Doc # 2488519 Bk# 3310 Pg# 962 Recorded 2/3/2025 at 10:34 AM Pages 12
Filed and Recorded in Official Records of MONROE COUNTY KEVIN MADOK
REC: $103.50

**RESOLUTION NO. 24-297**

**A RESOLUTION OF THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST (LRA) APPROVING A SECOND AMENDMENT TO THE GROUND LEASE AGREEMENT WITH BAHAMA VILLAGE ON FORT, LTD. PERTAINING TO PROPERTY KNOWN AS THE TRUMAN WATERFRONT/BAHAMA VILLAGE 3.2 ACRES, TO AMEND AND RESTATE THE WORK FORCE HOUSING CODES THAT GOVERN THE SALE PRICE AND FUTURE RESALE VALUES FOR THE CONDO HOMEOWNERSHIP RESALE UNITS LOCATED AT 710 FORT STREET; PROVIDING FOR AN EFFECTIVE DATE**

re-recording to add Exhibit "D"

WHEREAS, the LRA has approved and entered into a 99-year Ground Lease Agreement with Bahama Village on Fort, Ltd. On July 19, 2022 in the official records of Monroe County , Florida at Book 3185, Page 1 (the original lease)for the purpose of developing 128 Work Force Housing units at 710 Fort Street (RE# 00001630-000801) owned by the City of Key West; and

WHEREAS, on November 14, 2023, the LRA approved an amendment to the Ground Lease Agreement recorded in the Official Record of Monroe County, Florida at Book 3250, Page 2166 (the "First Amendment" and together with the Original Lease, collectively referred to as the "Lease"; and

Doc # 2483037 Bk# 3303 Pg# 469
Recorded 12/10/2024 9:36 AM Page 1 of 10

Filed and Recorded in Official Records of
MONROE COUNTY KEVIN MADOK, CPA

WHEREAS, on October 16, 2024 the Monroe County Comprehensive Plan Land Authority approved a provision of construction subsidy funding in the amount of $6,170,457.00 to decrease the sale price for the 28 Work Force units contemplated in the Lease; and

WHEREAS, the City desires to keep the final sales price of twenty-eight units affordable and accessible to individuals with incomes tiers in the Work Force Housing Code defines as Very Low (60% AMI) up to Middle Incomes (140% AMI) and this subsidy funding for construction facilitates these lower sales prices and creating affordable housing; and

WHEREAS, the Land Authority shall record a Land Use Restrictive Agreement and other legal documents as needed to ensure monitoring and compliance of homeowner income limits, preservation of affordable housing and other provisions of City ordinances and State statutes applicable to Monroe County Comprehensive Plan Land Authority funding.

NOW THEREFORE, BE IT RESOLVED BY THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUHTORITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the definition of "Affordable Workforce Housing Restrictions" in Article I, Section 1.1 of the Lease is hereby amended and restated as follows: Three (3) Affordable

Housing Units designated "very-low" income shall have a sales price that will not exceed seventy-five percent of the annual median household income (adjusted for family size) for Monroe County (0.75 X AMI) in accordance with section 122-1472 of the City Code; Eleven (11) Affordable Housing Units designated "low-income" shall have a sales price that will not exceed one and one-half times annual median household income (adjusted for family size) for Monroe County (1.5 x AMI), in accordance with section 122-1472 of the City Code; and Fourteen (14) Affordable Housing Units designated "middle-Income" shall not exceed three and one-half times annual median household income (adjusted for family size) for Monroe County (3.5 x AMI), in accordance with section 122-1472 of the City Code. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

Section 2: That the attached Second Amendment to Ground Lease Agreement between the LRA and Bahama Village on Fort, Ltd. is hereby approved.

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 Authority.

Passed and adopted by the Naval Properties Local Redevelopment Authority at a meeting held this 14th day of November, 2024.

Authenticated by the Presiding Officer and Clerk of the Commission on 18th day of November, 2024.

Filed with the Clerk on November 18, 2024.

| | |
|---|---|
| Chair Danise Henriquez | Yes |
| Vice Mayor Clayton Lopez | Yes |
| Commissioner Lissette Carey | Yes |
| Commissioner Monica Haskell | Yes |
| Commissioner Mary Lou Hoover | Yes |
| Commissioner Sam Kaufman | Yes |
| Commissioner Donald "Donie" Lee | Yes |
| Ex-Officio Member Christina Gardner | Yes |

DANISE HENRIQUEZ, CHAIR

ATTEST:

KERI O'BRIEN, CITY CLERK

After recording return to:
Ronald J. Ramsingh, Esq.
P.O. Box 1409
Key West, FL 22041-1409
(305)809-3773

## SECOND AMENDMENT TO GROUND LEASE AGREEMENT

THIS SECOND AMENDMENT TO GROUND LEASE AGREEMENT (this "**Amendment**") is made and entered into as of the 19th day of November, 2024, by and between THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST ("**Lessor**") and BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership ("**Lessee**"), and acknowledged by the City of Key West, a municipal corporation of the State of Florida (the "**City**").

## RECITALS

A. Lessor and Lessee are parties to that certain Ground Lease Agreement recorded on July 19, 2022, in the Official Records of Monroe County, Florida at Book 3185, Page 1 (the "**Original Lease**"), whereby Lessor leases to Lessee certain real property located in the City of Key West located at the Truman Waterfront in Historic Bahama Village.

B. Lessor and Lessee entered into that certain Amendment to Ground Lease Agreement recorded on November 14, 2023, in the Official Record of Monroe County, Florida at Book 3250, Page 2166 (the "**First Amendment**" and together with the Original Lease, collectively referred to as the "**Lease**").

C. The Monroe County Comprehensive Plan Land Authority has approved the provision of construction funds in the amount of $6,170,457.00 to decrease the sale price for the 28 affordable housing units contemplated in the Lease ("**Land Authority Funds**").

D. Lessor and Lessee desire to amend the Lease as set forth in this Amendment.

NOW, THEREFORE, for and in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein as if set forth in full.

2. General Provisions. All defined terms in this Amendment shall have the same meaning as in the Lease, except if otherwise noted. Except as amended and modified by this Amendment, all of the terms, covenants, conditions, and agreements of the Lease shall remain in full force and effect. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, this Amendment shall control. In the event of any conflict between the provisions of the Lease (as amended by this Amendment) and City Code, the Lease shall control.

3. Affordable Workforce Housing Restrictions. Upon Lessee's receipt of the Land Authority Funds, the definition of "Affordable Workforce Housing Restrictions" in Article I, Section 1.1 of the Lease is hereby amended and restated as follows with additions bold and underlined and removals struck through:

> ""Affordable Workforce Housing Restrictions" shall mean the affordable housing regulations for the Affordable Housing Units as set forth herein and in applicable sections of the 2021 City of Key West Land Development Regulations or 2021 City Code of Key West of Ordinances ("City Code"), including, but not limited to, Division 10 of Chapter 122 of the City Code. The Owner/Occupants shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County, provide that such restriction shall not disqualify an Owner/Occupant previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified. Lessor acknowledges that any future modifications to the City Code shall not be deemed to modify the Affordable Workforce Housing Restrictions or the terms of this Lease unless the Lessee consents to the application of such revised City Code.
>
> The Affordable Housing Development shall consist of the following Affordable Housing Units designated at "very low-income", "low-income" or "middle income":
>
> i) Three (3) Affordable Housing Units designated ~~for~~ "very low-income ~~persons~~" whose sales price shall not exceed **seventy-five percent of the** ~~one and one-half times~~ annual median household income (adjusted for family size) for Monroe County **(0.75 x AMI)**, in accordance with section 122-1472 of the City Code. For example, for **2024** ~~2022~~, the maximum sales price for a **very low-income** two-bedroom unit would be $**80,578** ~~138,375~~ and a **very low-income** three-bedroom unit would be $**89,485** ~~153,750~~. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.
>
> ii) Eleven (11) Affordable Housing Units designated ~~for~~ "low-income ~~persons~~" whose sales price shall not exceed **one** ~~two~~ and one-half times annual median household income (adjusted for family size) for Monroe County **(1.5 x AMI)**, in accordance with section 122-1472 of the City Code. For example, for **2024** ~~2022~~, the maximum sales price for a two-bedroom unit would be $**161,156** ~~230,625~~ and a three-bedroom unit would be $**178,969** ~~256,250~~. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.
>
> iii) Fourteen (14) Affordable Housing Units designated ~~for~~ "middle income ~~persons~~" whose sales price shall not exceed **three** ~~six~~ and one-half times annual median household income (adjusted for family size) for Monroe County **(3.5 x AMI)**, in accordance with section 122-1472 of the City Code. For example, for **2024** ~~2022~~, the maximum sales price for a two-bedroom unit would be $**376,031**

~~599,625~~ and a three-bedroom unit would be $**417,594** ~~666,250~~. The maximum sales price will be adjusted annually based upon the then prevailing area median household income (adjusted for family size) for Monroe County.

The following eligibility requirements shall be required of households or persons to qualify for affordable work force housing units to the extent lawful:

(1) The household or person shall derive at least 70 percent of its or his/her total income from gainful employment in Monroe County. This section shall not disqualify an individual previously and continuously qualified who reaches the age of retirement, or becomes disabled, and is otherwise income qualified.

(2) At the time of sale of an affordable housing (very low income) unit, the total income of eligible household or persons shall not exceed sixty (60) percent of the median household income for Monroe County (adjusted for family size).

(3) At the time of sale of an affordable housing (low income) unit, the total income of eligible household or persons shall not exceed eighty (80) percent of the median household income for Monroe County (adjusted for family size).

(4) At the time of sale of an affordable housing (middle income) unit, the total income of eligible household or persons shall not exceed one hundred forty (140) percent of the median household income for Monroe County (adjusted for family size).

These restrictions shall be memorialized and agreed to by the parties, then recorded and shall become part of the Related Agreements in the form of Declaration of Affordable Housing Restrictions attached as Exhibit B."

4. Applicability. The revisions to the Lease set forth in Section 3 of this Amendment shall only become effective upon Lessee's receipt of the Land Authority Funds in the amount of $6,170,457.00.

5. Notice of Restrictions. The required Notice of Restrictions referenced in Section 12.7 of the Lease is hereby amended as follows to include references to additional relevant documents:

**NOTICE OF RESTRICTIONS**

**ANY INSTRUMENT OF CONVEYANCE, LEASE, ASSIGNMENT, GRANT OR OTHER DISPOSITION OF ANY INTEREST IN OR TO ANY PORTION OF THE DEMISED PREMISES OR TO ANY IMPROVEMENTS ERECTED THEREON WILL BE SUBJECT TO CERTAIN RESTRICTIONS INCLUDING, BUT NOT LIMITED TO RIGHTS OF FIRST REFUSAL, USE, OCCUPANCY, INCOME, MEANS, RESALE PRICE, RENTAL LIMITATIONS, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE GROUND LEASE AGREEMENT**

**RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 1 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK 3250, PAGE 2166 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE SECOND AMENDMENT TO GROUND LEASE AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE _____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, THE DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK 3185, PAGE 113 OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AS AMENDED BY THE FIRST AMENDMENT TO DECLARATION OF AFFORDABLE HOUSING RESTRICTIONS RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE _____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA, AND THE LAND USE RESTRICTION AGREEMENT RECORDED IN OFFICIAL RECORDS BOOK ____, PAGE _____ OF THE PUBLIC RECORDS OF MONROE COUNTY, FLORIDA.**

6. Letter of Acknowledgement. The Letter of Acknowledgement of Affordable Workforce Housing Restrictions referenced in Section 12.10 of the Lease and included as Exhibit D of the Lease is hereby amended and replaced with the Letter of Acknowledgement of Affordable Workforce Housing Restrictions included as **Exhibit D** to this Amendment.

7. Binding Effect: Choice of Law. This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State of Florida. Any litigation between the parties hereto concerning this Amendment or the Lease shall be initiated in the county in which the Demised Premises is located.

8. Authority. The parties each represent and warrant to the other that each has full authority to execute this Amendment without the joinder or consent of any other party and that each party has not assigned any of its right, title, and interest in the Lease to any other party.

9. Counterparts. This Amendment may be executed in counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.

[signature page to follow]

IN WITNESS WHEREOF, each party has caused this Amendment to be executed by its duly authorized representative as of the date above.

**LESSOR:**

(SEAL)

ATTEST:

By: _____
Deputy Clerk

THE NAVAL PROPERTIES LOCAL REDEVELOPMENT AUTHORITY OF THE CITY OF KEY WEST

By: _____
Chair

Acknowledged by the City of Key West:

ATTEST:

By: _____
Deputy Clerk

CITY OF KEY WEST, a municipal corporation of the State of Florida

By: _____
Mayor

[Signature Page to Second Amendment to Ground Lease]

**LESSEE:**

BAHAMA VILLAGE ON FORT, LTD., a Florida limited partnership

By: Bahama Village on Fort GP, LLC, a Florida limited liability company, its general partner

By: Vestcor, Inc., a Florida corporation, its manager

By: _____
Name: Jason O. Floyd
Title: Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

Subscribed and sworn to (or affirmed) before me, by means of ☑ physical presence or ☐ online notarization, on November 19, 2024, by Jason O. Floyd as Vice President of Vestcor, Inc., a Florida corporation, manager of Bahama Village on Fort GP, LLC, general partner of Bahama Village on Fort, Ltd., a Florida limited partnership. He is personally known to me or has produced _____ (type of identification) as identification.

_____
NOTARY PUBLIC

Notary Public State of Florida
Rebecca L. White
My Commission HH 499145
Expires 3/23/2028

[Signature Page to Second Amendment to Ground Lease]

**Exhibit D**

**LETTER OF ACKNOWLEDGEMENT**
**OF**
**AFFORDABLE WORKFORCE HOUSING RESTRICTIONS**

TO: _____
DATE: _____

This letter is given to _____ as an acknowledgement regarding the Affordable Workforce Housing Unit that I am receiving. I hereby acknowledge the following:

- The Affordable Workforce Housing Unit I am receiving is subject to Affordable workforce housing restrictions that are specified in the Declaration of Affordable Housing Restrictions dated July 15, 2022, recorded in the Public Records of Monroe County at Book 3185, Page 113, as amended by the Amendment to Declaration of Affordable Housing Restrictions dated _____, _____, recorded in the Public Records of Monroe County at Book ____, Page _____ (the "Affordable Declaration"), the Ground Lease Agreement dated July 15, 2022, and recorded in the Public Records of Monroe County at Book 3185, Page 1, as amended by the Amendment to Ground Lease Agreement dated November 13, 2023, recorded in the Public Records of Monroe County Book 3250, Page 2166, and as amended by the Second Amendment to Ground Lease Agreement dated _____, ____, recorded in the Public Records of Monroe County Book ____, Page ____ (collectively, the "Lease"), the Land Use Restriction Agreement dated _____, ____, recorded in the Public Records of Monroe County Book ____, Page____ ("LURA"), and Section 122-1472 of the City of Key West Code of Ordinances Land Development Regulations ("Code").
- I understand the terms and conditions of the aforementioned documents and understand how they will affect my rights as an owner of the Affordable Workforce Housing Unit, now and in the future.
- That the Affordable Housing Unit I am receiving is subject to a 99-year ground lease from The Naval Properties Redevelopment Authority of the City of Key West, and therefore I will be subleasing a parcel of land.
- That I agree to abide by the affordable restrictions in the Affordable Declaration, Lease, LURA and Code, and I understand that the affordable restrictions may change from time to time, and I will be expected to abide by any such changes.
- That in the event I want to sell the Affordable Workforce Housing Unit, I must comply with the requirements set forth in the Lease, including but not limited to the price at which I might be allowed to sell it, the persons to whom I might be allowed to sell it to and the timing and procedure for the sales will be restricted.
- That I meet the requirements set forth in the Affordable Declaration, Lease, LURA and Code.
- That I must occupy the Affordable Housing Unit and that it cannot be rented to third parties.

- I understand that in the event that I die, my home may be devised and occupied by my spouse, my children, or any other heirs so long as they meet the requirements for affordable housing det forth in the Affordable Declaration, Lease, LURA, and Code.
- That I have reviewed the terms of the Affordable Declaration, Lease, LURA, Code and transaction documents.

**I/we hereby acknowledge that this housing unit is subject to affordable workforce housing restrictions that limit the lawful occupants and sales price of the housing unit.**

**Signature:** _____ **Signature:** _____

**Print Name:** _____ **Print Name:** _____