

Florida Suncoast Housing Partners Neighborhood Stabilization Program 2 Proposal and Program Summary

General Overview:

Neighborhood Lending Partners of West Florida, Inc. (“NLP”), a Florida not-for-profit corporation, Pasco County, Pinellas County and the Housing Finance Authority of Pinellas County, (“Local Governments”) have formed a consortium, Florida Suncoast Housing Partners (“FSHP”), for the purpose of applying for HUD Neighborhood Stabilization Program 2 (“NSP2”) funding. The funding is being sought for the purpose of stabilizing and revitalizing neighborhoods that both the US Department of Housing and Urban Development (“HUD”) and the Local Governments have targeted as areas of significant need due to the sizeable affect the economic downturn and the spiraling volatility of the financial and housing markets have created relative to the foreclosure crisis within these communities and whose viability is threatened as a result of the damage from these economic effects.

FSHP is applying for \$50,000,000 in funding to provide financing mechanisms as second mortgages for homebuyer assistance and rehabilitation assistance, and other financing mechanisms the consortium may establish to meet the needs of homebuyers; funding for the HFA and non-profit developers and housing providers to acquire and rehabilitate foreclosed homes and apartments for homeownership and rental housing, including provisions for families with special needs and low-income households; for demolition of blighted structures; and for the redevelopment of vacant properties in order to create new affordable homes. The combination of these programs will aid in reconnecting the selected neighborhoods with the overall economy, the housing market, and social networks of the area as a whole. Further, the programs will arrest decline and will alleviate other factors that threaten and weaken the neighborhood. The targeted areas have been identified not only for the NSP2 funding, but have been selected based upon other priorities of the Local Governments relative to bringing investments that position them for sustainable revitalization, long-term growth and viability, as well as for the preservation of affordable housing that is energy efficient and environmentally friendly.

The consortium has identified census tracts for inclusion in the application that, according to the risk score matrix provided by HUD, have high foreclosure risk, which is substantiated by the foreclosure risks scores of 18 or higher. There are two considerations in determining the risk score for a given census tract: foreclosure and/or high vacancy or high property abandonment rates. The census tracts covered by the consortium’s NSP2 application have over a 90% risk score matrix.

Florida Suncoast Housing Partners - The Consortium

The consortium agreement between Neighborhood Lending Partners of West Florida, Inc., Pasco County, Pinellas County and the Housing Finance Authority of Pinellas County is to allow for the application for funding and implementation of a program under NSP2 which is provided via an allocation under the American Recovery and Reinvestment Act, 2009 ("Recovery Act"). NLP will serve as the lead applicant and assume primary responsibility for completing the application, executing the NSP2 agreement with HUD, assume responsibility for the grant on behalf of the consortium and for ensuring the NSP2 Program implemented by the consortium is carried out in compliance with the requirements of the Recovery Act, and the Notice of Funds Availability ("NOFA"). The Local Governments are providing information regarding their capacity and experience in the delivery of the proposed housing programs and services, the needs within the targeted neighborhoods and the impact of the recent economic decline on the communities to be served with the NSP2 funding, as well as other investments and funds that have been and will be expended within the target markets. If awarded funding, the Local Governments will identify properties for acquisition and will work with the individual or entity acquiring the property and accessing the available financing programs that are available through the consortium. The consortium will not provide first mortgage loans to end-homebuyers.

NLP and the Local Governments have previously worked together relative to providing affordable housing and financing programs via a housing finance program that combined NLP's Community Development Financial Institutions ("CDFI") grants with Local Governments State Housing Incentive Program funds as a means to further leverage private funds invested from the banking community in order to provide for the development and/or rehabilitation of affordable housing to the counties' low- and moderate- income residents. Based upon the success of the previous programs, the positive working relationship between and among the group, and the combined expertise of the organizations represented, it has been deemed that the consortium will maximize the effectiveness, efficiency and funding for this NSP2 proposal.

Florida Suncoast Housing Partners – Proposed Strategies and Uses of Funds

FSHP is allocating funding under its NSP2 proposal to undertake five strategies based upon its analysis of the current foreclosure and vacancy factors within the counties, and specifically within the target geographies identified for inclusion in the program which are the areas that have been deemed to have the greatest needs within the counties based upon the NSP2 needs risk factors.

Homeownership Strategies

Two strategies relative to homeownership properties have been identified to expeditiously address the revitalization of the targeted neighborhoods that have

suffered decline and devaluation in home prices due to the abandoned and/or foreclosed properties within the target geography.

Financing Mechanisms – Homebuyer Assistance Programs

The consortium will establish financing mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties that will be offered for all income levels that are eligible under the NSP2 rules. Eligibility is limited to persons at or below 120% of the Area Median Income (“AMI”). The financing mechanisms include homebuyer assistance and rehabilitation assistance in the form of soft-second mortgages at 0% interest. If the recipient can afford to make payments immediately, a payment plan will be established; however, if the client cannot afford payments immediately, amortization may be deferred for up to five years. Repayment plans may be established based on a loan term of up to thirty years. Further, additional financing mechanisms may be allowed, as determined appropriate, as the program is implemented and resident needs are further defined.

As a condition of obtaining financing from the program, all NSP2 homebuyers will receive 8 hours of counseling from a HUD approved counseling agency, before obtaining a mortgage loan. Further, the consortium abides by all Fair Housing and Equal Credit Opportunity laws and will ensure that all activities under the program comply with the provision of these laws and regulations.

This activity is offered as a means of improving access to mortgage capital on flexible terms, maintaining occupancy of foreclosed homes, facilitating property renovation, and helping individuals and families access responsible credit and financing to promote homeownership by promoting long-term affordability.

Acquisition and Rehabilitation of Single-Family Homes and Other Homeownership Properties

FSHP will provide NSP2 financing to non-profit developers or the Housing Finance Authority (“HFA”) to acquire, rehabilitate, and sell foreclosed homes to eligible homebuyers with incomes meeting the eligibility requirements stated above. The financing will be provided from the NSP2 funds and from leverage providers including financial institutions, foundations, not-for-profit organizations, and other persons. The leverage is being provided in order to increase the number of properties that can be acquired and renovated under the program, and to expand the impact of the program relative to bringing about neighborhood stabilization and revitalization. Generally, the funding for rehabilitation will be funded from NSP2 funds. Upon sale of these homes to the homebuyer, a portion of the proceeds will be provided to the homebuyer in the form of a soft-second mortgage at 0% interest. If the recipient can afford payments immediately, a payment plan will be designed. If the client cannot afford payments immediately, payments will be deferred for five years. Repayment plans may be offered

for up to a 30 year term. In addition, a portion of the funds used to rehabilitate the property may be provided as additional subsidy to the homebuyer. Sales proceeds will be returned to the NSP2 program to maximize benefits afforded by the NSP2 allocation by permitting the sales proceeds to return to the consortium's NSP2 program for additional acquisitions.

The purpose of this activity is to stabilize neighborhoods of greatest need by providing a means for the acquisition, rehabilitation, renovation, and the subsequent provision of homes and other foreclosed or abandoned residential properties to individuals and families whose income meets the program income eligibility guidelines.

The consortium will incorporate energy efficiency and green building standards into this strategy, based upon the level of renovation required. Dependent upon the level of rehabilitation work, FSHP will seek to meet green certification standards for substantial renovation work or the use of Energy Star appliances and lighting as well as other green features for more moderate rehab and to the extent replacement of existing items is needed.

As indicated above, all NSP2 homebuyers will receive 8 hours of counseling from a HUD approved counseling agency and compliance with all Fair Housing and Equal Credit Opportunity laws and regulations will be maintained.

Rental Strategies

Acquisition and Rehabilitation of Multi-family Housing

FSHP will provide NSP2 financing to non-profit agencies or the Housing Finance Authority ("HFA") to acquire and revitalize properties of varying sizes, from duplexes, triplexes, quads and other small and moderate size properties to larger apartment communities to be offered as rental residences to individuals and families earning 50% or less than the AMI. The financing will be provided from the NSP2 funds and from leverage providers including financial institutions, foundations, not-for-profit organizations, and other persons. The leverage is being provided in order to increase the number of properties that can be acquired and renovated under the program, and to expand the impact of the program relative to bringing about neighborhood stabilization and revitalization. Generally, funding for rehabilitation will be funded from NSP2 funds. Upon the completion of the renovation and the lease-up of the property, the financing to the leverage providers will be repaid with permanent financing from another lender or a permanent loan from the NSP2 funds.

This activity will provide funding/loans for not-for-profit organizations that offer housing to "special needs" populations such as the developmentally and physically disabled, children aging out of foster care, the elderly, the homeless, domestic violence victims, person living with HIV/AIDS, farm workers and other populations on fixed incomes

without reasonable prospect of a higher income in the near future. Not-for-profit agencies that provide supportive services will be selected to own and manage the properties acquired under this program. The NSP2 funds will be loaned to the not-for-profit agency for 50 years. The loan will only be subject to repayment in the event the borrowing agency converts the property to an ineligible use under the NSP2 program, sells, or transfers title to the property, or vacates the property during the loan term with prior approval of the consortium.

Green building standards will be incorporated into this strategy based upon the varying levels of rehab that will be required on each property. Properties will be renovated to meet green certification standards when substantial rehabilitation is required and will require Energy Star appliances and lighting to the extent replacement is required, as well as other green features when a moderate rehab is undertaken.

Demolition Strategies

Demolish Blighted Structure

The consortium will demolish blighted structures and redevelop demolished properties in order to reduce destabilizing effects. Such structures lead to further decline within neighborhoods, cause decline in property values and often lead to other undesirable activities. The intent is to turn vacant or blighted properties into productive assets that reverse negative trends and lead to stabilization of the neighborhood.

Further, by demolishing blighted structures the opportunity for redevelopment within an area of emphasis is enhanced.

Redevelopment of Vacant Land and Land that is Available as a Result of Demolition

Redevelop vacant properties for affordable housing

FSHP will provide financing to not-for-profit agencies or the HFA to develop single-family residences on vacant property. Once developed, the homes will be sold to eligible homebuyers who may also access the soft-second mortgage program referred to in the section on financing mechanisms. This activity will be targeted to areas within the target geography that will produce significant impact. Vacant property is an underutilized asset that can be used to create housing opportunities for eligible families and individuals while serving to reconnect neighborhoods with the economy, the housing market, and social networks of the community.

This activity may be utilized for the completion of stalled or abandoned projects or to improve a neighborhood by way of development of infill lots. Housing constructed with financing from this strategy will be required to meet green certification requirements as

well as universal design and storm resistant features, while utilizing materials manufactured solely in the USA.

The financing will be provided 50% from NSP2 funds and 50% from leverage providers including financial institutions, foundations, not-for-profit organizations, and other persons. Upon sale of the homes developed, the sales proceeds will be returned to the NSP2 program to maximize benefits afforded by the NSP2 allocation by permitting the sales proceeds to return to the consortium's NSP2 program for additional acquisitions.

Target Geography

FSHP has targeted 103 census tracts within Pasco and Pinellas counties for the eligible activities and programs identified above. The consortium is targeting 51% of the census tracts, within the two counties that meet the NSP2 qualifying threshold as high foreclosure or vacancy risk areas. The targeted census tracts allow the counties to focus on high population areas that will most benefit, not only from the NSP2 investment, but also from the leverage the counties are committing relative to bringing about a total economic stimulus program. These areas have risk scores of 18 or higher, which is HUD's requirement for a qualifying area. The average needs score for the two counties is 19.07%, above the State of Florida's average score of 18.5%.

Relative to foreclosures, of the 103 census tracts in the two county area, 29 or 28% have a risk score of 18, 33 tracts, or 32%, have a risk score of 19, and 33 tracts, or 32%, have a risk score of 20, the highest risk score. In 54 tracts or 52% of the census tracts the vacancies and/or abandoned properties have resulted in a high needs factor rating with 48% of these tracts overlapping with the foreclosure high needs score areas.

As of July 2007, the population of Pasco County is estimated at 471,028 and Pinellas County was estimated at 944,199 per the American Community Survey. Assuming the covered census tracts only represent 53% of the population (the census tracts included represent 53% of the total census tracts within the two counties) 249,645 individuals in Pasco County and 500,425 individuals in Pinellas County reside in high foreclosure/vacancy risk neighborhoods. Based upon the State of Florida Housing Finance Authority study, the extrapolated cost burdened households in 2009 for Pasco County is 21% and for Pinellas County, 23% of the households are cost burdened.

The 103 census tracts referenced are confined to 7 neighborhoods in Pasco county and 6 neighborhoods in Pinellas County which include areas in the cities of Clearwater and Largo.

The Pasco neighborhoods include:

Dade City – The Dade City neighborhood includes census tracts 325,326, and327. It is the Pasco County seat and contains the oldest housing stock in the county.

Fifty percent of the buildings located in the county constructed prior to 1945 are located in this community. The risks scores in this neighborhood range from 18 to 19.

Zephyrhills - The Zephyrhills neighborhood includes census tracts 330.01, 330.02, 330.03, and 330.04. This neighborhood was settled by Union veterans of the Civil War and remained a retirement haven until the 1970s, when that area became more of a bedroom community for Tampa. The housing stock is generally older and of wood frame construction. All census tracts within the neighborhood have a risk score of at least 19.

Holiday – The Holiday neighborhood consists of census tracts 304.01, 304.02, 304.03, 305, 306, and 307. The community was built in the 1960s, basically serving as a retirement housing community with many two bedroom, one bath homes developed. Before zoning and comprehensive planning were considered in this neighborhood, developers did not consider density and the area was known for having “more rooftops per acre” than any other area in Florida. This area has been a magnet for investors and the homeownership percentage has dropped precipitously. Holiday area not only has foreclosure risk scores at the highest level – 20, but also all of the census tracts in this neighborhood also have vacancy risk scores of either 19 or 20.

New Port Richey – New Port Richey is comprised of census tracts 303, 308, 309.01, 309.02, 314.01, 314.02, 314.03, 314.04, and 314.05. It is the business and professional heart of western Pasco County. Only a mile from the downtown area is a large cluster of substandard housing dating from the 1930s, 1940s, and the 1950s. The small wood frame houses are deteriorating, and many of them are owned by disinterested landlords. Also, the largest concentration of multi-family housing in the county is in New Port Richey, with most containing 20 units or less. New Port Richey is the only municipality in the County that has more rental properties than homeownership properties. All census tracts in this neighborhood have foreclosure risk scores of 19 or higher.

Port Richey – The Port Richey neighborhood consists of census tracts 310.01, 310.02, 310.03, 310.04, 310.05, 310.06 and 310.07. Port Richey is a combination of developments that were built for retirees, principally in the late 1960s and 1970s. As with Holiday, density was not a consideration in the planning of this community; however, the homes are somewhat larger and have a lower median age. One of the key factors leading to the high foreclosures in this community is the requirement for insurance to protect against sinkholes which in many situations caused the insurance cost to exceed the mortgage payment. This crisis significantly impacted the foreclosure and abandonment problem in this community. All of the census tracts comprising this neighborhood have foreclosure and vacancy risk scores of 19 and 20.

Hudson – The census tracts included in this community include 311.01 and 311.02. While there are many nice homes with manicured lawns in this area, it is one of the epicenters of the foreclosure crisis in Florida. The homes in Hudson are among the largest in the west coast portion of Pasco County and the foreclosure problems are linked to families and retirees buying beyond their means. Both census tracts in this neighborhood have foreclosure risk scores of 19 and a vacancy risk score of 20.

Central Pasco Neighborhood – Central Pasco includes census tracts 316, a portion of 319, 320.01, 320.02, 320.03, 320.04, and 321.01. The Central Pasco neighborhood is located immediately north of Tampa and features newer, larger homes and provides better schools and parks than many of the communities in the county. It is a residential community for many who commute to Tampa for work. As the area was developing, builders offered incentives and financing packages. Investors became active in this area buying 5, 10, and 15 homes at a time with balloon and sub-prime mortgages, anticipating a quick sale. It is the area most recently to experience the foreclosure crisis, as investors with empty homes and homeowners with sub-prime mortgages are losing their properties in large numbers. Exclusive of one census tract in this area, all have a foreclosure risk score of 20.

The Pinellas Neighborhoods include:

City of Clearwater – The City of Clearwater is targeting census tracts 261.00, 262.00, 258.00, and 264.00. These four census tract have risk scores of 19 and 20.

The North Greenwood neighborhood has a population of 6,321. Over sixty-three percent of the residents are considered low-income and on a combined basis, the two census tracts comprising this neighborhood have the highest percentage of low- to moderate-income residents in the entire City of Clearwater. This area is primarily residential in nature and there are approximately 3,224 housing units in this community. The housing conditions vary from dilapidated to sound with the lowest median home values in the City.

The South Greenwood area has 866 families in the community and it is a primarily residential neighborhood. The housing stock consists of 1,555 housing units with conditions ranging from dilapidated to sound. The household income in this area is also one of the lowest in the City.

East Gateway is a 176 acre community and is characterized by a mixed land-use pattern. Residential areas are interspersed with pockets of

poorly maintained properties, many of which are rentals, and underutilized and obsolete strip commercial developments. The population is estimated to be 2,972 people. A majority of the housing units are occupied by renters. The commercial sector of this community is burdened with a declining business base, deteriorating infrastructure, and a mismatch of uses and vacant storefronts.

Oldsmar/East Lake Areas – The areas of concentration are in census tracts 273.13, 273.19, and 273.20, but are also inclusive of 273.10, 273.11, 273.12, and 273.17. Oldsmar was incorporated in 1926, but did not see the rapid growth and development anticipated by its founder until 1980 and into the early 1990s. During the time of Oldsmar’s growth (221%), the rest of Pinellas County was growing at a slower pace than it had grown in the 1970s. Anticipating the continued growth and unending demand for new subdivisions, farms and citrus groves were transformed into subdivisions featuring very large homes with small yards. This growth resulted in the sewage treatment plant reaching full capacity and necessitated a state-mandated moratorium on new development. The unfortunate result of this growth and rapid expansion is the impact of the current foreclosure and vacancy troubles which have shaped a neighborhood with very high risk factors with all but one census tract having a risk score of 19 and 20 – the one excluded having a risk score of 18. The intent of the NSP2 targeting is to maximize the redevelopment opportunity in this area since the vacant land left for new development in Pinellas County is extremely limited. The City of Oldsmar is embracing the opportunities available by implementing a systematic revitalization strategy focusing on its historic downtown, New City Hall and Library, as well as the surrounding residential neighborhoods.

Greater Dunedin Area – This area includes census tracts 269.07, 269.08, 269.09, 269.10, 270.00, 271.01, and 271.05. This community has consistently demonstrated successful best practices in downtown revitalization efforts as well as community initiatives to address the benefits and challenges of an increasing elderly population. As a recipient of the Lifetime Award, they are a community that has demonstrated successful best practices in the areas of housing, transportation, employment, community development, health, intergenerational programs and volunteer opportunities. The City is now being recognized for its Sustainability Program that incorporates Green Building as well as environmental issues such as conservation, stewardship, and issues of social equity and economic prosperity. Despite being an enviable leader with a proven track record of award-winning, downtown revitalization efforts, sustainability efforts and elder affairs, this community has not been able to evade the foreclosure crisis and is plagued with risk scores of 18 and 19 in the area census tracts.

East Clearwater/Safety Harbor Area – All of the census tracts in this target area have been incorporated in the consortium’s proposal. The census tracts included are 268.08, 268.15, 268.16, and 268.17. Census tract 268.08 is west of Safety Harbor and falls within the corporate city boundaries of the City of Clearwater. This tract is referred to as the East Clearwater neighborhood; however, this area is part of the overall Safety Harbor neighborhood and because of its proximity to Safety Harbor and NSP2 risk factor, it is being included in this community as part of the consortium’s NSP2 program. East Clearwater is predominately a residential section.

Safety Harbor, as well as the County as a whole, have often experienced dramatic rates of population growth and grew to a growth rate of 134% between 1980 and 1990. Today, 17,800 people call Safety Harbor their home. While primarily a residential community, the City has maintained its small town charm, while preserving environmentally sensitive lands and revitalizing its historic downtown business district.

In 2008, the City of Safety Harbor began implementing a five year vision that includes updating the City’s existing zoning ordinance and creating an architectural review board in order to encourage redevelopment and preserve and upgrade the existing stock of historic bungalows while maintaining green space and architectural character. While Safety Harbor is bringing life and people back downtown and enjoying a cultural and economic renaissance similar to the downtown revitalization efforts in nearby Dunedin, the neighborhoods surrounding downtown, as well as the newer subdivisions to the north of the city, have recently become victims of the foreclosure crisis. In order to arrest the negative impact of abandoned and foreclosed properties that is rapidly affecting Safety Harbor and its adjacent subdivisions, a bold stabilization initiative and a concentrated investment is needed.

Greater Largo - This area includes census tracts 252.04, 256.01, 256.02, 252.03, 252.07, 252.06, 253.01, 253.04, 253.05, 253.03, 254.07, 254.10, 254.11, 255.04, 250.10, 250.11 and 251.15. Largo is located in the heart of Pinellas County along the Gulf Coast of West Central Florida. Largo has become the 4th largest city in the Tampa Bay Area and is presently home to over 75,000 residents. Largo is recognized as a vibrant, distinctive community which is focusing on maintaining and improving infrastructure, promoting a positive business environment, and promoting environmental sustainability and conservation. The City has designated two community redevelopment districts; one downtown and one along the scenic Clearwater-Largo Road Corridor.

Although the sheer volume of foreclosures is not as concentrated as some of the target geographic areas in North Pinellas County, the sheer size of the Greater Largo Target Geography is daunting and disconcerting. These census tracts

encompass sections of the City of Largo, the City of Clearwater as well as the unincorporated area.

Immediately adjacent to the corporate city limits of Largo is an unincorporated enclave known as the Greater Ridgecrest community. The Greater Ridgecrest Area (“GRA”), about 2/3 square miles in size, is designated as a federally approved Neighborhood Revitalization Strategy Area. There are about 2,700 persons living in the GRA. Although there is a mix of income ranges, the population is predominantly of low- and moderate-income. Families below poverty comprise about 26% of the population. A high percentage of residents 25 years and older did not graduate from high school (49%).

Dansville, a neighborhood in the GRA, sustained a deadly tornado in 1992 that destroyed 26 houses and exacerbated the neighborhood’s existing slum and blighted conditions. Since 1992, the County has invested \$4.5 million in comprehensive redevelopment initiatives in this 62 acre neighborhood. Dansville is also designated as a Neighborhood Revitalization Strategy Area and sustainable redevelopment activities are still underway including the anticipated expenditure of a \$1 million federal Brownfield Grant.

Over the past two decades, local governments have invested extensive Federal and State resources as well as considerable amounts of local human capital into the stabilization and redevelopment of the City of Largo and Pinellas County’s Neighborhood Revitalization Strategy Areas. The foreclosure morass that is crippling the nation severely threatens the hard fought improvements that local governments and low- and moderate-income residents have made to the living conditions and quality of life in these neighborhoods. Having just attained neighborhood standards that are comparable to the surrounding moderate income neighborhoods, these low- and moderate-income neighborhoods must struggle to keep from losing all of the precious gains they have made.

All of the census tracts in the Greater Largo Area have foreclosure risk scores and or vacancy risk scores of 18, 19, or 20.

Greater Tarpon Springs/Palm Harbor Area – All census tracts within these neighborhoods are an area of concentration for the NSP2 funding and include 275.01, 275.02, 274.03, 274.01, 272.05, 272.02, 272.06, 272.02, 272.01 and 272.08. All of the census tracts in the Greater Tarpon Springs/Palm Harbor Area have foreclosure and vacancy risk scores of 19 or 20 with the exception of one census tract that has a foreclosure as well as a vacancy risk score of 18/18.

The town of Tarpon Springs was incorporated in 1887 and was developed primarily as a community for winter homes taking advantage of the bayous in

the area. Many of these homes still exist today and many are listed on the National Register of Historic Places.

At the core of the Greater Tarpon Springs Area are the Union Academy Neighborhood and the historic Sponge Dock Area. Immediately adjacent to downtown Tarpon Springs, the Union Academy Neighborhood is one of Pinellas County's oldest African-American communities. Under the first Neighborhood Stabilization Program, the census tracts and block groups comprising the Union Academy Neighborhood have a high risk score. Although these same census tracts do not have a high foreclosure and vacancy risk score under NSP2, the foreclosure crisis has grown like a cancer in this northwestern area of Pinellas County.

Since the mid 1990's, Pinellas County Community Development, in public/private partnership with the City of Tarpon Springs, the Tarpon Springs Housing Authority, and Neighborhood Homes of West Florida has invested over \$9.5 million in stabilizing the Union Academy Neighborhood and ridding the neighborhood of slum and blight conditions and illegal criminal activity. The capital investment has included a variety of Federal and State funded projects including housing repair loans for neighborhood residents, renovations and expansions to the Union Academy Cultural Center, neighborhood and downtown streetscaping, facade improvements for historic, downtown structures, renovation and replacement of public housing units for families and the elderly, as well as the acquisition of over \$1 million worth of blighted property in Union Academy that has been cleared and prepared for infill, residential development. Over thirty new homes have been constructed, making homeownership a reality for existing residents as well as former residents who are returning to invest in the neighborhood where they grew up. These initiatives were a result of a neighborhood improvement plan, developed by the Pinellas Planning Council and adopted by the City in 1997.

The history of the Greater Palm Harbor Area draws several similar parallels to the Greater Tarpon Springs Area. Unincorporated Palm Harbor was a target area under the County's Community Development Block Grant ("CDBG") Program in the 1970's and the County implemented a comprehensive infrastructure improvement plan and housing repair program aimed at stabilizing the neighborhood and preserving the affordable housing stock. The Palm Harbor Area grew rapidly in the 1980's as new subdivisions sprung up around the much older downtown core. Downtown Palm Harbor has been selected in past years as a Florida Main Street. The County has invested significant funding in infrastructure projects to revitalize the downtown area and improve the retail and tourism opportunities. However, the foreclosure crisis has grown to such heights in the Greater Palm Harbor Area that the value of the previous

investments are threatened and the community viability is in jeopardy, making the newer subdivisions especially susceptible to rapid decline.

The County's commitment to implementing the Union Academy Solutions Plan in Tarpon Springs as well as the downtown revitalization dreams in Downtown Palm Harbor remain strong. Equally compelling is the urgent need to target the neighborhoods surrounding Union Academy and Downtown Palm Harbor in order to stabilize and arrest the rapid decline in the surrounding neighborhoods and to protect the capital, economic and social investments that have been made in Union Academy and Downtown Palm Harbor over the past decade.

Conclusion

The above clearly identifies areas of great distress throughout the two counties included in the FSHP proposal and application, with a majority of the neighborhoods in each of the counties revealing the need for immediate intervention to prevent the collapse of the economic and housing markets, as well as the social framework of these communities. Further, the consortium's proposed activities present a strategy that will rapidly limit the destabilizing factors associated with the deterioration of the neighborhoods being targeted by the program. The program activities combined with the Local Governments' commitment to leveraging other resources relative to infrastructure improvements, housing repair programs, preservation of the affordable housing stock, and downtown streetscaping and façade improvements for local businesses will produce substantial economic impact by not only reviving the housing markets, but by bringing about employment opportunities, and revenue generators to support the neighborhoods.

For question or comments please contact:

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