ORDINANCE NO. 15-15

AN ORDINANCE OF THE CITY OF KEY WEST, FLORIDA, PURSUANT TO SECTION 1.08 OF THE CITY CHARTER, CALLING FOR A REFERENDUM AUTHORIZING THE CITY OF KEY WEST TO PURCHASE THAT PORTION OF THE REAL PROPERTY LOCATED AT 541 WHITE STEET, COMMONLY REFERRED TO AS PEARY COURT, AND WHICH CURRENTLY CONTAINS 157 EXISTING DWELLING UNITS, FROM PEARY COURT HOLDINGS, L.P., FOR USE AS WORKFORCE HOUSING FOR A PURCHASE PRICE NOT TO EXCEED $55,000,000.00, WITH THE CONDITION THAT THE SELLER EXECUTE A DEED RESTRICTION WHICH RESTRICTS THE USE OF THE REMAINING REAL PROPERTY OF PEARY COURT TO WORKFORCE HOUSING IN PERPETUITY; AUTHORIZING THE CITY CLERK TO TAKE ALL NECESSARY ACTION TO PLACE THIS MEASURE ON THE BALLOT FOR MARCH 15, 2016; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Commission has determined that there exists a shortage of workforce housing available in the City of Key West; and

WHEREAS, the City has undertaken an evaluation of the feasibility of utilizing the existing 157 dwelling units at Peary Court for workforce housing; and

WHEREAS, the City has investigated a mechanism to finance the purchase of Peary Court without the necessity of utilizing ad valorem taxation; and

WHEREAS, Charter Section 1.08 provides that "Annexation or

acquisition by any means, of any and all real property may only be by a vote of the electors of the City"; and

WHEREAS, the deadline to have items to the Supervisor of Elections is mid-December of 2015 in order to allow City voters the opportunity to express their opinion in the March election on purchasing Peary Court for use as affordable workforce housing; and

WHEREAS, the City anticipates having additional information regarding costs, financing and related issues available prior to the March 15, 2016 election to allow voters to make an educated decision; and

WHEREAS, the City Commission will gain additional citizen input prior to a final vote on a contract to purchase Peary Court; and

WHEREAS, Florida Statutes Section 101.161 provides procedures for a referendum and Florida Statutes Section 100.342 provides for notice for a referendum election; and

WHEREAS, the City desires, in accordance with the terms of its Charter, to purchase the real property upon terms acceptable to the City Commission upon a public hearing in accordance with Key West City Code of Ordinances section 2-901; and

WHEREAS, the City Commission desires that the proposed referendum appear on the regularly scheduled election ballot of

March 15, 2016;

Section 1: That a referendum for the purchase of real property commonly known as Peary Court, located at 541 White Street shall be held on March 15, 2016.

Section 2: That the question appearing on the ballot shall be titled: "Referendum - Authorization to purchase Peary Court for use as workforce housing."

Section 3: That the ballot question shall be worded as follows:

> "Should the city acquire for workforce housing that portion of the real property located at 541 White Street, known as Peary Court, containing 157 existing dwelling units, for a purchase price not to exceed $55,000,000.00, the mortgage balance repayable solely from rents derived from the property, and with the condition that the seller execute a deed restriction which restricts the use of the remaining real property at Peary Court to workforce housing in perpetuity?

_____ Yes _____ No

Section 4: That the City Clerk is hereby authorized and directed to take all necessary and proper action to place this question on the ballot of March 15, 2016, including the providing of notice of the election in accordance with law.

Section 5: That any excess revenues generated by the project shall be reinvested into workforce housing or used to reduce the rental rates at Peary Court.

Section 6: If any section, provision, clause, phrase, or application of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, the remaining provisions of this Ordinance shall be deemed severable therefrom and shall be construed as reasonable and necessary to achieve the lawful purposes of this Ordinance.

Section 7: All Ordinances or parts of Ordinances of said City in conflict with the provisions of this Ordinance are hereby superseded to the extent of such conflict.

Section 8: This Ordinance 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.

Read and passed on first reading at a regular meeting held this 17th day of November, 2015.

Read and passed on final reading at a regular meeting held this 2nd day of December, 2015.

Authenticated by the presiding officer and Clerk of the Commission on 10th day of December, 2015.

Filed with the Clerk December 10, 2015.

Mayor Craig Cates	Yes
Commissioner Sam Kaufman	Yes
Commissioner Clayton Lopez	Yes
Commissioner Richard Payne	Yes
Commissioner Margaret Romero	No
Commissioner Billy Wardlow	Yes
Commissioner Jimmy Weekley	Yes

CRAIG CATES, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK

ORDINANCE NO. 15-16

AN ORDINANCE OF THE CITY OF KEY WEST, FLORIDA, PURSUANT TO SECTION 8.03 OF THE CITY CHARTER ORDERING AND PROVIDING FOR THE HOLDING OF A REFERENDUM ELECTION TO DETERMINE IF THE ELECTORS OF THE CITY OF KEY WEST, FLORIDA, APPROVE THE ISSUANCE OF NOT EXCEEDING $55,000,000 REVENUE BONDS MATURING IN 30 YEARS OR LESS, TO BE ISSUED IN ONE OR MORE SERIES, TO BE SECURED BY AND PAYABLE FROM A MORTGAGE LIEN WITH RIGHT OF FORECLOSURE AND A LIEN ON ALL OR A PORTION OF THE REVENUES OF THE HOUSING COMPLEX LOCATED AT 541 WHITE STREET AND COMMONLY REFERRED TO AS PEARY COURT IN ORDER TO FINANCE THE COST OF ACQUIRING, IMPROVING AND EQUIPPING OF THE PEARY COURT HOUSING PROJECT, FOR USE AS AFFFORDABLE WORKFORCE HOUSING IN COMPLIANCE WITH CITY OF KEY WEST CODE OF ORDINANCES, SUBPART B, CHAPTER 122, ARTICLE V, DIVISION 10, SECTIONS 122.1465-122.1472, INCLUSIVE, AS AMENDED, ENTITLED "WORK FORCE HOUSING"; PROVIDING FOR A BOND REFERENDUM TO BE HELD ON MARCH 15, 2016, OR AS SOON THEREAFTER AS PRACTICABLE; ESTABLISHING ITS INTENT TO REIMBURSE SUCH CAPITAL EXPENDITURES INCURRED WITH PROCEEDS OF SUCH REVENUE BONDS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA:

Section 1. FINDINGS. It is found and declared:

(A) This Ordinance is enacted pursuant to the City Charter and other applicable provisions of law.

(B) The City Commission of the City of Key West, Florida (the "City") proposes to purchase the real property located at 541 White Street and commonly referred to as Peary Court (the "Project") for use as affordable workforce housing in compliance with City of Key

West Code of Ordinances, Subpart B, Chapter 122, Article V, Division 10, Sections 122.1465-122.1472, inclusive, as amended, entitled "Work Force Housing".

(C) The City now desires to issue revenue bonds in one or more series in an amount not to exceed $55,000,000 to be secured by and payable from a mortgage lien with right of foreclosure and a lien on all or a portion of the revenues from the Project. Such amount is calculated to equal the par amount of the revenue bonds plus any original issue premium, and shall not be reduced by any original issue discount.

(D) Such Bonds will finance the cost of acquiring, improving and equipping the Project, including without limitation, capitalized interest, if necessary, any required reserves and transaction costs.

(E) Section 8.03 of the City Charter provides that "bonds pledging the full faith and credit of the city or the revenues of the city may be issued only upon approval by a vote of the electors of the City".

(F) The Bonds and the Project shall promote the health, safety, general welfare, and economic and social benefit of the City, its citizens, its businesses, its property owners, its workers and its visitors, and thus serves a paramount public purpose.

(G) It is in the best interest of the City to issue such revenue bonds to finance the cost of acquiring, improving and equipping the Project to be secured as heretofore described.

(H) This Ordinance is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations which were promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred to finance the cost of acquiring, improving and equipping of the Project.

Section 2. BONDS AUTHORIZED. Subject to the referendum election hereafter provided for and the terms and provisions of the City Charter, the City is authorized to issue and sell its revenue bonds in one or more series (collectively referred to as the "Bonds") in the aggregate principal amount of not exceeding $55,000,000, for the purpose of financing the cost of acquiring, improving and equipping the Project for the purposes heretofore described. The Bonds shall be payable over a period of not exceeding thirty (30) years from issuance of the Bonds, shall bear interest payable at an interest rate or rates not exceeding the maximum allowed by law, shall be dated, subject to redemption, in the form and contain reasonable and customary covenants, all as provided by subsequent ordinances and/or resolutions of the City Commission of the City. The Bonds and the interest thereon shall not be general obligations of the City for the payment of which the full faith and credit and taxing power of the City shall be

pledged. The Bonds shall be secured by a mortgage lien with right of foreclosure and a lien on all or a part of the revenues from the Project.

Section 3. ELECTION ORDERED. An election is hereby ordered to be held in the City of Key West, Florida, on March 15, 2016, or as soon thereafter as possible, to determine whether or not issuance of the Bonds for said purpose shall be approved by the electors of the City.

Section 4. VOTING. The polls will be open at the voting places on the date of such bond election from 7:00 A.M. to 7:00 P.M. on the same day. All qualified electors residing within the City shall be entitled and permitted to vote at such bond election as hereinafter provided. The bond election shall be held and conducted in the place or places prescribed by law for general elections in the City. The bond election shall be held and conducted in the manner prescribed by law for holding general elections in the City, and the City Clerk and Supervisor of Elections are directed to take all necessary measures to conduct the election in all manner required by law. The returns shall be properly canvassed by the officials legally responsible to carry out such purpose (collectively, the "Canvassing Board") and all procedures and requirements of state law, the City Charter and other applicable law shall be complied with for the purpose of conducting the computation of ballots and completion of election

procedures, including, without limitation, Section 100.271, Florida Statutes.

Section 5. BALLOTS. The question appearing on the ballots to be used in the election shall be in substantially the following printed form:

BALLOT

Revenue Bonds to Finance Acquiring,
Improving and Equipping
Peary Court Affordable Workforce Housing Project

Shall City of Key West issue not exceeding $55,000,000 revenue bonds, in one or more series, maturing in thirty years or less, bearing interest not exceeding the maximum legal rate, secured by and payable solely from a mortgage lien with right of foreclosure and lien on certain revenues from the Peary Court housing complex to finance the cost of acquiring, improving and equipping of such complex to benefit local economy by providing affordable workforce housing?

YES (FOR BONDS) _____
NO (AGAINST BONDS) _____

Section 6. RESULTS OF ELECTION. Returns of the votes cast at the election shall be made to and canvassed by the Canvassing Board and such Board shall declare the results and certify the same to the City Clerk to be recorded in the minutes of the City. If a majority of the votes cast at such election in respect to the issuance of the Bonds shall be "YES" (in favor of the Bonds), such issuance shall be approved, and may be issued by the City pursuant to the terms

and provisions of the City Charter, the Code of Ordinances, this Ordinance and the ballot question authorized herein. Regardless of the results of the election, the City Clerk is hereby directed to submit such results to the Department of State pursuant to Section 100.351, Florida Statutes.

Section 7. PUBLICATION OF NOTICE. At least 30 days' notice of the bond election shall be published in the Key West Citizen, or any other newspaper of general circulation within the City, at least twice, once in the fifth week and once in the third week prior to the week in which the election is held, in the manner provided in Section 100.342, Florida Statutes.

The notice of election shall be in substantially the following form:

NOTICE OF SPECIAL ELECTION
CITY OF KEY WEST, FLORIDA BOND ELECTION
ON MARCH 15, 2016

NOTICE IS HEREBY GIVEN THAT A CITY OF KEY WEST, FLORIDA BOND ELECTION will be held on the 15th day of March, 2016, in the City of Key West, Florida, for the purpose of determining whether or not revenue bonds of the City, issued in one or more series, secured by and payable solely from a mortgage lien with right of foreclosure and a lien on all or part of revenues of the housing complex located at 541 White Street and commonly referred to as Peary Court (the "Project") shall be issued in the aggregate principal amount of not exceeding $55,000,000, bearing interest, payable at such interest rate or rates not exceeding the maximum rate permitted by law, maturing over a period of not

to exceed thirty years from the date of the Bonds, to finance the acquiring, improving and equipping of the Project to benefit local economy by providing affordable workforce housing.

All qualified electors residing within the City of Key West shall be entitled qualified and permitted to vote at such election.

The City of Key West shall be authorized to issue the Bonds covered by the question hereinabove set forth only if such issuance shall have been approved by vote of a majority of the qualified electors of the City of Key West voting thereon.

CITY OF KEY WEST, FLORIDA
Craig Cates, Mayor
Cheryl Smith, City Clerk

SECTION 8. INTENT TO REIMBURSE. The Commission hereby expresses its intention that the City be reimbursed from the proceeds of the Bonds for costs relating to the Project. Pending reimbursement, the City expects to use funds on deposit in the City's general fund or other appropriate fund or account to pay such costs. This Ordinance is intended to constitute with respect to the acquiring, improving and equipping of the Project a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations.

Section 9. LANGUAGES. To the extent required by law, the Ballot and Notice of Election shall be published in both the English and Spanish languages.

Section 10. EFFECTIVE DATE. This Ordinance shall go into effect immediately upon its passage and enactment and

authentication by the signatures of the presiding officer and the City Clerk of the City Commission.

READ AND PASSED on first reading at a regular meeting held by the City Commission of the City of Key West, Florida on this 17th day of November, 2015.

READ AND PASSED on final reading at a regular meeting held by the City Commission of the City of Key West, Florida on this 2nd day of December, 2015.

Authenticated by the presiding officer and Clerk of the Commission on this 3rd day of December, 2015.

Mayor Craig Cates	Yes
Commissioner Sam Kaufman	Yes
Commissioner Clayton Lopez	Yes
Commissioner Richard Payne	Yes
Commissioner Margaret Romero	No
Commissioner Billy Wardlow	Yes
Commissioner Jimmy Weekley	Yes

Craig Cates, Mayor

ATTEST:

Cheryl Smith, City Clerk