



MEMORANDUM

Date: April 11, 2024

To: Local Redevelopment Authority of the City of Key West (LRA)
Honorable Mayor and Commissioners

Via: Albert P. Childress
City Manager

From: Tina Burns
Housing & Community Development Director

Subject: **Review and approve the amendment to the Master Development / Long Term Lease Agreement between the Key West Naval Properties Local Redevelopment Authority (LRA) and the Housing Authority of the City of Key West for Poinciana Plaza to extend the existing lease by 50 years; approving any necessary budget adjustments; authorizing the City Manager to execute necessary documents upon consent of the City Attorney; providing for an effective date.**

Introduction

Respectfully request the Naval properties Local Redevelopment Authority to review and approve the amendment to the Master Development / Long Term Lease Agreement between the Key West Naval Properties Local Redevelopment Authority (LRA) and the Key West Housing Authority and A. H. Monroe to extend the existing lease by 50 years for A.H. Monroe to develop housing for the homeless service providers of Poinciana Plaza; approving any necessary budget adjustments; authorizing the City Manager to execute necessary documents upon consent of the City Attorney; providing for an effective date.

Background

On April 28, 1998 the LRA and the Housing Authority entered into a Master Development / Long Term Lease Agreement as amended by the certain Addendum dated July 28, 1998 (collectively the “Master Lease”) for the property commonly known as the Poinciana housing Site. The Master Lease is set to expire in 2048.

The Poinciana Plaza Site consists of 13 buildings on 6.4 acres owned by the United States Navy and transferred to the City of Key West as part of the Base Closure and Realignment Act of 1990. The

conveyance of the property to the City of Key West was to be used specifically for homeless assistance purposes . Since 1998, CoC Homeless and Special Needs Agencies have provided temporary, transitional, and permanent supportive housing to the Key West community. However, the 13 buildings constructed in 1966 have exceeded their useful life and are in critical need of repair. In order to accomplish that objective, the existing lease needs to be extended by 50 years.

The Master Lease extension is the first step into ensuring site control for the Key West Housing Authority and A.H. Of Monroe County to re-develop housing for the homeless service providers on land owned and controlled by the by the City of Key West LRA.

Procurement

There will be no financial costs for the City of Key West or the LRA for extending the term of the lease.

Options

1. To approve the Resolution extending the existing lease to KWHA by 50 years, to April 27, 2097. This will allow a sublease to construct housing for homeless service providers.
2. To Deny the lease amendment, thereby making funding possibilities for the construction of homeless services much more challenging.

Recommendation

Respectfully request the Naval properties Local Redevelopment Authority to review and approve the amendment to the Master Development / Long Term Lease Agreement between the Key West Naval Properties Local Redevelopment Authority (LRA) and the Housing Authority of the City of Key West and A. H. Monroe extending the lease by 50 years for A.H. Monroe to develop housing for the homeless service providers of Poinciana Plaza; approving any necessary budget adjustments; authorizing the City Manager to execute necessary documents upon consent of the City Attorney; providing for an effective date.