

**CITY OF ST. LOUIS COMMUNITY DEVELOPMENT ADMINISTRATION  
FALL 2015 NOFA PERIOD**

**QUESTIONS & ANSWERS (Q&A)**

Received between 09/04/2015 and 10/16/2015

**Is there an online or otherwise paperless way to submit applications for residential development assistance during the current NOFA round?**

There is currently no paperless option for submitting applications for the Fall 2015 NOFA funding round. All applicants are required to provide one complete application with original signatures and three duplicate copies prior to the application deadline. The original copy must be provided in a three-ring binder, but the additional copies may be bound by binder clip. Additionally, one digital copy of the Excel-based CDA For-Sale or Rental (as applicable) Application & Proforma (*VERSION – Sept 2015*) must be emailed to [CDAnofa@stlouis-mo.gov](mailto:CDAnofa@stlouis-mo.gov) prior to the application deadline.

**Will owner-occupied applications be considered?**

CDA housing production programs are not intended to provide gap assistance for owner-occupant rehabilitation or new construction projects. However, such proposals will not be considered ineligible and will not be excluded from consideration (*effective September 2014*). Such applicants still must demonstrate the feasibility of their proposals, including the experience and capacity of all members of the development team.

**Will applications be considered for owner-occupied multifamily housing developments?**

Developments of one-to-four-family residences, condominium units, cooperative units, combinations of manufactured housing and lots, or manufactured housing lots are considered by federal regulation to be “single-family housing” proposals. As such, CDA will consider applications for owner-occupied multifamily housing developments as eligible to receive assistance through this NOFA round. However, if the project receives assistance from a program specifically designated for the creation of affordable housing and is limited to income-eligible households, then income certifications will be required of all occupants, including the owner-occupant, for the duration of the applicable affordability period.

**Is information available for Spring 2015 NOFA Awards?**

The CDA funding reservation awards for applications received during the Spring 2015 NOFA round are published and available online:

<https://www.stlouis-mo.gov/government/departments/community-development/residential-development/resources/nofa-awards.cfm>

This page will be replaced on November 30, 2015, with the Fall 2015 NOFA awards.

**What does the phrase “E & A” mean?**

All City contracts must first be approved by the City of St. Louis Board of Estimate & Apportionment. This board consists of the Mayor, the President of the Board of Aldermen, and the Comptroller. This board meets once per month and is commonly referred to as “E&A.”

**If not awarded funds during this NOFA round, how can applicants improve their proposal(s) for future NOFA rounds?**

For projects that are not awarded funding, CDA will offer applicants an opportunity for a debriefing session to discuss the specifics of the rating for their specific proposal(s).

**How will CDA treat competing proposals for the same address?**

It is possible for CDA to receive multiple development proposals for the same address. In such an event, CDA will evaluate each application for completeness and rate each proposal on its own merits. Then CDA will rank the proposals against all other applications received during the open NOFA period. While it will not be possible for competing proposals to receive funding for the same address, it may be possible for none of the proposals to rank high enough to be awarded assistance.

**Are most of the funding denials for respondents competing over the same property, or does CDA more frequently run out of money?**

This NOFA application and selection process is highly competitive, with respondents vying City-wide for very limited funding. For the Spring 2014 NOFA, CDA announced it would make \$2.5 Million available. We received 13 proposals requesting approximately \$4.4 Million in residential development assistance. CDA awarded funding reservations to 7 projects, totaling approximately \$2.7 Million. For the Fall 2014 NOFA, CDA announced it would make \$4 Million available. We received 27 proposals requesting approximately \$10.7 Million in residential development assistance. CDA awarded funding reservations to 15 projects, totaling approximately \$5.1 Million. For the Spring 2015 NOFA, CDA announced it would make \$2 Million available. We received 23 proposals requesting approximately \$8.5 Million in residential development assistance. CDA awarded funding reservations to 9 projects, totaling approximately \$2.9 Million.

Because the availability of funding is extremely limited, CDA is unlikely to have the ability to fund every quality application it receives. Therefore, the benefits and financial impacts of submitted proposals will be carefully reviewed and evaluated with particular attention to how well CDA funds are leveraged with other forms of available financing.

**If interested in developing a CDA-assisted property identified in the RFP section of the NOFA without requesting additional CDA assistance, does one still need to submit a proposal through this NOFA process?**

Yes. Because CDA-funding assisted the acquisition and holding costs, there remains a CDA subsidy in the project. And the project still must comply with the applicable federal regulations governing that funding source.

**Is there an active list of certified MBE firms and/or certified WBE firms?**

Per the Mayor's Executive Order #28 and as amended by #51, the City of St. Louis requires maximum utilization of minority- and women-owned businesses in all CDA-assisted housing projects with a goal of at least 25% City of St. Louis certified minority business enterprise (MBE) participation and 5% City of St. Louis certified women's business enterprise (WBE) participation. This is taken as a percentage of the project's total development cost, excluding acquisition. All recipients of CDA funds will be required to keep records of participation by certified MBEs & WBEs. Additional information can be obtained by contacting the Disadvantaged Business Enterprise (DBE) Office or visiting their online directory: <http://directory.mwdbe.org>. This directory contains the most current information on MBE and WBE firms certified by the City of St. Louis.

**If you are awarded one of the CDA-assisted properties identified in the RFP section of the NOFA, is there a time limit for project completion?**

If selected to be the developer for one of the CDA-assisted properties identified in the RFP section of the NOFA, then LRA will enter into an option agreement with you in order to sell the property to you/your development entity. This agreement must include the purchase price to be paid to LRA at closing. Once you have executed the LRA Option Assignment Agreement, you will be expected to complete all your pre-development work and finalize your construction financing. A closing will not occur until plans and budget are approved and financing commitments and approvals are obtained. The legal documents that will be signed at closing will define the terms of project financing. These can be negotiated as needed, but typically CDA legal documents reflect a 12-month term.

Note that HOME for-sale projects will be required to convert to rental if unsold 9 months after completion, or issuance of occupancy permit. Conversion will require modifications to all for-sale legal documents. Forgiveness of the CDA project subsidy will not be considered, and CDA will begin monitoring and regularly inspecting the project to ensure that the unit(s) are maintained to appropriate living standards.

CDA will host an additional workshop for recipients of NOFA awards to explain the various steps required from predevelopment through construction to project completion and close-out.

**Does CDA anticipate continuing funding cycles twice per year, such as once in the spring and once in the fall?**

Yes, CDA does not anticipate releasing NOFA rounds more than twice per year. However, it is our intent to coordinate CDA deadlines with as many related funding deadlines as possible. While it is unlikely that CDA will be able to align with all other possible deadlines for all other local, state, and federal agencies, it may be necessary to deviate from a specific cycle such as every spring or every autumn.

**Are individual Renovate, Repair, and Painting (RRP) certifications required for all subcontractors or just those conducting demolition work?**

The U.S. Environmental Protection Agency (EPA) offers guidance regarding RRP certifications. The following firms must be certified:

- Any firm that is paid to perform work that disturbs lead paint or conducts lead dust sampling in housing or child-occupied facilities built before 1978 must be certified.
- This may include residential rental property owners/managers, maintenance staff, general contractors, renovators and remodelers, and special trade contractors including painters, plumbers, carpenters, electricians, and kitchen and bath specialists.
- EPA has defined the term "firm" to mean a company, partnership, corporation, sole proprietorship or individual doing business, association, or other business entity; a Federal, State, Tribal, or local government agency; or a nonprofit organization.

<http://www2.epa.gov/lead/details-certification-requirements-firms>

EPA requires that employees must be trained. Employees must be trained in and use Lead-Safe Work Practices. Each firm must have at least one certified renovator. Renovators are certified upon completion of an EPA accredited renovator training course. To remain certified a renovator must complete a refresher training course before their current certification expires. If certification expires, the 8 hour course must be taken again to regain certification.

<http://www2.epa.gov/lead/getcertified>

If we cannot get a copy of each RRP certificate for the individuals conducting the work on-site, CDA will accept instead a copy of the RRP certificate from the foreman of each firm along with an affidavit that includes the following statement:

I, \_\_\_\_\_, a certified renovator, hereby certify that I was on-site or available by telephone at times that renovations were being conducted in accordance with the requirements specified in the EPA's Lead-Based Paint Renovation, Repair, and Painting Program.

In the instances where a firm's foreman was unavailable, CDA will accept instead an affidavit from the general contractor (or also considered the foreman for all on-site). But CDA will still need a copy of the RRP certificate of the firm's certified renovator as well.

**Where can one find information regarding potential environmental concerns, particularly noise issues?**

In accordance with HUD regulations, the environmental effects of each activity carried out with federal funds must be assessed. The City of St. Louis is responsible for conducting an environmental review of projects selected for funding. Compliance with environmental review requirements is mandatory prior to the applicant entering into any choice-limiting agreements or taking any physical action on a site. The selected applicant(s) shall be responsible for providing information and relevant documents necessary to accomplish the environmental review. For some

projects the City will require a Phase I environmental assessment conducted in accordance with standards developed by the American Society for Testing and Materials, and if applicable, a follow-up Phase II assessment. For more information, contact Mr. Mark Jefferies at 314-657-3874 or [jefferiesm@stlouis-mo.gov](mailto:jefferiesm@stlouis-mo.gov).

**What can one do if the anticipated costs of a project exceed the appraised value of the completed home?**

It is because of such situations that programs like CDBG, HOME, and NSP exist. You are encouraged to apply to CDA for development subsidy assistance during an open NOFA round when encountering projects with financing gaps.

**I heard that CDA will not provide financing for projects in my neighborhood or area. Is this true?**

The belief that CDA will disqualify an application solely on its location in the City of St. Louis is not true. Residential proposals from all areas and all neighborhoods of the City are eligible and will be considered. However, CDA only offers funding to development efforts located within the City of St. Louis. Efforts in St. Louis County or other parts of the Metropolitan Statistical Area (MSA) are not eligible for assistance through this NOFA.

A statistical Market Value Analysis (MVA) detailing housing market characteristics for all City Census block groups was created to as a tool to help agencies such as CDA identify potential development strategies and to prioritize and strategically leverage public investments for the benefit of its citizens. This means that some areas of the City will score higher in the Priorities and Target Areas sections of the Proposal Ratings sheet. An interactive MVA map and database is available online to help interested parties evaluate their potential development sites prior to submitting an application: <http://dynamic.stlouis-mo.gov/mva>.

**Is it possible to request both HOME funds and CDBG funds on the same application?**

It is not necessary to identify a specific funding source in an application under this NOFA. CDA reserves the right to assign or even switch funding sources in an effort to award the maximum number of projects. However, an applicant still must specify the targeted AMI households in your Summary of Proposed Residential Development Project section of the list of required items. The CDA spreadsheets allow for targeting combinations of market-rate, LMML, and low/mod housing units in the same application, as mixed-income developments are preferred. Please also note that will also be necessary for applicants to identify a CBDO if their proposal involves the new construction of market-rate housing or to be considered for CDBG-assisted efforts.

**How can an applicant find out if a property is in an Historic District they will know to apply for Historic Tax Credits as part of the application?**

The City of St. Louis has an online tool for researching parcel information, such as neighborhood, ward, zoning, census block, tax & assessment history, historic district, strategic land use designation, and many more. This is known as Geo St. Louis, a guide to geospatial data for the City of St. Louis: <http://stlcin.missouri.org/citydata/newdesign/index.cfm>

**If an 80% loan-to-value (LTV) Construction Loan is entered on the Sources and Uses page for Interim Construction Financing the amount of the GAP funds does not go down accordingly. As a result it looks as though there is a Construction Financing Surplus. Since the CDA Development Gap Subsidy is an auto-populated locked cell that we cannot change should we just leave it with Construction Financing showing a Surplus?**

Such a situation demonstrates that the proposed project will not need to utilize the full amount of the private construction loan potentially available. Because the project's Sources and Uses should match each other, it is preferable that the amount of the private construction loan be reduced rather than leaving a surplus on the Proforma Summary. There is no firm LTV amount required by CDA for private construction loans. Rather, this is only an aid to help CDA staff evaluate the leveraging of City funds with all other sources. Increasing the LTV ratio of any funding source does not impact the gap subsidy need for a project. A gap in the residential development construction financing is the difference between the cost to produce the housing and the value of that housing when completed.

**How do we handle the situation where we plan the rehabilitation of several homes, but some are located in a historic district while others are not? How do we avoid the computation of tax credit equity for both the eligible & ineligible buildings?**

The CDA application acts as a helpful guide by auto-calculating an estimate of state historic rehabilitation tax credits if all of the following conditions are met: the proposal involves rehabilitation, the development site is located in a certified National or Local Register Historic District, and the developer is a for-profit entity. For proposals that involve elements where tax credit equity may be available for some addresses but not all, indicate that the site is not located in a historic district and then estimate potential tax credit equity on your own. This estimate should then be included in one of the available cells marked "Other" in the Permanent Sources section of the Proforma Summary worksheet page. As with all "Other" items included in the application spreadsheet, be sure to also appropriately define any such references in available spaces so that CDA staff can properly assess the proposal.

**There appear to be two different checklist formats outlined in the NOFA (one on page 11 and the other on page 22). What is the order to be used that will qualify an application for the bonus points given for items being in order and clearly marked?**

Just as the NOFA Ratings Sheet is similarly included, the Eligibility Analysis & Completeness Review pages are a part of the NOFA contents to provide transparency to the ratings and selection process. However, this is still an internal form that will be used only by CDA staff. The order of contents for applications is titled "Checklist of Required Items" and can be found on page 11 of the CDA Fall 2015 NOFA. This is the same order outlined in the "Application" tab of the CDA spreadsheet (Section IX of the For-Sale version, Section XI of the Rental version).

**If I am proposing the rehabilitation of a single-family home for my own, owner-occupant use (meaning that I will not sell when completed but live in myself), which spreadsheet should I use? For Sale or Rental version?**

CDA housing production programs are not intended to provide gap assistance for owner-occupant rehabilitation or new construction projects. However, such proposals will not be considered ineligible and will not be excluded from consideration (*effective September 2014*). Such applicants still must demonstrate the feasibility of their proposals, including the experience and capacity of all members of the development team. Developments of one-to-four-family residences, condominium units, cooperative units, combinations of manufactured housing and lots, or manufactured housing lots are considered by federal regulation to be “single-family housing” proposals. Applicants whose proposals fall into these categories should use the For Sale CDA application. All other proposals should use the Rental CDA application.