



THE CITY OF KEY WEST
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EXECUTIVE SUMMARY

Date: July 6, 2022

To: Naval Properties Local Redevelopment Authority

Through: Shawn D. Smith, City Attorney

From: Nathalia A. Mellies, Assistant City Attorney

CC: Patti McLauchlin, City Manager

Re: Approval of the Ground Lease for a portion of the parcel known as the 3.2 acres of Truman Waterfront Property located in Historic Bahama Village for development of affordable workforce housing units for sale

City of Key West Resolution 21-256 authorized the City Manager and the City Attorney to negotiate with Lofts at Bahama Village GP LLC ("Lofts") the necessary agreements for development of affordable workforce housing at the site known as the 3.2 located at Truman Waterfront in Historic Bahama Village. The project will consist entirely of affordable workforce housing. Ninety-eight (98) of the units will be for rent and the remaining twenty-eight (28) units will be for homeownership.

Lofts consists of two affiliated entities, Bahama Village Community Ltd., which will manage the affordable workforce housing rentals, and Bahama Village on Fort, Ltd., which will construct the affordable workforce housing sales. The ground lease for the rental aspect of the project (Rental Lease) was approved by the Naval Properties Local Redevelopment Authority (LRA) on March 15, 2022 (Resolution 22-080).

Attached you will find the 99-year ground lease we have been negotiating with counsel for Lofts/Bahama Village on Fort, Ltd., for the homeownership aspect of the project.

Your input on this and any other matter is appreciated. We encourage you to contact us with any questions, concerns or comments.