

**FOR SALE HOUSING PRODUCTION PROGRAM
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ATTACHMENTS

Affirmative Fair Housing Marketing Plan (form HUD 935.2) - 2 pages

Application - 18 pages

Construction Budget (Short Form) - 1 page

Job Costs (Long Form) - 6 pages

Anticipated MBE/WBE Utilization Plan Form

Solicitation of MBE/WBE Utilization Contractors

CITY OF ST. LOUIS

COMMUNITY DEVELOPMENT ADMINISTRATION

FOR-SALE HOUSING PRODUCTION PROGRAM

This booklet contains the Program Guidelines and Application for the For-Sale Housing Production Programs administered by the City of St. Louis Community Development Administration. Please refer to the Program Guidelines for eligibility requirements.

The For-Sale Housing Production Program Application is available on computer disk formatted for IBM compatible Excel. The computer disk application contains formulas to automatically calculate data entered. If you are interested in obtaining an application disk, please contact Ms. Debi Mueller, Administrative Assistant for Residential Housing Development, at 314-622-3400 or TDD 314-259-3435.

One original hard copy application and required exhibits and one identical copy of the original application and required exhibits must be submitted. Additional documentation, preliminary plans, and scopes of work (as referenced in the following guidelines) must also be submitted for the application to be considered complete.

Each form and exhibit must be accurately completed and include all requested information. Be sure to complete all sections and submit all forms required.

Applications and required exhibits should be submitted to the Community Development Administration/Residential Development Section, at 1015 Locust Street, Suite 1100, St. Louis, Missouri 63101. If you have any questions, please contact CDA's Residential Development Section, at 314-622-3400 or TDD 314-259-3435 and ask to speak to the Housing Analyst who is assigned to the ward in which your project is located.

Once you have assembled the significant information required for an application, we strongly encourage you to meet with your Housing Analyst to discuss your application in detail.

CITY OF ST. LOUIS

COMMUNITY DEVELOPMENT ADMINISTRATION

FOR-SALE HOUSING PRODUCTION PROGRAM GUIDELINES

PROGRAM DESCRIPTION

The City of St. Louis Community Development Administration (CDA) administers the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Programs for the Department of Housing and Urban Development (HUD). HUD allocates funds by formula among eligible State and local governments to strengthen public-private partnerships for the creation of affordable housing. CDA's For-Sale Housing Production Program provides financing to developers for the acquisition and rehabilitation or new construction of housing for sale to low and moderate income families. To be considered, all sponsoring entities and proposals must meet the regulations prescribed in the Community Development Block Grant Program at 24 CFR Part 570 and/or the HOME Investment Partnerships Program at 24 CFR Part 92.

Nonprofit and for-profit developers may apply for a loan for construction and permanent financing. CDA may structure loans from 0% to market interest rates, and loans may be forgivable. The purpose of this program is to expand the homeownership opportunities for low and moderate income families. This is accomplished through a savings in the financing cost that allows the developer to sell units at an affordable price. In a limited number of instances, CDBG funds may be used to assist in the rehabilitation or construction of non-income-restricted units. This will be permitted on a special case-by-case basis, as approved by CDA's Executive Director, in order to address conditions of slums & blight.

ELIGIBILITY

Private builders, developers, nonprofit community groups, Community Based Development Organizations, and Community Housing Development Organizations are eligible to apply for financing. Applicants must demonstrate that they have appropriate housing development experience and sufficient financial capacity to undertake the development.

COMMUNITY BASED DEVELOPMENT ORGANIZATIONS (CBDOs)

CBDOs are a specific type of nonprofit organization defined exclusively under the CDBG program. CBDOs are organized and structured according to strict standards as established by HUD. New construction of housing assisted with CDBG funds can only be undertaken by or in collaboration with a CBDO. For a CBDO to receive CDBG assistance for a development it must be the developer, sponsor, or owner of the CDBG assisted development.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDOs)

CHDOs are a specific type of nonprofit organization defined exclusively under the HOME program. CHDOs are organized and structured according to strict standards as established by HUD. A portion of HOME funds is set-aside for CHDOs. For a CHDO to receive a set-aside it must be the developer, sponsor, or owner of the HOME assisted development.

APPLICATION THRESHOLD REQUIREMENTS

- FOR CDBG assistance, the development's characteristics must conform to the HUD 24 CFR Part 570 and CDA rules and regulations, including occupancy and sale price restrictions.
- FOR HOME assistance, the development's characteristics must conform to the HUD 24 CFR Part 92 and CDA rules and regulations, including occupancy and sale price restrictions.
- Required exhibits are attached to this application. In addition, applications must include a market survey of comparable properties, including sales prices, property descriptions, amenities and other relevant data.
- Developers must submit evidence that they have contacted the alderman of the ward or wards in which the project is located to discuss the proposed development. If available, minutes of any meetings should be included with the application.
- Developers must submit evidence they have contacted local community and/or neighborhood organizations (if any exist) to discuss the proposed development. If available, minutes of any meetings should be included with the application.
- Developers must provide evidence of site control for at least 180 days from application date.
- Developers must provide evidence regarding the property's current zoning designation and what, if any steps are in process to obtain proper zoning and/or site plan approval for the proposed development. Application must contain minutes of any public hearing on zoning considerations
- The application must contain enough financial information including financing commitments to assess the probability of economic feasibility.
- CDA staff must make a determination that the proposal meets a need as identified in the City of St. Louis Consolidated Plan.
- Developer must have a satisfactory record on current or past developments funded by CDA.
- If project is located in a Local or National Register Historic District, developer is expected to apply for Federal and Missouri Historic Rehab Tax Credits, to leverage potential gap financing from CDA. A copy of the preliminary application to the Dept. of Economic Development should be attached to the completed CDA application when submitted. For more information, contact the Missouri Dept. of Economic Development, P.O. Box 118, Jefferson City, MO 65102, (573) 751-5981, www.ecodev.state.mo.us.

- Developers must apply for any available State of Missouri Neighborhood Preservation Tax Credits to leverage potential gap financing from CDA. A copy of the application must be provided to the CDA Housing Analyst..

Upon satisfying application threshold requirements, an application will be considered under the Consistency with Local Needs Criteria and Development Factors and Qualifications set forth herein. Notice of the application will be sent to the alderman of the ward or wards where the project is located requesting comments on the development.

CONSISTENCY WITH LOCAL NEEDS SELECTION CRITERIA

Each development will be evaluated to ensure it is consistent with local needs. The evaluation will review whether the development fills a demonstrated need in the local market as evidenced by:

Consistency with the City of St. Louis Consolidated Plan, including but not limited to the priorities listed in the Consolidated Plan:

- Affordable housing for small low-moderate income households
- Affordable housing for large low-moderate income households
- Affordable housing for persons with special needs
- Affordable housing for elderly households

Market study and/or analysis that reflects a need for the housing and that the development will be competitive in the local market.

Research by the City of St. Louis or secondary data from other research on housing needs in the area which identify a need for the type of housing proposed.

Staff site visits, which confirm the market analysis and competitiveness of the development.

DEVELOPMENT FACTORS AND QUALIFICATIONS

Applications will be further reviewed for other factors and qualifications that include, but are not limited to, the following:

- Developments that create mixed-income housing environments.
- Development team experience and qualifications including the experience and financial capacity to undertake and complete the proposed development.
- Suitability of the site or building for development; including site control, proper zoning, and availability of utilities.
- Satisfactory evidence the development is ready to proceed as indicated by private financing commitment and equity commitment.
- Development application indicates that materials and construction standards exceed standard energy efficiency requirements.

- Development leverages CDBG and/or HOME funds with other sources of funding through the formation of partnerships between private housing developers, financial institutions, the public sector, foundations and others.
- Lowest intermediary (soft) costs. Development budget contains a lower percentage of soft costs to total development cost, as compared with other similar types of developments. Intermediary (soft) costs are considered to be, but are not limited to, developer fees, attorney fees, engineering fees, architect fees and contractor fees.
- Participation of Local Tax-Exempt Organization. Development will be sponsored by a nonprofit developer, a Community Based Development Organization as defined in HUD 24 CFR Part 570, or a Community Housing Development Organization as defined in HUD CFR 24 Part 92.
- Developments that leverage CDBG and/or HOME funds with federal and/or state historic rehab tax credits and/or neighborhood preservation tax credits. All projects located in local or national register historic districts are expected to apply for all applicable historic rehab and neighborhood preservation tax credits. All projects are expected to apply for neighborhood preservation tax credits.

DEVELOPMENT STANDARDS

The following standards are set to assure developments that receive CDBG and/or HOME financing produce the most effective economically feasible developments to serve income-eligible homebuyers in habitable dwelling units. Generally, amounts greater than the amounts listed in this section will be considered excessive. However, CDA may, at its discretion, consider higher amounts if required to produce highly needed housing that meets the following criteria:

- Hard to develop projects such as scattered site developments.
- Projects in difficult to develop areas.

PER UNIT SUBSIDY LIMIT

The per unit subsidy limit for HOME developments shall not exceed HUD's 221(d)(3) limits for elevator-type projects, adjusted to reflect cost increases of construction costs since their adoption in 1992, and further adjusted by HUD's high cost factor to reflect differences in different geographic areas.

Refer to the enclosed Table: "City of St. Louis Maximum HOME Subsidy Limits," page 18.

DEVELOPER FEE STANDARD*

For new construction, the developer's fee and overhead, including any consultant fees, may not exceed 15% of total development cost. For acquisition and substantial rehabilitation projects, the developer's fee cannot exceed the sum of 8% of the acquisition cost plus 15% of the balance of the development costs.

CONTRACTOR FEE STANDARD*

CDA may allow a maximum of 10% contractor's profit, 2% builder's overhead and 6% general requirements. Contractor's profit, overhead and general requirements may not exceed 18% of the construction costs. General requirements must include the cost of builder's risk insurance and all bonding costs.

PLAN REVIEW

Our goal is to provide efficient, affordable housing that respects neighborhood context and provides enhancement of property values and quality of living. To that end, development proposals are reviewed by CDA architectural staff for compliance to Agency standards.

The Community Development Administration publishes Residential Development Design Guidelines. These standards outline the minimal design guidelines for projects in which CDA is involved. The Standards are available from CDA or the Residential Development web page (<http://stlouis.missouri.org/development/residential>).

Additionally, Section 106 of the National Historic Preservation Act of 1966 (revised) requires that all federally funded agencies consider the effect of the proposed project on existing historic resources. A historic resource is defined as a building, structure, object, site or district that is either listed on the National Register of Historic Places, or is eligible to be listed. Any rehabilitation or new construction project subsidized by the Community Development Administration must be reviewed under the Section 106 procedures established by the Federal Advisory Council on Historic Preservation. The Cultural Resources Office, (314) 622-3400, publishes Section 106 Review Standards.

Three sets of plans are required for the initial review. Generally, a single set may be submitted for subsequent reviews. When the plans have been approved, the design reviewer will request eight (8) sets of completed drawings. Final approval sets must be sealed and signed by the design professional for Building Permit application. Four sets of the approved drawings are returned to the developer for use in the Building Permit application at the Building Permit Office, Room 425, City Hall.

It is important that the plans are followed exactly, and that no changes are made without written approval from CDA. If the final project does not conform to the approved plans, it may be necessary, before the project can be certified, to remove or reconstruct the non-conforming work, adding cost and perhaps delaying final closing.

BUDGET REVIEW

A preliminary budget is developed early in the project to establish the general project costs and help determine the potential feasibility of the proposal. Since very little detailed information is available at the schematic phase, the only evaluation of the budget that can be performed is very general. The Housing Analyst and budget reviewer will work together to research and resolve any issues or problems that may arise during the project/budget development.

Upon the approval of the proposal through architectural, preservation and tax abatement reviews, the final construction budget will be reviewed in detail. All available information to support the final budget must be submitted at this time and must include detailed contractor proposals for all work, including work to be performed by the general contractor and by all subcontractors. Material takeoffs, if available, should also be submitted as a part of the supporting documentation. Contractor proposals must identify completely and in detail the included scope of work under the proposed contract to confirm that all required work is included.

CDA Housing standard construction cost forms are included in this application package to assist developers in the formulation of project costs.

A preliminary Construction Budget form (see attachments) must be submitted with the completed application. Once a project has been accepted for funding consideration, the detailed Job Cost form (see attachments) should be used to develop more accurate construction costs. The Job Cost form is used by CDA budget reviewers to evaluate the proposed budgets. Applicants must submit a final construction budget in the form of the detailed Job Costs form.

ELIGIBLE PROPERTIES

Only units receiving CDBG monies are considered "CDBG Assisted Units" and only units receiving HOME monies are considered "HOME Assisted Units."

INELIGIBLE PROPERTIES

CDBG or HOME funds may not be used to support developments assisted under Title VI of the National Affordable Housing Act (NAHA) — Prepayment of Mortgages Insured under the National Housing Act.

PROPERTY STANDARDS

All developments to be funded with CDBG and/or HOME funds must at the time of completion, at a minimum, comply with all local building codes, rehabilitation standards, ordinances, zoning and federal regulations regarding hazardous materials as well as energy standards required by HUD 24 CFR 570 and/or 24 CFR 92. The goal is to provide "decent, safe and sanitary" housing at an affordable cost to lower income families. Beyond these minimum standards CDA encourages developments built with the same quality and amenities as market rate developments within the same market area. Energy standards required:

- Substantial rehabilitation — cost-effective energy conservation and effectiveness standards in 24 CFR Part 39.

- New construction — CABO Model Energy Code, 1995, published by the Council of American Building Officials.
- America (IES).

LEAD-SAFE HOUSING

In compliance with the Residential Lead-Based Hazard Reduction Act of 1992 (Title X of the Housing and Community Development Act of 1992), residential developments funded with CDBG and/or HOME funds must result in lead-safe housing. Title X recognizes three types of lead hazard control: interim controls, abatement of lead-based paint hazards, and complete abatement of all lead-based paint.

In order to identify lead-based paint hazards in housing and control such hazards safely and efficiently, the following procedures will be followed, at minimum:

- A Certified Risk Inspector must be contracted to test the property for the presence of lead-based paint and to identify the lead based hazards, including dust and bare soil sampling.
- A "Work Plan" must be submitted to the Housing Analyst. A Work Plan includes detailed information on all aspects of proposed lead hazard control including materials, methods and personnel certification.
- Upon completion of the project, the Developer will provide educational materials to the residents describing the health hazards of lead-based paint and provide information on appropriate housekeeping methods to keep the property in a lead-safe condition once lead hazard control work is completed.
- Upon completion of the project, the developer will provide results of Lead Clearance Testing of the completed unit(s) to the Housing Analyst.

For information about specific requirements or lists of certified abatement companies, contact the Missouri Department of Health at (888) 837-0927 or visit their website (www.dhss.state.mo.us/lead/websitehtml.htm).

HANDICAP ACCESSIBILITY

Developments financed with CDBG and/or HOME funds must meet the accessibility requirements in the regulations referenced in 24 CFR 5.105(a) which implement the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.

The BOCA National Building Code (1996 ed., as adopted by the City of St. Louis) also has accessibility requirements for all buildings and structures, including associated sites and facilities. Requirements under the Building Code must be determined by the Building Division.

For questions regarding handicap accessibility requirements, contact Mr. Jeff Dodd at 314-622-3400.

MAXIMUM ALLOWABLE SALES PRICES OF ASSISTED UNITS

Units rehabilitated or constructed with CDBG and/or HOME assistance for low and moderate income home purchasers must be sold at prices that do not exceed the current HUD Section 203(b) single family maximum mortgage limits. Developments eligible under CDBG Slums & Blight criteria may be exempt from these ceilings. The Section 203(b) maximum mortgage limits in the City of St. Louis are currently:

- 1 Family \$213,750
- 2 Family \$256,248
- 3 Family \$309,744
- 4 Family \$384,936 Updated 05/06

INCOME OF HOME BUYERS UPON OCCUPANCY OF ASSISTED UNITS

All units rehabilitated or constructed with CDBG and/or HOME assistance must be occupied by home buyers who at initial occupancy have annual incomes that are 80% or less of the area median income adjusted for household size. In a limited number of instances, CDBG funds may be used to assist in the rehabilitation or construction of non-income-restricted units. This will be permitted on a special case-by-case basis, as approved by CDA's Executive Director in order to address conditions of slums and blight.

Refer to the enclosed Table: "Maximum Qualifying Household Incomes in the City of St. Louis," page 18.

INCOME ELIGIBILITY OF HOME BUYERS

CDBG and HOME use the same definitions of annual income as the Section 8 Housing Programs. Section 8 definitions are found in 24 CFR Part 813. Annual income is the gross amount of income anticipated to be received by all adults in a family during the twelve months following the effective date of the determination.

MINIMUM AFFORDABILITY PERIOD OF HOME ASSISTED UNITS

Units to be rehabilitated or constructed with HOME funds must remain affordable to low and moderate income purchasers for varying lengths of time depending upon the amount of HOME funds invested per unit. Affordability must be guaranteed through the use of either "resale" or "recapture" provisions.

RESALE PROVISIONS

Resale requirements ensure that, at any sale during the affordability period, the housing must be made available to a buyer whose family qualifies as a low-income family (at or below 80% of area median income) and who will use the property as its principal residence. The resale requirements also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement). **The period of affordability is based on the total amount of HOME funds invested in the housing.**

Deed restrictions, covenants running with the land, or other similar mechanisms are used to impose the resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA

insured mortgage to HUD. CDA may use purchase options, right of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event obtains an ownership interest in the housing.

RECAPTURE PROVISIONS

Recapture provisions must ensure that CDA recoup all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal place of residence of the family for the period of affordability. CDA may structure our recapture provisions based on our own program design and market conditions. **The period of affordability is based upon the total amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy).**

The following four options for recapture requirements may be used:

1. Recapture entire amount. CDA may recapture the entire amount of the HOME investment from the homeowner. (NOTE, however, the entire amount subject to recapture is the HOME assistance that enabled the homebuyer to buy the dwelling unit; it does NOT include development subsidy.)
2. Reduction during affordability period. CDA may reduce the HOME investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the entire affordability period.
3. Shared net proceeds. If the net proceeds are not sufficient to recapture the full HOME investment (or a reduced amount as provided for in paragraph 2 above) plus enable the homeowner to recover the amount of the homeowner's downpayment and any capital improvement investment made by the owner since purchase, we may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following formulas:

$\frac{\text{HOME investment}}{\text{HOME investment} + \text{homeowner investment}} \times \text{Net proceeds} = \text{HOME amount to be recaptured}$
--

$\frac{\text{Homeowner investment}}{\text{HOME investment} + \text{homeowner investment}} \times \text{Net proceeds} = \text{amount to homeowner}$
--

4. Owner investment returned first. We may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the HOME investment.

HOME Assistance Used For:		
Affordability Subsidy	Affordability + Development Subsidy	Development Subsidy
Resale and/or Recapture provisions can be used	Resale and/or Recapture provisions can be used	<u>Only</u> Resale provisions can be used
Affordability period based on amount of HOME affordability subsidy	Affordability period may be based on amount of HOME affordability subsidy only	Affordability period based on amount of HOME development subsidy

HOME Affordability Periods:	
HOME Amount Per Unit	Minimum Period of Affordability in Years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

PROJECTS ASSISTED WITH CDBG FUNDS TO PREVENT OR ELIMINATE SLUMS AND BLIGHT

A small portion of CDBG funds awarded by CDA may be used to assist housing development projects that do not meet the national objective of providing affordable housing for low and moderate income households. These projects must meet another national objective by preventing or eliminating slums and blight. Slums and blight may be eliminated on an area basis or on a “spot” basis.

AREA BLIGHT

The rehabilitation of residential buildings carried out in an area meeting the requirements for the slum/blight criterion will be considered to address the area's deterioration only where each such building rehabilitated is considered substandard before rehabilitation and all deficiencies making a building substandard have been eliminated if less critical work on the building is undertaken. Substandard buildings would also fail to meet the housing quality standards for the Section 8 Housing Assistance Payments Program-Existing Housing (24 CFR 882.109).

If the area has not been blighted by local ordinance, a description of the condition of the area and the percent of deteriorated or deteriorating buildings or public improvements must be included in the Application. The Application must also include an explanation of how the assisted activity will address one or more of the conditions which contributed to the deterioration of the area.

SPOT BLIGHT

This includes acquisition, clearance, relocation, historic preservation and building rehabilitation activities which eliminate specific conditions of blight or physical decay on a spot basis, not located in a slum or blighted area. Under this criterion, rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health or safety. It does not include substantial rehabilitation or construction.

To use a “spot” blight justification, the sponsor must provide documentation of the specific conditions detrimental to public health and safety that will be corrected by the assisted activity.

LOAN CLOSING REQUIREMENTS

Developers of projects financed with CDA funds will be required to obtain a Title policy written by a title company licensed to do business in Missouri and the title company must agree to disburse loan proceeds. The Title Policy is required to be written in accordance with the 1992 American Land Title Association Standards, subject only to permitted encumbrances as approved by CDA and must contain environmental and zoning endorsements, pending disbursement clause, mechanics lien coverage and survey coverage.

RESIDENTIAL ANTIDISPLACEMENT

It is the policy of the City of St. Louis to take all necessary and appropriate steps to minimize displacement of persons as a result of activities assisted through the Community Development Block Grant, the HOME Investment Partnerships Program (HOME), the Urban Development Action Grant (UDAG), and other federally funded programs for which the City may be a recipient. The following steps will be taken to minimize displacement:

- A. Require developers participating in the City's development programs to rehabilitate vacant rather than occupied buildings and/or rehabilitate occupied or partly occupied buildings in stages to minimize displacement.
- B. Encourage developers participating in the City's development programs to undertake housing developments which result in an economic mix thereby ensuring an adequate supply of low and moderately priced housing units.
- C. Continue to operate or fund home repair programs which provide funds to eligible homeowners including those required to correct code-related deficiencies as cited by the City's Building Division, thereby assisting residents to remain within current dwelling units and avoid displacement due to inability to maintain their residences.

RELOCATION ASSISTANCE

All developments financed with CDBG and/or HOME funds must comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR Part 24 and the requirements of 24 CFR 570.606 and/or 24 CFR 92.353.

PREVAILING WAGE REQUIREMENT

Developments of 8 units or more financed with CDBG funds and developments of 12 units or more financed with HOME funds are required to pay wages to laborers and mechanics employed in the construction at a rate not less than the prevailing wage rates for corresponding classes of laborers and mechanics employed on construction of a similar character as determined by the Secretary of Labor.

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

All developments of 5 units or more financed with CDBG and/or HOME funds are required to submit an Affirmative Fair Housing Marketing Plan that outlines methods for providing information and otherwise attracting eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, sexual orientation, religion, familial status or disability. Please refer to enclosed HUD Form 935.2, following page 18.

The Affirmative Fair Housing Marketing Plan must include methods for informing the public, owners, and potential home buyers about Federal fair housing laws and the City's affirmative marketing policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations and display of fair housing poster); procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing unit without special outreach (e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies); and records that will be kept describing actions taken by the owner to market units affirmatively.

OUTREACH TO MINORITY AND WOMEN OWNED BUSINESSES

The City of St. Louis requires the maximum utilization of minority and women-owned businesses in all CDA assisted housing development projects with a goal of at least 25% City of St. Louis certified minority business enterprise (MBE) participation and 5% City of St. Louis certified women's business enterprise (WBE) participation taken as a percentage of the total development cost of the project, excluding acquisition. All recipients of CDA funds will be required to keep records of participation by City of St. Louis certified minority and women-owned businesses. The Disadvantaged Business Enterprise Program Division will assess the results of the developer's efforts to encourage the use of these businesses. Demonstration of these efforts includes, but is not limited to the following:

- 1.** Qualified minority and women's businesses will be on bid solicitation lists and will be solicited whenever they are a potential source of material or services.
- 2.** When economically feasible the developer will divide total contract requirements into small tasks or quantities to permit maximum minority and women-owned business participation.
- 3.** The services and assistance of the Contractors Assistance Program (CAP) will be used as needed. Developer will submit one (1) set of plans and specifications to CAP, 1300 Convention Plaza, for their

assistance in alerting MBE and WBE firms to the project and to the date for opening subcontractor bids.

4. If any subcontracts are let, the prime contractor will be required to take affirmative steps such as those described. At least (1) certified women-owned business (WBE) and one (1) certified minority-owned business (MBE) must be solicited for each line item that could be subcontracted. If any subcontracts for soft costs are let, the developer will also be required to take affirmative action steps.
5. A certificate of Anticipated MBE/WBE Utilization must be submitted with this application. (See attached.) Also included is a certificate of Solicitation of MBE/WBE Utilization Contractors which the general contractor must submit (when needed) which lists all MBEs and WBEs contacted and why they are not being utilized. The Contract Compliance Department must approve the Developer's plan prior to CDA approval.
6. Upon completion of the development, Developer shall submit to CDA and to the Contract Compliance Department a copy of the Minority and Women's Business Enterprise Utilization Final Report, a list of all minority and women's business enterprises utilized in the development and their level of compensation. This form will be included in the Loan Agreement and must be received prior to release of 10% retainage for the project.

The attainment of the minimum goals of 25% MBE and 5% WBE participation does not necessarily meet the standard of the maximum MBE/WBE utilization requirements.

A Directory of City of St. Louis Certified Minority and Women Owned Businesses is available from the City's Disadvantaged Business Enterprise Program Division at Lambert St. Louis, International Airport, 13723 Riverport Drive, 3rd Floor, Maryland Heights, MO 63043, (314) 551-5000, or by accessing their web site (<http://www.mwdbbe.org>)

EMPLOYMENT AND ECONOMIC OPPORTUNITY FOR LOW AND VERY LOW INCOME PERSONS

If a project is funded in whole or in part with Federal Housing and Community Development Assistance, and the amount of the Federal assistance exceeds \$200,000, the general contractor, as well as any subcontractors with a subcontract exceeding \$100,000, are subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 forms can be obtained from a CDA Housing Analyst or CDA's Section 3 Program Monitor, Ms. Antoinette Clark, at (314) 622-3400, ext. 340.

ENVIRONMENTAL REVIEW

On all projects considered for financing, CDA requires a site specific environmental screening in conformance with the National Environmental Policy Act of 1969 (NEPA). On all projects determined as applicable by the NEPA environmental screening, CDA will require a Phase I Environmental Site assessment, according to, but not limited to standards developed by the American Society for Testing & Materials, and if applicable, Phase II mitigation activity. For a list of the appropriate regulations, or more information regarding our policy, contact Mr. Mark Jefferies at 314-622-3400, or TDD 314-259-3435.

OTHER APPLICABLE STANDARDS, REQUIREMENTS AND REGULATIONS

CDA requires all aspects of the development for which it provides financing to be in compliance with all federal, state and local regulations, laws and required practices. Therefore, requirements for hazardous materials, such as lead-based paint and asbestos; environmentally safe practices, such as clean water procedures or wetlands; culturally significant procedures, such as historic considerations; and safe work practices, will be included specifically among CDA requirements. For a list of the appropriate regulations, or more information regarding our policy, contact our Environmental Review Officer, Mr. Mark Jefferies or our Cultural Resources Office at 314-622-3400 or TDD 314-259-3435.

CERTIFICATIONS

In accordance with the Housing and Community Development Act and the Community Development Block Grant Program Rule at 24 CFR Part 570, and in accordance with the Home Investment Partnership Act and the Home Investment Partnership Program Rule at 24 CFR 92.150, the City of St. Louis Community Development Administration certifies that:

- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that CDA has adopted for this purpose and will not invest any more CDBG and/or HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.
- CDA and its recipients/subrecipients will use CDBG and HOME funds pursuant to the City of St. Louis Consolidated Plan approved by HUD and in accordance with all requirements of 24 CFR Parts 570 and 92.
- CDA will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR Part 24 and the requirements of 24 CFR Parts 570.606 and 92.353.
- To the best of its knowledge and belief, no federal appropriated funds have been paid or will be paid, by or on behalf of CDA, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and

the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement; if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal loan or agreement, CDA will complete and submit Standard Form—LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and CDA will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

The information presented should not be construed as a complete list of the regulations and requirements governing CDA financing through the For-Sale Housing Production Program. Upon filing an application, you acknowledge that you assume all risks of change in CDA's rules and regulations or policies concerning this program, together with any adverse effects upon you therefrom and any resulting costs thereof.

REAL ESTATE TAX ABATEMENT

Real Estate Tax Abatement is an incentive program to assist developers and businesses with renovation and new construction projects. The Alderman of the ward in which development is proposed is a key to the tax abatement process. Tax Abatement can be provided anywhere in the City after Aldermanic Ordinance is approved. Some areas are pre-approved (i.e. Enterprise Zone). Tax Abatement freezes Tax Assessment of new improvements at the pre-developmental level. The usual term for a residential project is a 10-year full abatement. However, some Aldermen have used 5-year abatements.

EXAMPLE A: Company constructs new building on raw land -- for a 10-year period, tax bill is based on land assessment only.

EXAMPLE B: Company buys building for \$100,000 and spends another \$100,000 on improvements -- for a 10-year period, company is taxed on the pre-development assessment of building and land.

For additional information concerning tax abatement procedures, contact the Commercial Development Section of the St. Louis Development Corporation, at (314) 222-3400.

**CITY OF ST. LOUIS
MAXIMUM HOME SUBSIDY LIMITS**

Size	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom+
	\$125,165	\$152,201	\$196,896	\$216,133

Updated 05/06

**MAXIMUM QUALIFYING HOUSEHOLD INCOMES
IN THE CITY OF ST. LOUIS**

% of Area Median Income	Family Size							
	1	2	3	4	5	6	7	8
80%	\$36,900	\$42,200	\$47,450	\$52,700	\$56,950	\$61,150	\$63,350	\$69,600

Updated 05/06