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 five units of affordable housing during 2011, all of which involved a direct subsidy, and one has sold. The two rental units were rehabilitated as were the for-sale units. Please see Section 108 reporting for other affordable units completed.

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 seven projects consisting of 482 units (94 of them directly HOME-assisted) and obtained inspection reports on 13 additional properties, consisting of another 1,501 units, 346 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 $4 million 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 five directly assisted units are as follows:

Low	3 households

Two units remained unsold as of December 31, 2011.

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:

Continued problems with construction and permanent financing and a very sluggish market frustrated efforts to produce affordable and Section 215 housing during 2011. Only five units, all rehabilitated were completed using CDBG and HOME funds. Of the three for-sale units, two 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, utilizing Section 108 and Neighborhood Stabilization Program funds.

All five affordable units were created were directly assisted.. Household incomes for the units are as follows:

Low 3 household

Two for-sale units remained unsold as of December 31, 2011.

Healthy Home Repair Program:

In 2011 a total of 220 homeowners received home repair assistance through the City-funded home repair programs. A total of 37% of the recipients were at the extremely low income level, while an additional 36% were low income, with the remaining 27% moderate income homeowners. The goal in 2011 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 2011 the housing production program managed by CDA's Residential Development Division resulted in five CDBG and HOME-assisted completed units reserved for low and moderate income households. All units received direct construction subsidy, and therefore required that direct benefit information be reported. Of the three occupied units, none 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 2011 these agencies served 770 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.

- A new mixed-finance senior development, Senior Living at Cambridge Heights, was completed in January 2011. The development consists of 117 elderly-only units, of which 75 are public housing. The development is located on the southern edge of the Cochran Gardens HOPE VI revitalization area. The project funding includes Low Income Housing Tax Credits and HOME funds from Missouri Housing Development Commission and private equity.

- Continuation of construction of Arlington Grove, a new mixed-finance, mixed-income family development, which will consist of 112 rental units. The project funding includes federal four percent Low Income Housing Tax Credits (LIHTC), tax exempt bonds, state and federal Historic Tax Credits, Replacement Housing Factor (RHF) and American Recovery and Reinvestment Act of 2009 (ARRA) funds from the St. Louis Housing Authority (SLHA), Missouri Housing Development Commission (MHDC) gap financing that is made up of exchange funds (TCR), MHDC and City of St. Louis HOME funds, Capital Fund Recovery Competition (CFRC) funds awarded to SLHA from HUD and private equity. The project closed on September 9, 2010, and construction is anticipated to complete by July 2012.

- Began construction of North Sarah Phase I, a new family mixed-finance, mixed-income development, which will consist of 120 rental units and light retail. The project funding includes Capital Fund Program - Replacement Housing Factor Funds, nine percent Low-Income Housing Tax Credits (LIHTC) and HOME funds from the Missouri Housing Development Commission (MHDC), Community Development Block Grant Funds, HOME funds and Affordable Housing Trust Fund dollars from the City of St. Louis, private equity and a private first mortgage. The project closed on May 6, 2011. The construction is ahead of schedule and is anticipated to be complete in June 2012.

- SLHA applied for and received a HOPE VI grant to assist funding with the North Sarah development. The $7.8 million HOPE VI grant was awarded on May 20, 2011. The funds will be used to provide community and supportive services to residents of the Blumeyer development and to partially fund the second phase of the development. North Sarah II is a new mixed-finance, mixed-income family development planned to contain 109 units of rental housing, 44 of which will be public housing. It is anticipated that North Sarah II will close in early 2013 and that construction will be complete in the spring of 2014.

- In addition to the HOPE VI grant, SLHA applied for and received a Capital Fund Education and Training grant for $5 million. This grant will be used to build a 26,300 square foot early childhood education center, the Flance Center, that will serve a mixed-income population. The building uses a mixed-finance scheme combining the grant funds with New Market Tax Credits and private donations. The financial closing is scheduled for August 2012, with construction completion scheduled for August 2013.

- Under the affordable homeownership programs at Cambridge Heights and the Near South Side, SLHA was only able to sell one affordable townhome unit. SLHA issued two separate solicitations to select a new development partner to complete the two homeownership developments. Neither solicitation was successful. SLHA continues to market and try to sell the existing units to affordable buyers.

- SLHA closed on one home this year in its partnership with Habitat for Humanity to provide affordable homeownership to Section 8 participants. SLHA continues to try to recruit participants who are able to qualify for a small first mortgage.

- A solar demonstration project, which provided for the installation of photovoltaic panels at nine separate sites, was completed. The project was funded with ARRA Competitive grants combined with equity from New Market Tax Credits and Solar Investment Tax Credits. The project also includes installation of an advanced rain/storm water harvesting system at several developments.

- SLHA continued the comprehensive modernization of James House Apartments, a 155-unit high-rise public housing development. Financing for the comprehensive modernization was provided from a portion of the $18.5 million allocation from the recent stimulus packet under the American Recovery and Reinvestment Act (ARRA) Formula Grant awarded in FY 2009. The construction is to be complete by April 2012.

- SLHA completed limited modernization at various developments: Badenfest interior upgrades, Parkview window replacement and replacement of roofing system; Warwood Elderly roof replacement; Clinton Peabody upgrade of unit boilers; Blumeyer Family building roof replacement; LaSalle Park exterior building envelope upgrade; and Lafayette Townhomes and Tiffany Apartments HVAC upgrades. In addition, SLHA completed the demolition of 29 family units at Warwood, eight family units at Highland Apartments and demolition of Cochran Towers, the last remaining high-rise at Cochran Gardens.

- 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, a Strategic Capital 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 January 2011, the Commission awarded $4,000,000 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	111 repairs funded
Construction/Major Rehab	
Housing units to be brought on line	21 homes
Education & Counseling	
Includes 1st time buyer, home repair & life skills courses	155 people served
Neighborhood Stabilization	
Includes nuisance abatements, elderly concerns	1,000 people/issues
Home Repairs	
Roofing, tuck pointing & general repairs	101 homes
Homeless Prevention/Shelter	
Includes beds, meals, counseling & "other"	191,640 units of service
Rent/ Mortgage/ Utility Assistance	
Emergency aid to prevent eviction or loss of home due to inhabitability	960 families served
Transitional Housing	
Housing for limited stays not to exceed two years	635 families
Foreclosure Prevention	
Services include lender negotiation, client counseling and possible financial aid	625 families

Residential Development:

The completion of 44 affordable rental units assisted with HOME and Section 108 funding during 2011 was part of a larger strategy aimed at eliminating barriers to households seeking affordable housing in the City of St. Louis.

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 2011 program year the City of St. Louis qualified under both of the distress criteria and received a 100 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. Send one copy to the appropriate HUD Field Office and one copy to: **HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410**	This report is for period (mm/dd/yyyy) Starting	Ending	Date Submitted (mm/dd/yyyy)
	01/01/2011	12/31/2011	03/14/2012

Part I Participant Identification

1. Participant Number	2. Participant Name		
MC-05-MC-29-0500	City of St. Louis		
3. Name of Person completing this report	4. Phone Number (Include Area Code)		
Deborah A. Mueller	314-622-3400		
5. Address	6. City	7. State	8. Zip Code
1015 Locust Street, Suite 1100	St. Louis	MO	63101

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	2. Amount received during Reporting Period	3. Total amount expended during Reporting Period	4. Amount expended for Tenant-Based Rental Assistance	5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5
$ 762	$ 205,006	$ 79,533	- 0 -	$ 126,235

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) b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	f. White Non-Hispanic
A. Contracts 1. Number	4			2		2
2. Dollar Amount	$ 997,303			$ 547,351		$ 449,952
B. Sub-Contracts 1. Number	55			12	1	42
2. Dollar Amount	$ 997,303			$ 219,291	$ 6,900	$ 771,112

	a. Total	b. Women Business Enterprises (WBE)	c. Male
C. Contracts 1. Number	4	0	4
2. Dollar Amount	$ 997,303	- 0 -	$ 997,303
D. Sub-Contracts 1. Number	55	6	49
2. Dollar Amounts	$ 997,303	$ 22,873	$ 974,430

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	1			1		
2. Dollar Amount	$ 295,397			$ 295,397		

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		
2. Businesses Displaced		
3. Nonprofit Organizations Displaced		
4. Households Temporarily Relocated, not Displaced		

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						
6. Households Displaced - Cost						

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 make follow-up inspections approximately every 30 days until work is satisfactorily completed or the matter is submitted to the City Counselor's office for legal action. Several owners have been referred to the City Counselor's office for failure to correct substandard property conditions.

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 necessary 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.