

1 An ordinance, recommended by the Board of Estimate and Apportionment, authorizing the  
2 Mayor of the City of St. Louis, on behalf of the City, to submit a 2017 Annual Action Plan to the  
3 United States Department of Housing and Urban Development ("HUD") as required to apply for  
4 funding under the Federal Community Development Block Grant ("CDBG"), HOME Investment  
5 Partnership ("HOME"), Emergency Solutions Grant ("ESG") and Housing Opportunities for Persons  
6 with AIDS ("HOPWA") Entitlement Programs, authorizing and directing the Mayor and the  
7 Comptroller on behalf of the City to enter into and execute agreements with HUD for the receipt of  
8 2017 CDBG, HOME, ESG and HOPWA funds, appropriating the sum of Sixteen Million Dollars  
9 (\$16,000,000) which the City estimates will be available for the 2017 CDBG Program Year;  
10 appropriating the sum of Two Million, One Hundred Thousand Dollars (\$2,100,000) which the City  
11 estimates will be available for the 2017 HOME Program Year; appropriating the sum of One  
12 Million, Four hundred and Seventy-Three Thousand, One Hundred and Seventy-Three Dollars  
13 (\$1,473,173) which the City estimates will be available for the 2017 ESG Program Year; and  
14 appropriating the sum of One Million, Five Hundred and Fifty-Four Thousand, Nine Hundred and  
15 Forty Dollars (\$1,554,940) which the City estimates will be available for the 2017 HOPWA  
16 Program Year, authorizing and directing the Director of the Community Development  
17 Administration ("CDA") to contract with municipal agencies, non-profit corporations and other  
18 entities, as necessary for the expenditure of CDBG and HOME funds, to establish and implement a  
19 lump sum drawdown procedure for the purpose of financing property rehabilitation activities, to  
20 establish and implement a program to guarantee in whole or in part construction loans from private  
21 financial institutions, and/or to establish and implement a procedure for providing financial  
22 assistance to CDBG-eligible undertakings through float loan financing, authorizing and directing the

1 Director of the Department of Human Services ("DHS") to contract with municipal agencies, non-  
2 profit corporations and other entities, as necessary for the expenditure of ESG funds, authorizing and  
3 directing the Director of Health and Hospitals to contract with municipal agencies, non-profit  
4 corporations and other entities, as necessary for the expenditure of HOPWA funds, and directing the  
5 Comptroller to issue warrants thereon upon the City Treasury; and containing an emergency clause.

6 WHEREAS, in 2012 the St. Louis HUD Field Office initiated a Technical Assistance request  
7 for the City to enhance the City's ability to address capacity gaps identified during an on-site needs  
8 assessment spurred by HUD's OneCPD Technical Assistance Office; and

9 WHEREAS, subsequent HUD Technical Assistance Team reviews and site visits resulted in  
10 a requirement from HUD that the City's process for evaluating proposals to be funded with  
11 CDBG and HOME funds and awarding those funds to subrecipients and others be redesigned;  
12 and

13 WHEREAS, in Program Year 2014, the City effectively redesigned its process to  
14 enhance transparency and ensure that funds were awarded based on a competitive process; and

15 WHEREAS, in Program Year 2015, the City enhanced its Citizen Participation Plan to  
16 provide citizens and other interested parties with further opportunities to participate in an  
17 advisory role in the planning, implementation and evaluation of the City's CDBG, HOME, ESG  
18 and HOPWA programs.

19 WHEREAS, HUD continues to monitor the Consolidated Planning and budgeting  
20 processes employed by the City of St. Louis to insure compliance with all applicable federal  
21 statutes, regulations and policy guidance; and

1           WHEREAS, the City must continue to assure HUD that allocation and management of  
2 CDBG and HOME funds are carried out such as to achieve maximum community development  
3 and housing programs; and

4           WHEREAS, by failing to continue to implement the redesigned process, the City places  
5 at risk its receipt of HUD FY2017 HUD CDBG and HOME allocations; and

6           WHEREAS, by failing to continue to implement the redesigned process the City further  
7 risks demands for the repayment of funds expended in prior program years; and,

8           WHEREAS, such payback funds must be obtained by the City from non-federal funding  
9 sources; and,

10          WHEREAS, HUD has stated that failure by the City to continue to implement a fair,  
11 consistent, and transparent process for the allocation, use, and accounting of CDBG and HOME  
12 funds will ultimately harm the very individuals that the programs were designed to assist; and

13          WHEREAS, 2017 CDBG, HOME, ESG and HOPWA funding will become available on  
14 January 1, 2017; and

15          WHEREAS, in order to receive these funds, the City of St. Louis must continue to  
16 implement the redesigned process and submit to HUD a 2017 Annual Plan by November 15,  
17 2016; and

18          WHEREAS, it is estimated that the 2017 CDBG Entitlement, together with previous year  
19 CDBG funds available for re-allocation, CDBG Program Income generated by activities conducted  
20 with previous year CDBG funds that have not yet been appropriated for any purpose and CDBG  
21 Program Income estimated to be generated by activities conducted in 2017 with CDBG funds, will  
22 amount to the sum of Seventeen Million, Two Hundred and Twenty-Three Thousand, Eight  
23 Hundred and Eighty-Six Dollars (\$17,223,886); and

1           WHEREAS, the City has identified certain known appropriation needs as summarized in  
2 Exhibit A, and the City desires to appropriate the CDBG Entitlement and Program Income Funds for  
3 these needs, to establish and implement a lump sum drawdown procedure to finance and facilitate  
4 property rehabilitation activities to establish and implement a program to guarantee in whole or in  
5 part construction loans from private financial institutions, and to establish and implement a  
6 procedure for providing financial assistance to CDBG-eligible undertakings through float loan  
7 financing, and

8           WHEREAS, it is estimated that the 2017 HOME Entitlement, together with previous year  
9 HOME funds available for allocation, HOME Program Income generated by activities conducted  
10 with previous year HOME funds that have not yet been appropriated for any purpose and HOME  
11 Program Income estimated to be generated by activities conducted in 2017 with HOME funds, will  
12 amount to the sum of Two Million, One Hundred Thousand Dollars (\$2,100,000) and

13           WHEREAS, the City has identified certain known appropriation needs as summarized in  
14 Exhibit A, and the City desires to appropriate the HOME Entitlement and Program Income Funds  
15 for these needs and to establish and implement a program to guarantee in whole or in part  
16 construction loans from private financial institutions; and

17           WHEREAS, it is estimated that the 2017 ESG Entitlement, together with previous year ESG  
18 funds available for allocation, will amount to the sum of One Million, Four hundred and Seventy-  
19 Three Thousand, One Hundred and Seventy-Three Dollars (\$1,473,173); and

20           WHEREAS, the City desires to appropriate the ESG Entitlement for needs related to the  
21 purpose of the ESG program; and

1           WHEREAS, it is estimated that the 2017 HOPWA Entitlement, together with previous year  
2 HOPWA funds available for allocation, will amount to the sum of One Million, Five Hundred and  
3 Fifty-Four Thousand, Nine Hundred and Forty Dollars (\$1,554,940) ; and

4           WHEREAS, the City desires to appropriate the HOPWA Entitlement for needs related to the  
5 purpose of the HOPWA program.

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

7           Section One. The Mayor of the City of St. Louis, on behalf of the City, is hereby authorized  
8 and directed to submit an Annual Action Plan to the Department of Housing and Urban  
9 Development in order to make application for the 2017 CDBG, HOME, ESG and HOPWA  
10 Entitlement Programs.

11           Section Two. There is hereby appropriated the sum of Sixteen Million Dollars  
12 (\$16,000,000) of 2017 CDBG funds for the purposes described in Exhibit A incorporated herein by  
13 reference. The Director of CDA is hereby authorized to make, negotiate and execute any and all  
14 contracts or other documents, including disbursing agreements and/or other agreements associated  
15 with lump sum drawdowns intended to facilitate property rehabilitation activities, including  
16 agreements associated with guarantees in whole or in part of construction loans from private  
17 financial institutions, and including agreements associated with the establishment and  
18 implementation of a procedure for providing financial assistance to CDBG-eligible undertakings  
19 through float loan financing, on behalf of the City, which are necessary to carry out the City's  
20 CDBG and HOME programs and to expend said funds for the purposes and in the amounts specified  
21 in Exhibit A attached hereto, and the Comptroller is authorized and directed to issue warrants upon  
22 the City Treasury for payment thereon. The Director of CDA is further authorized to transfer funds  
23 among the purposes described in Exhibit A with the approval of the Board of Estimate and

1 Apportionment, to substitute HOME funding for CDBG funding budgeted pursuant to this  
2 ordinance with the approval of the Board of Estimate and Apportionment, and, to the extent that  
3 additional Tax Increment Financing Revenue, program income and/or other funds become available  
4 that reduce the amount of new CDBG funds required to make the Section 108 loan payment, to add  
5 the amount of the CDBG Section 108 loan payment reduction to the Citywide housing production  
6 allocation, provided that the Board of Estimate and Apportionment shall approve the expenditure of  
7 such funds.

8 Section Three. There is further hereby appropriated the sum of Two Million, One Hundred  
9 Thousand Dollars (\$2,100,000) of 2017 HOME Funds for the purposes described in Exhibit A  
10 incorporated herein by reference. The Director of CDA is hereby authorized to make, negotiate and  
11 execute any and all contracts or other documents including agreements associated with guarantees in  
12 whole or in part of construction loans from private financial institutions, on behalf of the City, which  
13 are necessary to carry out the City's HOME programs and to expend said funds, and the Comptroller  
14 is authorized and directed to issue warrants upon the City Treasury for payment thereon. The  
15 Director of CDA is further authorized to transfer funds among the purposes described in Exhibit A  
16 with the approval of the Board of Estimate and Apportionment and to substitute CDBG funding for  
17 HOME funding budgeted pursuant to this ordinance with the approval of the Board of Estimate and  
18 Apportionment. At least fifteen percent of the aforesaid 2017 HOME funds, or Three Hundred  
19 Fifteen Thousand Dollars (\$315,000), must be committed to projects to be undertaken by certified  
20 Community Housing Development Organizations (CHDOs).

21 Section Four. There is further appropriated the sum of One Million, Four hundred and  
22 Seventy-Three Thousand, One Hundred and Seventy-Three Dollars (\$1,473,173) of 2017 ESG  
23 Funds. The Director of the Department of Human Services is hereby authorized to make, negotiate

1 and execute any and all contracts or other documents on behalf of the City which are necessary to  
2 carry out the City's ESG programs and to expend said funds, and the Comptroller is authorized and  
3 directed to issue warrants upon the City Treasury for payment thereon.

4 Section Five. There is further appropriated the sum of One Million, Five Hundred and  
5 Fifty-Four Thousand, Nine Hundred and Forty Dollars (\$1,554,940) of 2017 HOPWA Funds.  
6 The Director of Health and Hospitals is hereby authorized to make, negotiate and execute any and  
7 all contracts or other documents on behalf of the City which are necessary to carry out the City's  
8 HOPWA programs and to expend said funds, and the Comptroller is authorized and directed to issue  
9 warrants upon the City Treasury for payment thereon.

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