



A.H. of Monroe County, Inc.

Proposal to the
City of Key West

“The 3.2”

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City of Key West Proposal
By the Community. For the Community. The 3.2.

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PURPOSE:

A.H. of Monroe County Inc. (AH) respectfully requests the ability to lease the 3.2 acres from the City of Key West for the purpose of developing affordable and workforce multifamily housing (The 3.2).

The development of The 3.2 could be a model for future new development and redevelopment projects.

AH would liaise closely with the Bahama Village Redevelopment Advisory Committee (BVRAC) and the Bahama Village community to assist the AH team of experienced developers, architects, general contractors, banking investors and funding application specialist to build the project (a/k/a The Team). The 3.2 would be developed by the Team and aims to incorporate the rich historical and diverse cultures of Bahama Village.

This proposal for consideration for lease and development of the 3.2 offers a phased plan approach.

PROJECT SCOPE:

The recently approved HNC-4 zoning within the Comprehensive Plan Amendment has approved a maximum density of 40 dwelling units per acre with a maximum intensity of 1.0 Floor Area Ratio (FAR). Based on HNC-4 zoning, The 3.2 site x 43,560 sf (1 acre) = 139,392 (sf) maximum / divided by an average of 800 sq ft per unit = 174 maximum units for the site.

However, the maximum density of 174 units on The 3.2 site would be a burden on the surrounding area. AH preliminarily suggests the number of total units equal 80 to 100 units based on an average rental and home unit of 800 square feet; this total could change based on the square footage of each unit. If an agreement to lease The 3.2 is reached, AH would employ its' architect to present a conceptual architectural drawing/plan to the City of Key West and BVRAC. The plan would include housing floor plans, greenspace, landscaped courtyards, community room and coffee shop, parking, energy efficient features such as solar options, and mindfulness of pervious and impervious areas to equal the maximum FAR of 139,392 (sf).

Market Rate rentals with mixed used Commercial rentals could be developed at the Diesel Generator Plant site in conjunction with the development of The 3.2. But this does not form part of this proposal.



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AH would develop The 3.2 only as an 80/20 split: 80% of the units as affordable workforce housing rental units, and 20% as townhomes for discounted purchase.

- The 3.2 would provide 80% of the property dedicated to rental units. A mix of rental units noted below (subject to change):
 - 30% 1 bd/1 bath units 500 (sf) units.
 - 60% 2 bd/2 bath units 700-800 (sf) units.
 - 10% 3 bd/2 bath units 900 (sf) units.
 - Construction funding through a workforce affordable housing Tax Credit award through Florida Housing Finance Corporation, Sadowski Trust Fund, State Incentive Apartment Loan (SAIL), Monroe County Land Development Trust, and other Loans.
- Eligible Income and Rents for the 3.2 are attached (2020 Income Limits and Rent Limits)
 - 35% (\$24,675) AMI to 120% (\$108,840) with the average income being 60-80% AMI (\$48,360 to \$64,480). Rents Ranging from 35% AMI (\$616) to 120% (\$3,142) with the average rental being 60 -80% AMI (\$1,360 - \$1,814). *Note: Income and Rents are determined by the size of the household and rental unit.*
- The 3.2 would provide homes for purchase:
 - 20% of the property dedicated to family style homes for purchase, 700-800 (sf) units of 2 bd/2 bath units financed by developers, investors, loans, and Florida Housing Finance Corporation Programs.
 - Home pricings to range \$200,000 to \$300,000.
 - Potential collaboration with Home ownership programs *Example: Railway Condominiums, Habitat for Humanity.*

The 3.2 would be a respectful and much needed extension of Bahama Village with architectural features that represent the diversity of the area with native, seamless landscaping of the two sections: Rentals and Ownership. The 3.2 would house a community center; a coffee shop featuring local artists from the community; a library with computer workstations; and daycare services available for families that live on the property.

AH would provide The 3.2 programs such as literacy, job training, tax preparation, health literacy programs, nutritional programs, and homeownership programs.

AH would provide The 3.2 supportive services such as case management, counseling, and linkage to care programs.



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AH would provide The 3.2 on-site Property Management and Maintenance services, and a Homeowners Association (HOA).

The 3.2 would not require any funding from the Community Redevelopment Trust Fund for the development of the site. All funding for The 3.2 will be secured through Tax Credit funding, investors, loans, Land Development Trust, and other Florida Housing Finance Corporation Programs.

The 3.2 would contribute annually to the Tax Increment Financing (TIF) through a 3.2 ground lease, AD Valorem Taxes from the rental building(s), commercial lease from the coffee shop, and AD Valorem Taxes from property ownership units.

EXPERIENCE:

AH is eligible to apply for funding on behalf of The 3.2 through Florida Housing Finance Corporation which requires a previous minimum development of three (3) properties, one of which must be a Low-Income Housing Tax Credit (LIHTC) since January 1, 2000. AH has developed three (3) properties since 2009, two (2) of which are LIHTC properties, and currently manages a total of five (5) properties all developed by AH. This is a critical component to the funding application for the role of developer and co-developers.

- Two (2) Low Income Housing Tax Credits (LIHTC) – Low Income Affordable Housing
 - 47 Units – Marty’s Place 2020
 - 50 Units – Poinciana Royale 2010
- One (1) Housing First Project (Homeless / Mental Health)
 - 11 Units – Seebol Place 2009
- Three (3) PRAC Section 811 – Disabled Housing – HUD
 - 5 Units – McCarthy Rogers 1994
 - 11 Units – Harvey House 1994
 - 3 Units – Triplex 1994

Along with its’ team, AH has a committed Board of Directors to build The 3.2. This is a critical component of the funding application.

AH has an experienced Housing Department consisting of Housing Case Management, Supportive Services, Compliance Management, Property Management, and Maintenance. These are critical components of the funding application.



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AH has an experienced Case Management team with our Client Services Department that offers supportive services to all our properties. Services include: Registered Nurse (RN)-Case Management, Case Management, Counseling, and Linkage to Care programs.

AH collaborates with all Monroe County non-profits for housing and other case management services.

REQUIREMENTS:

A 50-year lease/Land Use Restriction Agreement (LURA) between AH and the City of Key West to establish site control of The 3.2. This is required to be eligible for Tax Credit funding. A 99-year lease or a combination of two renewable 50-year leases is required for Home ownership housing programs.

Developer Contract facilitated by AH to include a Primary Developer (to be determined), and Co-Developer (AH). This is required to be eligible for all possible funding programs to develop the site.

15-Year Equity Partnership Agreement (Partnership) facilitated by AH between the Tax Credit Investor (99%), and AH (.1%). This is required for Tax Credit Funding.

15-year Property Management agreement between AH and the Partnership during the initial stabilization and tax credit (8609) phase for Tax Credit Investors. This is required for Tax Credit Funding.

AH would own the rental building(s) only and would have the option to purchase or transfer ownership either at the end of the 15-year tax credit phase or at the end of the 50-year Land Use Restriction Agreement.

AH would own the operating revenue which includes any debt service to loans as well as a ground lease (financial amount to be determined) payable to the TIF.

Lease agreement would be subject to and contingent upon:

- Clear Unencumbered Title of The 3.2 to enter into a lease agreement. (We have noted the restrictions on the attached site plan)
- Flood Plan Level. Height cap allows for three stories above the flood plan.
- Land free of contamination
- Provision for all required BPAS units.
- AH requirement to fully develop the property within 5 years.



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AGENCY BACKGROUND:

In 1986 AH Monroe County Inc. began (as AIDS Help) to provide HIV/AIDS treatment and prevention, along with hospice housing, for many dying from the disease during the late 80's and 90's. As medical technology advanced for people living with HIV to not only survive but to thrive, AH's housing programs have also advanced from hospice housing to permanent housing.

In 2009 AH opened its housing facilities to include disabilities other than HIV/AIDS, such as elderly, homeless veterans, foster care youth, and low-income households. AH has learned that a more inclusive community, versus an exclusive demographic, has a positive impact on people living with HIV/AIDS in our housing facilities, boasting of less stigma, less substance abuse, less mental health issues, and more engagement in the community.

Since 1994 AH has built five (5) properties within Key West, totaling 127 units from several funding sources.

Today, AH serves more than 384 households with Health and Housing services.

Housing is Care. **Everyone** has the right to safe and secure housing.

Note: The general hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD release: 3/31/2020

Effective: 4/1/2020

Implement on/before: 5/16/2020

FHFC Posted: 4/8/2020

2020 Income Limits and Rent Limits

Florida Housing Finance Corporation

Multifamily Rental Programs and CWHIP Homeownership Program

NOTE: Does not pertain to CDBG-DR, HHRP, HOME, NHTF or SHIP

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Monroe County	20%	14,100	16,120	18,140	20,140	21,760	23,380	24,980	26,600	28,196	29,807	352	377	453	523	584	644
	25%	17,625	20,150	22,675	25,175	27,200	29,225	31,225	33,250	35,245	37,259	440	472	566	654	730	805
	28%	19,740	22,568	25,396	28,196	30,464	32,732	34,972	37,246	39,474	41,730	493	528	634	733	818	902
	30%	21,150	24,180	27,210	30,210	32,640	35,070	37,470	39,900	42,294	44,711	528	566	680	785	876	967
	33%	23,265	26,598	29,931	33,231	35,904	38,577	41,217	43,880	46,523	49,182	581	623	748	864	964	1,063
	35%	24,675	28,210	31,745	35,245	38,080	40,915	43,715	46,550	49,343	52,163	616	661	793	916	1,022	1,128
	40%	28,200	32,240	36,280	40,280	43,520	46,760	49,960	53,200	56,392	59,614	705	755	907	1,047	1,169	1,289
	45%	31,725	36,270	40,815	45,315	48,960	52,605	56,205	59,850	63,441	67,066	793	849	1,020	1,178	1,315	1,450
	50%	35,250	40,300	45,350	50,350	54,400	58,450	62,450	66,500	70,490	74,518	881	944	1,133	1,309	1,461	1,611
	60%	42,300	48,360	54,420	60,420	65,280	70,140	74,940	79,800	84,588	89,422	1,057	1,133	1,360	1,571	1,753	1,934
Median: 81,400	70%	49,350	56,420	63,490	70,490	76,160	81,830	87,430	93,100	98,686	104,325	1,233	1,322	1,587	1,833	2,045	2,256
	80%	56,400	64,480	72,560	80,560	87,040	93,520	99,920	106,400	112,794	119,229	1,410	1,511	1,814	2,095	2,338	2,579
	120%	84,600	96,720	108,840	120,840	130,560	140,280	149,880	159,600	169,176	178,843	2,115	2,266	2,721	3,142	3,507	3,868
	140%	96,700	112,840	126,980	140,980	152,320	163,660	174,860	186,200	197,372	208,650	2,467	2,644	3,174	3,666	4,091	4,513
	150%	106,750	120,900	136,050	151,050	163,200	175,350	187,350	199,500	211,470	223,554	2,643	2,833	3,401	3,928	4,383	4,835
Nassau County (Jacksonville HMFA; Jacksonville MSA)	20%	10,500	12,000	13,500	15,000	16,200	17,400	18,600	19,800	21,000	22,200	262	281	337	390	435	480
	25%	13,125	15,000	16,875	18,750	20,250	21,750	23,250	24,750	26,250	27,750	328	351	421	487	543	600
	28%	14,700	16,800	18,900	21,000	22,680	24,360	26,040	27,720	29,400	31,080	367	393	472	546	609	672
	30%	15,750	18,000	20,250	22,500	24,300	26,100	27,900	29,700	31,500	33,300	393	421	506	585	652	720
	33%	17,325	19,800	22,275	24,750	26,730	28,710	30,690	32,670	34,650	36,630	433	464	556	643	717	792
	35%	18,375	21,000	23,625	26,250	28,350	30,450	32,550	34,650	36,750	38,850	459	492	590	682	761	840
	40%	21,000	24,000	27,000	30,000	32,400	34,800	37,200	39,600	42,000	44,400	525	562	675	780	870	960
	45%	23,625	27,000	30,375	33,750	36,450	39,150	41,850	44,550	47,250	49,950	590	632	759	877	978	1,080
	50%	26,250	30,000	33,750	37,500	40,500	43,500	46,500	49,500	52,500	55,500	656	703	843	975	1,087	1,200
	60%	31,500	36,000	40,500	45,000	48,600	52,200	55,800	59,400	63,000	66,600	787	843	1,012	1,170	1,305	1,440
Median: 75,000	70%	36,750	42,000	47,250	52,500	56,700	60,900	65,100	69,300	73,500	77,700	918	984	1,181	1,365	1,522	1,680
	80%	42,000	48,000	54,000	60,000	64,800	69,600	74,400	79,200	84,000	88,800	1,050	1,125	1,350	1,560	1,740	1,920
	120%	63,000	72,000	81,000	90,000	97,200	104,400	111,600	118,800	126,000	133,200	1,575	1,687	2,025	2,340	2,610	2,880
	140%	73,500	84,000	94,500	105,000	113,400	121,800	130,200	138,600	147,000	155,400	1,837	1,968	2,362	2,730	3,045	3,360

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Included schedules will be provided when approved.

3.2 Acre Bahama Village Information

