



Third Program Year CAPER

The City of Clearwater, Florida FY 2007-08 CPMP Third Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

1. EXECUTIVE SUMMARY

The overall purpose of the community planning and development programs as stated in Section 91 of the Housing and Community Development Act, as amended, with programs funded through the Community Development Block Grant Program and the HOME Investment Partnership Program is to develop viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities principally for low to moderate-income persons. The primary means toward this end is to extend and strengthen partnerships among all levels of government and the private sector, including for profit and non-profit organizations, in the production and operation of affordable housing.

The main purpose of these programs is to provide decent housing. Decent housing includes assisting homeless individuals and families, retaining the existing housing stock by rehabilitating existing housing units and increasing the availability of permanent affordable housing by building new affordable rental and owner-occupied units and providing down payment assistance. The second purpose includes increasing public services and public facilities to improve the safety and livability of neighborhoods as a suitable living environment. The third purpose is to expand economic opportunities to low to moderate-income individuals by creating or retaining jobs or creating and/or expanding businesses in low to moderate-income neighborhoods.

The Consolidated Annual Performance and Evaluation Report (CAPER) is the principal administrative report to document how effective the City has been in expending CDBG and HOME funds to meet the objectives listed above. It serves as the basis for program monitoring for compliance and for financial audits. It provides HUD with necessary information for the Department to meet its requirement to assess each grantee's ability to carry out relevant Community Planning Development (CPD) programs in compliance with all applicable rules and regulations. It provides information necessary for HUD's Annual Report to the U. S. Congress and provides grantees an opportunity to describe to citizens their successes in revitalization deteriorated neighborhoods and meeting objectives stipulated in our Consolidated Plan.

The City's FY 2007-08 CAPER contains information on the City's assessment of activities as they relate to the five-year goals and objectives, affirmatively furthering fair housing, affordable housing, continuum of care, leveraging resources, citizen participation, and self-evaluation.

2. ASSESSMENT OF THE ONE YEAR GOALS AND OBJECTIVES

In August 2005, the City of Clearwater City Council approved the FY 2005-2010 Consolidated Plan for funding from the Community Development Block Grant Program (CDBG), HOME Investment Partnership Program (HOME), and State Housing Initiatives Partnership Program (SHIP). In September 2005, the City's Consolidated Plan was approved by the United States Department of Housing and Urban Development (HUD). The Five-Year Consolidated Plan includes two (2) key activities; provide decent, safe, and affordable housing and increase public services and facilities to improve the safety of the neighborhoods.

The City's Mission is to assist residents in achieving self-sufficiency through decent housing, a suitable living environment and expanding economic opportunities. The goals for community development include promoting community self investment in low/moderate-income areas, providing facilities/services to address critical social services needs, providing facilities/services for seniors, children and persons with special needs, and expanding economic opportunities.

The goals for housing and the homeless include revitalizing older housing and demolishing unsafe structures, producing high-quality affordable housing, providing housing assistance, and providing services/housing for the homeless.

The City of Clearwater implemented three (3) basic strategies for assisting in the provision of decent, safe and affordable housing. The strategies consist of:

1. Homeowner rehabilitation - which include emergency repairs and disabled retrofitting
2. Down payment and closing cost assistance for homebuyers
3. Acquisition/rehabilitation/new construction

To preserve the existing housing stock, the city proposes to rehabilitate 100 units owned by low-income households. The City will preserve the housing stock by funding the acquisition and rehabilitation of 50 existing units for new low-income owner households over the five year period.

To encourage new homebuyers, the City will provide direct down payment/closing cost assistance to 100 low and moderate-income homebuyers. The City has proposed to construct 20 new affordable, for sale, infill housing units to support the city's ongoing revitalization/redevelopment efforts.

To encourage participation in the city's homebuyer's activities, the City will provide credit counseling and homeownership training assistance to 100 prospective low-income homebuyers.

During the FY 2007-08 funding year, the City implemented its Housing Pool. Primarily SHIP and HOME monies fund the Pool and are used for down payment and closing cost assistance, lot acquisition, rehabilitation and new construction. For larger developments, a non-profit and/or for-profit may be allocated funds in a line of credit format. This allows for the development of small infill projects, as well as the acquisition of several single existing units for rehabilitation and resale.

Clearwater's Economic Development and Housing Department - Housing Division oversees the activities of its subrecipient participants and administers the City's

rehabilitation and emergency repair program using CDBG, HOME and SHIP funds.

The Housing Pool participants submit a client case for approval for down payment and/or closing cost assistance. Once approved, the City encumbers those funds. Upon home closing, the Housing Pool participant will request reimbursement of the funds they expended and their loan processing fee(s). The loan processing fee(s) are not funded until we review the client file and have determined that all necessary documentation has been obtained to verify household income and assets and to substantiate any rehabilitation that may have been done on the home that was purchased.

The City made available a total of \$1,620,469 (program income and annual entitlement) for housing related activities in the Housing Pool during this reporting period. This amount is comprised of \$38,3,767 in HOME funds, \$940,726 in SHIP funds, and \$295,976 in CDBG funds. The Housing Pool continues to be one of the most effective ways for our housing partners to access funding for income eligible clients.

The City has identified five (5) general strategies to provide affordable housing over the Consolidated Plan period. They are to provide decent, adequate and affordable housing in safe and desirable environments for renters, homeowners, homebuyers, homeless and non-homeless with special needs.

a. Rental Strategy

The strategy for rental activities includes maintaining the existing rental housing stock through rehabilitation, new construction, conversion, and providing additional funding for acquisition/rehabilitation to very-low income households to ensure that housing costs, including utilities, does not exceed 30% of their gross monthly income.

The priorities listed in the current five-year strategy calls for providing decent, adequate and affordable housing in a safe and desirable community for renters. To fulfill this strategy, the City will facilitate meetings with developers and discuss potential funding for renovations of existing rental properties and/or new construction projects.

In this reporting period, the City expended \$375,000 in HOME Program funds and \$125,000 in SHIP funds for the construction of a four-unit permanent housing apartment complex for the Homeless Emergency Project (Fairburn Apartments). The four-unit rental structure provides housing for up to 24 homeless individuals. In addition, \$150,000 was provided to Kimberly Home to purchase a two-unit apartment building for low to moderate-income renters.

b. Homeowner Strategy

The strategies for homeownership activities are listed as follows:

1. Increase homeownership within the City of Clearwater;
2. Bring housing up to standard (and modernize when possible);
3. Remove architectural barriers;
4. Demolish units that prove economically infeasible to rehabilitate and provide relocation benefits;

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5. Ensure housing costs are in the general range of 30% of household income, and;
 6. Promote energy efficiency and prevent loss of homes.

The five-year goal is to renovate a minimum of 100 housing units through the Homeowner Rehabilitation Program, complete 25 emergency repairs through the Emergency Repair Program, and retrofit 25 homes to make them more accessible for physically-challenged individuals through the Disabled Retrofitting Program.

Twenty-eight (28%) of the housing units in Clearwater are over 30 years of age. To assist homeowners who need rehabilitation, the City offers loans through the Housing Division and through the approved housing non-profits participating in the City's Housing Pool. The loans are available to owner-occupied households with incomes that are very-low to moderate, with a priority on very-low and low-income households.

During FY07-08, the City made a total of eighteen rehabilitation loans with CDBG, HOME and/or SHIP funds. Eight (8) loans were provided to low-income families and ten loans were provided to very-low income families. This activity resulted in expenditures in the amount of \$459,450.

In addition, the City approved a 30-year, 3 percent interest loan with five years of deferred interest to Habitat For Humanity of Pinellas County for the Stevens Creek Project in the amount of \$600,000 to acquire real property that will be used to build single-family homes for low to moderate-income families. The funds will be repaid when each home is sold to an eligible homebuyer. The funding for the acquisition was provided through the Pinellas County Housing Trust Fund.

The 8.81-acre property is located at 1884 Betty Lane and is the former site of Homer Villas, a rental community owned by the Clearwater Housing Authority. The property acquisition cost was \$1,189,350 with the remainder of funds needed for the acquisition provided by Pinellas County. The acquisition cost of \$20,158 per unit is very reasonable.

After the purchase was completed, the local housing authority relocated the tenants who were residing at the complex and Habitat Pinellas demolished all of the existing structures. The City provided up to \$124,000 loan to Habitat Pinellas to demolish the deteriorated structures.

Habitat Pinellas proposes to build fifty single-family homes that would provide affordable housing for families whose incomes fall within 30-80% of area median income. To keep the units affordable, Habitat Pinellas will use volunteers to partner with a general contractor to perform the work. In addition to further affordability, Habitat Pinellas will provide reduced mortgages to homebuyers.

By providing affordable homeownership opportunities, Habitat Pinellas hopes to improve the housing stock in the neighborhood, raise the property values, and create economic incentives for additional public and private investments in areas targeted by the City for revitalization. Building these affordable units will help the City reach its goals of providing new single family homes as identified in its Five-Year Consolidated Plan.

To ensure a mixed-unit development, Habitat Pinellas will work with a developer to build nine (9) units that will be available for families between 80% and 120% of area median income.

Habitat Pinellas gives struggling households an opportunity for home ownership and has built 140 homes in 23 years. The units were sold with no profit and financed with zero percent interest. Habitat Pinellas has an experienced staff that has a solid history in housing development.

Habitat Pinellas has met with the City's development officials for approval and the results have been favorable, although the project has not been officially approved by the City's Planning Department. The anticipated construction start date is July 2009. The units will be built in phases with project completion scheduled for February 2013.

Homebuyers will be required to attend eleven mandatory classes in preparation for homeownership and contribute between 250-350 hours of sweat equity, volunteering at Habitat Pinellas in some capacity, mostly in the construction site. They will also be required to make nominal payments each month towards the closing costs for the future home.

In addition to the Homer Villas project, the City approved another potential housing development in this reporting period. The City authorized a \$700,000 Community Development Block Grant Program loan to SP Country Club Homes LLC to acquire vacant real property in June 2008. The Country Club Homes Housing Development Project will be located on the southeast corner of Betty Lane and Drew Street.

The 2.07-acre project consists of 36 for-sale townhomes that will be composed of three-bedroom 2.5 bath units with 2 car garages. The unit sizes will range from 1,312sf to 1,468sf of air-conditioned space. The sale price of each unit will be approximately \$170,000 for the "Standard" units and \$180,000 for "Premium" units.

The units will be sold to families with the following incomes; 19 units will be sold to families with incomes at 80% or less than the area median income and the remaining 17 units to families with incomes from 81% to 120% of AMI. For a family of four (4), the income will range from \$45,200 at 80% or less of AMI and up to \$67,800 at 120% of AMI. The project will include a pool, a jacuzzi and clubhouse, office and exercise room with handicap accessible bathrooms.

This project includes investment of over \$7.5 million in the East Gateway District located within the City's Community Redevelopment Area that will result in the development of a vacant parcel and provide improved access to high-quality affordable homeownership opportunities for families at or below 120% of area median income.

The developer of the project is Southport Financial Services, Inc. Southport, its owners, officers and affiliates have developed and operated over 13,000 dwelling units and over 135 projects in 17 states. The principals of Southport have extensive experience with the development of for-sale projects. Southport's recent for-sale experience includes 21 two-family homes in Newark, New Jersey and Ewing Place, a 10-unit townhome project, located in Clearwater.

It is anticipated the project will be completed in late 2009.

c. Homebuyer Strategy

The strategies for homebuyers include housing counseling programs that address pre-ownership issues, credit counseling, budgeting and foreclosure prevention to the very-low, low and moderate-income households. The 2008 Median Income for a family of four (4) in the Tampa/St. Petersburg/Clearwater Area is \$56,500. The low-income threshold is \$45,200 and the very-low income is \$30,500.

Other strategies include: easy access to affordable homeownership opportunities by providing larger subsidies to the very-low income credit-ready households and those purchasing homes within the City's target areas. The homebuyer strategy will also provide a means to finance the cost of rehabilitation as part of acquisition, providing additional affordable housing units to very-low and low-income households, upgrade neighborhoods and encourage activities to promote safer neighborhoods.

The City offers several programs that help make housing more affordable to very-low to moderate-income homebuyers. The City's Home Ownership Program lends funds to purchase land, provide down payment assistance, pay impact fees, pay disposition costs, pay closing costs and build new homes for income eligible homebuyers. Funds in this program are also available to approved non-profit agencies financing their clients home ownership needs. Currently these agencies include:

1. Clearwater Neighborhood Housing Services, Inc.
2. Community Service Foundation
3. Homes for Independence
4. Habitat for Humanity
5. Largo Area Housing Development Corporation
6. Tampa Bay Community Development Corporation
7. Consumer Credit Counseling

The funds will be leveraged against private sector financing to provide affordable housing.

The five-year goal for homebuyers calls for assisting 100 homebuyers per year with down payment and closing cost assistance and providing 100 homebuyers with educational services in regards to purchasing a home.

The City provided an allocation to Tampa Bay Community Development Corporation (TBCDC) to administer their Home Buyers Club and Homeownership Counseling Program, to Consumer Credit Counseling Services (CCCS) for budgeting and foreclosure counseling, and Community Services Foundation (CSF) to administer a Partnership to Homeownership Program and Homebuyer Education Program. In addition, the city provided funding to Clearwater Neighborhood Housing Services to implement a Housing Education/Counseling Program. All of the education and counseling programs were funded through the SHIP Program on a reimbursement basis.

Over 204 individuals/families took part in the education/counseling services during this reporting period. A total of 130 participated in both TBCDC Programs (Homeownership Counseling and Homebuyer Education Programs), 36 participated in Community Service Foundation's Partnership to Ownership and Homebuyer Education Programs, 32 participated through Clearwater Neighborhood Housing Services, Inc. Housing Education/Counseling Programs and six (6) participated

through Consumer Credit Counseling Services, Homebuyer Education Program.

Additional assistance was available, but due to the downturn in the housing market less homebuyers were able to purchase homes.

d. Homeless Strategy

The Pinellas County Homeless Policy Group (HPG) was formed in the Fall 2004. The mission was to develop a Countywide, 10-year plan to end homelessness. This plan was a result of an 18-month research and planning process. Included in the planning process were 40 members represented by elected officials, a school board member, a Public Defender, community and business leaders from a variety of industries, including faith-based organizations, housing authorities, healthcare, law enforcement, businesses, foundations, the homeless coalition, and formerly homeless persons from the general community.

Several factors were at the forefront of our research and planning discussions. The factors included: improving the quality of life for homeless individuals and families, improving the quality of life for those at risk of becoming homeless, eliminating barriers to housing and services, finding ethical and economical solutions, developing unified and comprehensive efforts that demonstrate best practices in housing and service delivery, and being able to demonstrate returns for our forthcoming efforts.

The HPG adopted the plan on January 13, 2006 and the City of Clearwater approved the plan unanimously at their March 16, 2006 Council Meeting.

The HPG has transitioned into the Homeless Leadership Network (HLN). HLN monitors and oversees implementation of the plan to ensure accountability and results consistent with the plan. The make-up of the HLN is very similar to the HPG, but now executive members of the Pinellas County Coalition for the Homeless (PCCH) serve on the group. The PCCH serves as the Operations Network Group and deals with the operating and actual implementation of the 10-Year Plan, while getting direction from the HLN.

In creating this plan and demonstrating our commitment to work together to develop and enact this plan, we hope this will provide motivation for others to get involved and support the effort.

The City provided CDBG funding to four (4) agencies assisting the homeless in FY 2007-2008 – Clearwater Homeless Intervention Project (CHIP), Westcare of Florida (a/k/a The Mustard Seed) – Turning Point and Religious Community Services – Food Pantry/The Haven and Homeless Emergency Project.

Westcare's - Turning Point Program received \$17,136 to cover administrative costs. The Turning Point is an inebriate receiving center that provides a safe haven for both walk-in clientele and those who are picked up by law enforcement and other agencies. The program provides food, temporary shelter, and counseling. After an initial assessment, clients are placed in longer term housing, assisted in finding a job and are provided other services as necessary. The facility has a capacity to handle 178 clients and two (2) staff members. The facility averages 56 beds and 10 clients on the floor.

The City funded the Clearwater Homeless Intervention Program (CHIP) in the amount of \$30,000 for operational support for a program that provides temporary shelter, food and clothing. The agency assisted 1,483 individuals during this reporting period. The program requires participants to seek and retain employment and receive counseling in order to stay at the shelter. Upon stabilization, clients are moved into transitional housing.

The city provided \$500,000, (\$375,000 HOME and \$125,000 SHIP), to the Homeless Emergency Project, Inc. to build a four-unit rental facility that provides housing for 24 homeless individuals (Fairburn Apartments).

A total of \$54,000 was provided to Religious Community Services – Food Pantry to renovate their facility that provides food for deserving low-income and homeless individuals and families. The agency provided services to 8,426 families during this reporting period. In addition to the food pantry, the city provided \$9,698 to the agency for improvements for their Haven’s Spouse Abuse Shelter.

The chart below illustrates the allocations and expenditures for FY 2007/08 and prior funds expended in this reporting year. These allocations resulted in many homeless individual/families being provided a place to live and get back on their feet and obtain other essential services.

	FY 07/08 Budget	Prior Year Funds	FY 07/08 Expended
CHIP - Operational	\$ 30,000.00	\$ 18,475.10	\$ 48,475.10
Westcare-Operational	\$ 17,135.00	\$ 6,771.46	\$ 23,907.04
HEP - Operational		\$ 12,000.00	\$ 12,000.00
HEP- Rental Housing	\$ 500,000.00		\$ 500,000.00
RCS-Food Pantry	\$ 54,000.00		\$ 45,016.00
TOTAL	\$601,135.00	\$37,246.56	\$629,398.14

Catholic Charities Foundation of Tampa Bay, Inc. (Catholic Charities) prepared a Permanent Special Needs Housing Grant Application that was received by the State of Florida in May 2008. The State of Florida provided three million dollars to Catholic Charities, subject to a local government match of one million dollars for a total development cost of 4 million dollars.

Catholic Charities requested \$127,501.56 as the City of Clearwater’s local match to build the single-room-occupancy housing complex for the Homeless from the Pinellas County Housing Trust Fund (HTF). The agency requested the funds as a local grant.

The funds will be used to construct a 50-unit, 80-bed efficiency apartment complex on the net acre tract of land owned by the Diocese of St. Petersburg, located directly to the south of the Pinellas Hope facility located around 49th St. and 5500 block of 126th Ave. The facility serves persons who are homeless or have special needs.

Pinellas County has disbursed funding over the past two (2) years to a Housing Trust Fund that allocated funding based upon the share of population. The City received allocations of \$944,456 in FY06 and \$472,228 in FY07. The Housing Trust Fund Program requires that each local government to contribute 15% of its annual allocation to projects that benefit special needs populations. The project allowed the City to meet its obligation for FY06-07.

St. Petersburg, Largo and Pinellas County will each participate in providing the required local government match with funding from the 15% budgeted for Special Needs from HTF.

The City commitment for matching funds was subject to completion of the Consolidated Plan Application and contingent on Catholic Charities obtaining Florida Housing Finance Corporation ("FHFC") funding from the FHFC FY 2008-09 Special Needs Allocations, and required additional local match funding from the City of Largo, the City of St. Petersburg, and Pinellas County by December 31, 2008, and commencing construction of the Development within two years.

In addition to the SRO project, Catholic Charities runs Pinellas Hope, an open-air homeless shelter located near 126th Avenue North in unincorporated Pinellas County. "Tent City", which was opened in December 2007, is intended to cut down on the number of individuals who are homeless and redirect them into permanent housing. Individuals who stay at Pinellas Hope are provided a safe haven and a warm meal. They also are put in contact with various social and community service agencies that could assist them with finding permanent housing and self-sufficiency.

In July 2008, Catholic Charities requested assistance to keep Pinellas Hope open the remainder of the year. The City Council discussed providing financial assistance to the Pinellas Hope Program and unanimously agreed to provide funding, from the General Fund, in the amount of \$50,000 to Catholic Charities for the continuation of the program

According to a St. Petersburg Times Article, of the 484 people Pinellas Hope served over the first five months, 122 found jobs and another 148 found homes. One man, who had lived under a highway overpass, discovered he was eligible for Social Security benefits and now has an apartment. The operation has survived on a combination of private charity, business donations and local government support.

e. Non-Homeless Special Needs Strategy

CDBG funds were provided in the amount of \$30,000 to Pinellas Opportunity Council to administer their Chore Services Program. Through this program, various chore services were provided to forty-seven elderly, frail elderly, developmentally-disabled and physically-disabled individuals to assist them in remaining in their home.

To further assist non-homeless individuals with special needs, the City provided funding to Directions for Mental Health. Directions For Mental Health provides a facility for individuals to obtain mental health counseling. They also provide needed medicines for related mental health illnesses. A total of \$62,900 was provided to repair their parking area and replace an air conditioning unit.

During this reporting period, the City provided funding in the amount of \$45,016 to Religious Community Service to renovate their facilities. Religious Community

Services and Directions for Mental Health provide assistance to the elderly, persons with mental and physical disabilities, and victims of spouse abuse. These services are classified as special needs.

3. AFFIRMATIVELY FURTHERING FAIR HOUSING

Until October 1999, the City of Clearwater had designated the Human Relations Department as the lead agency in affirmatively furthering fair housing and enforcing the local Fair Housing Ordinance. Human Relations investigated and enforced the Fair Housing laws, provided the administrative procedures that the City followed to enforce said laws, and responded to any Fair Housing complaints received by the City.

The City of Clearwater no longer directly enforces fair housing laws. The responsibility was assigned to the Pinellas County Human Relations Department since their office investigates and makes recommendations on all Fair Housing issues for other areas of Pinellas County with the exception of the City of St. Petersburg.

The City of Clearwater plays an active role in affirmatively furthering Fair Housing by adhering to the Human Rights Ordinance that Pinellas County adopted in 1984. Pinellas County maintains an interlocal agreement with the City of St. Petersburg for the enforcement of the ordinance. The City of St. Petersburg handles enforcement south of Ulmerton Road and Pinellas County enforces north of Ulmerton Road.

In 2002, the City of Clearwater, along with the cities of St. Petersburg and Largo, Pinellas County, Pinellas County Housing Authority, and the UNO Federation formed a Fair Housing Partnership to coordinate efforts countywide to support and expand the availability of housing to all, regardless of familial status, national origin, race, accessibility, and disability. The Partnership's tools for furthering this effort are educational programs, training, testing, assessments, and enforcement through the appropriate channels. The Partnership meets periodically to review programs and to set and review goals.

The City remains active in the provision of affordable housing, accessible housing, and promotion of home ownership. The City of Clearwater provides information concerning home ownership, home financing, and home repairs in printed matter and is working with our Public Communications Department to provide information in a variety of other mediums. Over the past year, the City has put a substantial amount of educational information on the Housing Division's webpage pertaining to Fair Housing, Elderly Housing, Lead-Based Paint, Predatory & Fair Lending, and Financial Education (SEE Appendix). The City will continue to expand the availability of information about housing programs and Fair Housing laws. The City requested to meet with the Fair Housing and Equal Opportunity representative from HUD Tampa to obtain technical assistance to improve our Fair Housing and Equal Opportunity activities.

a. Sale Or Rental Of Housing

Fair Housing complaints received by the City's Equity Services Department and Pinellas County Office on Human Rights/Human Relations indicate that discrimination in the sale or rental of housing and provision of housing brokerage services does occur.

b. Public Policies

The high percentage of build-out in the City affects the availability of suitable land for multi-family and affordable single-family development. The City's Community Development Code, design standards, adequate public facility (concurrency) ordinance and Building Code requirements influence the feasibility of affordable housing projects. Development regulations can limit the potential use of small or irregular infill parcels for affordable housing or increase costs associated with site development and construction.

c. Administrative Policies

Administrative policies generally support Fair Housing. These include:

1. Marketing housing programs in targeted areas.
2. Providing citywide homebuyers' assistance and education.
3. Placing educational material on the Housing Division's webpage.
4. Carefully reviewing where affordable housing developments will be located.
5. Avoiding a concentration of very-low to moderate-income households in multi-family developments.

d. Actions Taken To Overcome Impediments

The City, in conjunction with the Pinellas County Fair Housing Partnership (Pinellas County, St. Petersburg, Clearwater, Largo, Pinellas County Housing Authority, and the UNO Federation), initiated a Fair Housing Study beginning early in 2002 to determine if persons seeking rental housing were given differential treatment based on familial status, national origin, race, accessibility, and disability; and to determine if further educational and outreach programs were needed. Two (2) consulting firms conducted the testing process and prepared the report. Two hundred tests were conducted, but not all of the sites were tested on every basis.

The report was completed in the fall of 2002. Differential treatment was shown in 59% of the cases tested. Broken down by area, the percentage of cases showing differential treatment was: St. Petersburg, 52%; Clearwater 55%; Largo 67%; Pinellas County (balance of county including small cities) 61%. This information was presented to each of the Partners' boards or commissions, and all tested rental complexes were sent a copy of the study. Results were reported in local newspapers and on television.

As a result of the study it was recommended that the following steps be taken to improve the current situation:

1. In cases where there is overwhelming evidence of differential treatment, a complaint against the housing provider should be filed with HUD and/or any similar local governing agency.
2. There should be aggressive education and outreach efforts to both the housing providers and the general public.
3. The Pinellas Partnership retest properties that demonstrated "some type of differential treatment" for possible future enforcement effort.

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4. All local government permitting agencies should implement an accessibility review process before permitting newly constructed multi-family dwellings.
 5. Mandate Fair Housing training for any developer or builder receiving city or county funding.

The Partnership conducted a series of forums, seminars, and other outreach efforts to educate housing providers and the general public on Fair Housing issues, rights, and regulations. Testing will be done in the future on a smaller scale to determine if enforcement efforts are needed.

The City funds programs that offer free classes for persons desiring to become homeowners. The Pinellas Realtor Organization subscribes to the Voluntary Affirmative Marketing Agreement (VAMA) and works to educate its members about Fair Housing. Training and marketing materials have been videotaped and translated into American Sign Language and Spanish. The City promotes home ownership and education at various homebuyer fairs and expositions. The City also provides funding to Community Service Foundation to provide Fair Housing Education.

In addition to the Human Relations Department, the City is working with Pinellas County Realtors through the Voluntary Affirmative Marketing Agreement (VAMA) Program to further Fair Housing opportunities in real estate transactions. To further these efforts of the VAMA, the Pinellas County Board of Realtors enlisted the services of the Community Housing Resource Board to focus on the federal, state and local enforcement agencies, housing industry groups and volunteer community groups working together to promote Fair Housing practices.

These efforts include:

- Providing public information on Fair Housing.
- Assessing community Fair Housing needs and identifying local problems and issues that impede equal housing opportunity.
- Evaluating performance and effectiveness of the VAMA.
- Expanding minority involvement in the real estate industry.
- Expanding public awareness of housing opportunities in the community.
- Developing cooperative solutions to problems associated with the implementation of the VAMA.

Other actions during the FY2007-08 included:

- Continued support of Pinellas County Human Relations Department, Pinellas County Board of Realtors, and the Community Housing Resource Board.
- Continued to work with the local committee of American with Disabilities to view housing related issues for homeowners, renters, or homebuyers with disabilities.
- Provided SHIP funding in the amount of \$3,160 to the Community Service Foundation, \$26,740 to Tampa Bay Community Development Corporation, \$300 to Consumer Credit Counseling Services, Inc. and \$2,460 to Clearwater Neighborhood Housing Service to implement homebuyers training programs, fair housing education and assistance, and foreclosure prevention and counseling services.
- Provided funding in the amount of \$12,199 to Gulf Coast Legal Services to implement a Fair Housing program that offers fair housing counseling

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- services, initial needs assessment, rental eviction intervention, and marketing of Fair Housing programs.
 - Provided funding in the amount of \$14,897 to Community Service Foundation to administer a Fair Housing Program.

The Pinellas County anti-discrimination efforts focus on public information and enforcement of Fair Housing regulations and the County’s Human Rights Ordinance. The County publishes a Housing Resource Directory that includes an overview of Fair Housing law, information about reasonable accommodation and accessibility, and a list of state and local enforcement agencies. The County produces a brochure entitled, *Fair Housing in Pinellas County*, and distributes approximately 5,000 copies annually. Below market rate mortgages, down payment and closing cost assistance are readily available through the County’s Housing Finance Authority and through other agencies. The County is also active in providing and promoting affordable housing, providing low cost funds for home purchase or repair, and modification to homes to make them accessible to persons with disabilities.

The City directs significant resources to expand the supply of affordable rental housing and partners with a variety of for-profit and non-profit developers and the Housing Finance Authority of Pinellas County. The City also assists developers with a variety of incentives aimed at reducing development costs, impact fees, and regulatory impediments.

The City encourages mixed-income, multi-family developments to develop affordable housing in areas that are not predominantly low to moderate-income areas as part of a continuing effort to deconcentrate poverty. Funding is denied to developers who do not provide mixed-income housing where the effect could be to racially or economically segregate low-income households.

4. LEVERAGING RESOURCES

The City’s efforts to provide affordable housing and other services to very-low to moderate-income families have resulted in leveraging a great amount of additional resources.

Through the City’s SHIP and HOME Programs, the City expended \$126,969 in down payment assistance and leveraged \$511,031 in private sector funding.

Through the Infill Housing and Down Payment Assistance Programs the City continues to work closely with the lending and housing non-profits in the community to leverage private investment in home ownership. (Please see Homebuyers Section for accomplishments). In addition, the City works with Community Service Foundation, Partners in Self Sufficiency, Tampa Bay Community Development Corporation, Consumer Credit Counseling Services, and Clearwater Neighborhood Housing Service, Inc. to provide homeownership counseling to support our housing programs.

5. CONTINUUM OF CARE NARRATIVE

The City works closely with the Pinellas County Coalition for the Homeless and various other homeless services providers in addressing the needs of the City’s Homeless.

The City listed Continuum of Care issues as a high priority in the Consolidated Plan. During this reporting period, the City provided \$30,000 in CDBG funds to Clearwater Homeless Intervention Project (CHIP) as operating capital for their Emergency Shelter Facility as part of its Continuum of Care. The facility provided shelter, food, counseling, and case management services to 1,356 individuals during this reporting period.

A total of \$17,136 was provided to the Westcare of Florida (a/k/a The Mustard Seed) – Turning Point for inebriated homeless individuals. During this reporting period, the agency assisted 132 homeless individuals from Clearwater.

The Homeless Emergency Project received \$500,000 to build four (4) units of permanent rental housing for the homeless. The units will provide living facilities for up to 24 homeless individuals. The facility offers food to homeless individuals and families. The agency's goal is to serve 1,000 people annually. In addition to short and long-term housing for the homeless, the HEP provides a variety of other services including job placement, medical, dental and psychological counseling.

A total of \$45,016 was provided to Religious Community Services – Food Pantry to complete the renovation of their distribution facility that provides food for deserving low-income and homeless individuals and families. The agency provided services to 7,188 families during this reporting period.

In this reporting period \$62,900 in CDBG funds was provided to Directions for Mental Health to renovate their office complex. Directions for Mental Health - provides a wide range of high quality behavior health services for all ages. The agency assisted 3,265 individuals for effective treatment of mental illness.

CDBG funds were provided in the amount of \$30,000 to the Pinellas Opportunity Council to administer their Chore Services Program. Through this program various chore services were provided to 69 elderly, frail elderly, developmentally-disabled and physically-disabled individuals to assist them in remaining in their home.

6. CITIZENS PARTICIPATION

The City maintains a Neighborhood and Affordable Housing Advisory Board to encourage public participation. The Board meets periodically to discuss and make recommendations to City Staff and the City Council on housing related issues. The City Clerk's Office maintains minutes from those meetings.

The City has not received any citizen comments on the Proposed FY 2007-08 CAPER.

7. OTHER ACTIONS

a. Fostering And Maintaining Affordable Housing

The City of Clearwater has been very proactive in fostering and maintaining affordable housing. Although the City cannot control the cost of labor, goods or land costs, the City continues to look for new and creative ways to address the issue of affordability. Some of the steps the City has taken in the past and/or are currently doing include:

-
- Design homes that are practical and efficient
 - Subsidize impact fees
 - Provide financing at below market rates, zero percent and/or deferred payment loans
 - Fund subrecipients to acquire vacant properties and build affordable houses
 - Work with subrecipients to acquire homes foreclosed by HUD and resell them as affordable housing units
 - Pay for infrastructure improvements with general revenue funds
 - Change the City's Development Code to address other development issues
 - Work with the local housing authority to buy property and resell for affordable housing
 - Work with developers to put together applications for funding through the Low-Income Housing Tax Credit Program, State of Florida Housing Bond Program and other resources to build or rehabilitate rental units for affordable housing

b. Barriers To Affordable Housing

In the early years (1992 – 1995) of the City's SHIP Program, the Clearwater's Affordable Housing Advisory Committee (AHAC) reviewed the following areas to identify potential barriers to affordable housing:

- Affordable Housing Definitions
- Permit Processing
- Impact Fee Requirements
- Infrastructure Capacity
- Residential Zoning Density
- Transfer of Development Rights
- On-Site Parking and Setback Requirements
- Zero-Lot Line Development
- Sidewalk and Street Requirements
- Regulatory Review Processes
- Inventory of Lands Suitable for Affordable Housing Development

The City began receiving SHIP Program funding in 1992 when the Florida Legislature adopted the Sadowski Act. The SHIP Program is a dedicated source of affordable housing funds that are provided annually to the cities and counties within the state.

One of the driving forces behind the passage of the Sadowski Act was the Florida Homebuilders and Contractors Associations. As a result of their lobbying effort, SHIP jurisdictions each year must expend seventy-five percent (75%) of their funds (entitlement and recaptured funds) on activities that involve construction and/or rehabilitation of homes, and in addition, sixty-five percent (65%) of the funds (entitlement and recaptured funds) must result in homeownership.

A major requirement of the SHIP Program, as well as a condition of receiving continued funding, was each jurisdiction had to adopt affordable housing incentives that would assist in the implementation of their affordable housing activities. Each SHIP entitlement community was required to adopt an Affordable Housing Incentive Plan (AHIP), which contained, at a minimum two statutory required incentives: *1. Assurance that permits as defined in Chapter 163.3164(7) and (8) F.S. for affordable housing projects are expedited to a greater degree than other projects; 2. An*

ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption (420.9071(16) F.S.).

During the 2007 legislative session, the Florida legislature passed House Bill 1375. Under this bill, approval was granted for the creation of Section 420.9076 of the Florida Statute. This statute requires counties and cities receiving State Housing Initiatives Partnership (SHIP) funds to appoint an eleven member Affordable Housing Advisory Committee (AHAC). The statute further provides that the committee be made up of members from a specific industry or a specific group as identified in the statute. The requirement was largely met through the use of the City's existing Neighborhood and Affordable Housing Advisory Board (NAHAB). The City Council adopted Resolution No. 08-15 that created and appointed the AHAC.

The duties of the AHAC included reviewing policies and procedures, ordinances, land development regulations and the City's adopted comprehensive plan and recommending specific actions or initiatives to encourage or facilitate affordable housing.

Per state statute, at a minimum, the AHAC reviewed and made recommendations on the following:

1. The processing of approvals of development orders or permits, as defined in F.S.163.3164 (7) and (8), for affordable housing projects is expedited to a greater degree than other projects.
2. The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
3. The allowance of flexibility in densities for affordable housing.
4. The reservation of infrastructure capacity or housing for very-low income persons, low-income persons, and moderate-income persons.
5. The allowance of affordable accessory residential units in residential zoning districts.
6. The reduction of parking and setback requirements for affordable housing.
7. The allowance of flexible lot configurations, including zero-lot-line configurations for affordable housing.
8. The modification of street requirements for affordable housing.
9. The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
10. The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
11. The support of development near transportation hubs and major employment centers and mixed-use developments.

In July, the Economic Development and Housing Department contracted with Wade Trim, Inc. to help facilitate the process. Wade Trim coordinated the preparation of the Local Housing Incentive Strategy in cooperation with the City's staff and the AHAC. The Local Housing Incentive Strategy encompasses the definition, vision, strategic focus areas and incentive recommendations in order to facilitate the development of affordable housing in the City of Clearwater. The AHAC convened on four separate occasions in order to develop and identify the value of affordable housing, identify the principles for Clearwater's affordable housing and develop a vision statement to be included as part of the Local Housing Incentives Strategy. A

separate focus group consisting of for-profit and non-profit affordable housing developers was also organized in order to gain additional insight and recommendations concerning the incentive strategies.

The report highlights an affordable housing vision statement that was derived from input by board members. Additionally, AHAC members focused on the values that affordable housing brings to the City of Clearwater. The themes identified centered on the values that affordable housing supports a dynamic and competitive economy, improves the social well being that builds a sense of community, and ensures that the City's workforce can live within the City limits. Furthermore, the AHAC also identified and recommended provisions that would identify adaptive reuse practices, require triennial updates to the City's Local Housing Incentives Strategy, support design standards for affordable housing developers, improve communication and marketing channels for affordable housing, diversify financing resources, and support development of public and private partnerships for the provision of affordable housing.

By statute, the initial report must be submitted to City Council by December 30, 2008. After the initial submission, the reports are due every three years on December 31st of the year preceding the submission of the Local Housing Assistance Plan (LHAP).

The City Council is being asked to review the Local Housing Incentives Strategy recommendations that were approved by the AHAC on November 19, 2008. By March 31, 2009, the City Council will be asked to adopt an amendment to the LHAP to incorporate the local housing incentive strategies it will implement for the City of Clearwater. The amendment must include, at a minimum, the State required incentive strategies specified above. Upon approval, the City of Clearwater is required to notify the State of its adoption of an amendment to its LHAP to incorporate the incentive strategies. The notice must also include a copy of the approved amended plan in order to comply with the SHIP programs participation guidelines.

As we continue to address the affordable housing needs of our residents, we must also ensure that we continue to meet the statutory requirements of the SHIP Program. In future years, as part of the monitoring process conducted by the State of Florida, the monitors will be evaluating how local jurisdictions are implementing their affordable housing incentives in order to ensure they are meeting their statutory obligations. These evaluations will review the process and policies that all affordable housing projects go through from start to finish. This process is not totally exclusive to affordable housing projects using SHIP dollars, but any affordable housing project taking place in the City, regardless of the funding source.

c. Managing The Process

As part of the review process for proposed policies, regulations, plans and programs, the sponsoring city department requests that the Economic Development and Housing Department to analyze the economic impact of the action as it pertains to the cost of housing. The analysis shows the estimated increase in cost to an average home. The analyses are maintained on file in the Housing Division of the Economic Development and Housing Department.

The City holds public hearings and meetings to obtain citizen input and to respond to

citizen proposals and inquiries about activities and program performance. Citizens and other city stakeholders have emphasized the need to consider the City's diverse interests in the establishment of goals, objectives, policies and priorities; the identification of new projects and programs; and in the application, monitoring and evaluation of existing programs.

Typically, the Economic Development and Housing Department staff meets with prospective affordable housing developer to determine the level of assistance and project needs. If the developer proceeds with a project, staff facilitates the plan review and permitting process through the Planning, Building and Engineering departments. This allows the Economic Development and Housing Department to troubleshoot and streamline the process.

Below is a section from the City's recently adopted "Expedited Processing and Ongoing Review" Policy.

d. Expedited Processing

i. Building Department

All affordable housing projects, as defined in Chapter 163.3164(7) and (8) F.S., that are located within the City limits are required to include with their application for building permit a request for Expedited Processing. A copy of this request must be provided to the Building Official and to the Assistant Director of Housing. Expedited Processing affords eligible projects priority over projects without this status. When an affordable housing project receives approval, the Building Division notifies the Assistant Director who, in turn, will document the timeframe for the application process.

ii. Planning Department

The Planning Department will follow the City of Clearwater - Community Development Code when processing all affordable housing applications for activities that require rezoning, land-use amendments, variances, development orders, etc. Under the Code, all projects are reviewed and may be scheduled for the next meeting of the Development Review Committee (DRC – staff level review) and if needed, the Community Development Board (CDB). Many applications can be decided at the staff level and may not need to go DRC and/or CDB. When affordable housing projects and/or applications are submitted that can be decided at the Staff level, they shall receive priority and be reviewed before any non-affordable housing project and/or applications. Applicants must indicate that the project will be an affordable housing development and/or project. The Planning Department has and will continue to implement, where possible, the expedited plan amendment process for large-scale amendments related to the provision of affordable housing.

e. Comprehensive Plan Analysis

The City's Comprehensive Plan includes a state mandated housing element that analyzes the City's existing and projected housing need. The element contains goals, objectives and policies that work in tandem with other city housing policy documents. Fostering and maintaining an affordable housing supply is one of the element's primary goals. The goal is supported by policies that aim to reduce barriers

to public and private sector construction of affordable units.

The Economic Development and Housing Department coordinated with the Planning Department in 2005 for the preparation of the Evaluation and Appraisal Report (EAR) for the Comprehensive Plan. A focus of the EAR was affordable housing. In this regard, the EAR included an assessment of the successes and shortcomings of the City's affordable housing policies and programs, along with recommendations for improvement.

The EAR recommendations were addressed in a major update of the Comprehensive Plan in 2007-2008. As part of the review process, the city formed a Citizen Advisory Committee (CAC) to provide direction in the EAR. The CAC, along with a consultant (Wade Trim, Inc.), established identification of data needs and methods of compilation, meetings, methodology of comprehensive issues analysis, and coordination with other city departments. Their results were provided to the City's Planning Department. The Planning Department's recommendations were approved by the City Council. The EAR-based comprehensive plan amendments are currently being reviewed by the State of Florida Department of Community Affairs for approval.

f. Lead Based Paint

Lead based paint continues to be a serious problem throughout cities across America. It is usually prevalent in homes built prior to 1978. Clearwater's housing stock is relatively new with the average home being built after 1970. However, the City still maintains that lead based paint is a serious issue and conducts housing inspections to determine if there are defective paint surfaces. If lead conditions are present, the lead paint is either removed or covered in a manner described by HUD. No lead based paint conditions were found during this reporting period.

The City will continue its effort to rid structures of lead based paint and will inspect any homes built prior to 1978 for any presence of lead based paint. The City will continue to test and remove all lead based paint surfaces in structures that are being rehabilitated under our programs that are using federal funds. The City will use the services of the Pinellas County Environmental Department to test all structures with defective paint surfaces and the local Health Department to test children for elevated blood levels. The Willa Carson Community Health Resource Center continues to participate with the City by providing a meeting area for neighborhood based education programs, disseminating information on the hazards of lead based paint, and provide blood screening.

The City continues to put information about lead based paint and safety on to the Housing Division website.

Program activities include the following:

- Collaboration between public-private agencies involving housing, health, and community-based organizations to facilitate a Healthy Home Team to go door to door in the targeted Brownfields area to identify children and homes at risk.
- Assurance that children identified at risk receive blood lead testing and the child with elevated lead levels receives follow-up care.

-
- Promotion of a public awareness campaign through education via physicians and the community and disbursement of educational materials.
 - Routine placement of educational materials on the Housing Division's webpage.
 - Assessment of homes at risk to identify lead hazard control services to eliminate hazards identified in homes.
 - Initiation of supportive lead hazard control services to eliminate hazards identified in homes.
 - Evaluation of prevention activities to measure the impact and outcome of program services and intervention efforts in the community.

g. Poverty Level Assessment

Reducing the number of residents who live below the poverty level is very important to the City of Clearwater. The City realized that the most effective way to reduce the number of persons below the poverty level was to increase their income through providing employment opportunities.

The City will provide funding to support service organizations that reduce impediments for families allowing them to rise above the poverty level. The City provides economic development opportunities to non-profit and for profit businesses that agree to hire lower-income individuals. Through the coordination among programs, including the Environmental Protection Agency, State Brownfields Redevelopment initiatives, Juvenile Welfare Board, Clearwater Stars, United Way, the Eckerd Foundation, Pinellas County WorkNet, and the University of South Florida, the City will continue to expand its efforts to reduce impediments.

h. Institutional Structure

To overcome gaps in institutional structures and enhance coordination, the City implemented several practices that have been very successful. First, local lenders were provided with information relative to the City's housing programs and offer a coordinated effort for the lending institution to prosper. Together we are able to provide home ownership and homebuyer opportunities for very-low to moderate-income families. The City and its subrecipients pre-qualify clients to the lender's and City's specification and provide financing in the form of down payment assistance.

i. Public Housing And Residential Initiatives

The City understands the benefits of improving public housing and resident initiatives. To improve the lives of families residing in public housing the City targeted the children to break the cycle. The City will continue to work and strengthen our relationship with the Clearwater Housing Authority (CHA) to foster innovative public housing developments, potential joint ventures and residential initiatives. There are several potential projects that the City is coordinating with CHA. These include the former Jasmine Courts property and the Homer Villas property.

To help with resident initiatives, the City provided \$30,000 for operations to the

Partners in Self Sufficiency Program. This program provides residents on public assistance (Section 8) housing, counseling and case management services that encourage participants to become self-sufficient and purchase their own home. The agency assisted 87 families during this reporting period.

8. HOUSING

a. Housing Needs

The City has been very proactive in fostering and maintaining affordable housing. Although the City cannot control the cost of labor, goods or land costs, the City continues to look for new and creative ways to address the issue of affordability. Some of the steps the City has taken in the past and/or are currently doing include:

- Design homes that are practical and efficient
- Subsidize impact fees
- Provide financing at below market rates, zero percent and/or deferred payment loans
- Fund subrecipients to acquire vacant properties and build affordable houses
- Work with subrecipients to acquire homes foreclosed by HUD and resell them as affordable housing units
- Pay for infrastructure improvements with general revenue funds
- Change the City's Development Code to address other development issues
- Work with the local housing authority to buy property and resell for affordable housing
- Work with developers to put together applications for funding through the Low-Income Housing Tax Credit Program, State of Florida Housing Bond Program and other resources to build or rehabilitate rental units for affordable housing

b. Specific Housing Objectives

Housing Objective One: Build 200 new mixed-income rental units in conjunction with ongoing redevelopment/revitalization projects.

- Federal Funds: HOME/CBDG
- State/Other Funds: SHIP, FHFC programs

Housing Objective Two: Acquire and/or rehabilitate 50 units in small rental complexes for mixed-income affordable rental housing.

- Federal Funds: HOME/CBDG
- State/Other Funds: SHIP, FHFC programs

Housing Objective Three: Preserve the existing housing stock by rehabilitating 100 units owned by low-income owner households.

- Federal Funds: HOME/CBDG
- State/Other Funds: SHIP

Housing Objective Four: Preserve the existing housing stock by funding the acquisition and rehabilitation/expansion of 50 existing units for new low-income owner households.

- Federal Funds: HOME
- State/Other Funds: SHIP

Housing Objective Five: Provide direct down payment/closing cost assistance to 100 low and moderate-income homebuyers.

- Federal Funds: HOME
- State/Other Funds: SHIP, HFA Bonds

Housing Objective Six: Construct 20 new affordable, for sale, in-fill units in support of the City's ongoing revitalization/redevelopment activities.

- Federal Funds: HOME/CDBG
- State/Other Funds: SHIP

Housing Objective Seven: Provide credit counseling and homeownership training assistance to 100 prospective low-income homebuyers.

	Goals	Actual FY 2005	Actual FY 2006	Actual FY 2007	Actual FY 2008
Build Mixed Income Rentals	200				4
Acquire/Rehab Mixed Income Rentals	50				2
Rehab Low-Income Owner Housing	100	43	20	18	18
Acquire/Rehab Low-Income Housing	50		4		
Down Payment Assistance Low-Income Housing	100	15	12	14	7
Build New Affordable Housing	20	3	10	14	
Housing Consulting	100	460	312	132	204
Total Housing Units	520	61	46	46	31

c. Housing Accomplishments

During FY 2007-08, the City made eighteen rehabilitation loans with CDBG, HOME and/or SHIP funds. Fourteen loans were provided to low-income families and eighteen loans were provided to very-low income families. This activity resulted in expenditures in the amount of \$483,684.

The City offers several programs that help make housing more affordable to very-low and moderate-income homebuyers. The City's Home Ownership Program will lend funds to purchase land, provide down payment assistance, pay impact fees, disposition costs, closing costs and build new homes for income eligible home buyers. Funds in this program are also available to approved non-profit agencies financing their clients home ownership needs. Currently these agencies include:

- Clearwater Neighborhood Housing Services, Inc.
- Community Service Foundation
- Home for Independence
- Habitat for Humanity
- Largo Area Housing Development Corporation
- Tampa Bay Community Development Corporation

In addition to loans, housing education and counseling services were provided by four (4) of the City's housing subrecipients. The City has allocated, on a per household basis, \$75,000 for housing education. The City provided an allocation to Tampa Bay Community Development Corporation (TBCDC) to administer their Home Buyers Club and for Homeownership Counseling Program, Consumer Credit Counseling Services for budgeting and foreclosure counseling, Community Services Foundation (CSF) for administering the Partnership to Homeownership and Homebuyer Education Program and Lighthouse Credit Foundation for homebuyer counseling. All of the education and counseling programs were funded through the SHIP program.

Over 204 individuals/families took part in the education/counseling services during this reporting period. A total of 130 participated in both TBCDC Programs (Homeownership Counseling and Homebuyer Education Programs), 36 participated in Community Service Foundation's Partnership to Ownership and Homebuyer Education Programs, 32 participated from Clearwater Neighborhood Housing Services and Consumer Credit Counseling Service counseled six (6).

9. HOME Program

a. Assessment Of Relationship Of HOME Funds

The City received an allocation of \$538,355 in HOME Entitlement Funds for FY2007-2008. The majority of the funds were set aside for housing development. The table below shows how funds for the entitlement allocation were budgeted this reporting period:

Subrecipient Housing Pool	\$383,767
Community Housing Development Organizations	\$80,753
Relocation	\$10,000
Demolition	\$10,000
Program Administration	\$53,835
TOTAL	\$538,355

Funds set aside in the Subrecipient Housing Pool may be used for homeownership rehabilitation; new single-family housing construction, down payment and closing cost assistance, acquisition of real property and other related housing costs. Funds set aside for the Community Housing Development Organization are undetermined. The table below lists the activities by which the funds were expended during this reporting period with the FY 2007-2008 entitlement allocation, program income and reprogrammed funds from prior years.

Rehabilitation Owner-Occupied	\$5,000.00
Rehabilitation Rental	\$1,899.00
Administration/Program Delivery Costs	\$50,833.67
New Construction - Single Family	\$500.00
New Construction - Rental	\$375,000.00
Acquisition & Development	0
Demolition	0
Community Housing Development Organizations	\$130,472.38
Temporary Relocation	0
Down Payment and Closing Costs Assistance	0
Other	0
Total HOME Expenditures	\$563,705.05

The City has four (4) certified Community Housing Development Organizations (CHDOs). Clearwater Neighborhood Housing Services, Inc., Largo Area Housing Development Corporation, Mt. Carmel Community Development Corporation, and Homes for Independence, Inc.

The FY04 CHDO award went to Homes to Independence to build affordable rental units. The FY05 and FY06 award went to Largo Area Housing Development. The FY07-08 allocation award was not determined.

b. HOME Match Report

Please see Match Report in Appendix under "IDIS Reports".

c. HOME Inspections, Affirmative Marketing Actions, Outreach To Minority And Women Owned Businesses

Three (3) rental housing developments previously funded and subject to HOME monitoring were inspected during this reporting period. The housing developments were Wellington Apartments, Fulton Avenue Apartments and Lexington Apartments. Wellington and Fulton Avenue Apartments provide housing for low to moderate-income families and Lexington Apartments provide housing for the elderly.

The monitoring visit to Wellington, Fulton Avenue and Lexington Apartments did not show any areas of non-compliance.

10. OTHER HOUSING PROGRAMS

a. State Housing Initiatives Partnership (SHIP) Program

During the City's FY07-08, the period of October 1, 2007 through September 30, 2008, the City expended the following dollars in association with the development and preservation of loans for housing units for low to moderate-income families with down payment and closing cost assistance for new and existing units.

Down Payment and Closing Cost Assistance Program

SHIP Funds Expended	\$1,081,099
Other Public Funds Expended	0
Private Funds Expended	\$511,031
Owner Equity	\$24,011
TOTAL	\$1,616,141

Funding from this program provided seven (7) families with down payment and closing cost assistance. Five (5) families had income less than 80 percent of the median area income and two (2) families had income between 80 and 120 percent of the median area income.

Rehabilitation Program

SHIP Funds Expended	\$282,452
TOTAL	\$282,452

Funding from this program provided rehabilitation funds to twelve families. Seven (7) families had income less than 50 percent of the median area income and five (5) families had income between 50 and 80 percent of the median area income.

Multi-Family Housing Program

SHIP Funds Expended	\$275,000
TOTAL	\$275,000

SHIP funds were used as a local match (\$125,000) for the HOME Program to construct a four (4) unit permanent housing complex for Homeless Emergency Project (Fairburn Apartments). The facility will provide housing opportunities for up to 24 homeless individuals. An additional \$150,000 was provided to Kimberly Home to purchase an existing two (2) unit rental facility.

The City developed the Foreclosure Prevention Program to provide one-time assistance to low to moderate-income families who had previously been assisted with SHIP funds in order to prevent foreclosure.

According to the City's SHIP Annual Report, a total of \$1,109,403 in total revenues (allocation, program income and recaptured funds) was deposited into the Local

Affordable Housing Trust Fund during State FY 07-08. These funds were generated through the following:

State Annual Distribution	\$851,9571
Program Income	\$257,446
Recaptured Funds	0
TOTAL	\$1,109,403

b. Emergency Shelter Grants Program

The city does not receive any Emergency Shelter Grant Funds.

c. Brownfields Program

The City of Clearwater, Florida Brownfields Area is one of the city’s oldest sections with a low-income, minority population in the most densely populated county in Florida. The City’s Brownfields area covers all three of the City’s Neighborhood Revitalization Strategy Areas.

It has been ten years since the City of Clearwater was awarded its first EPA Brownfields Assessment Pilot grant, and recent events indicate that the city’s cleanup and redevelopment of Brownfields properties is still an active campaign. The Clearwater Brownfields Area (CBA), with approximately 244 regulatory listed sites located in over 7,000 properties, is spread across more than 1,842+ acres. Clearwater has the distinction of being the first state-designated Brownfields area in Florida.

Clearwater defines Brownfields as “redevelopment opportunities that result in viable economic and community development, residential, and open-space/greenspace projects.” The definition reflects a perception of Brownfields that is results-oriented, viewing challenges as opportunities rather than insurmountable liabilities.

Over the last decade, Clearwater has moved aggressively to attract funding for its Brownfields program. The City has received a total of \$2,641,000 in EPA grants and \$1.7+ million in state and other Brownfields related funding. Clearwater has conducted 90 Phase I Environmental Assessments, 15 Phase II Assessments, and fourteen sites have been cleaned up and readied for reuse.

To capture the benefits to public health, the City of Clearwater Economic Development & Housing Department Brownfields Program began efforts to develop and implement a Public Health Monitoring Project (PHM). The PHM is funded from the US EPA Brownfields Assessment Grant BF-96486307-0. By integrating public health with Brownfields redevelopment, the physical, mental, social and spiritual well being of individuals, families and the community can be improved.

To gain insight about health challenges faced by Clearwater communities, an initial meeting was held with local public healthcare providers. A summary report of the meeting is considered an initial measure to develop a collaborative effort to improve community health, well-being and sustainability.

Tangible benefits of Brownfields redevelopment can include health clinics, community gardens, parks and recreations area, and health related business (e.g. pharmacies, diagnostic centers). Public health monitoring offers a variety of tools that can be used to identify the public health needs that may be addressed through Brownfields redevelopment. These include mapping of site characteristics, examination of vital statistics and monitoring of health and environment (e.g. asthma surveillance, lead abatement) among other measures.

11. COMMUNITY DEVELOPMENT

The City utilized a strategy of diversification when selecting CDBG eligible activities. Funds in the amount of \$193,010 were allocated for administration (including Fair Housing activities), \$463,276 for housing activities (rehabilitation, acquisition, disposition, etc.), \$173,660 for public facilities and improvements and \$135,107 for public services.

a. Nature And Reasons For Any Changes To Objectives

There were no changes or amendments to program objectives.

b. Assessment Of Grantee Efforts To Carryout Planned Actions

1. All resources (CDBG, HOME and SHIP) listed in the Consolidated Plan were obtained.
2. The City supported the Homeless Emergency Project in an application for federal funds.
3. In addition to CDBG, HOME and SHIP funds, the City was successful in obtaining private sector leveraging for new housing construction and financing home purchases.

c. Actions Of Funds Used Outside The National Objectives

All CDBG funds were used for activities that meet the national objectives.

d. Acquisition, Rehabilitation And Demolition Narrative

Neither the City, nor its subrecipients, acquired or rehabilitated buildings that resulted in the displacement of business, individuals or families as a result of projects funded with CDBG or HOME dollars. All properties that were acquired with CDBG funds were voluntary and mostly vacant parcels.

The City's subrecipients purchased all properties acquired during this reporting period. They include Clearwater Neighborhood Housing Service, Inc., Tampa Bay Community Development Corporation, Community Service Foundation, and Habitat for Humanity.

When subrecipients become interested in a property they want to acquire, the following steps are required:

1. The Subrecipient informs the property owner they are interested in the property.

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2. The Subrecipient sends out HUD Guide Notice-Disclosures to Sellers with Voluntary, Arm's Length Purchase Offer.
 3. The Subrecipient informs the owner they do not have the power of Eminent Domain and the purchase would strictly be a voluntary transaction.
 4. If the owner is interested in selling the property, an appraisal is obtained.
 5. The Subrecipient determines just compensation for the property.
 6. The Subrecipient offers just compensation to the owner.
 7. Should the owner agree to the offer, the Subrecipient may purchase the property.
 8. If the offer is not acceptable to the owner, both parties walk away from the deal.

Temporary relocation benefits were provided to eligible homeowners while their homes were being rehabilitated. Temporary benefits include moving, storage, temporary rents, and utilities.

A total of \$123,495 was expended to demolish 16 dilapidated vacant rental buildings (former Homer Villas). The demolition of the rental buildings will result in the construction of fifty new single-family homes for low to moderate-income families.

The Clearwater City Council approved a Contract For Purchase of Real Property located at 1317 and 1321 Martin Luther King Avenue and 1104 Tangerine Street. The properties located at 1317 and 1321 were vacant and without improvements. The property located at 1104 Tangerine Street is a two-story commercial building. The first floor had an operating bar (Blue Chip Bar) and a vacant restaurant. The second floor had twelve vacant boarding rooms.

The full purchase price as established was reached through negotiations with the seller through the seller's real estate agent. On February 1, 2008 State Certified General Real Estate Appraisers Holly B. Isaacs and Charles T. Cowart, MAI, of Issacs Real Estate Services, appraised and valued the properties at \$458,600.

The funds used to purchase the properties were derived from unprogrammed Community Development Block Grant Program Funds (\$466,900), State Brownfields Program funds (\$29,050) and other non-federal housing funds (\$29,050).

The City's Brownfields Program funded, from EPA Grant #BF96486307, a total of \$26,300 for a Phase I and Phase II Environmental Site Assessment (ESA). The assessments included an asbestos survey; lead base screening; quality assurance project plan; soil and groundwater activities. No environmental impacts were noted.

The purchase of these properties will remove a deteriorating and longstanding blighting impact on the North Greenwood community and will continue the City's efforts to revitalize the neighborhood. The City has begun initial discussions with several non-profit organizations regarding potential partnerships for an end use for the site.

e. Economic Development Narrative

For FY07-08 the City expended \$34,232 for Economic Development Program Delivery. The program delivery costs were associated with managing the economic development loan portfolio.

f. Limited Clientele Narrative

The City and its subrecipients maintain files that document all clients who qualify for the limited clientele designation.

g. Loans And Other Receivables

Please see Financial Summary Report.

h. Lump Sum Agreements

The city does not provide lump sums.

12. NEIGHBORHOOD REVITALIZATION STRATEGY AREAS

The City of Clearwater's Neighborhood Revitalization Strategy (NRS) is a component of the City's Five Year Consolidated Plan. The strategy was established to promote a flexible design in the City's allocation of funds provided by HUD and CDBG to promote innovative programs in economically disadvantaged areas of the City. The NRS provides for enhanced regulatory flexibility in the program requirements for providing CDBG funds for economic development, housing and public service activities.

In terms of economic development relief, the strategy allows job creation or retention efforts by businesses not be hampered by requiring them to track the income of people hired or retained. Economic development activities carried out in the approved neighborhood revitalization areas are also exempt from the aggregate public benefit standards.

The relief for public service activities can be viewed in terms of the regulatory requirements that no more than 15% of the total CDBG allocation may be used for public services activities. Under this strategy, all public services offered within the subject neighborhoods and carried out as part of qualified projects by a Community Based Development Organization (CBDO) are exempt from the public service cap of 15%. Therefore, the City will be able to offer a more intensive level of service to stimulate revitalization. This allows the City to address some of the urgent needs of the disadvantaged community by offering job training and other related economic development assistance.

In terms of housing relief, the revitalization strategy will allow the City to track scattered site housing units as a single strategy. This will enable the City to provide housing opportunities to not only very-low to low-income families, but to other families who earn between 80-120% of Area Median Income (AMI). This will increase the level of affordable housing units and thereby raise the income level of the neighborhood and in the process create a mixed-income community.

There are several non-housing factors that cause a blighting influence on communities. They range from vacant boarded structures, to crime, to lack of commercial/retail activities. To help stimulate economic development opportunities within the North Greenwood Neighborhood, the City took several measures to ensure that the neighborhood would be stable. The City built a new 8,000sf library and a state-of-the-art aquatic/recreational center. In addition, the City provided roadway

enhancements on Martin Luther King Avenue from Seminole to Palm Bluff Avenue. These were provided from non-federal resources.

The NRS includes two different neighborhoods – the North Greenwood Community and South Greenwood Community. They both have their own goals and objectives. The North Greenwood Neighborhood Revitalization Strategy Area has identified the following strategies to improve their neighborhood:

- Eliminate poor conditions of structures
- Remediate low-level contaminated sites
- Reverse declining property values
- Expand business opportunities
- Create new investment opportunities in the neighborhood
- Increase new job training and placement opportunities
- Reduce the unemployment rate
- Empower neighborhood residents to eliminate crime
- Strengthen coordination of community organizations in the redevelopment effort

The Lake Belleview (f.k.a. South Greenwood) Neighborhood Revitalization Strategy Area has the same general strategies of the North Greenwood Area. The Lake Belleview area would like to see the following:

- Additional educational opportunities of businesses
- A new neighborhood training facility
- A new childcare facility
- Job training opportunities
- A community library
- New homes
- Better social services
- Better collaboration of existing organizations
- More crime awareness programs

The City has taken several steps over the years to address the strategies in the Neighborhood Revitalization Strategy. Steps include developing a flexible code enforcement program, purchasing and demolishing dilapidated buildings, working with local law enforcement to reduce crime, funding outreach programs and providing loans to small businesses.

a. North Greenwood

Listed below are projects the City has completed over the past few years in the North Greenwood Neighborhood Revitalization Strategy Area.

- North Greenwood Branch Library - (2003)
- North Greenwood Recreation/Aquatic Complex - (2003)
- North Greenwood Apartments Renovation – (2003)
- North Greenwood Corridor Enhancements (2006)
- North Greenwood Reclaimed Water

In this reporting period, the City provided federal funding for several projects in the North Greenwood Neighborhood Revitalization Strategy Area. They include:

Public Service	Willa Carson Community Health Center	\$15,000
Public Service	Homeless Emergency Project – Operational	\$12,000
Rental Housing	Homeless Emergency Project-Fairburn Housing Projects	\$500,000
Acquisition	Blue Chip Bar	\$535,000
	TOTAL	\$1,062,000

Funding for these programs assisted in meeting some of the strategies identified in the Neighborhood Revitalization Strategy. The funds provided to HEP enabled the organization to tear down the deteriorated structures to build new ones and reinvest in the community. The enhancements will expand business opportunities.

b. Lake Belleview

The City also is continuing their efforts to rehabilitate homes and develop infill housing in the Lake Belleview Area. For this reporting period the City, along with our Housing Partners, provided funding for one (1) infill home, one (1) down payment assistance loan, and one (1) rehabilitation loan in the Belleview Area.

Through the general fund, the city built in 2004 for \$2.9 million an aquatic/recreation complex, a skateboard park, a fishing pier on Lake Belleview and new baseball fields.

On June 14, 2008, the City of Clearwater partnered with an international organization, Let Them Be Kids, to design and construct a new playground at the Ross Norton Recreation Complex. A volunteer committee led the program and recruited over 300 volunteers to build the playground and install new landscaping. The community chose to dedicate the playground to Arturo Huerta-Cruz, Clearwater's fallen soldier. In addition to providing much needed recreational opportunities, the playground also served as a catalyst to identify emerging community leaders, and helped bring the community together. The playground cost \$200,000 raised from grants and corporate sponsors.

c. East Gateway District

In 2002, the 260-acre Clearwater Community Redevelopment Area was expanded to encompass 201 acres that included the East Gateway District, a distressed neighborhood that serves as the primary gateway to Clearwater’s central business district and beaches. The expansion was viewed as a strategic approach to revitalize East Gateway, leverage public-private partnerships for economic development and housing, achieve stability in residential and business areas and increase redevelopment potential.

The 176-acre East Gateway neighborhood is characterized by a mixed land use pattern of residential housing interspersed with pockets of poorly maintained rental properties and outdated strip commercial developments. The commercial sector is burdened with a declining business base, deteriorating infrastructure, a mismatch of uses and vacant storefronts. The neighborhood struggles with code issues, homelessness, high rental rates and a negative image of crime due to problematic land uses and businesses. Rerouting of a state road in 2005 diverted traffic away from East Gateway area. Significant decreases in traffic volumes have affected business activity in the neighborhood and further emphasized the need for a targeted

business development and investment strategy.

The East Gateway Task Force, comprised of city staff, was formed in 2005 to develop strategies to bring about positive change in the neighborhood. The Task Force conducted a series of focus group meetings and neighborhood events in 2006 to gain an understanding of neighborhood issues, values and preferences. Input received through the public process was used in developing the East Gateway District Five-Year Action Program, which was adopted by the Community Redevelopment Agency at a public meeting on May 13, 2008. The goals of the Action Program are to:

- Engage residents, businesses and other neighborhood interests in the creation and implementation of the action program;
- Achieve neighborhood stability by addressing the social, economic and physical issues that plague the area;
- Establish a unique and positive identity that instills neighborhood pride and sense of ownership; and
- Revitalize the neighborhood to attract reinvestment in private property.

The Action Program focuses on the following emphasis areas: 1) safety and security; 2) business environment; 3) neighborhood appearance; 4) economic growth and housing; and 5) Hispanic community integration. Generally, the Action Program will be implemented through:

- Application of applicable objectives, policies and design guidelines to redevelopment projects during the site plan review process;
- Use of the Public Amenities Incentive Pool;
- Public strategies (e.g., Code revisions or new program to address a neighborhood issue); and
- Capital improvements projects (public and private).

Action Program activities have been assigned to one of two timeframes for implementation over the five-year program period—Years 1 - 2: FY 07/08-FY 08/09 and Years 3 - 5: FY 09/10-FY 11/12. For action items that address particularly challenging issues (chronically homeless) or are highly dependent on outside forces (real estate market), the timeframe to achieve the desired outcome may extend beyond the five-year program period. Such occurrences will be assessed and reported during the monitoring and evaluation process. On an annual basis in conjunction with the City budgeting process, actions items in the outer years (Years 3-5) will be moved into Years 1-2, as appropriate and feasible.

While the city provides leadership, technical capabilities and funding for Action Program implementation, a partnership with community stakeholders is also key to achieving neighborhood goals. A new Public Outreach and Communications Plan guides the Task Force in engaging the diverse neighborhood interests in revitalization efforts. In late 2008, two community groups were organized – the East Gateway Stakeholders Advisory Group and the East Gateway Business and Neighbors Association. The city is currently coordinating with the Hispanic Outreach Center, a local social services agency, to capture input from Hispanic-Latino residents through focus groups discussions.

13. Housing Opportunities For People With AIDS (HOPWA)

The City does not receive any HOPWA Funds.