



CITY OF ST. LOUIS

**NEIGHBORHOOD STABILIZATION PROGRAM 3
SUBSTANTIAL AMENDMENT to
2010 ACTION PLAN**

Submitted: (date)

**U. S. DEPARTMENT OF
HOUSING & URBAN DEVELOPMENT**

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Claybour, Jill
Email Address	claybourj@stlouiscity.com
Phone Number	314-622-3400 x223
Mailing Address	CDA, 1015 Locust, Suite #1140, St. Louis, MO 63101

2. Areas of Greatest Need

Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.

Response:

Areas of greatest need remain as identified with use of Federal Reserve subprime lending data, housing vacancy data and foreclosure data analyzed in connection with applying for NSP-1 funds, together with use of the NSP-3 mapping tool and scoring. The only activity proposed is the rehabilitation of units already acquired, and the HUD mapping tool confirms the need for investment in the target area.

Determination of Areas of Greatest Need

Describe how the areas of greatest need were established.

Response:

Please see response above. Thanks to the availability of NSP-1 funding, the City of St. Louis acquired 87 properties. The neighborhoods in which these properties are located also contain properties in the ownership of the City's Land Reutilization Authority as a result of tax foreclosure. Please note that although 50 neighborhoods were identified as eligible target areas in the City's NSP-1 application, the City chose to achieve greater impact by limiting activity to only the 21 neighborhoods identified as Target Areas A and B. The sole exception is that the City is supporting a project in a Target Area C neighborhood to meet its 25% low income set-aside. It was not possible to identify a feasible set-aside project in Target Area A and B neighborhoods in time to meet HUD's requirement to commit set-aside funds. For NSP-3, the City will limit its activities to the subset of Target A and B neighborhoods in which NSP-1 funds were used to acquire foreclosed or abandoned properties.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	The Revised Code of the City of St. Louis provides the following definition for "blighted area", which is also used for individual properties: "11.06.020 Definitions....B. "Blighted area" means that portion of the City which the Board of Aldermen determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, existing properties and improvements, have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes." Section 100.310 of the Revised Statutes of

<p>Blighted Structure (continued)</p>	<p>the State of Missouri provides the following definition for “blighted area”: (2) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use." Neither of these definitions is an appropriate definition for NSP purposes, where the use of “blighted structure” refers to properties eligible for demolition with NSP funding. The State of Missouri has provided the following definition, which is the same as the definition provided by HUD in the NSP Notice: “A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to health, safety, and public welfare.”</p> <p>The City intends to use this definition to identify structures as blighted for NSP purposes in the event that the City uses NSP funding for purposes that require a property to be blighted in order to be eligible for such use. The State has also mandated that a jurisdiction receiving NSP funding must use existing ordinances and/or regulations dealing with dangerous buildings and/or code violations to determine blight, and that the determination of blight must be made with respect to specific structures, rather than to areas, in a manner consistent with the above definition. The City believes that the following sections of its Revised Code are appropriate for determining blight with respect to particular structures in accordance with the above definition and will use this City Code section to determine blight for NSP purposes: “118.1 Notification. If, upon making an inspection and examination of any occupied or unoccupied building, structure or premises, the code official finds one or more of the defects described below, the code official shall notify in writing, as provided in Section 118.2, the owner(s) of said building, structure or premises, as recorded most recently in the City of Saint Louis Assessor's Office, the defects found in said building, structure or premises, and shall order them to proceed to properly demolish, repair, and secure or correct all conditions causing condemnation of said building, structure or premises within seven days. This document is to be known as a Notice of Condemnation. If the conditions have not been corrected by the date listed in the notice, the building, structure, premises, or portion thereof or appurtenance thereto will be condemned and shall be required to be vacated, if occupied, and secured. Possible defects shall be permitted to be one or more of the following:</p> <ol style="list-style-type: none"> 1. The building or structure is in a condition which endangers either the lives or safety of persons, whether occupants or otherwise, or other property; 2. The condition of the building or structure by reason of the making of an excavation on the lot on which it is located, or any adjoining lot, endangers either the lives or safety of persons, whether occupants or otherwise, or other property; 3. The building, structure or premises is a fire hazard for any reason, including without limitation: obsolescence, dilapidation, deterioration, damage, lack of sufficient fire-resisting qualities, poor sanitation, or faulty electrical wiring, gas connections or heating apparatus;
---	---

<p>Blighted Structure (continued)</p>	<ol style="list-style-type: none"> 4. The building or structure lacks safe or adequate facilities for means of egress in case of fire or panic; 5. The building or structure has any one or more of the following conditions: <ol style="list-style-type: none"> A. Improperly distributed loads upon the floors or roof; B. Overloaded floors or roofs; C. Insufficient strength to be reasonably safe for its actual or intended use; 6. Any portion of the building or structure has been so damaged by fire, earthquake, wind, flood, vandalism, malicious mischief, or any other cause, that the building or structure is no longer safe or suitable for its actual or intended use; 7. Any interior or exterior portion, member, appurtenance, ornamentation or any other component of the building or structure is likely to fall or collapse, or become detached or dislodged, and thereby injure persons or damage property; 8. Any portion of the building or structure has racked, warped, buckled or settled to such an extent that its walls or other structural portions have insufficient resistance to fire, earthquake, wind, flood or similar perils; 9. Part or all of the building or structure is in danger of collapsing for any reason; 10. The building or structure has exterior walls or other vertical structural members which list, lean or buckle; 11. The building, structure or premises, or any portion thereof is, for any reason, unsafe for its actual or intended use; 12. The building or structure has been so damaged by fire, earthquake, wind, flood, vandalism, malicious mischief, or any other cause, or has become so dilapidated, deteriorated or decayed as to come within any one or more of the following categories: <ol style="list-style-type: none"> A. The building or structure will attract and result in harm to children; B. The building or structure is, or is likely to become, a harbor for vagrants, criminals or immoral persons; C. The building or structure enables persons to resort thereto for the purpose of committing unlawful or immoral acts; 13. The building, structure or premises has been constructed, exists, or is being maintained in violation of any provisions of this code, or of any law of the City of Saint Louis; 14. The building or structure does not have the strength, fire-resisting qualities or weather-resisting qualities required by this code for newly constructed buildings of like area, height and occupancy; 15. The building, structure, or premises is used or intended to be used for purposes that are likely to injure the health, safety or welfare of persons who occupy or could occupy said building or structure by reason of any one or more of the following conditions: <ol style="list-style-type: none"> A. Inadequate maintenance, dilapidation, deterioration, decay or damage; B. Faulty construction; C. Inadequate light, ventilation or sanitation facilities; D. The building, structure or premises is being used for any illegal purposes; 16. Any portion of the building or structure has been left remaining on a site after its demolition or destruction; 17. The building or structure is vacant for a period in excess of six months, and because of its condition, it is unsafe or unsanitary, or it endangers
---	--

<p>Blighted Structure (continued)</p>	<p>property or the health, morals, safety or welfare of persons;</p> <p>18. A building or structure is subject to demolition is the building or structure is vacant and has been ordered secure or has been secured by order of the code official for a period in excess of twelve months and has been condemned for occupancy or has been used in the commission of a crime subsequent to being ordered secured or being secured.</p> <p>19. The building or structure is only partly constructed and construction has stopped for a period in excess of six months, and because of its condition, affects the health, safety and welfare of the adjacent properties.</p> <p>20. Any building or storage used for the manufacture or storage of methamphetamine, lysergic acid diethylamide, phencyclidine, gamma hydroxybutyrate or flunitrazepam.</p> <p>118.3 Failure to comply; authority to enter into contracts. If the owner(s) fail to comply with the order of the code official by the date indicated in the Notice of Condemnation, and in such a manner that can be approved by the code official, then such owner(s) shall have violated this code, and the code official shall be permitted to forthwith proceed to undertake and complete whatever work is necessary to eliminate the dangerous condition. The Building Commissioner shall have the authority to enter into contracts with no other review, signature or approval (except for insurance) from any other City agency. Such contracts shall be permitted to include, but not be limited to, demolition, environmental investigation, remedial work, professional or contractual services. Competitive bids shall not be required for emergency situations where there is a danger to life or property. The cost of such work performed by the code official, under the provisions of Sections 118 or 119 of this code, shall be paid for by the City of Saint Louis. The code official shall certify to the Comptroller the cost of such work, including the administrative costs incurred by the Division of Building and Inspection in performing said work, but in no event shall such administrative costs exceed ten percent of the contract price incurred by the Division of Building and Inspection in performing such work. The Comptroller, upon certification by the code official of the cost expended for said work, shall prepare bills for such work against the owner(s) of said building, structure or premises. In case said bills are not paid upon presentation, they shall be referred to the City Counselor, who shall proceed to collect same, by suit, or lien if necessary, and the amounts when collected shall be credited to a special revolving fund for the purposes herein designated.</p>
<p>Affordable Rents</p>	<p>NSP-assisted units must have rents that do not exceed 30% of the annual income of a family whose income equals 120% of the area median income minus tenant paid utilities. Income limits are to be those set for the St. Louis Metropolitan area set forth by HUD annually. The City proposes to use the Missouri Housing Development Commission’s established rent levels for those units intended to meet the 50% of median income eligibility test, and to use the MHDC’s 60% of median income limits and rent limits x 2 for those units intended to meet the 120% of median income eligibility test. MHDC’s rent limits are structured based on 30% of the maximum family income for family sizes expected to occupy the unit—e.g., the maximum rent for a 1-bedroom unit is based on the average 50% median income of a 1 person and a 2 person household. Current applicable maximum rent levels using this system are shown on the following page. These maximum rent levels will be adjusted downward on a project-by-project basis to account for tenant paid</p>

Affordable Rents (continued)	<p>utilities. Note that these are maximum rent levels and that actual rent levels will in all likelihood be less than these rent levels. Maximum affordable rent levels will be adjusted annually to account for changes in the area median income over time.</p> <p style="text-align: center;">MHDC MAXIMUM INCOME/RENT SCHEDULE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">INCOME BY % OF MEDIAN</th> <th colspan="5">MAXIMUM RENT BY UNIT SIZE</th> </tr> <tr> <th>O-BR</th> <th>1-BR</th> <th>2-BR</th> <th>3-BR</th> <th>4-BR</th> </tr> </thead> <tbody> <tr> <td>50%</td> <td>\$598</td> <td>\$641</td> <td>\$768</td> <td>\$888</td> <td>\$991</td> </tr> <tr> <td>60%</td> <td>\$718</td> <td>\$769</td> <td>\$922</td> <td>\$1,065</td> <td>\$1,189</td> </tr> <tr> <td colspan="6" style="text-align: center;">ADJUSTED BY CITY BY DOUBLING 60% LIMITS TO 120% OF MEDIAN LIMITS</td> </tr> <tr> <td>120%</td> <td>\$1,436</td> <td>\$1,538</td> <td>\$1,844</td> <td>\$2,130</td> <td>\$2,378</td> </tr> </tbody> </table> <p>If any utilities are paid directly by the tenant, the maximum rent must be reduced by a utility allowance similar to the procedures for making such adjustments under Section 8 of the Housing Act of 1937.</p>	INCOME BY % OF MEDIAN	MAXIMUM RENT BY UNIT SIZE					O-BR	1-BR	2-BR	3-BR	4-BR	50%	\$598	\$641	\$768	\$888	\$991	60%	\$718	\$769	\$922	\$1,065	\$1,189	ADJUSTED BY CITY BY DOUBLING 60% LIMITS TO 120% OF MEDIAN LIMITS						120%	\$1,436	\$1,538	\$1,844	\$2,130	\$2,378
INCOME BY % OF MEDIAN	MAXIMUM RENT BY UNIT SIZE																																			
	O-BR	1-BR	2-BR	3-BR	4-BR																															
50%	\$598	\$641	\$768	\$888	\$991																															
60%	\$718	\$769	\$922	\$1,065	\$1,189																															
ADJUSTED BY CITY BY DOUBLING 60% LIMITS TO 120% OF MEDIAN LIMITS																																				
120%	\$1,436	\$1,538	\$1,844	\$2,130	\$2,378																															

Descriptions

Term	Definition										
Long-Term Affordability	<p>Rental Property Continuing Affordability Provisions</p> <p>The City will incorporate NSP-assisted properties into its ongoing HOME Monitoring program. Annual rent certifications and income verification certifications will be conducted for each rental unit assisted with Neighborhood Stabilization Program funds. CDA staff currently performs these certifications and will add these units to their portfolio. In addition, the City will require property owners receiving assistance under the NSP program to sign legal documents which specify the terms of affordability. These documents will be recorded, creating land use restrictions and specific penalties for not adhering to the affordability requirements, and will run with the property for the applicable time period, no matter who the owner of the property is. Units to be rehabilitated with NSP funds must be tenant income and rent controlled for varying lengths of time depending upon the average amount of NSP funds invested per unit. These time periods are set forth below and are the same as the HOME time periods.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th colspan="2" style="text-align: center;">NSP Affordability Periods:</th> </tr> <tr> <th style="text-align: center;">NSP Rehabilitation or Acquisition of Existing Housing NSP Amount Per Unit</th> <th style="text-align: center;">Minimum Period of Affordability in Years</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Under \$15,000</td> <td style="text-align: center;">5</td> </tr> <tr> <td style="text-align: center;">\$15,000 to \$40,000</td> <td style="text-align: center;">10</td> </tr> <tr> <td style="text-align: center;">Over \$40,000</td> <td style="text-align: center;">15</td> </tr> </tbody> </table> <p>NSP assisted rental units that are newly constructed or acquired newly constructed will be required to have an affordability period of not less than 20 years. 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 will be revived according to the original terms if,</p>	NSP Affordability Periods:		NSP Rehabilitation or Acquisition of Existing Housing NSP Amount Per Unit	Minimum Period of Affordability in Years	Under \$15,000	5	\$15,000 to \$40,000	10	Over \$40,000	15
NSP Affordability Periods:											
NSP Rehabilitation or Acquisition of Existing Housing NSP Amount Per Unit	Minimum Period of Affordability in Years										
Under \$15,000	5										
\$15,000 to \$40,000	10										
Over \$40,000	15										

Long-Term Affordability (continued)	<p>during the original affordability period, the owner of record before the termination event obtains an ownership interest in the housing.</p>
	<p>OWNER-OCCUPIED PROPERTY CONTINUED AFFORDABILITY PROVISIONS</p> <p>Resale requirements for owner-occupied properties will ensure that, at any sale during the affordability period, the home must be made available to a buyer whose family qualifies as an LMMI (at or below 120% of area median income) or a family meeting the 50% of area median income benefit test if the home has been counted towards that NSP funding category, and who will use the property as its principal residence. These resale requirements also ensure that the price at resale provides the original NSP-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 NSP funds invested in the housing and will conform to the periods in the chart set forth above for rental housing. Deed restrictions, covenants running with the land, or other similar mechanisms will be 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. The City may use purchase options, right of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions will 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.</p> <p>RECAPTURE PROVISIONS – OWNER-OCCUPIED AND RENTAL PROPERTY</p> <p>Recapture provisions will ensure that the City can recover all or a portion of the NSP assistance to the homebuyers or rental property owners if the housing does not continue to be the principal place of residence of the eligible family or renters for the period of affordability. The City will structure recapture provisions based on its own program design and market conditions. The period of affordability is based upon the total amount of NSP assistance that enabled the homebuyer to buy the dwelling unit or the rental property owner to develop and own the property. For owner-occupants, NSP assistance for recapture purposes includes any NSP funding 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., development subsidy). The following are four options for recapture requirements that may be used:</p> <ol style="list-style-type: none"> 1. Recapture entire amount. CDA may recapture the entire amount of the NSP investment from the homeowner. (Note, however, the entire amount subject to recapture is the NSP 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 NSP 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.
Long-Term Affordability (continued)	<ol style="list-style-type: none"> 3. Shared net proceeds. If the net proceeds are not sufficient to recapture the full NSP 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 NSP funds)

Long-Term Affordability (continued)

and closing costs. The net proceeds may be divided proportionally, per the following formulas:

<u>NSP investment</u> NSP investment + Homeowner investment	X Net proceeds =	Neighborhood Stabilization Program amount to be recaptured
--	------------------	---

<u>Homeowner investment</u> NSP investment + Homeowner investment	X Net proceeds =	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 NSP investment.

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

Housing Rehabilitation Standards

The City's Building Division is the official code enforcement arm of the City. They enforce the following codes:

1. 2009 International Building Code
2. 2009 International Existing Building Code
3. 2009 International Residential Code
4. 2009 International Energy Conservation Code
5. 2009 International Property Maintenance Code
6. 1999 BOCA National Fire Prevention Code
7. 2003 Uniform Plumbing Code
8. 2009 International Mechanical Code, as amended
9. 2009 International Fuel Gas Code
10. 2011 National Electrical Code

Any rehabilitation projects assisted with NSP funds will, at a minimum, be fully compliant with #2 above, 2009 International Existing Building Code, or #5 above, 2009 International Property Maintenance Code.

In addition, improvements may be made to properties over and above those repairs and improvements required for code compliance to ensure that the properties can be effectively marketed to new homeowners and renters and ensure that the properties have the features necessary to comply with market demands—the goal of the NSP program is to re-occupy those properties that are rehabilitated or otherwise redeveloped for residential use. Any new construction development will comply with all of the above codes that are applicable to new construction. All units will meet Energy Star standards, and additional energy-efficient building practices will be encouraged. All rehabilitation will comply with the Secretary of the Interior's Standards for Historic Rehabilitation, which will be applicable in most instances. Water-efficient toilets, showers and faucets, such as those with the Water Sense label, will be installed in all units

4. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25%

Total funds set aside for low-income individuals = \$781,413

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.

Response:

The City will spend a minimum of 25% of its NSP3 allocation to rehabilitate abandoned or foreclosed properties for housing individuals and families whose income do not exceed 50% of the Area Median Income. It is anticipated that these units will be rental housing units. We project that a minimum of four (4) units will be acquired, redeveloped and rented to households at or below 50% AMI under this category.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	No
---	----

If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	

6. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

Response:

Beginning on Friday, February 11, 2011, the plan was available for review and comment on the St. Louis Community Information Network (<http://stlouis-mo.gov/>). It was also available at the offices of the

Community Development Administration and the Planning and Urban Design Agency and at the St. Louis Central Express Public Library. The International Institute and the Mind’s Eye Information Service for the visually impaired (radio) received email contacts about the availability of the draft plan, as did the Community-Based Development Organizations supported with City funding. Upon request, appropriate aids and services leading to effective communication for qualified persons with disabilities and individuals for whom English is a second language were available so that those persons could participate equally in the City of St. Louis programs, services and activities. Aids included sign language interpreters, foreign language interpreters, documents in Braille and other ways of making information and communications accessible to people who have speech, hearing or vision impairments.

Summary of Public Comments Received.

The summary of public comments received is included as an attachment.

7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled “Activity Number 4,” “Activity Number 5,” “Activity Number 6,” and “Activity Number 7.” If you are unsure how to delete a table, see the instructions [above](#). The field labeled “Total Budget for Activity” will populate based on the figures entered in the fields above it.

Consult the [NSP3 Program Design Guidebook](#) for guidance on completing the “Performance Measures” component of the activity tables below.

Activity Number 1	
Activity Name	Rehabilitation of housing for sale
Uses	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	rehabilitation of residential and non-residential structures
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	Rehabilitation of housing for sale will address NSP eligible scattered sites within the target area already held by the Land Reutilization Authority on behalf of the City. NSP3 funds will be used for development cost write down needed to cover the market gap, and buyer second mortgages (generally at 0% interest) and down payment assistance will be provided to address the affordability gap as needed. All homebuyers will be required to have a minimum of eight hours of homebuyer counseling from a HUD approved counseling agency. Long-term affordability will be insured as described under #3 Definitions and Descriptions above. To the maximum extent possible, the City will utilize Section 3 guidelines to hire people/businesses from the local vicinity to carry out any aspect of this activity should the need arise for additional employees or contractors. Please refer to the attached “NSP Vicinity Hiring” worksheet to be completed by each general contractor.

Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods . All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$2,344,244
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity		\$2,344,244
Performance Measures	Decreased number of vacant homes in target areas and city market and increased average sales price of homes in target area. Assistance will be provided to approximately 12 households through the rehabilitation of approximately 12 residential units for sale and buyer second mortgages and down payment assistance as necessary	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	
Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis c/o Jill Claybour
	Location	1015 Locust, Suite 1140. St. Louis, MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

Activity Number 2	
Activity Name	Rehabilitation of housing for rent
Use	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
<input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	Rehabilitation of residential and non-residential structures
National Objective	Low Moderate Middle Income Housing (LMMH-LH25)
Activity Description	The Rehabilitation of rental housing for sale will address NSP eligible sites within the target area already held by the Land Reutilization Authority on behalf of the City. NSP3 funds will be used for development cost write down needed to cover value and affordability gaps so as to ensure that the units are rented to and occupied by persons and households with incomes ≤ 50% of AMI. There is ample evidence of the need for such housing in the target area. Long-term affordability will be insured as described under #3 Definitions and Descriptions above. To the maximum extent possible, the City will utilize Section 3 guidelines to hire people/businesses from the local vicinity to carry out any aspect of this activity should the need arise for additional employees or contractors. Please refer to the attached "NSP Vicinity Hiring" worksheet to be completed by each general contractor.

Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods . All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool	
Budget	Source of Funding	Dollar Amount
	NSP3	\$781,415
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$781,415	
Performance Measures	Decreased number of vacant units and provision of additional units with long-term affordability for low income households with incomes ≤ 50% of AMI	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	
Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis c/o Jill Claybour
	Location	1015 Locust, Suite 1140, St. Louis MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

Activity Number 3		
Activity Name	Land Banking	
Use	Select all that apply:	
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation	
	<input checked="" type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
<input type="checkbox"/> Eligible Use E: Redevelopment		
CDBG Activity or Activities	Disposition	
National Objective	Low Moderate Middle Income Housing (LMMH)	
Activity Description	No activity is identified. The City wishes to reserve the ability to have this Eligible Use available so that if conditions require, the City can move quickly. No funds are being budgeted at this time.	
Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods . All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$0
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$0.00	
Performance Measures	To be determined if activity is required.	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	

Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis c/o Jill Claybour
	Location	1015 Locust, Ste. 1140, St. Louis, MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

Activity Number 4		
Activity Name	Demolition of abandoned or foreclosed properties held by the Land Reutilization Authority on behalf of the City of St. Louis	
Use	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition
<input type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	Relocation and demolition	
National Objective	Low Moderate Middle Income Area Benefit (LMMA)	
Activity Description	No activity is identified. The City wishes to reserve the ability to have this Eligible Use available so that if conditions require, the City can move quickly. No funds are being budgeted at this time.	
Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods. All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$0
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$0.00	
Performance Measures	To be determined if activity is required.	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	
Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis
	Location	1140 Locust, Ste. 1140, St. Louis, MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

Activity Number 5	
Activity Name	Redevelopment of abandoned or foreclosed properties held by the Land Reutilization Authority on behalf of the City of St. Louis

Use	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	Disposition	
National Objective	Low Moderate Middle Income Housing (LMMH)	
Activity Description	No activity is identified. The City wishes to reserve the ability to have this Eligible Use available so that if conditions require, the City can move quickly. No funds are being budgeted at this time.	
Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods. All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$0
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$0.00	
Performance Measures	To be determined if activity is required.	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	
Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis c/o Jill Claybour
	Location	1015 Locust, Ste. 1140, St. Louis, MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

Activity Number 6		
Activity Name	Program Administration	
Use	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input checked="" type="checkbox"/>	Eligible Use C: Land Banking
	<input checked="" type="checkbox"/>	Eligible Use D: Demolition
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment	
CDBG Activity or Activities	Not applicable	
National Objective	Not applicable	
Activity Description	NSP3 Program Administration funds will be used to pay reasonable and necessary expenses of implementing the program. This includes but is not limited to City staff salaries and overhead, supplies, rent, utilities, telephone and other services and the engagement of any consulting firms needed to provide administrative support. In addition, the City may enter into	

	agreements with the following in order to carry out these activities: St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, sub-recipients, other contractors and subcontractors.	
Location Description	Please refer to the attached map, HUD mapping tool and list of target neighborhoods . All properties are located in neighborhoods identified as Targets A and B in the NSP1 program, the NSP3 eligibility for which has been confirmed through further analysis and use of the tool.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$0
	(Other funding source)	\$0
	(Other funding source)	\$0
Total Budget for Activity	\$0.00	
Performance Measures	The City will utilize administration funds to pay reasonable and necessary expenses in implementing the NSP3 program, adhere to all requirements and guidelines of the program and ensure that all sub-grantees meet all requirements and guidelines. 50% of allocated NSP3 funds will be expended within 2 years of the signed agreement, and 100% will be expended with 3 years of the signed agreement.	
Projected Start Date	Upon receipt of the executed grant agreement from HUD (although in accordance with the NSP Notice and applicable HUD regulations, some costs may be incurred prior to receipt of the executed grant agreement).	
Projected End Date	Expenditures to be completed no later than 18 months from receipt of funds, per the NSP Notice.	
Responsible Organization	Name	City of St. Louis c/o Jill Claybour
	Location	1015 Locust, Ste. 1140 St. Louis, MO 63101
	Administrator Contact Info	314-622-3400 x223 claybourj@stlouiscity.com

8. Certifications

Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the 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.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR Part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR Part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current Consolidated Plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) The jurisdiction certifies:

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) Excessive force. The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) Compliance with anti-discrimination laws. The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) Compliance with lead-based paint procedures. The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of Part 35, Subparts A, B, J, K, and R of this title.

(15) Compliance with laws. The jurisdiction certifies that it will comply with applicable laws.

(16) Vicinity hiring. The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) Development of affordable rental housing. The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

Title

Appendix: NSP3 Action Plan Contents Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	<input checked="" type="checkbox"/>

2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	<input checked="" type="checkbox"/>
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	<input checked="" type="checkbox"/>
• With the highest percentage of homes financed by subprime mortgage related loan?; and	<input checked="" type="checkbox"/>
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	<input checked="" type="checkbox"/>
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html ?	<input checked="" type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input checked="" type="checkbox"/>
<i>ONLY Applicable for States:</i> Did you include the needs of all entitlement communities in the State?	<input type="checkbox"/>

3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?	
• Blighted structure in context of state or local law,	<input checked="" type="checkbox"/>

<ul style="list-style-type: none"> • Affordable rents, • Ensuring long term affordability for all NSP funded housing projects, • Applicable housing rehabilitation standards for NSP funded projects 	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	<input checked="" type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input checked="" type="checkbox"/>

5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
<ul style="list-style-type: none"> • The planned activity, 	<input type="checkbox"/>
<ul style="list-style-type: none"> • The number of units that will result in displacement, 	<input type="checkbox"/>
<ul style="list-style-type: none"> • The manner in which the grantee will comply with URA for those residents? 	<input type="checkbox"/>

6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	<input type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input type="checkbox"/>

7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you	<input checked="" type="checkbox"/>

plan to implement with your NSP3 award?	
For each eligible NSP3 activity you plan to implement did you include:	
• Eligible use or uses?	<input checked="" type="checkbox"/>
• Correlated eligible CDBG activity or activities?	<input checked="" type="checkbox"/>
• Associated national objective?	<input checked="" type="checkbox"/>
• How the activity will address local market conditions?	<input checked="" type="checkbox"/>
• Range of interest rates (if any)?	<input checked="" type="checkbox"/>
• Duration or term of assistance?	<input checked="" type="checkbox"/>
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input checked="" type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input type="checkbox"/>
• Procedures used to create affordable rental housing preferences?	<input type="checkbox"/>
• Areas of greatest need addressed by the activity or activities?	<input type="checkbox"/>
• Amount of funds budgeted for the activity?	<input type="checkbox"/>
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	<input type="checkbox"/>
• Expected start and end dates of the activity?	<input type="checkbox"/>
• Name and location of the entity that will carry out the activity?	<input type="checkbox"/>

8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	<input type="checkbox"/>

9. Additional Documentation

	Yes
Did you include a signed SF-424?	<input type="checkbox"/>

NSP 3 VICINITY HIRING

NEW HIRES (includes workers who have worked with the contractor in the recent past but did not continue to work for the contractor since the last job.)

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting.

GC is also required to provide this form to any subcontractors they hire for this project.

Firm Name:	
Project No:	
Project Name:	
Project Address:	

Review the information below and check all that apply for the pay period shown above:

- We have not hired any new employees.
- We have hired employees that live within the NSP3 Target Area Vicinity.
- We have hired employees who meet Section 3 criteria. * (see next page for definition)
- We have hired employees who do not meet Non-Section 3 criteria.

We have taken one or more of the following recruitment steps to hire employees who live within the target area vicinity or who meet Section 3 criteria: (check all that apply)

- We have advertised to fill vacancy(ies) at the site(s), where work is taking place in connection with this project.

Below we have checked the steps that we have taken to find NSP3 Target Area Vicinity residents and residents that meet Section 3 criteria: (check all that apply)

- Placed signs or posters in prominent places within the target area vicinity.
- Taken photographs of the above item to document that the above step was carried out.
- Distributed employment flyers in locations accessible to NSP3 vicinity residents.
- Posted employment flyers in various locations within the NSP3 vicinity area.
- Kept a log of all applicants and indicated the reasons why NSP3 Target Area Vicinity residents and/or Section 3 residents who applied were not hired.
- Retained copies of any employment applications completed by NSP3 Target Area Vicinity residents.
- Requested training on NSP3 Vicinity Hiring and Section 3 employment requirements.

Print Name and Title

Contractor

Date

Signature

