

ORDINANCE #68835
Board Bill No. 245

An ordinance, recommended by the Board of Estimate and Apportionment, authorizing the Mayor of the City of St. Louis, on behalf of the City, to submit a Substantial Amendment to the 2010 Annual Action Plan to the United States Department of Housing and Urban Development (“HUD”) as required to apply for City of St. Louis entitlement funding (hereinafter referred to as “NSP-3 Entitlement Funding”) under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203, approved July 21, 2010) (Dodd-Frank Act) for additional assistance in accordance with the second undesignated paragraph under the heading “Community Planning and Development—Community Development Fund” in Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5, approved February 17, 2009) (Recovery Act), as amended, for the purpose of assisting in the redevelopment of abandoned and foreclosed homes, hereinafter referred to as the Neighborhood Stabilization Program 3 (“NSP-3”), further authorizing the Mayor of the City of St. Louis, on behalf of the City, to submit an application to the State of Missouri for the purpose of securing for the City additional NSP-3 funding awarded to the State of Missouri (hereinafter referred to as “State NSP-3 Funding”), authorizing and directing the Mayor and the Comptroller on behalf of the City to enter into and execute an agreement or agreements with HUD for the receipt of NSP-3 Entitlement Funding and an agreement or agreements with HUD and/or the State of Missouri and/or agencies and/or commissions thereof for State NSP-3 Funding, appropriating the sum of Three Million Four Hundred Seventy-Two Thousand Nine Hundred Fifty-Four Dollars (\$3,472,954) which the City has been allocated in NSP-3 Entitlement Funding; appropriating the lesser of One Million Five Hundred Thousand Dollars (\$1,500,000) or such lesser amount of State NSP Funding as may be awarded to the City; authorizing and directing the Director of the Community Development Administration (“CDA”) to contract with municipal agencies, non-profit corporations and other entities, as necessary for the expenditure of NSP-3 Entitlement Funding and State NSP-3 Funding; and directing the Comptroller to issue warrants thereon upon the City Treasury; and containing an emergency clause.

WHEREAS, on the effective date of October 19, 2010, the Office of the Secretary, HUD, issued a Notice advising the public of the allocation formula and allocation amounts, the list of grantees, alternative requirements, and the waivers of regulations granted to grantees under Section 2301(b) of the Housing and Economic Recovery Act of 2008 (Pub. L.110–289, approved July 30, 2008)(HERA), as amended, and an additional allocation of funds provided under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111–203, approved July 21, 2010) (Dodd-Frank Act) for additional assistance in accordance with the second undesignated paragraph under the heading ‘Community Planning and Development—Community Development Fund’ in Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (Pub. L.111–5, approved February 17, 2009) (Recovery Act), as amended (“the Notice”); and

WHEREAS, the Notice provides that the City of St. Louis is entitled to receive the sum of Three Million Four Hundred Seventy-Two Thousand Nine Hundred Fifty-Four Dollars (\$3,472,954) in Entitlement NSP-3 Funding; and

WHEREAS, the Notice further provides that, in order to receive these funds, the City of St. Louis must submit to HUD a Substantial Amendment to its Annual Plan under its Consolidated Plan in accordance with the Notice by March 1, 2011, following a fifteen-day comment period; and

WHEREAS, the Notice further provides that the State of Missouri is entitled to receive the sum of Five Million Dollars (\$5,000,000) in State NSP-3 Funding and that the State of Missouri may award a portion of such State NSP Funding to the City of St. Louis; and

WHEREAS, the City has identified certain known appropriation needs as summarized in Exhibit A, and the City desires to appropriate both the NSP-3 Entitlement Funding and State NSP-3 Funding for these needs.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS, AS FOLLOWS:

Section One. The Mayor of the City of St. Louis, on behalf of the City, is hereby authorized and directed to submit a Substantial Amendment to the City’s 2010 Annual Plan to the Department of Housing and Urban Development in order to make application for the NSP Entitlement Funding.

Section Two. The Mayor of the City of St. Louis, on behalf of the City, is hereby authorized and directed to submit an application to the State of Missouri Department of Economic Development and/or agencies and/or commissions of thereof for the purposes described in Exhibit A incorporated herein by reference. The Director of CDA is hereby authorized to make, negotiate and execute any and all contracts or other documents which are necessary to carry out the City’s NSP programs and to expend said funds for the purposes and up to the amounts specified in Exhibit A attached hereto, and the Comptroller is authorized and directed to issue

warrants upon the City Treasury for payment thereon. The Director of CDA is further authorized and directed to transfer funds among the purposes described in Exhibit A with the approval of the Board of Estimate and Apportionment.

Section Three. This being an ordinance necessary for the immediate preservation of the public peace, health and safety and making appropriations for the payment of principal and interest on public debt and for the current expenses of the City government, an emergency is hereby declared to exist within the meaning of Section 20, Article IV, of the Charter and this ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

EXHIBIT A
NEIGHORHOOD STABILIZATION PROGRAM 3
(NSP-3) BUDGET
2010 BUDGET

ELIGIBLE ACTIVITY <i>OEPRATING AGENCY</i>	NSP CITY ENTITLEMENT FUNDING	REQUESTED STATE NSP FUNDING
Establish financing mechanisms for purchase and redevelopment of foreclosed-upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers. <i>Community Development Administration, St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors</i>	\$0	\$0
Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties, including counseling for buyers of NSP-assisted homes, and redevelopment of properties where purchased structures have been demolished <i>Community Development Administration, St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors</i>	\$3,125,659	\$1,425,000
Establish land banks for homes that have been foreclosed upon. <i>Community Development Administration, St. Louis Development Corporation, Land Reutilization authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors</i>	\$0	\$0
Demolish blighted structures. <i>Community Development Administration, St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors</i>	\$0	\$0
Redevelopment demolished or vacant properties <i>Community Development Administration, St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors</i>	\$0	\$0
Planning and Administration <i>Community Development Administration</i>	\$317,295	\$75,000
Internal Audit Administration Support <i>Office of the Comptroller – Internal Audit Section (CDBG)</i>	\$30,000	\$0
TOTAL BUDGET	\$3,472,954	\$1,500,000

Approved: February 3, 2011