

**DRAFT RESOLUTION OF CHAPTER 164, CONFLICT RESOLUTION
BETWEEN LAKE SHORE HOSPITAL AUTHORITY AND
THE CITY OF LAKE CITY, FLORIDA**

WHEREAS, on January 13, 2025, the Lake Shore Hospital Authority (the “Authority”) and the City of Lake City, Florida (the “City”), officially engaged in the Conflict Resolution Process pursuant to Chapter 164, Florida Statutes to negotiate a solution to the conflict over whether the Lake Shore Hospital, located at 440 NE Leon Street, Lake City, FL, and better described in Exhibit A (“Property”), which formerly operated as a hospital in buildings that were constructed on the Property from 1963 forward, is a legal non-conforming use under the City’s comprehensive plan and land development regulations (“Conflict”) sufficient to enable a potential purchaser of the Property to use it as set forth below; and

WHEREAS, on March 12, 2025, representatives of the Authority and the City held an initial conflict assessment meeting pursuant to Section 164.1053(1), Florida Statutes to discuss the issues pertaining to the Conflict and an assessment of the Conflict from the perspective of each governmental entity; and

WHEREAS, at the initial conflict assessment meeting, the representatives of the Authority and the City agreed to propose a resolution to the Conflict and avoid further cost and inconvenience to all concerned, as set forth below; and

WHEREAS , Meridian Behavioral Healthcare, Inc., a Florida not-for-profit corporation (“Meridian”), has contracted with the Authority to purchase the Property for the following uses:

- Primary Care or Federally Qualified Health Center (“FQHC”)
 - Inpatient Crisis/Emergency Program
 - Crisis Stabilization Unit for Children and Adults
 - Inpatient Psychiatric Beds (with the number of beds subject to funding)
- (collectively, the “Proposed Meridian Uses”); and

WHEREAS, the Proposed Meridian Uses are subject to various state regulations by the Agency for Healthcare Administration (“AHCA”)¹ and the Department of Children and Families (“DCF”)²; and

WHEREAS, the City’s Comprehensive Land Use Plan (“Plan”) designates the Property as “Public,” which the Plan defines as follows: “PUBLIC – Land classified as public consist of public buildings and grounds, ... [and] public health facilities ...”; and;

WHEREAS, a portion of the Property is zoned Residential (Conventional) Single Family (RSF-1), and the remainder of the Property is zoned Residential/Office (RO); and

¹ Health Care Clinic, Crisis Stabilization Unit/Short-Term Residential Treatment Facility, Residential Treatment Facility, and as a Class-3 Psychiatric Hospital.

² All listed uses but Inpatient Psychiatric Beds that do not include short-term residential treatment beds require designation as a Baker Act Receiving Facility.

WHEREAS, RSF-1 does not allow hospitals, but RO lists hospitals as uses that are permissible by special exception; and

WHEREAS, no one has sought a rezoning or special exception from RS-1 or under RO, respectively; and

WHEREAS, the prior hospital uses on the Property did not include such components as the Florida Mental Health Act, Part I, Ch. 394, Fla. Stat. (“Baker Act”), or the Hal S. Marchman Alcohol and Other Drug Services Act of 1993, Part V, Ch. 397, Fla. Stat. (“Marchman Act”), but Baker Act and Marchman Act facilities are typical in general service hospitals; and

WHEREAS, the City’s land use planning and zoning programs constitute “programs ... [of] public entities” pursuant to Title II of the Americans with Disabilities Act (the “ADA”), 42 U.S.C. §§ 12115, et seq.; and

WHEREAS, the Proposed Meridian Uses largely serve individuals with mental illness who constitute “qualified individual[s] with a disability” under Title II of the ADA (28 C.F.R. § 35.104) (Title II); and

WHEREAS, the City and Meridian have discussed how to authorize the Proposed Meridian Uses of the Property consistently with Title II; and

WHEREAS, Title II does not protect persons who constitute “direct threat(s)” to the health or safety of others (28 C.F.R. §35.139(a)); and

WHEREAS, Title II requires a “direct threat” to be analyzed based on: (1) the nature, duration and severity of any risk; (2) the probability of a potential injury; and (3) whether reasonable modifications of policies, practices, or procedures would mitigate or eliminate the risk (28 C.F.R. §35.139(b)); and

WHEREAS, Meridian and the City have agreed to have the City provide Title II reasonable modifications to authorize the Proposed Meridian Uses, provided Meridian minimizes risk of direct threat to the health or safety of others; and

WHEREAS, Meridian and the City have entered into an agreement (the “Cooperation Agreement”) to memorialize their agreement to authorize the Proposed Meridian Uses on certain conditions; and

WHEREAS, the Authority and the City are willing to incorporate the Cooperation Agreement into this Resolution; and

WHEREAS, the Florida Supreme Court held in *City of Temple Terrace v. Hillsborough Association for Retarded Citizens*, 322 So.2d 571 (Fla. 2d DCA 1975), aff’d and adopted by *Hillsborough Association for Retarded Citizens v. City of Temple Terrace*, 332 So.2d 610 (Fla. 1976), that local administrative proceedings should balance public interests when a governmental unit seeks a use contrary to applicable zoning; and

WHEREAS, Chapter 63-1247, Laws of Florida, as amended by Chapter 2005-315, Laws of Florida, creating the Authority, provided at section 7 that the

Authority's purpose and power were "generally to acquire, construct, improve, enlarge, repair, equip, operate and maintain hospitals and hospital facilities in Columbia County, Florida"; and

WHEREAS, subsection 7.(4) authorized the Authority to dispose of any such property; and

WHEREAS, the DCF lists Meridian facilities among Baker Act receiving facilities, with each county utilizing its own transportation plan; and

WHEREAS, regardless of whether Meridian will act on behalf of a governmental entity as the Hillsborough Association did,³ the Title II balancing test serves the same purpose of balancing public interests of the facilities and the community.

WHEREFORE, pursuant to Section 164.1053(2), Florida Statutes, the representatives of the Authority and City involved in the conflict assessment meeting propose the following tentative resolution to the Conflict.

1. The Recitals are incorporated and binding on the Authority and on the City.
2. The City and the Authority agree to incorporate in this Resolution certain reasonable modifications as authorized by Title II, and as agreed to between Meridian and the City in the Cooperation Agreement, to facilitate Meridian's

³ See, also, *Good Fella's Roll-Off Waste Disposal, Inc., v. Citrus County*, DOAH Final Order (September 4, 2015), aff'd Case No. 16-1667 (Fla. 5th DCA 2016) (hauler acting under contract to school board had home rule exemption from tipping ordinance).

serving qualified individuals with a disability, while mitigating any direct threat as required by Title II.

3. The City shall agree that the Authority may transfer ownership and control of the hospital and Property to another public or private mental health provider who may continue to operate a public or private hospital on the Property pursuant to this Authorization, provided that all such users of the Property must expressly enter into sufficient restrictions with the City to meet Title II.
4. The representatives of the Authority and the City shall present this Potential Resolution of the Chapter 164 Conflict Resolution Between Lake Shore Hospital Authority and the City of Lake City to the Board of Trustees of the Authority and to the City Council for consideration and formal approval, which may be incorporated into a written agreement between the parties.

LAKE SHORE HOSPITAL AUTHORITY

By: Dale Williams, Executive Director
Date:

CITY OF LAKE CITY, FLORIDA

By: Don Rosenthal, City Manager
Date:

EXHIBIT A

Parcels as defined by Property Appraiser's office:

00-00-00-11789-000 – Hospital Property, less and except East ½ of the parking lot north of the 2-Story Women's Center (south of Franklin Street); the parking lot north of Franklin Street, south of Leon Street, and east of the LSHA Administration Building; and the Maintenance Building located on the NE corner of the LSHA Campus (proposed for lease to Columbia EMS)

00-00-00-11793-000 – tiny parcel northeast of hospital building

00-00-00-11794-000 – other tiny parcel northeast of hospital building

32-3S-17-13122-000 – parcel southeast of hospital (part of hospital grounds)

32-3S-17-13123-000 – parcel with helipad, southeast of hospital building