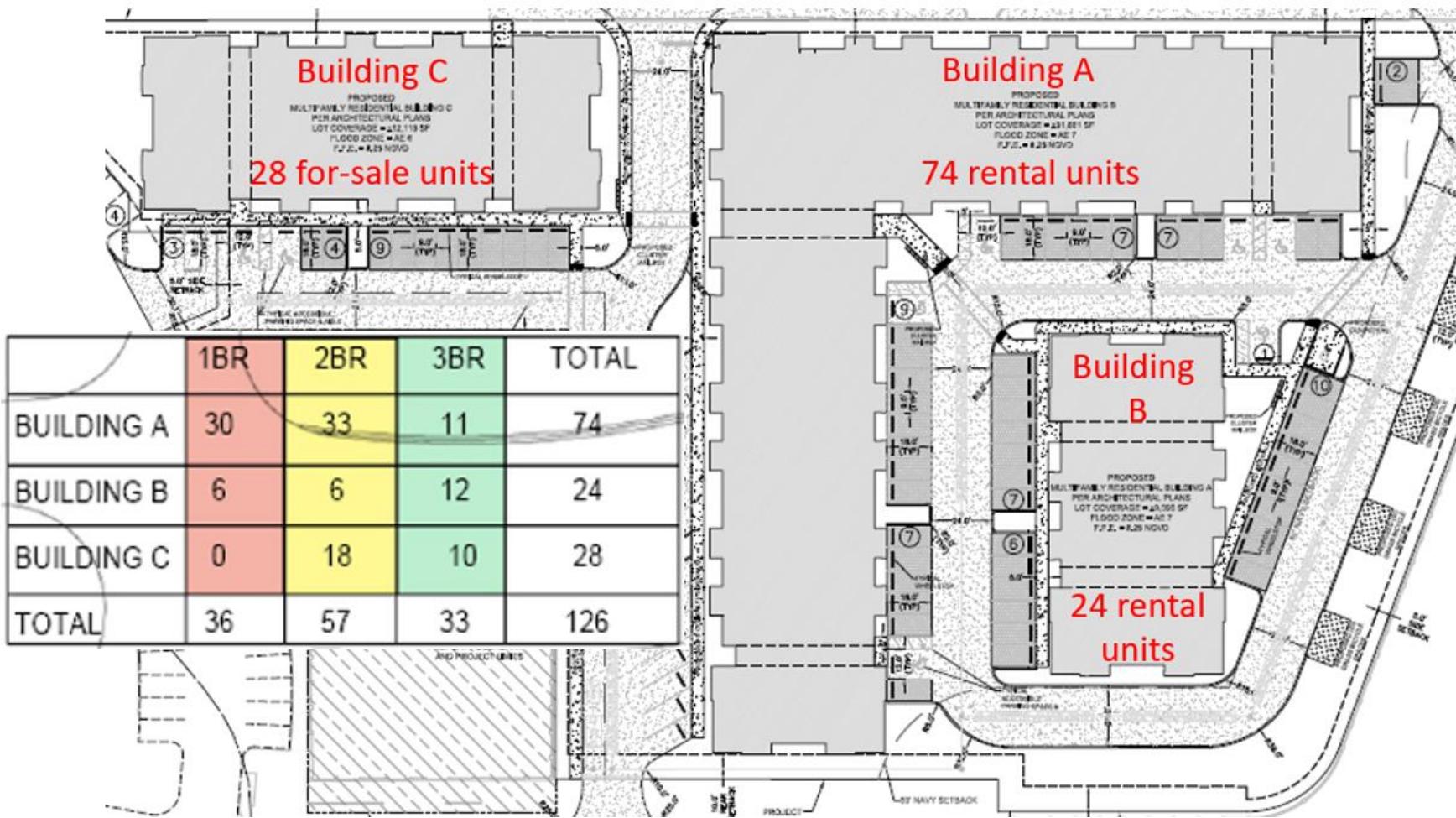
Lofts at Bahama Village – Truman Waterfront

CITY COMMISSION OF THE CITY OF KEY WEST

JULY 13, 2023

UPDATE ON APPROVALS

- Major Development Plan and site plan approval granted by City Commission on January 24, 2023.
- Naval Air Station (NAS) Key West approved, with minor modifications, the site plans on June 2, 2023.
- Not yet to occur is the Navy Base Realignment and Closure Office (BRAC) releasing environmental deed restrictions affecting the property. BRAC can release the deed restrictions once the Florida Department of Environmental Protection (FDEP) approves the environmental site assessment and remedial action proposed. The FDEP approval process is actively in process.
- Building permits have been submitted to the City of Key West Building Department.
- Goal remains to break ground in mid-September 2023.



Affordable tier of 98 rental units in Building A and Building B is final. Only Building C is being addressed in the following slides.

CURRENT AFFORDABLE RESTRICTIONS OF 28 FOR-SALE UNITS

From the RFP and memorialized in the current approved Ground Lease and Declaration of Affordable Housing Restrictions

**calculated using 2023 Monroe County Median Income released by HUD*

Affordable Housing Level	Income Limits	Sales Price	
		2 Bedroom	3 Bedroom
3 Units Very Low	$\leq 60\%$ AMI	\$146,550	\$162,750
11 Units Low	$\leq 80\%$ AMI	\$244,250	\$271,250
14 Units Middle	$\leq 140\%$ AMI	\$635,050	\$705,250

Main concerns/suggestions received regarding current affordable restrictions:

1. Reducing sales price of 14 Middle Income units
2. Making units available to individuals making between 80%-100% AMI
3. Whether individuals making between 60%-100% AMI would be able to afford the association dues long term

ALTERNATIVE #1 FOR THE 28 UNITS

	Income Limits	Sales Price	
		2 Bedroom	3 Bedroom
14 Units	$\leq 100\% \text{ AMI}$	\$310,000	\$375,000
14 Units	$> 100\% \text{ AMI} \leq 140\% \text{ AMI}$	\$480,000	\$560,000

- Reduce sales price of the 14 Middle Income units to be more affordable to those in the area between median income and 140% median income
- To offset reduction in sales price, increase sales price of Low and Very Low units to be affordable to households at or below 100% AMI
- Significant subsidies available to households at or below 100% AMI
- Increases likelihood of ability to afford monthly condominium association fees

ALTERNATIVE #2 FOR THE 28 UNITS

Convert the 28 units into rental units with same affordable levels proportionate to the 98 rental units at Building A and Building B

Rental Income Limits	# of Units
25% AMI	3
60% AMI	11
80% AMI	8
120% AMI	6

- Makes receiving Monroe County Land Authority funds a much more viable option
- Alternative #2 would require a \$2 Million subsidy

Option 1: Status quo already memorialized in Ground Lease and Declaration of Affordable Housing Restrictions

Affordable Housing Level	Income Limits	Sales Price	
		2 Bedroom	3 Bedroom
3 Units Very Low	$\leq 60\%$ AMI	\$146,550	\$162,750
11 Units Low	$\leq 80\%$ AMI	\$244,250	\$271,250
14 Units Middle	$\leq 140\%$ AMI	\$635,050	\$705,250

Option 2: Reduce sales price of 14 units and increase price of 14 units

	Income Limits	Sales Price	
		2 Bedroom	3 Bedroom
14 Units	$\leq 100\%$ AMI	\$310,00	\$375,000
14 Units	$> 100\% \text{ AMI} \leq 140\% \text{ AMI}$	\$480,000	\$560,000

Option 3: Convert to rental units and seek MCLA funds

Rental Income Limits	# of Units
25% AMI	3
60% AMI	11
80% AMI	8
120% AMI	6

THANK YOU



VESTCOR