

# HOUSING

## HOUSING NEEDS

1. *Describe Actions taken during the last year to foster and maintain affordable housing.*

CDA's Residential Development Division has assisted in the completion of 248 units of affordable housing during 2013. Of the 19 for-sale units, seven were rehabilitated and 12 were newly constructed. Of the 229 rental units, 106 were rehabilitated and 123 were newly constructed.

During the year CDA's HOME monitoring team mailed out information packages to all owners of projects operating under HOME regulatory agreements. Staff conducted on-site physical inspections of 17 projects consisting of 718 units (310 of them directly HOME-assisted) and obtained inspection reports on nine additional properties, consisting of another 756 units, 156 of them directly HOME-assisted, from the state housing finance agency. Where conditions fell short of housing quality standards, staff engaged the assistance of the Building Division, the City Counselor's Office, primary lenders and others to encourage compliance. In instances where owners or managers appear to lack knowledge of the requirements or need help with repairs, staff met with them to provide information and assistance.

The City's Affordable Housing Commission awarded approximately \$5,524,000 annually from its Affordable Housing Trust Fund to projects aimed at housing low and moderate income persons and preventing homelessness. Fully 40% of the Commission's allocation must be targeted at households whose incomes do not exceed 20% of area median income. All Commission applications must receive the review and recommendation of the Community Development Administration. Residential Development staff review applications carefully and frequently make suggestions about site selection, financing, maintenance, design or programming, all intended to increase the attractiveness, maintainability and functionality of affordable housing.

Household incomes for the 271 directly assisted units are as follows:

|               |                |
|---------------|----------------|
| Extremely Low | 200 households |
| Very Low      | 44 households  |
| Low           | 11 households  |

Seven rental units were vacant and nine units remained unsold as of December 31, 2012.

## SPECIFIC HOUSING OBJECTIVES

### PROGRESS IN MEETING AFFORDABLE HOUSING GOALS

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

#### ***Residential Development:***

Despite continued problems with construction and permanent financing and a very sluggish market, 248 affordable units, 113 rehabilitated and 135 newly constructed, were completed using CDBG and HOME funds. Of the 19 for-sale units, 16 remained unsold at the end of the year.

The City's Consolidated Plan calls for the production of 1,650 affordable housing units over the five years of the plan. It should be noted that considerable production is taking place outside the CDBG and HOME programs, primarily utilizing Neighborhood Stabilization Program funds.

Of the 248 directly-assisted affordable units created, housing incomes are as follows:

|               |               |
|---------------|---------------|
| Extremely low | 96 households |
| Very low      | 70 households |
| Low           | 30 households |

#### ***Healthy Home Repair Program:***

In 2013 a total of 161 homeowners received home repair assistance through the City-funded home repair programs. A total of 31% of the recipients were at the extremely low income level, while an additional 36% were low income, with the remaining 33% moderate income homeowners. The goal in 2013 was to assist a total of 270 low and moderate income homeowners but the limited availability of CDBG funds presented challenges.

**EFFORTS TO ADDRESS WORST CASE/DISABILITY NEEDS**

3. *Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.*

During 2013 the housing production program managed by CDA’s Residential Development Division resulted in 248 CDBG and HOME-assisted completed units reserved for low and moderate income households. Fifty units received direct construction subsidy, and therefore required that direct benefit information be reported. Of the 50 occupied units, five households had incomes that are at 30% or below of area median income.

The needs of the disabled City residents are largely met through the home repair programs. The Carondelet Community Betterment Federation and Riverview West Florissant Housing Corporation use their in-house crews to make minor repairs for the elderly and disabled and Home Services, Inc., continues to make minor repairs for both the elderly and disabled. In 2013 these agencies served 446 clients by completing minor repairs, as well as accessibility improvements.

## PUBLIC HOUSING STRATEGY

1. Describe actions taken during the last year to improve public housing and resident initiatives.

### Public Housing Strategy

1. Describe actions taken in the last year to improve public housing and resident initiatives.

- A new mixed-finance family development, North Sarah Phase II, closed in December 2012 and began construction in January 2013. The mixed-finance, mixed-income development, which will consist of 103 multi-family rental units in garden apartments, townhouses and mixed-use buildings for both residential and light retail. The project is financed using four percent federal and state low income housing tax credits issued by the Missouri Housing Development Commission (MHDC); tax exempt bond issued by the City of St. Louis Industrial Development Authority; HOPE VI and Replacement Housing Factor Funds from the St. Louis Housing Authority and the U.S. Department of Housing and Urban Development (HUD); City of St. Louis sources including HOME, NSP3 and Affordable Housing Trust Fund (AHTF); and Affordable Housing Assistance Program (AHAP) funds and HOME funds from the MHDC. Construction completion is scheduled for the May 2014.
- A new early childhood education facility closed in March 2013 and construction began in April 2013. The I. Jerome and Rosemary Flance Early Childhood Education Center at Murphy Park is a 23,864 square foot facility that will provide service to children from birth to age five. The facility is funded with a Public Housing Capital Fund Education and Training Community Facilities grant, New Market Tax Credits, private donations and private equity. Construction completion is scheduled for April 2014.
- Under the affordable homeownership programs at Cambridge Heights and the Near South Side, SLHA sold the remaining affordable home on Near South Side and two affordable homes at Cambridge Heights in 2013. SLHA continues to market the remaining two units to affordable buyers. SLHA plans to solicit for a developer partner to complete the homeownership development should market conditions improve. In the partnership with Habitat for Humanity, SLHA provided one affordable home to a Section 8 participant.
- SLHA completed an upgrade of mechanical systems, upgrade of building fire protection and an exterior window flashing replacement at Euclid Plaza.
- SLHA completed deck sealing and structural repairs at California Gardens.
- Deck stair tower painting and dumpster enclosures were completed at Badenhaus Apartments.

- A modernization project to replace siding and exterior stairs at King Louis III and siding at Folsom; Marie K. Fanger, Cupples, Hodiamont, Samuel Sheppard began construction in 2013. The project is scheduled for completion in May 2014.
- Modernization projects to replace siding at Page Manor, McMillian Manor II and Lookaway were delayed due to funding shortages caused by sequestration.
- SLHA continued to plan for additional mixed-finance affordable housing development at North Sarah III. SLHA's development partner applied for Low-Income Housing Tax Credits to fund the project but was unsuccessful in obtaining the credits. The development team plans to reapply in 2014.
- SLHA actively engaged resident organizations to obtain input regarding management of various public housing developments by involving the residents in regular meetings with housing management and engaging residents in a variety of planning processes, including the Annual Agency Plan, the Agency Strategic Plan and HOPE VI planning.

## BARRIERS TO AFFORDABLE HOUSING

1. *Describe actions taken during the last year to eliminate barriers to affordable housing.*

By virtue of its mission, “To promote City living and neighborhood stabilization through the preservation and production of affordable, accessible housing and support services that enhance the quality of life for those in need”, the Affordable Housing Commission eliminates barriers to affordable housing routinely.

In February 2013, the Commission awarded \$4,504,000 to developers of affordable housing and providers of housing related social services to improve or maintain housing for low to moderate income residents of St. Louis City.

An overview of the types of services provided includes the following:

|   |                          |
|---|--------------------------|
| Accessibility Modifications   |                          |
| Repairs for seniors and the disabled  | 103 repairs funded       |
| Construction/Major Rehab  |                          |
| Housing units to be brought on line   | 163 affordable homes     |
| Education & Counseling  |                          |
| Includes first time buyer, home repair & life skills courses                      | 650 people served        |
| Neighborhood Stabilization  |                          |
| Includes nuisance abatement, elderly concerns                                     | 592 people/issues        |
| Home Repairs  |                          |
| Roofing, tuck pointing, & general repairs   | 159 homes                |
| Homeless Prevention/Shelter   |                          |
| Includes beds, meals, counseling & “other”  | 204,166 units of service |
| Rent/Mortgage/Utility Assistance  |                          |
| Emergency aid to prevent eviction or loss of home due to inability                | 852 families served      |
| Transitional Housing  |                          |
| Housing for limited stays not to exceed two years                                 | 803 families             |
| Foreclosure Prevention  |                          |
| Services include lender negotiation, client counseling and possible financial aid | 625 families             |

AHC Offered Two Funding Rounds in 2013 to Expand the Supply of Affordable Housing

In 2013, in addition to its regular funding round, the Affordable Housing Commission offered the public a second funding round, making an additional \$1 million dollars available for major construction/development projects in the City of St. Louis. This was the second time in AHC's history to be able to offer mid-year funding to developers creating, expanding and preserving affordable housing. The 2013 combined funding allowed the Commission to award \$1,960,000 toward the construction and rehabilitation of nine affordable for-sale homes and 154 affordable rental units.

AHC Marks a Decade of Investment In Affordable Housing In St. Louis

2013 also marked the Affordable Housing Commission's 10th year of investing funds into initiatives that improve the quantity and quality of affordable housing and affordable housing services in the City. Since 2003, AHC has awarded more than \$70,924,000 in grants and loans to partner agencies carrying out programs that reduce homelessness, help families and individuals improve their skills and become more self sufficient, improve our housing stock, and strengthen our neighborhoods. Of the money distributed by the Trust Fund, more than \$21 million has been invested in the construction and rehabilitation of affordable housing. This money has helped to create 1,312 affordable housing units, it has attracted more than \$439 million in investment into the City, and it has produced 2,744 mixed-income homes. Aside from expanding the City's supply of affordable housing, investments by the Trust Fund have created jobs, fueled additional investment, and revitalized neighborhoods.

The Affordable Housing Trust Fund: a Responsive Tool for Community's Changing Needs

The Affordable Housing Trust Fund has served as a responsive tool for meeting the community's changing needs. This past decade saw the rise of the housing crisis and the Trust Fund was there. While foreclosures may have subsided, their lasting effects are devastating to families, home values, and neighborhoods. In 2013, AHC continued funding the nationally recognized St. Louis Alliance for Homeownership Preservation. This alliance of five agencies has spent the last five years fighting for homeowner rights, preserving homeowner assets, helping families remain intact, and saving families from foreclosure.

Collaboration of City Agencies Toward Greater Goals

In St. Louis, the Affordable Housing Trust Fund has expanded the pool of money invested into housing stock and neighborhoods at a time when Community Development Administration (HUD) funding has stagnated. The City has purposefully allowed, and even encouraged, the programs of the Community Development Administration to work in partnership with the Affordable Housing Commission. This framework of collaboration between CDA and AHC is expected to become increasingly important in the coming year as finite resources require City agencies shift to a more effective, market value analysis model in order to achieve greater goals in our neighborhoods.

## HOME INVESTMENT PARTNERSHIP

### HOME MATCH REPORT

1. *HOME Match Report*
  - a. *Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.*

HOME regulations require that participating jurisdictions contribute or match 25 cents for each dollar of HOME funds spent on affordable housing. The HOME statute provides for a reduction of the matching contribution requirements if a jurisdiction exhibits fiscal distress, severe fiscal distress or has suffered from a Presidentially-declared major disaster. For the program year the City of St. Louis qualified under the fiscal distress criterion and received a 50 percent reduction of the match requirement.

### HOME MBE AND WBE REPORT

2. *HOME MBE and WBE Report*
  - a. *Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).*

# Annual Performance Report HOME Program

U.S. Department of Housing  
and Urban Development  
Office of Community Planning  
and Development

OMB Approval No. 2506-0171  
(exp. 8/31/2009)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/MI) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

|  |  |                      |                             |
|--|--|----------------------|-----------------------------|
| Submit this form on or before December 31.   | This report is for period (mm/dd/yyyy) |                      | Date Submitted (mm/dd/yyyy) |
| Send one copy to the appropriate HUD Field Office and one copy to:<br>HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410 | Starting<br>01/01/2013                 | Ending<br>12/31/2013 | 3/31/2013                   |

## Part I Participant Identification

|   |  |   |                      |
|---|--|---|----------------------|
| 1. Participant Number<br>MS-05-MC-29-0500                 | 2. Participant Name<br>City of St. Louis |   |                      |
| 3. Name of Person completing this report<br>Matthew Sisul |  | 4. Phone Number (Include Area Code)<br>314-657-3700 |                      |
| 5. Address<br>1520 Market Street Suite 2000               | 6. City<br>St. Louis                     | 7. State<br>MO                                      | 8. Zip Code<br>63103 |

## Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

|  |   |   |  |  |
|--|---|---|--|--|
| 1. Balance on hand at Beginning of Reporting Period<br>\$750,610 | 2. Amount received during Reporting Period<br>\$3,145,471 | 3. Total amount expended during Reporting Period<br>\$2,042,593 | 4. Amount expended for Tenant-Based Rental Assistance<br>0 | 5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5<br>\$1,853,488 |
|--|---|---|--|--|

## Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period.

|                         | a. Total     | Minority Business Enterprises (MBE)  |                              |                       | f. White Non-Hispanic |
|-------------------------|--------------|--------------------------------------|------------------------------|-----------------------|-----------------------|
|                         |              | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic |                       |
| <b>A. Contracts</b>     |              |                                      |                              |                       |                       |
| 1. Number               | 14           |                                      |                              | 3                     | 11                    |
| 2. Dollar Amount        | \$44,481,504 |                                      |                              | \$8,354,773           | \$36,126,731          |
| <b>B. Sub-Contracts</b> |              |                                      |                              |                       |                       |
| 1. Number               | 234          |                                      |                              | 61                    | 173                   |
| 2. Dollar Amount        | \$36,065,869 |                                      |                              | \$10,775,190          | \$25,290,679          |
|                         | a. Total     | b. Women Business Enterprises (WBE)  | c. Male                      |                       |                       |
| <b>C. Contracts</b>     |              |                                      |                              |                       |                       |
| 1. Number               | 14           | 1                                    | 13                           |                       |                       |
| 2. Dollar Amount        | \$44,481,504 | \$60,862                             | \$44,420,642                 |                       |                       |
| <b>D. Sub-Contracts</b> |              |                                      |                              |                       |                       |
| 1. Number               | 234          | 28                                   | 206                          |                       |                       |
| 2. Dollar Amounts       | \$36,065,869 | \$2,596,938                          | \$33,468,431                 |                       |                       |

**Part IV Minority Owners of Rental Property**

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

|                  | a. Total    | Minority Property Owners             |                              |                       |             | f. White Non-Hispanic |
|------------------|-------------|--------------------------------------|------------------------------|-----------------------|-------------|-----------------------|
|                  |             | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | e. Hispanic |                       |
| 1. Number        | 4           |                                      |                              | 1                     |             | 3                     |
| 2. Dollar Amount | \$2,624,128 |                                      |                              | \$750,487             |             | \$1,873,641           |

**Part V Relocation and Real Property Acquisition**

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

|  | a. Number | b. Cost |
|--|-----------|---------|
| 1. Parcels Acquired                                | 0         | 0       |
| 2. Businesses Displaced                            | 0         | 0       |
| 3. Nonprofit Organizations Displaced               | 0         | 0       |
| 4. Households Temporarily Relocated, not Displaced | 0         | 0       |

  

| Households Displaced             | a. Total | Minority Business Enterprises (MBE)  |                              |                       |             | f. White Non-Hispanic |
|----------------------------------|----------|--------------------------------------|------------------------------|-----------------------|-------------|-----------------------|
|                                  |          | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | e. Hispanic |                       |
| 5. Households Displaced - Number | 0        | 0                                    | 0                            | 0                     | 0           | 0                     |
| 6. Households Displaced - Cost   | 0        | 0                                    | 0                            | 0                     | 0           | 0                     |

*Matthew Sisul*

## **GOALS AND OBJECTIVES ASSESSMENTS**

### *3. Assessments*

- a. Detail results of on-site inspections of rental housing.*
- b. Describe the HOME jurisdiction's affirmative marketing actions.*
- c. Describe outreach to minority and women owned businesses.*

### ***On-Site Inspections Results - Rental Housing***

All Housing Production projects assisted with HOME funds receive, at a minimum, on-site inspections prior to project approval, prior to every request for payment and upon completion prior to occupancy by the intended tenant or owner-occupant. The Residential Development Division's construction manager, augmented as needed by the division's architect, is encouraged to visit project sites informally on a much more frequent basis, at least weekly, to see whether work is progressing according to plans, specifications and schedule.

As part of monitoring completed HOME rental projects, inspection staff also conduct site visits on a rotating schedule, the frequency of which is mandated by the HOME program regulations according to the number of HOME-assisted units in the development. In cases where corrective work is recommended or required, staff are to make follow-up inspections until work is satisfactorily completed or the matter is submitted to the City Counselor's office for legal action.

### ***Affirmative Marketing Actions:***

As required by statute and regulations, all projects of five units or more assisted by HOME funds must submit an explicit Affirmative Fair Housing Marketing Plan for funding approval. As a practical matter, CDA works to ensure that all participating developers actively market to the entire community and augments their efforts by maintaining "Homes for Sale" listings on its Community Information Network web page and encouraging developers to maintain ongoing working relationships with local housing counseling agencies and socialserve.com. CDA's HOME Affirmative Marketing Plan appears at the conclusion of this chapter.

### ***Minority and Women Owned Business Outreach:***

The Community Development Administration requires the maximum utilization of minority and women owned businesses in all assisted housing development projects with a goal of at least 25% City of St. Louis certified minority business enterprise participation and 5% City of St. Louis certified women's business enterprise participation taken as a percentage of the total development cost of the project, excluding acquisition. All recipients of CDA housing production funds are required to keep records of participation by certified minority and women-owned businesses. The City's Disadvantaged Business Enterprise Program Division has primary responsibility for outreach and marketing of the certification program and assesses the results of developers' efforts to encourage the use of these businesses. 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.

## **HOME AFFIRMATIVE MARKETING PLAN**

In accordance with 24 CFR Part 511.13, and in furtherance of the City's commitment to non-discrimination and equal opportunity in housing, the City of St. Louis will conduct an Affirmative Marketing Plan for all HOME-assisted housing containing five or more units. The Affirmative Marketing Plan is designed to provide information to, and attract eligible persons from all racial, ethnic, and gender groups in the housing market to the available housing. All non-profit organizations, CHDOs, owners, and other prospective participants in the HOME Housing Production Program will be required to enter into an agreement with the City confirming their participation in the Affirmative Marketing Plan for any project containing five or more units.

### ***HOME Affirmative Marketing Procedures for Developers***

1. The Community Development Administration will inform all potential/ prospective HOME Housing Production participants of the City's policy on affirmative marketing. The City will use the Equal Housing Opportunity logotype or slogan in all press releases, pamphlets, solicitations for owners, and other written communication to fair housing and other groups.
2. All non-profit organizations, CHDOs, owners, and other prospective participants in the HOME Housing Production Program will be required to confirm through a written agreement that in they will comply with all applicable fair housing laws.
3. Owners must explicitly agree not to discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, state, or local housing assistance program (except for a project for housing elderly persons) or on the basis that tenants have a minor child who will be residing with them.
4. Owners will agree to adhere to the Affirmative Marketing Plan by assuring the display of the fair housing poster, and the use of Equal Housing Opportunity logotype or slogan in press releases, advertisements, flyers, announcements, and other forms of community contact or solicitation, which makes known the availability of housing units.
5. Owners will assure the special outreach to persons who are not likely to apply for housing by notifying the following parties in the event of any vacancies: the St. Louis Housing Authority, Urban League, the International Institute and socialserv.net.
6. Owners must agree to undertake the affirmative marketing requirements for the period of affordability per HOME regulations.

7. The City of St. Louis will review and assess the affirmative marketing actions of participants in the HOME Housing Production Program semi-annually for a period of five years not to exceed fifteen years following the completion of rehabilitation. Participants with affirmative marketing deficiencies will be given a written statement, which will define the deficiencies, and provide an opportunity for corrective action. Each participant will be informed that failure to comply with the affirmative marketing requirements within a specified period may result in disqualification from further participation in the HOME Housing Production Program, or other similar programs administered by the City of St. Louis.

***Affirmative Marketing Monitoring***

The Housing Analyst assigned to a specific HOME project will complete HUD Form 935-2A to ensure that a good faith effort was made by the developer. All records of the affirmative marketing monitoring will be maintained by the Community Development Administration and assessed annually.