

January 16, 2024

New Port Richey Community Redevelopment Agency
Debbie Manns, City Manager
Gregory Oravec, Assistant City Manager and Economic Development Director

Dear Ms. Manns and Mr. Oravec:

This letter is to request an extension of the completion dates in the Performance Agreement, dated January 31, 2019 and extended September 26, 2022 for The Central on Orange Lake (fka Residences at Orange Lake).

In August, 2022 we commenced construction of the site improvements for Phase 2, and substantially completed that work effort in the Spring of 2023. We had planned to commence construction of the buildings in Phase 2 but due to the uncertainty related to the interest rate environment over the past year, bank financing has been unavailable for multifamily construction. As a result we have put construction of the Phase 2 buildings on hold until interest rates stabilize and financial institutions are able to offer standard market terms.

We respectfully request that the Notice of Commencement for Phase 3 be extended to December 31, 2025, and the deadline for completion of Phases 2 and 3 be extended to December 31, 2027. We currently believe that will provide enough time to acquire financing in order to commence and complete construction of the remaining 43 dwellings.

The Central remains fully occupied and has enjoyed strong growth in rents, reflecting a strong regional rental market and the growth of New Port Richey as a desirable place to live. Several of our residents have remained for multiple years, while many others have gone on to purchase homes in the area. Our residents report a high quality of life in Downtown New Port Richey and a good experience living at The Central. All this, we believe, validates the CRA's and our goals for the project - to create desirable new residential offerings in the heart of New Port Richey and to revitalize Downtown and the surrounding neighborhoods.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink that reads 'Frank Starkey'.

Frank Starkey
Member/Manager,
Central Orange Partners, LLC