



First Program Year CAPER

The City of Clearwater, Florida FY 2010-11 CPMP First 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 of deteriorated neighborhoods and meeting objectives stipulated in our Consolidated Plan.

The City's FY 2010-11 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.

Please note that this CAPER is included under the goals and objectives identified in the FY 2005-2010 Five-Year Consolidated Planning Period. HUD approved a one

extension on April 1, 2010 for the FY 2010-11 Consolidated Action. Normally, the FY 2010-11 Consolidated Action Plan and the CAPER would be considered the first year of the FY 2010-15 Five-Year Consolidated Plan. The one-year extension was provided for grantees to obtain more recent data to include in their five-year plan. The U.S. Census information was not made available during the timeframe to complete the five-year plan.

2. ASSESSMENT OF THE ONE YEAR GOALS AND OBJECTIVES

In August 2005, the City of Clearwater approved the FY 2005-10 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 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 the expansion of 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 focuses on three (3) basic areas for assisting in the provision of decent, safe and affordable housing. The focus consists 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 five-year goal is 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 five-year goal is to 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 five-year goal is to provide credit counseling and homeownership training assistance to 100 prospective low-income homebuyers.

During FY 2010-11 funding year, the City implemented its Housing Pool primarily with SHIP and HOME monies and used the funds for down payment and closing cost assistance, lot acquisition, rehabilitation and new construction. For larger developments, a non-profit and/or for-profit organization 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 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 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: a) renters, b) homeowners, c) homebuyers, d) homeless and e) 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 facilitated meetings with developers and discussed potential funding for renovations of existing rental properties and/or new construction projects. Four projects were funded this year:

1) Covert Apartments (Jerry Howe Apartments)

On June 8, 2009, Boley Centers, Inc., a private non-profit psychosocial rehabilitation and housing agency established in 1970, presented an application of funding for construction costs to rehabilitate a thirteen-unit apartment complex (Covert Apartments). Boley Centers has developed and operates 15 apartment complexes that provide 150 units of permanent, supportive housing for people with severe and persistent mental illness in Pinellas County.



The total cost to renovate the Covert Apartments was \$620,950 with the City's contribution being \$128,198. Other funding for this project included \$117,752 from the Veterans Administration and \$375,000 from Boley Centers, Inc.



Covert Apartments is located at 1447 and 1451 Gulf to Bay Boulevard in the East Gateway Neighborhood Revitalization Strategy Area. This is a commercial sector that is burdened with a declining business base, deteriorated infrastructure, various building uses and vacant storefronts. The rehabilitation of the Covert Apartments is consistent with the goals and objectives of the City's Consolidated Plan because it improved the appearance of the site and addressed homelessness in the area.

The apartment complex is comprised of eight two-bedroom units, four one-bedroom units and one efficiency apartment. All of the prior tenants' incomes were at or below 50% of area median income. The renovation did not result in any permanent relocation for the tenants. However, the tenants might have moved within the complex while their units were being renovated.

The scope of the renovation included a new roof on the north building, replacement of windows, countertops and kitchen appliances, carpeting, interior and exterior painting, and making one two-bedroom unit accessible for persons with physical disabilities.

The rents for the units are \$750 for the two-bedroom units and \$500 for the one-bedroom units. However, the tenants will only pay 30% of their adjusted income for rent projected at approximately \$202 after utility allowances.

The architect for the renovation was Wedding and Stephenson Architects, Inc. and the contractor was General Home Development, Inc. The project was presented and approved by the Neighborhood and Affordable Housing Advisory Board in July 2009. The project was completed September 2011. The units are currently being leased.

2) Pine Berry Apartments



Pine Berry Senior Apartments, located at 1225 Highland Avenue, made an application for funding to develop apartments for seniors. The amount requested was a \$545,000, three percent 30-year loan. The new apartment complex provides 80 affordable multi-family units for the elderly. The project comprises 40 one-bedroom/one-bathroom units and 40 two-bedroom/one-bathroom units. The one-bedroom units are 625 square feet and the two-bedroom units are 780

square feet. The rents are set at 60% of the area median income or lower, based on the requirements of the City. The project site is approximately 3.02 acres and is located on a former bowling alley site.

The purchase price of the Pine Berry property was \$1.7 million. The cost for the project was \$15,859,959. Funding for Pine Berry included \$545,000 from the City with \$200,000 in funds utilized from the State Housing Initiative Partnership Program and \$345,000 in funds utilized from HOME, \$9,240,872 was funded through the Federal Low-Income Housing Tax Credit Program, \$5,590,341 from the Tax Credit Assistance Program, and \$483,746 from the owner's equity.

The Development is equipped with an amenity package that includes emergency call service in each unit, a community center, a picnic area, a computer lab, laundry facilities with full size washers and dryers, and a library.

RLI Beneficial Development 7, LLC was the Developer of the apartments. RLI has engaged a management company since the project is now complete.

The Partnership submitted a LIHTC Application to the Florida Housing Finance Agency on April 10, 2008. The Partnership obtained their tax credits and architectural drawings in July 2008. The project was completed in July 2011. The units are currently being leased.

3) HEP Veterans Housing

On May 3, 2010, the Homeless Emergency Project (HEP) submitted an application to the City in the amount of \$100,000 to acquire vacant real property located at 1250 Palmetto Street. The property was previously owned by the Pinellas County School Board.

HEP is a 501(c) (3) non-profit organization that was founded in 1986 to meet the needs of a growing number of homeless individuals and families. HEP provides emergency shelter, transitional housing, and family rental units for the homeless population. In addition to housing, the agency provides food, intensive case management, clinical services, free dental care, child care and other supportive



services to the homeless.

The vacant land will be used to develop transitional housing for homeless veterans and individuals. The sale price was undetermined at the time of the application; however, a February 10, 2010 appraisal listed the value of the land at \$558,000. The subject property is 2.9 acres.

On August 3, 2010, HEP submitted an amended application for the acquisition and construction costs in the amount of \$365,000, the sales price the owner had agreed to sell the property for and an application in the amount of \$302,000 for a portion of the development costs for the construction of six two-bedroom apartments for homeless female veterans with or without children and a ten-unit male veterans

group home. This project will create 30 beds specifically for females and females with children and 20 beds for male veterans.

The total development cost for the project is \$3,497,144. The sources include the City contributing an additional \$725,000 (in addition to the \$372,340 provided for land acquisition), Pinellas County contributing \$1,800,000, and the agency providing \$599,804. The City's commitment for the development project will be presented and approved by the Neighborhood and Housing Advisory Board on November 22, 2011. It will be presented to the City Council on December 1, 2011. Construction is estimated to take 12-13 months.

4) Abilities of Morningside I

On September 24, 2010, Abilities of Morningside I submitted an application for funding in the amount of \$216,000 to renovate rental housing units located at 2500 Harn Blvd., Units B-2, E-3, F-11, F-14, J-2 and J-8. Abilities at Morningside I is an affiliate of Abilities Inc. of Florida. Funding for this project includes \$162,000 from the HOME Investment Partnership Program and \$54,000 from the Pinellas County Housing Trust Program.

This project will preserve the existing housing stock for low to moderate-income individuals and families with disabilities. The property renovations will include the replacement of windows, HVAC systems, cabinets, doors, flooring, appliances, water heaters, insulation and paint. Household incomes will be limited to 50% of area median income. The existing tenants will remain in the units.

The \$216,000 HOME/PCHTF Program loan was approved in September 2011. The project is currently under renovations and is scheduled to be completed during the next reporting period.

5) Abilities of Morningside II

On October 8, 2009, Abilities Inc. of Florida submitted an application to the City in the amount of \$86,000 to acquire real property and make renovations to rental housing units located at 2500 Harn Blvd., Units A-8, D-4 and E-12 and 2501 Harn Blvd., Units J-6, J-7, D-9, D-10 and H-24. The total project costs were estimated at \$1,283,000.

On September 2, 2010, the application for this project was amended to \$200,000. The loan was approved by the City as a zero percent, 30-year loan with a five year deferment. The funding for the project includes \$150,000 from the HOME Investment Partnership Program and a \$50,000 match from the Pinellas County Housing Trust Fund Program.

Abilities Inc. of Florida is a not-for-profit corporation organized in 1959 principally for the purpose of providing vocational evaluation, case management, job training, and employment services for persons with disabilities. The parent corporation includes several affiliate not-for-profit corporations including Abilities at Morningside II, which is the latest expansion of the housing programs sponsored by Abilities Inc. of Florida.

The Abilities at Morningside II Project will provide residential units that are scattered throughout the existing condominium complex. The units will be fully wheelchair accessible on the first floor and retrofitted for sensory disabilities for units located on

the second floor. The tenant portion of the rents will not exceed 30% of the adjusted gross income for the household, with the balance of the monthly rent being provided by HUD through a Project Rental Assistance Contract.

The agency is currently renovating the units through other funding sources. Upon completion, the agency will lease the units.

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 unfeasible to rehabilitate and provide relocation benefits;
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.

Sixty-seven percent of the housing units in Clearwater are over 20 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 FY 2010-11, the City made a total of nine (9) owner-occupied rehabilitation loans with HOME and/or SHIP and Pinellas Housing Trust Fund Program funds. One (1) SHIP-only loan was provided to a low to moderate-income family with income of less than 50% of area median income. An additional combination of HOME, PCHTF and SHIP loans were provided to eight (8) low to moderate-income families. Of those loans, five (5) were provided to families with income less than 50% of area median income and three (3) loans were provided to families with income between 50-80% of area median income.

Homeowner rehabilitation produced \$46,587 in expenditures from the HOME Program with an additional \$52,188 in SHIP funds expenditures as the HOME match. The total expenditures from all funds were \$98,775.

HOMEOWNER REHABILITATION PROGRAM FY 10-11

Program	Less than 50% AMI	50-80% AMI	Over 80% AMI	Total Units
Home Program	0	0	0	0
HOME/SHIP Program	5	3	0	8
SHIP Program	0	1	0	1
PCHTF*				
Total	5	4	0	9

Note: HOME Program funds require a local match. SHIP Program funds do not require a local match.

*Pinellas County Housing Trust Fund

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 2011 Median Income for a family of four (4) in the Tampa/St. Petersburg/Clearwater Area is \$55,700. The low-income threshold is \$45,200 for households at 80% of area median income and \$28,250 for households at 50% of area median income.

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 also provides 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 assist in making housing more affordable to very-low to moderate-income homebuyers. The City's Homeownership 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. Habitat for Humanity
3. Largo Area Housing Development Corporation
4. Tampa Bay Community Development Corporation

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

The five-year goal for homebuyers calls for assisting 100 homebuyers 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 of \$660 to Tampa Bay Community Development Corporation (TBCDC) to administer their Home Buyers Club and Homeownership Counseling Program. In addition, the City provided \$60 in funding to Clearwater Neighborhood Housing Services (CNHS) to implement a Housing Education/Default – Foreclosure Prevention Program.

The City did not budget funding for housing counseling as a single project. Instead, housing counseling services was provided to homebuyers who purchased homes with HOME Program funding.

Over thirteen (13) individuals/families took part in the education/counseling services during this reporting period. A total of eleven (11) participated in both TBCDC Programs (Homeownership Counseling and Homebuyer Education Programs and two (2) participated through Clearwater Neighborhood Housing Services, Inc. Housing Education/Default – Foreclosure Prevention Programs.

Other activities supported by the City included providing funding for the acquisition of vacant land and building single family homes, providing funding to purchase existing homes and rehabilitating them and providing down payment and closing cost assistance to purchase new and existing homes.

In this reporting period, an additional \$23,450 in CHDO HOME funds was expended by Habitat for Humanity of Pinellas Community Housing Development organization to build a single-family housing unit. The housing unit will be sold as an affordable housing unit to a low to moderate-income family. In addition, another \$37,018 was provided to Largo Area Housing Development Corporation, Inc. (CHDO) to acquire two (2) vacant lots. The lots will be developed for affordable housing units in the next reporting period.

The City's Down Payment and Closing Cost Program provided new homebuyer opportunities to seventeen (17) families. Of the families assisted, two (2) families income was below 50% of area median income and fifteen (15) families had incomes between 50-80% of area median. The average purchase price of the homes was \$115,214.

HOME BUYER PROGRAM FY 09-10

Program	Less than 50% AMI	50-80% AMI	Over 80% AMI	Total Units
Home Program	0	0	0	0
HOME/SHIP Program	2	15	0	17
HOME/SHIP/ PCHTF Program	0	0	0	0

Total	2	15	0	17
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Note: HOME Program funds require a local match, unless it is a CHDO Project. SHIP Program funds do not require a local match.

A total of \$223,294 in HOME funds, \$7,500 in Pinellas County Housing Trust Program funds and \$98,891 in SHIP funds were provided to make homeownership possible. This public investment of \$329,685 resulted in \$1,790,596 in private capital being placed in the City's economy.

d. Homeless Strategy

Policy Direction

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 Council approved the plan on March 16, 2006.

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.

Operational Support

The City provided CDBG funding to three agencies assisting the homeless in FY 2010-11 – Clearwater Homeless Intervention Project (CHIP), Religious Community Services – Food Pantry/The Haven and Homeless Emergency Project.

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 760 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 funded the Homeless Emergency Project in the amount of \$12,000 for operational support to implement the homeless programs. The agency assisted 1,020 individuals during this reporting period.

A total of \$93,306 was provided to Religious Community Services – The Havens/Grace House to renovate their facilities that provides housing opportunities and supportive services for low-income and homeless individuals and families. The agency provided services to 649 families during this reporting period.

The chart below illustrates the non-housing homeless allocations and expenditures for FY 2010-11 and prior funds expended in this reporting year. These allocations resulted in many homeless individual/families being provided a place to live and obtain other essential services.

	FY 10/11 Budget	FY 10/11 Expended
CHIP - Operational	\$30,000	\$30,000
HEP - Operational	\$12,000	\$12,000
RCS – The Havens*	\$53,306	\$11,768
RCS – Grace House*	\$40,000	\$3,562
TOTAL	\$135,306	\$57,330

* Note: Construction underway – anticipated completion in next reporting period.

Homeless Housing Actions

1) Covert Apartments (Jerry Howe Apartments)

On June 8, 2009, Boley Centers, Inc., a private non-profit psychosocial rehabilitation and housing agency established in 1970, presented an application of funding for construction costs to rehabilitate a thirteen-unit apartment complex (Covert Apartments). Boley Centers has developed and operates fifteen (15) apartment complexes that provide 150 units of permanent, supportive housing for people with severe and persistent mental illness in Pinellas County.

The total cost to renovate the Covert Apartments was \$620,950 with the City's contribution being \$128,198. Other funding for this project included \$117,752 from the Veterans Administration and \$375,000 from Boley Centers, Inc.

Covert Apartments is located at 1447 and 1451 Gulf to Bay Boulevard in the East Gateway Neighborhood Revitalization Strategy Area. This is a commercial sector that is burdened with a declining business base, deteriorated infrastructure, various building uses and vacant storefronts. The rehabilitation of the Covert Apartments is consistent with the goals and objectives of the City's Consolidated Plan because it improved the appearance of the site and addressed homelessness in the area.

The apartment complex is comprised of eight two-bedroom units, four one-bedroom units and one efficiency apartment. All of the prior tenants' incomes were at or below 50% of area median income. The renovation did not result in any permanent relocation for the tenants. However, the tenants might have moved within the complex while their units were being renovated.

The scope of the renovation included a new roof on the north building, replacement of windows, countertops and kitchen appliances, carpeting, interior and exterior painting, and making one two-bedroom unit accessible for persons with physical disabilities.

The rents for the units are \$750 for the two-bedroom units and \$500 for the one-bedroom units. However, the tenants will only pay 30% of their adjusted income for rent projected at approximately \$202 after utility allowances.

The architect for the renovation was Wedding and Stephenson Architects, Inc. and the contractor is General Home Development, Inc. The project was presented and approved by the Neighborhood and Housing Advisory Board in July 2009. The project was completed in August 2011.

2) HEP Veterans Housing

On May 3, 2010, the Homeless Emergency Project (HEP) submitted an application to the City in the amount of \$100,000 to acquire vacant real property located at 1250 Palmetto Street. The property was previously owned by the Pinellas County School Board.

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The vacant land will be used to develop transitional housing for homeless veterans and individuals. The sale price was undetermined at the time of the application; however, a February 10, 2010 appraisal listed the value of the land at \$558,000. The subject property is 2.9 acres.

On August 3, 2010, HEP submitted an amended application for the acquisition and construction costs in the amount of \$365,000, the sales price the owner had agreed to sell the property for and an application in the amount of \$302,000 for a portion of the development costs for the construction of six two-bedroom apartments for homeless female veterans with or without children and a ten-unit male veterans group home. This project will create 30 beds specifically for females and females with children and 20 beds for male veterans.

The total development cost for the project is \$3,497,144. The sources include the City contributing an additional \$725,000 (in addition to the \$372,340 provided for land acquisition), Pinellas County contributing \$1,800,000, and the agency providing \$599,804. The City's commitment for the development project will be presented and approved by the Neighborhood and Housing Advisory Board on November 22, 2011. It will be presented to the City Council on December 1, 2011.

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 sixty-six (66) elderly, frail elderly, developmentally-disabled and physically-disabled individuals to assist them in remaining in their home.

During this reporting period, the City provided funding in the amount of \$93,306 to Religious Community Services to renovate their facilities. Religious Community Services provides assistance to the elderly, persons with mental and physical disabilities, and victims of spouse abuse. During this reporting period the agency was able to provide assistance to over 649 individuals and families.

1) Abilities of Morningside I

On September 24, 2010, Abilities of Morningside I submitted an application for funding in the amount of \$216,000 to renovate rental housing units located at 2500 Harn Blvd., Units B-2, E-3, F-11, F-14, J-2 and J-8. Abilities at Morningside I is an affiliate of Abilities Inc. of Florida. Funding for this project includes \$162,000 from the HOME Investment Partnership Program and \$54,000 from the Pinellas County Housing Trust Program (PCHTF).

This project will preserve the existing housing stock for low to moderate-income individuals and families with disabilities. The property renovations will include the replacement of windows, HVAC systems, cabinets, doors, flooring, appliances, water heaters, insulation and paint. Household incomes will be limited to 50% of area median income. The existing tenants will remain in the units.

The \$216,000 HOME/PCHTF Program loan was approved in September 2011. The project is currently under renovations and is scheduled to be complete during the next reporting period.

2) Abilities of Morningside II

On October 8, 2009, Abilities Inc. of Florida submitted an application to the City in the amount of \$86,000 to acquire real property and make renovations to rental housing units located at 2500 Harn Blvd., Units A-8, D-4 and E-12 and 2501 Harn Blvd., Units J-6, J-7, D-9, D-10 and H-24. The total project costs were estimated at \$1,283,000.

On September 2, 2010, the application for this project was amended to \$200,000. The loan was approved by the City as a zero percent, 30-year loan with a five year deferment. The funding for the project includes \$150,000 from the HOME Investment Partnership Program and a \$50,000 match from the Pinellas County Housing Trust Fund Program. The remaining project costs, \$1,083,600 estimated, will be provided by HUD through a Section 811 loan.

Abilities Inc. of Florida is a not-for-profit corporation organized in 1959 principally for the purpose of providing vocational evaluation, case management, job training, and employment services for persons with disabilities. The parent corporation includes several affiliate not-for-profit corporations including Abilities at Morningside II, which is the latest expansion of the housing programs sponsored by Abilities Inc. of Florida.

The Abilities at Morningside II Project will provide residential units that are scattered throughout the existing condominium complex. The units will be fully wheelchair accessible on the first floor and retrofitted for sensory disabilities for units located on the second floor. The tenant portion of the rents will not exceed 30% of the adjusted gross income for the household, with the balance of the monthly rent being provided by HUD through a Project Rental Assistance Contract.

The agency is currently renovating the units through other funding sources. Upon completion, the agency will lease up the units.

3. AFFIRMATIVELY FURTHERING FAIR HOUSING

The City of Clearwater is no longer directly enforcing fair housing laws. The responsibility has been 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 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, and Pinellas County 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 and accessible housing and promotion of home ownership. The City provides information concerning home ownership, home financing, and home repairs in printed matter and has worked with our Public Communications Department to provide information in a variety of other mediums

On April 8, 2011, the City partnered with the Bay Area Apartment Association, Bay Area Legal Services, the cities of Largo, St. Petersburg and Tampa, Greater Tampa Association of Board of Realtors, Gulf Coast Legal Services, Hillsborough County Equal Opportunity Administration and Pinellas County Office of Human Rights (Tampa Bay Fair Housing Consortium) to sponsor an Annual Fair Housing Certificate Program. The City provided sponsorship for programs providing workshops on Fair Housing, Accessible Home Design, Landlord-Tenant Rights and Responsibilities, and Real Estate Sales and Rentals. On April 19, 2011, the Greater Tampa Association of Realtors sponsored a workshop on At Home with Diversity. The workshop focused on fair housing issues.

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. The City hopes to partner with other local government agencies and conduct a study to determine the level of discrimination.

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

In 1995, the U.S. Department of Housing and Urban Development (HUD) announced that entitlement communities, communities receiving direct federal funding from Community Development Block Grant, HOME Investment Partnership and Emergency Shelter Grant programs, must conduct a study of existing barriers to housing choice. This required study is referred to as the Analysis of Impediments (AI) and is part of entitlement communities consolidated planning process.

The purpose of the AI is to examine how state and local laws, private, public and non-profit sector regulations, administrative policies, procedures, and practices are impacting the location, availability, and accessibility of housing in a given area. The AI is not a Fair Housing Plan rather it is an analysis of the current state of fair housing choices in Clearwater and identifies specific barriers that need to be addressed if future fair housing initiatives are to be successful.

Each jurisdiction receiving federal funds must certify that it is affirmatively furthering fair housing. The certification specifically requires jurisdictions to conduct an analysis of impediments to fair housing choice within the state or local jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

Evaluating fair housing impediments is a complex process involving diverse and wide-ranging considerations. The role of economics, housing patterns, and personal choice are important to consider when examining fair housing choice. Clearwater has relatively few impediments to fair housing. However, some issues were identified.

On July 22, 2010, the cities of St. Petersburg, Largo and Clearwater and Pinellas County procured the services of J-Quad Planning Group, a fair housing consultant, to conduct an analysis of impediment to fair housing choice for each entity. The result of that analysis is listed below.

The analysis of fair housing choice in the City has resulted in the identification of impediments, identified through a study methodology that included conducting focus group sessions, the construction of a demographic analysis resulting in a community profile and fair housing index, analysis of the Home Mortgage Disclosure Act (HMDA) data for the City and Pinellas County and a fair housing law and public policy and program review.

The City's commitment to furthering affordable housing through planning and CDBG/HOME program design and implementation is noteworthy. These efforts will continue to help maintain stability and strengthen its older and lower-income areas. The City and its nonprofit partners are encouraged to expand these efforts into other neighborhoods as a primary means of expanding fair housing choice.

Banking, Finance, Insurance and Other Industry Related Impediments

Impediment: Impacts of the Sub-prime Mortgage Lending Crises and increased Foreclosures.

Remedial Action: Continue to work with the State, National Non-Profit Housing Intermediaries, Federal Home Loan Bank, other lenders and HUD to evaluate programs and identify funding that can help reduce the mortgage default rate and foreclosure rates among low and moderate-income home buyers and existing home owners.

Impediment: Low number of loan applications from minorities and low origination rates for minority applicants.

Remedial Action: Continue homebuyer outreach and education efforts. Expand homeownership and credit counseling classes as part of a high school curriculum in order to help prevent credit problems later in life.

Impediment: Predatory lending and other industry practices.

Remedial Action: Continue to encourage financial institutions to assist low to moderate-income persons by establishing or reestablishing checking, saving, and credit accounts for residents that commonly utilize check cashing services through bank initiated "fresh start programs" for those with poor credit and previous non-compliant bank account practices.

Socio-Economic Impediments

Impediment: Poverty and low-income among minority populations.

Remedial Action: Continue to work on expanding job opportunities through the recruitment of corporations, the provision of incentives for local corporations seeking expansion opportunities, and the assistance with the preparation of small business loan applications. Support agencies that provide workforce development programs and continuing education courses to increase the educational level and job skills of residents.

Neighborhood Conditions Related Impediments

Impediment: Limited resources to assist lower income, elderly and indigent homeowners maintain their homes and stability in neighborhoods.

Remedial Action: Continue to support and expand program of Self-Help Initiatives based on volunteers providing housing assistance to designated elderly and indigent property owners and assist them in complying with municipal housing codes. Involve volunteers, community and religious organizations/institutions and businesses as a means of supplementing financial resources for housing repair and neighborhood cleanups.

Public Policy Related Impediments

There were no Public Policy Related Impediments.

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 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 FY 2010-11 include:

- 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 HOME funding in the amount of \$660 to Tampa Bay Community Development Corporation and \$60 to Clearwater Neighborhood Housing Service to implement homebuyers training programs, fair housing education and assistance, and default-foreclosure prevention and counseling services

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- Provided funding in the amount of \$26,381 to Gulf Coast Legal Services to implement a fair housing program that offers counseling services, initial needs assessment, rental eviction intervention, and marketing of fair housing programs. The agency assisted 110 individuals
 - Provided funding in the amount of \$7,500 to Community Service Foundation to administer a fair housing program. The agency assisted 71 individuals

The Pinellas County anti-discrimination effort focuses 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 modifications 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 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, Tampa Bay Community Development Corporation, and Clearwater Neighborhood Housing Service, Inc. to provide homeownership counseling to support our housing programs.

During this reporting period, the City provided \$41,045 in HOME funds to purchase two (2) vacant lots. The purchase of the lots will result in the development of two (2) new homes.

In this reporting period, an additional \$23,450 in HOME funds was expended to build a new single-family housing unit. The housing unit will be sold as an affordable housing unit to a low to moderate-income family in the next reporting period.

The City's Down Payment and Closing Cost Program provided new homebuyer opportunities to seventeen (17) families. Of the families assisted, two (2) family's income was below 50% of area median income and the remaining fifteen (15) families had incomes between 50-80% of area median. The average purchase price of the homes was \$115,214.

A total of \$223,294 in HOME funds, \$7,500 in Pinellas County Housing Trust Funds and \$98,891 in SHIP funds were provided to make homeownership possible. This public investment of \$329,685 resulted in \$1,790,596 in private capital being placed in the City's economy.

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 760 individuals during this reporting period.

The Homeless Emergency Project received \$12,000 as operating capital for their Emergency Shelter Facility as part of its Continuum of Care. The facility provided food to 1,020 homeless individuals and families. In addition to short and long-term housing for the homeless, HEP provides a variety of other services including job placement, medical, dental and psychological counseling.

A total of \$93,306 was provided to Religious Community Services – The Havens and Grace House. The Havens facility provides housing, case management and a variety of services for victims of spouse abuse. The Grace House facility provides transitional housing for homeless families. The Havens provided spouse abuse services to 37 families while Grace House provided services to 612 families.

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 66 elderly, frail elderly, developmentally-disabled and physically-disabled individuals to assist them in remaining in their home.

The City provided funding in the amount of \$12,000 to WestCare GulfCoast Florida, Inc. for salary support to operate the Turning Point overnight shelter. The shelter provides an overnight facility for homeless persons under the influence of drugs and/or alcohol. It operates as an inebriate receiving and intervention program that provides for a 24-hour sobering up area, intensive case management, and placement services. The agency's goal was to serve 150 homeless Clearwater individuals. The agency expended \$12,000 and assisted 172 homeless Clearwater individuals.

The City did not receive any applications for direct support for providing housing opportunities for persons with HIV/AIDS. The City will continue to outreach to agencies that provide services to this community.

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 the meetings.

The City has not received any citizen comments on the Proposed FY 2010-11 CAPER.

7. OTHER ACTIONS

a. Fostering and Maintaining Affordable Housing

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 is 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 cities and counties within the State of Florida.

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 75% of their funds, entitlement and recaptured funds, on activities that involve construction and/or rehabilitation of homes, and in addition, 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 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.

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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 2008, 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 City 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. The AHAC convened on four 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 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. 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 was submitted to the City Council by December 30, 2008. After the initial submission, the reports become due every three (3) years on December 31st of the year preceding the submission of the Local Housing Assistance Plan (LHAP).

The City Council reviewed the Local Housing Incentives Strategy recommendations that were approved by the AHAC on November 19, 2008. The City Council adopted an amendment to the LHAP to incorporate the local housing incentive strategies it will implement for the City. The amendment included, at a minimum, the state required incentive strategies specified above. Upon approval, the City notified the state of its adoption of an amendment to its LHAP to incorporate the incentive strategies. The notice included a copy of the approved amended plan in order to comply with the SHIP programs participation guidelines.

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 analyze 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 the Economic Development and Housing Department to analyze the economic impact of the action proposed 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 performances. 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 developers 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 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 a building permit a request for Expedited Processing. A copy of this request must be provided to the Building Official and to the Director of the Economic Development and Housing Department. Expedited Processing affords eligible projects priority over projects without this status. When an affordable housing project receives approval, the Building Division notifies the 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 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. The results were provided to the City's Planning Department. The Planning Department's recommendations were approved by the City Council.

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.

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 blood screenings.

The City places information about lead based paint and safety on the City's Housing Division website.

Program activities include:

- 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 as 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 City's Housing Division 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

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 provides 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 of programs, including the Environmental Protection Agency, State Brownfields Redevelopment initiatives, Juvenile Welfare Board, 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 provided local lenders with information relative to the City's housing programs. 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 specifications and provides 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.

The agency's FY 2010 and FY 2011 five-year and annual plans are attached as Appendix A and Appendix B.

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 is 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 Five-Year 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 perspective low-income homebuyers.

c. Housing Accomplishments

	Goals	Actual FY 2006	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010	Actual FY 2011	Total
Build Mixed Income Rentals	200			4		85	0	89
Acquire/Rehab Mixed Income Rentals	50			2		13	14	29
Rehab Low-Income Owner Housing	100	20	18	18	17	21	9	103
Acquire/Rehab Low-Income Housing	50	4			9	1	0	14
Down Payment Assistance Low-Income Housing	100	12	14	7	15	24	19	91
Build New Affordable Housing	20	10	14		3	5	1	33
Housing Consulting	100	312	132	204	286	135	15	1,084
Total Housing Units	520	46	46	31	44	149	58	374

During FY 2010-11, the City made a total of nine (9) owner-occupied rehabilitation loans with HOME and/or SHIP and Pinellas Housing Trust Fund Program funds. One SHIP-only loan was provided to a low to moderate-income family with income of less than 50% of area median income. An additional combination of HOME, PCHTF and SHIP loans were provided to eight (8) low to moderate-income families. Of those loans, five (5) were provided to families with income less than 50% of area median income and three (3) loans were provided to a family with income between 50-80% of area median income.

Homeowner rehabilitation produced \$46,587 in expenditures from the HOME Program with an additional \$52,188 in SHIP funds expenditures as the HOME match. The total expenditures from all funds were \$98,775.

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, pay disposition and 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
- Habitat for Humanity
- Largo Area Housing Development Corporation
- Tampa Bay Community Development Corporation

The City provided an allocation of \$660 to Tampa Bay Community Development Corporation (TBCDC) to administer their Home Buyers Club and Homeownership Counseling Program and \$60 in funding to Clearwater Neighborhood Housing Services (CNHS) to implement a Housing Education/Counseling Program. The City did not provide a pool for home buyer counseling programs. Instead the City provided housing counseling services to homebuyers who participate in the HOME Homebuyer's Program. All of the education and counseling programs were funded through the HOME Program.

Over nineteen (19) individuals/families took part in the education/counseling services during this reporting period. Of this total, seventeen (17) participated in both TBCDC Programs Homeownership Counseling and Homebuyer Education Programs and two participated through Clearwater Neighborhood Housing Services, Inc. Housing Education/Counseling Programs.

9. HOME Program

a. Assessment of Relationship of HOME Funds

The City received an allocation of \$565,055 in HOME Entitlement Funds for FY 2010-11. The majority of the funds were set aside for housing development. The table shows how funds for the entitlement allocation were budgeted this reporting period:

Subrecipient Housing Pool	\$423,792
Community Housing Development Organizations	\$84,758
Program Administration	\$56,505
TOTAL	\$565,055

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 lists the activities by which the funds were expended during this reporting period with the FY 2010-11 entitlement allocation, program income and reprogrammed funds from prior years.

Rehabilitation Owner-Occupied	\$61,113
Administration/Program Delivery Costs*	\$90,019
Rental Housing Development	\$391,986
Community Housing Development Organizations	\$60,478
Down Payment and Closing Costs Assistance	\$256,296
Total HOME Expenditures	\$859,892

*Includes administration from entitlement and program income

The City has three (3) certified Community Housing Development Organizations (CHDOs); Clearwater Neighborhood Housing Services, Inc., Habitat for Humanity of Pinellas Community Housing Development Organization, Inc. and Largo Area Housing Development Corporation. The City is currently soliciting other organizations to become eligible as a CHDO.

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 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 visits 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 FY 2010-11, 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 acquisition, down payment and closing cost assistance for new and existing units.

Challenge Fund Infill (Acquisition) Loan Program

SHIP Funds Expended	\$32,500
Private Funds Expended	\$556,000
Owner Equity	\$16,477
TOTAL	\$604,977

Funding from this program provided five (5) families with property acquisition cost assistance. The family had income at less than 80% of the area median income.

Down Payment and Closing Cost Assistance Loan Program

SHIP Funds Expended	\$66,391
Other Public Funds Expended	\$0
Private Funds Expended	\$1,029,926
Owner Equity	\$27,490
TOTAL	\$1,123,807

Funding from this program provided twelve (12) families with down payment and closing cost assistance. All twelve (12) families had incomes less than 80% of the area median income.

Rehabilitation Loan Program

SHIP Funds Expended	\$52,189
TOTAL	\$52,189

Funding from this program provided rehabilitation funds to eight (8) families. All the families assisted had income less than 80% of the area median income.

A total of \$190,314 in total revenues (allocation, program income and recaptured funds) was deposited into the Pinellas County Housing Trust Fund during State FY 2010-11. These funds were generated through the following:

State Annual Distribution	\$0
Program Income	\$190,314
TOTAL	\$190,314

b. Emergency Shelter Grants Program

The City does not receive any Emergency Shelter Grant Funds.

c. Community Development Block Grant Program - Recovery

In June 2009, HUD awarded the City \$251,549 in funding through the CDBG-R Program. Through this program the City allocated \$25,154 for administration, \$143,305 for sidewalk improvements and \$83,090 for the East Gateway District Façade Improvement Program.

During this reporting period, the City expended \$36,500 for sidewalk improvements, \$81,500 in loan to grant funds through the façade improvement program and \$4,670 for administration.

d. National Stabilization Program 3

Pursuant to federal regulations published in the Federal Register at 75 FR 64322 and



regarding Title III of the Housing and Economic Recovery Act of 2008, as amended, and in accordance with Title XII of Division A of the American Recovery Act of 2009, as amended, additional funds were allocated under Section

1497 of the Wall Street Reform and Consumer Protection Act of 2010 for the Neighborhood Stabilization Program 3 (NSP 3) and those established at 24 CFR Part 91 require the City of Clearwater to amend its FY 2010-11 Action Plan to incorporate the proposed FY 2010-11 Neighborhood Stabilization Program Action Plan.

The U. S. Department of Housing and Urban Development recently awarded the City of Clearwater \$1,385,801 in funding through the NSP 3 Program. The NSP 3 Program is designed to stabilize neighborhoods that have been and continue to be damaged by the economic effects of properties that have been foreclosed or abandoned. The program integrated the following principals:

- Retain the Community Development Block Grant distinctive requirements
- Target and reconnect neighborhoods
- Rapidly arrest neighborhood decline
- Assure deep targeting requirements
- Ensure continued affordable housing
- Support projects that optimize economic activity
- Build inclusive and sustainable communities
- Coordinate planning and resources
- Leverage resources

The NSP 3 Program has established five allowable housing strategies for funding. They include using the funds for housing related financing mechanism, acquisition and rehabilitation, land banking, demolition, and redevelopment. It is proposed that the City utilizes its funding in the following manner:

<u>Activity</u>	<u>Amount</u>	<u># of Units</u>
Financing Mechanism	\$350,000	6
Acquisition and Rehabilitation	\$397,221	4
Redevelopment	\$500,000	10
Administration	\$138,580	
TOTAL	\$1,385,801	20

The target areas identified by HUD include the city-approved Neighborhood Revitalization Strategy Areas to include portions of the North Greenwood, South Greenwood, and East Gateway Strategy Areas.

The City has determined that projects in the following areas may qualify to receive assistance:

Stevens Creek/North Greenwood Area



The Stevens Creek/North Greenwood Area was selected to continue the city's efforts to stabilize the community. The City's initial investment in the area was in February 2008 when the Clearwater Housing Authority received permission from HUD to sell its deteriorated Homer Villa Public Housing Complex. Through the efforts of the City and Pinellas County, the City was able to assist Habitat for Humanity of Pinellas County in obtaining ownership of the 9.8 acre parcel of land. The City

contributed \$725,000 toward the acquisition and demolition. Pinellas County provided \$1.425 million for land acquisition, engineering and site construction. As the property lay vacant, the City again partnered with Pinellas County to identify a financing strategy to build fifty-one (51) new single family homes on the vacant property. This redevelopment project will have an estimated \$8.415 million dollar project cost. The project will provide housing opportunities for families with incomes between 30% and 80% of area median income. Funding through the NSP 2 Program provided a construction loan in the amount of \$2.34 million to build eighteen (18) new housing units.

The East Gateway Area

The East Gateway Area was selected to continue the efforts made when the City established it as a HUD Neighborhood Revitalization Strategy Area. Through the efforts identified in the five year strategy, the area will continue to be developed as a low to medium-density residential neighborhood supported with housing, neighborhood commercial and professional offices. To help redevelop this community, the City has established and funded a Façade and Building Improvement

Program to provide incentives to businesses for public-private investment. The City committed \$80,000 as redevelopment stimulus through the Community Development Block Grant – Recovery Program. An additional \$142,000 was provided through the Recovery Program in this area for sidewalk improvements. In housing development, the City hopes to turn a \$700,000 Community Development Block Grant Program loan into a \$7 million dollar investment in affordable housing for this area. The planned development, Country Club Homes, includes thirty-one (31) new affordable townhomes. NSP 2 funding in the amount of \$1.5 million will be used as construction financing to commence construction of the community project. The homes include 3 bedrooms, 2.5 bathrooms and two car garages.

Recently, the City purchased a dilapidated hotel that was an eye sore in the community and a place of many Police calls for service. The City purchased the property for \$1.675 million with funding through the Community Redevelopment Agency (CRA). The 2.2 acre property was demolished and land banked for future redevelopment.

Lake Belleview (f.k.a. South Greenwood Area)

The City is continuing their efforts to rehabilitate homes and develop infill housing in the South Greenwood Area. In FY 2009-10 the City provided funding for two (2) infill housing loans, two (2) down payment assistance loans, and one (1) rehabilitation loan.

In 2004, utilizing \$2.9 million in general funds, the City built an aquatic/recreation complex, a skateboard park, a fishing pier on Lake Belleview and new baseball fields. In 2008, utilizing \$200,000 raised from grants and corporate sponsors, the City partnered with an international organization, *Let Them Be Kids*, to design and construct a playground at the Ross Norton Recreation Complex. In 2010, utilizing \$1.8 million in general funds, the City completed the Lake Belleview Stormwater Improvement project that included major improvements to Lakeview Road. In 2010, renovations were completed at the Ross Norton Baseball Fields to include bullpens, sod, irrigation and the reworking of the pitching mounds. Plans are being developed to install traffic calming devices throughout South Greenwood per the request of the neighborhood to improve safety for pedestrians.

The City of Clearwater is in the process of partnering with Pinellas County Community Development Department for the acquisition of Norton Apartments utilizing funding through the NSP 2 Program. This 1.8 million dollar investment in a foreclosure acquisition helped to save 48 Housing Choice Vouchers from expiring and will provide rental opportunities for 48 low to moderate-income families.

e. Pinellas County Housing Trust Fund

The City of Clearwater expended a total of \$139,139 in funding through the Pinellas County Housing Trust Fund Program (PCHTF).

The City provided Kimberly Home with \$26,632 to renovate a two (2) unit apartment to be used for housing for teenage mothers, \$54,000 to Abilities at Morningside to purchase eight (8) units for rental housing for disable individuals and families and \$50,000 to Abilities at Morningside II to renovate seven (7) rental housing units for the disabled.

Other expenditures include \$1,007 as a HOME match to rehabilitate a home for a low to moderate-income homeowner and \$7,500 for down payment and closing cost assistance.

f. Brownfields Program

The Brownfields Area is one of the oldest sections of the City 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.

Clearwater has the distinction of being the first state-designated Brownfields area in the State of Florida. It was over ten years ago since the City was awarded its first EPA Brownfields Assessment Grant. 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 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, the City has moved aggressively to attract funding for its Brownfields program. The City has received a total of \$2.9 million in EPA grants and over \$1.8 million in state and other Brownfields related funding. Clearwater has conducted over ninety Phase I Environmental Assessments, over seventeen Phase II Assessments, and fourteen sites have been cleaned up and readied for reuse.



To capture the benefits to public health, the City's Economic Development & Housing Department Brownfields Program developed a Model Scoping Plan and Report for the Tampa Bay Region Public Health Monitoring Project (PHM). The PHM was funded from a US EPA Brownfields Assessment Grant. 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 was considered an initial measurement 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.

The CRA-owned former Clearwater Auto Salvage Yard finalized environmental remediation and received a Site Rehabilitation Completion Order on July 1, 2009 from FDEP. Tax credits have been awarded from the FDEP Voluntary Tax Clean-up Program in the amount of \$516,943.70 for this project.

The CRA also acquired the Car Pro property (see East Gateway NSRA) for environmental remediation. The City is currently working with FDEP and USEPA to complete site assessments and remediation of environmental impacts related to historical activities at the site.

A Brownfields reuse plan for the East Gateway District was funded from the Brownfields program. The 30+ area encompasses the portion of the East Gateway District from the east side of Lady Mary Drive to the Highland Avenue/Gulf to Bay Boulevard/Court Street intersection generally including parcels along Cleveland Street and Gulf to Bay Boulevard. The subject area contains 64 parcels, constituting 20.65 acres (an additional 9.5 acres of right-of way makes up the remainder of the subject area).



Brownfields Site Assessments were performed when the CRA acquired the property located within the western portion of the East Gateway. The 2.53 acre site had blighted structures that were also demolished. This purchase eliminated a nuisance business and its negative impacts and gave the CRA an opportunity to create a development asset (catalytic development) to further the East Gateway stabilization and revitalization goals (Five-Year Action Plan).

The City made scholarships funds available for eligible Brownfields residents to enroll in a healthcare and medical accreditation program offered at Ultimate Medical Academy campuses located at 1218 Court Street and 1255 Cleveland Street. Brochures were created and distributed to non-profits and libraries in the Brownfields area. To date, sixteen students were awarded various scholarships, depending on their field of choice, at a cost of \$34,092.50.

11. COMMUNITY DEVELOPMENT

The City utilized a strategy of diversification when selecting CDBG eligible activities. During FY 2010-11, funding in the amount of \$200,987 was allocated for administration, \$111,542 for housing activities (rehabilitation, acquisition, disposition, etc.), \$175,000 for program delivery costs for the City rehabilitation, infill and economic development program, \$346,306 for public facilities and improvements and \$171,102 for public services.

In addition to the FY 2010-11 allocations, the City made available \$76,950 for the demolition program, \$60,902 for public services, \$865,928 for the housing pool and \$35,338 for the economic development program through prior years CDBG program funds.

FY 2010-11 Projects

The City provided funding in the amount of \$30,000 to Clearwater Homeless Intervention Project, Inc. for salary support to operate an emergency shelter program for the homeless. The agency provides sixty-seven (67) shelter beds and ten (10) transitional beds for the homeless. In addition to housing, the agency provides food, clothing, medical care, personal care items, transportation, case management, and other related services. The agency's goal was to assist 1,500 homeless individuals. The agency expended \$30,000 and assisted 760 homeless individuals. The agency closed during the reporting period.

The City provided funding in the amount of \$58,000 to Community Pride Child Care of Clearwater, Inc. for building renovations. The renovations will include roof and window replacements at the Breeden Center. The agency provides quality child development and supportive services to low-income, at risk, and homeless children and families. The agency's goal was to provide child care services to 185 children. The agency expended \$57,998 and provided child care services to 224 children.

The City provided funding in the amount of \$7,500 to Community Service Foundation, Inc. for salary support to operate a fair housing counseling and housing placement program. The program provides housing services to help lower income families and individuals locate and secure permanent, decent, affordable housing. The program also strives to counsel households on Fair Housing Landlord/Tenant Rights, and to provide emergency food and shelter program rent and mortgage payment assistance. The agency's goal was to serve 60 households. The agency expended \$6,099.29.

The City provided funding in the amount of \$26,381 to Gulf Coast Legal Services, Inc. for salary support to implement the agency's Legal Aid to Preservation Housing Project. The project seeks to provide legal assistance for low and moderate-income residents of Clearwater who are victims of predatory lending practices, foreclosure rescue scams, persons who are experiencing or who have experienced discrimination and/or fraud in housing and to remedy these matters through negotiation, mediation or litigation and to assist residents in filing complaints regarding violations of Fair Housing Laws. The agency's goal was to serve 100 people. The agency expended \$22,140 and assisted 110 people.

The City provided funding in the amount of \$12,000 to Homeless Emergency Project, Inc. for salary support to operate facilities for the homeless. The agency provides 300 units of decent housing for individuals and families, intensive case management through wellness recovery action planning, medical and mental health services, drug and alcohol preventive services and other related services. The agency's goal was to assist 1,000 homeless adults and children. The agency expended \$12,000 and assisted 1,020 homeless individuals.

The City provided funding in the amount of \$195,000 to the Martin Luther King, Jr. Neighborhood Family Center, Inc. for building renovations. The renovations will include replacing the roof of the facility. The agency's mission is to enrich the lives of children and families in the spirit of community and providing direct services or developing collaborative partnerships. This will be accomplished through their Youth Development Program and Family Support Program. The agency's goal was to provide services to 680 children and families. The project was cancelled without any expenditures and the funds were reprogrammed to other activities.

The City provided funding in the amount of \$12,500 to Pinellas County Coalition of the Homeless for salary support to implement a homeless program. The agency promotes efforts to end chronic homelessness, provides outreach and housing opportunities for homeless individuals and families and promotes opportunities to end poverty through job training, employability skills, educational attainment, and other related activities. The agency's goal was to assist 5,000 individuals. The City decided to use general revenue funds as opposed to CDBG funds; therefore, the agency did not expend any CDBG funds and did not report on these activities.

The City provided funding in the amount of \$2,800 to Personal Enrichment through Mental Health Services, Inc. for salary support to operate their Family Emergency Treatment Center. The center provides assessment, crisis intervention counseling, individual and/or group support counseling, substance abuse assessment and intervention, medication evaluation and administration, service and treatment planning, referrals and other related services. The agency's goal was to serve 150 residents of Clearwater. The agency expended \$2,800 and assisted 138 Clearwater residents.

The City provided funding in the amount of \$30,000 to Pinellas Opportunity Council, Inc. for salary support to implement the agency's Chore Services Program. The program promotes better livable opportunities by providing services to the elderly and frail elderly. The services will help to alleviate blight and blighting conditions, reduce crime, and create a sense of pride in their community by providing heavy household cleaning, yard work and minor repairs. The agency's goal was to assist 85 elderly households. The agency expended \$30,000 and assisted 66 elderly households.

The City provided funding in the amount of \$93,306 to Religious Community Services, Inc. for renovations and development at Grace House (\$40,000) and The Havens of RCS (\$53,306.00). Grace House is an emergency shelter program for homeless families. The funds provided to Grace House will be used to construct a Computer Learning Center and provide for additional storage. The Grace House's goal was to assist 500 children and adults. The Havens of RCS is a facility that offers housing and related support services for victims of domestic abuse. Funding to the Havens will be used to replace windows, air conditioning system, water heaters and appliances. The Havens' goal was to serve thirty-four (34) domestic violence victims (women and children). Both projects experienced delays and will be completed during the next reporting period. The Havens expended \$11,768 and assisted thirty-seven (37) individuals and/or families. Grace House expended \$3,562 and assisted 612 families.

The City provided funding in the amount of \$7,921 to the Safety Harbor Neighborhood Family Center for salary support to operate the Neighborhood Family Center. The Bridge the Gap project is a combination of services to help individuals and families survive; stay in their homes and to keep the families together by providing food, clothing, hygiene products, baby needs, job training, and financial assistance. The agency's goal was to assist 500 families. The agency expended \$7,921 and assisted 405 families.

The City provided funding in the amount of \$30,000 to the Willa Carson Health Resource Center for salary support to operate a health facility. The center provides accessible, quality, culturally sensitive health care to the uninsured and underserved at no cost. The health care services include blood pressure screenings, diabetic

screening, cholesterol testing, clinical breast exams, educational programs, school and work physicals any treatment of minor illnesses. The agency's goal was to assist 2,000 individuals. The agency expended \$30,000 and assisted 656 unduplicated individuals.

The City provided funding in the amount of \$12,000 to WestCare GulfCoast Florida, Inc. for salary support to operate the Turning Point overnight shelter. The shelter provides an overnight facility for homeless persons under the influence of drugs and/or alcohol. It operates as an inebriate receiving and intervention program that provides for a 24-hour sobering up area, intensive case management, and placement service. The agency's goal was to serve 150 homeless Clearwater individuals. The agency expended \$12,000 and assisted 172 homeless Clearwater individuals. Please view the revolving loan fund section for available balances in the rehabilitation, infill and economic development loan funds.

Through funding provided from the FY 2010-11 allocation and prior year funds, the City expended \$32,687 for demolition costs, \$123,652 for administration, \$9,998 for economic development program delivery costs, \$134,722 for rehabilitation program delivery costs, \$25,000 for infill housing program delivery costs, \$169,682 for public services, \$69,766 for public facilities and improvements, \$35,338 for façade improvement loans and \$29,640 for fair housing activities.

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

The City maintains a consistent process to certify that agencies/non-profits, or subrecipients who request funding through the City's Programs are eligible. The process begins in late February when the City publishes a Notice of Funding Availability. The notice identifies the amount and type of funds available and their eligible uses. The agencies complete an application for funding that is available March. The application is due in April. Along with the application, the agencies also provide a copy of their audit and budget. City Housing Staff review each application for eligibility. A Technical Review Committee will evaluate each application through a competitive ranking system. Their results are forward to the City's Neighborhood and Affordable Housing Advisory Board for approval.

Once approved, the recommendations and a notice of public hearing are published in the local newspaper for public comments in May. After the public comment period, the recommendations and public comments are forwarded to the City Council for approval in July. After approval, the Consolidated Action Plan is forwarded to HUD for approval. After HUD approval, the City prepares and executes the subrecipient agreements in September for an October start date.

To ensure program success, the subrecipients are monitored continually. This process is detailed in the monitoring section of this report.

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.

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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. 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.
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. The owner agrees 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.

e. Economic Development Narrative

For FY 2010-11, the City expended \$9,998 for Economic Development Program Delivery. The program delivery costs were associated with managing the economic development loan portfolio. These costs include, but are not limited to, collecting on unpaid loans, sending out late notices, maintaining data in the City's financial system, and reevaluating loans. Currently, the City has suspended its Economic Development Revolving Loan Program and is reviewing options on its status.

At the end of this reporting period, the balance in the City's Economic Development Revolving Loan Program was \$225,168. The City is has establish a façade improvement program. This program had an initial budget of \$80,000 with funds established from the existing revolving loan fund.

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

The City maintains three revolving loan funds. They are the Rehabilitation Revolving Loan Fund to rehabilitate owner-occupied housing, the Economic Development Revolving Loan Fund to provide loans to for-profit businesses, and an Infill Housing Revolving Loan Fund to acquire real property to build new owner-occupied housing.

During the reporting year, the Rehabilitation Revolving Loan Fund generated \$68,577 in program income. The cash balance at the end of the reporting period was \$248,660. The Infill Housing Revolving Loan Fund generated \$9,470 in program income. The cash balance at the end of the reporting period was \$288,061. The Economic Development Revolving Loan Fund generated \$6,853 in program income. The cash balance at the end of the reporting period was \$225,168.

Please see Financial Summary Report for other loans and receivable information.

h. Lump Sum Agreements

The City does not provide lump sum drawdowns.

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 to 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. 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 an 8,000 square foot 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 (2) different neighborhoods – the North Greenwood Community and South Greenwood Community. They both have their own goals and objectives.

The North Greenwood NRSA 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) NRSA has the same general strategies of the North Greenwood Area and has identified the following items as needed in their community:

- Additional educational opportunities for businesses
- A new neighborhood training facility
- A new childcare facility
- Job training opportunities
- A community library
- Additional 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 NRS. 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 are the projects the City has completed in the North Greenwood NRSA.

- 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 - (2010)
- Stevensons Creek Dredging Project – (Ongoing)

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

Public Service	Willa Carson Community Health Center	\$30,000
Public Service	Homeless Emergency Project – Operational	\$12,000
	TOTAL	\$42,000

The City is continuing their efforts to rehabilitate homes and develop infill housing in the North Greenwood Area. For this reporting period the City provided funding for three (3) rehabilitation loans.

b. Lake Belleview (f.k.a. South Greenwood)

The City is continuing their efforts to rehabilitate homes and develop infill housing in the Lake Belleview Area. For this reporting period the City provided funding to purchase vacant properties to build two (2) infill housing units and provided a loan to build one (1) single family home and provide down payment and closing cost assistance to two (2) homebuyers in the area.

Ross Norton Recreation Complex – (2004) Utilizing \$2.9 million in general funds, the City built an aquatic/recreation complex, a skateboard park, a fishing pier on Lake Belleview and new baseball fields.

In 2008, utilizing \$200,000 raised from grants and corporate sponsors, the City partnered with an international organization, *Let Them Be Kids*, to design and construct a playground at the Ross Norton Recreation Complex.

Lake Belleview Stormwater Improvement Project – (2010) Utilizing \$1.8 million in general funds, the City completed the Lake Belleview Stormwater Improvement project that included major improvements to Lakeview Road from MLK to Missouri Avenues.

In 2010, renovations were completed at the Ross Norton Baseball Fields to include bullpens, sod, irrigation and the reworking of the pitching mounds.

In 2011, new potable water wells were installed at Ed Wright & Belmont parks. The wells will serve the City’s new reverse osmosis plant currently under design.

In 2011, Phases 1 & 2 of the in-house traffic calming/ drug interdiction work near Lake Bellevue was completed. These are speed humps used to not only calm traffic, but also interrupt the drive-by drug trafficking. Phase 3 (Woodlawn Avenue) will be completed in December 2011.

c. East Gateway District

In 2002, the 260-acre Clearwater Community Redevelopment Area (CRA) 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 the East Gateway, leverage public-private partnerships for economic development and housing, achieve stability in residential and business areas and increase redevelopment potential.

Amendments to the Clearwater Downtown Redevelopment Plan in 2004 established Downtown Character Districts. The East Gateway Character District sets forth the vision and policies to govern new development and redevelopment in the neighborhood.

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. Significant decreases in traffic volumes, due to the rerouting of a state road in 2005, 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 from several departments, was formed in 2005 in order to identify issues and develop a series of strategies necessary to achieve 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 CRA 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;

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- 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 crucial to achieving neighborhood goals. A Public Outreach and Communications Plan guide the Task Force in engaging the diverse neighborhood interests in the revitalization efforts. In late 2008, two (2) community groups were organized – the East Gateway Stakeholders Advisory Group (SAG) and the East Gateway Business and Neighbors Association (BNA). The City is currently coordinating with the Hispanic Outreach Center (HOC), a local social services agency, to capture input from Hispanic-Latino residents through focus groups discussions.

The following accomplishments were noted during this reporting period in the East Gateway NRSA:

- Acquired and demolished a 2.2-acre parcel that included the Economy Inn Motel, the Royal Palm Motel, Viva Mexico Restaurant, two duplexes, and one single-family house to be used for future key redevelopment efforts;
- Provided \$1.5 million construction loan for Country Club Townhomes, a 31-unit workforce-housing project;
- Provided a \$128,198 loan to renovate and rehabilitate the Jerry Howe Apartments (formerly known as Covert Apartments), a 13-unit apartment complex that provides transitional beds for veterans with disabilities;
- Facilitated the monthly Stakeholder Advisory Group (SAG) meetings;
- Presented at the East Gateway Business and Neighbors Association (BNA) monthly meetings;
- Commenced a comprehensive neighborhood community vision plan:
 - Held three (3) community focus group meetings;
 - Facilitated two (2) community workshops;
 - Coordinated activities with the consultant, the Vision Plan Steering Committee, the SAG, the BNA, and the East Gateway Task Force;
 - Conducted an online survey to several community stakeholders;



- Coordinated, promoted and held a multicultural celebration (East Gateway Hispanic Festival) on May 22, 2011 that was attended by approximately 800 people;
- Continued environmental assessments at the former CarPro site;
- Maintained the tracking report for the Five-Year Action Program and coordinated with the East Gateway Task Force;
- Identified additional sidewalk needs;
 - Solicited input from the Engineering Department, the SAG, and the BNA;
 - Completed installation of the De Leon sidewalk project;
 - Secured additional \$65,571 for the construction of new sidewalks on parts of Park Street, N. Hillcrest Avenue, and N. Evergreen Avenue;
- Coordinated with Engineering for the Gulf to Bay / Highland Intersection Improvements project and solicited design input from the City Council, the SAG and the BNA;
- Implemented the East Gateway District Façade & Building Lot Improvement Program
 - Commenced construction of three (3) projects;
 - Successfully completed two (2) projects;
 - Processed a new application;
 - Issued three loan commitments for a total of \$106,021;
- Coordinated with Code Compliance for a code sweep that took place the week of April 25, 2011;
- Coordinated with Solid Waste for a black barrel awareness campaign in July 2011;
- Coordinated efforts with the Florida Department of Transportation for the Drew Street Sidewalk Improvement project;
- Participated in meetings and events sponsored by the Clearwater Regional Chamber Hispanic Business Council;
- Conducted business visits and offered assistance for business expansions and/or improvements;
- Supported two (2) police officers assigned to the Downtown Bike Team, which has led to an increased and more visible police presence and better cooperation between the residents and the City;
- Coordinated and promoted, along with BNA leaders and the Police Department, the East Gateway Crime Walk that took place on April 21, 2011;
- Met with community leaders to discuss the creation of a community garden;
- Coordinated with the Code Compliance department for the reconfiguration of the code inspection zones;



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- To improve consistency, a new inspection zone was created to encompass the East Gateway District and the Downtown CRA under a single Code Compliance Inspector.

13. Housing Opportunities for People with AIDS (HOPWA)

The City does not receive any HOPWA Funds.

14. MONITORING PLAN

All subrecipients will receive federal and local regulations relating to their specific activity, along with an explanation as to how the regulations apply to their particular project. Specific Performance Agreements will be executed with each subrecipient giving measurable objectives for the eligible activity to be carried out. Each project is monitored on an ongoing basis. Documentation submitted with reimbursement requests are reviewed for compliance with applicable regulations and measurable objectives prior to issuing funds.

On-site monitoring of selected subrecipients are scheduled and completed annually by the Housing Manager. A checklist is completed and reviewed to insure all aspects of the activities are carried out in accordance with applicable regulations.

In addition to the above documentation, any subrecipient needing and/or requesting additional training on how to meet grantee and federal requirements will receive technical assistance deemed most appropriate to the circumstances by the Assistant Director of Economic Development or Housing Manager. Additional technical assistance, if needed or requested, will be given at the time of the annual monitoring.

The City uses a three step approach to monitor subrecipients. The first step begins during the application process. Subrecipients provide the City with their goals, objectives, budget and an Implementation Schedule. If funded, the goals, objectives, budget and Implementation Schedule are included in the Subrecipient Agreement with the City.

The second step is to provide the subrecipient with the format needed for the Monthly Activity Report. The reports are completed and returned to the City monthly. The Housing Division analyzes the reports and if the subrecipient is not meeting its goals, technical assistance is provided. Subrecipients who provide housing assistance are monitored on a loan-by-loan basis and approved by the City prior to any loan closing to ensure compliance.

Lastly, the City provides direct monitoring of all subrecipients annually with new agencies receiving two (2) monitoring visits. The first visit takes place in July and provides technical assistance to ensure the agency understands the compliance process. The second visit takes place in September and is a detailed-monitoring visit that utilizes an approved checklist.

During this reporting period, the City provided detailed monitoring of all subrecipients. The City continues to offer technical assistance to all subrecipients throughout the year.