

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, REQUESTING THE MONROE COUNTY LAND AUTHORITY (MCLA) TO PROCEED WITH DISBURSING \$1,382,856 TO THE HOUSING AUTHORITY OF THE CITY OF KEY WEST, FLORIDA (KWH), CONSTRUCTION FUNDING FOR THE POINCIANA GARDENS CONVERSION PROJECT; REQUESTING THAT MCLA DISBURSE SAID FUNDING IN FY 25/26; AUTHORIZING THE CITY MANAGER TO EXECUTE ANY NECESSARY DOCUMENTS, UPON CONSENT OF THE CITY ATTORNEY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on October 2, 2013, through Resolution 13-256, the City Commission of the City of Key West, Florida ("the City"), asked the Housing Authority of the City of Key West, Florida ("the KWH"), to develop a Request for Proposals ("RFP") for development of an assisted and independent living facility at Poinciana Plaza (or another suitable site); and

WHEREAS, on July 1, 2018, an Operating Agreement was entered into by and between the KWH and Key West Senior Development, LLC, a professional and experienced assisted living management company, appointing Key West Senior Development, LLC ("KWSD") to manage the day-to-day operations of Poinciana Gardens Senior Living Complex ("Poinciana Gardens"); and

WHEREAS, on July 18, 2018, the City of Key West Building Department issued a Certificate of Occupancy and Poinciana Gardens officially opened, featuring supported living units on the first and second floors and assisted living units on the third floor.; and on January 31, 2019, the Operating Agreement between the KWH

and KWSD was terminated by the KWHHA due to KWSD's poor performance and the inability to maintain necessary occupancy levels; and

WHEREAS, on February 1, 2019, a Facility Management Agreement was entered into by and between the KWHHA and Mia-Poinciana Gardens-LLC ("Mia") a professional and experienced assisted living management company, appointing Mia to provide management services; and on December 27, 2019, the KWHHA terminated the Facility Management Agreement with Mia due to Mia's poor performance and the inability to maintain necessary occupancy levels, effective January 31, 2020; and

WHEREAS, on February 1, 2020, following unsuccessful efforts by two professional assisted living management companies to fill units and stabilize finances, the KWHHA assumed full management of Poinciana Gardens and its operations in order to ensure continuity of care for residents and to eliminate management fees; and

WHEREAS, in years 2021, 2022, 2023, and 2024, the City and the County entered into Interlocal Agreements with the KWHHA to help fund the operations of Poinciana Gardens, fulfilling the County's commitment to subsidizing the residents who were transferred from the Bayshore Manor facility upon its closing; and

WHEREAS, in October of 2024, both the County and the City advised the KWHHA that their Interlocal Agreements would end on September 30, 2025, and they would not be renewed for another term; and

WHEREAS, since Poinciana Gardens opened, the KWHHA has expended \$4,882,645, the City has expended \$1,600,000, and the County has expended \$2,800,000, for a total of \$9,282,645, to fund the financial shortfall for Poinciana Gardens operations; and

WHEREAS, ongoing operational and financial challenges, including the termination of subsidies from the City of Key West and Monroe County, coupled with evolving resident needs and insufficient community demand for assisted living services, have prompted the KWHHA to evaluate alternative uses for the assisted living units and supported living units; and

WHEREAS, preliminary analysis indicates that converting the assisted living and supported living units to independent living rest home units for active seniors would allow for more efficient operations, broaden housing opportunities for seniors, and better utilize Poinciana Gardens; and

WHEREAS, the City, the KWHHA, Monroe County, and the Monroe County Land Authority ("MCLA") are partnering to convert the third-floor assisted living units located in Poinciana Gardens at 1664 Dunlap Drive in Key West to independent living rest home units (hereinafter, Subject Project); and

WHEREAS, the City desires to request the MCLA to disburse \$1,382,856 of Local Government Contribution Land Authority funds to the KWHHA.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That MCLA is requested to proceed with disbursing \$1,382,856 to KWHa as partial construction funding for the Subject Project upon issuance of building permits by the City of Key West to effectuate the conversion of the third-floor assisted living units into independent living rest home units subject to restrictions and limitations set forth in Florida Statute Section 380.0666.

Section 2: That the City Manager is authorized to execute any necessary documents to effectuate this funding process for the Subject Property, upon consent of the City Attorney.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

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Passed and adopted by the City Commission at a meeting held this ____ day of _____, 2025.

Authenticated by the Presiding Officer and Clerk of the Commission on ____ day of _____, 2025.

Filed with the Clerk on _____, 2025.

Mayor Danise Henriquez	_____
Vice Mayor Donald "Donie" Lee	_____
Commissioner Lissette Carey	_____
Commissioner Aaron Castillo	_____
Commissioner Monica Haskell	_____
Commissioner Mary Lou Hoover	_____
Commissioner Sam Kaufman	_____

DANISE HENRIQUEZ, MAYOR

ATTEST:

KERI O'BRIEN, CITY CLERK