THE STATE OF MISSOURI
NSP SUBSTANTIAL AMENDMENT

Jurisdiction: **State of Missouri** **Department of Economic Development** www.ded.mo.gov	NSP Contact Person: **Daniel Engler** Address: **301 West High Street** **HST Ste.680** **Jefferson City, Missouri 65102** **Telephone:** **573-751-3600** **Fax:** **573-526-4157** Email: **daniel.engler@ded.mo.gov**

Chart of Amendment 1 Changes

Change #	Amendment #	Page #	Change/Addition/Deletion	Description
1	1	8	Tier #4 has been added to the introductory stabilization efforts section.	Defines changes to closeout, as required by Federal Register Vol. 84, No. 177

This proposed substantial amendment is posted for a 15 day comment period. Pease submit written comments or questions to Daniel Engler via email at daniel.engler@ded.mo.gov

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to

consult this data https://www.huduser.gov/portal/datasets/NSP_target.html
in developing this section of the Substantial Amendment.

Response:

Missouri Area Needs Assessment

The Missouri Department of Economic Development considered several data variables in assessing current community housing abandonment/foreclosure risks.

These variables were analyzed separately and then combined to create a tiered system for prioritizing stabilization efforts. (See attached map.)

Indicator sources used to conduct needs assessment:

A. HUD-developed Census Block Group files (HUD) that included criteria such as income eligibility and foreclosure/abandonment risk scores based on multiple variables. Source: http://www.huduser.org/publications/commdevl/nsp_target.html.

B. Fiscal Year 2008 Annual Average Unemployment Rates by Census Tract (UR) provided by the Bureau of Labor Statistics. Annual average rates remove data fluctuations due to seasonality or major layoff events that can influence numbers substantially when considering any individual month or geography.

C. 2007 Home Mortgage Disclosure Act (HMDA) - Loan Application Register files (LAR) provided by the Federal Financial Institutions Examination Council. Data was aggregated to Census Tract geography. LAR files provide detailed metropolitan area statistics on home loan applications reported under HMDA requirements. Source: http://www.ffiec.gov/hmda/hmdaproducts.htm

Indicator sources were analyzed and mapped at a Census Block Group level to show areas of overlap and thereby allow the prioritizing of program efforts into three levels (Tier One being the highest need area):

Tier One

INDICATOR A (HUD): Areas with income eligibility and considered high risk for foreclosure or abandonment. Risk scores greater than 5 were considered high risk. Scores ranged from 0 to 10, with 0 indicating very low risk and 10 indicating a very high risk.

ADD
INDICATOR B (UR): Areas with above average unemployment rates (greater than 6.1 percent) in Fiscal Year 2008.

ADD
INDICATOR C (LAR): Areas with above average high-cost loans as a percentage of housing (greater than 1.52 percent) in 2007. High cost loans defined as having a rate spread greater than 5 percent between the annual percentage rate (APR) and the comparable maturity Treasury security rate.

Tier Two

INDICATOR A (HUD): Areas with income eligibility and considered high risk for foreclosure or abandonment. Risk scores greater than 5 were considered high risk.

ADD
INDICATOR B (UR): Areas with above average unemployment rates (greater than 6.1 percent) in Fiscal Year 2008.

Tier Three

INDICATOR A (HUD): Areas with income eligibility and considered high risk for foreclosure or abandonment. Risk scores greater than 5 were considered high risk.

Tier One block groups were matched to the jurisdictions within which they reside and a list of 104 cities in the State of Missouri was identified. The list was consolidated to place all of the cities within St. Louis County under the purview of the County, since they are a CDBG entitlement. (See attached block group list and cities.) It is these communities and the relative block groups that represent the State of Missouri's approach to targeting the areas of highest need. They are represented in Category 1 described below under "B. Distribution and Uses of Funds".

The targeted areas of highest need include several block groups within St. Louis, Kansas City, and St. Louis County. These three entitlement communities will receive their own allocation of Neighborhood Stabilization Program funds. They may also apply to the State NSP program. Proposals to the State Program must match both the local priorities outlined in their respective plans, as well as the State's, in order to qualify for State funds. The draft plans for the three entitlements may be found at:

Kansas City www.kcmo.org/neigh.nsf/web/HUDNSP?opendocument
St. Louis City http://stlouis.missouri.org/cda/.
St. Louis County www.stlco.com/plan/nsp

B. Distribution and Uses of Funds

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. ***Note***: The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

Response:

Missouri has elected to administer the program using a combination of eligible grantees and eligible activities combined with the tiered approach to defining areas

of greatest need described earlier. There are 3 main Categories in the Missouri State Plan's Method of Distribution. There are 3 potential types of applicants to the Missouri NSP fund (local governments, the state housing finance agency, and qualified non-profits). Each category restricts the type of applicant to the fund.

Each category also restricts the applicants to areas of greatest need as defined above as Tier One, Tier Two and Tier Three.

NSP ACTIVITY	APPLICANT	NSP ALLOCATION AMOUNT
State and Local Administration/Planning		$4,266,418
Category 1 (Tier 1 – All Eligible Activities)	Units of Local Government only	$23,531,722
Category 2 (State wide Purchase Assistance of Foreclosed Properties)	Missouri Housing Development Commission (State Housing Finance Agency)	$4,200,000
Category 3 (Tier 1, 2, 3 – Restricted to 50% of LMMI Activities Only)	Units of Local Government or Non-Profits	$10,666,047
GRAND TOTAL		$42,664,187*

The state reserves the right to move funds among categories to meet demand as long as statutory benchmarks are met.

The State's plan will commence December 2008 and end July 2013.

Accommodation for non-English speaking interested parties must be made, if requested and if typically necessary within the region, by the individual applicant to the State program. That applicant may include the unit of local government, the MHDC, or the local qualified non-profit.

CATEGORY 1:

Category 1 Applicants
Eligible applicants for this category was determined through the identification of communities, within which "Tier 1"census block groups (described above), were found. Fifty-plus communities were invited to a planning meeting at the state and were allowed to submit a Request for Proposal (RFP) for funds to assist them to meet their specific needs. The only applicants allowed in this category are units of local government. Local governments may, however, apply on behalf of non-profits working within their communities.

The staff of the MHDC and DED provided technical assistance to the Tier One communities through personal visits, telephone calls, a training seminar with powerpoint and supplemental materials and email correspondence. A presentation

was also made to the Missouri Association for Councils of Government, the regional planning organization's member organization, describing the program and funding availability. The DED research unit, MERIC, provided mapping services to several communities to identify further the specific block group boundaries identified as Tier One.

<u>Category 1 Activities</u>

Category 1 allows use of any or all eligible NSP activities, designed to meet the specific needs within the targeted block groups of highest need. A list of the activities and the corresponding eligible CDBG activities follows:

Eligible Uses	Eligible Activities
A. Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties…	• **As an activity delivery cost for an eligible activity(designing and setting it up)** • **Financing of a NSP eligible activity, to carry out that activity, is eligible as part of that activity.**
B. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop such homes an properties.	• **Acquisition** • **Disposition** • **Relocation** • **Direct homeownership assistance** • **Eligible rehabilitation and preservation activities for homes and other residential properties** • **Housing counseling for those seeking to take part in the activity**
C. Establish land banks for homes that have been foreclosed upon	• **Acquisition** • **Disposition (includes maintenance)**
D. Demolish blighted structures	• **Clearance, for blighted structures only**
E. Redevelop demolished or vacant properties	• **Acquisition** • **Disposition** • **Public facilities and improvements** • **Housing Counseling Public Services (limited to prospective purchasers or tenants of redeveloped properties)** • **Relocation** • **New housing construction** • **Direct homeownership assistance** • **57-0.204 activities by Community Based Development Organizations**

<u>Category 1 Application Evaluation Criteria</u>

Responses to the RFP are measured on:

- **completeness (required responses to RFP questions),**
- **capacity (CDBG experience: in-house or by contract/experience with activity proposed; in-house or by contract) ,**

- **program design (the proposed use of funds at the local level including the delivery system, long term maintenance, oversight),**
- **ability to succeed within timelines (the measure of activities proposed, beneficiaries proposed and amount of time to complete),**
- **financial feasibility (the degree to which the funds requested matched the activities proposed),**
- **eligibility (the consistency of the activities with the NSP regulations and with the required national objective,**
- **quality of the application (the indication of a clear plan for the use of the funds),**
- **impact (the degree to which the funding will have a significant effect),**
- **category consistency (the comparison of the activity with the applicability of the category in which it was applied), and**
- **availability of funds to meet the request (the limitations of the amount in the category related to the number of RFP's received).**

<u>Category 1 Method of Distribution Rationale</u>

The state recognizes that local governments understand the needs of their community. By providing the ability to local government to respond to the state through an RFP process, the distribution of funds will not only take on the desires of local leaders, but by design, will be accomplished in areas defined as having the greatest need.

The proposed total amount allocated to Category 1 is $23,531,722. The funds are to be used in the following specified manner:

***Category A—Financing* Mechanism**

This category was deemed a lower priority for the use of NSP funds as we will be addressing this on a state-wide basis through MHDC. MHDC is a nationally recognized, premier housing finance agency that oversees a variety of tools aimed at affordable housing and maintains the states expertise in the subject.

***Category B--Purchase* and Rehabilitation**

The state takes the position that this activity represents the greatest impact in trying to stabilize any neighborhood or community. The opportunity to return decent, safe and sanitary housing to the community and at the same time provide opportunities to homebuyers to gain access to quality housing, not only provides an asset for the individual family, but also provides a positive economic impact to the community and to the state.

***Category C—Land* Banks**

The capacity of local governments is critical to the success of this activity. Existence of Land Clearance Redevelopment Authorities or other entities at the local level was a key influence in providing a recommendation for funding for this activity. Without the capacity, use of the NSP funding, may trigger hardships for the city, as well as the neighborhood, in the future.

Category D—Demolition

Applications struggled in connecting demolition to eligibility in addressing low LMMI benefit. Unlike using the slum and blight national objective, which is not eligible to apply to NSP funds, where the demolition is the sole activity, demolishing homes under LMMI requires an eligible direct housing activity or eligible area wide benefit attached to the demolition activity.

Category E--Redevelopment

Although several communities included new construction in their applications, the biggest issue in this category is the 18-month turn obligation period and the city's ability to accomplish task in time frame.

Of the original fifty-plus Tier One communities, twenty-five responded to the RFP and DED received applications totaling $85,734,025 which included administration costs.

<u>Tier 4:</u>

Pursuant to Federal Register Vol. 84, No. 177 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT [Docket No. FR–6170–N–01], Notice of Neighborhood Stabilization
Program; Changes to Closeout:

1. **The Missouri Department of Economic Development, in order to allow sub-grantees so expend remaining original NSP grant funds in accordance with the Federal Register Notice issued on September 12, 2019, proposes to amend the NSP Substantial Amendment to the NSP1 as follows:**

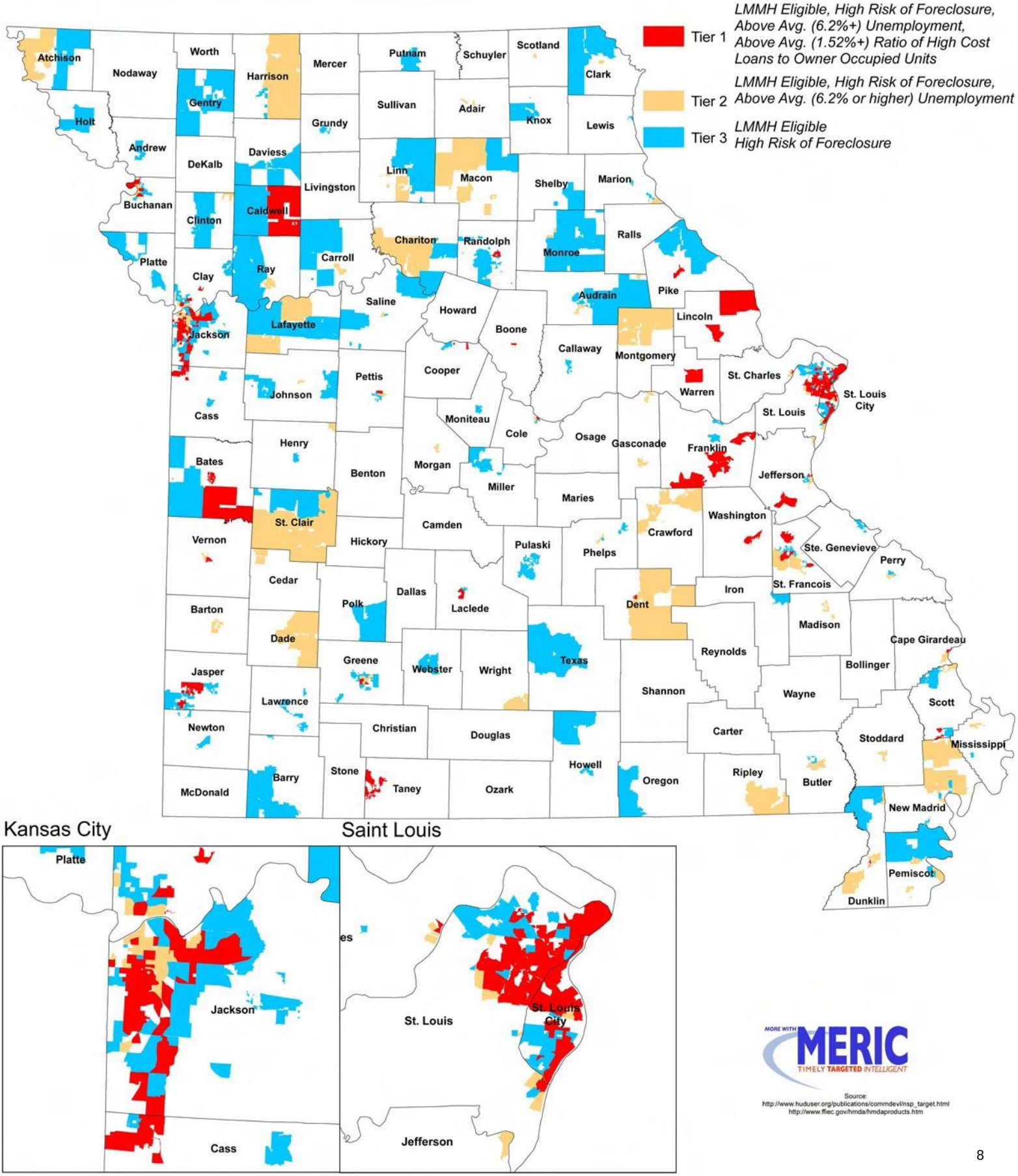
   a. **The Missouri Department of Economic Development previously considered several data variables in assessing community housing abandonment/foreclosure risks at the start of the NSP to determine the areas of greatest need within the communities served. With the previously identified data no longer being the only applicable data, 10+ years later, the Department also recognizes designated Opportunity Zones to be considered areas of greatest need within the communities.**

   b. **All NSP1 sub-grantees may now expend their NSP1 grant funds, as well as program income funds, in a designated Opportunity Zone, as well as in previously identified low, moderate, and middle-income (LMMI) areas within their community.**

2. **This proposed amendment to the NSP Substantial Amendment will be available for a fifteen (15) day comment period beginning March 5, 2020 and ending on March 20, 2020. Please submit written comments or questions to Daniel Engler via email at daniel.engler@ded.mo.gov.**

Neighborhood Stabilization Program

Tier 1, 2, and 3 Identified Communities



MORE WITH MERIC
TIMELY TARGETED INTELLIGENT

Source:
http://www.huduser.org/publications/commdevl/nsp_target.html
http://www.ffiec.gov/hmda/hmdaproducts.htm

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: daniel.engler@ded.mo.gov
   Contact: Daniel Engler
   573-751-5091
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	St Louis County		
B. MAILING ADDRESS:	41 S. Central Ave		
C. CITY, STATE, ZIP CODE:	St Louis, MO 63105		
D. CHIEF OFFICIAL OF (A):	Charlie A. Dooley	E. TITLE OF (D):	County Executive
F. TELEPHONE OF (D):	314-615-7016	G. FAX OF (D):	314-615-3727
H. FISCAL YEAR END OF (A):	December, 2008		

2. Application Preparer			
A. NAME:	Jim Holtzman		
B. MAILING ADDRESS:	121 S. Meramec St. Ste 444		
C. CITY, STATE, ZIP CODE:	St. Louis, MO 63105		
D. NAME OF AGENCY:	Dept of Planning/Office of Community Development		
E. TELEPHONE:	314-615-4414	F. FAX:	314-615-8674

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):			
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	1,016,315		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Margaret Donnely 073		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Joan Bray 024		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63105	E. COUNTY:	St Louis County

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	131 FAMILIES W/ ESTIMATED HOUSEHOLDS OF 3 = 393
B: NUMBER OF FAMILIES SERVED BY PROJECT:	Estimated 131
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Beneficiaries will be restricted to low-, moderate-, and middle-income families (LMMH), as defined by
the NSP regulations. All participants will have income levels at or below 120% of the area median
income. A minimum of 25% of all funds in this grant will be used to assist families with incomes <50% of the area
median income.

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	$12,000,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	St. Louis County's direct allocation is $9,338,562 these funds will be leveraged in the same manner as described in this application.
C. LOCAL IN-KIND FUNDS:	Estimate to receive donated properties equaling $400,000
D. OTHER STATE/FEDERAL FUNDS:	Possible use of a portion of the County's HOME allocation as appropriate.
E. PRIVATE FUNDS	Approximately $13,747,000 in private mortgages and $11,070,000 in construction loans
F. TOTAL PROJECT COST:	Approximately $25,547,000 includes private first mortgages and State NSP funds, this amount represents the TPC of the State grant leverage, not the County's allocation. The County's allocation leverage uses the same methods.

8. Floodplain/Environmental Review
A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☐ No
B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☐ Yes ☐ No
C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☐ Yes ☐ No
D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☐ No
E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☐ No IF YES, DESCRIBE Most of the project will not result in any land use changes. However, with some of the demolition, land could be sold to neighboring residents for side lots, or converted to community parks or gardens. In addition, NSP allows for properties acquired to be for other than residential use, none has been indentified at this time. .
F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☐ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☐ No

IF YES, PLEASE LIST.

Environmental Reviews will occur once properties have been identified

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. This page will be provided to the media and *your* elected state and federal le gislators for informational purposes.

A. APPLICANT: St. Louis County

B. PROJECT TITLE: State Neighborhood Stabilization Program Application

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES UNLESS THE PROJECT BENEFITS THE APPLICANTS ENTIRE JURISDICTION)

St Louis County's general areas of greatest need fall within the North County area and to a lesser amount, the unincorporated area of South County known as Lemay. The North County areas include a number of municipalities and areas of unincorporated St Louis County. Maps outlining the County's designated areas of greatest need can be found at www.stlouisco.com/olan/nso

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT;

St. Louis County has experienced the highest number of foreclosures in the State from 2006 through 2008 . In 2000 St Louis County Recorder 's Office recorded 1,454 Trustee's Deeds, the typical instrument signifying foreclosure in the State of Missouri. In 2006 that number increased to 2,835 and in 2008 , the County estimates the number to be 4,712. Subprime lending accounts for the majority of those foreclosures. Within the northern 1/3 of St. Louis County, our largest area of greatest need, more than 27% of all new home loans between 2004-2006 were subprime , and in about½ of that area 51% or more new home loans were subprime. Maps identifying the County's above average percentage of subpr ime lending can be found at www.stlouisco.com/plan/nsp as well as other maps prescribed by HUD to identify our areas of greatest need. For the purposes of this app lication, the County will utilize the State's data outlined in the Missouri Tier 1 Areas map on this site . High concentrations of foreclosures, subprime lending, areas likely to see increased foreclosures within the census tracts that are occupied by low-, moderate-, and middle-income households are the County' s targeted areas.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEEO(S) - BE SPECIFIC.

St Louis County is implementing an approach utilizing three classifications of neighborhood targeting: 1) Acquisition/rehabilitation on a large scale with financing mechanism to ensure affordability - concentrated neighborhood revitalization, through the rehabilitation of multiple properties to restore marketability and move toward recove ry. This approach will be used for lease/purchase, sale and rental of single family homes. 2). Acquisition/ rehabilitation on a scattered site scale with financing mechanism to ensure affordability - Selective rehabilitation of a few or individual properties for the purposes of stabilizing a neighborhoodotherwise intact and fairly marketable. This approach will be used for lease/purchase, sale and rental of single family homes. 3) Acquisition/Demolition/LandBanking - For the purposes of land banking or redevelopment of property beyond its functional use and in a blighted condition. Mainly to be utilized in severely distressed neighborhoods with strategies to redevelop within 10 years.

Certification:

I, **the undersigned, certify that the information found** in **this proposal, is factual and complete .**
I **have the authority to submit this proposal on behalf of the County of St. Louis, Missouri** in **my capacity as County Executive.** I **understand that if the proposal is included** in **the State's plan and subsequently approved by** the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that furthe ertifications, including a local ordinance approving the application and agreement shall be required.

Date # 7-z;-f

CHARLIE **A** DOOLEY

NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **NSP -1 Acquisition/Rehabilitation and resale to income eligible homebuyers**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) **Acquisition/Rehabilitation and resale to income eligible homebuyers – most will include financing mechanism. CDBG – 24 CFR 570-201.(a), acquisition, and (b) disposition, and 570.202, rehabilitation and 570.201(n) direct homeownership assistance (for second deeds of trust and/or regulatory agreements), financing mechanisms**

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **Beneficiaries will be restricted to low-, moderate-, and middle-income (LMMH) residents, as defined by the NSP regulations. All participants will have income levels at or below 120% of the area median income**

(4) Projected Start Date: **Upon notice of funding**

(5) Projected End Date: when funding is expended (18 months and then after program income is exhausted) **Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
St. Louis County Office of Community Development Department of Planning will administer all activities under the direction of Jim Holtzman, Director, 121 S. Meramec, Ste. 444, St Louis, MO 63105. Additionally, St Louis County Office of Community Development/Dept of Planning will contract with non-profits, quasi-governmental agencies, and for profit developers to acquire and rehabilitate properties. The County has issued an RFQ available on our website: www.stlouisco.com/plan/nsp These qualified entities will be identified once the RFQ process is completed.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The activities will occur within various neighborhoods in targeted areas of greatest need, generally in North St Louis County and the southeastern section of unincorporated St Louis County known as Lemay. See Map Missouri Tier 1 Areas

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The homeownership activity will occur within the areas of greatest need identified in the Missouri Tier 1 Areas map. Eligible homebuyers with incomes <120% of the area median income will attend counseling and homebuyer preparation classes. The agencies providing the counseling will ensure income qualifications as well as ability to afford the home. We anticipate 15% of the sales of these homes to be affordable to families <50% of the area median income.

The tenure of the beneficiaries is homeownership. The term of the assistance will be a second deed of trust in an amount equal to the difference of the appraised value and the amount of an affordable first mortgage. We will place a restriction similar to a regulatory agreement on each property maintaining affordability for 15 years.

The County will contract with the responsible organizations outlined above to negotiate with owners of foreclosed and abandoned property to acquire at a discount of no less than 5% if acquired singly, and no less than 15% if acquired as a part of a bulk sale. The County will make every effort to ensure that the actual acquisition price is well below these maximums in order to provide greater benefit to LMMI households and reduce overall subsidies per property.

Only properties that are uninhabitable will be demolished, therefore, no affordable units will be demolished to accomplish this activity.

The second deeds of trust mentioned above ensuring affordability will be the security of Notes at zero percent interest and due upon sale by the homebuyers. During the period of affordability these loans may be assumable by another LMMI buyer in the future, should the need to ensure affordability restrict the ability to finance the purchase to a new buyer. Any financing mechanisms used to fund the rehabilitation of the properties by developers will be at zero percent interest with the amount invested by the County and below the appraised value of the finished rehab, returned to the County upon sale.

The County will concentrate the efforts of this activity within the areas outlined on the Missouri Tier 1 Areas map. Although a portion of this activity will assist our minimum goal of benefitting low income households (below 50% of the area median), it is anticipated that most of the homeownership activities

will be targeted at the higher income limit of assisting those at or below 120% of the area median income.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Total amount of request to the State for this activity: 40% of NSP funding request to State - $4,800,000* / 50 properties = $95,000 per unit

Estimates of the amount of acquisition costs vs. rehabilitation costs vary greatly based upon the size of the unit, condition, and area. However, as a general estimate, the County anticipates the acquisition price to be roughly 35-40% of the total development costs of properties being rehabilitated, and 60-70% of the cost of acquisition and demolition for any properties being reconstructed. The County anticipates a very low number of units where demolition and reconstruction occur, therefore, those estimates are not included in the examples below. Using this estimate we anticipate the following:

We anticipate the for sale activity to assist a greater number of families whose income is <120% AMI than <50% AMI. Estimating that 85% of the for sale homes will be sold to the higher income families, we anticipate the following formula:

Example of financing of one property sold to household at <120% LMMI:

Acquisition and rehabilitation costs	**$200,000**		
Bank financing to developer		**$120,000**	
County loan to developer			**$ 80,000**
Completed property appraised value	**$180,000**		
Homebuyer Affordable 1st mortgage (bank)		**$165,000**	
County due upon sale Loan			**$ 15,000**
Developer loan repayment to bank	**$120,000**		
Developer loan repayment to County	**$ 60,000**		
Grant to developer		**$ 20,000**	

Example of financing of one property sold to household at <50% LMMI:

Acquisition and rehabilitation costs	**$150,000**		
Bank financing to developer		**$ 90,000**	
County loan to developer			**$ 60,000**
Completed property appraised value	**$120,000**		
Homebuyer Affordable 1st mortgage (bank)		**$ 85,000**	
County due upon sale Loan			**$ 35,000**
Developer loan repayment to bank	**$ 90,000**		
Developer loan repayment to County	**$ 30,000**		
Grant to developer		**$ 30,000**	

40% of NSP funding $4,800,000* / 50 properties = $95,000 per unit
Program income (PI = app. $60,000) derived from 42 sales to <120% LMMI $2,520,000
Program income (PI = app. $30,000) derived from 8 sales to <50% LMMI $240,000
Estimated additional sales PI funded $2,760,000 / 29 properties = $95,000 per units equaling 24 additional sales to <120% LMMI and 5 additional sales to <50% LMMI

Total homes sold 66 to <120% LMMI and 13 to <50% LMMI = 79 homes

Other financing:

Developer financing of 66 properties for <120% LMMI homes $7,920,000
Developer financing of 13 properties for <50% LMMI homes $1,170,000

First Mortgage financing of 66 loans to <120% LMMI homebuyers $10,890,000
First Mortgage financing of 13 loans to <50% LMMI homebuyers $ 1,105,000

Estimated TDC of property for sale

Estimated TDC of property for sale: $13,200,000 for <120% LMMI buyers
$ 1,950,000 for <50% LMMI buyers
Total TDC $15,150,000

***Market conditions in St Louis County have shown a decrease in homeowner sales. We anticipate 40% of the NSP funding to be used in the rehabilitation and sale of units in this project. However, should conditions change these percentages would change as the market dictates.**

Estimated TC of property to be acquired for demolition

No estimates for demolition are available at this time for this activity. The primary function under this activity initially will be rehabilitation. If funds are available in later phases, demolition and new construction may occur, and budgets will be developed for this activity.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total homes acquired, rehabilitated and sold 66 to <120% LMMI *
Total homes acquired, rehabilitated and sold 13 to <50% LMMI

Total homes acquired, rehabilitated and sold 79 homes

***it is anticipated that of these homes sold within our targeted areas 50% will be sold to families whose income does not exceed 80% AMI and that the subsidy amounts may vary.**

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

This activity will also be carried out under the direct allocation of NSP funds to St. Louis County. The percentage of funds for both applications is the same (40% of the requested allocation) The combined goal of this activity under both grants is to provide affordable for sale housing in the areas of greatest need in St. Louis County to 143 families.

Refer to County's website www.stlouisco.com/plan/nsp

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **NSP 2 (a)Acquisition/Rehabilitation/Lease Purchase Program**

(1) (2) Activity Type: (include NSP eligible use & CDBG eligible activity) **CDBG – 24 CFR 570-201.(a), acquisition, and (b) disposition, and 570.202, rehabilitation and 570.201(n) direct homeownership assistance (for second deeds of trust and/or regulatory agreements), financing mechanisms 570.201(n)**

Acquisition/rehabilitation and lease purchase
Rental to income eligible families under a lease purchase program

i. **Eligible tenants will sign 6-12 month extendable up to 36 month leases**
ii. **Eligible tenants will undergo counseling and education in preparation for homeownership**
iii. **Financing mechanism – Loans to homeowners to assist in affordability. Also, loans will be made available to developers to finance a portion of the acquisition and rehabilitation.**

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **Beneficiaries will be restricted to low-, moderate-, and middle-income (LMMH) residents, as defined by the NSP regulations. All participants will have income levels at or below 120% of the area median income. The County anticipates a small portion of this program to be assisting those families whose incomes fall at or below 50% of the area median income.**

(4) Projected Start Date: **Upon notice of funding**

(5) Projected End Date: **Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.) **St. Louis County Office of Community Development Department of Planning will administer all activities under the direction of Jim Holtzman, Director, 121 S. Meramec, Ste. 444, St Louis, MO 63105. Additionally, St Louis County Office of Community Development/Dept of Planning will contract with non-profits, quasi-governmental agencies, and for profit developers to acquire and rehabilitate properties. The County has issued an RFQ available on our website: www.stlouisco.com/plan/nsp These qualified entities will be identified once the RFQ process is completed.**

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The activities will occur within various neighborhoods in targeted areas of greatest need, generally in North St Louis County and the southeastern section of unincorporated St Louis County known as Lemay.

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The lease/purchase activity will occur within the areas of greatest need identified in the Missouri Tier 1 Areas map. Eligible homebuyers with incomes <120% of the area median income will attend counseling and homebuyer preparation classes. The agencies providing the counseling will ensure income qualifications as well as ability to afford the home. We anticipate 15% of the sales of these homes to be affordable to families <50% of the area median income.

The County will contract with the responsible organizations outlined above to negotiate with owners of foreclosed and abandoned property to acquire at a discount of no less than 5% if acquired singly, and no less than 15% if acquired as a part of a bulk sale. The County will make every effort to ensure that the actual acquisition price is well below these maximums in order to provide greater benefit to LMMI households and reduce overall subsidies per property.

The tenure of the beneficiaries is rental, with the eventual tenure to be homeownership. In those instances where the beneficiaries have appropriate income but insufficient credit capacity, this activity will allow time for the beneficiary to perform the necessary tasks to improve their credit in order to obtain a conforming home loan. The lease/purchase period will be designed to create homeownership within 36 months of initial lease-up. The proposed activity will allow beneficiaries to pay 35% of their annual income towards their housing costs, 30% will include the affordable rent less utility allowances

as set by the St. Louis County Housing Authority, and 5% to be held as future down payment in escrow.

During the lease period, beneficiaries will attend education and counseling sessions to assist in credit repair, and homeownership preparation.

Upon such time as the beneficiary has sufficient credit capacity to acquire a conforming loan and the escrowed amount saved toward the down payment has reached or exceeds 3% of the purchase price, the unit will be sold to the beneficiary for the total amount of the cost to acquire and rehabilitate the property, or the appraised value, whichever is less. Should there be an affordability gap, the County will fund through the proceeds of the sale, or some other method, a Note and second deed of trust in an amount that allows an affordable first mortgage to be obtained.

Once the property is conveyed to the homebuyer, the term of the assistance will be a second deed of trust in an amount equal to the difference of the appraised value and the amount of an affordable first mortgage. We will place a restriction similar to a regulatory agreement on each property maintaining affordability for 15 years.

The second deeds of trust mentioned above ensuring affordability will be the security of Notes at zero percent interest and due upon sale by the homebuyers. During the period of affordability these loans may be assumable by another LMMI buyer in the future, should the need to ensure affordability restrict the ability to finance the purchase to a new buyer. Any financing mechanisms used to fund the rehabilitation of the properties by developers will be at zero percent interest with the amount invested by the County and below the appraised value of the finished rehab, returned to the County upon sale.

The County will concentrate the efforts of this activity within the areas outlined in the Missouri Tier 1 Areas map. Although a portion of this activity will assist our minimum goal of benefitting low income households (below 50% of the area median), it is anticipated that most of the homeownership activities will be targeted at the higher income limit of assisting those at or below 120% of the area median income.

No estimates for demolition are available at this time for this activity. The primary function under this activity initially will be rehabilitation. If funds are available in later phases, demolition and new construction may occur, and budgets will be developed for this activity.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Estimates of the amount of acquisition costs vs. rehabilitation costs vary greatly based upon the size of the unit, condition, and area. However, as a general estimate, the County anticipates the acquisition price to be roughly 35-40% of the total development costs of properties being rehabilitated. Using this estimate we anticipate the following:

We anticipate the lease purchase activity to assist a greater number of families whose income is <120% AMI than <50% AMI. Estimating that 70% of the homes will be lease purchased to the higher income families, we anticipate the following formula:

Example of financing of one property sold to household at <120% LMMI:

Acquisition and rehabilitation costs	**$200,000**
Bank financing to developer	**$120,000**
County loan to developer	**$ 80,000**
Completed property appraised value	**$180,000**

Homebuyer Affordable 1st mortgage (bank)		**$165,000**
Escrowed 3% down payment		**4,950**
County due upon sale Loan		**$ 10,050**
Developer loan repayment to bank	**$120,000**	
Developer loan repayment to County	**$ 60,000**	
Grant to developer		**$ 20,000**

Example of financing of one property sold to household at <50% LMMI:

Acquisition and rehabilitation costs	**$150,000**	
Bank financing to developer		**$ 90,000**
County loan to developer		**$ 60,000**
Completed property appraised value	**$120,000**	
Homebuyer Affordable 1st mortgage (bank)		**$ 85,000**
Escrowed 3% down payment		**2,550**
County due upon sale Loan		**$ 32,450**
Developer loan repayment to bank	**$ 90,000**	
Developer loan repayment to County	**$ 30,000**	
Grant to developer		**$ 30,000**

Slightly over 10% of the County's allocation of NSP funds will be used for the performance of this activity. $1,200,000 /12 homes = $95,000.00. 8 homes will be made available to families whose income does not exceed 120% of the area median income and 4 homes will be made available to families whose income does not exceed 50% of the area median income.

Program income (PI) derived from 8 sales to <120% LMMI $480,000
Program income (PI) derived from 4 sales to <50% LMMI $120,000
Additional sales PI funded $600,000 / 6 properties = $95,000 per units equaling 4 additional sales to <120% LMMI and 2 additional sales to <50% LMMI
Total homes sold 12 to <120% LMMI and 6 to <50% LMMI = 18 homes

Other financing:

Developer financing of 12 properties for <120% LMMI homes	**$1,440,000**
Developer financing of 6 properties for <50% LMMI homes	**$ 540,000**
First Mortgage financing of 12 loans to <120% LMMI homebuyers	**$1,980,000**
First Mortgage financing of 6 loans to <50% LMMI homebuyers	**$ 510,000**

Estimated TDC of property for sale:	**$2,400,000 for <120% LMMI buyers**
	$ 900,000 for <50% LMMI buyers
Total TDC	**$3,300,000**

***Market conditions in St Louis County have shown a decrease in homeowner sales. We anticipate 10% of the NSP funding to be used in the rehabilitation and lease purchase of units in this project. However, should conditions change these percentages would change as the market dictates.**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total homes acquired, rehabilitated and sold	**12 to <120% LMMI ***
Total homes acquired, rehabilitated and sold	**6 to <50% LMMI**

Total homes acquired, rehabilitated and sold 18 homes

***it is anticipated that of these homes sold within our targeted areas 50% will be sold to families whose income does not exceed 80% AMI and that the subsidy amounts may vary**

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

This activity will also be carried out under the direct allocation of NSP funds to St. Louis County. The percentage of funds for both applications is the same (10% of the requested allocation) The combined goal of this activity under both grants is to provide affordable lease/purchase housing in the areas of greatest need in St. Louis County to 33 families.

Refer to County's website www.stlouisco.com/plan/nsp

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **NSP 2 (b) Acquisition Rehabilitation Rental**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) **Rental to income eligible families for traditional rental programs. CDBG – 24 CFR 570-201.(a), acquisition, and (b) disposition, and 570.202, rehabilitation and 570.201(n) housing services. Financing mechanisms will be used to ensure affordable rents. No rental subsidies will be made available under this activity.**

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **Beneficiaries will be restricted to low-, moderate-, and middle-income (LMMH) residents, as defined by the NSP regulations. All participants will have income levels at or below 120% of the area median income.**

(4) Projected Start Date: **Upon notice of funding**

(5) Projected End Date: **Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)**St Louis County Office of Community Development Department of Planning will administer all activities under the direction of Jim Holtzman, Director, 121 S. Meramec, Ste. 444, St Louis, MO 63105. Additionally, St Louis County Office of Community Development/Dept of Planning will contract with non-profits, quasi-governmental agencies, and for profit developers to acquire and rehabilitate properties. These entities will be identified once the RFQ process is completed.**

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **The activities will occur within various neighborhoods in targeted areas of greatest need, generally in North St Louis County and the southeastern section of unincorporated St Louis County known as Lemay.**

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The rental activity will occur within the areas of greatest need identified in the Missouri Tier 1 Areas map. Eligible homebuyers with incomes <120% of the area median income will attend counseling and homebuyer preparation classes. The agencies providing the counseling will ensure income qualifications as well as ability to afford the home. We anticipate 15% of the sales of these homes to be affordable to families <50% of the area median income.

The County will contract with the responsible organizations outlined above to negotiate with owners of foreclosed and abandoned property to acquire at a discount of no less than 5% if acquired singly, and no less than 15% if acquired as a part of a bulk sale. The County will make every effort to ensure that the actual acquisition price is well below these maximums in order to provide greater benefit to LMMI households and reduce overall subsidies per property. The County will then contract with non-profit and for-profit developer/property management providers to rehabilitate the properties for long term rental. Once developed the property management providers will enter into leases with tenants whose income does not exceed 120% of the area median income.

The tenure of the beneficiaries is traditional rental.

The second deeds of trust securing Notes will be recorded on each property ensuring long term affordability. The loans to the developer/property management provider will be at zero percent interest and due upon sale and in such amount as to provide a gap amount allowing first mortgage debt service reserves, and expenses to be offset by affordable rents. During the period of affordability these loans may be assumable by other property management providers that enter into agreements with the County to continue providing affordable rental opportunities until the end of the affordability period.

The County will concentrate the efforts of this activity within the areas outlined in the Missouri Tier 1 Areas map. The County anticipates the majority of this activity will assist our minimum goal of benefitting low income households (below 50% of the area median).

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Approximately 35% of the funds allocated to the County for the NSP program will be targeted to fund this activity. Due to the need to ensure affordability of rents, the County's loans will vary depending

upon each property, its condition, location, and the anticipated rent structure of the units. Affordable rents will be at 30% of the tenant's gross income minus the utility allowance determined by St Louis County Housing Authority, not to exceed fair market rents. Each developer/property management agency will be required to complete a proforma outlining the potential debt service available for the property and loans from the County will be allocated upon analysis of the need for gap funding. Using a $200,000 TDC for properties to be rented to families whose income is <120% of the area median and a TDC for properties to be rented to families whose income is <50% of the area median, and assuming the majority of those assisted in this activity will be <50% of the area median, we have developed the following formula:

TDC for rental unit at <120% income		**$200,000**	
Fair market rents of 4 bedroom	**958**		
Utility allowance of	**85**		
Rent allowed	**$ 873**		
Affordable debt service			**$ 373.00**
Estimated expenses and reserves			**500.00**
Total expenses			**$ 873.00**
Bank loan supported by rents	**$ 50,834**		
County Loan	**$149,166**		
TDC for rental unit at <50% income		**$150,000**	
30% of income family of 4	**$823**		
Utility allowance	**85**		
Rent allowed	**$738**		
Affordable debt service			**$ 238**
Estimated expenses & reserves			**500**
Total expenses			**$ 738**
Bank loan supported by rents	**$ 32,435**		
County Loan	**$ 117,565**		

60% of the funds for this project will be allocated to serve families <50% of the area median income providing approximately 21 units of housing, and 40% of the funds for this project will assist families whose income does not exceed 120% of the area median income, providing approximately 11 units of housing.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The County anticipates 11 units @$149,166 for families 120% per unit not to exceed	**$ 1,640,826**
And 21 units @ $117,565 for families <50% of the area median totaling	**$ 2,468,865**
Totaling 32 units	**$ 4,109,691**

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

This activity will also be carried out under the direct allocation of NSP funds to St. Louis County. The percentage of funds for both applications is the same (35% of the requested allocation) The combined

goal of this activity under both grants is to provide affordable rental housing in the areas of greatest need in St. Louis County to 58 families. Refer to County's website www.stlouisco.com/plan/nsp

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **NSP – 3 Acquisition/Demolition/Redevelopment of units for land banking or other eligible purpose**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Acquisition/Demolition/Redevelopment which may also include a financing mechanism; CDBG – 24 CFR 570.201(a), acquisition, (b), disposition and 570.202, housing

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **The ultimate beneficiaries (after redevelopment of the site) will be restricted to low-, moderate-, and middle-income clientele, as defined by the NSP regulations. All participants will be restricted to the income levels <120% of the area median income.**

(4) Projected Start Date: **Upon notice of funding**

(5) Projected End Date: when funding is expended **Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)**St Louis County Office of Community Development, Department of Planning will administer all activities under the direction of Jim Holtzman, Director, 121 S. Meramec, Ste. 444, St Louis, MO 63105. Additionally, St Louis County Office of Community Development/Dept of Planning will contract with non-profits, quasi-governmental agencies, and for profit developers to acquire and rehabilitate properties. These entities will be identified once the RFQ process is completed.**

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
The activities will occur within various neighborhoods in targeted areas of greatest need, generally in North St Louis County and the southeastern section of unincorporated St Louis County known as Lemay.

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The demolition activity will occur within the areas of greatest need identified in the Missouri Tier 1 Areas map. Eligible homebuyers with incomes <120% of the area median income will attend counseling and homebuyer preparation classes. The agencies providing the counseling will ensure income qualifications as well as ability to afford the home. We anticipate 15% of the sales of these homes to be affordable to families <50% of the area median income.

Properties that have no functional value, severe deterioration and meet the County's definition of blighted may be demolished under this activity. Some may be offered to neighbors for side lots, others may be offered to community groups or municipalities for community purposes (green space such as community gardens or parks) others may be demolished for commercial use. Any property redeveloped or newly constructed as a result of this activity for residential use in the future will have an affordability restriction for not less than 15 years if sold to a low-, moderate-, or middle income household, and 20 years affordability restriction if constructed for the purposes of rental to that same income population

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The County anticipates using no more than 5% of its allocation for demolition purposes under this activity equaling $600,000. Estimating $25,000 for acquisition and $15,000 for demolition, we anticipate 15 units completed for this activity. Funding for the redevelopment will be from future sources including private funds, other grants and HOME dollars if the proposed development assists families <80% of the area median. Note that this is not a primary NSP activity, and the budget may be decreased to allow increases of other activity budgets should circumstance warrant within the St Louis HOME Consortium Consolidated Plan amendment guidelines.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

15 blighted properties could be acquired and demolished under this activity and held for future affordable housing development or other purposes allowed under NSP regulations.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

This activity will also be carried out under the direct allocation of NSP funds to St. Louis County. The percentage of funds for both applications is the same (5% of the requested allocation) The combined goal of this activity under both grants is to provide demolition in the areas of greatest need in St. Louis County to 26 units for future development.

Refer to County's website www.stlouisco.com/plan/nsp

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **NSP – 4 Administration**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) **CDBG: 24 CFR 570.206**

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **Administration is exempt from meeting a national objective.**

(4) Projected Start Date: **September 30, 2008**

(5) Projected End Date: **Administration of the Neighborhood Stabilization Program will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.) **St. Louis County Office of Community Development Department of Planning will administer all activities under the direction of Jim Holtzman, Director, 121 S. Meramec, Ste. 444, St Louis, MO 63105. Additionally, St Louis County Office of Community Development/Dept of Planning will contract with non-profits, quasi-governmental agencies, and for profit developers to acquire and rehabilitate properties. These entities will be identified once the RFQ process is completed.**

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

Administration of the NSP Grant

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

$600,000, which is 5% of the grant plus 5% of any program income generated as a result of this grant.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

N/A

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

The County is requesting a lesser amount of Administration funds from the State, as it will receive 10% of its allocation from the direct allocation from HUD for Administrative purposes. Refer to County's website www.stlouisco.com/plan/nsp

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMEN.T
NEIGHBORHOOD STABILIZATION PROGRAM -STATE
FY2008 APPLICATION: FORM A"""" ROJECT PROFILE (page 1 of 3)

1. Applicant Identification

A. NAME (CITY OR COUNTY): Sikeston

B. MAILING ADDRESS: 105 E Center

C. CITY, STATE, ZIP CODE: Sikeston, MO 63801

D. CHIEF OFFICIAL OF (A): Mike Marshall/Doug Friend | E. TITLE OF (D): Mayor/ City Manaaer

F. TELEPHONE OF (D}: 573-471-2512 | G. FAX OF (D): 573-471-1526

H. FISCAL YEAR END OF (A): June 30, 2009

2. Application Preparer

A. .NAME: Trey Hardy

B. MAILING ADDRESS: 105 E Center

C. CITY, STATE, ZIP CODE: Sikeston, MO 63801

b. NAME OF AGENCY: . City of Sikeston

E. TELEPHONE: 573-471-2512 | F. FAX: 573-471-1526

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)

A. NAME (ENTITY): Land Clearance for Redevelopment Authority of the City of Sikeston

B. MAILING ADDRESS: 111 S. New Madrid

c. CITY: Sikeston, Missouri 63801

o, CHIEF OFFICIAL oF (A}: David Ziegenhorn

E. TITLE OF (D}; Chairman

F. TELEPHONE OF (D): 573- 471- 8918 | G. FAX: 573-471-8928

4. Other Information for Reporting Purposes

A. 2000 POPULATION OF 1A: 16992

B. STATE REPRESENTATIVE & DISTRICT NUMBER(s): .Ellen Brandom - 160

C. STATE SENATOR AND DISTRICT NUMBER( ): Jason Crowell - 27

D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES: 63801 | COUNTY: Scott/New Madrid

5. Proposed Project Beneficiaries

A. NUMBER OF PERSONS SERVED BY PROJECT: 3786 (22% OF THE CITY OF SIKESTON POPULATION)

B: NUMBER OF FAMILIES SERVED BY PROJECT: 1764 (38% of the families in Sikeston}

C: 6: NUMBER OF FAMILIES SERVED B.Y PROJECT: 27% (1004 Individuals}

C: % LMMI PERSONS OF PROPOSED PROJECT: 20% (921 Families}

D. %LMMI FAMILIES OF THE PROPOSED PROJECT:

1

1. Acquire & remove approximately 90 hazardous properties and re-plat for Development.
2. Purchase & Rehab of Foreclosed Habitable Homes.
3. Down Payment Assistance.
4. Infrastructure for Housing as Part of Redevelopment.
5.Maintenance of lots until redevelopment begins.

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$2,750,000.00
B. LOCAL CASH FUNDS (INCLUDE DE:SCRIPTJON OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	$178,000.00 of the LCRA Budget
C. .LOCAL IN.KIND FUNDS:	$75,000.00
D; OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTALPROJECTCOST:	$3,003,0 00.00

8. Floodplain/Environmental Review

A DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN?t:8] Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATiONAL FLOOD INSURANCE PRdGRAM? [8] Yes ☐ No

C. IS THE COMMUNITY IN GOOD STA DING WITH THE NATIONALFLOOD INSURANCE PROGRAM? IRJ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATE OR COMPLETED?0 Yes [8] No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LANO USE? ☐ .Yes (8] No

IF YES, DESCRIBE

F. IS THE PROjECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? [R) Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THiS A REA? ☐ Yes f&l No

IF YES, PLEASE LIST.

9. Project Description

In the space beiow, pr vide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. This page will be provided to the media and your elected state and federal legislators for informational purposes.

A. APPLICANT: City of Sikeston

B. PROJECT TITLE: Neighborhood Revitalization

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The boundaries of the entire project encompass the following:
Censusblocks 9812002, 9812003, 9812005, 9812006, 9812007, 9812008, 9807002 and 9807003.
This area is geographically the central corridor of the city of Sikeston from the east to the west. More specifically along Malone Avenue from the east drainage ditch, just east of Dona Street to the western city limits south of Malone and Sunset north of Malone. The southern boundary is the New Madrid arid Scott County line. The northern boundary is comprised of Smith, Greer, North and Com ress Streets.

D. DESCRIPTION OF NEED(S} AND PROJECT IMPACT:

The City of Sikeston needs assistance to remove abandoned and condemned foreclosed homes for the redevelopment of LMI and LMMI housing and the ability to rehabilitate foreclosed homes not condemned along with down payment assistance for LMI and LMMI. As part of this project a property maintenance program will be necessary. The impact would be the increased property values of existing homes and the opportunity for home ownership.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S)- BE SPECIFIC:

The City of Sikeston is proposing to demolish foreclosed, uninhabitabie and condemned structures for the redevelopment of new housing benefiting LMI and LMMI families and placing the necessary infrastructure or updating the existing. The City will rehabiUtate foreclosed residential property and assist with down payments for LMI and LMMI families. During the entire time period the City will oversee the maintenance of all properties involved by utilizing non profit organizations to employ LMI and LMMI employees and to organize a youth program comprised of emplo yees re siding within the project boundries.

Certification:

I, the undersigned, certify that the information found In this proposal, is fact al and complete. I have the authority to submit this proposal on behalf of the City of Sikeston, Missouri in my capacity as Community Redevelopment Coordinator. I uriderstand that if the proposal is included in the State's plan and subsequently approved by the U;S. Department of Housing and Urban DevelopmE?nt, that a grant agreement shal be executed and that further certifications, includlng a local ordinance approving the application and agreement shall be required.

C&:: Date Oct 10, 2008

Acquisition and Demolition

1. Activity: Acquire and remove hazardous foreclosed and abandoned structures consisting of approx 90 properties for new residential development.
2. Activity Type: Demolish hazardous foreclosed and abandoned structures for neighborhood revitalizations.
3. National Objective: To benefit 51% area wide LMMI by demolishing hazardous foreclosed and abandoned properties for new housing redevelopment.
4. Projected Start Date: October 23, 2008
5. Projected End Date: October 23, 2012
6. Responsible Organization: City of Sikeston, 105 E Center Street, Sikeston Missouri. Administrator, Trey Hardy, Community Redevelopment Coordinator. Hardy is employed in the capacity of Code Enforcement Supervisor and the Liaison to the Land Clearance for Redevelopment Authority on behalf of the City Council with four years as the LCRA liaison and thirteen years as a Public Works employee.
7. Location Description: The targeted area, within the corporate city limits of Sikeston, consist of census tracts 9812 block group 2, 9812 block group 3, 9812 block group 5, 9812 block group 6, 9812 block group 7, 9812 block group 8, 9807 block group 2 and 9807 block group 3.
8. Activity Description: The City of Sikeston will acquire approximately 90 properties, located in the eligible census tracts, in some state of disrepair. Due to the condition of these structures, the impact to the existing honies is negative. The structures are being utilized by vagrants, drug activity (including manufacturing), gang activity, rodent infestation, strays animals and the storage of stolen goods. The intent of this activity is tq improve the neighborhoods safety and to retain the families currently residing there. The standards the City of Sikeston uses for structures deemed to be unsafe and condemnable are located in the 1993 **BOCA** Property Maintenance Code, Chapter 1 sections 108, 109, and 110. (See attached). Upon acquisition, the City wiH demolish these heahh and safety hazards, survey the vacant lots, and then re-plat them into buildable residential parcels to be sold for new housing units. All of the existing structures have been evaluated by the City Code Division, Department of Public Safety and City Engineers, and then categorized by condition. This will benefit perso s below 503/o of the area median income by offering the opportunity for home ownership.
9. Total Amount of Request per Activity: $810,000.00. The breakdown of this totai is as follows:

Acquisition: $5000.00 for each structure equaling $450,000.00.
Demolition: $4000.00 for each demolition .equaling $360,000.00.
totai: $810,000.00

10. Performance Measures:

Eleven (11) structures are located in census tract 9807 block group 2. This affects 60 families of the 50% or less median income. 14 families are in the 51-80 percentile and 16 families are in the 81-120 percentile.

Eleven (11) structures are located in census tract 9807 block group 3. This affects 86 families of the 50% or less median income. 105 families are in the 51-80 percentile arid 81 families are in the 81-120 percentile.

Seven (7) structures are located in census tract 9812 block group 2. This affects .82 families of the 50% or less median income. 51 families are in the 51-80 percentile and 19 families are in the 81-120 percentile.

Two (2) structures are located in census tract 9812 block group 3'. . This affects 58 families in the 50% or less median income. 58 families are in the 51-80 percentile and 23 famjlles in the 81-120 percentile.

Thirty (30) structures are located in census tract 9812 block group 5. This affects 113 families of the 50% or less median income. 62 families are in the 51-80 percentile and 17 families are in the 81-120 percentile.

Sevehteeh (17) structures are located in census tract 9812 block group 6. This affects 87 families in the 50% or less median income. 14 families are in the 51-80 percentile and 27 families are in the 81-120 percentile.

Nine (9) structures are located in census tract 9812 block group 7. This affects 34 families in the 50 % or less median income. 53 families are in the 51-80 percentile and 35 families are in the 81-120 percentile.

Three (3) structures are located in census tract 9812block group 8. This affects 51 families of the 50% or less median income. 64 families are in the 51-80 percentile and 55 families c1re in th e 81-120 percentile.

Purchase &Rehab of Foreclosed Habitable Homes

1. Activity: Acquisition of foreclosed residential structures.
2. Activity Type: Acquire approximately 20 foreclosed residential structures for Rehabilitation.
3. National Objective: To benefit 100% LMMI by acquiring residential structures for rehabilitation.
4. Projected Start Date: October 23, 2008
5. Projected End Date: October 23, 2012
6. Responsible Organization: City of Sikeston., 105 E Center Street, Sikeston Missouri. Administrator, Trey Hardy, Community Redevelopment Coordinator. Hardy is employed in the capacity of Code Enforcement Supervisor andthe Liaison to the Land Clearance for Redevelopment Authority on behalf of the City Councilwithfour years as the LCRA liaison and thirteen years as a Public Works employee.
7. location Description: The targeted area, within the corporate city limits of Sikeston, consist of census blocks 9812002, 9812003, 9812005, 9812006, 9812007, 9812008, 9807002 and 9807003.
8. Activity Description: The City of Sikeston wm acquire approximately 20 foreclosed residential properties, located in the eligible census tracts. The minimum standard the City *of* Sikeston uses for habitable structures is the 1993 BOGA Property Maintenance Code.(See attached) All of the units have been evaluated bythe City Code Division, Department of Public Safety and City Engineers then categorizedby condition. This will benefit 100% LMMI in an opportunity for home ownership.
9. Total Amount of Request per Activity: $800,000.00.
   The breakdown of this total is as follows:
   - **Acquisition:** $25,000.00 for each structure equaling $500,000'.00.
   - **Administration/Rehabilitation:** Licenses, permits, material andlabor per structure of $15,000.00 equaling $300,000.00
   - **Total:** $800,000.00
10. Performance Measures: This activity involves twenty (20) structures located within the eligible portions of Sikeston with the goal of refurbishing the structures to a habitable condition prior to making them available for sale to LMI and LMMI families. The exactlocation of these twenty structures are unknown at.the time. however, the recipients of the structures wiUbe from LMI and LMMI.

Down Payment Assistance

1. Activity: Down Payment Assistance
2. Activity Type: Assist 20 LMMI families with a down payment.
3. National Objective: To benefit 100% LMMI by assisting with home ownership.
4. Projected Start Date: October 23, 2008
5. Projected End Date: October 23, 2012
6. Responsible Organization: City of Sikeston, 105 E Center Street, Sikeston Missouri. Administrator, Trey Hardy, Community Redevelopment Coordinator. Hardy is employed in the capacity of Code Enforcement Supervisor and the Liaison to the Land Clearance for Redevelopment Commission on behalf of the City Council with four years as the Liaison and thirteen as a public Works Employee.
7. Location Description: The targeted area, within the corporate city limits of Sikeston, consist of census blocks 9812002, 9812003, 9812005, 9812006, 9812007, 9812008, 9807002 and 9807003.
8. Activity Description: The City of Sikeston will assist twenty families with a down paynient toward the purchase of a re-habilitated home. The benefit wm be home ownership for income qualified persons and their families. All assistance will be utilized by those 50% or below the median income of the area for permanent residency.
9. Total Amount of Request per Activity: $200,000.00.
   The breakdown of this total is as follows:
   Assistance: $10,000.00 to each family for each structure equaling $200,000.00.
10. Performance Measures: The successful transactions of selling twenty (20) homes to qualified LMI ahd LMMI families.

Infrastructure for Housing as Part of Redevelopment

1. Activity: Infrastructure update on existing lots and infrastructure added to newly created buildable residential lots by way of the Planning and Zoning process for the combining of parcels (other than rezoning) for the buHding of new homes.
2. Activity Type: Update existing, build and install necessary infrastructure to newly created buildable residential lots.
3. National Objective: To benefit 100% LMMI.
4. Projected Start Date: October 23, 2008
5. Projected End Date: October 23, 2012
6. Responsible Organization: City of Sikeston, 105 E Center Street, Sikeston Missouri. Administrator, Trey Hardy, Community Redev lopment Coordinator. Hardy is employed in the capacity of Code Enforcement Supervisor and the Liaison to the Land Clearance fot Redevelopment Commission on behalf of the City Council with four years as the liaison and thirteen years as a Public Works Employee,
7. Location Description: The targeted area, within the corporate city limits of Sikeston, consist of census blocks 9812002, 9812003, 9812005, 9812006; 9812007, 9812008, 9807002 and 9807003.
8. Activity Description: The City of Sikeston wiU address the updating Or installation of all necessary infrastructures required for newly Greated residential lots in anticipation of low income families acquiring newly built homes in redeveloped neighborhoods.
9. Total Amount of Request per Activity: $610,000 0.
   The breakdown of this total is as follows:
   Construction: $4545.46 per lot times 11O lots equaling $500,000.00.
   Administration: Engineering fees and Planning and Zoning costs at $1000.00 each lot equaling $110,000.00
   Total: $61 o,000.00
10. Performance Measures: The successful completion of real estate tratisactiohs to 110 LMI and LMMI families in their quest to become home owners. The number of houses to be built is unknown af this time.

Maintenance of lots until Redevelopment begins.

1. Activity: Property Maintenance.
2. Activity Type: The City of Sikeston will oversee the property maintenance on approximately 110.r esidentialproperties.
3. National Objective: To benefit 100% LMMI.
4. Projected Start Date: October23, 2008
5. Projected End Date: October 23, 2012
6. Responsible Organization: City of Sikeston, 105 E Center Street, Sikeston Missouri. Coordinator, Trey Hardy, Community Redevelopment Coordinator. Hardy is employed in the capacity of Code Enforcement Supervisor and the Liaison to the Land Clearance for Redevelopment Commission on behalf of the City Council with fours as the liaison and thirteen years as a Public Works Employee.
7. Location Description: The targeted area, within the corporate city limits of Sikeston, consist of census blocks 9812002, 9812003, 9812005, 9812006, 9812007, 9812008, 9807002 and 9807003.
8. Activity Description: The City of Sikeston will oversee the maintenance of approximately 110 residential properties consisting of the securing of foreclosed structures, maintenance of vacant lots as a result of demolitionfor neighborhood redevelopment and maintenance of existing structures awaiting sale to low income qualified families for a period of up to four years. T e City will caterto programs utilizing youth, LMI and LMMI employees focusing on employees that reside in the affected areas.
9. Total Amount of Request per Activity: $330,000.00.
   The breakdown of this total is as follows:
   $50.00 per lot times 110 lots times 15 mowings/clean up per annum for a period of up to four years equaling $330,000.00.
10. Pe rformanc-e Measure s: T.he upkeep on 110 properties urit1I such time theyare successfully sold to LMI and LMMI families residing in the City of Sikeston.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	CITY OF CAPE GIRARDEAU		
B. MAILING ADDRESS:	401 Independence Street		
C. CITY, STATE, ZIP CODE:	Cape Girardeau, Missouri 63703		
D. CHIEF OFFICIAL OF (A):	Douglas K. Leslie	E. TITLE OF (D):	City Manager
F. TELEPHONE OF (D):	573 334-1212	G. FAX OF (D):	(573) 335-7946
H. FISCAL YEAR END OF (A):	June 30, 2009		

2. Application Preparer			
A. NAME:	Stephen S. Williams		
B. MAILING ADDRESS:	401 Independence Street		
C. CITY, STATE, ZIP CODE:	Cape Girardeau, Missouri 63703		
D. NAME OF AGENCY:	City of Cape Girardeau		
E. TELEPHONE:	(573) 334-8326	F. FAX:	(573) 651-0860

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	N/A		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	35,349		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Jason Crowell-District #27		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Scott Lipke-District #157, Mary Kasten-District #158		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63703	E. COUNTY:	Cape Girardeau

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	18
B: NUMBER OF FAMILIES SERVED BY PROJECT:	7
C: % LMMI PERSONS OF PROPOSED PROJECT:	18
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	7

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

Purchase, rehabilitation and resale of foreclosed properties in the target area. 100% L, LMI and LMMI

Down payment assistance and closing cost. 100% L, LMI and LMMI

HUD approved Housing Counseling Services (In-Kind match) 100% L, LMI and LMMI

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE: 796,950

B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE): 0.00

C. LOCAL IN-KIND FUNDS: 0.00

D. OTHER STATE/FEDERAL FUNDS: 10,500 (4 Sight Counseling, Inc)

E. PRIVATE FUNDS 0.00

F. TOTAL PROJECT COST: 807,450

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☒ ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: CITY OF CAPE GIRARDEAU

B. PROJECT TITLE: **The Red Star Neighborhood Stabilization Program**

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The area is bounded by Park Street and Washington Avenue on the south, Sprigg Street on the west, Bertling Street and East Cape Rock Drive on the north and the Mississippi River on the east.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

We have identified twenty (20) properties within the target area that are vacant which directly effect the community and neighborhood property values. These properties range in value from $30,000.00 to $90,000.00 and will require rehabilitation from $5,000.00 to $20,000.00 before resale. If these properties are not addressed immediately they will continue to deteriorate and be vandalized and further reduce the property values in the neighborhood.

Project impact will provide for seven (7) of these foreclosed and vacant properties to be purchased, rehabilitated and readied for sale to LMI and LMMI families. If they current own-they will be able to upgrade residence. If currently not a homeowner or a 1st time homebuyer the families will be able to achieve the American Dream of homeownership. Our initial project will be to serve seven (7) families and an estimated eighteen (18) persons who are LMI and LMMI. All of the families to receive benefits from this program will be required to go through HUD approved housing counseling program. The City of Cape Girardeau will partner with 4 Sight Counseling, Inc.; the only HUD approved counseling service in the area. 4 Sight Counseling Inc. will provide Homebuyer Education, Pre-Purchase counseling and Post Purchase Counseling for six (6) months after the purchase of the property. The City of Cape Girardeau will provide for the rehabilitation of the properties and overall administration of the project. After the seven (7) properties have been completed other properties in the target area will be address with the income for the sale of the properties.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Activities of this project will include, but not be limited to:

a. Identification of foreclosed properties in the target area, purchase and rehabilitation of these properties
b. Down payment assistance and closing cost.
c. Identification and prequalification steps of clients through housing counseling.
d. Qualify clients to receive loans.
e. Work with clients through purchase.
f. Follow up with clients through the post purchase counseling (6 months post purchase follow-up.)
g. Address additional properties in the target area after the initial seven (7) properties are completed and continue that process to the end of the funding cycle.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of _Cape Girardeau_ in my capacity as _City Manager_. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: THE RED STAR NEIGHBORHOOD STABILIZATION PROGRAM

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

The NSP funds will be used to purchase, rehabilitate, resale foreclosed properties and provide down payment assistance and closing cost to seven (7) L, LMI, LMMI families in the target area. HUD approved housing counseling services will be provided by 4Sight Counseling, Inc. throughout the process from initial counseling and credit repair to purchase and post purchase counseling.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

a. Purchase, rehabilitation and resale of foreclosed properties in the target area 100% L. LMI and LMMI.
b. Down Payment assistance and closing cost on seven (7) properties in the target area. -100% L, LMI and LMMI.
c. HUD approved Housing Counseling Services (in-kind match) 100% L, LMI and LMMI

(4) Projected Start Date: January 1, 2009

(5) Projected End Date: June 30 2010

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The National Stabilization Program will be administered by Stephen S. Williams, Housing Assistance Coordinator for the City of Cape Girardeau, Missouri. Mr. Williams has over 36 years of experience in the administration of City, State and Federal programs. Presently he is administrating a CDBG Program, an Emergency Grant Program and two (2) HeRO Programs from MHDC.

Dr. Tim Gould, President of 4 Sight Counseling, Inc., 937 Broadway, Suite 308, Cape Girardeau, Missouri 63701, has seven (7) years experience in the housing counseling field. He received his HUD Counseling approval in April 2008.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The area is bounded by Park Street and Washington Avenue on the south, Sprigg Street on the west, Bertling Street and Cape Rock drive on the north and the Mississippi River on the east.

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses; The project includes the purchase, rehabilitation and resale of seven (7) houses in the target area to L, LMI, LMMI income families. Down payment assistance and closing cost will also be provided to all of the families that qualify. Free housing counseling services will be provided by 4 Sight Counseling, Inc. through out the process.
- the expected benefit to income-qualified persons; The families will first receive housing counseling to educate them on homeownership, financing and all of the responsibilities that is a part of owning a home. The properties will be purchased at a reduced rate, rehabilitated and sold at a reduced rate there fore providing equity to the property owner. And the down payment assistance provided to the family along with the equity will help to enhance the loan at lending institution
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. Funds for one (1) house will be used to assist a low income family and the other six (6) will be used to assist LMI and LMMI families.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership; The benefits provided by the program will be used and reinvested to serve the seven (7) properties and any other foreclosed properties until the funds are depleted or recaptured.

- duration or term of assistance; The terms and duration of those receiving assistance from the program will be:

Under $15,000.00-	5 Years
$15,000.00 to $40,000.00	10 Years
Over $40,000.00	15 Years

- a description of how the design of the activity will ensure continued affordability:
  Credit, down payment assistance and closing cost are the main obstacles to homeownership. The City of Cape Girardeau does not quality for programs through Rural Development. There are limited programs for homeownership for low to moderate income families. With the assistance of the housing counseling program and the NSP funds this will enable L, LMI and LMMI families to realize the American Dream of homeownership. With the up front funding this will allow the continued affordability for the purchase of foreclosed properties therefore stabilizing neighborhoods.

For acquisition activities, include:

- discount rate The properties will be acquired at 5 % off of the appraised value, rehabbed and sold at a reduced amount to L,LMI and LMMI families that have completed the HUD housing counseling program. The individual housing units will be purchased as-is, rehabbed and returned to the housing market. Properties subject to demolition will be address by the City of Cape Girardeau's demolition program.
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income). N/A
  - If so, include:
    - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
    - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
    - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include: N/A

- range of interest rates

For demolition activities, include: N/A

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

THE RED STAR NEIGHBORHOOD STABILIZATION PROGRAM
PROPOSE BUDGET

a. Purchase	7 Houses x $60,000.00 (average)	$420,000.00
b. Rehabilitation	7 Houses x $20,000.00 (average)	140,000.00
c. Down payment Assistance	7 Houses x $20,000.00 (average)	140,000.00
d. Closing Cost	7 Houses x $3,500.00 (average)	24,500.00
	Total	$724,500.00
e. Administration (10%)		72,450.00
	TOTAL NSP FUNDS	$796,950.00
f. HUD Housing Counseling (in-kind match) 7 x $1,500.00		10,500.00
	TOTAL PROJECT COST	**$807,450.00**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent): One (1) house to a family with 50 percent of area median income.
Four (4) houses to families at 51-80 percent of area median income.
Two (2) houses to families at 81-120 percent of area median income.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.N/A

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.

   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP infonnation may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1 Appl,cant Ident1f1cat1on

A. NAME (CITY OR COUNTY):	City of Columbia
B. MAILING AOOHESS:	P.O. Box 6015, 701 E. Broadway
C . CITY, STATE, ZIP CODE:	Columbia, Missouri **65205-6015**
D. CHIEF OFFICIAL OF (A):	H. William Watkins — TITLE OF (0): City ManaQer
F. TELEPHONE OF (0): **573-874-7254**	G . FAX OF (D): **573-442-8828**
H. FISCAL YEAR END OF (A): **Sept. 30**	

2. Application Preparer

A. NAME:	Thomas Lata, Community Development Coordinator
B. MAILING ADDRESS:	City of Columbia
C. CITY, STATE, ZIP CODE:	Columbia, Missouri 65205-6015
D. NAME OF AGENCY:	Department of Planning and Development
E. TELEPHONE: (573) 874-7239	F. FAX: (573) 874-7546

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)

A. NAME (ENTITY):	
B. MAILING ADDRESS:	
C. CITY:	
D. CHIEF OFFICIAL OF (A):	
E. ffiLE OF(D)	
F. TELEPHONE OF (D):	G. FAX:

4. Other Information for Reporting Purposes

A. 2000 POPULATION OF 1A: 84,531

B. STATE REPRESENTATIVE & DISTRICT NUMBER(s): District 23, Jeff Harris

C. STATE SENATOR AND DISTRICT NUMBER(s): District 19, Chuck Graham, Kurt Schafer afterJanua 12, 2009.

D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES: Tract 9 includes zip codes 65202 and 65203; other Cit zi codes include 65201 and 65205

E. COUNTY: Boone

5. Proposed Project Beneficiaries

A. **NUMBER** OF PERSONS SERVED BY PROJECT: **30**

B: NUMBER OF FAMILIES SERVED BY PROJECT: 15

C: % LMMI PERSONS OF PROPOSED PROJECT: 100

D. % LMMI FAMILIES OF TI-IE PROPOSED PROJECT: 100

6 LMMI Natjonal ObJcct1ve/Act1v1ty (List each act1v1ty proposed and the LMMI National ObJect1vc - 100% v 51% area)

Demolition: Likely to result in the construction of homes - 100%

Acquisition of lots for demolition, residential new construction, and housing rehabilitation activities - 100%

Housing Rehabilitation - 100% LMMI

Redevelopment: Finance of New Housing Construction. including Predevelopment Costs - 100% LMMI

Public Infrastructure, if needed, on a project-by-project basis for new Housing Construction - 100% **LMMI**

7 Cost Data

A. NSP FUNDS REQUESTED FROM STATE: **$1,200,000**

B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):

C. LOCAL **IN-KIND** FUNDS:

D. OTHER STATE/FEDERAL FUNDS:
$25,000 HOME Homeownership Assistance Funds:
$3.000 HOME Administration Funds
$1,000 CDBG Code Enforcement Funds

E. PRIVATE FUNDS:
$453,400
Construction
FinancinQ

F. TOTAL PROJECT COST: $1,682,400

6 Floodplain/tnv1ronmenta Review

A. DOES THE PROPOSED PROJECT, OR Aloff PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ffi No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? Ye& ☐ No

C. rs THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes No

E. Will THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE?
Yes O No

IF YES, DESCRIBE. Although all residential properties will be addressed. it is possible that specific tracts of land will be converted from single to multi-family use as almost the entire residential portion of the area is zoned R-2 and R-3 and contains mostly single family dwellings. Commercial and Industrial uses will not result from this project. The City will be looking for sites to develop affordable "cottage housing" pursuant to its efforts to remove barriers to affordable housing through creating zoning districts compatible with this tvce of development.

F. IS THE PROJEOT COMPATIBLE WITH CURRENT LANO USE IN THE AREA? Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AN.DIOR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes No

IF YES, PLEASE LIST.

The City will use data as applicable to be gathered from the following previous studies conducted since 2001 in its reviews for this project.

The City completed environmental reviews on 16 HOME/CDBG funded housing rehabilitation projects, five newly constructed housing units, and fwe demolition projects in the last year. The City could put future rehabs/demolitions etc., under the same umbrella review. The city has a "Programmic Agreemene with DNR that would cover any rehabilitation projects where in-place replacement is all that is proposed.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Columbia

B. PROJECT TITLE: Northern Neighborhood Response Team Area Revitalization Project

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The Geographic Area includes Census Tract 9, which includes the area north of Sexton, **4th** Avenue, Wilkes, and Paris Road and south of I - 70 (See Attachment 1).

D. DESCRIPTION OF NEED(S} AND PROJECT IMPACT: The City considers many parts of this area to be the worst of the worst part of the Neighborhood Response Team Area. an area known for higher crime rates, deteriorated housing conditions, and stagnating assessed valuations. The character of the housing stock in this part of the NRT Area is smaller and somewhat more deteriorated than the surrounding area. The area contains Hickman High School and is important to revitalization for youth in Columbia that could find less desirable opportunities in the neighborhood surrounding their school should this neighborhood not be addressed. The area has a higher than normal vacancy rate reported at close to 4%.

The strategy proposed in this application is a continuation of the NRT Strategy that was initiated in 2000. The actions of this strategy The strategy includes coordination of the police, planning, office of communications, health department, and public works {protective inspection) to accomplish annual inspections of properties in the NRT Area. Where violations are found, letters are provided to property owners. Follow-up is provided through CDBG and HOME funded housing programs including the Code Deficiency Abatement Program, Owner Occupied Housing Rehabilitation Program, Columbia Builds Youth Program (Youthbuild), CDBG funded public improvements, and the CDBG Funded Demolition Program. Revitalization efforts taken in the NRT are mapped in Attachment 2).

The NSP Program will complement the existing NRT Area strategy, by concentrating resources in a smaller area. The strategy includes providing incentives for middle income households to move in to new and rehabilitated housing, which were not previously available, and can be created through the use of this program. The NSP will bring financial resources from local tenders to invest in this area through the use of not-for-profit and for-profit housing developers. These are likely to include, the Columbia Builds Youth Program (Job Point), Columbia Community Development Corporation (Bank owned CDC), Central Missouri Community Action, and Show-Me Central habitat for Humanity. (See attached maps for needs and accomplishments in this area). The city is excited about the potential impact of this program.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) - BE SPECIFIC:
Proposed Action will include:

1. Final Identification of Properties to be addressed through Protective Inspection, NRT Team, and local lenders.
2. Notifications to property owners of nuisance properties
3. Demolitions of nuisance properties and acquisitions from lenders of foreclosed properties
4. Use NSP funding to demolish homes
5. Contract with not-for-profit and for profit organizations to build new housing
6. Use planning staff to rehabilitate existing housing that can be rehabilitated and resold
7. All purchases of property shall initially be held by the City and resold over a four year period to be turned over to a not-for-profit organization to be created by the City, under the control of the City Council. Properties will be sold or leased, on a long term lease, to program beneficiaries or participating organizations.

Certification:

I, H. William Watkins, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Columbia in my capacity as City Manager. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications· luding a local ordinance approving the application and agreement shall be required.

Date 11/6/09

H. William Watkins, City Manager

NSP INFORMATION BY ACTIVITY (COMPLETE FOR ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Demolition of Vacant Dilapidated Properties

(2) Activity Type: NSP and CDBG Eligible: Demolition **(include NSP eligible use & COBG eligible activity)**

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice-Le., S 120% of area median income).

Benefit to persons less than or equal to 120% of the median income through housing construction

(4) Projected Start Date: January 1, 2009

(5) Projected End Date: March 1, 2011

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Columbia will likely implement this portion of the program through the Department of Planning and Development, Community Development Division staff. The City currently is using CDBG funds for a dilapidated building demolition program and provides funding to property owners and local housing development organizations to demolish dilapidated buildings in the Neighborhood Response Team area. To the extent feasible, the City will use private and not-for-profit property owners to accomplish demolitions to avoid more extensive City procurement regulations, however, the City will bid demolition projects itself for projects where acquisition of a dilapidated building occurs by the city prior to demolition.

Entitlement CDBG funds are used to demolish an average of three units per year.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

See attached map (Attachment 1), homes in red, which have been determined as infeasible to rehabilitate at this time. The City will determine rehab feasibility of other homes, likely those in dark purple on the map, before demolition.

(8) Activity Description:
Include a narrative describing;

- **the area of greatest need that the activity addresses;**

Dilapidated buildings that cannot be rehabilitated are clearly the greatest need we have on a spot basis in this area. It is almost like clockwork, that when a property becomes vacated; the windows are broken out, copper removed, and homes occupied by squatters and animals. These properties become a major blighting influence on the neighborhood, bringing down property values and makes the neighborhood a less desirable place to live.

- **the expected benefit to income-qualified persons;**

Homes will be constructed on properties subject to demolition. Buyers will be required to ensure occupants are income qualified.

- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

One demolition will occur to benefit a Habitat or other homebuyer below 50% of the median income.

For housing related activities, include:

- tenure of beneficiaries-rental or homeownership;

  All demolition activities will require that future development make homeownership a priority.

- duration or term of assistance;

  The cost of demolition is not likely to be included in the value of a home that is sold to a qualified buyer, therefore, the duration of assistance will end when the demolition is complete.

- a description of how the design of the activity will ensure continued affordability.

  Upon the sale of such properties, or if not acquired, upon signing a demolition agreement, the City will place a land use restriction and require payment through a deed or trust and promissory for full cost of the demolition activity.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., :5, 80% of area median income).
  - If so, include:
    - The number of low- and moderate-income dwelling units-i.e., S 80% of area median income-reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
    - The number of NSP affordable housing units made available to tow- , moderate-, and middle-income households-i.e., S 120% of area median income-reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
    - The number of dwelling units reasonably expected to be made available for households whose Income does not exceed 50 percent of area median income.

Not applicable to demolition

For financing activities, include:

- range of interest rates

Not applicable to demolition

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

Attached is the City ordinance specifying conditions and procedures where a home may be determined to be a public nuisance. All homes must have been vacant for at least 90 days prior to demolition.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and focal NSP funds, if applicable.

Total NSP Request: $54,500

NSP funded Demolition:	$50,000
Local CDBG Entitlement Funded Code enforcement and inspection time:	**1,000**
NSP Funded Administration	4500
TOTAL	$55,500

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

TARGETED GOALS

3 houses will be demolished to address households at 81 - 120% of median income

1 house will be demolished to address households 50 - 80% of the median income

1 house will be demolished to address one household below 50% of the median income (505 Sexton if funds are received soon enough)

This activity will also count toward the goal of sustaining a suitable living environment

(1) Activity Name: **Acquisition and Rehabilitation**

(2) Activity Type: **Acquisition of substandard housing and rehabilitation {include NSP eligible use & CDBG eligible activity).**

CDBG activities wilt include: acquisition, disposition, rehabilitation, and counseling for homebuyers

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice-i.e., :5120% of area median income).

The national objective is benefit to low to middle-moderate income households.

(4) Projected Start Date: March 1, 2009

(5) Projected End Date: March 1, 2011

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City will implement this activity through the auspices of the Department of Planning and Development with assistance in property maintenance by the Public Works Department. Due to the workload with the City's five year plan this year, the City will either hire a consultant or temporary staff member to track down and handle the initial acquisition phase of these properties, line up maintenance contracts during the construction phase of the project, and sell properties to qualified buyers. Construction activities will be handled by the Department of Planning and Development Community Development Division.

- All project tracking will be handled through the City's "One Roof' software Package, which integrates the application phase from buyers, specification writing and contract management, financial management, and loan portfolio management into a single system; The program can provide a variety of reports for management staff and for HUD, and has won a HUD Best Practice Award.
- Intake of applicants for home purchases will be accomplished by Kathy Sides, whom currently handles all applicants through our rehabilitation and homeownership assistance programs;
- Initial structural, termite, HVAC, and electrical inspections will be handled by "Pillar to Post" inspections, currently under a 5 year term and supply contract with the City;
- Code inspection and deficiency lists and work write-up will be prepared by Sam Abdullah, the City's Rehabilitation Specialist. Included in the inspection of each house will be a (HERS) rating for energy efficiency and each house will be rehabilitated to the extent feasible to less than a "100" rating. Sam is is a certified HERS rater. The City owns a blower door with accompanying software necessary to complete the initial inspection phase. Sam will also handle the construction management phase of each project
- Lead hazard evaluation and clearance of each house for lead hazards will be completed by the Pharos Group, under a five year term and supply contract with the City.
- Financial and loan portfolio management is currently being handled by Vicki Turner, the City's Housing Specialist, with these projects being handled in a similar manner. The City's Planning Department manages a loan portfolio containing 656 loans valued at $6.2 million. The write-off rate on these loans is between 2 and 3% annually.
- Home Maintenance classes are required for those participating in the City's rehabilitation program. Three to four Homeworks classes are provided each year jointly between University Extension Outreach and the City's Water and Light department; organized by Michael Goldschmidt, architect.

In addition to these resources, homebuyers will be required to take the FDIC "MoneySmart" financial management classes provided by the Columbia Housing Authority; or will be required to attend other HUD certified housing counseling.

Qualifications of Service Providers are as follows:

Vicki Turner: Graduated with an Associate in Business degree from Moberly Area Community College in 1970. Provided administrative support for the City's rental rehabilitation program, housing rehabilitation program, insulation and weatherization programs beginning in January 1985. Promoted to Housing Programs Coordinator in February 1990. Assisted in the design and implementation of the emergency repair program in 2000. Currently Administers the City's housing programs (emergency repair program, code deficiency abatement program, housing rehabilitation program, rental rehabilitation program, and homeownership assistance program). Vicki is also a Certified HOME Program Specialist concerning HOME regulations, which was received during the last year.

Tom Lata: Has an **M.S.** in Urban and Regional Planning from the University of Iowa in 1980, specializing in housing planning; from 1982 - 1983 acted as the administrator and housing inspector for two small town CDBG funded housing rehabilitation programs in southeast Kansas; from 1984 through 1987 was a CDBG Field Representative for the State of Missouri Department of Economic Development in SE Missouri and the bootheel, including monitoring a large number of housing programs; in 1988 was promoted to Housing Coordinator responsible for all State of Missouri CDBG housing programs and the State run Rental Rehabilitation Programs funded with through Section 17 funding and HOME funds; in 2001 became Community Development Coordinator for the City of Columbia in charge of all CDBG and HOME funded activities and the City's Consolidated Planning and performance reporting processes. Served on the Governor's Commission on Childhood Lead poisoning for six years and was licensed as a lead-based paint risk assessor license for a number of years while working at the State. Has been certified as a Housing Development Finance Professional by the National Development Council and is also holds a Certified HOME Program Specialist designation from HUD.

Sam Abdullah: Has worked in the building trades for 33 years and is a journeyman carpenter, electrician, mechanic, and a master plumber. Formerty was a licensed lead paint risk assessor. Has worked for the City for 11 years in the capacity of a building inspector and housing rehabilitation specialist.

Kathy Sides: Has 19 years' experience as an administrative assistant and has experience working with lower income persons seeking employment. Has several years of basic bookkeeping experience and has a degree from a four year college.

Pharos Group. from St. Louis, who provide lead hazard evaluation services and also provides training to contractors and property owners in lead-safe work practices and lead abatement (see attached resumes). Pharos is licensed by the State Department of Health to conduct both activities. Pharos Group personnel have been conducting lead hazard evaluations since the mid-1990s. During the mid to late 1990's, they provided training for the State in a variety of environmental control professions and have been training City contractors since 2002. The contractor carries $2 million dollars of liability insurance.

Bill McAllister, Pillar to Post Home Inspections perfonns initial structural inspections on homes to be rehabilitated. He has over 20 years experience in project management and many years experience in industrial plumbing and electrical systems. He completed fonnal, comprehensive training provided by Pillar to Post Home Inspections; with review on an annual basis, and supplemental training by the American Society of Home Inspectors. The contractor is required to carry $500,000 of liability insurance.

Moore and Shryrock, Appraisers have a combined total of over 85 years appraisal experience, and our support staff has over 20 years experience, including two residential appraisers, Thomas Shryrock and James Rouse, both of whom are Missouri State certified residential appraisers.

University Outreach and Extension to provide home maintenance seminars on a quarter1y basis. University Extension has been providing home maintenance and financial education since the early 1990's through their 'Homeworks' Program. The City has the advantage of being able to use Michael Goldschmidt, a licensed architect as the trainer;

David Mars: Energy Management Specialist with the Water and Light Department, with more than 20 years experience in energy education and assessments, is the other trainer as is generally recognized by the City and community at large as a lead educator in this field and can be regular1y seen on the City Channel giving advice to the general public.

Concerning construction contractors, the City keeps a list of qualified contractors for homeowners to select. The list is an open list and owners can select from the list or find their own qualified contractor. All contractors are required to have Workers Compensation, $300,000 - $500,000 of liability insurance, must have a City business license, hold HUD required licenses and certifications for lead hazard control activities, and must also be licensed by the City for the specific activities undertaken.

(7) Location Description: (Description may include **specific addresses, blocks or neighborhoods to** the **extent known.)**

See dark purple lots on the attached map (Attachment 1). These properties are currently vacant and in need of repair. Properties in light purple are occupied, but in need of substantial repairs. We have identified 22 vacant properties that are vacant or foreclosed and in need of repair.

(8) Activity Description:
Include a narrative describing;

- **the area of greatest need that the activity addresses;**

This activity will address the need for preserving and improving the existing housing stock for lower - middle income persons. The program will decrease the vacancy rate in the area, preserving structurally sound housing stock, eliminating blighting conditions in the neighborhood. We expect the activity to help increase homeownership rates in the NRT Area and introduce middle income homebuyers that have been left out of previous City programs that address only lower income homebuyers.

- **the expected benefit to income-qualified persons;**

The expected benefit to income-qualified persons should include an affordable, energy efficient home, which is in decent safe and sanitary condition. In contrast to the City's normal rehabilitation program, the City will have the luxury of addressing vacant homes. This will eliminate possible relocation costs and will also allow the City to gut houses to the point where we are expected these homes to be almost as good as new. The City will exceed the City's minimum Housing Rehabilitation Standards in all cases and should be able to provide energy efficient lead-free homes. The is a major advantage over our current program that typically uses the selective rehabilitation approach.

The City will provide assistance in the form of an interest free $5,000 loan repayable upon sale and an interest free forgivable soft second forgivable over 20 years. The amount of assistance will not exceed the amount of NSP dollars used to purchase and rehabilitate the property. The City plans on providing a repayable third and soft second mortgage to homebuyers. Funds used to provide homebuyer assistance will be taken from the cost to the City of purchasing and rehabilitating the property; that will not be retuned to the City upon the sale of the property. The amount of assistance to homebuyers will be based upon a low end ratio of income to housing expenses of 35% and a high end total debt ratio of 45% or as is set by the City's Loan and Grant Committee. Buyers will be required to pay a minimum of $3,000 in cash toward the purchase of each home.

and

- **whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.**

We do not expect that this program will benefit lower income households at this time. The City's regular rehabilitation and "Neighborhood Development" homeownership assistance program can address this need.

For housing related activities, include:

- **tenure of beneficiaries--rental or homeownership;**

All five properties are expected to initially be sold for homeownership; however, should the properties not sell, other options, including rental and long term leasing would be considered.

- **duration or term of assistance;**

The duration of assistance is expected to be 20 years.

- **A description of how the design of the activity will ensure continued affordability.**

The minimum period of affordability for fee simple ownership of land will be 20 years with provisions in the promissory note enforcing affordability restrictions enforced by a deed of trust. The design of a possible long term land lease arrangement for homebuyers could result in affordability for the term of the long term lease up to 99 years.

For acquisition activities, include:

- **discount rate**

The discount rate for purchases shall average 15% of appraised value in accordance with before rehab appraisal conducted by the City.

- **tndicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e.,** S **80% of area median** income).
    - **If so,** include:
        - The number of low- and moderate-income dwelling units-i.e., S 80% of area median income-reasonably **expected** to be demolished or converted **as a** direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households-i.e., :5120% of area median income-reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

The City does not intend to convert any homes occupied by low to moderate income households. The City will address only homes that have been vacant for at least 90 days and are not being used by households below 80% of the median income.

For financing activities, include:

- **range of interest rates**

The City will provide financial assistance to homebuyers at 0% interest. Assistance will be provided through reducing repayment of the amount of NSP funds required to be repaid that was used for acquisition/ repaid, in order to ensure the affordability of each housing unit. A gap financing approach will be used.

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

Not applicable to rehab.

(9) Total Amount of Request per Activity: clear1y depict the budget per activity and the total amount **requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds,** if **applicable.**

Total NSP Request: $576,000

NSP Acquisition Cost of Properties (Includes appraisals, legal)	$250,000
NSP Rehabilitation Cost (5 homes, includes construction, lead hazard evaluation and control, after-rehab appraisals, inspections)	$250,000
Additional Private Construction Financing for larger homes/multi-family properties	$100,000
HOME Neighborhood Development Homeownership Assistance	$ 25,000
HOME Administration	1,500
NSP Disposition Cost (includes maintenance, selling costs, taxes, insurance etc.)	$ 30,000
NSP Homeownership Counseling	$ 1,000
NSP Funded Administration	$ 45,000
TOTAL	$701,000

(10) Perfonnance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

TARGETED GOALS

5 structures be acquired and rehabilitated, for which we expect 7 units to be created:

5 will benefit households at 81 -120% of median income;
1 will benefit a households at 50- 80% of the median income; and
1 will benefit a household below 50% of the median, likely to be a renter household.

This activity will also count toward the goal of making decent housing sustainable.

(1) Activity Name: Acquisition and Land Banking

(2) **Activity Type:** NSP - Acquisition and Land Banking;
CDBG: Acquisition and Disposition

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice-i.e., S 120% of area median income).

This project will benefit 100% low to moderate•middle income persons.

(4) **Projected Start Date:** April 1, 2009

(5) **Projected End Date:** December 31, 2017

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Columbia will be the responsible organization implementing this activity, with offices located at 701 **E.** Broadway, Columbia, Missouri 65201. Timothy Teddy, Director of Planning and Development will be the primary person in charge of this activity. The City will hire full time temporary help or a private consultant during 2009 to implement this activity. This person will be charged with creating a not•for•profit housing trust to hold properties, not just in the NSP area, but throughout the City, for the purpose of developing affordable housing. This person will also be in charge of purchasing and disposing of properties active in the NSP Program. NSP Administrative funds will pay for only a portion of the salary of this person, in line with the percentage of his activities in the NSP Area, with the remainder to be paid for with CDBG and HOME Planning and Administrative funds, pursuant to activities associated with those programs.

In accordance with the City's visioning process, currently in its implementation phase; and in accordance with the Affordable Housing Policy Committee Report to the City Council, a not.for-profit housing development organization is a major goal for the City in coming years. After two years, the Land Bank/Housing Trust, is expected to become a 501©(3) not-for-profit housing organization that will administer the land bank and a housing trust fund. The Board of the organization will be appointed by the City Council. The organization is not expected to act as a housing developer, but will administer local housing resources under the purview of the City and provide resources to housing developers in accordance with housing planning activities. The Housing Trust will have the ability to buy, sell, or lease properties for affordable housing under long term lease agreements. Such long term lease agreements will be another source of income for this organization, thereby sustaining the organization.

(7) Location Description: (Description may include specific addressest blocks or neighborhoods to the extent known.)

Attachment 1 attached map indicates homes in need of rehabilitation, those that are vacant and in need of rehabilitation, and those that should be demolished. The City will determine on a case-by•case basis, whether a particular property will be land banked or sold to development organizations, depending upon the location of the property.

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;

This activity is primarily the organizing force behind the purchase and resale of all properties addressed with NSP funds; and will include the acquisition and disposition of properties. Specific tasks will include

attending foreclosure sales, attending tax sales, arranging friendly foreclosures for properties tied up in probate and other legal issues, and working with the Division of Protective Inspection to maintain an inventory of properties declared a public nuisance through City ordinances.

The benefit of the activity in the NSP Area will be the removal of blighting influences, a logical and appropriate redevelopment strategy for all properties in keeping with constraints apparent for each property. For example, larger tracts of land closer to commercial areas may be better suited to multi-family, rather than single family housing development. Request for proposals from housing development agencies could become part of the process of ensuring appropriate development in the area that is essential to removing blight and inappropriate land uses. These goals will be accomplished through City control of property acquisitions and subsequent land use, a strategy that has been missing from the City's past approach to community development.

- **the expected benefrt to income-qualified persons;**

The benefit of this activity will is included in the benefit for the acquisition rehabilitation activity and the redevelopment activity. All properties acquired with NSP funds will be developed as owner and rental housing specifically to benefit low to middle income households.

- **whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median** income.

Of the ten properties that may be involved in the acquisition/disposition phase, at least one is expected to benefit households below 50% of the median income.

For housing related activities, include:

- **tenure of beneficiaries--rental or homeownership;**

Eight of the ten properties are expected to benefit owner occupants.

- **duration or term of assistance;**

During of assistance to both owner and rental properties is expected to be at least 20 years for those that are sold and up to 99 years for those that would be subject to a long term lease agreement.

- **a description of how the design of the activity will ensure continued affordability.**

The minimum period of affordability for fee simple ownership of land will be 20 years with provisions in the promissory note enforcing affordability restrictions enforced by a deed of trust. In addition, a land use restriction will be placed on all property deeded to housing development organizations or property that will result in affordable rental housing. The design of a long term lease arrangement is expected to result in affordability for the term of the long term lease up to 99 years.

For acquisition activities, include:

- **discount rate**

The discount rate for purchases shall average 15% of appraised value in accordance with an appraisal conducted by the City.

- **Indicate whether grantee intends to demolish or convert any low- and moderate-income** dwelling units (i.e., S: 80% of area median income).
    - If so, include:

- The number of low- and moderate-income dwelling units-i.e., S 80% of area median income-reasonably expected to be demolished or converted **as a** direct result of NSP-assisted activities.
- The number of NSP affordable housing units **made** available to low- , moderate-, **and middle-income households--i.e., S 120% of area median income--reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).**
- **The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.**

All properties acquired through this activity will have been vacant for a minimum of 90 days, with a determination that the property is not be feasible for rehabilitation, where proposed for demolition.

For financing activities, include:

- **range of interest rates**

Vacant land will be provided to housing development organizations at an amount that will not exceed the NSP cost of the project.

For demolition activities, include:

- **a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.**

Not applicable

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

*Total **NSP Request:** $207.100*

NSP Acquisition Cost of Properties (Includes appraisals, legal)	$160,000
NSP Disposition Cost (includes maintenance, selling costs, taxes, insurance etc.)	$30,000
NSP Funded Administration	$ 17,100
TOTAL	$207,100

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

TARGETED GOALS

In addition to the acquisition/rehabilitation activity, 5 lots are expected to be acquired, for which we expect 8 units to be created:

5 will benefit households at 81 -120% of median income;
2 will benefit a households at 50 - 80% of the median income; and
1 will benefit a households below 50% of the median, on which is likely to be a renter household.

This activity will also count toward the goal of making decent housing sustainable.

(1) Activity Name: New Housing Construction

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

NSP use "redevelopment"; including New Housing Construction, Homeownership Assistance, and Housing Counseling.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice-i.e., S 120% of area median income).

All newly constructed homes will be occupied by households of less or equal to 120% of the median income.

(4) **Projected Start Date:** July 1, 2009

(5) **Projected End Date:** January 1, 2012

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.}

The responsible organization for selling property to developers will be the City of Columbia as was outlined in the Land Banking and Acquisition sections of this application. Not-for-profit and for-profit organizations that will likely play a prominent role in the redevelopment of these properties, among others, will include the following:

- *Columbia Community Development Corporation (CCDC), Mike Crist, Enterprise Development Corporation,901 E. Broadway, Suite A, Columbia, Missouri 65201, phone (573)875-8117, mcrist@socket.net:* The Board of this organization, administered by Enterprise Development Corporation, includes many of the larger banks in the Columbia Area. The organization currently builds and sells one single family home annually to a low to moderate income buyer. The organization has been building homes and selling houses using a homeownership program funded through the City's HOME program since 1998. The organization is a for-profit housing development organization. The organization builds high quality homes with an Energy Star rating. CCDC uses labor from Columbia Public Schools Career Center to help build their homes.

- *Show-Me Central Habitat* for *Humanity, Bill View, Executive Director,1906 Monroe Street, Columbia, Missouri, 65201, (573)499-1202, billviewhabitat@yahoo.com:* Habitat has greatly ramped up their production in the past two years and is producing between 6 and 9 new homes on an annual basis using a substantial amount of volunteer labor and donations. Habitat builds homes for households in the 35 - 50% of the median income range and has site control of a house to be demolished at 505 Sexton in the NSP Area. Habitat is a certified Community Housing Development Organization for the City's CHOO funds, and we anticipate that only demolition, and possibly acquisition funds, may be provided for Habitat projects, with HOME CHDO funds available for construction activities.

- *Job Point Columbia Builds Youth Program, Mike Fester, Executive Director, 2116 Ne /wood, Suite 100, Columbia Missouri 65202; and Gary Taylor, Wilkes Branch Manager, 400 Wilkes, Columbia, Missouri 6520, (573)449-3410, GaryT@jobpointmo.org:* Job Point's Columbia Builds Youth Program is located near Hickman High School adjacent to the NSP area and is a natural fit for assistance in demolishing and redeveloping properties in the NSP Area. Job Point is capable of building two homes per year and is currently producing Energy Star certified homes. Job Point if also a certified CHOO for the City's HOME funds. Job Point take youth that are high school drop-outs and teaches them construction skills and enrolls them in a thorough self-sufficiency program; that includes earning their GED. Job Point draws its clients primarily from the City's Neighborhood Response Team area, including the NSP Area, therefore, youth redeveloping NSP Properties will be working in their own back yard and creating

income for themselves and the neighborhood. Job Point receives Youthbuild funding from the Department of Labor.

- *Central Missouri Community Action (CMCAL Dianna Moore, Director of Economic Development, Darin Pries, Executive Director, 807-B North Providence, Columbia, MO 65203 , (573) 443-8706, Dianna-Moore@showmeaction.org.* CMCA Offices are located in the NSP Area. CMCA is also a certified CHOO for the City's HOME program and has expressed a desire to participate in NSP projects. CMCA is in the process of developing transitional housing for homeless youth across from Hickman High School on 7th Street. CMCA is a likely long run participant in the redevelopment process for NSP purchased properties.

Despite these resources, the City will likely take request for proposals for vacant lots from housing development organizations. We believe these properties can be developed quickly by these organizations. The City will commit funds for each property for construction financing based upon the most appropriate use for that property to be determined prior to issuance of an RFP for the specified use.

(7) **Location Description:** (Description may include specific addresses, blocks or neighborhoods to the extent known.)

See attached map (attachment 1) properties at this time are likely to include those that are red and subject to demolition; possibly those that are dark purple, are vacant, and later determined to be infeasible to rehabilitate; and some of the yellow properties that may be subject to a foreclosure at a future date.

(8) Activity Description:
Include a narrative describing;

- **the area of greatest need that the activity addresses;**

Redevelopment of properties purchased by the City will be essential to the revitalization of the NRT and NSP Areas, which should increase assessed valuations, rates of homeownership, the ability of middle and lower income households to build wealth, a reduction of crime rates, and a safer environment for all in the central City. This wilt occur not only with the addition of some middle income residents, but also program from housing developers that put youth to work in building these homes. The City wilt provide NSP construction financing to housing development organizations upon request as part of the Request for Proposal process.

- **the expected benefit to income-qualified persons;**

The benefit to income qualifies persons includes mostly homeownership, lower utility bills, and wealth enhancement, but also a safer environment and jobs for persons in the neighborhood.

And

- **whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.**

We believe that one of the properties to be developed could be used by Habitat or as a rental property for a very low income client.

For housing related activities, include:

- **tenure of beneficiaries--rental or homeownership;**

Four of the five properties developed are projected to be for homeownership.

- **duration or term of assistance;**

  The period of affordability is expected to be for 20 years.

- **a description of how the design of the activity will ensure continued affordability.**

The minimum period of affordability for fee simple ownership of land will be 20 years with provisions in the promissory note enforcing affordability restrictions enforced by a deed of trust. In addition, a land use restriction will be placed on all property deeded to housing development organizations or property that will result in affordable rental housing. For properties where the City retains title to the land during the development period, the design of a long term lease arrangement is expected to result in affordability for the term of the long term lease up to 99 years.

The City will provide assistance to homebuyers in the form of an interest free $5,000 3rd mortgage repayable upon sale and an interest free forgivable soft second forgivable over 20 years. The amount of assistance will not exceed the amount of NSP dollars used to purchase and construct housing. Funds used to provide homebuyer assistance will be taken from the cost to the City of purchasing the property and construction loan funds provided to housing development organizations first; residual funds needed by the homebuyer to ensure affordability will be provided in the form of homebuyer assistance. The amount of assistance to homebuyers will be based upon a low end ratio of income to housing expenses of 35% and a high end total debt ratio of 45% or as is set by the City's Loan and Grant Committee. Buyers will be required to pay a minimum of $3,000 in cash toward the purchase of each home.

For acquisition activities, include:

- **discount rate**

  Not applicable

- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., S 80% of area median income).
  - If so, include:
    - The number of low- and moderate-income dwelling units-i.e., S 80% of area median income-reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
    - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households-i.e., S 120% of area median income-reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
    - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Not applicable

For financing activities, include:

- range of interest rates

  Funds will be provided for homeowners at a 0% interest rate. Funds provided for rental property owners will require a minimum 1% interest rate, with an amortized loan.

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

Not applicable

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Total NSP Request: $362,400

NSP New Construction Financing (includes all architectural, inspections, survey, appraisal, etc.)	253,400
NSP Homeownership Assistance	75,000
Private Construction Financing	353,400
HOME Administration	1,500
NSP Homebuyer Counseling	1,000
NSP Funded Administration	33000
TOTAL	$717,300

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

TARGETED GOALS

5 lots are expected to be developed, for which we expect 8 units to be created:

5 will benefit households at 81 -120% of median income;
2 will benefit a households at 50 - 80% of the median income; and
1 will benefit a household below 50% of the median, which is likely to be a renter household.

This activity will also count toward the goal of making decent housing sustainable.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZA TION PROGRAM - STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A NAME (CITY OR COUNTY):	City of Springfield		
B. MAILING ADDRESS:	P.O. Box 8368		
C. CITY, STATE, ZIP CODE:	Springfield, MO 65801		
D. CHIEF OFFICIAL OF (A):	Thomas J. Carlson	E. TITLE OF {D):	Mayor
F. TELEPHONE OF (D):	417-864-1651	G. FAX OF (D):	417-864-1649
H. FISCAL YEAR END OF (A):	June 30, 2008		

2. Application Preparer			
A NAME:	Brendan Griesemer		
B. MAILING ADDRESS:	P.O. Box 8368		
C. CITY, STATE, ZIP CODE:	Springfield, MO 65801		
D. NAME OF AGENCY:	City of Springfield		
E. TELEPHONE:	417-864-1695	F. FAX:	417-864-1030

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A NAME (ENTITY):	Urban Neighborhoods Alliance (Community Land Trust)		
B. MAILING ADDRESS:	304 West McDaniel		
C. CITY:	Springfield, MO 65806		
D. CHIEF OFFICIAL OF (A):	Cindy Stephens		
E. TITLE OF (D):	President		
F. TELEPHONE OF (D):	417-865-4774	G. FAX:	417-831-6217

4. Other Information for Reporting Purposes			
A 2000 POPULATION OF 1A:	151,580		
B. STATE REPRESENTATIVE & DISTRICT NUMBER s:	District 134 Jim Viebrock; 135 Charles Denison; 136 BJ Marsh; 137 Charlie Norr; 138 Sara Lam e; 139 Shane Schoeller; 140 Bob Dixon		
C. STATE SENATOR AND DISTRICT NUMBER s :	District 30 Norma Champion		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIE:S	65802, 65803 & 65806	E. COUNTY:	Greene

5. Proposed Project Beneficiaries	
A NUMBER OF PERSONS SERVED BY PROJECT:	280
B: NUMBER OF FAMILIES SERVED BY PROJECT:	70
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. %LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective - 100% v 51% area)

Purchase and Rehabilitation -100 percent to benefit Low-, Moderate-, Middle Income Households
Demolition - 100 percent to benefit Low-, Moderate-, Middle Income Households (in conjunction with Redevelopment Activity)
Redevelopment - 100 percent to benefit Low-, Moderate-, Middle Income Households

7. Cost Data

A NSP FUNDS REQUESTED FROM STATE:	$ 2,800,OOO
8. LOCAL CASH FUNDS {INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	$104,500
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	$2,904,500

8. Floodplain/Environmental Review

A DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ■ Yes

There are floodplains within the target area. Howeve,rthe City will comply during Tier II review, as appropriate, with floodplain management as required by 24 CFR Part 55 as well as flood insurance requirements.

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ■ Yes

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ■ Yes

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ■ No

Section 106 process will be initiated upon selection of property as appropriate during Tier II review. The City also entered into a Programmatic Agreement with the SHPO which identifies 16 minor repair items that do not require SHPO review. This Agreement will be applied as appropriate to the level of repair needed on the acquired properties.

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ■ No

IF YES, DESCRIBE

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ■ Yes

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ■ Yes

IF YES, PLEASE LIST.

The City of Springfield is a HUD Entitlement community and has an ongoing Comprehensive Housing Assistance Program. All elements to be conducted through the NSP program are eligible through this program. The program has undergone environmental review in accordance with CFR Part 58.15, Tiering. A Tier I assessment was conducted for the overall program and a Release of Funds was provided by HUD on 8/21/08 for a five-year period. Introduction of the NSP funds are covered under CFR Part 58.35(b)(7), Approval of supplemental assistance. Thus the eligibility determination is CENST.

Through the Tieringprocess, the City has developed a Tier II form (approved by HUD Environmental Review Officer) for site-specific review. Each property will be reviewed in accordance with the form. Further HUD Release of Funds is not necessary, but the City Environmental Review Officer issues a local approval to acknowledge that the property has been reviewed in accordance with the Tier II process and is approved for the proposed action.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s.) Do not exceed this page. This page will be provided to the media and your elected state and federal legislators for informational purposes.

A APPLICANT: City of Springfield

8. PROJECT TITLE: Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

General Boundaries: City Limits on the North, Glenstone Avenue on the East, Grand Avenue on the South, West Bypass on the West (CDBG Eligible Area - Exhibit 1)

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The City of Springfield has been tracking foreclosures since January of 2006. During this time the city has recorded a 151 percent increase in the number of foreclosures. The area hardest hit by foreclosures is the CDBG Eligible Area. The CDBG Eligible Area encompasses approximately 20 percent of the city's land area but accounts for 54 percent of the city's foreclosures. This area contains the city's oldest housing stock, a low and moderate income population, a low owner-occupancy rate, the highest percentage of subprime mortgages (Exhibit 2), the highest vacancy rates (10% to 20%), and the highest foreclosure abandonment risk (Exhibit 3) in the city. In addition, the city has documented an increase in the number of reports of vacan Vabandoned buildings. These combined factors have threatened the stability of the neighborhoods within this area. Due to the numerous physical and economic factors impacting these urban neighborhoods, investor confidence has decreased significantly. The overall strategy of this project is to acquire and rehabilitate foreclosed homes and sell them to owner-occupants to assist in neighborhood stabilization and ensure long term affordability.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) - BE SPECIFIC:

This project would provide resources to begin to address the increasing inventory of vacant and foreclosed properties in the CDBG Eligible Area. Proposed actions for this project include the acquisition and rehabilitation or demolition of vacant/blighted/foreclosed properties and redevelopment of vacant properties. Properties targeted through this program are located in neighborhoods with the lowest owner-occupancy rates in the city. The focus would be on recycling these properties back to owner-occupants. Housing units acquired and rehabilitated through this program would be held by a Community Land Trust (CLT). The CLT would sell the housing unit to an owner-occupant while retaining ownership of the land. The land would be leased back to the owner-occupant for 99 years. This aspect of the program ensures continued affordability for the longest feasible term as required by HERA

This project is targeted to those urban neighborhoods facing the greatest risk. Implementation of this project would assist in neighborhood stabilization by acquiring vacant housing units, improving the physical condition of these units, selling them to owner occupants and ensuring long term affordability.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Springfield in my capacity as Neighborhood Conservation Manager. I understand that if the proposal is included in the State's plan and subs uently d that further rtifications, including a local ordinance approving the application and agreement sh e requ· e .

Date 11-10-08

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: NSP Property Purchase and Rehabilitation

(2) Activity Type: Purchase and Rehabilitation: 2301(c)(3)(B) purchase and rehabilitate homes and residential prope rties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

CDBG Eligible Activities:
24 CFR 570.201 (a) Acquisition; (b) Disposition; (i) Relocation; (n) Direct homeownership assistance to persons whose incomes do not exceed 120% of median income.
24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties.

(3) National Objective: Low-, Moderate-, Middle Income Households (at or below 120% **AMI)**

(4) Projected Start Date: January 1, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization: City of Springfield
Planning and Development Department
840 Boonville
Springfield, MO 65802

Administrator Contact Information
Brendan K. Griesemer, AICP
Neighborhood Conservation Manager
City of Springfield
P.O. Box 8368
Springfield, MO 65801
(417)864-1695
bgriesemer@springfieldmo .gov

The City of Springfield has maintained an affordable housing program for 24 years and has administered a CDBG Program since its inception in 1974. During this time, the City has provided financing, technical assistance and oversight for the construction or rehabilitation of over 950 affordable housing units. The City currently manages a $21 million dollar loan portfolio of both CDBG and HOME funded units. The City maintains a housing staff of two Project Specialists, a Loan Officer, a Grants Administrator, a Manager and several admin istrative positions to administer this program. The City periodically partners with non-profit organizations to carry out affordable housing projects. This particular activity would be carried out in partnership with the Urban Neighborhoods Alliance (Community Land Trust).

(7) Location Description: The location of this activity will be the City of Springfield's CDBG Eligible Area as shown on the attached Exhibit 1.

(8) Activity Description:
This activity addresses the proliferation of vacant, blighted and foreclosed properties within the city's area of greatest need (CDBG Eligible Area). The City of Springfield has been tracking foreclosures since January of 2006. During this time the city has recorded a 151 percent increase in the number of foreclosures. The CDBG Eligible Area encompasses approximately 20 percent of the city's land area but accounts for more than half of

the city's foreclosures. This activity will purchase and rehabilitate properties that are vacant, blighted and/or

foreclosed. The expected benefit of this activity is to provide homeownership opportunities to income-qualified persons. No funds under this activity will be used meet the low income housing requirements for those below 50 percent of AMI.

This activity will use a Community Land Trust (CLT) to provide permanent affordable housing. Upon purchase and rehabilitation of the housing unit, the CLT will sell the housing unit to an owner-occupant while retaining ownership of the land. The land will be leased back to the owner-occupant for 99 years. This aspect of the program ensures continued affordability for the longest feasible term. The term of assistance for the activity will be for four years. While the initial grant will need to be obligated during the first 18 months, this activity is anticipated to generate program income. This program income, from houses that are sold, will be reinvested back into the program to acquire and rehabilitate additional housing units.

The CLTwill provide several benefits to the overall program. First, the CLTwill market the homes and maintain a potential home-buyer waiting list. The CLT will work with several local employers who have existing Employer Assisted Homeownership (EAH) programs. Second, the CLTwill assist the owner-occupant with a home warranty to safe-guard against costly repairs during the first few years of home ownership. Third, CLT homeowners will have access to the local Tool Lending Library to assist them in making low cost renovations and repairs. In addition, CLT homeowners will have access to the local Home Depot Framing Hope program which provides donated building supplies and materials, plumbing products and assorted home improvement items to participants.

This NSP activity was modeled after the city's successful Owner-Occupied Rehabilitation Program. By using an existing program as a model, policies and procedures are already in place to expedite implementation of the NSP. Rehabilitation will adhere to the Department of Economic Developments Minimum Housing Quality Standards. In addition, the city will incorporate energy efficient improvements, similar to our existing programs, where feasible.

This program does not intend to demolish or convert any low-and moderate-income dwelling units. Demolition will be limited to vacant, blighted structures .

This activity will use a minimum purchase discount of five (5) percent for each residential property purchased with NSP funds. In addition, this activity will use a minimum average purchase discount for the entire NSP portfolio of fifteen (15) percent.

(9) Total Amount of Request per Activity:

Activity Budget (Initial 18 months)

Acquisition	= $1,250,000
Rehabilitation	= $ 625,000
Program Delivery	= $ 262,000
Administration	= $ 129,500
Total Request from State	= $2,266,500
Local In-kind Contribution (salaries, donated building materials, etc)	= $ 75,500
Grand Total	= $2,342,000

(10) Performance Measures :

50 percent AMI

N/A

51 to 120 percent AMI

Number of Housing Units to be acquired = 25*

Number of Housing Units to be rehabilitated= 25*

*Units to be acquired/rehabilitated during the initial 18 month grant. Program income will be generated under this activity (through the sale of houses) which will be reinvested back into the program. This provides a revolving fund to acquire and rehabilitate an estimated 30 additional units until July 30, 2013.

(11) STL City, STL County, KC only: N/A

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: NSP Demolition

(2) Activity Type: Demolition: 2301(c)(3)(D) demolish blighted structures

CDBG Eligible Activities: 24 CFR 570.201 (d) Clearance, for blighted structures only.

(3) National Objective: Low-, Moderate-, Middle Income Households (at or below 120% AMI)

(4) Projected Start Date: January 1, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization:

City of Springfield
Planning and Development Department
840 Boonville
Springfield, MO 65802

Administrator Contact Information
Brendan K. Griesemer, AICP
Neighborhood Conservation Manager
City of Springfield
P.O. Box 8368
Springfield, MO 65801
(417)864-1695
bgriesemer@springfieldmo.gov

The City of Springfield has maintained an affordable housing program for 24 years and has administered a CDBG Program since its inception in 1974. During this time, the City has provided financing, technical assistance and oversight for the construction or rehabilitation of over 950 affordable housing units. The City currently manages a $21 million dollar loan portfolio of both CDBG and HOME funded units. The City maintains a housing staff of two Project Specialists, a Loan Officer, a Grants Administrator , a Manager and several administrative positions to administer this program. The City periodically partners with non-profit organizations to carry out affordable housing projects. This particular activity would be carried out in partnership with the Urban Neighborhoods Alliance (Community Land Trust).

(7) Location Description: The location of this activity will be the City of Springfield's CDBG Eligible Area as shown on the attached Exhibit 1.

(8) Activity Description:
This activity addresses the proliferation of vacant , blighted and foreclosed properties within the city's area of greatest need (CDBG Eligible Area). The City of Springfield has been tracking foreclosures since January of 2006. During this time the city has recorded a 151 percent increase in the number of foreclosures. The CDBG Eligible Area encompasses approximately 20 percent of the city's land area but accounts for more than half of the city's foreclosures.

This activity will demolish blighted structures to improve neighborhood stability and make lots available for redevelopment. The expected benefit of this activity is to eliminate blight and make lots available for homeownership opportunities to income-qualified persons. No funds under this activity will be used meet the low income housing requirements for those below 50 percent of AMI. This program does not intend to

demol ish or convert any low-and moderate-income dwelling units. Demolition will be limited to vacant , blighted structures.

The City adopted a Dangerous, Blighted and Nuisance Building Code on October 29, 2001(Attachment A). This code defines blighting conditions as a public nuisance. There are thirteen conditions outlined in this code to define a public nuisance (blight). Any one of these thirteen conditions must be present to declare the structure a "dange rous, blighted and nuisance building".

(9) Total Amount of Request per Activity:

Activity Budget (Initial 18 months)

Demolition	=$50,000
Program Delivery	=$ 9,500
Administration	=$ 4,500
Total Request from State	=$64,000
Local In-kind Contribution (Salaries)	=$ 7,500
Grand Total	=$71,500

(10) Performance Measures:

50 percent AMI

NIA

51 to 120 percent AMI

Units to be demolished - 8 (lots to be made available for redevelopment to persons 51 to 120 percent AMI)

(11) STL City, STL County, KC only: N/A

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: NSP Redevelopment

(2) Activity Type: Redevelopment: 2301(c)(3)(E) redevelop demolished or vacant properties

COBG Eligible Activities:

24 CFR 570.201	(a) Acquistion
	(b) Disposition
	(c) Public facilities and improvements
	(e) Public services for housing counseling, but on to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties
	(i) Relocation
	(n) Direct homeownership assistance (for persons whose income does not exceed 120% of median income)
24 CFR 570.204	Community based development organizations
	New housing construction

(3) National Objective: Low-, Moderate-, Middle Income Households (at or below 120% AMI)

(4) Projected Start Date: January 1, 2009

(5) Projected End Date: July 30, 2013

(6) Responsible Organization: City of Springfield
Planning and Development Department
840 Boonville
Springfield, MO 65802

Administrator Contact Information
Brendan K. Griesemer, AICP
Neighborhood Conservation Manager
City of Springfield
P.O. Box 8368
Springfield, MO 65801
(417)864-1695
bgriesemer@springfieldmo.gov

The City of Springfield has maintained an affordable housing program for 24 years and has administered a CDBG Program since its inception in 1974. During this time, the City has provided financing, technical assistance and oversight for the construction or rehabilitation of over 950 affordable housing units. The City currently manages a $21 million dollar loan portfolio of both CDBG and HOME funded units. The City maintains a housing staff of two Project Specialists, a Loan Officer, a Grants Administrator, a Manager and several administrative positions to administer this program. The City periodically partners with non-profit organizations to carry out affordable housing projects. This particular activity would be carried out in partnership with the Urban Neighborhoods Alliance (Community Land Trust).

(7) Location Description: The location of this activity will be the City of Springfield's CDBG Eligible Area as shown on the attached Exhibit 1.

(8) Activity Description:
This activity addresses the proliferation of vacant, blighted and foreclosed properties within the city's area of greatest need (CDBG Eligible Area). The City of Springfield has been tracking foreclosures since January of 2006. During this time the city has recorded a 151 percent increase in the number of foreclosures. The CDBG Eligible Area encompasses approximately 20 percent of the city's land area but accounts for more than half of the city's foreclosures.

This activity will redevelop demolished and/or vacant properties to improve neighborhood stability. The expected benefit of this activity is to construct new housing for homeownership opportunities to income-qualified persons. No funds under this activity will be used meet the low income housing requirements for those below 50 percent of AMI.

(9) Total Amount of Request per Activity:

Activity Budget (Initial 18 months)

New Construction	= $375,000
Program Delivery	= $ 65,500
Administration	= $ 29,000
Total Request from State	= $469,500
Local In-kind Contribution (salaries, donated building materials, etc.)	= $ 21,500
Grand Total	= $491,000

(10) Performance Measures:
50 percent AMI
NIA

51 to 120 percent AMI

Units to be constructed - 5*

*Units to be constructed during the initial 18 month grant. Program income will be generated under this activity (through the sale of houses) which will be reinvested back into the program. This provides a revolving fund to construct an estimated 10 additional units until July 30, 2013.

(11) STL City, STL County, KC only: N/A

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	CITY OF KENNETT		
B. MAILING ADDRESS:	200 CEDAR STREET		
C. CITY, STATE, ZIP CODE:	KENNETT, MISSOURI 63857		
D. CHIEF OFFICIAL OF (A):	ROGER WHEELER, SR.	E. TITLE OF (D):	MAYOR
F. TELEPHONE OF (D):	573-888-9001	G. FAX OF (D):	573-888-4011
H. FISCAL YEAR END OF (A):	JUNE 30, 2009		

2. Application Preparer			
A. NAME:	ROGER WHEELER, SR.		
B. MAILING ADDRESS:	200 CEDAR		
C. CITY, STATE, ZIP CODE:	KENNETT, MISSOURI 63857		
D. NAME OF AGENCY:			
E. TELEPHONE:	888-573-9001	F. FAX:	888-573-4011

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	NONE		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes				
A. 2000 POPULATION OF 1A:	11260			
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	TOM TODD	Representative District # 163		
C. STATE SENATOR AND DISTRICT NUMBER(s):	ROB MEYER	Senate District #25		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63857		E. COUNTY:	DUNKLIN

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	3536 CENSUS TRACT 9607
B: NUMBER OF FAMILIES SERVED BY PROJECT:	956 CENSUS TRACT 9607
C: % LMMI PERSONS OF PROPOSED PROJECT:	1129 CENSUS TRACT 9607

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

PREVENT OR ELIMINATE SLUMS AND BLIGHT

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$8000 X 16	$ 128,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):		$ 00
C. LOCAL IN-KIND FUNDS:		$ 00
D. OTHER STATE/FEDERAL FUNDS:		$ 00
E. PRIVATE FUNDS		$ 00
F. TOTAL PROJECT COST:		$ 00

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☒ Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Kennett

B. PROJECT TITLE: Kennett Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

Project to be located in Census tract 9607. This census tract includes the City of Kennett city limits west of Vandeventer street from the North ByPass to Harrison Street and west of South Jackson Street from Harrison to the South City Limits.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

A number of properties within the target area are vacant, dilapidated structures that have been identified by the City code enforcement office to be removed and the lots cleaned.

The removal of these structures will improve the health, safety and welfare of all residents in the census tract. Reduce vector control problems, remove attractive nuisances, reduce opportunities and locations for persons to conduct illegal drug activities and other related crimes and improve the appearance of the local neighborhood.

These changes will also provide a basis to promote neighborhood pride and encourage neighbors (many of them LMMI eligible) to take better care of their property.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City of Kennett proposed to demolish, clean, remove and dispose of all debris (structural, trash, etc.) from the identified lots in Census Tract 9607.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Kennett, in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Kennett Neighborhood Stabilization Program

(2) Activity Type: NAP: Eliminate Blight
CDBG: Eliminate Blight

(3) National Objective: Prevent or eliminate slums or blight

(4) Projected Start Date: May 01, 2009

(5) Projected End Date: April 30, 2010

(6) Responsible Organization: City of Kennett
200 Cedar Street
Kennett, Missouri 63857
A municipal corporation

CAPACITY: The City of Kennett has adequate, qualified and knowledgeable staff currently in the process of identifying blighted housing structures throughout the city. They utilize adopted city and national codes and regulations and procedures.

EXPERIENCE: City staff has previous and continuing experience utilizing adopted city and codes and regulations in identifying, notifying property owners and in contracting for the removal of dilapidated buildings in the city.

RELATIONSHIP: The responsible organization is the jurisdiction, the City of Kennett.

(7) Location Description: Census Tract 9607. Please see the attached list of property addresses, photographs of each property and a plat map of each lot to be addressed by this proposal.

(8) Activity Description:
Include a narrative describing;

Area of Greatest Need: The removal of blighted structures from the qualified census tract as identified above.

Expected benefit to income-qualified persons: Improved health, safety and welfare of all residents throughout the census tract. The targeted buildings are a hazard to health and safety. They provide habitat for various wild animals causing vector problems in the area, are attractive locations for a variety of drug relate and other criminal activities and have a negative impact on the quality of life in the area.

Whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income: These funds are for demolition and removal of debris to improve the health, safety and welfare of all LMMI residents in the census tract.

For housing related activities, include**: NA**

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: **NA**

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include**: NA**

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

  The City of Kennett has adopted the BOCA National Property Maintenance Code/ 1996 edition. Section PM-108.1.1 Unsafe Structure provides the authority for the city to identify structures that do not provide minimum safeguards to protect or warn occupants in the event of fire, or if the structure is so damaged, decayed, structurally unsafe or of such faulty construction or unstable foundation, that partial or complete collapse is likely required code official to condemn such property. A copy of code section is attached.

(9) Total Amount of Request per Activity:

	Total State	Local	In-kind	Local NSP	TOTAL
HOUSING	$ 0	$ 0	$ 0	$ 0	$ 0
ACQUISITION	$ 0	$ 0	$ 0	$ 0	$ 0
FINANCING	$ 0	$ 0	$ 0	$ 0	$ 0
DEMOLITION	$128,000	$ 0	$ 0	$ 0	$128,000
ADMIN COST	$ 8,000	$ 0	$ 0	$ 0	$ 8,000
TOTALS	$136,000	$ 0	$ 0	$ 0	$136,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Units to be acquired	0
Units to be rehabilitated	0
Units to be demolished	16*

* Income levels are unknown as all targeted housing units to be demolished are vacant.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan. **NA**

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Joplir		
B. MAILING ADDRESS:	602 South Main Street		
C. CITY, STATE, ZIP CODE:	Joplin, MO 64801		
D. CHIEF OFFICIAL OF (A):	Gary Shaw	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(417) 624-0820	G. FAX OF (D):	(417) 624-4620
H. FISCAL YEAR END OF (A):	October 31st		

2. Application Preparer			
A. NAME:	Brian Ross		
B. MAILING ADDRESS:	602 South Main Street		
C. CITY, STATE, ZIP CODE:	Joplin, MO 64801		
D. NAME OF AGENCY:	City of Joplin, Community Development Office		
E. TELEPHONE:	(417) 624-0820 ext. 572	F. FAX:	(417) 624-4620

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):			
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	45,504		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Bryan Stevenson, #128 and Ron Richard, #129		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Gary Nodler, #32		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	64801	E. COUNTY:	Jasper

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	100
B: NUMBER OF FAMILIES SERVED BY PROJECT:	43
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
ACQUISITION & REHABILITATION OF FORECLOSED PROPERTIES – 100% LMMI
REDEVELOP DEMOLISHED OR VACANT PROPERTIES – 100% LMMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	$1,180,000.00
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	$ 0.00
C. LOCAL IN-KIND FUNDS:	$ 0.00
D. OTHER STATE/FEDERAL FUNDS:	$ 0.00
E. PRIVATE FUNDS	$ 0.00
F. TOTAL PROJECT COST:	$1,180,000.00

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☒ Yes ☐ No

IF YES, PLEASE LIST.

The three (3) census tracts that are proposed to participate in this project are three of the four LMI eligible areas the City of Joplin has worked in under its regular CDBG entitlement program. Numerous environmental reviews have been completed in these neighborhoods over the years. Those reviews have found that there are limited areas in census tract 110 and possibly tract 101 that include potentially historic districts.

Environmental Reviews for the acquisition and rehabilitation activity can not be completed until exact site addresses are known. All three (3) Habitat for Humanity homes that are proposed for this project, which were originally planned for Joplin's HOME program, already have completed environmental reviews.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **Thi s page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Joplin

B. PROJECT TITLE: Direct Homeownership Neighborhood Stabilization Project

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEF ITS THE APPLICANT'S ENTIRE JURISDICTION):

Eligible block groups for this project include all of census tracts 101, 106, and 110 in the City of Joplin. The boundaries of these areas are from D Street & Main north to Turkey Creek, east to Range Line Road, south to ih Street, west to St. Charles/ Connecticut Avenue , south to 28th Street, west to Vermont Ave, north to 26th Street, west to Main Street, north to 13th Street, west to Maiden Lane, north to Perkins Street, east to Porter Ave, south to C Street, east to the point of beginning.

D. DESCRIPTION OF NEED(S) AND PROJECT IMP ACT:

According to realtytrac.com , there are 43 bank owned homes under foreclosure in census block groups eligible for this funding. HUD has also shown an estimated number of 100 homes in foreclosure in these neighborhoods. This project will help the community bring more stability to these neighborhoods by converting a substantial number of these homes into more secure owner occupied properties.

The local Habitat for Humanity organization has also been very aggressive in recent years in providing affordable housing to eligible families, but regular donations has slowed in recent months presumably due to the slowing economy . There efforts help stabilize these neighborhoods and much needed assistance from this project would substant ially increase their capacity to implement current projects.

E. DESCRIPTION OF PROPOSE D ACTIONS TO ADDRESS THE NEED(S) - BE SPECIFIC:

The first activity will include acquisition, rehabilitation and homeownership assistance (HA). The HA will include a forgivable , zero interest (0%) loan for the down payment, in the amount of 20% of the sale price of the home, and 100% of the closing costs. A flat 20% will be forgiven for each loan, each year, resulting in the entire loan expiring after a five year period. The generous amount of assistance will help ensure a rapid implementation of the project, more quickly achieving the goal of stabilizing neighborhoods.

The second activity will be to fund new construction for the Joplin Area Habitat for Humanity. They are currently working with the City of Joplin on three (3) homes located in LMMI census block groups that are identified by HUD as Tier 1 areas. The lots have been acquired by the organization and the projects are ready to proceed.

Certification:

I, **the undersigned, certify that the information found in this proposal, is factual and complete.**
I **have the authority to submit this proposal** on **behalf** of **the City of** Joplin **in my capacity as City Manager.** I **understand that if the proposal is included** in **the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further** certifi cations , **including a local ordinance approving the application and agreement shall be required.**

Date 11-16-08

NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **ACQUISITION & REHABILITATION OF FORECLOSED PROPERTIES**

(2) Activity Type: Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes. Eligible activities will include acquisition, rehabilitation, and disposition of homes to LMMI families including direct homeownership assistance.

(3) National Objective: 100% of project beneficiaries will meet LMMI eligibility.

(4) Projected Start Date: January 1st, 2009.

(5) Projected End Date: December 31st, 2010.

(6) Responsible Organization: The Harry S Truman Coordinating Council, located at the intersection of Highway 43 and Highway 171 north of Joplin, will act as the responsible organization that will implement this NSP activity. The Executive Director, Harry Rogers, will act as administrator of the project and may be reached at (417) 782-3515. Their organization has been a certified Community Housing Development Organization (CHDO) for the past four years and is acting as a CHDO for the Joplin HOME Consortium. Their primary project with the consortium is an acquisition and rehabilitation project similar to this proposed project.

(7) Location Description: Exact locations will not be known until the project proceeds. Eligible neighborhoods are located in all of the block groups that comprise census tracts 101, 106, and 110, which are three of the four LMI census tracts in Joplin.

(8) Activity Description: This activity will include acquisition, rehabilitation and homeownership assistance (HA). The HA will include a forgivable, zero interest (0%) loan for the down payment, in the amount of 20% of the sale price of the home, and 100% of the closing costs. A flat 20% will be forgiven for each loan, each year, resulting in the entire loan expiring after a five year period. The generous amount of assistance will help ensure a rapid implementation of the project, more quickly achieving the goal of stabilizing neighborhoods.

The acquisition phase of the project will involve the HSTCC contacting local lenders in order to acquire approximately ten (10) distressed and bank owned homes with the initial state grant funding. Information regarding available bank owned properties was obtained on November 7th, 2008 from the website Realtytrac.com. The data shows there were 43 bank owned properties available in the eligible block groups in Joplin. A map and chart of the sale price of the properties is included in this proposal. The chart shows approximately 25% of the homes are below $30,000; 50% of the homes are between $30,000 and $60,000; and 25% are over $60,000. The initial funding will focus on property mostly suitable for middle income families (the $60,000+ range) in order to spend down the grant assistance as quickly as possible.

The HSTCC will then complete a written inspection report and perform a lead based paint risk assessment, if necessary, for each home. The homes will then be separately procured for rehabilitation contractors, if necessary. The rehabilitation costs are not anticipated to be a significant portion of this initial phase of the project due to the costs of the homes and their anticipated conditions. The sale prices of homes are expected to be in the $80,000 to $100,000 range for the first round of funding.

Since a home buyer's project includes the sale of homes, there will be program income (PI) involved with the project. The budget chart in section nine (9) below shows the anticipated program income from the project. As homeownership assistance is given to new buyers, the program income will reduce with each turn over in funds. As the project progresses, the focus will tend toward lower priced property. The need for

more substantial rehabilitation may also increase as the project progresses. The City of Joplin will not exceed $25,000 per house for rehab not including lead costs.

As project funding is depleted to a level prohibiting adequate funding for one house, the remaining funds will be deobligated back to the state. In the end, the project is projected to assist approximately 10 middle income families, 20 moderate income families, and 10 lower income families.

(9) Total Amount of Request per Activity:

The City of Joplin is requesting $1,000,000 with no additional matching funds. Chart A below shows budgeted funding for the state grant including acquisition, rehab, and home buyers assistance. Chart B shows budgeted funding for program income including the projected residual amount that will be deobligated to the state upon project close out. Administration is budgeted at three percent (3%) of the project costs, including program income.

Chart A

	State grant	No. of units	Admin (3%)	Total project costs	Acquisition costs	Rehabilitation costs	Down payment	Closing costs
	$ 1,000,000.00	10	$ 30,000.00	$ 970,000.00	$ 727,500.00	$ 242,500.00	$ 194,000.00	$ 25,000.00

Chart B

PI turnover	Program income	No. of units	Admin (3%)	Total project costs	Acquisition costs	Rehabilitation costs	Down payment	Closing costs
1	$ 751,000.00	8	$ 22,530.00	$ 728,470.00	$ 546,352.50	$ 182,117.50	$ 145,694.00	$ 18,775.00
2	$ 564,001.00	6	$ 16,920.03	$ 547,080.97	$ 410,310.73	$ 136,770.24	$ 109,416.19	$ 14,100.03
3	$ 423,564.75	4	$ 12,706.94	$ 410,857.81	$ 308,143.36	$ 102,714.45	$ 82,171.56	$ 10,589.12
4	$ 318,097.13	3	$ 9,542.91	$ 308,554.21	$ 231,415.66	$ 77,138.55	$ 61,710.84	$ 7,952.43
5	$ 238,890.94	2	$ 7,166.73	$ 231,724.21	$ 173,793.16	$ 57,931.05	$ 46,344.84	$ 5,972.27
6	$ 179,407.10	2	$ 5,382.21	$ 174,024.89	$ 130,518.66	$ 43,506.22	$ 34,804.98	$ 4,485.18
7	$ 134,734.73	1	$ 4,042.04	$ 130,692.69	$ 98,019.52	$ 32,673.17	$ 26,138.54	$ 3,368.37
8	$ 101,185.78	1	$ 3,035.57	$ 98,150.21	$ 73,612.66	$ 24,537.55	$ 19,630.04	$ 2,529.64
9	$ 75,990.52	1	$ 2,279.72	$ 73,710.81	$ 55,283.11	$ 18,427.70	$ 14,742.16	$ 1,899.76
10	$ 57,068.88	1	$ 1,712.07	$ 55,356.82	$ 41,517.61	$ 13,839.20	$ 11,071.36	$ 1,426.72
11	$ 42,858.73	(Potential residual amount deobligated to the state.)						
Totals	$ 2,886,799.57	28	$ 85,318.23	$ 2,758,622.61	$ 2,068,966.96	$ 689,655.65	$ 551,724.52	$ 71,098.52

Total project with program income	38	$ 115,318.23	$ 3,728,622.61	$ 2,796,466.96	$ 932,155.65	$ 745,724.52	$ 96,098.52

(10) Performance Measures: The project is projected to assist approximately 10 middle income families or 25% of the total, 20 moderate income families (50%), and 10 lower income families (25%).

(11) STL City, STL County, KC only: Non-applicable.

(1) Activity Name: **REDEVELOP DEMOLISHED OR VACANT PROPERTIES**

(2) Activity Type: Redevelop demolished or vacant properties. The only eligible activity necessary will include new housing construction.

(3) National Objective: 100% of project beneficiaries will meet LMMI eligibility.

(4) Projected Start Date: January 1st, 2009.

(5) Projected End Date: December 31st, 2010.

(6) Responsible Organization: The Joplin Area Habitat for Humanity, located at 315 South Blackcat Road, Joplin, MO, will act as the responsible organization that will implement this NSP activity. The Executive Director, Connie Mosbaugh, will act as administrator of the project and may be reached at (417) 782-6533. Their organization has built 26 homes in and around the City of Joplin for the past 19 years and is working on a project for the Joplin HOME Consortium. Their primary project with the consortium is the development of new homes for LMI families, substantially similar to this proposed project.

(7) Location Description: The three (3) proposed projects are located at 819 & 821 South Picher Ave, and 412 North Cox Ave.

(8) Activity Description: The Joplin Area Habitat for Humanity is currently working with the City of Joplin on three (3) homes partially funded by the new Joplin HOME Consortium. The lots have already been acquired by the organization and environmental reviews have been completed for each address. All three homes are located in LMMI census block groups that are identified by HUD as Tier 1 areas. The local organization has been having a difficult time in recent months raising the necessary funding to complete these projects. The HOME funding has also been difficult to proceed with due to a delay in the production of effectively written agreements. It is proposed to replace funding for these homes with this assistance in order to move forward as soon as possible with the construction of the homes and expedite the expenditure of funds for this project.

The homes will be occupied by new homeowners with the project beneficiaries all anticipated to fall below 50% of area median income. The typical mortgage on a Habitat home is approximately $55,000 with an average payment of $300 per month for duration of 20 years at a rate of 0% interest. Any income created from the activity will go towards future Habitat homes.

(9) Total Amount of Request per Activity: A proposed budget of $180,000 is requested from the state to fully fund three (3) New Construction activities. Administration to the organization is built into their costs per home. Local and in-kind funds are likely, but unknown at this time, therefore none are included in this budget.

(10) Performance Measures: Three (3) units will be built for households that are 50 percent of area median income and below.

(11) STL City, STL County, KC only: Non-applicable.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

NOV 1 2 2002

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1. Applicant Identification

A. NAME (CITY OR COUNTY):	St. Joseph Missouri
B. MAILING ADDRESS:	1100 Frederick Ave
C. CITY, STATE, ZIP CODE:	St Joseph, MO 64501
D. CHIEF OFFICIAL OF (A):	Vincent J. Capell
E. TITLE OF (D):	City Manager
F. TELEPHONE OF {D):	816-271-4610
G. FAX OF (D):	816-271-4737
H. FISCAL YEAR END OF (A):	2008

2. Application Preparer

A. NAME:	Gerald McCush, Community Development Manager
a. MAILING ADDRESS:	1100 Frederick Ave Rm 101A
C. CITY, STATE, ZIP CODE	St. Joseph, MO 64501
D. NAME OF AGENCY:	City of St.Joseph
E. TELEPHONE	816-271-4646
F. FAX.	816-271-5365

3. Sub-Applicant Identificatjon (Applications on behaif of special dist icts or -prbfit agenci s. A adciiti i;;heets If cessary

A. NAME (ENTITY):	St. Joseph Habitat for Humanity
B. MAILING ADDRESS:	1823 Jules
c. CITY:	St. Joseph, MO 64501
O. CHIEF oFFICII\L OF (A):	Jamie McPhail
E. TITLE OF [D):	Interim Executive Director
F. TELEPHONE OF (D):	816-364-2733
G. FAX:	

4. Other Information for Reporting Purposes

A. 2000 POPULATION OF 1A:	73,990
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Ed Wildberger (027), Martin Rucker (029), State Rep Robert Schaaf 028
C STATE SENATOR AND DISTRICT NUMBER(s):	Charlie Sheilds (034)
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	64504, 64505, 64501, 64507
E. COUNTY	Buchanan

5. Proposed Project 13eneficiaries

A. NUMBER OF PERSONS SERVED BY PROJECT:	230
B : NUMBER OF FAMILIES SERVED BY PROJECT:	150
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective - 100% v 51% area)

Landbanking 100% LMMI
Acquisition 100% LMMI
Habitat for Humanity 100% ,;; 50% LMMI

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$4,807,012
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	
C. LOCAL IN-KIND FUNDS:	$700,000 (Habitat donated material & labor)
D. OTHER STATE/FEDERAL FUNDS:	$500,000 (City HOME funds)
E. PRIVATE FUNDS	
F. TOTAL PROJECT COST:	$6,007,012

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? {81 ;;; ☐ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes IS No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? D Yes 'i1 No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? 'fgl Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? - Yes ☐ No

IF YES, PLEASE LIST.

"Blanket" environmental review has been done for:

(1) City's CDBG Owner Occupied Rehab Program
(2) City's CDBG Demo Program

s)Project I;> scripti n

In the space below, provide a brief description of the need(s) of the project and the pro p osed actions to address the need(s). Do not exceed this *page* . This page will be provided to *the* media and your elected state and federal legislators for informational purposes.

A. APPLICANT: City of St.Joseph

B. PROJECT TITLE: Nerghborhood Stabilization Prograrn

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT S ENTIRE JURISDICTION):

Census tract 3 (SL Joseph Ave on East, Highland Ave one South, Missouri River on West. County line Rd on North) Census tract 14 and 15 (8th Street on East Messanie St on North. 32nd St on East, 36 Highway on South) Census tract 21 (Mansfield Road on South, Garfield/ Easton Road/Abandoned rail line on East, Burlington Railroad tracks on West, Seymour St on North)

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Census tracts 3, 14 15 and 21 have been identified as high risk areas for foreclosure . These areas contain the older neighborhoods in St. Joseph and have been impacted the most by the recent economic downturn. As a result, there is not only the need tor stabilization but also the opportunity to impact these areas thereby improving the quality of life of the citizens who call these neighbo rhoods home. The NSP Program will work to stabilize and improve these areas by addressing foreclosures , abandoned properties and vacant lots within these areas to provide much needed affordable housing opportunities, both through rehabilitation of existing homes and construction of new infill housing.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S).,,,.BE SPECIFIC: .

Acquisition and Rehab - The City **will** acquire 15 foreclosed single family homes in these areas which will be rehabilitated to meat local codes. The homes will then be marketed to citizens whose income doesn't exceed 120% area median income (family of 4 can make up to $62,650 per year) qualify.
Acquisition of Vacant Lots and Abandoned Buildings - The City will acquire 100 vacant lots and 20 abandoned buildings within these boundaries. Vacant lots will be offered to developers to construct affordable infill housing. 10 of the abandoned structures will be rehabilitated by the City and sold for home ownership to income qualified families. The remaining 10 will be stabilized and sold to private citizens or housing developers to complete the rehab for use as affordable housing.
Habitat for Humanity - Habitat for Humanity will acquire 10 vacant lots/abandoned/foreclosed properties; Habitat will build 10 new single family homes and rehabilitate 5 single family homes for sale to families at or below 50% if area median income.

Certification:

I; the undersigned, certify that the infonnation found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of St. Joseph in my capacity as City Manager . I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

Date 11/7/08

10. NSP Information by Activity

(1) Activity Name
Acguisition of Abandoned Property and Vacant Lots for future use.

(2) Activity Type
Land banking under NSP; acquisition and rehab under CDBG

(3) National Objective
LMMI benefit

(4) Start date
April, 2009

(5) End date
December, 2009

(6) Responsible Organization
City of St.Joseph
Community Development Division
1100 Frederick Ave Room 101A
St. Joseph, MO 64501
Administrator: Gerald McCush, Community Development Manager, 816-271-4646, gmccush@ci.st-joseph.mo.us

The Community Development Division administers both the CDBG and HOME entitlementprograms the City receives from HUD. The division has operated a CDBG funded owner occupied rehab program since 1980, and has built new affordable housing since 1998 using CHDO's, Habitat for Humanity and for profit developers. The City's rehab staff is very experienced in both rehab and new construction. Three of the CD staff are licensed risk assessors in the State of Missouri to test for LBP. In addition, the CD Manager oversees the historic preservation planner as well as the Landmark Commission. The CD staff has vast experience dealing with historic preservation issues as well as the SHPO concerning both rehab and new construction. Several of the seven full time staff has been involved with both the CDBG and HOME programs for a number of years. The Grants Specialist has more than 30 years of experience, the CD Loan Officer has 27 years of experience, the Constructions Activities Manager has 20 years of experience and the CD Manager has 11 years of experience. The CD Manager works closely with the Property Maintenance Manager who deals with abandoned buildings and property code issues.

(7) Location Description
Census Tracts 3, 14, 15, and 21. These tracts have been established as high risk. Tract 3 includes the northwest corner of the City, tract 14 and 15 are the

Midtown area, roughly 8th Street to 32nd Street and Messanie Street to 36 Highway and Tract 21 is located in the southern section of the City.

(8) Activity Description

The City proposes to acquire a total of 100 vacant lots and 20 abandoned buildings from all of the eligible census tracts. Property Maintenance has identified over 300 abandoned buildings City wide, and several hundred vacant lots that are now property of the county collector. Staff will begin by holding meetings with neighborhood groups and interested citizens in the eligible areas to identify "problem properties" (i.e. lots or buildings that are problems for neighbors). After receiving citizens input, staff will negotiate with the owner (county collector or private citizen) to purchase vacant lots and buildings at a 15% to 50% discount (based on new appraisal done under the NSP).

In the case of the vacant lots, these will be "land banked" and offered to the City's CHDO's (Community Action Partnership and Community Housing Management) and Habitat for Humanity, as well as private developers to utilize the City's HOME funds beginning in fiscal year 2009-2010 to develop affordable infill housing on the sites. An effort will be made to acquire adjoining sites as large as possible or multiple sites in a neighborhood in order to greater impact that area. Lots will be maintained using NSP funds until such time as they can be developed by CHDO's, Habitat for Humanity, or for profit developers.

In the case of vacant and abandoned building, the City will negotiate the purchase at a minimum 15% discount rate based on a new appraisal. It is projected 20 abandoned properties will be purchased within the eligible areas; and 10 of these will be rehabbed using CD rehab staff and CHDO's.

Potential homebuyers will be required to complete a HUD approved homebuyer education class and obtain conventional financing. The City may, at its option, offer in house financing at 0% to 4 % interest to qualified buyers if conventional financing cannot be obtained but all other qualifications are met.

The remaining 10 will be purchased and· needed repairs made in order to stabilize and "mothball" for future development by yet to be identified housing developers or sold to individuals or private developers to complete renovations.

At this time demolition is not anticipated. However, if demolition is required, the City will fund the demolition with Riverboat funds or the City's CDBG Demo funds. If demolition is required, it will follow the procedure as outlined in the City's Code of Ordinances, Chapter 7, Article VII, updated 12/01/07, which outlines the demolition procedures. A Copy is attached to this application.

This activity will benefit LMMI citizens as all homes developed on vacant lots will be for home ownership and target people at :S 120% area median income. All new construction will be affordable for a 20 year period and a Land Use Restriction agreement will be recorded at the closing of each property. The affordability period for each rehab will follow the period set forth in the NSP regulations and will also have a Land Use Restriction Agreement attached to the property.

This program potentially could directly impact 120 families; however the potential impact on blighted neighborhoods could increase dramatically above the number directly affected.

(9) Total Amount of Request per Activity

Land Banking
(Acquisition of vacant lots/abandoned property)

Acquire 100 vacant lots - @ $1,500.00 per lot	$150,000
Maintenance ($200 per year)	$80,000
Purchase 20 abandoned properties	$800,000
Rehab 10 abandoned properties@ $60,000 per property	$600,000
."Moth Ball" 10 abandoned properties for sale	$150,000
	$1,800,000
Admin costs (title work, legal fees, Spec writing, inspections, etc.)	$105,000
	$1,885,000

(10) Performance Measurement

100 vacant lots acquired for new construction for :S 120% LMMI

10 abandoned buildings rehabbed for sale to citizens' ::S 120% LMMI

10 abandoned buildings land banked for future development for affordable housing :S 120% area median income.

10. NSP Information by Activity

(1) Activity Name
Purchase and Rehab

(2) Activity Type
Purchase and rehab of foreclosed homes within census tracts 3, 14, 15, and 21 pursuant to 2301 (c)(3)(A) of the HERA.

(3) National Objective
LMMI benefit.

(4) Projected start date
April 2009

(5) Projected end date
December 2009

(6) Responsible Organization
City of St.Joseph
Community Development Division
1100 Frederick Ave Room 10lA
St. Joseph, MO 64501
Administrator: Gerald McCush, Community Development Manager, 816-271-4646, gmccush@ci.st-joseph.mo.us

..... The Community ... Development ..Division. administers .both the CDBG and. HOME entitlement programs the City receives from HUD. The division has operated a CDBG funded owner occupied rehab program since 1980, and has built new affordable housing since 1998 using CHDO's, Habitat for Humanity and for profit developers. The City's rehab staff is very experienced in both rehab and new construction. Three of the CD staff are licensed risk assessors in the State of Missouri to test for LBP. In addition, the CD Manager oversees the historic preservation planner as well as the Landmark Commission. And the CD staff has vast experience dealing with historic preservation issues as well as the SHPO concerning both rehab and new construction. Several of the seven full time staff has been involved with both the CDBG and HOME programs for a number of years. The Grants Specialist has 30 years of experience, the CD Loan Officer has 27· years of experience, the Constructions Activities Manager has 20 years of experience and the CD Manager has 11 years of experience. The CD Manager works closely with the Property Maintenance Manager who deals with abandoned buildings and property code issues.

(7) Loc tion Description

Census Tracts 3, 14, 15, and 21. These tracts have been established as high risk. Tract 3 includes the northwest corner of the City, tract 14 and 15 are the Midtown area, roughly 8th Street to 32nd Street and Messanie Street to 36 Highway and Tract 21 is located in the southern section of the City.

(8) Activity Description

The City will acquire foreclosed single family homes within the qualified census tracts. " Problem properties" will be identified from neighborhood meetings held within all 4 eligible census tracts. Staff will negotiate a purchase price at least 15% below the current market appraisal value pursuant to Section 2301 (d)(l) of HERA.

Rehab staff will inspect the property before the purchase. Rehab sta ff will write specification to bring the property up to 2006 BOCA code as adopted by the City. The City will negotiate with Community Action Partnership (a CHDO) to complete part of the rehabs, and will complete approximately half of the rehabs internally, using a competitive bid process to obtain approved contractors to complete the work.

As stated earlier, rehab staff is experienced in this process, therefore additional staff will not be required to administer and implement this program.

Once completed, the homes will be marketed to income qualified homebuyers at or below 120% area median income.

Potential homebuyers will be required to complete a HUD approved homebuyer education class and obtain conventional financing. The City may, at its option, offer in house financing at 0% to 4 % interest to qualified buyers if conventional financing cannot be obtained but all other qualifications are met.

The program address the decline in neighborhoods and resulting drop in property values in these areas, as well as bringing pride back to these neighborhoods. 15 families will directly benefit. There will be the potential impact of improving the overall neighborhood and therefore impacting many more indirectly by improving existing conditions and increasing property values. By combining the program with the City's existing CDBG rehab program the potential impact increases dramatically. No unit's :S 50% area median income will be provided under this program. However, another activity utilizing Habitat for Humanity will impact citizens at that income level.

(9) Total Amount of Request per Activity

Acquisition and Rehab

15 foreclosed homes purchased @ 15% discount

Rehab costs:

15 foreclosed	$750,000.00
Rehab costs	$700,000.00
Soft costs (Title work, appraisals Legal fees)	$16,500.00
5% *Admin* Fees & Program Delivery Costs (Marketing, Permits, etc)	$118,012.00
	$1,584,512.00

(10) Performance Measurements

15 homes purchased and rehabbed for families ::S 120 area median income

10. NSP INFORMATION BY ACTIVITY

(1) Activity Name:
Habitat for Humanity NSP Grant Program

(2) Activity Type:
Grants will be provided to ST. JOSEPH HABITAT FOR HUMANITY pursuant to the Neighborhood Stabilization Program ("NSP") and P.L. 110-289, the Housing and Economic Recovery Act of2008 (H.R. 3221) ("HERA") to provide funds for the following NSP activities:

- Establish financing mechanisms for the purchase and redevelopment of foreclosed homes (including soft-seconds, loan loss reserves, and shared-equity loans for low-and moderate-income homebuyers).
- Purchase and rehabilitate properties that have been abandoned or foreclosed. Rehabilitation may include improvements to increase energy efficiency.
- Establish land banks for homes that have been foreclosed.
- Demolish blighted structures.

(3) National Objective:
HFH St. Joseph cmTently serves individuals and families whose income does not exceed 50 percent AMI. In order to support Grantee in its compliance with Section 230l(f)(3)(A)(ii) of HERA, the HabfratNsP Grant program wiffensure thaiifie residendafp1·opertfos purchased., rehabilitated, or redeveloped under this activity will be sold to individuals or families whose incomes do not exceed 50 percent AMI. HFH St. Joseph will support the continued affordability of each property to those purchasers by utilizing Habitat's unique O percent purchase money mortgage model. To ensure that each property purchased with NSP funds remains affordable to future purchasers, HFH St. Joseph will also incorporate affordability restrictions (as described below) into its sale and mmtgage documents. Finally, HFH St. Joseph will reinvest all mortgage and shared appreciation revenue received from its partner families to provide funding to build more homes for Habitat partner families on the same mortgage terms.

(4) Projected Start Date:
April, 2009

(5) Projected End Date:
December, 2012

(6) Responsible Organization:
ST. JOSEPH HABITAT FOR HUMANITY
JAMIE MCPHAIL, CO-INTERIM DIRECTOR

St. Joseph Habitat for Humanity is a Habitat Affiliate and would like to partner with the City of St.Joseph to help implement this NSP program by utilizing the Habitat model. We offer unique characteristics that fit the goals of the program:

- Our goa1 is to serve families up to 50% area median income ("AMI").
- We do not make a profit.
- We have a large pool of pre-approved partner families that are waiting on affordable homes.
- We have deep knowledge of local housing markets that are hardest hit by the current housing crisis.
- Habitat provides homebuyers with O percent seller financing.
- Habitat has a proven track record of successfully administering HOME funds from the City of St.Joseph since 2001. We have had an ongoing partnership with the City of St.Joseph since 2001.

(7) Location Description:
The focus location in St. Joseph will be selected in Census tracts 3, 14, 15 and 21.

(8) Activity Description:
HFH St. Joseph is a not-for-profit corporation and will become a Subrecipient for NSP funds pursuant to a grant agreement with the Grantee. The NSP funds will be distributed in accordance with the budget provided herein to acquire, rehabilitate and redevelop abandoned, blighted or foreclosed properties in accordance with the terms of HERA and all applicable NSP regulations. Acquisition will be at the 15% discount rate pursuant to Section 2301 (d)(l) of HERA.

Upon completion of construction or rehabilitation, HFH St. Joseph wi11 sell these homes to approved Habitat paitner families that earn less than 50% percent AMI. The prope1ties will be purchased within 18 months of the receipt of the NSP funds by the Grantee and all renovations and sales to approved Habitat prutner families will be completed within 4 years. The purchase price for these homes will comply with the requirements of HERA and the NSP regulations and will be paid pursuant to a O percent purchase money mortgage under the following terms:

- **No Interest Charged:** The mo1tgage financing that is provided will charge no **interest.**

- **First Mortgage Term:** The term of the mortgage will be at least 15 years and no more than 30 years unless a longer term is required by local real estate conditions to keep the house affordable.
- **Fully Amortizing First Mortgage Loans:** The loan secured by the mortgage will fully amortize over the set term of the m01tgage.
- **Balloon Loans Prohibited:** Loans which require full payment before the end of the term of the loan are prohibited.
- **Use of Habitat House:** Habitat shall require that the homeowner use the house as their principal/primary residence.
- **LURA:** To assure affordability period requirement of20 years is met a LURA will be executed at the time of sale.

In order to maintain the continued affordability of the home, HFH St. Joseph will incorporate a right of first refusal in all mmtgage documents. This allows HFH St. Joseph to retain the home as an affordable unit of housing, and can inhibit predatory lenders from gaining a controlling interest in the property. In addition, HFH St. Joseph will require the partner families to enter into an equity sharing second mortgage that will allow HFH St. Joseph to claim a percentage of the increase in the appreciation in the value of the home over and above the initial appraised value of the home and excluding the capital improvements made to the home by the partner family. HFH St. Joseph's claim to the value of this "shared appreciation" of the home may only be exercised upon foreclosure, sale, transfer of title, or full payment or refinancing of the home or the first mottgage. HFH St. Joseph's fonnula for this shared appreciation shall be:

64% Cost of Home

Years 1-5, Each Year 1% Forgiven

Years 5-7, Each Year 2.5% Forgiven

Years 8-15, Each Year 5% Forgiven

Years 16-20, Each Year 1-% Forgiven

All m01tgage payments and shared appreciation proceeds received by HFH St. Joseph from these mmtgages will be retained by HFH St. Joseph in a segregated account and will be used by HFH St. Joseph to provide funding to build more homes for Habitat partner families on the same mo1tgage tenns. This financing mechanism with fmther leverage the NSP funds and ensure the continued affordability of these homes pursuant to Section 230l(c)(3)(A) of HERA.

(9) Total Amount of Request per Activity:

Demolition Property
$100,000 Purchase price paid by HFH
$15,000 Survey, environmental review, etc
$40,000 Closing cost paid by HFH
$100,000 Demolition costs

$455,000 New construction costs
$100,000 Developer's Fee
$810,000 Total NSP Eligible Costs

Rehab Property
$227,500 Purchase price paid by **HFH**
$7,500 Survey, environmental review, etc
$10,000 Closing costs paid by HFH
$230,000 Rehab Costs
$50,000 Developer's fee
$527,500 Total NSP Eligible costs

Projected 5 Rehab Properties and 10 Demolition Properties:

Total Amount Requested:$ 1,337,500.00

Performance Measures:

The performance of this Activity will be measured as follows:

(a) 5 properties acquired, renovated and/or rehabilitated;
(b) 10 properties demolished; 10 new infill single family homes will be built.
(c) 15 families will be-<:: 50% area median income.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	Jefferson County		
B. MAILING ADDRESS:	P.O. Box 100		
C. CITY, STATE, ZIP CODE:	Hillsboro, Missouri 63050		
D. CHIEF OFFICIAL OF (A):	Charles Banks	E. TITLE OF (D):	Presiding Commissioner
F. TELEPHONE OF (D):	636-797-5400	G. FAX OF (D):	636-797-5506
H. FISCAL YEAR END OF (A):	December 31st		

2. Application Preparer			
A. NAME:	Rosalie C. Buchanan		
B. MAILING ADDRESS:	P.O. Box 623		
C. CITY, STATE, ZIP CODE:	Hillsboro, Missouri 63050		
D. NAME OF AGENCY:	The Economic Development Corporation of Jefferson County (Entitlement Administrator)		
E. TELEPHONE:	636-797-5336	F. FAX:	636-797-5080

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	Tier 1 Municipalities of: City of De Soto (1) and City of Herculaneum (2)		
B. MAILING ADDRESS:	(1) 17 Boyd Street; (2) 1 Parkwood Court		
C. CITY:	(1) De Soto, MO 63020; (2) Herculaneum, MO 63048		
D. CHIEF OFFICIAL OF (A):	(1) Werner Stichling; (2) Gina Vinyard		
E. TITLE OF (D):	(1) Mayor; (2) Mayor		
F. TELEPHONE OF (D):	(1) 636-586-3326; (2) 636-475-4447	G. FAX:	(1) 636-586-9201; (2) 636-475-6191

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	(1) 6,375	(2) 2,805	
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	(1) Joe Fallert, Dist #104	(2) Ron Casey, Dist #103	
C. STATE SENATOR AND DISTRICT NUMBER(s):	(1) Kevin Engler, Dist #3	(2) Ryan McKenna, Dist #22	
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63020 and 63048	E. COUNTY:	Jefferson

5. Proposed Project Beneficiaries		
A. NUMBER OF PERSONS SERVED BY PROJECT:	59	
B: NUMBER OF FAMILIES SERVED BY PROJECT:	20	
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%	(75% of >120% median income and 25%of >50% of median income if no Category 3 RFP is submitted)
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%	(75% of >120% median income & 25% of >50% of median income if no Category 3 RFP is submitted)

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

(LMMI) >120% of area median income/Acquisition-Rehabilitation and resale to income eligible homebuyers (75% of funding if no Category 3 RFP is submitted)

(LMI) > 50% of area median income/Acquisition-Rehabilitation and resale to income eligible homebuyer (25% of funding if no Category 3 RFP is submitted)

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$2,200,000.00
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	$0
C. LOCAL IN-KIND FUNDS:	$0
D. OTHER STATE/FEDERAL FUNDS:	$0
E. PRIVATE FUNDS	$0
F. TOTAL PROJECT COST:	$2,200,000.00

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? **UNKNOWN**

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? **X** Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? **X** Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes **X** No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes **X** No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? **X** Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes **X** No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: Jefferson County Missouri

B. PROJECT TITLE: Jefferson County Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

This project will be used to assist in the stabilization of the Missouri Department of Economic Development identified Tier 1 municipalities of the City of De Soto and the City of Herculaneum. (Category 1 funding is restricted to Tier 1 Cities, additional Tier 2 and Tier 3 Cities will be added as funding becomes available)

The municipal limits of the City of De Soto are located in southern Jefferson County, Valle Township and include two Census Tract's; 7012.00 and 7013.00.
The municipal limits of the City of Herculaneum are located in eastern Jefferson County, Joachim Township and include one Census Tract; 7007

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

While specific addresses of currently foreclosed homes is not available at this point in time, Jefferson County has opted to use both HUD provided data as well as local data compiled by the identified Tier 1 municipalities.

According to currently available HUD data, the City of De Soto currently has an estimated 93 foreclosures with a corresponding foreclosure rate of 5.7%. The City of Herculaneum has an estimated 35 foreclosures with a corresponding foreclosure rate of 4.2%.

While we can not at this point specifically identify foreclosed homes, according to municipal records the following delinquencies currently exists:
The City of De Soto has incurred costs for four (4) vacant property liens in the form of special tax bills for the purpose of property maintenance code violations and shows one hundred and forty-six (146) current residential properties with municipal services (water/sewer/trash) terminated for a period in excess of 90 days. Total possible beneficiary properties: one hundred fifty (150)

The City of Herculaneum has incurred costs for six (6) vacant property liens in the form of special tax bills for the purpose of property maintenance code violations and shows six (6) current residential properties with municipal services (water/sewer/trash) terminated for a period in excess of 90 days. Total possible beneficiary properties: twelve (12)

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

This project will be used to assist in the stabilization of the Missouri Department of Economic Development identified Tier 1 municipalities of the City of De Soto and the City of Herculaneum. The intended use of funds will include any or all of the HUD/State of Missouri identified eligible NSP fund uses of purchasing and rehabilitating homes and residential properties that have been abandoned or foreclosed upon; demolition of blighted structures; and the redevelopment of such demolished or vacant properties for the intent of final benefit to Jefferson County residents meeting the required U.S. Department of Housing and Urban Development low-, moderate- and middle-income (LMMI) qualifications.

It is the intent of the proposed program to target existing foreclosed and vacant homes, the purchase of these identified homes (as availability exists), the rehabilitation of these homes at a minimum of the housing quality standard as defined by the U.S. Department of Housing and Urban Development, and the subsequent affordable resale of these homes to qualified low-, moderate- and middle-income (LMMI) applicants who have received required housing counseling.

These actions will eliminate the future deterioration of the currently vacant residential properties, reduce overall municipal vacancy rates, eliminate additional costs incurred by the municipalities for property maintenance (liens) and provide additional affordable housing units to LMI residents of Jefferson County.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the County of Jefferson for the benefit of the City of De Soto and the City of Herculaneum in my capacity as Presiding Commissioner of Jefferson County. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

CHUCK BANKS
PRESIDING COMMISSIONER
JEFFERSON COUNTY

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Activity #1: Acquisition/Rehabilitation/Resale to income eligible homebuyers**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Acquisition/Rehabilitation/Resale to income eligible homebuyers – most will include a financing mechanism (if additional funding for this component can be arranged via; current CDBG, HOME, etc.) CDBG–24 CFR 570-201.(a), acquisition, and (b) disposition, and 570.202, rehabilitation and 570.201(n) direct homeownership assistance (for second deeds of trust and/or regulatory agreements), financing mechanisms

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

Beneficiaries will be restricted to low-, moderate-, and middle-income (LMMI) residents, as defined by the NSP regulations. All recipients will have income levels at or below 120% of the area median income

(4) Projected Start Date: **Upon notice of funding from MO Department of Economic Development**

(5) Projected End Date: when funding is expended (18 months and then after program income is exhausted)

Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The County of Jefferson acting through its Entitlement Administrator, The Economic Development Corporation of Jefferson County, will administer all activities under the direction of Rosalie C. Buchanan, Assistant Executive Director, P.O. Box 623, 5217 Highway B, Hillsboro MO 63050. Additionally, Jefferson County/administrator will contract with non-profits, quasi-governmental agencies, for profit developers and organizations to acquire and rehabilitate properties. The County will issue an RFQ upon notification of funding from the MO Department of Economic Development. These qualified entities will be identified once the RFQ process is completed.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The activities will occur within various neighborhoods of the two identified Tier 1 municipalities of the City of De Soto (Census tract numbers 7012 blocks 1 thru 6 and 7013 blocks 1 and 3) and the City of Herculaneum (Census tract number 7007 block 2).

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;

- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

This homeownership activity will occur within the identified Tier 1 municipalities of the City of De Soto and the City of Herculaneum as identified on enclosed maps. Eligible homebuyers with incomes <120% of the area median income will attend counseling and homebuyer preparation classes. The agencies providing the counseling will ensure income qualifications as well as ability to afford the home. We anticipate 25% of the sales of these homes to be affordable to families <50% of the area median income (to meet the 25% NSP regulation if no Category 3 funding request is submitted).

The tenure of the beneficiaries is homeownership. The term of the assistance (if funding is secured) will be a second deed of trust in an amount equal to the difference of the appraised value and the amount of an affordable first mortgage. We will place a restriction similar to a regulatory agreement on each property maintaining affordability for 15 years.

The County will contract with the RFQ selected responsible organizations, as outlined above, to negotiate with owners of foreclosed and abandoned property to acquire at a discount of no less than 5% if acquired singly, and no less than 15% if acquired as a part of a bulk sale. The County will make every effort to ensure that the actual acquisition price is well below these maximums in order to provide greater benefit to LMMI households and reduce overall subsidies per property.

Only properties that are uninhabitable will be demolished, therefore, no affordable units will be demolished to accomplish this activity.

The second deeds of trust mentioned above ensuring affordability of the units will be the security of Notes at zero percent interest and due upon sale by the homebuyers. During the period of affordability these loans may be assumable by another LMMI buyer in the future, should the need to ensure affordability restrict the ability to finance the purchase to a new buyer. Any financing mechanisms used to fund the rehabilitation of the properties by developers will be at zero percent interest with the amount invested by the County and below the appraised value of the finished rehab, returned to the County upon sale. (Pending funding)

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Total request to the State for housing activity: $2,000,000 / 20 properties = $100,000 per unit
Total request to the State for NSP approved 10% Administration: $200,000

Total request: $2,200,000 in NSP funding

Estimates of the amount of acquisition costs vs. rehabilitation costs vary greatly based upon the size of the unit, condition, and area. However, as a general estimate, the County anticipates the acquisition price to be roughly 35-40% of the total development costs of properties being rehabilitated, and 60-70% of the cost of acquisition and demolition for any properties being reconstructed. The County anticipates a very low, if any, number of units where demolition and reconstruction occur, therefore, those estimates are not included in the examples below. Using this estimate we anticipate the following:

We anticipate this activity to assist a greater number of families whose income is <120% AMI than <50% AMI.

Example cost per home analysis for a 1,200 sq. ft. <120% unit:

1.	**Acquisition Cost Est.**	**$ 75,000**	
	Rehabilitation Est. (market avg. $100/sq.ft.)	**$120,000**	
	Associated Fees (inspections, appraisal, etc.	**$ 5,000**	
	Housing Acquire/Rehab/Sale Costs		**$200,000**
	Completed Property Appraisal:		**$180,000**
	<120%:		
	Homebuyer Affordable 1st Mort. (bank)	**$165,000**	
	County 2nd due on sale (if applicable)	**$ 15,000**	

Example cost per home analysis for a 800 sq. ft. <50% unit:

2.	**Acquisition Cost Est.**	**$ 50,000**	
	Rehabilitation Est. (market avg. $100/sq.ft.)	**$ 80,000**	
	Associated Fees (inspections, appraisal, etc.	**$ 5,000**	
	Housing Acquire/Rehab/Sale Costs		**$135,000**
	Completed Property Appraisal:		**$120,000**
	<50%:		
	Homebuyer Affordable 1st Mort. (bank)	**$ 85,000**	
	County 2nd due on sale (if applicable)	**$ 35,000**	

Program income/recapture amounts (est. per app. $15,000) derived from 15 sales to <120% LMMI $225,000
Program income/recapture amounts (est. per app. $35,000) derived from 5 sales to <50% LMMI $175,000

**** No estimates for demolition are available at this time for this activity. The primary function under this activity initially will be rehabilitation. If funds are available in later phases, demolition and new construction may occur, and budgets will be developed for this activity.**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total homes estimated to be acquired, rehabilitated and sold 15 to <120% LMMI * (75% of NSP funds to <120%)

Total homes estimated to be acquired, rehabilitated and sold 5 to <50% LMMI (25% of NSP funds to <50% if no Category 3 funding request is submitted)

Total homes estimated to be acquired, rehabilitated and sold 20 homes

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

N/A

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Activity #2 Acquisition/Demolition/Redevelopment of units for NSP eligible purpose**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

Acquisition/Demolition/Redevelopment which may also include a financing mechanism; CDBG – 24 CFR 570.201(a), acquisition, (b), disposition and 570.202, housing

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

The ultimate beneficiaries (after redevelopment of the site) will be restricted to low-, moderate-, and middle-income clientele, as defined by the NSP regulations. All participants will be restricted to the income levels <120% of the area median income.

(4) Projected Start Date: **Upon notice of funding**

(5) Projected End Date: when funding is expended (18 months and then after program income is exhausted)

Project will continue as long as funds including program income are available until the program end date as defined by HUD on or about July, 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

The County of Jefferson acting through its Entitlement Administrator, The Economic Development Corporation of Jefferson County, will administer all activities under the direction of Rosalie C. Buchanan, Assistant Executive Director, P.O. Box 623, 5217 Highway B, Hillsboro MO 63050. Additionally, Jefferson County/administrator will contract with non-profits, quasi-governmental agencies, for profit developers and organizations to acquire and rehabilitate properties. The County will issue an RFQ upon notification of funding from the MO Department of Economic Development. These qualified entities will be identified once the RFQ process is completed

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

The activities will occur within various neighborhoods of the two identified Tier 1 municipalities of the City of De Soto (Census tract numbers 7012 blocks 1 thru 6 and 7013 blocks 1 and 3) and the City of Herculaneum (Census tract number 7007 block 2).

(8) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

Properties that have no functional value, severe deterioration and meet the County's definition of blighted may be demolished under this activity. Some may be offered to neighbors for side lots, others may be offered to community groups or the identified Tier 1 municipalities for community purposes (green space such as community gardens or parks) others may be demolished and offered, at a reduced price to Habitat for Humanity. Any property redeveloped or newly constructed as a result of this activity for residential use in the future will have an affordability restriction for not less than 15 years if sold to a low-, moderate-, or middle income household, and 20 years affordability restriction if constructed for the purposes of rental to that same income population.

I. Total Budget: (Include public and private components)

The County does not anticipate using any of its allocation for demolition purposes under this activity at this application stage. If such demolition should arise, Activity #1 will be edited accordingly.

If such demolition should occur, funding for the redevelopment will be from future sources including private funds, other grants and HOME dollars if the proposed development assists families <80% of the area median. This activity is not a primary NSP activity for Jefferson County.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

No performance measure can be estimated as no structures are budgeted for this activity. It has only been included as blighted properties could be acquired and demolished under this activity and held for future affordable housing development or other purposes allowed under NSP regulations.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

N/A

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1. Applicant Identification

A. NAME (CITY OR COUNTY): CITY OF CARTERVILLE

B. MAILING ADDRESS 1200 EAST FIRST

C. CITY, STATE, ZIP CODE: CARTERVILLE, MO 64835

D. CHIEF OFFICIAL OF (A): JAMES DAVENPORT

E TITLE OF (D): MAYOR

F. TELEPHONE OF (D): 1-417-673-1341

G. FAX OF (D) 1-417-673-5448

H. FISCAL YEAR END OF (A): OCTOBER 31

2. Application Preparer

A. NAME: DEBBIE CORNELL

8. MAILING ADDRESS 1200 EAST FIRST

C. CITY, STATE, ZIP CODE: CARTERVILLE. MO f;4815

D. NAME OF AGENCY CITY OF CARTERVILLE

E. TELEPHONE: 1-417-673-1341

F. FAX 1-417-673-5448

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)

A. NAME (ENTITY):

8 . MAILING ADDRESS:

C. CITY:

D. CHIEF OFFICIAL OF (A)

E. TITLE OF (D):

F. TELEPHONE OF (D):

G. FAX:

4. Other Information for Reporting Purposes

A. 2000 POPULATION OF 1A: 1850

B. STATE REPRESENTATIVE & DISTRICT NUMBER(s): Bryan Stephenson District 128

C. STATE SENATOR AND DISTRICT NUMBER(s): Gary Nadler District 32

D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT

E COUNTY:

5. Proposed Project Beneficiaries

A NUMBER OF PERSONS SERVED BY PROJECT

8: NUMBER OF FAMILIES SERVED BY PROJECT: 77/1.

C % LMMI PERSONS OF PROPOSED PROJECT: At least 51 i

D % LMMI FAMILIES OF THE PROPOSED PROJECT At least 51 %

6. LMMI National Objective/Activity (List each activity proposed and the.LMMI National Objective- 100% v 51% area)

1• Demolition of abanddoned or blighted buildings

2. Rehabilitation of LMMI homes

urchase and Rehabilitation of Foreclosed homes and resale at reduced cost to LMMI family

7. CostData

A. NSP FUNDS REQUESTED FROM STATE:	$ 2,100,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	
C. LOCAL IN-KIND FUNDS:	
D OTHER STATE/FEDERAL FUNDS:	
E. PRIVATE FUNDS	
F. TOTAL PROJECT COST:	$2,100,000

8. Floodplain/EnvironmentalReview

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes Ii) No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ii} Yes D No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD NSURANCE PROGRAM? @c Yes D No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes a No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED . REGARDLESS OF FUNDING SOURCE. RESULT IN ANY CHANGE IN LANO USE? ☐ Yes 6'k No

IF YES, DESCRIBE

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THE AREA? ☐ Yes No

IF YES. PLEASE LIST

9. ProjectDescription

In the space below, provide a brief description of the need(s) of the project and the proposed actions to adaress the need(s). Do not exceed this page. This page will be provided to the media and your elected state and federal legislators for informational purposes.

A. APPLICANT: **CITY OF CARTERVILLE**

B. PROJECT TITLE: **CITY OF CARTERVILLE NEIGHBORHOOD STABILIZATION PROGRAM**

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES . UNLESS THE PROJECT BENEFITS THE APPLICANTS ENTIRE JURISDICTION;:

Entire Jurisdiction of the City of Carterville

D DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Stabilization of the neighborhoods of the City of Carterville by demolition of abandoned or blighted buildings, rehabilita ion of LMMI homes, and purchase and rehabilitation of forclosed h mes for resale at reduced cost to LMMI families

E DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S} - BE SPECIFIC

1. Demolish abandoned or blighted buildings some will have new structure put on to benifit a LMMI family. Some with adjoining property to become a park to benifit the LMMI family
2. Rehabilitation of LMMI family homes to stabilize the neighborhood that they are in.
3. Purchase of forclosed homes and rehabilitation of the horns to sell to LMMI family at a reduced cost making renters owners

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of carterville in my capacity as Mayor **. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.**

Date 11/11/2008

1. **Activity Name:** Neighborhood Stabilization Program—City of Carterville

2. **Activity Type:** 1. Demolition
   2. Rehabilitation
   3. Purchase, Rehabilitation and Resale to LMMI family of foreclosed homes.

3. **National Objective:** To stabilize the neighborhoods that have foreclosed homes abandoned or blighted buildings, and LMMI rehabilitation of homes to keep from neighborhoods deteriorating and becoming uninhabitable or below livability standards.

4. **Projected Start Date:** Immediately at the award of the grant.

5. **Projected end date:** No more than 18 months from start date.

6. **Responsible Organization:** City of Carterville
   1200 East First
   Carterville, Mo 64835

7. **Location Description:** The Corporate Limits of the City of Carterville known as Joplin township and Mineral township.

8. **Activity Description:** 1. Demolish of blighted abandoned structures to stabilize neighborhoods.
   2. Rehabilitate LMMI homes to stabilize neighborhoods.
   3. Purchase of foreclosed homes for rehabilitation and to be sold to low moderate and medium households.

The City of Carterville has 824 homes in the corporate limits of the City. Thirty Three of these homes are in such bad repair that the city would not be able to turn utilities on if someone moved in due to the fact that they would not meet a livability standard. Three Hundred and Forty Eight homes are in need of small repairs such as roof or siding to major repairs on the inside and outside. Four hundred and twenty nine homes are in good repair or are fairly new. Fourteen homes have been foreclosed upon. The neighborhoods seem to be in groups that the houses that are in good repair are all together. Houses that are in need of repair are together mixed with those that need to be demolished. It seems that the areas of the need are where the low, moderate and medium income residents are located. Some pay rent, some own but either way do not have any more money to put into the residence to help the upkeep of the home. The greatest need would benefit those of the low, medium and moderate income with at least 25 % of the benefit to the low to moderate incomes. The application to the city would have to meet the guidelines of low, moderate or medium to apply for the assistance. With the help to bring the homes in these neighborhoods up to standard, helps take away the helplessness that a lot of the residents feel when they cannot financially take care of keeping their

houses up due to the economy and their money not stretching to take care of all of their needs.

The funds for rehabilitation would be to bring the house up to livability standards. The City would require that if they sell the property within a certain length of time (the city is considering a fair time for this if they should get the assistance of this grant) that the owner would have to refund a percentage prorated to the city to be spent to rehabilitate another house for a low to moderate income house not previously rehabilitated.

The City plans to demolish all structures that do not meet the livability standards and sell any lots that the city acquires to a low to moderate family at a reduced rate to build or place a modular home on. With the city placing any funds received from this in an account to purchase any other lots to demolish homes on and reselling to low to moderate family for housing. For the city to get more people from renting to home ownership makes residents proud of what they own and you can see an increase of residents taking better care of what they have. Also if there is an area with enough property where several houses have been removed the City wishes to develop a park for the City, which at this time the City does not have.

The City would use the funds to acquire any foreclosed property, to rehabilitate the property to a livability standard and then resell at a reduced cost to a low to moderate income family. Putting that money back into a foreclosed home and rehabilitating it and reselling. The city would take bids from banks to work with the city to give the low moderate and medium households the best and the lowest interest rates possible for the establishing of the stabilization of the neighborhoods.

9. <u>Total Amount of Request per Activity</u>: $ **2,100,000 Total all activities**

$ 100,000 to demolish up to 33 structures that are abandoned or cannot meet the livability standard to stabilize the neighborhood.

$ 1,500,000 to rehabilitate Low Moderate and Medium homes to stabilize the neighborhood.

$ 500,000 to purchase foreclosed and rehab foreclosed homes to resell to Low Moderate and Medium households.

10. <u>Performance Measures:</u> The City will keep a track of the amount in each of the income levels for all three activities and the percentage of the income broken down into the three levels. At this time applications have not been taken from the citizens so the percentage in each group is not a set amount just that at least 25 % of the Stabilization Program will be used toward the Low to Moderate income families.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Elsberry		
B. MAILING ADDRESS:	201 Broadway		
C. CITY, STATE, ZIP CODE:	Elsberry, MO 63343		
D. CHIEF OFFICIAL OF (A):	Carla Potts	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(573) 898-5589	G. FAX OF (D):	(573) 898-2249
H. FISCAL YEAR END OF (A):	June 30		

2. Application Preparer			
A. NAME:	Steve W. Etcher		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY, STATE, ZIP CODE:	Warrenton, MO 63383		
D. NAME OF AGENCY:	Boonslick Regional Planning Commission		
E. TELEPHONE:	(636) 456-3473	F. FAX:	(636) 456-2329

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	Boonslick Region Council of Governments, Inc.		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY:	Warrenton, MO 63383		
D. CHIEF OFFICIAL OF (A):	Charles H. Kemper, Jr.		
E. TITLE OF (D):	Chairman		
F. TELEPHONE OF (D):	(636) 456-3473	G. FAX:	(636) 456-2329

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	2,047		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	10-Witte, Terry		
C. STATE SENATOR AND DISTRICT NUMBER(s):	2, Rupp, Scott		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63343	E. COUNTY:	Lincoln

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	2047
B: NUMBER OF FAMILIES SERVED BY PROJECT:	776
C: % LMMI PERSONS OF PROPOSED PROJECT:	70.2%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	70.2%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Demolition-70.2% Area
Redevelopment-100% LMMI
Acquisition/Rehabilitiation-100% LMMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	$
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	0
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	$

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☒ Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☒ ☐ Yes ☐ No

IF YES, DESCRIBE. The property proposes to redevelop blighted residential property for a community center.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Elsberry

B. PROJECT TITLE: Elsberry Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The proposed project will benefit the entire jurisdiction of Elsberry. Specifically, the project will occur within Census tract 8101.00, blocks 2 and 3.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The City of Elsberry, located in Lincoln, is feeling the full impact of the housing and economic crisis. The foreclosure rate in the community is escalating as is the unemployment rate for the citizens of the community. The proposed project intends to stabilize the neighborhoods in the City through property demolition and redevelopment of abandoned and blighted properties, and the acquisition and rehabilitation of foreclosed homes within the community.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City of Elsberry is proposing a Neighborhood Stabilization Program that will focus on demolition and redevelopment of blighted properties and acquisition and rehabilitation of foreclosed homes.. The redevelopment efforts will include the construction of a community center in the community, along with neighborhood parks in an effort to stabilize the neighborhoods. The City intends to utilize any program income generated during the allowable period to provide infrastructure enhancements to support development within the City. The City proposes to partner with Boonslick Region Council of Govenerment

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of Elsberry in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Bighted Property Demolition and Redevelopment

(2) Activity Type: Demolition

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income. The national objective will be area wide and is currently listed at 70.2% LMI.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to complete the demolition activities within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will delivered by the City of Elsberry with assistance provided by the Boonslick Regional Planning Commission. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. The City of Elsberry Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Elsberry. The entire City is located within the eligible Census areas 8101.00.02, and 8101.00.03.

(8) Activity Description:

The area of high need that will be addressed by this project will be to improve and stabilize the valuation of residential properties through the demolition and redevelopment of blighted properties. The benefit will be area wide. The current benefit area is 70.2% LMI

The City of Elsberry will utilize their local ordinances to qualify blighted properties and will work with their code enforcement officer to identify all potential properties. A copy of the City ordinance is provided. The demolition activities will be limited to blighted and vacant properties in accordance with the regulations. The cleared properties will be redeveloped into a community center and neighborhood parks.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The demolition project and related activities are projected to cost $310,000. The funds will be used to inspect, abate, and demolish 20 properties within the community. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project will demolish 20 blighted and vacant structures within the City of Elsberry. The beneficiaries will be area wide. The community has a 70.2% LMI population.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Residential acquisition and rehabilitation.

(2) Activity Type: Purchase and Rehabilitation

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to acquire and rehabilitate 8 homes within the first 36 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Elsberry and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Elsberry and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Elsberry Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Elsberry. The entire City is located within the eligible Census areas 8101.00.02, and 8101.00.03.

(8) Activity Description:

The area of high need that will be addressed by this project will be to acquire and rehabilitate foreclosed homes to an approved livability standard. Once acquired and rehabilitated to an approved livability standard, the property will be sold to eligible homeowners. In addition the project intends to provide a financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the acquisition and rehabilitation aspects of the project will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire and rehabilitate four homes. The estimated cost of acquisition is $50,000 per unit and rehabilitation costs are estimated at $20,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The acquisition and rehabilitation activities will utilize an estimated $420,000. The funds will be initially used to acquire and rehab available foreclosed property and the project. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 6 foreclosed homes will be acquired.
- 6 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels, however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Elsberry Community Center and Infrastructure Enhancement

(2) Activity Type: Redevelopment

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income. The national objective will be area wide and is currently listed at 70.2% LMI.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to complete the redevelopment activities within the first 36 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will delivered by the City of Elsberry with assistance provided by the Boonslick Regional Planning Commission. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. The City of Elsberry Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Elsberry. The entire City is located within the eligible Census areas 8101.00.02, and 8101.00.03.

(8) Activity Description:

The area of high need that will be addressed by this project will be to improve and stabilize the valuation of residential properties through the demolition and redevelopment of blighted properties. The benefit will be area wide. The current benefit area is 70.2% LMI

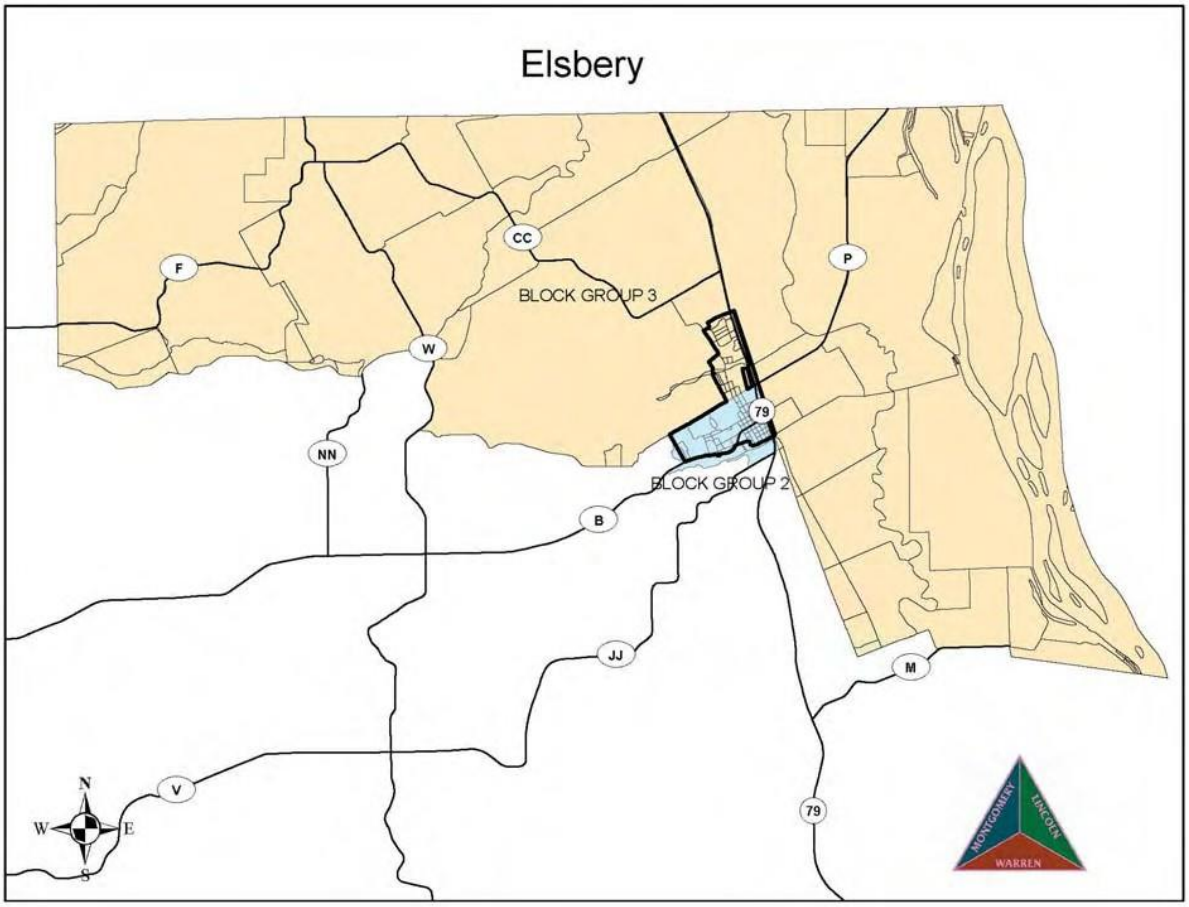
The redevelopment efforts will include infrastructure enhancements to the blighted areas of the community and the construction of a community center on properties that have been cleared through the demolition activities. The neighborhood enhancements will include the development of neighbor parks.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The redevelopment activities are projected to cost $400,000. The funds will be used to make infrastructure improvements within the blighted areas at an estimated cost of $50,000 and will construct a community center a cleared properties for an estimated $350,000. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project will enhance the infrastructure in the blighted neighborhoods and will construct a community center to serve the residents of the City of Elsberry. The beneficiaries will be area wide. The community has a 70.2% LMI population.



State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Troy		
B. MAILING ADDRESS:	200 Main		
C. CITY, STATE, ZIP CODE:	Troy, MO 63379		
D. CHIEF OFFICIAL OF (A):	Charles H. Kemper, Jr.	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(636) 528-4712	G. FAX OF (D):	(636) 528-2619
H. FISCAL YEAR END OF (A):	June 30		

2. Application Preparer			
A. NAME:	Steve W. Etcher		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY, STATE, ZIP CODE:	Troy, MO 63383		
D. NAME OF AGENCY:	Boonslick Regional Planning Commission		
E. TELEPHONE:	(636) 456-3473	F. FAX:	(636) 456-2329

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	Boonslick Region Council of Governments, Inc.		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY:	Troy, MO 63383		
D. CHIEF OFFICIAL OF (A):	Charles H. Kemper		
E. TITLE OF (D):	Chairman		
F. TELEPHONE OF (D):	(636) 456-3473	G. FAX:	(636) 456-2329

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	6,737		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	11-Scheiffer, Ed		
C. STATE SENATOR AND DISTRICT NUMBER(s):	2, Rupp, Scott		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63379	E. COUNTY:	Lincoln

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	57
B: NUMBER OF FAMILIES SERVED BY PROJECT:	21
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Financing Mechanism-100% LMMI
Acquisition & Rehabilitation-100% LMMI
Land Bank-100% LMMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	$1,860,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	0
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	$1,860,000

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Troy

B. PROJECT TITLE: Troy Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The proposed project will benefit the southern portion of Troy. Specifically, the project will occur within Census tract 8103.01, block groups 1, 2, 3, and 4.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The City of Troy, located in Lincoln County, is feeling the full brunt of the housing and economic crisis. The foreclosure rate in the community is escalating as is the unemployment rate for the citizens of the community. Newly developed and partially developed properties within the City are experiencing foreclosures at an increasing rate. The proposed project intends to stabilize these neighborhoods through homeownership financing, property acquisition and rehabilitation, and the creation of a land bank for homes. The project intends to sell and finance these properties to eligible borrowers and homeowners.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City of Troy is proposing a comprehensive Neighborhood Stabilization Program that includes the creation of financing mechanism for eligible borrowers; the purchase and rehabilitation of foreclosed properties to a livability standard with the intent to sell these properties to eligible borrowers and homeowners; and to create a land bank for homes to stabilize the current devaluation of property occurring within the City. The City intends to utilize any program income generated during the allowable period to provide infrastructure enhancements to support development within the City. The City is proposing to partner with Boonslick Region Council of Governments, Inc., a 501(c)3 corporation, as the sub recipient.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Troy in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Homeownership Loan Fund

(2) Activity Type: Financing mechanism for LMMI eligible borrowers

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to obligate the financing pool within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Troy and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Troy, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Troy, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Troy and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Troy Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Troy. The entire City is located within the eligible Census areas 8103.01. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to create a financing mechanism for eligible borrowers to access to realize their dream of homeownership. The financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the financing mechanism will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The financing mechanism will utilize an estimated $1.56 million to create the homeownership loan portfolio. The funds will be initially used to acquire and rehab available foreclosed property and the project. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired
- 6 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Residential acquisition and rehabilitation.

(2) Activity Type: Purchase and Rehabilitation

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to acquire and rehabilitate 4 homes within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Troy and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Troy, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Troy, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Troy and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Troy Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Troy. The entire City is located within the eligible Census areas 8103.01. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to acquire and rehabilitate foreclosed homes to an approved livability standard. Once acquired and rehabilitated to an approved livability standard, the property will be sold to eligible homeowners. In addition the project intends to provide a financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the acquisition and rehabilitation aspects of the project will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire and rehabilitate four homes. The estimated cost of acquisition is $95,000 per unit and rehabilitation costs are estimated at $15,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

Program income generated by the project, during the allowable period, will be reinvested by the City of Troy towards infrastructure improvements in the eligible areas.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The acquisition and rehabilitation activities will utilize an estimated $660,000. The funds will be initially used to acquire and rehab available foreclosed property and the project. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired
- 6 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Property Acquisition for Stabilization

(2) Activity Type: Land Bank for Homes

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will identify and acquire the budgeted properties within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Troy and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Troy, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Troy, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Troy and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Troy Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Troy. The entire City is located within the eligible Census areas 8103.01. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to stabilize neighborhoods by acquiring foreclosed or abandoned properties in an effort to maintain market value in the neighborhoods. The project will create a land bank for homes that can later be sold to eligible homebuyers. The project will also acquire abandoned or foreclosed unimproved lots for the purpose of stabilizing land prices with the intent of making them available for future construction of workforce housing and other affordable housing initiatives. The intended beneficiaries will be income eligible persons as defined in the regulations.

The targeted beneficiaries of the land bank will be individuals seeking homeownership or needing workforce housing. The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire six homes and five unimproved lots. The estimated cost of acquisition is $100,000 per unit and the unimproved lots are estimated at $20,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

Properties acquired through the land bank for homes can also access homeownership financing through the financing assistance mechanism proposed as part of this comprehensive project. Assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

Program income generated by the project, during the allowable period, will be reinvested by the City of Troy towards infrastructure improvements in the eligible areas.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The land bank for homes will utilize an estimated $860,000 to create the land bank for homes.. The funds will be initially used to acquire foreclosed properties and stabilize neighborhoods. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. Eligible program income will be reinvested in neighborhood infrastructure enhancement projects.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

This proposed project element is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

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   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
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5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Warrenton		
B. MAILING ADDRESS:	107 South West		
C. CITY, STATE, ZIP CODE:	Warrenton, MO 63383		
D. CHIEF OFFICIAL OF (A):	Greg Costello	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(636) 456-3535	G. FAX OF (D):	(636) 456-8135
H. FISCAL YEAR END OF (A):	June 30		

2. Application Preparer			
A. NAME:	Steve W. Etcher		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY, STATE, ZIP CODE:	Warrenton, MO 63383		
D. NAME OF AGENCY:	Boonslick Regional Planning Commission		
E. TELEPHONE:	(636) 456-3473	F. FAX:	(636) 456-2329

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	Boonslick Region Council of Governments, Inc.		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY:	Warrenton, MO 63383		
D. CHIEF OFFICIAL OF (A):	Charles H. Kemper		
E. TITLE OF (D):	Chairman		
F. TELEPHONE OF (D):	(636) 456-3473	G. FAX:	(636) 456-2329

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	5,281		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	99-Sutherland, Mike		
C. STATE SENATOR AND DISTRICT NUMBER(s):	26, Griesheimer, John		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63383	E. COUNTY:	Warren

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	57
B: NUMBER OF FAMILIES SERVED BY PROJECT:	21
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Financing Mechanism-100% LMMI
Acquisition & Rehabilitation-100% LMMI
Land Bank-100% LMMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	$1,860,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	0
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	$1,860,000

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Warrenton

B. PROJECT TITLE: Warrenton Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The proposed project will benefit the southern portion of Warrenton. Specifically, the project will occur within Census tract 8201.02, block groups 1, 2, 3, 4 and 5.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The City of Warrenton, located in Warren County, is feeling the full brunt of the housing and economic crisis. The foreclosure rate in the community is escalating as is the unemployment rate for the citizens of the community. Newly developed and partially developed properties within the City are experiencing foreclosures at an increasing rate. The proposed project intends to stabilize these neighborhoods through homeownership financing, property acquisition and rehabilitation, and the creation of a land bank for homes. The project intends to sell and finance these properties to eligible borrowers and homeowners.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City of Warrenton is proposing a comprehensive Neighborhood Stabilization Program that includes the creation of financing mechanism for eligible borrowers; the purchase and rehabilitation of foreclosed properties to a livability standard with the intent to sell these properties to eligible borrowers and homeowners; and to create a land bank for homes to stabilize the current devaluation of property occurring within the City. The City intends to utilize any program income generated during the allowable period to provide infrastructure enhancements to support neighborhoods within the City. The City is proposing to partner with Boonslick Region Council of Governments, Inc., a 501(c)3 corporation, as the sub recipient.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of Warrenton in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Homeownership Loan Fund

(2) Activity Type: Financing mechanism for LMMI eligible borrowers

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to obligate the financing pool within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Warrenton and the Boonslick Region Council of Governments, Inc. The principal contacts for the project will be Michelle Schlenther of the City of Warrenton, 107 South West, Warrenton, MO 63383, (636) 456-3535 and Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Warrenton and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Warrenton Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Warrenton. The project will occur within the eligible Census areas of tract 8201.02. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to create a financing mechanism for eligible borrowers to access to realize their dream of homeownership. The financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the financing mechanism will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The financing mechanism will utilize an estimated $1.56 million to create the homeownership loan portfolio. The funds will be initially used to acquire and rehab available foreclosed property and develop a home bank as detailed in the project narrative. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired
- 6 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Residential acquisition and rehabilitation.

(2) Activity Type: Purchase and Rehabilitation

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to acquire and rehabilitate 4 homes within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Warrenton and the Boonslick Region Council of Governments, Inc. The principal contacts for the project will be Michelle Schlenther of the City of Warrenton, 107 South West, Warrenton, MO 63383, (636) 456-3535 and Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Warrenton and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Warrenton Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Warrenton. The project will occur within the eligible Census areas of tract 8201.02. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to acquire and rehabilitate foreclosed homes to an approved livability standard. Once acquired and rehabilitated to an approved livability standard, the property will be sold to eligible homeowners. In addition the project intends to provide a financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the acquisition and rehabilitation aspects of the project will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the

borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire and rehabilitate four homes. The estimated cost of acquisition is $95,000 per unit and rehabilitation costs are estimated at $15,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

Program income generated by the project, during the allowable period, will be reinvested by the City of Warrenton towards infrastructure improvements in the eligible areas.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The acquisition and rehabilitation activities will utilize an estimated $660,000. The funds will be initially used to acquire and rehab available foreclosed property and the project. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired
- 6 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Property Acquisition for Stabilization

(2) Activity Type: Land Bank for Homes

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will identify and acquire the budgeted properties within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Warrenton and the Boonslick Region Council of Governments, Inc. The principal contacts for the project will be Michelle Schlenther of the City of Warrenton, 107 South West, Warrenton, MO 63383, (636) 456-3535 and Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Warrenton and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Warrenton Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Warrenton. The project will occur within the eligible Census areas of tract 8201.02. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to stabilize neighborhoods by acquiring foreclosed or abandoned properties in an effort to maintain market value in the neighborhoods. The project will create a land bank for homes that can later be sold to eligible homebuyers. The project will also acquire abandoned or foreclosed unimproved lots for the purpose of stabilizing land prices with the intent of making them available for future construction of workforce housing and other affordable housing initiatives. The intended beneficiaries will be income eligible persons as defined in the regulations.

The targeted beneficiaries of the land bank will be individuals seeking homeownership or needing workforce housing. The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire six homes and five unimproved lots. The estimated cost of acquisition is $100,000 per unit and the unimproved lots are estimated at $20,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

Properties acquired through the land bank for homes can also access homeownership financing through the financing assistance mechanism proposed as part of this comprehensive project. Assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

Program income generated by the project, during the allowable period, will be reinvested by the City of Warrenton towards infrastructure improvements in the eligible areas.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The land bank for homes will utilize an estimated $860,000 to create the land bank for homes.. The funds will be initially used to acquire foreclosed properties and stabilize neighborhoods. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. Eligible program income will be reinvested in neighborhood infrastructure enhancement projects.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

This proposed project element is estimating:

- 7 foreclosed homes will be acquired.
- 8 unimproved properties will be acquired

The project will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and 120% of area median income.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Truesdale		
B. MAILING ADDRESS:	109 Pinckney Street		
C. CITY, STATE, ZIP CODE:	Truesdale, MO 63383		
D. CHIEF OFFICIAL OF (A):	Murray Bruer	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(636) 456-3166	G. FAX OF (D):	(636) 456-5357
H. FISCAL YEAR END OF (A):	June 30		

2. Application Preparer			
A. NAME:	Steve W. Etcher		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY, STATE, ZIP CODE:	Warrenton, MO 63383		
D. NAME OF AGENCY:	Boonslick Regional Planning Commission		
E. TELEPHONE:	(636) 456-3473	F. FAX:	(636) 456-2329

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	Boonslick Region Council of Governments, Inc.		
B. MAILING ADDRESS:	111 Steinhagen, PO Box 429		
C. CITY:	Warrenton, MO 63383		
D. CHIEF OFFICIAL OF (A):	Charles H. Kemper		
E. TITLE OF (D):	Chairman		
F. TELEPHONE OF (D):	(636) 456-3473	G. FAX:	(636) 456-2329

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	397		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	99-Sutherland, Mike		
C. STATE SENATOR AND DISTRICT NUMBER(s):	26, Griesheimer, John		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63383	E. COUNTY:	Warren

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	41
B: NUMBER OF FAMILIES SERVED BY PROJECT:	15
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Land Bank for Homes-100% LMMI
Acquisition & Rehabilitation-100% LMMI
Financing Mechanism-100% LMMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	1,300,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	0
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	1,300,000

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☐ Yes ☒ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☐ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Truesdale

B. PROJECT TITLE: Truesdale Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The proposed project will benefit the entire jurisdiction of Truesdale. Specifically, the project will occur within Census tract 8201.02, blocks 2 and 5.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The City of Truesdale, located in Warren County, is feeling the full brunt of the housing and economic crisis. The foreclosure rate in the community is escalating as is the unemployment rate for the citizens of the community. Newly developed and partially developed properties within the City are experiencing foreclosures at an alarming rate. The proposed project intends to stabilize these neighborhoods through property acquisition, homeownership financing, rehabilitation, and the creation of a land bank for homes. The project intends to sell and finance these properties to eligible borrowers and homeowners.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City of Truesdale is proposing a comprehensive Neighborhood Stabilization Program that includes the creation of financing mechanism for eligible borrowers; the purchase and rehabilitation of foreclosed properties to a livability standard with the intent to sell these properties to eligible borrowers and homeowners; and to create a land bank for homes to stabilize the current devaluation of property occurring within the City. The City intends to utilize any program income generated during the allowable period to provide infrastructure enhancements to support development within the City. The City is proposing to partner with Boonslick Region Council of Governments, Inc., a 501(c)3 corporation, as the sub recipient.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of Truesale in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Homeownership Revolving Loan Fund

(2) Activity Type: Financing mechanism for LMMI eligible borrowers

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to obligate the financing pool within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Truesdale and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Truesdale and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Truesdale Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Truesdale. The entire City is located within the eligible Census areas 8201.0202, and 8201.0205. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to create a financing mechanism for eligible borrowers to access to realize their dream of homeownership. The financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

The targeted beneficiaries of the financing mechanism will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The financing mechanism will utilize an estimated $1 million dollars to create the homeownership loan portfolio. The funds will be initially used to acquire and rehab available foreclosed property and establish a home bank as detailed in the project narrative. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 6 foreclosed homes will be acquired.
- 5 unimproved properties will be acquired
- 4 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels, however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Residential acquisition and rehabilitation.

(2) Activity Type: Purchase and Rehabilitation

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will strive to acquire and rehabilitate 4 homes within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Truesdale and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Truesdale and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Truesdale Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Truesdale. The entire City is located within the eligible Census areas 8201.0202, and 8201.0205. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to acquire and rehabilitate foreclosed homes to an approved livability standard. Once acquired and rehabilitated to an approved livability standard, the property will be sold to eligible homeowners. In addition the project intends to provide a financing mechanism will take into account the need for affordable and predictable interest rates, the absence of collateral or equity of the potential borrowers, and the current devaluation of the housing market. The financing mechanism will only be available to those individuals that are income-qualified as being low, moderate and middle income persons as defined in the regulations.

For housing related activities, include:
The targeted beneficiaries of the acquisition and rehabilitation aspects of the project will be individuals seeking homeownership. The assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the

borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire and rehabilitate four homes. The estimated cost of acquisition is $85,000 per unit and rehabilitation costs are estimated at $15,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The acquisition and rehabilitation activities will utilize an estimated $400,000. The funds will be initially used to acquire and rehab available foreclosed property and the project. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. A complete project budget is included with the project Executive Summary.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The proposed project is estimating:

- 6 foreclosed homes will be acquired.
- 5 unimproved properties will be acquired
- 4 foreclosed homes will be acquired and rehabilitated to meet livability standards.

The project will be available to all eligible income levels, however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Property Acquisition for Stabilization

(2) Activity Type: Land Bank for Homes

(3) National Objective: The proposed project will meet the national objective of benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income.

(4) Projected Start Date: The proposed project will commence upon funding commitment, estimated March1, 2009.

(5) Projected End Date: The proposed project will identify and acquire the budgeted properties within the first 24 months of the project.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The proposed project will be a partnership between the City of Truesdale and the Boonslick Region Council of Governments, Inc. The principal contact for the project will be Steve W. Etcher of the Boonslick Regional Planning Commission, 111 Steinhagen, PO Box 429, Warrenton, MO 63383. (636) 456-3473, e-mail etcher@boonslick.org BRPC is located in nearby Warrenton, MO and has decades of experience working on community and economic development projects, including housing and financing activities. BRPC maintains a staff of 18 trained individuals that can carry out the aspects of the project. BRPC had administered over $100 million in public works projects. A memorandum of understanding between the City of Truesdale and the Boonslick Region Council of Governments, Inc., will be executed to govern the relationship between the two entities for this project. The City of Truesdale Board of Aldermen will be actively involved in the project and will provide the oversight and policy direction for the program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) The project will occur within the City of Truesdale. The entire City is located within the eligible Census areas 8201.0202, and 8201.0205. The primary focus of the project activities will be the newly developed neighborhoods that are experiencing a high rate of foreclosure.

(8) Activity Description:

The area of high need that will be addressed by this project will be to stabilize neighborhoods by acquiring foreclosed or abandoned properties in an effort to maintain market value in the neighborhoods. The project will create a land bank for homes that can later be sold to eligible homebuyers. The project will also acquire abandoned or foreclosed unimproved lots for the purpose of stabilizing land prices with the intent of making them available for future construction of workforce housing and other affordable housing initiatives. The intended beneficiaries will be income eligible persons as defined in the regulations.

The targeted beneficiaries of the land bank will be individuals seeking homeownership or needing workforce housing. The acquisition of the properties for rehabilitation will be at a discounted rate. The project will seek at a minimum a 5% discount on acquired properties, with a goal of a 10% average discount rate for the project. The project does not intend to convert any acquired properties to non-residential uses.

The project is proposing to acquire six homes and five unimproved lots. The estimated cost of acquisition is $95,000 per unit and the unimproved lots are estimated at $15,000 per unit. Participation in this project aspect will be available to all eligible income levels; however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

Properties acquired through the land bank for homes can also access homeownership financing through the financing assistance mechanism proposed as part of this comprehensive project. Assistance provided by the program will be tailored to meet the specific needs of the borrower. Loan terms will be provided at a fixed rate for the term of the loan, which will typically be 20 years. Longer terms may be provided, not to exceed 30 years, based on the income of the borrower. The proposed interest rate will be in the range of 5% and 6.5%. The exact rate will be determined at the time of closing.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

The land bank for homes will utilize an estimated $645,000 to create the land bank for homes.. The funds will be initially used to acquire foreclosed properties and stabilize neighborhoods. The project will then finance the sale of the property to eligible borrower using the funds that were spent for acquisition of the property. Eligible program income will be reinvested in neighborhood infrastructure enhancement projects.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

This proposed project element is estimating:

- 6 foreclosed homes will be acquired.
- 5 unimproved properties will be acquired

The project will be available to all eligible income levels, however, the project estimates that the actual homeowners will be between 81 and120% of area median income.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM – STATE
Y2008 APPLICATION: ATTACHMENT TO FORM A – PROJECT PROFILE

1. Applicant Identification

a. Name:	City of Oronogo.
b. Mailing address:	653 Central Street,
c. City, State, Zip code:	Oronogo Missouri. 64855
d. Chief Official:	Bob Parrish
e. Title of:	Mayor
f. Telephone of:	417 673 4541
g. Fax of:	417 673 3246
h. fiscal year end:	June 30, 2009

2. Application Preparer

a. Name:	Steve Vanderbol
b. Mailing address:	1066 East Sunset
c. City, State, Zip Code:	Oronogo, Missouri. 64855
d. Name of Agency:	Consultant
e. Telephone:	417 540 7503
f. Fax:	none.

3. Sub applicant: NONE

4. Other Information for Reporting Purposes

a. 2000 Population of 1A: (2000-976) (2005-1831) (2007-2130)

b. State Representative & District Number:	Steve Hunter, District 127
c. State Senator & District Number:	Gary Nodler, District 32
d. Zip Code of Applicant/project Beneficiaries:	64855

5. Proposed Project Beneficiaries

a. Number of Persons Served by project:	See attached
b. Number of Families served by project:	See attached
c. % LMMI Persons of proposed project:	See attached
d. % LMMI Families of the Proposed Project:	See attached

6. LMMI National Objective/Activity

a. See attached

7. Cost Data

a. NSP Funds requested:	$. 2,300,000.00
b. Local cash funds:	$. None
c. Local in kind funds:	$. TBD
d. Other state/federal funds:	$. TBD

e. Private funds: $. TBD
f. Total project cost: $. TBD

8. Floodplain/Environmental Review

a. Does the proposed project, or any portion thereof, lie within the boundaries of the 100 year flood plain?: NO

b. Does the community participate in the National Flood Insurance Program?: YES

c. Is the community in good standing with the National Flood Insurance Program?: YES

d. Has the SHPO Section 106 Process for Historic Properties been initiated or completed?: NO

e. Will the proposed project and all activities associated, regardless of funding source, result in change of land usage?: NO

f. Is the project compatible with current land use in the area?: YES

g. Have there been any prior environmental reviews and/or studies competed for the proposed project activities in this area?: NO

9. Project Description

a. Applicant: City of Oronogo
b. Project title: NSP Program/ City of Oronogo
c. Geographical Area of Project: Entire Jurisdiction of the City of Oronogo.
d. Description of Need and Project Impact:

The city of Oronogo resides with in the Oronogo-Duenweg Mining Belt (EPA National priority list MOD980686281) and as such has experienced a multi-decade period of decline due to the presence of mining waste materials, which are scheduled for remediation. The majority of the city is located outside of the former mining operational zone and viable for future growth. Recently in the past five years the city has experienced a level of development, which has revitalized the local economy. However, due to the recent downturn in the national economy this private sector funded revitalization has begun to fail. Oronogo has experienced failures in both of its major residential developments leaving numerous vacant properties and several structures at risk of foreclosure and/or abandonment.

The city has been working with private sector parties in order to revitalize these failed concerns and to stabilize the community overall. In a review of properties in preparation of this proposal the city has identified nine homes in foreclosure, thirteen properties abandoned, twenty-six properties in need of rehabilitation or demolition, and approximately another fifteen properties at risk of foreclosure before the end of the calendar year.

The cities broad stroke plan when coupled with the actions of the private sector is projected to serve between fifty to one hundred citizens directly while generating housing opportunities for thirty-five to forty families. The city of Oronogo is capable of resurgence with proper long term planning, an infusion of capital to stabilize the existing residential base and immediate implementation of its proposed plans.

e. Proposed Actions:

The city of Oronogo working directly with a private sector strategic planner has devised the following actions to be implemented congruently with the previously mentioned EPA Superfund remediation and construction of a proposed joint venture one hundred mega-watt waste to fuel/biomass plant in order to transform the city from its current state into a viable thriving community.

Proposed actions and usage of NSP funds are as follows:

To fund and implement a program to convert approximately thirty properties that currently lay abandoned and/or in need of rehabilitation. These structures will be converted into viable rental properties or first time home buyer homes with attractive financing packages provided by private sector sources working in joint venture with the city in its usage of NSP funds. Program objectives are to provide seed funding in order to encourage refitment of existing rental homes in order to bring them up to current building codes and standards. These funds will be in the form of short-term loans with use of funds restriction that the rehabilitated structures only inhabit LMMI qualifying residents as defined by the objectives of the NSP grant.

To fund and implement a program to demolish approximately fifteen properties that is beyond the scope of repair of NSP source funds and criteria. Several owners of these properties have approached the city in the past for demolition assistance. The proposed program would provide seed funding for revitalization and stabilization of areas at risk for blight due to deteriorating structures. It is the intention of the city to combine these properties into larger plots of land and construct low to middle income housing using prefabricated housing and private

sector funding in order to develop planned communities within the cities boundaries instead of high density traditional planned institutional style projects.

To fund and implement a program to assist "at risk" homeowners retain residency in their existing home by purchasing a home that is foreclosed and negotiate lease to purchase agreements for qualified applicants. The city working jointly with the private sector will implement a program where source funds will be used to provide guarantees and monies in order for private sector companies to provide structured finance programs so that a low to middle income family may continue to live in their existing home while undergoing debt reduction counseling and rehabilitation. This program will provide reduced interest funding options, restructured lease to purchase programs and low rent housing for citizens that already reside within the city of Oronogo thereby stabilizing the cities tax base and sense of community.

To fund and implement the establishment of the Oronogo Housing Authority. The prime direction of this action is to purchase an existing mobile home park that is currently resident across from the city hall. The existing trailer park contains approximately twenty trailer homes that are in various states of repair and are currently being run by a private owner as "rental" property. The existing trailers are in need of repair and replacement. The city's plan is to use this property as a genesis point for a planned community replacing the structures over a period of time with prefabricated permanent housing for income assisted living and low income housing. The current residents fall one hundred percent within the parameters of the lower 25% provision as directed in the program guidelines. However, these structures are sufficiently substandard and the focus of the city is to first acquire the overall property and then to begin replacement construction as soon as possible. With the eventual completed goal of thirty units housing a potential total of one hundred residents and/or families in a park like residential setting conducive to a country-club type community. This program also has a provision to house at least one police officer on grounds with his family in order to provide a sense of security and to deter criminal activity within the project. Additionally, the city is looking into the legality of implementing drug testing and criminal records searches for future applicants and residents in order to prevent less than desirable activities that have become a serious problem in other communities of this type around the country.

To implement a community service program for participants in the above-mentioned programs in order to encourage a sense of community and to encourage the reestablishment of the neighborhood community as a whole. The city wishes to expand its public service activities and is seeking to create a "pool of talent" in order for community needs to be met by the people the city serves. In the past it was common for a neighbor to assist a neighbor in times of distress

or need. Within reason the city wishes to reestablish and encourage this "core value" by implementing as a condition of obligation to provide "community service" or "community assistance" so that neighbors are helping neighbors. This program is not to be confused with a court order punishment but rather an obligation to the neighbors who have assisted a party in need. This program will be scalable to the abilities of party seeking program assistance. Proposed activities maybe as simple as assisting the school librarian, helping with city events, light maintenance of community property, or donation of professional skills, among others. As stated the focus of this program is to instill a long lasting since of community whether a candidate be an assisted homeowner, beneficiary property owner, or tenant in assisted living housing. Its citizens are the city's greatest resource and an actively involved and connected populace as a community is essential to any cities long-term success and reestablishment of a thriving city.

Certification:

I, the undersigned, certify that they information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Oronogo in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

On behalf of the City of Oronogo:

_____ Date _____

Bob Parrish, Mayor

NSP Information by Activity

1. Activity Name: Rehabilitation of existing structures.
2. Activity Type: Establishing financing mechanisms for purchase and redevelopment of foreclosed and residential properties.
3. National Objective: Acquisition, rehabilitation, rental, sale, conversion, construction of housing units.
4. Projected start date: Upon Receipt of funding reward.
5. Projected end date: Within 18 months of receipt of funding reward.
6. Responsible Organization: City of Oronogo (appropriate subcontract agent may be negotiated after notice of funding award.)
7. Location Description: Entire jurisdiction with preferential treatment to area west of D Highway and North of Ivy Road.
8. Activity Description:

To convert approximately thirty properties that currently lay abandoned and/or in need of rehabilitation. These structures will be converted into viable rental properties or first time home buyer homes with attractive financing packages provided by private sector sources working in joint venture with the city in its usage of NSP funds. Program objectives are to provide seed funding in order to encourage refitment of existing structures into rental homes in order to bring them up to current building codes and standards. These funds will be in the form of short-term loans with use of funds restriction that the rehabilitated structures only inhabit LMMI qualifying residents as defined by the objectives of the NSP grant. The expected benefit is to provide affordable quality housing to residents with income requirement as stipulated by the national program. The intention of the program is to form a "rent controlled" block of housing to maintain a viable housing option that will maintain a rent controlled maximum rent for moderate income residents as outlined in NSP guidelines (80% or less than area median income) this program will be for the duration of the period of ownership or thirty years with adjustment of rents eligibility every five years. Interest rates associated with this program will be prime or prime plus one percentage point as defined at program award.

9. Total Amount of Request (this activity):

NSP Sourced funds:	$ 590,000.00
Private Sector Funds:	$. TBD (Pending notification of award)
Local NSP:	$ 0

10. Performance Measures:	Projected 30 units acquired and/or rehabilitated. Projected 30 units for less than 50 to 80 percent of area median income.

NSP Information by Activity

1. Activity Name: Demolition of abandoned and/or blighted structures.
2. Activity Type: Demolition, acquisition and establishment of land bank.
3. National Objective: Demolition, acquisition and establishment of land bank.
4. Projected start date: Upon Receipt of funding reward.
5. Projected end date: Within 18 months of receipt of funding reward.
6. Responsible Organization: City of Oronogo (appropriate subcontract agent may be negotiated after notice of funding award.)
7. Location Description: Entire jurisdiction with preferential treatment to area west of D Highway and North of Ivy Road.
8. Activity Description:

To demolish approximately fifteen properties that is beyond the scope of repair of NSP source funds and criteria. Several owners of these properties have approached the city in the past for demolition assistance. The proposed program would provide seed funding for revitalization and stabilization of areas at risk for blight due to deteriorating structures. It is the intention of the city to combine these properties into larger plots of land and construct low to middle income housing using prefabricated housing and private sector funding in order to develop planned communities within the cities boundaries instead of traditional high density dwellings. The city ordnances for demolition of properties are as follows:

CHAPTER 42--DEMOLITION OF SUBSTANDARD BUILDINGS

42.10. DANGEROUS BUILDINGS DEFINED. ALL BUILDINGS OR STRUCTURES WHICH
HAVE ANY OR ALL OF THE FOLLOWING DEFECTS SHALL BE DEEMED "DANGEROUS BUILDINGS": (ADOPTED MAY 16TH,1994 #94.10)

1. THOSE WHOSE INTERIOR WALLS OR OTHER VERTICAL STRUCTURAL MEMBERS LIST, LEAN OR BUCKLE TO SUCH AN EXTENT THAT A PLUMB LINE PASSING THROUGH THE CENTER OF GRAVITY FALL OUTSIDE OF THE MIDDLE THIRD OF ITS BASE. (ADOPTED MAY 16TH,1994 #94.10)

2. THOSE WHICH, EXCLUSIVE OF THE FOUNDATION, SHOW THIRTY-THREE (33) PERCENT OR MORE, OF DAMAGE OR DETERIORATION OF THE SUPPORTING MEMBER OR MEMBERS, OR FIFTY (50) PERCENT OF DAMAGE OR DETERIORATION OF THE NON-SUPPORTING ENCLOSING OR OUTSIDE WALLS OR COVERING. (ADOPTED MAY 16TH,1994 #94.10)

3. THOSE WHICH HAVE IMPROPERLY DISTRIBUTED LOADS UPON THE FLOORS OR ROOFS OR IN WHICH THE SAME ARE OVERLOADED, OR WHICH HAVE INSUFFICIENT STRENGTH TO BE REASONABLY SAFE FOR THE PURPOSE USED. (ADOPTED MAY 16TH,1994 #94.10)

4. THOSE WHICH HAVE BEEN DAMAGED BY FIRE, WIND OR OTHER CAUSES SO AS TO HAVE BECOME DANGEROUS TO LIFE, SAFETY, OR THE GENERAL HEALTH AND WELFARE OF THE OCCUPANTS OR THE PEOPLE OF THIS CITY. (ADOPTED MAY 16TH,1994 #94.10)

5. THOSE WHICH HAVE BECOME OR ARE SO DILAPIDATED, DECAYED, UNSAFE, UNSANITARY OR WHICH SO UTTERLY FAIL TO PROVIDE THE AMENITIES ESSENTIAL TO DECENT LIVING THAT THEY ARE UNFIT FOR HUMAN HABITATION, OR ARE LIKELY TO CAUSE SICKNESS OR DISEASE, SO AS TO WORK INJURY TO THE HEALTH, SAFETY, OR GENERAL WELFARE OF THOSE LIVING THEREIN. (ADOPTED MAY 16TH,1994 #94.10)

6. THOSE HAVING LIGHT, AIR AND SANITATION FACILITIES WHICH ARE INADEQUATE TO PROTECT THE HEALTH, SAFETY, OR GENERAL WELFARE OF HUMAN BEINGS WHO LIVE OR MAY LIVE THEREIN. (ADOPTED MAY 16TH,1994 #94.10)

7. THOSE HAVING INADEQUATE FACILITIES FOR EGRESS IN CASE OF FIRE PANIC OR THOSE HAVING INSUFFICIENT STAIRWAYS, ELEVATORS, FIRE ESCAPES, OR OTHER MEANS OF COMMUNICATION. (ADOPTED MAY 16TH,1994 #94.10)

8. THOSE WHICH HAVE PARTS THEREOF WHICH ARE SO ATTACHED THAT THEY MAY FALL AND INJURE PROPERTY OR MEMBERS OF THE PUBLIC. (ADOPTED MAY 16TH,1994 #94.10)

9. THOSE WHICH BECAUSE OF THEIR CONDITION ARE UNSAFE, UNSANITARY, OR DANGEROUS TO THE HEALTH, SAFETY,

OR GENERAL WELFARE OF THE PEOPLE OF THIS CITY. (ADOPTED MAY 16TH,1994 #94.10)

42.20. STANDARDS FOR REPAIR, VACATION OR DEMOLITION. THE FOLLOWING
STANDARDS SHALL BE FOLLOWED IN ORDERING REPAIR, VACATION, OR DEMOLITION:
(ADOPTED MAY 16TH,1994 #94.10)

1. IF THE "DANGEROUS BUILDING" CAN REASONABLY BE REPAIRED SO THAT IT WILL NO LONGER EXIST IN VIOLATION OF THE TERMS OF THIS CHAPTER IT SHALL BE ORDERED REPAIRED. (ADOPTED MAY 16TH,1994 #94.10)

2. IF THE "DANGEROUS BUILDING" IS IN SUCH CONDITION AS TO MAKE IT DANGEROUS TO THE HEALTH, SAFETY, OR GENERAL WELFARE OF ITS OCCUPANTS IT SHALL BE ORDERED TO BE VACATED AND REPAIRED. (ADOPTED MAY 16TH,1994 #94.10)

3. IN ANY CASE WHERE A "DANGEROUS BUILDING" IS FIFTY (50) PERCENT DAMAGED OR DECAYED, OR DETERIORATION FROM ITS ORIGINAL VALUE OR STRUCTURE, IT SHALL BE DEMOLISHED, AND IN ALL CASES WHERE A BUILDING CANNOT BE REPAIRED SO THAT IT WILL NO LONGER EXIST IN VIOLATION OF THE TERMS OF THIS CHAPTER IT SHALL BE DEMOLISHED. IN ALL CASES WHERE A "DANGEROUS BUILDING" IS A FIRE HAZARD EXISTING OR ERECTED IN VIOLATION OF ANY PROVISION OF THIS CODE OR OTHER ORDINANCE OF THE CITY OR STATUTE OF THE STATE IT SHALL BE REPAIRED OR DEMOLISHED. (ADOPTED MAY 16TH,1994 #94.10)

42.030. DANGEROUS BUILDINGS ARE NUISANCES. ALL DANGEROUS BUILDINGS WITHIN
THE TERMS OF SECTION 42.010. OF THIS CODE ARE HEREBY DECLARED TO BE PUBLIC
NUISANCES, AND SHALL BE REPAIRED, VACATED, OR DEMOLISHED AS HEREINBEFORE AND HEREINAFTER PROVIDED.(ADOPTED MAY 16TH,1994 #94.10)

(ordinances concluded)

9. Total Amount of Request (this activity):

NSP Sourced funds:	$ 300,000.00
Private Sector Funds:	$. TBD (Pending notification of award)
Local NSP:	$ 0

10. Performance Measures: Projected 15 units acquired and/or demolished for reestabishment purposes.
Median income range benefit undeterminable at this time.

NSP Information by Activity

1. Activity Name: Rehabilitation of Home ownership.
2. Activity Type: Establishing financing mechanisms for purchase and redevelopment of foreclosed and residential properties.
3. National Objective: Acquisition, rehabilitation, disposition, sale, conversion, direct homeowner assistance.
4. Projected start date: Upon Receipt of funding reward.
5. Projected end date: Perpetual. Total disbursement of funds within 18 months of initial funding award.
6. Responsible Organization: City of Oronogo (appropriate award organization to be declared upon notification of approval.)
7. Location Description: Entire jurisdiction
8. Activity Description:

To assist "at risk" homeowners retain residency in their existing home. The city working jointly with the private sector will implement a program where source funds will be used to provide guarantees and monies in order for private sector companies to provide structured finance programs so that a low to middle income family may continue to live in their existing home while undergoing debt reduction counseling and rehabilitation. This program will provide reduced interest funding options, restructured lease to purchase programs and reduced rent housing for citizens that already reside within the city of Oronogo thereby stabilizing the cities tax base and sense of community.

The program will use "The first base program" a program provided in joint venture with a private sector holding company in where the foreclosed or distressed property would be purchased either from the existing institution or foreclosing authority at a reduced rate (typically 80% of FMV but as low as 60% of appraised value) and the terms of the contract would be renegotiated into a lease to purchase arrangement. This arrangement allows the resident to stay in their existing home while their credit ratings are being rehabilitated. Once the resident has completed credit counseling and rehabilitation (duration taking typically 18 to 24 months but as long as five years) they are eligible to refinance their existing obligation into traditional financing on the open competitive market thereby recouping any equity gained in the duration. Should the occupant fail to meet the obligations of the renegotiated contract they will relinquish the property under standard eviction practices and the property will be rehabilitated and placed back into a purchase stabilized program geared toward NSP program income guidelines. Interest rates for homes within the program will be grade "a" or current preferred rates and shall be fixed for the duration of the program. Standard notes will be of 25-year duration and the program will be renter to

homeowner in focus. The focus of the program is to create a perpetual program of financial enhancement and community stabilization

9. Total Amount of Request (this activity):

NSP Sourced funds:	$ 560,000.00
Private Sector Funds:	$. TBD (Pending notification of award but projected two-three times requested award amount.)
Local NSP:	$ 0

10. Performance Measures: Projected initial 10-15 units.
Projected 10-15 units for 60-120 percent of area median income.

NSP Information by Activity

1. Activity Name: Establishment of Public Housing Authority and rental community.
2. Activity Type: Purchase and rehabilitate residential properties in distressed state in order to rent or redevelop such properties for residential use.
3. National Objective: Acquisition, rehabilitation, rental, sale, conversion, construction of housing units.
4. Projected start date: Upon Receipt of funding reward.
5. Projected end date: Three years from receipt of initial reward. Initial funds to be disbursed within 18 months of receipt.
6. Responsible Organization: City of Oronogo (establishment of Housing Authority upon notification of award.)
7. Location Description: Property located south of city hall on Central St.
8. Activity Description:

To establish the Oronogo Housing Authority with the prime direction to purchase an existing mobile home park that is currently resident across from city hall. The existing trailer park contains approximately twenty trailer homes that are in various states of repair and currently operated by a private owner as "rental" property. The existing trailers are in need of repair and replacement to the extent that demolition is imminent without an urgent infusion of capital. The city's plan is to use this property as a genesis point for a planned community for income assisted living and low-income housing. The current residents fall one hundred percent within the parameters of the lower 50% provision as directed in the program guidelines. However, these structures are sufficiently substandard and the focus of the city is to first acquire the overall property and begin replacing the structures over a period of time with prefabricated permanent housing as soon as possible. With the eventual completed goal of 30 units housing a potential total of one hundred residents and/or families in a park like residential setting conducive to a country-club type community. This program also has a provision to house at least one police officer on grounds with his family in order to provide a sense of security and to deter criminal activity within the project. Additionally, the city is looking into the legality of implementing drug testing and criminal records searches for future applicants and residents in order to prevent less than desirable activities that have become a serious problem in other communities of this type around the country.

The to be developed homes range in size, from 740 to 1280 square feet. All homes are designed to help homeowners "go green," with features that promote

sustainability, such as power meter monitoring for smarter use of electric appliances, and outdoor vehicle charging stations to encourage alternative forms of transportation. Features such as smart-home lighting, grey-water recycling and high efficiency insulation help to minimize utility costs throughout the life of the homes, while simultaneously reducing the strain on the community's infrastructure. Inside the home, filtered Central Vacuum system and Low VOC paints ensure the occupants breathe clean air. The focus of the prefabricated home is to bring sustainability and affordability together with a crisp, modern design as green building becomes more and more the norm in the construction industry, terms like "sustainable" and "eco-friendly" are used frequently with a variety of meanings. Builders and industry professionals often refer to "shades of green" in discussing the variations between green buildings.

The to be built homes concentrate on utility savings, indoor air quality and comfort. As such, electric and water savings are extremely important in regards to affordable housing. Therefore, the homes feature energy saving devices such as smart-home lighting, power use meters, and optional solar power systems to offset electric use. Additionally, the project mandates the use of spray foam insulation to ensure proper sealing of gaps in the walls and roofs and to create a thermal envelope with R values at 90-95% efficiency, which results in smaller mechanicals, aiding to save electricity. All homes will be certified under the EPA's Energy Star program for modular homes, as a testament to their energy efficiency. Optional rainwater collection systems, which integrate into landscaping use, can provide additional savings as well.

Indoor air quality is also of the utmost importance. All paints and primers used indoors are low or no VOC (volatile organic compound) paints. The insulation is nontoxic, unlike the fiberglass insulation many builders use. The homes will feature air conditioning systems with optional HEPA filter additions to ensure air is cleaned, and, to keep residents healthy, our central vacuum systems filter out harmful particles, dust and allergens. Overall, the prefabricated system provides the city with healthy homes that cost less to purchase and less to operate, making sustainability affordable.

The focus of the cities initiative is to rethink the existing model in order to remove the institutional stigmatism and to create a viable reality for lower income clients instead of the avenue of last resort. The intention of the program is to provide fixed income residents whether they are retirees or beginning families a community in that is safe, stable and enjoyable. This program will be a 100% rental program for citizens at or below 60% of the area median income. Rents will be stabilized and adjusted only at the term of rental agreement or in accordance with federal guidelines.

9. Total Amount of Request (this activity):

NSP Sourced funds:	$ 650,000.00
Private Sector Funds:	$. Variable pursuant to other grant/project funding.
Local NSP:	$ 0

10. Performance Measures: Projected 30 units acquired and/or rehabilitated. Projected 30 units for 60 or less percent of area median income.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Belton (Cass County)		
B. MAILING ADDRESS:	506 Main Street		
C. CITY, STATE, ZIP CODE:	Belton, MO 64012		
D. CHIEF OFFICIAL OF (A):	Jimmy Odom	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	816-331-4331	G. FAX OF (D):	816-322-4620
H. FISCAL YEAR END OF (A):	March 31		
2. Application Preparer			
A. NAME:	Molly McGovern		
B. MAILING ADDRESS:	600 Broadway, Suite 200		
C. CITY, STATE, ZIP CODE:	Kansas City, MO 64105		
D. NAME OF AGENCY:	MARC – Mid America Regional Council		
E. TELEPHONE:	816-701-8329	F. FAX:	816-421-7758
3a. Multi-Jurisdictions Sub-Applicant Identification			
A. NAME (ENTITY):	City of Liberty (Clay County)		
B. MAILING ADDRESS:	PO Box 159, Liberty, MO 64069		
C. 2000 Population:	29,581		
D. CHIEF OFFICIAL OF (A):	Robert T. Steinkamp, Mayor		
F. TELEPHONE OF (D):	816-439-4413	G. FAX:	816-439-4419
3b. Multi-Jurisdiction Sub-Applicant Identification			
A. NAME (ENTITY):	City of Raytown (Jackson County)		
B. MAILING ADDRESS:	10000 E. 59th Street, Raytown, MO 64133		
C. 2000 Population:	28,577		
D. CHIEF OFFICIAL OF (A):	David Bower, Mayor		
F. TELEPHONE OF (D):	816-737-6000	G. FAX:	816-737-6097
4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	24,124		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	17–Luann Ridgeway; 31–Chris Koster; 42-Leonard Hughes; 43-Craig Bland		
C. STATE SENATOR AND DISTRICT NUMBER(s):	11 – Victor Callahan; 34 – Tim Flook; 123- Brian Baker;		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	64012, 64068,64133	E. COUNTY:	Cass, Clay, Jackson
5. Proposed Project Beneficiaries			
A. NUMBER OF PERSONS SERVED BY PROJECT:	500		
B: NUMBER OF FAMILIES SERVED BY PROJECT:	200		

C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

Code Enforcement Fund (Property Maintenance/Code Enforcement and Demolition) – benefitting 51% AMI

Homeowner Assistance Fund (Rehab Grants and Purchase Financing) – benefitting 100% LMMI

Property Ownership Fund – (Acquisition, rehabilitation, rental, sale, conversion, construction of housing units) – benefitting 100% LMMI

Public Infrastructure - benefitting 100% LMMI

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	3,107,500
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	0
C. LOCAL IN-KIND FUNDS:	0
D. OTHER STATE/FEDERAL FUNDS:	0
E. PRIVATE FUNDS	0
F. TOTAL PROJECT COST:	3,107,500

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☒ Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: Cities of Belton, Raytown, and Liberty

B. PROJECT TITLE: First Suburb's Neighborhood Stabilization Fund

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

See Attached list of Census Block Groups within the Cities of Belton, Raytown, and Liberty.

These Census Blocks are considered eligible based on income (LMMH) and HUD risk score greater than 5 (risk of foreclosure or abandoned homes – scale 1 to 10); has above average unemployment rate for FY08 (greater than 6.1%); above average high cost loans as percentage of housing in 2007 greater than 1.52%), High-cost loans defined a having a rate spread greater than 5% between the annual percentage rate (APR) and the comparable maturity Treasury security rate. as defined by HDMA.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The purpose of the project is to provide emergency assistance to help these three cities lessen the negative effects caused by rising foreclosures and declining property values. A recent check of Realty Trac revealed that within the Census Block Groups provided in "C" above, the city of Belton has 97 total foreclosures, which includes all homes classified as pre-foreclosure, auction, bank-owned, online auction or government owned; while the City of Liberty has 31 total foreclosures, and the City of Raytown has 2 total foreclosures; it is also estimated that an addition 70 properties will become foreclosed in the next year for a total of 200 homes.

The project strives to reverse the incidence of property abandonment, property maintenance code violations, and the inability of homeowners to stay in their homes as a result of current economic conditions.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Code Enforcement Fund -- These funds will be used by the participating cities to pay for property maintenance expenses, such as mowing, on foreclosed property. This fund will also be used for the cost to demolish properties as needed. 5 demolitions and 250 code enforcement occurrences.

Homeowner Assistance Fund (Rehab Grants and Purchase Financing) -- These funds will be used to provide partial financing assistance or rehab grants to qualified families purchasing foreclosed properties. Provides 12 houses for low income families and 38 houses for moderate and middle income families

Property Ownership Fund (Purchase/Rehab or Resale Demolished Properties) -- These funds will be used to purchase, rehabilitate or redevelop demolished property, and then resell foreclosed properties to qualified families. This activity will be conducted through a qualified Community Development Corporation or other entity. Provides 4 houses for low income families and 11 houses for moderate and middle income families

Public Improvements -- These funds will be used to address public improvements, principally spot problems, within the foreclosure designated areas.

Administration -- These funds will be used to administer the grant, provide fiscal management, make sure that all HUD and DED requirements are fulfilled and be used to obtain professional, experienced housing assistance to implement the housing programs.

Certification:

I, Brad Foster, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Belton in my capacity as Assistant City Administrator. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ Date_____

Certification:

I, Curt Wenson, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Liberty in my capacity as City Administrator. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ Date_____

Certification:

I, Mahesh Sharma, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Raytown in my capacity as City Administrator. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ Date_____

Certification:

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Code Enforcement Fund**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Property Disposition, Code Enforcement, Demolition

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
The Code Enforcement Fund will serve an area in which at least 51% of the residents have incomes at or below 120% of area median income (LMMI).

(4) Projected Start Date: **March 1, 2009**
(5) Projected End Date: **August 31, 2010**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The cities will procure both a grant administrator and an organization specializing in housing assistance programs to implement the NSP activity. Selection will be based on capacity, experience, and relationship to the identified cities.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **The NSP activity will be available within the targeted census block groups.**

(8) Activity Description:
Include a narrative describing; the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For demolition activities, include: a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The Code Enforcement Fund will be available within the targeted census block groups upon request of the city where the property is located. Funds are set aside to meet property maintenance standards when a responsible party cannot be identified. Property maintenance is expected to include lawn mowing and emergency minor exterior home repair if required to stabilize the property. This fund shall also provide for the demolition of property if it is determined that the residence exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

The City is required to have exhausted all available avenues for collection of Maintenance Assessments before requesting funds from the Code Enforcement Fund. It is likely, that ongoing maintenance will be required for these abandoned properties during the grant period.

During program startup, the cities will assess all vacant and abandoned residential structures within the targeted census block groups and determine which ones are blighted, not occupiable, and not feasible to repair. These structures will be demolished. The Dangerous Building Ordinance adopted for each city will be used as the basis for determining whether the property is considered blighted. If demolition occurs, these properties will be marketed for redevelopment opportunities as stipulated by NSP regulations.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

	NSP Funds
Demolition	**50,000**
Ongoing property maintenance	**25,000**
Total	**75,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Demolitions	**5 residences**
Ongoing property maintenance	**250 occurrences**

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Program Administration**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
General administration and planning activities

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). **Benefiting low, moderate, and middle income persons.**

(4) Projected Start Date: **March 1, 2009**
(5) Projected End Date: **August 31, 2010**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The cities will procure a grant administrator to implement the NSP activity. Selection will be based on capacity, experience, and relationship to the identified cities. The grant administrator will procure a housing specialist based on recommendations of the participating cities.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **The activities of the NSP are limited to the targeted census block groups.**

(8) Activity Description:
Include a narrative describing; the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. **Activities are those necessary to plan and administer the program and include environmental review, fiscal management, HUD procurement and contractual compliance and to procure professional, experienced housing assistance to implement the housing programs.**

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable. **$120,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent): **Performance will be measured by the success of program activities, timeliness of submitting required reports, and findings related to the program during performance audits and monitoring activities. Detailed performance measures regarding successful administration of the program will be recommended by the participating cities.**

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Property Ownership Fund**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Property Acquisition, Property Disposition, Rehabilitation of Residential Properties, New Private Housing Construction

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Provides or improves, through financial mechanisms, permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income, with at least 25%, used for housing to be occupied by households whose incomes are at or below 50% of area median income.

FY 2008 Income Limits for 120% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$57,450	$65,650	$73,850	$82,100	$88,650	$95,200	$101,800	$108,350

FY 2008 Income Limits for 50% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$23,950	$27,350	$30,800	$34,200	$36,950	$39,650	$42,400	$45,150

(4) Projected Start Date**: April 1, 2009**
(5) Projected End Date: **August 30, 2010 (funds obligated); fully expensed no later than 2013**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The cities will procure both a grant administrator and an organization specializing in housing assistance programs to implement the NSP activity. Selection will be based on capacity, experience, and relationship to the identified cities.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **NSP activities will be available in the targeted census block groups.**

(8) Activity Description:
Include a narrative describing; the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include: tenure of beneficiaries--rental or homeownership; duration or term of assistance; a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: discount rate, Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income). If so, include: The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities. The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion). The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include: range of interest rates

These funds will be used to purchase, rehabilitate and resell foreclosed properties to qualified families. This activity will be conducted by a housing specialist. This activity addresses the areas of the greatest need by providing incentives that encourage the reuse of abandoned homes. Income-qualified persons will benefit through the activity and special attention will ensure at least 25% will be used for housing for persons at or below 50% of median income.

Activities are intended to stimulate the private market to a higher level of activity. There are some investors and developers purchasing and renovating property or resale or to use as rental property until the market improves.

Requests for funding assistance will be solicited from interested developers and community development corporations. Funding may be provided in the form of loans for acquisition and rehabilitation. Restrictions pertaining to acquisition discounts, affordability periods, and program income will be explained and included in contracts agreements that are established to fund projects. These restrictions include the purchase discount of at least 5% and an average of 15% as required by the NSP. Additional restrictions include obtaining an appraisal of the property within 60 days of the offer to purchase, and that if selling a rehabilitated property to an owner occupant, the sales price cannot be more than the amount spent to acquire and renovate the property.

The request for proposal process to be used is similar to the process used for consideration of low income housing tax credits projects. Proposers will be expected to provide a pro forma showing the anticipated costs for their projects and other sources of funding to be used as leverage.

Proposers shall follow Section 3 requirements to ensure area residents have first consideration for jobs created by the program activity.

Some rental of rehabilitated single-family property is anticipated with priority given to arrangements that lead to the tenant later purchasing the property and whenever it is possible to enable families at risk to either return to their homes or prevent families from leaving their homes in the first place.

Interest rates on loans and soft seconds will range from 0% to 6% and may include deferred principal payments. When included as part of a request for funding, the maximum developer fees to be authorized are 14% of the cost of the total project.

Extensive marketing will be utilized to find potential buyers of properties to be acquired and rehabilitated. Whenever possible, a buyer will be matched up with a home in advance of the renovation. This is to ensure a rehabilitated structure is immediately occupied upon completion.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

	NSP Funds	25% Set-aside of Net Total
Property Acquisition	**825,000**	
Rehabilitation	**750,000**	
New Construction	**750,000**	
Less Property Sales	**(1,650,000)**	
Net Total	**675,000**	**168,750**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Housing units for low income	**4**
Housing units for moderate and middle incomes	**11**

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Public Improvements**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Public facilities and improvements

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Neighborhoods are to be occupied by households whose incomes are at or below 50% of area median income.

(4) Projected Start Date**: April 1, 2009**
(5) Projected End Date: **August 30, 2010 (obligated); fully expensed by 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The cities will procure both a grant administrator to implement the NSP activity. Selection will be based on capacity, experience, and relationship to the identified cities.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **NSP activities will be available in the targeted census block groups.**

(8) Activity Description:
Include a narrative describing; the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The public infrastructure in the targeted census block groups will be evaluated to determine if deterioration contribute to declining property values. It is expected that these funds will be used to address public improvements, principally spot problems, within foreclosure designated areas. Improvements to be provided are likely to include replacement of curbs, sidewalks, drainage improvements, or water and sewer lines to assist in stabilization of the neighborhood. Neighborhoods are to be occupied by households whose incomes are at or below 50% of area median income.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

	NSP Funds
Public Infrastructure Improvements	**1,000,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):
Infrastructure improvements will benefit 200 households

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Rehab Grants & Purchase Financing**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)
Property Acquisition, Property Disposition, Rehabilitation of Residential Properties

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Provides or improves, through financial mechanisms, permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income, with at least 25%, used for housing to be occupied by households whose incomes are at or below 50% of area median income.

FY 2008 Income Limits for 120% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$57,450	$65,650	$73,850	$82,100	$88,650	$95,200	$101,800	$108,350

FY 2008 Income Limits for 50% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$23,950	$27,350	$30,800	$34,200	$36,950	$39,650	$42,400	$45,150

(4) Projected Start Date**: April 1, 2009**
(5) Projected End Date: **August 31, 2010 (obligated); fully expensed by 2013**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The cities will procure both a grant administrator and an organization specializing in housing assistance programs to implement the NSP activity. Selection will be based on capacity, experience, and relationship to the identified cities.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) **Financing mechanisms utilized in this activity will be available in the targeted census block groups.**

(8) Activity Description:
Include a narrative describing; the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include: tenure of beneficiaries--rental or homeownership; duration or term of assistance; a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: discount rate, Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income). If so, include: The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities. The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion). The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include: range of interest rates

This activity addresses the areas of the greatest need by providing incentives that encourage the reuse of abandoned homes. Income-qualified persons will benefit through the activity and special attention will ensure at least 25% will be used for housing for persons at or below 50% of median income.

These funds will be used to provide partial financing assistance or rehab grants to qualified families purchasing foreclosed properties including providing supplemental funding to MHDC to expand their offering of homeowner assistance programs.

Eligible list of families will be developed based first on families who have been dislocated due to foreclosure and are seeking permanent home ownership. Funding may be provided in the form of loans (grants) for acquisition and rehabilitation. Restrictions pertaining to acquisition discounts, affordability periods, and program income will be explained and included in contracts agreements that are established to fund projects. These restrictions include the purchase discount of at least 5% and an average of 15% as required by the NSP. Additional restrictions include obtaining an appraisal of the property within 60 days of the offer to purchase, and that if selling a rehabilitated property to an owner occupant, the sales price cannot be more than the amount spent to acquire and renovate the property.

Proposers shall follow Section 3 requirements to ensure area residents have first consideration for jobs created by the program activity.

Some rental of rehabilitated single-family property is anticipated with priority given to arrangements that lead to the tenant later purchasing the property and whenever it is possible to enable families at risk to either return to their homes or prevent families from leaving their homes in the first place.

Interest rates on loans and soft seconds will range from 0% to 6% and may include deferred principal payments and forgivable loans. When included as part of a request for funding, the maximum developer fees to be authorized are 14% of the cost of the total project.

Extensive marketing will be utilized to find potential buyers of properties to be acquired and rehabilitated. Whenever possible, a buyer will be matched up with a home in advance of the renovation. This is to ensure a rehabilitated structure is immediately occupied upon completion.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

	NSP Funds
Financing mechanism benefitting low income	**309,375**
Financing mechanisms for moderate and middle incomes	**928,125**
Total	**1,237,500**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Housing units for low income	**12**
Housing units for moderate and middle incomes	**38**

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	**City of Independence**		
B. MAILING ADDRESS:	**111 E. Maple Street**		
C. CITY, STATE, ZIP CODE:	**Independence, MO 64050**		
D. CHIEF OFFICIAL OF (A):	**Robert E. Heacock**	E. TITLE OF (D):	**City Manager**
F. TELEPHONE OF (D):	**816.325.7170**	G. FAX OF (D):	**816.325.7024**
H. FISCAL YEAR END OF (A):	**06/30**		

2. Application Preparer			
A. NAME:	**Jennifer Clark, Community Development Director**		
B. MAILING ADDRESS:	**111 E. Maple Street**		
C. CITY, STATE, ZIP CODE:	**Independence, MO 64050**		
D. NAME OF AGENCY:	**City of Independence**		
E. TELEPHONE:	**816.325.7415**	F. FAX:	**816.325.7400**

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	**N/A**		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	**113,428**		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	**Representative Tom McDonald, District 49** **Representative Ray Salva, District 51** **Representative Paul LeVota, District 52** **Representative Curt Dougherty, District 53**		
C. STATE SENATOR AND DISTRICT NUMBER(s):	**Senator Victor Callahan, District 11**		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	**64050. 64052, 64053, 64055, 64056, 64057**	E. COUNTY:	**Jackson**

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	**17,590**
B: NUMBER OF FAMILIES SERVED BY PROJECT:	**8,376**
C: % LMMI PERSONS OF PROPOSED PROJECT:	**87%**
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	**87%**

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Financing Mechanisms—LMMI Limited Clientele Benefit
Purchase and Rehabilitation of Abandoned & Foreclosed Properties - LMMI Limited Clientele Benefit
Homebuyer Assistance Program—LMMI Limited Clientele Benefit
Land Bank, Disposition through Abandoned & Foreclosed Property Maintenance - LMMI Area Benefit
Demolition of Blighted Structures - LMMI Limited Clientele Benefit
Redevelopment of Demolished or vacant properties – LMMI Area Benefit
Administrative and Planning Costs

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	**$ 9,481,500**
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	
C. LOCAL IN-KIND FUNDS:	**$ 1,344,400**
D. OTHER STATE/FEDERAL FUNDS:	**$ 978,000**
E. PRIVATE FUNDS	**$ 6,609,000**
F. TOTAL PROJECT COST:	**$ 18,412,900**

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: **City of Independence**

B. PROJECT TITLE: **Neighborhood Stabilization Program**

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

The City of Independence Neighborhood Stabilization Program activities will occur within Tier I Census Block Groups as established through the State of Missouri's NSP formula for defining the 'Areas of Greatest Need'. Eligible Tier I Block Groups encompass 52 Census block groups and 18.6 square miles, within the City, and are primarily concentrated in northern and western Independence in what is the historic urban core of the community. See Appendix I, Map 1 for an area boundary illustration. Priority will be given to projects occurring within the Fairmount-Carlisle Redevelopment Plan boundary in order to leverage support for and from these larger redevelopment efforts that are already underway where larger redevelopment efforts are currently underway. (See Appendix I, Map 2)

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Pursuant to data provided through the U.S. Department of Housing and Urban Development, the City of Independence has an average foreclosure rate of 5.3%, resulting in an estimated 1836 foreclosures; a 6.4% 90 day vacancy rate, affecting 3935 properties; and an estimated 36.7% high cost loan rate totaling 6036 high cost loans generated between 2004 and 2006. In the project area Tier I block groups, or areas of greatest need, an average foreclosure rate of 7.4% has resulted in an estimated 806 foreclosures; a 9% 90 day vacancy rate is affecting 2232 properties and their surrounding neighborhoods; and an estimated 48.3% high cost loan rate is threatening abandonment of an additional 2,650 properties. Additionally, the average HUD assigned estimated foreclosure abandonment risk score in the project area is 9.0 on a scale where 10 represents a very high risk; and the average predicted 18 month underlying problem foreclosure rate is 7.4%. These areas of greatest need in Independence are home to a total of 22,289 households, with 77% of households representing the very low income (at or below 50% of median) and 13% of the population living in poverty. On average 82.1% of those living in Tier I areas qualify as LMMI.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Between 2009-2013 the following activities will be carried out through the Independence Neighborhood Stabilization Program (INSP) in direct response to the above identified needs:

- **The INSP will establish the Truman Heritage Habitat for Humanity Forgivable Loan Financing Mechanism for the purchase and redevelopment of 20 foreclosed properties to provide homeownership opportunities to persons at or below 50% of median income.**
- **The INSP will purchase and rehabilitate approximately 100 abandoned or foreclosed homes to provide homeownership opportunities to LMMI persons.**
- **The INSP will provide homeownership opportunities to approximately 160 LMMI persons by providing down payment assistance for the purchase of foreclosed homes located within Tier I neighborhoods.**
- **With NSP assistance, the City of Independence will arrest the decline of LMMA neighborhoods by utilizing its land banking authority to temporarily manage approximately 800 abandoned and foreclosed properties, assessing the owner of the property with a tax lien for the full cost of services.**
- **The INSP will demolish approximately sixteen (16) abandoned and foreclosed blighted buildings for redevelopment of affordable housing and public facilities improvements.**
- **The INSP will work in partnership with the local Community Development Housing Organizations to develop approximately sixteen (16) vacant properties for single family homes to be purchased by persons at or below 120% of median income.**

Certification:
I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of_____in my capacity as _____. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Truman Heritage Habitat for Humanity NSP Forgivable Loan Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(A) establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties;**

CDBG Eligible Activity: Financing mechanisms used to carry out CDBG eligible activities including: 24 CFR 570.201 (a) Acquisition; 24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties; and (b) Disposition

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMH—NSP funds will be utilized to redevelop foreclosed properties located within Tier I neighborhoods and targeted redevelopment areas for resale to persons at or below 50% of median income, satisfying HUD's National Objective of LMMH benefit.

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Independence will contract Truman Heritage Habitat for Humanity which, as a certified Community Housing Development Organization (CHDO) in the City of Independence, is an established partner with the City's HOME Program. Over the past 3 years Truman Heritage HFH has built more than 13 single family units for households at or below 50% of median income. Habitat projects have leveraged over $500,000 in matching funds to the City of Independence. Truman Heritage HFH has built over 19 homes in the last 5 years in Eastern Jackson County and has been steadily increasing capacity: moving from an operation that builds one home annually to an operation that now builds 6 homes annually, Truman Heritage HFH's strategic plan calls for the construction of 40 new homes to be built over the next 5 years. Truman Heritage HFH's operating budget for the CY08 is $1 million, with assets totaling just over $1.5 million. From January 2008 to November 2008, Truman Heritage HFH has engaged 794 volunteers in the construction of Habitat homes in the community and those volunteers have logged in 8422 hours of labor on construction sites. Together with community volunteers and partnerships with businesses, churches and local governments, Habitat expects to meet its strategic planning goals over the next 5 years.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

NSP funds will be used for redevelopment of foreclosed properties located within eligible Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix I, Map 1) Additionally, the program will specifically target properties located in the vicinity of the NWCDC's Norledge Place development project (See Redevelopment Activity for further explanation) and within the Fairmount-Carlisle Redevelopment Plan boundary in order to leverage support for and from these larger redevelopment efforts that are already underway. (See Appendix I, Map 2)

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).

The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Truman Heritage HFH is a non-profit corporation and designated CHDO and will become a recipient of NSP forgivable loan funds pursuant to a written agreement with the City of Independence. The NSP funds will be distributed to acquire and redevelop foreclosed properties located within Missouri priority Tier I neighborhoods as single family homes in accordance with the terms of HERA and all applicable NSP regulations.

Upon completion of rehabilitation or new construction, Truman Heritage HFH will sell these homes to approved Habitat partner families that earn less than 50% percent of the AMI. The properties will be purchased within 18 months of the receipt of the NSP funds by the Grantee and all renovations and sales to approved Habitat partner families will be completed within 4 years. Habitat partner families will have completed the required 8 hours of HUD certified housing counseling.

The purchase price for these homes will comply with the requirements of HERA and the NSP regulations and will be paid pursuant to a 0 percent purchase money mortgage under the following terms:

- **No Interest Charged: The mortgage financing that is provided will charge no interest.**
- **First Mortgage Term: The term of the mortgage will be at least 15 years and no more than 30 years unless a longer term is required by local real estate conditions to keep the house affordable.**
- **Fully Amortizing First Mortgage Loans: The loan secured by the mortgage will fully amortize over the set term of the mortgage.**
- **Balloon Loans Prohibited: Loans which require full payment before the end of the term of the loan are prohibited.**
- **Use of Habitat House: Truman Heritage HFH requires that the homeowner use the house as their principal/primary residence.**

In order to maintain the continued affordability of the home, Truman Heritage HFH will incorporate a right of first refusal in all mortgage documents. This allows Truman Heritage HFH to retain the home as an affordable unit of housing, and can inhibit predatory lenders from gaining a controlling interest in the property. In addition, Truman Heritage HFH will require the partner families to enter into an equity sharing second mortgage that will allow Truman Heritage

HFH to claim a percentage of the increase in the appreciation in the value of the home over and above the initial appraised value of the home and excluding capital improvements made to the home by the partner family. Truman Heritage HFH's claim to the value of this "shared appreciation" of the home may only be exercised upon foreclosure, sale, transfer of title, or full payment or refinancing of the home or the first mortgage. Truman Heritage HFH's formula for this shared appreciation shall be:

Appraised value of home – 1st mortgage amount / # of years of 1st mortgage – 1 = Annual shared equity

All mortgage payments and shared appreciation proceeds received by Truman Heritage HFH from these mortgages will be retained by Truman Heritage HFH in a segregated account and will be used by Truman Heritage HFH to provide funding to build more homes for Habitat partner families on the same mortgage terms. This financing mechanism will further leverage the NSP funds and ensure the continued affordability of these homes pursuant to Section 2301(c)(3)(A) of HERA.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Financing Mechanisms					
number of units planned	**5**	**5**	**5**	**5**	**20 Total**
	2009	**2010**	**2011**	**2012**	
Grant	**$ 2,000,000**	**$ 1,500,000**	**$ 1,000,000**	**$ 500,000**	
acquisition	**$ (50,000)**	**$ (50,000)**	**$ (50,000)**	**$ (50,000)**	
rehab/new construction	**$ (450,000)**	**$ (450,000)**	**$ (450,000)**	**$ (450,000)**	
resale (program income)	**$ -**	**$ -**	**$ -**	**$ -**	
carry over	**$ 1,500,000**	**$ 1,000,000**	**$ 500,000**	**$ -**	

Project Leveraging:

Activity Expense	**NSP Funding**	**Local Funding**	**In-kind**
Acquisition	**$ 200,000**		**$ 300,000 Est. Purchase Price Discount for Land Trust Properties and FHA Foreclosures**
Rehabilitation/New Construction	**$1,800,000**		**$ 800,000 Homebuyer Sweat Equity, Volunteer Labor, & Donated Goods & Services**
Hazardous Materials Assessments		**$ 3,000 (Anticipated Funding from EPA Brownfields Assessment Grant)**	
Total	**$2,000,000**	**$ 3,000**	**$1,100,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):
The Truman Heritage Habitat for Humanity Forgivable Loan Program will acquire and redevelop 20 foreclosed properties as single family homes to be purchased by persons at or below 50% of the area median income.

(1) Activity Name: **Neighborhood Stabilization Purchase, Rehabilitation & Resale Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(B) 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;**

CDBG Eligible Activity: 24 CFR 570.201 (a) Acquisition; 24 CFR 570.202 Eligible rehabilitation and preservation activities for homes and other residential properties; and (b) Disposition

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
LMMH—NSP funds will be utilized to acquire and rehabilitate abandoned and foreclosed homes for resale to persons at or below 120% of median income, satisfying HUD's National Objective of LMMH benefit.

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
The City of Independence will administer the NSP Purchase, Rehabilitation & Resale Program utilizing the resources of its Neighborhood Services Division and the expertise of existing CDBG and HOME Programs staff. It is anticipated that variety of partnerships and funding arrangement will be required to accomplish the objectives of this program. The City will coordinate with local Community Development Corporations, Community Housing Development Organizations, Land Trust agencies, Redevelopment Corporations and private contractors to implement acquisition and rehabilitation activities. The City has identified a total of nine organizations that have the legal authority and relevant experience to assist with completion of this program, including: Truman Heritage Habitat for Humanity, Northwest Communities Development Corporation (NWCDC), Jackson County Land Trust, Fairmount-Carlisle 353 Redevelopment Corporation, Midtown Truman Road Corridor Redevelopment Corporation, Independence Square Redevelopment Corporation, Jackson Square Urban Redevelopment Corporation, Old Town Urban Redevelopment Corporation, and Northwest Parkway Urban Redevelopment Corporation.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)
NSP funds will be used for acquisition, rehabilitation and resale of properties located within eligible Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix I, Map 1) Additionally, the program will specifically target properties located in the vicinity of the NWCDC's Norledge Place development project and within the Fairmount-Carlisle Redevelopment Plan boundary in order to leverage support for and from these larger redevelopment efforts that are already underway. (See Appendix Map 2)

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The Neighborhood Stabilization Purchase, Rehabilitation & Resale Program will take place within Tier I Neighborhoods, as determined by the State of Missouri NSP, which encompass 52 block groups containing areas of greatest need (See Appendix Map 1). This activity will target existing substandard housing that may not meet current building codes, but does not warrant demolition. Funds will be utilized by the City, in cooperation with community partners, to acquire foreclosed and abandoned properties at a maximum reasonable discount from the seller, using a minimum 5% discount for single acquisitions and 15% for multiple property acquisitions from a single lender. It is estimated that the City will be able to acquire 100 substandard properties. All properties to be purchased by the program will be appraised in accordance with the requirements of the Uniform Relocation Act and the NSP.

In accordance with City Code, acquired properties will be rehabilitated in compliance with the currently adopted International Building Code version (presently the 2005 IBC but will be updated in March to the 2006 IBC) and, when feasible, the Model Energy Code. Additionally, when applicable NSP funded rehabs will comply with HUD requirements pertaining to lead-based paint hazards and asbestos containing materials. For properties located within the targeted Fairmount-Carlisle 353 Redevelopment Area, rehabilitation will include compliance with requirements needed to qualify for available property tax abatement. (Note: This program offers 10 years at 100% abatement, and 15 years at 50%, for a total of 25 years of property tax relief.)

After rehabilitation the properties will be sold to qualifying LMMI households who have completed the required 8 hours of HUD certified housing counseling. The sales price will be an amount equal to or less than the cost to acquire and rehabilitate the property when aggregating all eligible costs as determined by HUD. Generally speaking, the mortgage amount will be based on the original acquisition cost; and the rehabilitation expense will be in the form of a silent, hard second. The objective will be to allow the homebuyer to acquire the property at least 20% below current market value as determined by an appraisal.

To ensure continued affordability, the HOME Affordability Guidelines will be utilized to determine minimum affordability time limits and silent, hard second liens will be placed on the properties for the term of the loan or the affordability period whichever is greater. Additionally, it is anticipated that utilizing the more stringent IBC rehabilitation and Model Energy Code standards will ensure the cost of homeownership will be lower over the term of the loan. The leveraged purchase cost will also lower monthly payments to ensure long term affordability.

The project will assist 100 LMMI households. At least 25%, or 25 households assisted will be at or below 50% AMFI. The remainder, or 75 households, will be distributed from 50% AMFI to 120% AMFI, with the majority falling at or below 80% AMFI. It is anticipated that the use of traditional mortgages in establishing these persons in homeownership opportunities will leverage nearly three times the original NSP funding allocated.

The expected benefit to LMMI qualified households will be an affordable mortgage with minimal down payment requirements. This activity will allow qualified households to acquire fully rehabilitated properties at a significant discount. The advantage to the LMMI household is that the dwelling will be structurally and mechanically safe and more energy efficient after rehabilitation, resulting in long-term quality-of-life and economic benefits.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Purchase & Rehabilitation					
number of units planned	**25**	**25**	**25**	**25**	**100 Total**
	2009	**2010**	**2011**	**2012**	
Grant	**$3,500,000**	**$ 2,625,000**	**$ 1,750,000**	**$ 875,000**	
Acquisition	**$(2,062,500)**	**$(2,062,500)**	**$(2,062,500)**	**$(2,062,500)**	
Rehab	**$ (687,500)**	**$ (687,500)**	**$ (687,500)**	**$ (687,500)**	
resale (program income)	**$ 1,875,000**	**$ 1,875,000**	**$ 1,875,000**	**$ 1,875,000**	
carry over	**$ 2,625,000**	**$ 1,750,000**	**$ 875,000**	**$ -**	

Project Leveraging:

Activity Expense	**NSP Funding**	**Local Funding**	**In-kind**
Acquisition	**$2,062,500**		**$106,000 Purchase Price Discount**
Rehabilitation	**$ 687,500**		
Property Resale			**$1,875,000 Private Mortgage Financing**
Homebuyer Subsidy	**$ 750,000**		
Total	**$3,500,000**		**$1,981,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The City of Independence and its partners will acquire and rehabilitate 100 abandoned and foreclosed properties to be resold to persons at or below 120% of the area median income. At least 25%, or 25 homes, will be made available to persons at or below 50% of the area median income.

(1) Activity Name: **Welcome to the Neighborhood: Homebuyer Assistance Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(B) purchase homes that have been abandoned or foreclosed upon**
CDBG Eligible Activity: 24 CFR 570.201 (n) Direct homeownership assistance to persons whose incomes do not exceed 120% of median income

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMH—NSP funds will provide direct assistance for the purchase of housing to persons at or below 120% of median income, satisfying HUD's National Objective of LMMH benefit.

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Independence will administer this program utilizing the staff and resources of its current First-time Homebuyers Program. The City's current program, which is funded with HUD HOME Partnership Act Program funds, is made available citywide and has an annual capacity of 40-80 participants. The capacity of the program is limited only by the availability of funding. Currently, funding is made available on two semi-annual releases. These funds are historically committed within six weeks of issue. Over the last 10 years, 700+ first time home buyers have closed on their new homes in Independence. The City has 20+ partnering lenders who actively work with local realtors in the area to help make this one of the most successful programs in the region.

Program Administrator
Herb Webb, HOME Program Coordinator
City of Independence
111 E. Maple
Independence, MO 64050
Phone: 816.325.7414 Fax: 816.325.7400
Hwebb@indepmo.org

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

NSP funds will be used for acquisition of foreclosed homes located within eligible Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix Map 1) Additionally, the program will specifically target properties located in the vicinity of the NWCDC's Norledge Place development project and within the Fairmount-Carlisle Redevelopment Plan boundary in order to leverage support for and from these larger redevelopment efforts that are already underway. (See Appendix I, Map 2)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;

- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

The Tier 1 Area in the City of Independence represents the most affordable housing in the City. Large blocks of housing stock were constructed in the 1920s up through the post WWII era. This area consisting of primarily hourly wage earners also has the highest foreclosure rates in the City along with increasing unemployment rates. A second population group consists of retirees living on fixed incomes who have lived in the area for decades. They generally own their homes and feel that they have few options other than to stay and hope that things get better. The homebuyer program will benefit these neighborhoods by providing an affordable, workable program to assist families in purchasing a home in the area. One of the problems with many of the foreclosed houses is that some essential components to the home can be missing. Items like light fixtures, appliances, water heaters or a furnace. These deficiencies are easily corrected with the use of an FHA 203K Streamline loan. This allows for the buyer to acquire enough cash (<$15K) to correct the issues that keep the house from being decent, safe, and sanitary. This also allows for the buyer to be an owner occupant on a property that would have been destined as a rental unit.

Program design will include the purchase by owner/occupants of foreclosed properties at a cost of at least 5% below the current appraised value. Homes will be inspected to identify deficiencies that need to be addressed through the 203K Streamline loan. Homes will need to meet HQS standards as a minimum. Assistance per unit will range between $3,500-5,500 with $400 for program delivery. Assistance for families below <50% of median income will possibly go as high as $10,000 depending on the type and amount of assistance needed.

Funding can be catered to assist families with incomes below 50% of the area median income. This will be done in one of two ways. First, interest buy down on the loan; Second, principle reduction; or a combination of both. The City has experience in both of these areas will work with lenders and buyers to insure that 25% of all participants meet the <50% threshold. All projects will have a deed of trust and note insuring affordability for the required minimum time. This insures that the home will be affordable for at least 5 years. Longer affordability period will be used per the schedule if funding amount triggers additional time.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Homebuyer Assistance					
number of units planned	**40**	**40**	**40**	**40**	**160 Total**

	2009	2010	2011	2012	
grant	**$ 1,000,000**	**$ 750,000**	**$ 500,000**	**$ 250,000**	
acquisition	**$ 250,000**	**$ 250,000**	**$ 250,000**	**$ 250,000**	
carry over	**$ 750,000**	**$ 500,000**	**$ 250,000**	**$ -**	

Project Leveraging:

Activity Expense	NSP Funding	Local Funding	In-kind
Acquisition	**$1,000,000**		**$3,200,000 Private Mortgage Financing**
Total	**$1,000,000**		**$3,200,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The City of Independence will provide down payment assistance to 160 first-time homebuyers at or below 120% of the area median income, with 25% or 40 being at or below 50% of median, for the acquisition of qualifying foreclosed homes within Tier I neighborhoods.

(1) Activity Name: **Abandoned Property Management Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(C) establish land banks for homes that have been foreclosed upon;**

CDBG Eligible Activity: 24 CFR 570.201 (a) Acquisition, (b) Disposition, including temporary maintenance

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMH—NSP funds will be utilized to acquire abandoned and foreclosed properties that are currently under the control of the Jackson County Land Trust for eventual redevelopment as housing for persons at or below 120% of median income, satisfying HUD's National Objective of LMMH benefit.

LMMA—In accordance with the NSP definition of *land bank*, the City of Independence, as a governmental entity, will utilize its land banking authority to temporarily manage abandoned or foreclosed property that it does not own, and assess the owner of the property for the full cost of these services by placing a tax lien on the property to be recaptured and returned to the NSP prior to or at property tax foreclosure redemption. It has been established that HUD will, for NSP assisted activities only, accept that the management activities of the land bank intended to arrest neighborhood decline can provide sufficient benefit to an area generally to meet the national objective of LMMA prior to final disposition.

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Independence will administer the Abandoned Property Management Program utilizing the resources of the Independence Health Department Code Compliance Program and the provisions of City Code Section 4.01.008: Dangerous Buildings of Chapter 4: Property Maintenance Code. (See Appendix II) The Code Compliance Program currently oversees a nuisance violation caseload averaging 17,000 inspections and 482 property abatements annually, and requires the assistance of nine (9) full-time compliance officers and an annual operating budget of $793,639. It is anticipated that the responsibilities of the Abandoned Property Management Program will require the addition of one full-time property maintenance officer, two half-time seasonal maintenance workers, and one half-time clerical position.

Program Administrator
Andrew Warlen, Code Compliance Manager
City of Independence Health Department
515 S. Liberty
Independence, MO 64050
Phone: 816.325.7765 Fax: 816.325.7074
AWarlen@indepmo.org

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

NSP funds will be used for acquisition and temporary management of abandoned and foreclosed properties that are located in eligible LMMA service areas and within Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix I, Map 1)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The Abandoned Property Land Bank Program will be used for acquisition and temporary management of abandoned and foreclosed properties that are located in eligible LMMA service areas and within Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix I, Map 1) Eligible benefit areas will be primarily residential and will require 51% of service area residents to be at or below 120% of median income. It should be noted that these Tier I areas of greatest need are home to a total of 22,289 households, with 77% of households representing the very low income (at or below 50% of median) and 13% of the population living in poverty. On average 70% of those living in Tier I areas qualify by HUD's LMI standard, as opposed to LMMI, with only Block Group 117.2 falling below the 51% at LMI requirement. *Source: Census 2000 & HUD Qualified Census Tract Designation Data*

For the purposes of this land banking program, the area of benefit for property management will be defined as the Census block group in which the foreclosed property to be managed is located. (Note: Independence Tier I block groups have been established as exceeding the LMMI requirement). This approach is substantiated by the fact that foreclosures have an immediate, and sometimes devastating impact on nearby property values and quality of life. Congressional testimony provided in 2007 by Dan Immergluck, a professor of city and regional planning at Georgia Tech established that for every foreclosure within a one-eighth of a mile radius of a single-family home, that home loses approximately 1% of its value. Results of a 2001 Temple University study and a 2007 investigation of Genessee County Land Bank foreclosure management activities suggest that abandoned housing does indeed have a

negative impact on the values of houses in close proximity, and that GCLB management programs ameliorate some of these negative impacts. The GCLB study suggests that an additional abandoned structure within 500 feet of residential housing decreased property values by 2.3%; an additional structure within 501-1000 feet of residential housing decreased property values by 1.9%; and an additional abandoned structure between 1001-1500 feet of residential housing decreased values by 1.1%. *Source: Temple University Center for Public Policy "Blight Fee Philadelphia: A Public Private Strategy to Create and Enhance Neighborhood Property Value", 2001., and Norris, Patricia. "The Impacts of Tax-Foreclosed Properties and Land Bank Programs on Residential Housing Values in Flint, MI", 2007.*

Funding for the Abandoned Property Land Bank Program would be used for program delivery expenses associated with property assessment, legal process administration and temporary property management through nuisance abatements. Owners of foreclosed property managed through the land bank program will be assessed for the full cost of maintenance activities and associated administrative fees which will take place through a special tax assessment lien placed against the property, to be recaptured and returned to the NSP prior to or at property tax foreclosure redemption. Additionally, the City will utilize Land Bank program funds to purchase nuisance foreclosed properties currently owned, but not maintained, by the Jackson County Land Trust and utilize these properties in supplement to other NSP redevelopment activities.

The expected benefit to LMMI service area residents and property owners is the stabilization of neighborhoods and the arrest of immediate threats to public health, safety and welfare posed by foreclosed nuisance properties. Providing an efficient, well-funded and well enforced abandoned property management program will be crucial to helping Tier I area LMMI residents and property owners survive and recover from the damage to their neighborhoods being caused by the current foreclosure crisis.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Land Bank					
number of units planned	**200**	**200**	**200**	**200**	**800 Total**
	2009	**2010**	**2011**	**2012**	
Grant	**$ 860,000**	**$ 660,000**	**$ 440,000**	**$ 220,000**	
lot acquisition	**$ (20,000)**	**$ (20,000)**	**$ (20,000)**	**$ (20,000)**	
Disposition	**$ (360,000)**	**$ (300,000)**	**$ (300,000)**	**$ (300,000)**	
lien repayments (program income)	**$ 180,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**	
carry over	**$ 660,000**	**$ 440,000**	**$ 220,000**	**$ -**	

Project Leveraging:

Activity Expense	NSP Funding	Local Funding	In-kind
Property Management	**$ 780,000**		
Acquisitions	**$ 80,000**		**$ 120,000 Est. Purchase Price Discount for Land Trust Properties and FHA Foreclosures**
Total	**$ 860,000**		**$ 120,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The Abandoned Property Land Bank Program will temporarily manage until disposition an estimated 800 abandoned and foreclosed properties, arresting the decline of eligible LMMA service areas.

The Abandoned Property Land Bank Program will acquire and maintain until eventual disposition for LMMH redevelopment or LMMA benefit approximately 10 land banked abandoned and foreclosed properties.

(1) Activity Name: **Abandoned Dangerous Building Demolition Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(D) Demolish blighted structures**
CDBG Eligible Activity: 24 CFR 570.201 (d) Clearance, for blighted structures only

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMH—NSP funds will be utilized to demolish blighted properties for development of affordable single family homes for persons at or below 120% of median income, satisfying HUD's National Objective of LMMH benefit. LMMA—where demolition of a blighted property is required to allow for construction of a public facilities improvement benefiting all residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income (LMMA).

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Independence will administer the Abandoned Dangerous Building Demolition Program utilizing the resources of its current Dangerous Building Program housed in the Community Development Department and the provisions of City Code Section 4.01.008: Dangerous Buildings of Chapter 4: Property Maintenance Code. (See Appendix II) The City's Dangerous Building Specialist is currently managing a dangerous building inventory of approximately 150 properties with a budget of $100,000 annually. Contact information is as follows:

Program Administrator
Rex Satterfield, Dangerous Building Specialist
City of Independence
111 E. Maple
Independence, MO 64050
Phone: 816.325.7195 Fax: 816.325.7770
Rsatterfield@indepmo.org

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

NSP funds will be used for demolition of blighted structures located within eligible Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Map 1) Additionally, the program will specifically target blighted properties located within the Great Northwest Independence Neighborhood Initiative boundary in order to leverage support from larger redevelopment efforts that are already underway.

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

The Abandoned Dangerous Building Demolition Program will provide demolition services and cost assistance to owners/developers of certain blighted properties located in Tier I areas; with priority given to redevelopment projects occurring within the boundaries of the Great Northwest Independence Neighborhood Initiative. (Note: The definition of a Dangerous Building as defined in Section 4.01.008: Dangerous Buildings of Chapter 4: Property Maintenance Code of the Independence City Code will be used to determine if a property proposed for demolition utilizing NSP funds meets the definition of 'blight'. See Appendix II for a copy of the Section 4.01.008)

There are currently 125 active Dangerous Building properties located within the INSP Tier 1 neighborhoods. It is anticipated that approximately 20% of properties entering the City's Dangerous Building process annually are, or will become, tax and/or mortgage foreclosure properties; and that approximately 40% of all Dangerous Building properties are viable redevelopment opportunities, but for the cost and management of the dangerous building demolition activity.

This program envisions the City partnering with local Community Housing Development Organizations, Missouri Chapter 353 Redevelopment Corporations and private developers that are committed to acquiring Dangerous Building properties for redevelopment purposes. Utilizing its existing administrative capacity and an established Dangerous Building code and process, the City will contract for and manage all aspects of eligible demolition projects including: HUD required environmental review and hazardous materials evaluations, procurement of contractor services for hazardous materials abatement and demolition, oversight of demolition activities and disposal requirements, final inspection, contractor payment, and Dangerous Building clearance.

Properties will be considered eligible for assistance from the Abandoned Dangerous Building Program if the cost of acquisition and rehabilitation exceeds one hundred percent (100%) of the after-rehab loan-to-value ratio. Eligible projects will include those that will result in NSP supported uses including LMMH rental or ownership opportunities, infrastructure improvements required to support another INSP assisted housing project, or establishment of a public facility benefiting all

residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income (LMMA).

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Four Year Budget Detail:

Demolition for redevelopment					
number of units planned	**4**	**4**	**4**	**4**	**16 Total**
Program Year	**2009**	**2010**	**2011**	**2012**	
grant	**$ 160,000**	**$ 120,000**	**$ 80,000**	**$ 40,000**	
demolition	**$ (40,000)**	**$ (40,000)**	**$ (40,000)**	**$ (40,000)**	
lien repayments (program income)	**$ -**	**$ -**	**$ -**	**$ -**	
carry over	**$ 120,000**	**$ 80,000**	**$ 40,000**	**$ -**	

Sources & Uses of Funds:

Activity Expense	**NSP Funding**	**Local Funding**	**In-kind**
Program Staff		**16,000 (City General Funds)**	
Demolition Permit Fees			**2,400 (waived by City)**
Hazardous Materials Assessments		**5,000 (Anticipated Funding from EPA Brownfields Assessment Grant)**	
Costs of Demolition under Contract	**160,000**		
Total	**160,000**	**21,000**	**2,400**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The INSP will demolish approximately sixteen (16) blighted buildings to allow for LMMH rental or ownership opportunities, infrastructure improvements required to support another INSP assisted housing project, or establishment of a public facility benefiting all residents of a primarily residential area in which at least 51% of the residents have incomes at or below 120% of area median income (LMMA).

(1) Activity Name: **Neighborhood Stabilization through Redevelopment Program**

(2) Activity Type: **NSP Eligible Use: § 2301 (c)(3)(C) redevelop demolished or vacant property;**

CDBG Eligible Activity: 24 CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public facilities and improvements; New housing construction

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

LMMH—NSP funds will be utilized to redevelop demolished and vacant properties located within Tier I neighborhoods and targeted redevelopment areas for resale to persons at or below 120% of median income, satisfying HUD's National Objective of LMMH benefit.

(4) Projected Start Date: **Upon execution of the required funding agreement.**

(5) Projected End Date: **Upon program closeout in 2013.**

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

The City of Independence will contract with the Northwest Communities Development Corporation, a certified CHDO and designated Community Based Development Organization (CBDO), to implement planned redevelopment activities. The NWCDC has been successfully rehabbing homes under CDBG contracts with the City for more than 10 years and recently completed construction of four HOME assisted single family dwellings in conjunction with the City's Fairmount-Carlisle Neighborhood Redevelopment Plan initiative. All of the NWCDC's new homes are designed to meet the Model Energy Code. The NWCDC has developed a comprehensive approach to working with neighborhoods in northwest Independence which includes operation of a community center, a nutrition program, senior and youth education programs, vocational training, housing development, and emergency home repair program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

NSP funds will be used for redevelopment of vacant and demolished properties located within eligible Tier I Census Block Groups, as determined by the State of Missouri NSP Program formula. (See Appendix I, Map 1) Additionally, the program will specifically target properties located in the vicinity of the NWCDC's Norledge Place development project and within the Fairmount-Carlisle Redevelopment Plan boundary in order to leverage support for and from these larger redevelopment efforts that are already underway. (See Appendix I, Map 2)

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).

The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

The City of Independence will contract with the Northwest Communities Development Corporation, a certified CHDO and designated Community Based Development Organization (CBDO), to implement the Norledge Place Redevelopment Project. Norledge Place is a four block residential area in northwest Independence that borders a former refinery site (now closed) owned by BP Amoco. The Norledge Place Redevelopment Project offers a unique opportunity to rebuild what was once a vibrant, traditional, working class community but which now sits lifeless, blighted and abandoned as a result of neighborhood disinvestment. This project represents the first major neighborhood redevelopment to take place in northwest Independence in more than 40 years.

Located within the four blocks of Norledge place are more than 100 parcels including 12 occupied homes, 20 dilapidated houses and the remainder being vacant lots where previously existing structures have been demolished. The NWCDC's redevelopment concept proposes a mixed income housing development to include 3-6 single family houses built by Habitat for Humanity, primarily rehabilitation and new construction of housing priced from $90,000-150,000, and construction of a handful of single family homes that would exceed $150,000. The Northwest Communities Development Corporation has been instrumental in the assemblage of the properties for this redevelopment project and now has site control through ownership and options-to-buy that will allow for development of 55-60 single-family units.

Over the next four years NSP redevelopment funds will be utilized to assist the Northwest Communities Development Corporation in construction of the Norledge Place community. Assistance will be provided in the form of a grant under development contract subject to the rules of the NSP and applicable CDBG HUD regulations. Activities to be supported with NSP redevelopment funds may include acquisition of vacant and demolished property, new housing construction, public facilities improvements required to support the development, disposition, and reasonable developer's fees related to NSP assisted projects.

NSP assisted housing construction in the Norledge Place development will be subject to program rules concerning housing counseling requirements, affordability and sale price. After development properties will be sold to qualifying LMMI households who have completed the required 8 hours of HUD certified housing counseling. The sales price will be an amount equal to or less than the cost to develop the property when aggregating all eligible costs as determined by HUD.

To ensure continued affordability, the HOME Affordability Guidelines will be utilized to determine minimum affordability time limits. Affordability will be secured with a deed of trust and promissory note. New homes constructed in Norldege Place will be eligible for down payment assistance to LMMI buyers through the City of Independence, and for real estate property tax abatement over a 25 year period in conjunction with the Fairmount-Carlisle 353 Redevelopment Plan. Additionally, utilization of Model Energy Code standards will ensure the cost of homeownership will be lower over the term of the loan.

It is anticipated that this project will assist 32 LMMI households. At least 25%, or 8 households assisted will be at or below 50% AMFI. It is anticipated that the use of traditional mortgages in establishing these persons in homeownership opportunities will leverage nearly two times the original NSP funding allocated.

The expected benefit to LMMI qualified households will be an affordable mortgage in a mixed-income neighborhood. This activity will allow qualified households to acquire newly constructed properties. The advantage to the LMMI household is that the dwelling will be structurally and mechanically safe and more energy efficient after rehabilitation, resulting in long-term quality-of-life and economic benefits.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Redevelopment					
number of units planned	**8**	**8**	**8**	**8**	**32 Total**
	2009	**2010**	**2011**	**2012**	
grant	**$ 1,300,000**	**$ 900,000**	**$ 600,000**	**$ 300,000**	
new construction	**$ (600,000)**	**$(600,000)**	**$(600,000)**	**$(600,000)**	
infrastructure related to new const.	**$ (100,000)**	**$ -**	**$ -**	**$ -**	
loan repayments (program income)	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ 300,000**	

Sources & Uses of Funds:

Activity Expense	**NSP Funding**	**Local Funding**	**In-kind**
Rehabilitation and New Construction	**$1,200,00**	**900,000 HOME Program Funds $54,000 BP Amaco Revolving Loan Fund**	**$1,300,000 Bank Loans**
Infrastructure	**$ 100,000**	**$70,000 CDBG Program Funds $250,000 Community Improvement District Assessments**	
Total	**$1,300,000**	**$1,274,000**	**$1,300,000**

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

The Northwest Communities Development Corporation will redevelop 32 vacant or demolished properties as single-family homes to be sold to persons at or below 120% of the area median income.

(1) Activity Name: **Program Administration**

(2) Activity Type: *(include NSP eligible use & CDBG eligible activity)* **Administration (570.206)**

(3) National Objective: *(Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).* **570.208(a)**

(4) Projected Start Date: **Upon execution of the required funding agreement**

(5) Projected End Date: **Through program closeout in 2013**

(6) Responsible Organization: *(Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) Responsible Organization*
City of Independence Community Development Department
111 E. Maple Street
Independence, MO 64050

Program Administrator
Christina Leakey
111 E. Maple Street
Independence, MO 64050
(816)325-7397 (office) (816) 325-7400 (fax)
cleakey@indepmo.org

(7) Location Description: *(Description may include specific addresses, blocks or neighborhoods to the extent known.)* **N/A**

(8) Activity Description: *Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.*

The payment for reasonable administrative costs and carrying charges related to the planning and execution of the neighborhood stabilization program. These costs will include but not limited to staff oversight and related costs, housing counseling, legal costs, appraisal fees, environmental fees, etc.

9. Total Budget: **$661,500.00, representing 7.5% of total funding request** *(Include public and private components)* J. *Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):* **N/A**

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Kansas City, Missouri		
B. MAILING ADDRESS:	414 E 12th, St., 14th floor		
C. CITY, STATE, ZIP CODE:	Kansas City, MO 64106		
D. CHIEF OFFICIAL OF (A):	Mark Funkhouser	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	816-513-3500	G. FAX OF (D):	816-513-3518
H. FISCAL YEAR END OF (A):	April 30		

2. Application Preparer			
A. NAME:	David Park		
B. MAILING ADDRESS:	414 E 12th St., Room 402		
C. CITY, STATE, ZIP CODE:	Kansas City, MO 64106		
D. NAME OF AGENCY:	City of Kansas City, MO		
E. TELEPHONE:	816-513-3231	F. FAX:	816-513-3201

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):			
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes		
A. 2000 POPULATION OF 1A:	441,545	
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	31 – Trent Skaggs 33 – Jerry Nolte 37 – Mike Talboy 39 – Beth Low 41 – Shalonn "Kiki" Curls 43 – Craig C. Bland 45 – Jason Holsman 49 – Terry Young 52 – Paul Levota	32 – Jason Grill 34 – Timothy Flook 38 – Ryan Silvey 40 – John P. Burnett 42 – Leonard Hughes 44 – Jenee' M. Lowe 46 – Kate Meiners 50 – Michael Brown
C. STATE SENATOR AND DISTRICT NUMBER(s):	9 – Yvonne Wilson 10 – Jolie Justice	17 Luann Rideway 34 – Charlie Shields
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	64106	E. COUNTY: Jackson

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	750
B: NUMBER OF FAMILIES SERVED BY PROJECT:	250

C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

Provides or improves, through financing mechanisms, permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income.

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$9,000,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	Local NSP $7,323,734
C. LOCAL IN-KIND FUNDS:	
D. OTHER STATE/FEDERAL FUNDS:	
E. PRIVATE FUNDS	
F. TOTAL PROJECT COST:	$16,323,734

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

We perform environmental reviews on a site by site basis. A description of our environmental review office may be found at the following website: http://webdev/planning.nsf/web/EnvRev_home?opendocument

Environmental reviews will be performed as needed for this program in compliance with HUD requirements.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Kansas City, Missouri

B. PROJECT TITLE: Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

Census Tracts: 000400, 005500, 012903, 000501, 005601, 012904, 000502, 005602, 013002, 000600, 005700, 013003, 000700, 005801, 013100, 000800, 005802, 013202, 001600, 005901, 013203, 001700, 005902, 013204, 001800, 006000, 060100, 001900, 006100, 008100, 002000, 006200, 008700, 002100, 006300, 008800, 002200, 006400, 008900, 002300, 007500, 009000, 002400, 007600, 009500, 002500, 007700, 009600, 003000, 007801, 010201, 003200, 007802, 010301, 003300, 007900, 010302, 003400, 008000, 010401, 003501, 008100, 010500, 003502, 008700, 010701, 003601, 008800, 012902, 003602, 008900, 012903, 003700, 009000, 012904, 003800, 009500, 013002, 003900, 009600, 013003, 004000, 010201, 013100, 004100, 010301, 013202, 004200, 010302, 013203, 004500, 010401, 013204, 005200, 010500, 060100, 005300, 010701, 005400, 012902.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Foreclosures have hit Kansas City hard. A recent check of RealtyTrac revealed over 3,900 bank-owned properties in the city and 745 in pre-foreclosure proceedings. The foreclosure and abandonment risk scores provided by HUD also show the extent of the impact. Of 568 census tracts in Kansas City, 235 or 41% received the highest risk score of "10". Funds will be targeted to census tracts with a risk score of 10.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Activities are intended to stimulate the private market to a higher level of activity. There are some investors and developers purchasing and renovating property for resale or to use as rental property until the market improves.

Requests for proposals will be solicited from interested developers and community development corporations. Funding may be provided in the form of loans for acquisition and rehabilitation. Restrictions pertaining to acquisition discounts, affordability periods, and program income will be explained and included in contracts and agreements that are established to fund projects. These restrictions include a purchase discount of at least 5% and an average of 15% as required by the NSP. Additional restrictions include obtaining an appraisal of the property within 60 days of the offer to purchase, and that if selling a rehabilitated property to an owner occupant, the sales price cannot be more than the amount spent to acquire and renovate the property, will also explained and included in contract language.

Funding will also be provided in the form of soft second mortgages to increase the size of the market for rehabilitated homes. Second mortgages will help ensure homes remain affordable during the affordability period and may include deferred principle payments. We will seek to partner with lenders who can service the second mortgage along with the first.

Extensive marketing will be utilized to find potential buyers of properties to be acquired and rehabilitated. Whenever possible, a buyer will be matched up with a home in advance of the renovation. This is to ensure a rehabilitated structure is immediately occupied upon completion. The implementation of a new homesteading program will be explored to assist with the marketing. Marketing efforts will also be directed towards public employees.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete.
I have the authority to submit this proposal on behalf of the City of Kansas City, Missouri in my capacity as Director, City Planning and Development. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Financing of Acquisition and Rehabilitation**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

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. Also, 24 CFR 570.201(a) Acquisition, (b) Disposition, and (n) Direct homeownership assistance.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

Provides or improves, through financial mechanisms, permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income.

FY 2008 Income Limits for 50% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$23,950	$27,350	$30,800	$34,200	$36,950	$39,650	$42,400	$45,150

FY 2008 Income Limits for 120% of HUD Area Median Income

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household	7 person household	8 person household
$57,450	$65,650	$73,850	$82,100	$88,650	$95,200	$101,800	$108,350

(4) Projected Start Date: April 2009

(5) Projected End Date: April 2013

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

Shirley Winn, CPM
Housing Administrator
City Planning and Development Department
14th Floor, City Hall, 414 East 12th Street
Kansas City, Missouri 64106
816.513.2907 office 816.513.2808 fax

The responsible organization is the City of Kansas City, Missouri, City and Planning Department. This department administers numerous similar programs and has for many years.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Financing mechanisms utilized in this activity will be available in every census tract in Kansas City with a risk score of 10 per the data provided by HUD and where at least 51% of the residents have annual incomes of 120% of the area median income or below. See the map on the next page. A list of the census tracts and block groups within the tracts is found in Attachment A.

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

This activity addresses the areas of the greatest need by providing incentives that encourage the reuse of abandoned homes.

Activities are intended to stimulate the private market to a higher level of activity. There are some investors and developers purchasing and renovating property for resale or to use as rental property until the market improves.

Requests for proposals will be solicited from interested developers and community development corporations. Funding may be provided in the form of loans for acquisition and rehabilitation. Restrictions pertaining to acquisition discounts, affordability periods, and program income will be explained and included in contracts and agreements that are established to fund projects. These restrictions include a purchase discount of at least 5% and an average of 15% as required by the NSP. Additional restrictions include obtaining an appraisal of the property within 60 days of the offer to purchase, and that if selling a rehabilitated property to an owner occupant, the sales price cannot be more than the amount spent to acquire and renovate the property, will also explained and included in contract language.

The request for proposal process to be used is similar to the process used for consideration of low income housing tax credit projects. Proposers will be expected to provide a pro forma showing the anticipated costs for their projects and other sources of funding to be used as leverage.

Proposers shall follow Section 3 requirements to ensure area residents have first consideration for jobs created by the program activity.

Projected schedule for Requests for Proposals (assuming HUD approval by January 2009):

Request for Proposals issued ..... February 2009
Workshops to explain program requirements ..... February 2009
Proposals received ..... March 2009
Funding awards announced ..... April 2009
Agreements executed ..... May 2009

Process repeats as needed

Some rental of rehabilitated property is anticipated. There has been mixed public input on this issue. Some believe it will be difficult for families at or below 50% of AMI to purchase homes and that rental of properties will be needed to provide the required housing units. Others argue that many neighborhoods already have a high ratio of rental property to owner occupied and that additional rental property will not have a stabilizing effect. Recognizing the sound basis for both arguments, we will include rental of single family housing units as an acceptable use of funds, but give priority to arrangements that lead to the tenant later purchasing the property.

Funding will also be provided in the form of soft second mortgages to increase the size of the market for rehabilitated homes. Second mortgages will help ensure homes remain affordable during the affordability period and may include deferred principle payments. We will seek to partner with lenders who can service the second mortgage along with the first.

There has already been interest expressed by potential partners. Habitat for Humanity, for example, is anticipated to respond to a request for proposals to construct new houses on vacant lots as a redevelopment project, or to renovate existing houses. Housing Authority of Kansas City (HAKC) staff report that 75% to 80% of the participants in the HAKC homeownership program are at or below 50% AMI. In order for a newly constructed housing unit to count towards the requirement that 25% of the funds be used for low income families, however, it is recognized that funds used for these housing units can only be counted when new construction follows the acquisition and demolition of a structure on foreclosed property.

Interest rates on loans and soft seconds will range from 0% to 6% and may include deferred principal payments.

When included as part of a request for proposals, the maximum developer fees to be authorized are 14% of the cost of the total project.

Extensive marketing will be utilized to find potential buyers of properties to be acquired and rehabilitated. Whenever possible, a buyer will be matched up with a home in advance of the renovation. This is to ensure a rehabilitated structure is immediately occupied upon completion. The implementation of a new homesteading program will be explored to assist with the marketing. Marketing efforts will also be directed towards public employees.

Although credit counseling is not eligible for NSP funding, the marketing effort will coordinate efforts with non-profit credit counseling services to help prospective homebuyers qualify for mortgages, perhaps in conjunction with a lease purchase arrangement.

Because the homeowners who will purchase the homes may struggle with repairs needed in future years, participation in the City's maintenance reserve program will be required. A small amount included in the monthly mortgage payment will cover the cost of most repairs that may arise later on. This program will ensure units remain affordable and in good repair.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Financing mechanisms for low, moderate and middle incomes $9,000,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Housing units for low, moderate and middle incomes..... 250

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

The additional state funds will supplement an activity to be carried out with funds received through our direct allocation in order to address a need that will require more than the direct allocation. The plan is located on our website at: http://www.kcmo.org/neigh.nsf/web/HUDNSP?opendocument

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Webb City		
B. MAILING ADDRESS:	200 S. Main St.		
C. CITY, STATE, ZIP CODE:	Webb City, Missouri 64870		
D. CHIEF OFFICIAL OF (A):	John Biggs	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	417-673-4651	G. FAX OF (D):	417-673-6264
H. FISCAL YEAR END OF (A):	October 31		

2. Application Preparer			
A. NAME:	Stan Heater		
B. MAILING ADDRESS:	302 Joplin St.		
C. CITY, STATE, ZIP CODE:	Joplin, Missouri 64801		
D. NAME OF AGENCY:	Economic Security Corporation of Southwest Area		
E. TELEPHONE:	417-781-0352	F. FAX:	417-781-1234

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	N/A		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	9,812		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Bryan Stevenson - 128		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Gary Nodler - 32		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	64870	E. COUNTY:	Jasper

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	80
B: NUMBER OF FAMILIES SERVED BY PROJECT:	31
C: % LMMI PERSONS OF PROPOSED PROJECT:	100% ≥120% of AMI
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100% ≤120 of AMI

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

Acquisition, rehab and resale – 15 households earning under 120% of AMI

Acquisition and Demolition – 16 Homes demolished. 8 units created benefiting person earning under 120% of AMI – remaining 8 sites to be developed into parks, streets, industrial parks etc. within the Tier 1 Block area.

Rehab in blighted areas – 16 homes to be rehabbed in blighted areas of the city. 100% of households will earn less than 120% of AMI. In addition, 4 homes will be owned and occupied by households earning less than 50% of AMI.

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE: $1,471,500

B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):

C. LOCAL IN-KIND FUNDS: Director of Economic Development salary - $20,000

D. OTHER STATE/FEDERAL FUNDS:

E. PRIVATE FUNDS

F. TOTAL PROJECT COST: 1,471,500

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☒ Yes ☐ No

IF YES, DESCRIBE. Where possible, land left vacant after demolition in blighted areas will be converted to parks or other public use.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: Webb City, Missouri

B. PROJECT TITLE: Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

Please see the attached map of Neighborhood Stabilization Program Tier 1 high risk of foreclosure areas within the City of Webb City. Acquired, rehabbed, and demolished homes will primarily come from within this area. However, the project will potentially benefit the entire jurisdiction in that low, moderate and middle-income individuals and families that purchase homes may come from any area of the City. In addition, property acquired and converted to public use will benefit individuals who resided in those areas. Much of the NSP LMMH area falls inside of the area of concentration for funding from the State's Dream Initiative Program. Webb City was chosen this year as a Dream Initiative city and will be applying for funding under this State program. Dream funding will enable the City to do downtown revitalization and home rehab within the Dream designated areas of town.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Webb City's population has grown 12.6% from 2000 to a total population in 2007 of 11,302. The City has several areas of run down and abandoned homes. The 2000 Census shows a total of 300 vacant housing units which represents 7.3% of the total. Of these houses, 48% of them were built before 1950. The poverty rate in Webb City was at 15.7% in 2007 compared to 11.7% for the State of Missouri. The rate of residents with income below 50% of the poverty level is at 5.7% compared to 5.1% for the State. Vacant, abandoned and foreclosed properties are a very real problem in the City and the problem promises to get much worse given the current economic climate. A recent search of properties using Realty Trac.com shows that there are 45 properties currently foreclosed in the City and under bank ownership. In addition, there are 19 homes listed as pre-foreclosure homes. Please see the attached list of these homes. We feel that there are many more homes that are not currently in foreclosure but that are certainly in a category of at-risk of foreclosure.

Unfortunately, many of the more dilapidated homes in the City are in the areas outlined in the NSP high risk map of Tier 1 block groups and are located along major routes into and out of the City. These homes are what visitors to Webb City often see first as they come into town. We feel that rehabilitation and demolition efforts concentrated in these areas will not only benefit the low to moderate-income residents that will move into these homes, but will also benefit all the residents of Webb City by greatly improving the overall impression that people have when they drive into town. We anticipate impacting 15 families by purchasing, rehabbing and reselling foreclosed homes. In addition, we intend to impact another 16 families by rehabbing homes located in blighted areas of the city. It is difficult to estimate the impact of the city acquiring and demolishing 16 homes since the ultimate use of this land may include park areas and sale to developers for construction of low-income housing. All of the activities in this program will benefit households earning less than 120% of the Area Median Income (AMI).

Webb City was chosen this year as one of the Dream Initiative cities in the State of Missouri. The Community's vision for the Webb City downtown is a "Live, Work, and Play" neighborhood that provides varied choices of residential housing, opportunities to shop for pleasure and necessity, dining alternatives and a host of recreational activities. There is considerable overlap of the Dream revitalization area and the NSP Tier 1 area within the City. This overlap of area and purpose can greatly enhance the City's ability to achieve their vision for the community. There is great potential here for the City to be able to not only revitalize the downtown area but also to be able to upgrade their housing stock and provide safe and affordable housing for low and moderate-income individuals and families.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Eligible Use (D) Demolition – We plan to demolish 16 homes in blighted areas of the city. We estimate that half of the homes that are demolished would be made available to developers that would create housing for low and moderate-income individuals and families. Funds could be made available to assist in financing and the developers could make application to MHDC for either Rental Production or LITC funding to assist with the development. We estimate that approximately 8 units of LMMI housing will be created. This would benefit approximately 20 persons earning less than 120% of the AMI.

In addition to the home built through private development, we anticipate the following end uses for property made vacant through this demolition:

A new park
New street
New industrial park area
Expansion of the Farmers Market

Eligible Use (E) Rehabilitation of homes in blighted areas for LMMI homeowners - Homes that are rehabbed will be in blighted areas of the city. We estimate that we will rehabilitate 16 homes under this activity. These homes will be owned and occupied by households earning less than 120% of the AMI. It is anticipated that 25% of the homes will be owned and occupied by households earning less than 50% of the AMI. The guidelines and procedures for this program would be very similar to the HeRO Program through MHDC. Maximum rehab expenditure per home would be $24,000 and the homes would have to be located in blighted areas of the city.

Eligible Use (B) Purchase, rehabilitation, and re-sale of homes in Tier 1 group area – The City will purchase, rehab and offer for re-sale approximately 15 homes that are foreclosed and vacant within the Tier 1 block areas of the city. We anticipate being able to purchase these homes at a deep discount and estimate an average cost for purchase and rehab of $60,000 per home. Once rehabbed, these homes will be made available to households earning less than 120 of the AMI. Low-interest loans will be solicited from local banks and mortgage institutions. The city will help these families to locate any available subsidies such as first time homebuyer money, down payment assistance, etc. that will help them to be able to purchase the homes. Homes rehabbed under this activity will include improvements to increase energy efficiency thus

lowering the utility cost of the home for subsequent LMMI families.

Persons who qualify to purchase these homes will be required to attend homeownership counseling.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Webb City Missouri in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ Date _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: **Purchase and rehabilitation**

(2) Activity Type: NSP activity – Purchase, rehabilitation, and re-sale of homes to qualifying persons whose income does not exceed 120 percent of area median income.

CDBG eligible activity – Property acquisition & rehabilitation, Homeownership counseling & Homeownership assistance.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).
Eligible Activity (B)
Sale of homes to persons whose income does not exceed 120 percent of area median income.

(4) Projected Start Date: Project will start within 30 days of receipt of funding.

(5) Projected End Date: All funds will be obligated within 18 months of the date of funding. All funds will be spent within 4 years of date of funding.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.) Responsible organization for implementation of this project will be the City of Webb City, Missouri. Administrator for the program will be:
Mr. Chuck Surface
Director of Economic Development
City of Webb City, Missouri
417-673-4671

Webb City has been selected as a Dream Initiative city in the most recent competitive application process. These Dream funds will be used to help rehabilitate the downtown area. The City Administrator has substantial experience with both CDBG and HUD projects. The City is currently working on MODOT projects and has been involved in HUD projects that provided rental updates for landlords.

Economic Security Corporation of Southwest Area (ESC) is the local community action agency and is available to assist the city with pre-award and application development as well as contracting and renovation of the homes targeted for this activity. ESC is also the local CHDO and has extensive experience with other similar programs funded through MHDC such as the HeRO Program, Rental Production Program and Low-income Tax Credit programs. ESC retains their own construction crew and because of their non-profit designation, can often perform rehab work for less than their for-profit counterparts. ESC also has over 40 years experience administering a variety of programs for low-income individuals and families. Services available through ESC's programs will also be made available to the LMMI individuals and families participating in this program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.) Primary location for this project will be in the areas marked by the Neighborhood Stabilization Program map of Tier 1 block groups. (See attached)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;

The area of greatest need for the City is in the Tier one block groups as outlined in the attached map. This is a Category 1 area of greatest need under HUD's definition. These parts of the city include blighted areas as well as areas of concentrations of foreclosed and abandoned homes. We have attached a list of 45 foreclosed homes with addresses. There are an additional 19 homes in pre-foreclosure within the City.

We anticipate more homes being in foreclosure by the time funding is made available for this program. As stated above, Webb City has been designated a Dream Initiative city for the upcoming year. Funds will be made available from the State to renovate areas of the downtown district. Many of the homes that are foreclosed, vacant and or abandoned are located in close proximity to the downtown area. These two programs fit together extremely well and can be used together to greatly improve the look of downtown Webb City.

- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

There will be several benefits to income-qualified persons as a result of implementation of this program. Homes that are purchased and rehabbed will be sold to persons earning ≥ 120% of the Area Median Income (AMI). Another benefit to persons living in these areas will be the fact that these rundown homes will be rehabbed thus improving the housing stock in the neighborhoods where the homes are located. In doing this kind of work in the past, we have found that this not only improves property values in the neighborhood but also has a tendency to cause other homeowners to want to improve the condition of their homes.

Homes rehabbed under this activity will include improvements to increase energy efficiency thus lowering the utility cost of the home for subsequent LMMI families.

Persons who qualify to purchase these homes will be required to attend homeownership counseling. In a survey for Economic Security Corporation's Community Needs Assessment, a large percentage of individuals sited lack of homeownership education as a major barrier to them being able to purchase their own home.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

Tenure of beneficiaries and duration of assistance for homeownership assistance will at a minimum follow the HOME program standards as outlines at 24 CFR 92.252 (a), (c), (e) and (f) and 92.254.

Under $15,000 expenditure – 5 years
$15,000 to 40,000 expenditure – 10 years
Over $40,000 expenditure – 15 years

Control of the resale of the homebuyer property during the affordability period will be assured by applying recapture/resale options and/or purchase options or right of first refusal options.

For acquisition activities, include:

- discount rate – Homes will be purchased at a rate at least 15% below the market appraised value of the home.
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).

No homes are expected to be demolished under this activity. The City intends to acquire, rehab and re-sell 15 homes to persons earning ≤ 120% of AMI utilizing funding under this activity. Acquisition and rehab of homes will commence within 30 days of receipt of funding. All funding will be expended within the time allotted under the terms of the grant. Sale of homes will be dependent upon the real estate market and available financing as it exist at the time homes are made available for sale.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

No dwelling units are expected to be made available for households whose income does not exceed 50% of area median income under this activity.

For financing activities, include:

- range of interest rates – N/A

For demolition activities, include: N/A

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation. A copy of the local ordinance is attached.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Acquisition and Rehab of homes –

Average purchase price per home - $36,000
Average cost for rehab work per home $24,000
Estimated number of homes in this activity – 15 X $60,000 = $900,000
Pre-award and development costs **for the entire program** - $30,000
Administration cost **for the entire program** - $117,500
City Director of Economic Development Salary – **in-kind** - $20,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

We estimate acquiring and rehabbing 15 homes for resale to households earning less than 120% of AMI. We estimate that 4 of these homes will be sold to persons earning less than 81% of the AMI.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan. N/A

(1) Activity Name: **Demolition**
Redevelopment of demolished or vacant properties

(2) Activity Type: NSP activity – Eligible activity (D) demolition of blighted structures
Eligible activity (B) redevelopment of demolished structures for resale or rent for low and moderate-income persons.
Eligible activity (E) Redevelop demolished or vacant properties

CDBG eligible activity – Property clearance/demolition

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

Eligible activity (D) demolish blighted structures. We anticipate demolishing 16 homes.
Eligible activity (B) redevelopment of demolished structures for resale or rent for low and moderate-income persons. We estimate that 50% of these demolished homes will be made available to developers for creation of housing to be made available to persons earning less than 120% of the AMI.
Eligible activity (E) Redevelop demolished or vacant properties. We anticipate that 50% of these properties will be utilized for the public good. This may include parks, streets, an industrial park, and the expansion of the Farmers Market.

(4) Projected Start Date: Project will begin within 30 days of receipt of the funds.

(5) Projected End Date: All funds will be obligated within 18 months of the date of funding. All funds will be spent within 4 years of date of funding.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

Responsible organization for implementation of this project will be the City of Webb City, Missouri.
Administrator for the program will be:
Mr. Chuck Surface
Director of Economic Development
City of Webb City, Missouri
417-673-4671

Webb City has been selected as a Dream Initiative city in the most recent competitive application process. These Dream funds will be used to help rehabilitate the downtown area. The City Administrator has substantial experience with both CDBG and HUD projects. The City is currently working on MODOT projects and has been involved in HUD projects that provided rental updates for landlords.

Economic Security Corporation of Southwest Area (ESC) is the local community action agency and is available to assist the city with pre-award and application development as well as contracting and renovation of the homes targeted for this activity. ESC is also the local CHDO and has extensive experience with other similar programs funded through MHDC such as the HeRO Program, Rental Production Program and Low-income Tax Credit programs. ESC retains their own construction crew and because of their non-profit designation, can often perform rehab work for less than their for-profit counterparts. ESC also has over 40 years experience administering a variety of programs for low-income individuals and families. Any and all services that ESC offers through it's programs will be made available to the income qualified persons participating in this program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Primary location for project will be in the area marked by the Neighborhood Stabilization Program map of Tier 1 block groups. (See attached) Demolition will only be done on a home if it has met the local standard of being blighted. (See attached)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

The area of greatest need that this activity would address is to clean up unsafe, unsanitary and dangerous conditions of homes in the blighted areas of the City. We estimate that half of the homes that are demolished would be made available to developers that would create housing for low and moderate-income individuals and families. Funds could be made available to assist in financing and the developers could make application to MHDC for either Rental Production or LITC funding to assist with the development. We estimate that approximately 8 units of LMMI housing will be created. This would benefit approximately 20 persons earning less than 120% of the AMI.

In addition to the homes built through private development, we anticipate the following end uses for property made vacant through this demolition:

A new park
New street
New industrial park area
Expansion of the Farmers Market

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

Tenure of beneficiaries and duration of assistance for homeownership assistance will at a minimum follow the HOME program standards as outlines at 24 CFR 92.252 (a), (c), (e) and (f) and 92.254.
Under $15,000 expenditure – 5 years
$15,000 to 40,000 expenditure – 10 years
Over $40,000 expenditure – 15 years

Control of the resale of the homebuyer property during the affordability period will be assured by applying recapture/resale options and/or purchase options or right of first refusal options.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

We estimate that 16 homes will be demolished under this activity.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).

We estimate that 50% or 8 housing units will be created from this activity. These units will all benefit persons ≤120% of the AMI. Project is expected to commence within 30 days of receipt of funding. Work on re-development on properties will be dependent upon a number of factors including: Securing developers willing to work on LMMI housing projects, availability of financing, timing of MHDC grant cycles, and condition of the real estate market. It is anticipated that work will be completed within the four year period allowed by the program.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

We estimate that 25% of the dwelling units completed will be made available to households whose income does not exceed 50% of the AMI.

For financing activities, include:

- range of interest rates – N/A

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

Please see attached statement.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Demolition –

Average demolition cost per home - $3,125
Estimated number of homes in this activity – 16 X $3,125 = $50,000
Pre-award and development costs **for the entire program** - $30,000
Administration cost **for the entire program** - $117,500
City Director of Economic Development Salary – **in-kind** - $20,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

16 Homes to be demolished
We estimate that 8 new housing unit will be created from this activity. Approximately 6 will be made available to households earning less than 120% of the AMI. Approximately 2 will be made available to households earning less than 50% of the AMI.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan. N/A

(1) Activity Name: **Rehabilitation of homes owned and occupied by LMMI households in blighted areas.**

(2) Activity Type: NSP activity – Rehabilitation of homes owned by LMMI households in blighted areas

CDBG eligible activity – Rehabilitation of private residential properties.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

Homes rehabilitated under this activity will be owned by households earning less than 120 % of AMI and will be located in blighted areas of the city.

We anticipate that 25% of these homes will be owned by households earning less than 50% of the AMI.

(4) Projected Start Date: Project will begin within 30 days of receipt of funding.

(5) Projected End Date: All funds will be obligated within 18 months of the date of funding. All funds will be spent within 4 years of date of funding.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)

Responsible organization for implementation of this project will be the City of Webb City, Missouri.
Administrator for the program will be:
Mr. Chuck Surface
Director of Economic Development
City of Webb City, Missouri
417-673-4671

Webb City has been selected as a Dream Initiative city in the most recent competitive application process. These Dream funds will be used to help rehabilitate the downtown area. The City Administrator has substantial experience with both CDBG and HUD projects. The City is currently working on MODOT projects and has been involved in HUD projects that provided rental updates for landlords.

Economic Security Corporation of Southwest Area (ESC) is the local community action agency and is available to assist the city with pre-award and application development as well as contracting and renovation of the homes targeted for this activity. ESC is also the local CHDO and has extensive experience with other similar programs funded through MHDC such as the HeRO Program, Rental Production Program and Low-income Tax Credit programs. ESC retains their own construction crew and because of their non-profit designation, can often perform rehab work for less than their for-profit counterparts. ESC also has over 40 years experience administering a variety of programs for low-income individuals and families. Any and all services available through ESC's programs will be made available to the low-income participants of this program.

(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

Primary location for project will be in the area marked by the Neighborhood Stabilization Program map of Tier 1 block groups. (See attached)

(8) Activity Description:

Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

There will be several benefits to income-qualified persons as a result of implementation of this program. Homes that are rehabbed will be in blighted areas of the city. These homes will also be owned and occupied by households earning less than 120% of the AMI. It is anticipated that 25% of the homes will be owned and occupied by households earning less than 50% of the AMI. The guidelines and procedures for this program would be very similar to the HeRO Program through MHDC. Maximum rehab expenditure per home would be $24,000 and the homes would have to be located in blighted areas of the city.

Another benefit to persons living in these blighted areas will be the fact that these rundown homes will be rehabbed thus improving the housing stock in the neighborhoods where the homes are located. It is hoped that we will be able to utilize all three activities (including purchase and rehab as well as demolition) to greatly improve specific blighted areas, either inside or in close proximity to, the Dream Initiative part of town. In doing this kind of work in the past, we have found that this not only improves property values in the neighborhood but also has a tendency to cause other homeowners to want to improve the condition of their homes.

Homes rehabbed under this activity will include improvements to increase energy efficiency thus lowering the utility cost of the home for subsequent LMMI families.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

Tenure of beneficiaries and duration of assistance for homeownership assistance will at a minimum follow the HOME program standards as outlines at 24 CFR 92.252 (a), (c), (e) and (f) and 92.254.

Under $15,000 expenditure – 5 years
$15,000 to 40,000 expenditure – 10 years
Over $40,000 expenditure – 15 years

For acquisition activities, include: - N/A for this activity.

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

This activity does not include demolition or conversion of units.

For financing activities, include:

- range of interest rates – N/A for this activity

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

There is no demolition activity planned for this activity. However, definition of blighted areas will be the same as for demolition.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

Home Rehab –

Average cost of home rehabilitation - $24,000
Estimated number of homes in this activity – 16 X 24,000 = $374,000
Pre-award and development costs **for the entire program** - $30,000
Administration cost **for the entire program** - $117,500
City Director of Economic Development Salary – **in-kind** - $20,000

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Homes in blighted areas to be rehabilitated – 16
We anticipate that 16 homes will be owned and occupied by households earning less than 120% of the AMI.
We anticipate that 4 homes will be owned and occupied by households earning less that 80% of AMI.
We anticipate that 4 of these homes will be owned and occupied by households earning less than 50% of the AMI.

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan. N/A

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Florissant		
B. MAILING ADDRESS:	955 Rue St. Francois		
C. CITY, STATE, ZIP CODE:	Florissant, MO 63031		
D. CHIEF OFFICIAL OF (A):	Robert G. Lowery	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	(314) 839-7601	G. FAX OF (D):	(314) 921-7111
H. FISCAL YEAR END OF (A):	November 30		

2. Application Preparer			
A. NAME:	Denise M. Mandle		
B. MAILING ADDRESS:	1055 Rue St. Francois		
C. CITY, STATE, ZIP CODE:	Florissant, MO 63031		
D. NAME OF AGENCY:	City of Florissant Housing and Community Development		
E. TELEPHONE:	(314) 839-7680	F. FAX:	(314) 839-7663

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	N/A		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	50,497		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Bruce Darrough (75) Michael Spreng (76), Clint Zweifel (78), Theodore Hoskins (80)		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Timothy Green (13) & John Loudon (7)		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63031, 63033	E. COUNTY:	St. Louis

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	Approximately 120-160
B: NUMBER OF FAMILIES SERVED BY PROJECT:	Approximately 40
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)
Administration/Program Management- National objective 10% of NSP grant provided to a jurisdiction and up to an additional 10% of program income earned may be used for general administration and planning activities.
Acquisition, Rehab and Resale (Acquisition/Rehab) Program-National objective to benefit low, moderate and middle income persons at or below 120% of AMI
Demolition: National objective of blight elimination
Vacant Land Initiative: National objective to benefit low, moderate and middle income persons at or below 120% of AMI and area benefit for census tracts where 51% of residents have incomes at or below 120% of AMI

7. Cost Data	
A. NSP FUNDS REQUESTED FROM STATE:	Acquisition, Rehab, Resale; Demolition, Admin/Program Mgmnt $3,106,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	
C. LOCAL IN-KIND FUNDS:	Local govt. entity staffing and support, Public information marketing, etc. $20,000 Downpayment assistance $140,000
D. OTHER STATE/FEDERAL FUNDS:	Down payment assistance via MHDC, other programs/sources $200,000
E. PRIVATE FUNDS	First Mortgage financing; MHDC, FHA, FNMA, private lenders $1,400,000
F. TOTAL PROJECT COST:	$4,886,000

8. Floodplain/Environmental Review
A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No
B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No
C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No
D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No
E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No IF YES, DESCRIBE.
F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Florissant

B. PROJECT TITLE: Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

City of Florissant, MO

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The loss of homeownership resulting from increased foreclosures is having a destabilizing effect on neighborhoods. In the City of Florissant, the problem is exacerbated because of the fact that a significant amount of subprime lending in the area was for the purpose of refinancing existing mortgages. Homeowners with significant tenure in area neighborhoods are losing their homes to foreclosure. This is not only resulting in increased numbers of vacant homes, but the loss of long term homeowners who had been a stabilizing force in area neighborhoods. The impact of this project will be to stabilize those neighborhoods that are at risk due to foreclosures.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The Acquisition/Rehab program will involve purchase and redevelopment of vacant foreclosed properties by private developers or by a City of Florissant-affiliated entity for sale for affordable homeownership. The redevelopment of the property, at a minimum, will meet the rehabilitation standards for the program, which will be consistent with local municipal and county codes. Additional consideration will be given to exterior improvements that will have a positive impact on the surrounding neighborhood. It is anticipated that 40 homes will be acquired across the participating jurisdictions through this program. While the intent is that all will be sold to income- eligible buyers, there is the possibility that a portion of the units may be converted to rental housing based on market conditions at the time of completion.

It is possible that a limited number of properties might have code violations and rehab costs that will make their reuse infeasible. Properties in this category are blighting influences on their neighborhoods and are undermining neighborhood confidence and stability. Left unattended, they are attractions for nuisance and criminal behavior, and destabilize their surrounding neighborhoods. To address any properties that fall into this category, NSP funds may be used to demolish the properties in accordance with the City's demolition and vacant land initiatives.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Florissant in my capacity as the Director of Housing and Community Development. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** _____

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Administration/Program Management

(2) Activity Type: Eligible NSP use: General Administration and Planning CDBG Eligible Activity: 24 CFR 570.205 and 206 (a) Delivery Costs (note: OMB Circular A-87, Attachment B, paragraph 31, HUD is allowing states to incur pre-award costs as if each was a new grantee preparing to receive its first allocation of CDBG funds.)

(3) National Objective: 10% of NSP grant provided to a jurisdiction and up to an additional 10% of program income earned may be used for general administration and planning activities.

(4) Projected Start Date: November 1, 2008

(5) Projected End Date: July 1, 2012

(6) Responsible Organization: City of Florissant

(7) Location Description: N/A

(8) Activity Description: Program Administration will be used for the reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include (but are not limited to) salaries, wages, and related costs of staff and consultants engaged in program administration, which includes (but is not limited to) developing program parameters and requirements, engaging program partners, providing information about the program, preparing program budget and schedules, preparing reports, general oversight and other costs for goods or services needed for administration of the program.

(9) Total Amount of Request per Activity $310,000 (10% of City of Florissant's requested NSP Allocation of $3,106,000) Additional administrative costs may be allocated based on future program income. We also anticipate that the City of Florissant will provide an in-kind contribution of staff time of $20,000.

(10) Performance Measures: Compliance with eligible use for Administration and Planning defined in 24 CFR 570.205 and 206.

(11) Local NSP Funds: The City of Florissant has not received an allocation of local NSP Funds from HUD.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Acquisition, Rehab and Resale (Acquisition/Rehab) Program

(2) Activity Type: 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. CDBG eligible activity: 24 CFR 570.201(a) Acquisition (b) Disposition, (i) Relocation (n) (Direct homeownership assistance) and 24 CFR 570.202 (Rehabilitation and preservation activities for homes and other residential properties)

(3) National Objective: Benefit low moderate and middle income persons, <120% of AMI.

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of Florissant

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A. Within these neighborhoods, consideration will be given to those areas with demonstrated concentrations of foreclosure causing negative neighborhood impacts.

(8) Activity Description: The loss of homeownership resulting from increased foreclosures is having a destabilizing effect on neighborhoods. In the City of Florissant, the problem is exacerbated because of the fact that a significant amount of subprime lending in the area was for the purpose of refinancing existing mortgages. Homeowners with significant tenure in area neighborhoods are losing their homes to foreclosure. This is not only resulting in increased numbers of vacant homes, but the loss of long term homeowners who had been a stabilizing force in area neighborhoods.

The Acquisition/Rehab program will involve purchase and redevelopment of vacant foreclosed properties by private developers or by a City of Florissant-affiliated entity for sale for affordable homeownership. In regard to private developers, the City will issue a “Request for Qualifications” to solicit proposals from developers with a proven track record of acquiring, redeveloping and marketing single family homes for homeownership. Properties purchased under the program will have an average discount of a minimum of 5-15% from the current market appraised value of the home.

Before purchase, homes will be evaluated for economic feasibility with careful consideration paid to market conditions supporting resale to owner-occupants. A qualified professional will estimate the overall cost, including purchase, rehabilitation and holding costs, along with the likely sales price.

The redevelopment of the property, at a minimum, will meet the rehabilitation standards for the program, which will be consistent with local municipal and county codes. Additional consideration will be given to exterior improvements that will have a positive impact on the surrounding neighborhood.

The minimum affordability period for assistance under this activity will be 5 years. Consistent with HOME requirements, the affordability requirements will be:

Direct Subsidy	Period of Affordability
$15,000 or less	5 years
$15,000-$40,000	10 years
$40,000+	15 years.

A mortgage and a restrictive covenant will be recorded on the property to insure that the affordability requirements are met. To the extent there are direct subsidies provided to the homebuyer to reduce the purchase price of the home below the after rehabilitation appraised value, the subsidy will generally be

recaptured for sales prior to the end of the affordability period to the extent sufficient sales proceeds exist. In the case of development subsidies (subsidies in instances where the cost to acquire and redevelop exceeds the after rehabilitation value of the home), the home will be required to be sold to another qualified low or moderate income purchaser.

Each homebuyer will receive at least 8 hours of homebuyer counseling under the program through the City's network of local home buying counseling agencies.

The City will work with local lenders, realtors, homebuyer's counseling agencies and community organizations to market opportunities under the program to prospective homeowners. In order to encourage and support the work of local nonprofit neighborhood organizations, referral fees of $500/home will be offered in targeted neighborhoods for the referral of qualified homeowners that successfully close on a home purchase.

It is anticipated that 40 homes will be acquired across the participating jurisdictions through this program. While the intent is that all will be sold to income-eligible buyers, there is the possibility that a portion of the units may be converted to rental housing based on market conditions at the time of completion.

Since the 50% of AMI targeting requirement may be challenging given the current state of the financing market, the City will also work with Habitat for Humanity, local housing authorities and other housing agencies to provide homeownership opportunities for Florissant's low income families.

(9) Total Amount of Request per Activity: $2,296,000 is being requested in NSP funds.

The total uses of funds for this Activity is as follows (assuming 40 units):

Acquisition (avg. cost of $65,000 per unit)	$2,600,000
Rehabilitation (avg. cost of $20,000 per unit)	$ 800,000
Other Development Costs* (avg. cost of $15,000 per unit)	$ 600,000
Total Development Cost	$4,000,000
Homeownership Counseling ($600 per unit)	$ 24,000
Referrals, screening by CHDO's	$ 12,000
Total Activity Costs	$4,036,000

The total sources of funds for this Activity is as follows:

NSP funds	$2,296,000
Private First Mortgage Funds (at avg of $35,000)	$1,400,000
Downpayment assistance from MHDC and other sources (at average of $5,000 per homebuyer)	$ 200,000
Downpayment assistance from City of Florissant (at average of $3,500 per homebuyer)	$ 140,000
Total Activity Sources	$4,036,000

The unit count listed in this Activity assumes the ability to capitalize $1,400,000 ($35,000 per unit) through private first mortgages. Actual capitalization amounts will either positively or negatively influence the number of units provided through this program.

Any program income or savings will be utilized in accordance with NSP guidelines in order to increase the number of units acquired, rehabbed and sold under this program.

* Other Development Costs include building inspections, appraisals, real estate agency and other acquisition and closing costs, insurance, interim interest, RE taxes, etc.

(10) Performance Measures: It is estimated that 5 units of housing will be purchased by households under 50% of AMI, 15 units of housing will be purchased by households between 51 and 80% of AMI and 20 units of housing will be purchased by households between 81 and 120% of AMI.

(11) Local NSP Funds: The City of Florissant has not received an allocation of local NSP Funds from HUD.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Demolition

(2) Activity Type: Eligible NSP use: Demolish blighted structures; CDBG eligible activity: 24 CFR 570.201(d) Clearance for blighted structures

(3) National Objective: Blight elimination.

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of Florissant

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A. Within these neighborhoods, demolition activity will be directed to the most severely blighted properties and demolition work will be coordinated with other development activities under the NSP to achieve the most significant impact on the neighborhood.

(8) Activity Description: It is anticipated that some of the foreclosed properties in the City of Florissant have outstanding building code violations and rehabilitation costs will make salvaging these properties infeasible. These properties are blighting influences on their neighborhoods and are undermining neighborhood confidence and stability. Left unattended, they are attractions for nuisance and criminal behavior, and destabilize their surrounding neighborhoods.

NSP funds may be used to demolish a relatively small number of structures representing the properties most severely blighted and detrimental to neighborhood stability. The cost of these demolitions will be placed as a lien on the property. The City estimates that it may recoup 50% of the cost of demolition which will be reused for NSP qualified activities.

In an effort to promote economic opportunities and workforce development skills as well as reduce landfill waste, demolition activity may include a “deconstruction” component. In deconstruction, homes would be hand-dismantled and materials would be sorted and distributed for reuse. Experience shows that as much as 85% of a structure can be diverted from a landfill. Many items are salvageable, and those that can’t be salvaged, can often be recycled to create new products. Using this approach, the City would partner with local job training programs to create employment opportunities for area residents.

The City has developed reuse strategies for the vacant land that will result from the demolition, which are more fully described in the “Vacant Land Initiative” activity section of this report.

Below is the Florissant ordinance used to meet the definition of blight.

Section 515.010: Purpose and Scope

It is the purpose of this Chapter to provide a just, equitable and practicable method for the repairing, vacation or demolition of buildings or structures that may endanger the life, limb, health, property, safety or welfare of the occupants of such buildings or the general public, and this Chapter shall apply to all dangerous buildings, as herein defined, that now are in existence or that may hereafter exist in the City of Florissant, Missouri.

Section 515.020: Dangerous Buildings Defined

All buildings or structures that are detrimental to the health, safety or welfare of the residents of the City and that have any or all of the following defects shall be deemed "dangerous buildings":

1. Those with interior walls or other vertical structural members that list, lean or buckle to such an extent that a plumb line passing through the center of gravity falls outside the middle third of its base.

2. Those that, exclusive of the foundation, show thirty-three percent (33%) or more damage or deterioration of the supporting member or members or fifty percent (50%) damage or deterioration of the non-supporting enclosing or outside walls or covering.

3. Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded, or that have insufficient strength to be reasonably safe for the purpose used.

4. Those that have been damaged by fire, wind or other causes so as to become dangerous to life, safety or the general health and welfare of the occupants or the people of the City.

5. Those that are so dilapidated, decayed, unsafe, unsanitary or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to work injury to the health, safety or welfare of those occupying such building.

6. Those having light, air and sanitation facilities that are inadequate to protect the health, safety or general welfare of human beings who live or may live therein.

7. Those having inadequate facilities for egress in case of fire or panic or those having insufficient stairways, elevators, fire escapes or other adequate means of evacuation.

8. Those that have parts thereof that are so attached that they may fall and injure members of the public or property.

9. Those that because of their condition are unsafe, unsanitary or dangerous to the health, safety or general welfare of the people of this City.

Section 515.030: Dangerous Buildings Declared Nuisance

All dangerous buildings or structures, as defined by Section 515.020 of this Chapter, are hereby declared to be public nuisances and shall be repaired, vacated or demolished as provided herein.

Section 515.040: Standards for Repair, Vacation or Demolition

The following standards shall be followed in substance by the Building Inspector and the Building Commissioner in ordering repair, vacation or demolition of any dangerous building.

1. If the dangerous building can reasonably be repaired so that it no longer will exist in violation of the terms of this Chapter, it shall be ordered repaired.

2. If the dangerous building is in such condition as to make it dangerous to the health, safety or general welfare of its occupants, it shall be ordered to be vacated and repaired.

3. In all cases where a building cannot be repaired so that it no longer will exist in violation of the terms of this Chapter, it shall be demolished.

4. In all cases where a dangerous building is a fire hazard existing or erected in violation of the terms of this Chapter or any ordinance of this City or Statute of the State of Missouri, it shall be repaired or demolished.

(9) Total Amount of Request per Activity: Acquisition $400,000 (avg. cost of $40,000 per unit X 10 units.)
Demolition $100,000 (avg. cost of $10,000 per unit X 10 units.)

(10) Performance Measures: It is estimated that approximately 10 units will be demolished.

(11) Local NSP Funds: The City of Florissant has not received an allocation of local NSP Funds from HUD.

(1) Activity Name: Vacant Land Initiative

(2) Activity Type: Eligible NSP use: Redevelop demolished or vacant properties CDBG eligible activity: 24 CFR 570.201 (disposition of property and construction of public facilities and improvements).

(3) National Objective: Benefit low moderate and middle income persons, <120% of AMI and area benefit for census tracts where 51% of residents have incomes <120% of AMI.

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of Florissant

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A. In addition, activity will be targeted to those areas where demolition activity has occurred as a result of the abandoned, foreclosed and blighted properties.

(8) Activity Description: The program will involve the reuse of vacant land resulting from the demolition of abandoned, foreclosed and blighting structures. It will include two components. Where the demolition has resulted in a site that in itself, or combined with other land, represents an opportunity for the development of affordable housing for individuals or families earning <120% of AMI, gap financing will be provided for the new development.

Where demolition has resulted in sites that because of size, topography, or other site conditions, are not suitable for redevelopment, resources will be provided so that the sites can be "reprogrammed" for uses that benefit residents, neighborhoods, and the participating jurisdiction.

Vacant Lot Reuse (Reprogramming)
Vacant lots that result from the demolition of abandoned, foreclosed and blighting structures that do not have redevelopment potential will be reprogrammed for productive neighborhood reuse. These uses will include:

Urban gardening on vacant lots to beautify neighborhoods and mitigate the visual blight resulting from foreclosures and demolitions.

Urban agriculture to produce healthy fresh food on vacant lots in neighborhoods that are underserved by local grocery stores.

Urban forestry to sequester greenhouse gases and absorb storm-water runoff with trees and bushes.

Storm-water management with lots being planted with rain gardens, bio-swales, and appropriate plantings to meet the participating jurisdiction's storm water management needs.

Education and management programs will be coordinated with residents and experienced community organizations with the capacity to undertake the above listed activities. The vacant lots may be leased or sold to neighboring owners, with a stipend provided to undertake the necessary improvements. Management of vacant lots that remain in public ownership will be overseen by the participating jurisdiction.

Vacant Lot Reuse (New Construction)
This activity will involve new construction on vacant lots that result from the demolition of abandoned, foreclosed and blighting structures that have redevelopment potential. Gap financing will be provided for the new construction of housing that is affordable to families earning under 120% of AMI. An inventory of sites will be made available to the local development community and developers will be invited to submit proposals for the redevelopment of sites.

Proposals will be evaluated on a number of criteria, including the quality of the proposed development and the experience of the development team in developing and/or selling and managing quality affordable housing. In addition, proposals will be evaluated based on economic feasibility, the amount of the project gap, the timeline for completion, and evidence of committed funding sources necessary to undertake the project.

The minimum affordability period for assistance under this activity will be dependent on the reuse of the property. Consistent with HOME requirements, for single family homeownership, the affordability requirements will be:

Amount of Direct Subsidy	Period of Affordability
$15,000 or less/unit	5 years
$15,000-$40,000/unit	10 years
$40,000+	15 years.

For rental projects, the period of affordability will be 20 years.

A mortgage and a restrictive covenant will be recorded on the property to insure that the affordability requirements are met. For homeownership projects, to the extent there are direct subsidies provided to the homebuyer to reduce the purchase price of the home below the appraised value, the subsidy will generally be recaptured for sales prior to the end of the affordability period to the extent sufficient sales proceeds exist. For rental projects, any sale prior to the end of the affordability period will require the recapture of funds and the new owner assume the affordability requirements for the project.

(9) Total Amount of Request per Activity: No funding is being requested from the state. The intent is for any land that is available as result of demolition, will be sold to public or private entities for housing development within program guidelines. In the event that the land is not sold, the above-cited activities will be undertaken through other funding in order to provide an appropriate interim use for vacant land.

(10) Performance Measures: It is estimated that all units of housing constructed on vacant land will benefit households with incomes less than 120% of AMI, while specifically targeting those with <80% of AMI.

(11) Local NSP Funds: The City of Florissant has not received an allocation of local NSP Funds from HUD.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification	
A. NAME (CITY OR COUNTY): City of Branson, MO	
B. MAILING ADDRESS: 110 W. Maddux	
C. CITY, STATE, ZIP CODE: Branson, MO. 65616	
D. CHIEF OFFICIAL OF (A): Raeanne Presley	E. TITLE OF (D): Mayor
F. TELEPHONE OF (D): 417-334-3345	G. FAX OF (D): 417-334-6095
H. FISCAL YEAR END OF (A): 2008	

2. Application Preparer	
A. NAME: Jerry Adams	
B. MAILING ADDRESS: 110 W. Maddux	
C. CITY, STATE, ZIP CODE: Branson, MO 65616	
D. NAME OF AGENCY: City of Branson	
E. TELEPHONE: 417-337-8526	F. FAX: 417-334-6095

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)	
A. NAME (ENTITY): Mountain Country Homes of Hope	
B. MAILING ADDRESS: PO Box 6549	
C. CITY: Branson, MO 65616	
D. CHIEF OFFICIAL OF (A): Susan Martin	
E. TITLE OF (D): Director	
F. TELEPHONE OF (D): 417-335-2015	G. FAX: 417-336-4335

4. Other Information for Reporting Purposes		
A. 2000 POPULATION OF 1A: 6,865`		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Dennis Wood (62 District)	
C. STATE SENATOR AND DISTRICT NUMBER(s):	Jack Goodman (29 District)	
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	65616	E. COUNTY: Taney

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	116
B: NUMBER OF FAMILIES SERVED BY PROJECT:	58
C: % LMMI PERSONS OF PROPOSED PROJECT:	100%

D. % LMMI FAMILIES OF THE PROPOSED PROJECT:

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

See attached activity description

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	$6,260,318
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	N/A
C. LOCAL IN-KIND FUNDS:	N/A
D. OTHER STATE/FEDERAL FUNDS:	N/A
E. PRIVATE FUNDS	A?A
F. TOTAL PROJECT COST:	$6,260,318

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? XX ☐ Yes ☐ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? XX ☐ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? XX ☐ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☐ No N/A

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? XX ☐ Yes ☐ No

IF YES, DESCRIBE. Vacant land to be developed into housing units and park

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? XX ☐ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes XX☐ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of Branson

B. PROJECT TITLE: Purchase and rehabilitation of foreclosed properties under NSP

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

308 Erie Street .26 acres / 1 lot with one existing dwelling unit
245 Middletown Dr 20.78 acres/vacant
812 Sunset Rd .34 acres with one existing dwelling unit
215 W. Pacific St (Lots 13-21) with six (6) existing dwelling units

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

308 Erie - Rehab existing residence. May have asbestos concerns (pre-1978) Constructed in 1973

215 W. Pacific St. – Rehab six existing dwelling units. Possible asbestos concerns (Pre-1978) Constructed 1930

812 Sunset – Located in flood plain (Pre 1978) Constructed 1971

245 Middletown Dr. – Construction of low to moderate income housing

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

Renovation of flooded home at **812 Sunset**
Inspect **Pacific Street units** for asbestos. (Local college has certified inspector) Contract @ prevailing wage including labor for all repairs
Inspect **Erie St** for asbestos (Local college has certified inspector) Contract labor for all repairs @ prevailing wage
245 Middletown – Dr. Construction of 15 duplexes and 20 single family home plus a city park.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of Branson in my capacity as Public Information Director. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

Jerry Adams **November 13, 2008**
Date

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name:

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income).

(4) Projected Start Date: April 1, 2009

(5) Projected End Date: October 31, 2010

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information. Include a statement of capacity, experience, and relationship of the responsible organization to the jurisdiction.)
Mountain Country Homes of Hope
(7) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

(8) Activity Description:
Include a narrative describing;

- the area of greatest need that the activity addresses;
- the expected benefit to income-qualified persons; and
- whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate
- Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).
    - If so, include:
        - The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
        - The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
        - The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

For financing activities, include:

- range of interest rates

For demolition activities, include:

- a statement describing the local ordinance, code violation, or occupancy/habitability designation used to meet the definition of blight. Include a copy of the ordinance, code or other supporting documentation.

(9) Total Amount of Request per Activity: clearly depict the budget per activity and the total amount requested from the state. Include activities and administration amounts. Include any local dollars, in-kind and local NSP funds, if applicable.

(10) Performance Measures: (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan.

Activity Description for City of Branson:

The need for low income housing in the Branson area is critical. In Taney County, the Fair Market Rent for a two-bedroom apartment is $556.00 a month. In order to afford this level of rent and utilities, without paying more than 30% of income on housing (which is the Federal definition for "affordable" housing), a household must earn $1,853 monthly or $22,240 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of $10.69. In Taney County, the average wage is $8.27 an hour which places a one-wage earner family in the position of using 39% of its income on housing. This also assumes the average worker has the opportunity to work year-round and forty hours per week. In reality, the unemployment rate in January 2008 was 16.3% with the lowest in July at 5.1%. The annual unemployment rate from October 2007 through September 2008 was 7.62%.

For retired or disabled individuals living on monthly Supplemental Security Income (SSI) payments, the average payment is $579 in Taney County but the Fair Market Rent for a one bedroom apartment is $440.

Home ownership is also not affordable for low to moderate income families. The median value of homes/condos is $129,189. With 14.2% of the county population bringing home income below the poverty level in 2007, home ownership is out of the realm of possibility for a large percent of the working public. The median family income for the county is $31,919.

The City of Branson has identified four property areas which are in foreclosure and can be purchased and utilized to meet the goals of the Neighborhood Stabilization Program. The City proposes to partner with Mountain Country Homes for Hope, a 501C3 organization which has constructed 46 homes for low income families in Stone and Taney counties over the past 20 years. The City, using funds made available through the Neighborhood Stabilization Program, would purchase the foreclosed properties itemized below, renovate foreclosed homes for low to moderate income family ownership and make money available for the construction of homes on the foreclosed undeveloped property.

Mountain Country Homes for Hope would put all of the land purchased into a land trust. Low to moderate income families would meet the organization's criteria for ownership (See appendix) on both the renovated and the newly constructed housing units. Residents would sign a long-term (99 year) lease with the land trust for a nominal fee. Purchase price of the properties would be assessed based on the value of the housing unit and residents would pay tax only on the value of the housing structure, thereby making the housing units affordable.

These areas and their proposed use are:

1) 812 Sunset Road. This property is in the flood plain and received major flood damage in last spring's flooding. The owner has walked away from the property and the desertion of the home places other homes in the area at risk for declining property values. The City proposes to purchase the property and renovate the home for purchase.

Purchase price (5% below value)	$142,500
Renovation	$ 25,000
TOTAL	$167,500
FAMILIES SERVED	1
INDIVIDUALS HOUSED	4

2) 308 Erie Street. This home was constructed in 1973 and sits in a residential area comprised of low to moderate income residences. The City proposes to purchase the property and renovate the home for purchase.

Purchase price (5% below value)	$119,956
Renovation	$ 22,000
TOTAL	$141,956
FAMILIES SERVED	1
INDIVIDUALS HOUSED	4

3) Pacific Street – 6 homes which have been converted to commercial businesses. These properties are located in a mixed residential/commercial neighborhood just two blocks from downtown Branson. Jobs and shopping (grocery, drug store, etc.) are within easy walking distance for individuals without reliable transportation. These properties would all be purchased and renovated back to residential use and then sold to qualifying low to moderate income families or individuals. Each property is in need of roofing and electrical work along with interior work for conversion to residential. Cost of renovation and repairs for all six properties combined is $134,000. Purchase of all six properties at 15% below the auction value of $262,637 would be $223,242.

Purchase price (15% below value)	$223,242
Renovation of six homes	$134,000
TOTAL	$357,242
FAMILIES SERVED	6
INDIVIDUALS HOUSED	18

4) 245 Middletown Drive – 20.78 vacant acres. The foreclosure of this property presents a unique opportunity to make affordable housing available for Branson's work force, a need which has been identified for at least eight years.

Two factors make residential housing expensive to build in Branson. The first is the price of land. With 80% of the City zoned commercial, vacant property is sold at a premium price and large plots of land to develop low to middle income housing is nearly impossible to find. Additionally, the cost of the land itself makes affordable housing unaffordable, which is why foreclosure on this acreage presents an incredible opportunity to move forward on a large affordable housing development.

The second factor is the cost of excavation for property construction. With minimal dirt, karst topography and unknown amounts of rock to deal with, this factor becomes an unknown when it comes to construction of an affordable living unit. The opportunity for a large tract of land which could be excavated and provided with infrastructure all at once would significantly decrease the infrastructure preparation per housing unit.

Five acres of the property would be used by Mountain Country Homes of Hope to construct duplexes targeted for home ownership by veterans and senior citizens who meet income guidelines. This organization has already identified a waiting list of individuals fulfilling the income criteria who are in need of affordable housing. Homes of Hope has available housing packages to build these units but has not been able to find affordable land in the area for construction. This property meets the need of convenience (close to shopping, doctors and hospital) required for this population. It is estimated that fifteen of these units could be built at this location housing a total of thirty individuals or families.

Three acres of this property would be set aside as park area and developed by the City as open, public space.

The remaining twelve acres would be used by Mountain Country Homes of Hope to build single family housing units with the goal of home ownership for each family. Preliminary examination of the property indicates that twenty homes could be built on the property.

Purchase price (5% below value)	$1,520,000
Demo of old home on property	$ 4,000
3 acre park built by City	$ 75,000
15 Duplexes @ $93,300 (1700 sq. ft.; 850 sq. ft. per unit) (Price includes construction & all infrastructure-sewer, water, roads)	$1,399,500
20 Single Family Homes @ $101,300 (Price includes construction & all infrastructure-sewer, water, roads)	$2,026,000
TOTAL	$5,024,500
FAMILIES SERVED	50
INDIVIDUALS HOUSED	90

TOTAL PROJECT PROPOSAL

Property Acquisition	**$2,005,698**
Renovation Cost	**$ 185,000**
Building Cost	**$3,500,500**
SUBTOTAL COST	**$5,691,198**
ADMINISTRATIVE FEE	**$ 569,120**
TOTAL COST	**$6,260,318**
FAMILY HOUSING UNITS PROVIDED	**58**
INDIVIDUALS HOUSED	**116**

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of Boonville		
B. MAILING ADDRESS:	525 East Spring Street		
C. CITY, STATE, ZIP CODE:	Boonville, Missouri 65233		
D. CHIEF OFFICIAL OF (A):	Dave Nicholas	E. TITLE OF (D):	Mayor
F. TELEPHONE OF (D):	660-882-2332	G. FAX OF (D):	660-882-6608
H. FISCAL YEAR END OF (A):	April 1 to March 31		

2. Application Preparer			
A. NAME:	Megan McGuire, City Planner		
B. MAILING ADDRESS:	525 East Spring Street		
C. CITY, STATE, ZIP CODE:	Boonville, Missouri 65233		
D. NAME OF AGENCY:	City of Boonville		
E. TELEPHONE:	660-882-4002	F. FAX:	660-882-4004

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	The Housing Authority of the City of Boonville		
B. MAILING ADDRESS:	506 Powell Court		
C. CITY:	Boonville, Missouri 65233-1521		
D. CHIEF OFFICIAL OF (A):	Robert J. Rorah		
E. TITLE OF (D):	Executive Director		
F. TELEPHONE OF (D):	660-882-7332	G. FAX:	660-882-6811

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	8202 (2000 Census)		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Representative Kenneth Jones, District 117		
C. STATE SENATOR AND DISTRICT NUMBER(s):	Senator Bill Stouffer, Senatorial District 021		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	65233	E. COUNTY:	Cooper

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	62 PERSONS MINIMUM
B: NUMBER OF FAMILIES SERVED BY PROJECT:	14 FAMILIES
C: % LMMI PERSONS OF PROPOSED PROJECT:	100% or 62 persons minimum
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100% or 14 families

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

To provide emergency affordable rental housing for neighborhood stabilization within a Tier One Target Area of greatest need considered to be high risk for foreclosure or abandonment. Also meeting 100% of the CDBG National Objective for low, moderate, and middle income (LMMI) national objective with income eligibility requirements of ≤ 120% of area median income and above average unemployment rates. Also, ensuring that the emergency affordable rental housing properties assisted with NSP funds meet the housing habitability standards.

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	2,001,754
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	-0-
C. LOCAL IN-KIND FUNDS:	Staffing and administrative costs 30,000
D. OTHER STATE/FEDERAL FUNDS:	-0-
E. PRIVATE FUNDS	-0-
F. TOTAL PROJECT COST:	2,031,754

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No Not Applicable

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes ☒ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: CITY OF BOONVILLE

B. PROJECT TITLE: Warnhoff Subdivision Acquisition, Demolition and Development

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

1200 Cherry Street, within the Tier One Target Area

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

The needs for this project are as follows:

1) Threefold increase in foreclosures in area over last three years;
2) Recent layoff and reduction in hours in local businesses employing unskilled labor force including persons working below county median income;
3) High unemployment in the target area;
4) No detached 3 bedroom single family rental homes offered privately, through tax credit incentives program or public housing in Boonville jurisdiction;
5) Waiting list for current housing stock in subsidized housing sector;
6) No Section 8 or subsidized public housing available for family support with housing; and
7) Lack of energy efficient housing units for families.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

The City proposes acquisition and development of a previously platted, yet undeveloped, subdivision containing 11 lots within the Tier One Target Area. Once purchased and developed, the City will transition the management to the Housing Authority of the City of Boonville. This project will provide affordable, energy efficient rental housing for 10 families needing 3 bedroom accommodations and 4 families needing 2 bedroom accommodations. This project, through pre-established screening and admission criteria, will provide housing to families affected by the local and national economic downturn and qualifying under the 50% average median income and ≤120% of the LMMI.

In addition, this project will: 1) demolish a blighted structure in the Tier One Target Area, 2) put an undeveloped tract of land into use with energy efficient, affordable rental units increasing the housing stock in the community, 3) take advantage of the management skills and established infrastructure of the award winning Housing Authority, 4) benefit a Boonville housing manufacturer and employer, Fuqua, by utilizing their homes in the project, and 5) purchase the land from Central Missouri Community Action (CMCA), who is desirous of using the proceeds of this land sale to benefit other ongoing projects.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of BOONVILLE in my capacity as CITY ADMINISTRATOR. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

_____ **Date** **11-12-2008**

IRL TESSENDORF

10. NSP INFORMATION BY ACTIVITY

(1.) Activity Name: WARNHOFF SUBDIVISION / BOONVILLE, MISSOURI (TIER ONE TARGET AREA OF GREATEST NEED / ACQUISITION AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING)

(2.) Activity Type: Property acquisition, demolition of blighted structures, construction of subdivision infrastructure and new construction of emergency affordable rental housing

(3.) National Objective: To provide emergency affordable rental housing for neighborhood stabilization within a Tier One Target Area of Greatest Need considered to be high risk for foreclosure or abandonment also meeting 100% of the CDBG National Objective for "low-, moderate-, and middle-income (LMMI) National Objective with income eligibility requirements of ≤ 120% of area median income and above average unemployment rates. Also ensuring that the Emergency Affordable Rental Housing properties assisted with NSP funds meet the housing habitability standards.

(4.) Projected Start Date: March 1, 2009

(5.) Projected End Date: December 31, 2009

(6.) LMMI National Objective/Activity (See Exhibit No. 1 for all Supporting Documents)

Responsible Organization:	The Housing Authority of the City of Boonville
Federal Tax ID # 43-0901723	506 Powell Ct.
DUNS # 028217875	Boonville, MO 65233 - 1521
PIH Project NO: MO054001	Executive Director, Robert J. Rorah
PHA Code MO054001	Phone number: 660-882-7332
	Fax: 660-882-6811

Statement of Capacity: The Housing Authority of the City of Boonville would be the proposed owner/managing agency of the Warnhoff Subdivision. Professional Memberships, licenses, certificates or accreditations, which are related to property management activities and are held by the Boonville Housing Authority executives, or site employees, are listed below.

- Boonville Housing Authority has been in operation since September 30, 1972 providing One, Two, and Three Bedroom low-income based housing units to families in the City of Boonville and Cooper County, Missouri. The Boonville Housing Authorities HUD designation status is "HIGH PERFORMER" scoring 28/30 on Physical Condition of the property, 30/30 Financial, 27/30 Management and 9/10 Resident satisfaction.

- The Boonville Housing Authority has been recognized by Elizabeth A. Hanson, Deputy Assistant Secretary for U.S. Department of Housing and Urban Development, for successfully converting to Asset Management and Stop Loss approval as of September 19, 2008.

- Housing Authority Executive Director, Robert Rorah is currently on the Executive Board of the Missouri Chapter of the National Association of Housing and Redevelopment Officials. (MO-NAHRO) and Vice-Chair of the MO-NAHRO Housing Committee. Mr. Rorah is also serving as the first Missouri State Coordinator for the Housing America Campaign by the National Association of Housing And Redevelopment Officials (NAHRO). Mr. Rorah holds certificates in Public Housing Management, Basics of Tax Credits, Income Verification, Capital Improvement, Procurement and Contract Management from U.S. Department of Housing, Nan McKay and Associates, Inc. CPE, and NAHRO. Mr. Rorah also has a Missouri Real Estate Broker License since 1982 specializing in new subdivision development, construction and sales of over 450 single-family homes.

- Housing Authority Maintenance Supervisor, Dale Purvis spent six years employed by Fuqua Homes as Lead Man in construction, four years on site set up of homes, and four years on site maintenance / service after sale.

- **Employee Training:** Housing Authority executive, administrative and supervisory maintenance staff training takes place through out the year and is ongoing. Onsite training is provided by HUD staff as well as at the HUD St. Louis Field Office. On-line web site training is usually provided by HUD three to four times per year.

Redevelopment Training is provided by MO-NAHRO six times a year at various locations through out the state of Missouri.

(7.) Location Description: (See Exhibit No. 2. for all Supporting Documents)

Warnhoff Subdivision, 1200 Cherry Street, Boonville, MO 65233.
This subdivision is in the center of the Tier One Target Area of Boonville, MO. This subdivision was previously platted in 1998; however, no infrastructure or construction was completed.

(8.) Activity Description:

Affordable Housing in Boonville, Cooper County, Missouri is not meeting the demand for applicants and is currently reporting full occupancy with existing tax credit apartment complexes, HUD subsidized rental units and USDA subsidized rental units. Most significant is the lack of affordable three bedroom detached single-family affordable rental units available for (LMMI) “low-, moderate-, and middle-income” families.

NEEDS AND BENEFITS

The area of greatest need that the activity addresses: LMMI National Objective - Tier 1

Subject Property Location meets 100% of the CDBG National Objective and is designated as Tier 1 by providing affordable rental housing to;

- **100% Meeting** the “low-, moderate-, and middle-income” (LMMI) national objective location having “Eligible High Risk of Foreclosure”.
- **100% Meeting** the “low-, moderate-, and middle-income” (LMMI) having “Above Average (6.2%+) Unemployment”.
- **100% Meeting** the “low-, moderate-, and middle-income” (LMMI) with “Above Average (1.52%+) Ratio of High Cost Loans to Owner Occupied Units”.

The Expected Benefit to Income-Qualified Persons would be;

To ensure, to the maximum extent possible, that the redevelopment of rental property within a Tier One Target Area as the result of the sale, rental or redevelopment of abandoned and foreclosed homes and residential properties, remain affordable to individuals or families with incomes at or below 120% of AMI within this area.

To meet the need, to the maximum extent possible, that 25% of individuals and families housing needs are met whose income falls below 50% of AMI by structuring rents and utility allowances to fall within the HUD recommended 30% of a families monthly adjusted income or the established minimum rent depending on the Housing Authority policy for Admissions and Continued Occupancy.

HOUSING RELATED ACTIVITIES:
The Expected Benefit For Housing Related Activities would include;

Tenure of beneficiaries: Rental

To ensure, for the next fifteen years, that by increasing the inventory of affordable single family three bedroom and two bedroom rental housing units within this Tier One Target Area, families displaced by the Foreclosure Crisis, including Low-Income Renters should not have to face;

- Higher Housing Costs
- Higher Rents
- Higher Security Deposits
- Higher Moving and Storage Costs
- Higher Utility Bills

The Design of the activity will ensure continued affordability:

The proposed Warnhoff Subdivision of affordable rental single family, three bedroom homes and affordable multifamily duplexes is designed to ensure continued affordability in many ways, but not limited to the following;

- Meeting the ongoing need and lack of three bedroom Affordable Housing units Boonville.
- The Housing Authority of The City of Boonville has been established since 1972 and is designated as a High Performer by HUD with over 35 years experience in (LMMI) housing and will be owning and managing the rental properties.
- The Housing Authority's Executive Director is the Missouri State Coordinator for the Housing America Campaign, with Certificates in Public Housing Management, Tax Credits, Rental Income Verification, Procurement and Contract Management, including a Missouri Real Estate Brokers License.
- The design of the subdivision will have multifamily duplexes buffered from single family houses, adequate parking will be provided for both types of housing and the new street and sewer will be maintained by the City of Boonville.
- The design of the proposed subdivision will meet the continued affordability need, to the maximum extent possible, that 25% of individuals and families housing needs are met whose income falls below 50% of AMI by structuring rents and utility allowances to fall within the HUD recommended 30% of a families monthly adjusted income or the established minimum rent depending on the Housing Authority policy for Admissions and Continued Occupancy.

ACQUISITION AND DEVELOPMENT COSTS AND CAPACITY (See Exhibit No. 4 for all Supporting Documents)

- The current owner of this tract, Central Missouri Community Action (CMCA) had this property appraised in 2003 for $190,000.00. CMCA has offered 3.55-acre tract to the City of Boonville for $185.000.00. The cost to develop the infrastructure in the 11 lot subdivision including the street, water main, sanitary sewer main and storm water inlet, piping and detention basin is estimated at $263,958.00. This figure includes engineering design, inspection and a 10% contingency for unforeseen topographic and geographic activities.
- The cost to build a 1,275 Sq. Ft. Energy Star single-family house is $114,353.00 per unit or $90.00 per Sq. Ft. This subdivision can support ten of these units for a total cost of $1,143,530.00. This cost is complete and includes the Fuqua pre-fabricated units, foundation, site prep, and all utilities hooked at the curb.
- The cost to build a 1,690 Sq. Ft. Energy Star duplex is $167,928.00 per unit or $102.00 per Sq. Ft. This subdivision can support two of these units for a total cost of $335,856.00
- Upon acquisition of the 3.55 acres tract of land the City will contract with MECO Engineering to provide the engineering, inspection, and bid specifications for completion of the subdivision infrastructure through a competitive bidding process.
- Upon completion of the infrastructure the City will contract with a project manager to oversee the construction and inspection of the dwelling structures.

DEMOLITION COSTS (See Exhibit No. 5 for all Supporting Documents)

The tract of land proposed for purchase has two buildings and a swimming pool area. The cost to remove both the large and small building and swimming pool sides are estimated to cost $27,000.00. This demolition is necessary to use this tract to its full potential, remove an unsafe and unhealthy building as well as make the lot safe for re-construction.

(9.) Total Amount of Request Per Activity: (See Exhibit No. 6 for all Supporting Documents)

The budget for the Warnhoff Subdivision Project is $1,981,754.00. This funding will build housing units in the Target Area to support 14 families in an efficient and well-managed environment conducive to raising children in a safe and healthy manner.

(10.) Performance Measures:

All units will be 100% occupied by families meeting the 50% of AMI and ≤ 120% of LMMI income criteria.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

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   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
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9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM-STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1. Applicant Identification

A. NAME (CITY OR COUNTY):	City of Jefferson, Missouri
B. MAILING ADDRESS:	320 E. McCarty Street
C. CITY, STATE, ZIP CODE:	Jefferson City, MO 65101
D. CHIEF OFFICIAL OF (A):	John Landwehr
F. TELEPHONE OF (D):	573-634-6306
G. FAX OF (D):	573-634-6329
E. TITLE OF (D):	Mayor
H. FISCAL YEAR END OF (A):	October 31

2. Application Preparer

A. NAME:	Melva Fast
B. MAILING ADDRESS:	320 E McCarty Street
C. CITY, STATE, ZIP CODE	Jefferson City, MO 65101
D. NAME OF AGENCY:	City of Jefferson
E. TELEPHONE:	573-634-6305
F. FAX:	573-634-6329

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)

A. NAME (ENTITY):	
B. MAILING ADDRESS:	
C. CITY:	
D. CHIEF OFFICIAL OF (A):	
E. TITLE OF (D):	
F. TELEPHONE OF (D):	
G. FAX:	

4. Other Information for Reporting Purposes

A. 2000 POPULATION OF 1A:	40,214
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	Mark Bruns 113 & Bill Deeken 114
C. STATE SENATOR AND DISTRICT NUMBER(s):	Carl Vogel 6
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	
E. COUNTY:	Cole

5. Proposed Project Beneficiaries

A. NUMBER OF PERSONS SERVED BY PROJECT:	1397 (BLKGRP#1 = 813; BLKGRP#3 = 584)
B: NUMBER OF FAMILIES SERVED BY PROJECT:	598 (BLKGRP#t = 325; BLKGRP#3 = 233)
C: % LMMI PERSONS OF PROPOSED PROJECT:	93 .3% (BLKGRP#1 = 90.7%; BLKGRP#3 = 96.9%)
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	93.3%

6. LMMI National Objective/Activity (list each activity proposed and the LMMI National Objective -100% v 51% area)

OBJECTIVES Benefitting low, moderate & middle income persons
ACTIVITY: Acquisition of fore-closed properties
ACTIVITY: Rehabilitation of foreclosed properties to comply with local standards
ACTIV ITY: Demolition of blighted structures
ACTIVITY: Redevelopment of vacant sites for new construction by Habitat or Neighborhood activities & Disposing rehabbed homes to **LMMI** families

7. Cost Data

A. NSPFUNDS REQUESTED FROM STATE:	$921,800 .00
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE ANO RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	
C. LOCAL IN-KIND FUNDS:	$50,000.00
D. OTHER STATE/FEDERALFUNDS:	
E. PRIVATE FUNDS	
F. TOTAL PROJECT COST:	$971,800 .00

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes X No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? IB) Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? IBIYes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes (RI No

E. WILL THE PROPOSED PROJECT **AND** ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT **IN ANY** CHANGE IN LAND USE? ☐ Yes IBJ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? IB) Yes O No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES **IN** THIS AREA? **[&j** Yes ☐ No

IF YES, PLEASE LIST .

MoDOT Environmental **Review** of Lafayette Ramp for Federal Courthouse

GSA Environmental Review for Federal Courthouse Construction

9. Project Description

In the space below, provide a brief description of the need(s) of the prtject and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City *of* Jefferson

B. PROJECT TITLE: Acquisition and Rehabilitation *of* Foreclosed Properties

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

Census Tract 101. Block Group 1 -- Boundaries are Missouri River, Marshall Street, Whitton Expressway, Highway 54
Census Tract 101, Block Group 3 - Boundaries are E. McCarty Street, Clark Avenue, E. Dunklin Street , Jackson Street

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Vacant and foreclosed properties within targetedLow-to-moderate income areas that cause neighborhood destabilization will be acquired and rehabbed or demolished. Census Tract 101, block groups 1 & 3 were identified as areas with above average unemployment, low income residents and lacking resources.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) - BE SPECIFIC:

The City of Jefferson is proposing the acquisition of "foreclosed upon" or "near foreclosure" residential properties that are vacant within the targeted area defined above at 95% of the current appraised value. After purchase each property will be inspected and determined to be "rehabbable" or "beyond rehabilitation".

Rehabbable properties will be restored to city standards including preservation and improving energy efficiency; Rehabbed houses will be sold to Low-to-moderate income or Low-to-moderate, medium income families for 85-95% of value. (Estimate 6 homes) Each new family will receive 8 hours of new homeowner education.

"Beyond rehabi litation" properties will be demolished and vacant lots will be used for neighborhood revitalization or given to Habitat for the construction of a new LMI house.(Estimate 4 demolitions)

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of _Jefferson_ in my capacity as Assistant City Administrator. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

J-μ;t

ate Nov. 2008

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: ACTIVITY INFORMATION #1

(1) **Activity Name:** Foreclosed properties acquisition

(2) **Activity Type:** Purchase and Rehabilitation - Purchase of homes and residential properties that have been abandoned or foreclosed upon, in order to sell or redevelop such homes and properties.

(3) **National Objective:** benfitting low, moderate and middle income persons

(4) **Projected Start Date:** April 1, 2009

(5) **Projected End Date:** April 1, 2010

(6) **Responsible Organization:** City of Jefferson, 320 E. McCarty Street,
Jefferson City, MO 65101
Contact Person: Melva Fast
Staff has experience with HUD programs as Entitlement community.

(7) **Location Description:** Census Tract 101, Block Groups 1 & 3

(8) **Activity Description:** The target area included is the block groups that demonstrated the predominance low-to-moderate income families, high foreclosure rates and vacancies. LMI neighborhood area will benefit by the acquisition of unoccupied residences at a fair market price- 95% of the current appraisal value. Appraisals will be completed before purchase to determine current value. These properties may be foreclosed or abandoned. It is estimated that 8 properties will be available for purchase.

After purchase it is intended that 6 of the 8 be rehabbed and two demolished due to their purchase condition. Therehabbed units will be available to LMI and LMMI families. It is estimated that at least two homes will be purchased by 80% area median income at a 15% discount rate and four homes will be purchased by 120% area median income families at a 5-10% discount rate.

After demolition, the remaining “buildable” lots will be given to Habitat for Humanity for future new homes for below 50% area median income families. If not they will be used for neighborhood revitalization purposes.

(9) Total Amount: **$ 4,000 = $500/property x 8 properties (appraisals)**
$520,000 = $65,000/property x 8 properties (purchase)
$ 8,000 = $1,000/property x 8 properties (closing & title work)

(10) **Performance Measures:** 2 = 50% area median income; 2 = 80% area median income; 4 = 120% area median income

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: ACTIVITY INFORMATION #2

(1) **Activity Name:** Foreclosed properties rehabilitation

(2) **Activity Type:** Purchase and Rehabilitation - Rehabilitation of residential properties that have been foreclosed upon and acquired with NSP Acquisition Funds.

(3) **National Objective:** benfitting low, moderate and middle income persons

(4) **Projected Start Date:** November 1, 2009

(5) **Projected End Date:** November 1, 2010

(6) **Responsible Organization:** City of Jefferson, 320 E. McCarty Street,
Jefferson City, MO 65101
Contact Person: Melva Fast
Staff has experience with HUD programs as an Entitlement Community.

(7) **Location Description:** Census Tract 101, Block Groups 1 & 3

(8) **Activity Description:** The target area included the block groups that demonstrated the predominance low-to-moderate income families, high foreclosure rates and vacancies. This activity will benefit the LMI neighborhood area by rehabilitating unoccupied, foreclosed residences to City standards which reflect 2006 international building codes. It is proposed that energy efficiency be incorporated into the rehabilitation, and historic preservation be considered in the exterior repair. Also lead safe practices for all older properties and lead-based paint removal will occur according to HUD prescribed guidelines.

After purchase it is projected that 6 of the 8 will be rehabbed to quality living standards as described above. The rehabbed units will be available to LMI and LMMI families only. It is estimated that at least t two homes will be purchased by 80% area median income at a 15% discount rate and four homes will be purchased by 120% area median income families at a 5-10% discount rate.

(9) Total Amount: $210,000 = $35,000/property x 6 properties

(10) **Performance Measures:** 2 = 80% area median income;
4 = 120% area median income

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: ACTIVITY INFORMATION #3

(1) **Activity Name:** Foreclosed properties/neighborhood demolition

(2) **Activity Type:** Demolition for Removal of Blight – Demolition of residential properties that have been acquired with NSP Acquisition Funds and are 1) not suitable for rehabilitation, or 2) vacant & constitute a threat to human health, safety and public welfare.

(3) **National Objective:** benfitting low, moderate and middle income persons

(4) **Projected Start Date:** November 1, 2009

(5) **Projected End Date:** November 1, 2010

(6) **Responsible Organization:** City of Jefferson, 320 E. McCarty Street,
Jefferson City, MO 65101
Contact Person: Melva Fast
Entitlement community has experience with HUD programs.

(7) **Location Description:** Census Tract 101, Block Groups 1 & 3

(8) **Activity Description:** The target area included is the block groups that demonstrated the predominance low-to-moderate income families, high foreclosure rates and vacancies. This activity will benefit the LMI neighborhood area by demolishing unoccupied residences that are no longer viable residences. Prior to demolition, asbestos must be removed if present. Also it is anticipated that two other properties in the neighborhood be demolished that are vacant but not acquired through NSP. (See also attachment from City of Jefferson code pp 831-835 "*Dangerous Buildings Regulations* that follows*.)*

After demolition of the two acquired properties, if the lots are b "buildable" according to city code, they will be given to Habitat for Humanity to be used for the construction of new homes for 50% median area income families. The other two demolitions would be for neighborhood benefit or revitalization.

(9) Total Amount: $80,000 = $20,000/property x 4 properties

(10) **Performance Measures:** 2 = 50% area median income;
2 = neighborhood area benefit

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: ACTIVITY INFORMATION #4

(1) **Activity Name:** Foreclosed properties resale

(2) **Activity Type:** Purchase and Rehabilition – New homeowner counseling and sale activities for resold properties that have been acquired and rehabilitated with NSP Acquisition Funds.

(3) **National Objective:** benfitting low, moderate and middle income persons

(4) **Projected Start Date:** November 1, 2009

(5) **Projected End Date:** November 1, 2010

(6) **Responsible Organization:** City of Jefferson, 320 E. McCarty Street,
Jefferson City, MO 65101
Contact Person: Melva Fast
Staff has experience with HUD programs as an Entitlement Community.

(7) **Location Description:** Census Tract 101, Block Groups 1 & 3

(8) **Activity Description:** After selection of LMI or LMMI families to purchase rehabbed homes, the new owners will be required to attend 8 hours of classes/counseling for new homeowners that will give them information about insurance, maintenance, city codes, etc.

.

This activity will directly benefit the LMI / LMMI families neighborhood area by selling quality residences below fair market price-85-95% of the current value. These Homeowner classes will give the new owners a better chance to succeed as new homeowners. Deed restrictions will be required to ensure that new owners retain their homes for a minimum of five years or pay the City the discounted amount if re-sold.

It is anticipated that the city will contract with Habitat for Humanity or Samaritan Center to provide these classes.

(9) Total Amount: **$10,000 for Homeowner Counseling**
$ 6,000 = $1,000/property x 6 properties (closing & title work)

(10) **Performance Measures:** 2 = 80% area median income;
4 = 120% area median income

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: ACTIVITY INFORMATION #5

(1) **Activity Name:** Foreclosed properties program administration

(2) **Activity Type:** Administration of program for acquisition and redevelopment of residential properties that have been acquired with NSP Funds.

(3) **National Objective:** benfitting low, moderate and middle income persons

(4) **Projected Start Date:** March 1, 2009

(5) **Projected End Date:** January 1, 2011

(6) **Responsible Organization:** City of Jefferson, 320 E. McCarty Street,
Jefferson City, MO 65101
Contact Person: Melva Fast
Staff has experience with HUD programs as an Entitlement community.

(7) **Location Description:** Census Tract 101, Block Groups 1 & 3

(8) **Activity Description:** General administration of NSP funded program to purchase foreclosed properties including environmental review, property acquisition, closing from start up to end.

.

(9) Total Amount: **$83,800 = 10% of program funds requested**

(10) Performance Measures: indirect benefit to LMMI persons/familes
Program complies with NSP regulations & standards

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A- PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	City of St. Charles		
B. MAILING ADDRESS:	200 North Second Street		
C. CITY, STATE, ZIP CODE:	St. Charles, Missouri 63301		
D. CHIEF OFFICIAL OF (A):	Mayor Patti York		E. TITLE OF (D): Mayor
F. TELEPHONE OF (D): 636-949-3268		G. FAX OF {D): 636-949-3267	
H. FISCAL YEAR END OF (A):	December 31st		

2. Application Preparer			
A NAME:	Director of Community Development Bruce Evans		
B. MAIUNGADDREss:	200 North Second Street, Third Floor, Room 303		
C. CITY, STATE, ZIP CODE:	St. Charles, MO 63301		
D. NAME oF AGENCY:	City of St. Charles Department of Community Development		
E. TELEPHONE: 636-949-3222		F. FAX: 636-949-3557	

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTTIY):			
B. MAILINGADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF {A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	City of St. Charles - 60,321; O'Fallon - 46,169; City of St. Peters - 51,381; Wentzville - 6,896; Unincor orated - 93,406		
B. STATE REPRESENTATIVE & DISTRICT NUMBER()s:	Doug Funderburk {12), Bob Onder {13), Joe Smith {14), Sally Faith {15), Mark Parkinson (16), Vicki Schneider {17), Vacant (18), Cynthia Davis (19		
C. STATE SENATOR AND DISTRICT NUMBER{s):	Tom Dempsey (23), Scott Rupp (2)		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	63301,63303,63304, 63376,63366,63385	E. couNTY:	St. Charles

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	**APPROXIMATELY** 270-360 **PERSONS**
B: NUMBER OF FAMILIES SERVED BY PROJECT:	APPROXIMATELY 90 FAMILIES
C: % LMMIPERSONS OF PROPOSED PROJECT:	100%

D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	100%

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective -100% v 51% area)

Acquisition, Rehab and Resale Program - National Objective of benefit to low, moderate and middle income persons at or below 120% of **AMI.**
Demolition - National Objective of blight elimination
Vacant Land Initiative - National Objective to benefit low, moderate and middle income persons at or below 10% of AMI and area benefit for census tracts where 51% of residents have incomes at or below 120% of **AMI.**
Administration/Program Management - National Objective 10% of NSP grant provided to a jurisdiction and up to an additional 10% of program income earned may be used for general administration and planning activities

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:		$6,634,000
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):		**N/A**
C. LOCAL **IN-KIND** FUNDS:	Local Government entity staffing and support, public information marketing, etc.	$50,000
D. OTHER STATE/FEDERAL FUNDS:	Down payment assistance via MHDC, other programs/sources	$450,000
E. PRIVATE FUNDS	First Mortgage financing; MHDC, FHA, FNMA, private lenders	$3,150,000
F. TOTAL PROJECT COST:		$10,284,000

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes @ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? @ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? @ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes @ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE? ☐ Yes @ No

IF YES, DESCRIBE.

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? @ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA? ☐ Yes @ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: City of St. Charles on behalf of consortium of St. Charles County Jurisdictions including City of St. Charles, City of St. Peters, O'Fallon, Wentzville and Unincorporated County

B. PROJECT TITLE: St. Charles Neighborhood Stabilization Program

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS THE PROJECT BENEFITS THE APPLICANT'S ENTIRE JURISDICTION):

Targeted areas have been identified by foreclosure data and mapping in the participating jurisdictions.

- Wrthin the City of St. Charles, targeted areas include Montclair Subdivision, bounded by Old Friedens Rd, Arena Pkwy, area south of Highway 70, Old Town Neighborhood, bounded by First Capitol Drive, Boonslick and Main Street, Mid-Town Neighborhood, bounded by First Capitol Dr., Fifth Street, and Clark Street, Commons Neighborhood, bounded by the North side of Clark, West side of Fifth Street, to Kingshighway, Frenchtown Neighborhood, bounded by Second Street to East Side of Fifth Street to Olive, North End, bounded by Tecumseh, Moore, to North Eighth Street to Broadway to North Third Street, Duchesne Hills, bounded by Randolph, to Concordia, Westminster and Park Avenue and New Town bounded by Mueller Rd, New Town Blvd, Little Hills Expressway, Tamarack and Boshertown Rd.
- Within O'Fallon, targeted areas include the Forest Park Subdivision near Highway M & Tom Ginnever, Schrader Farms Subdivision near Belleau Creek Rd. and Mexico Rd. and Osage Meadows at Bryan Rd. and Mexico Rd.
- Wrthin the City of St. Peters targeted areas are the Highland Park Development and the central corridor of the city bordered by Mid Rivers to the West, the city boundary to the East, Mexico Road to the North and McClay to the south.
- Within Wentzville, Stone Meadows Subdivision located 1.5 miles South of Highway 70 off of Highway Z.
- Within Unincorporated County, the targeted areas include SI. Charles Hills Subdivision north of Highway 70, just West of the City of St. Charles and Heritaae Landina Subdivision in the central eastern oart of the countv.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

Within the jurisdictions identified in the submittal in 2007 and 2008 through the month of September there have been 1,404 foreclosures recorded. The loss of homeownership resulting from increased foreclosures is having a destabilizing effect on neighborhoods. In the City of St. Charles, and other participating jurisdictions throughout St. Charles County, the problem is exacerbated because of the fact that a significant amount of subprime lending in the area was for the purpose of refinancing existing mortgages. Homeowners with significant tenure in area neighborhoods are losing their homes to foreclosure. This is not only resulting in increased numbers of vacant homes, but the loss of long term homeowners who had been a stabilizing force in area neighborhoods. The impact of this project will be to stabilize those neighborhoods that are at risk due to foreclosures.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) - BE SPECIFIC:

The Acquisition/Rehab program will involve purchase and redevelopment of vacant foreclosed properties by private developers or by a City of St. Charles (or other participating jurisdiction)-affiliated entity for sale for affordable homeownership. The redevelopment of the property, at a minimum, will meet the rehabilitation standards for the program, which will be consistent with local codes. Additional consideration will be given to exterior improvements that will have a positive impact on the surrounding neighborhood. It is anticipated that 90 homes will be acquired across the participating jurisdictions through this program. While the intent is that all will be sold to income-eligible buyers, there is the possibility that a portion of the units may be converted to rental housing based on market conditions at the time of completion.

It is anticipated that some of the foreclosed properties in the City of St. Peters and other participating jurisdictions have outstanding building code violations and rehabilitation costs will make salvaging these properties infeasible . These properties are blighting influences on their neighborhoods and are undermining neighborhood confidence and stability. Left unattended, they are attractions for nuisance and criminal behavior, and destabilize their surrounding neighborhoods.

Certification:

I, **the undersigned, certify that the information found in this proposal, is factual and complete.**
I **have the authority to submit this proposal on behalf of the City of** **St. Charles** **in my capacity as** **Director of Community Development.** I **understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.**

_____ **Date** _ ...N..o..v e... mb"" e"" r 1..2... 2 00...8 __

NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Administration/Program Management

(2) Activity Type: Eligible NSP use: General Administration and Planning CDBG Eligible Activity: 24 CFR 570.205 and 206 (a) Delivery Costs (note: 0MB Circular A-87, Attachment B, paragraph 31, HUD is allowing states to incur pre-award costs as if each was a new grantee preparing to receive its fi rst allocation of CDBG funds.)

(3) National Objective: 10% of NSP grant provided to a jurisdiction and up to an additional 10% of program income earned may be used for general administration and planning activities.

(4) Projected Start Date: November 1, 2008

(5) Projected End Date: July 1, 2012

(6) Responsible Organization: City of St. Charles

(7) Location Description: N/A

(8) Activity Description: Program Administration will be used for the reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include (but are not limited to) salaries, wages, and related costs of staff and consultants engaged in program administration, which includes (but is not limited to) developing program parameters and requirements, engaging program partners, providing information about the program, preparing program budget and schedules, preparing reports, general oversight and other costs for goods or services needed for administration of the program

(9) Total Amount of Request per Activity $660,000 (10% of City of St. Charles and other participating jurisdictions' requested NSP Allocation of $6,634,000) Additional administrative costs may be allocated based on future program income. We also anticipate that participating jurisdictions will provide an in-kind contribution of staff time of $50,000.

(10) Performance Measures: Compliance with eligible use for Administration and Planning defined in 24 CFR 570.205 and 206.

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY}

(1) Activity Name: Acquisition, Rehab and Resale (Acquisition/Rehab) Program

(2) Activity Type: 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. CDBG eligible activity: 24 CFR 570.201(a) Acquisition (b) Disposition, (i) Relocation (n) (Direct homeownership assistance) and 24 CFR 570.202 (Rehabilitation and preservation activities for homes and other residential properties)

(3) National Objective: Benefit low moderate and middle income persons, <120% of **AMI.**

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of St. Charles

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A. Within these neighborhoods, consideration will be given to those areas with demonstrated concentrations of foreclosure causing negative neighborhood impacts.

(8) Activity Description: The loss of homeownership resulting from increased foreclosures is having a destabilizing effect on neighborhoods. In the City of St. Charles, and other participating jurisdictions throughout St. Charles County , the problem is exacerbated because of the fact that a significant amount of subprime lending in the area was for the purpose of refinancing existing mortgages. Homeowners with significant tenure in area neighborhoods are losing their homes to foreclosure. This is not only resulting in increased numbers of vacant homes, but the loss of long term homeowners who had been a stabilizing force in area neighborhoods.

The Acquisition/Rehab program will involve purchase and redevelopment of vacant foreclosed properties by private developers or by a City of St. Charles(or other participating jurisdiction)-affiliated entity for sale for affordable homeownership. In regard to private developers, the City will issue a "Request for Qualifications" to solicit proposals from developers with a proven track record of acquiring, redeveloping and marketing single family homes for homeownership. Properties purchased under the program will have an average discount of a minimum of 5-15% from the current market appraised value of the home.

Before purchase, homes will be evaluated for economic feasibility with careful consideration paid to market conditions supporting resale to owner-occupants. A qualified professional will estimate the overall cost, including purchase, rehabilitation and holding costs, along with the likely sales price.

The redevelopment of the property, at a minimum, will meet the rehabilitation standards for the program, which will be consistent with local municipal and county codes. Additional consideration will be given to exterior improvements that will have a positive impact on the surrounding neighborhood.

The minimum affordability period for assistance under this activity will be 5 years. Consistent with HOME requirements, the affordability requirements will be:

Direct Subsidy	Period of Affordability
$15,000 or less	5 years
$15,000-$40,000	10 years
$40,000+	15 years.

A mortgage and a restrictive covenant will be recorded on the property to insure that the affordability requirements are met. To the extent there are direct subsidies provided to the homebuyer to reduce the

purchase price of the home below the after rehabilitation appraised value, the subsidy will generally be recaptured for sales prior to the end of the affordability period to the extent sufficient sales proceeds exist. In the case of development subsidies (subsidies in instances where the cost to acquire and redevelop exceeds the after rehabilitation value of the home), the home will be required to be sold to another qualified low or moderate income purchaser.

Each homebuyer will receive at least 8 hours of homebuyer counseling under the program through the City's network of local home buying counseling agencies.

The City will work with local lenders, realtors, homebuyer's counseling agencies and community organizations to market opportunities under the program to prospective homeowners . In order to encourage and support the work of local nonprofit neighborhood organizations, referral fees of $500/home will be offered in targeted neighborhoods for the referral of qualified homeowners that successfully close on a home purchase.

It is anticipated that 90 homes will be acquired across the participating jurisdictions through this program. While the intent is that all will be sold to income-eligible buyers, there is the possibility that a portion of the units may be converted to rental housing based on market conditions at the time of completion.

Since the 50% of AMI targeting requirement may be challenging given the current state of the financing market, the City will also work with Habitat for Humanity, loca l housing authorities and other housing agencies to provide homeownership opportunities for St. Charles' low income families.

(9) Total Amount of Request per Activity: $5,474,000 is being requested in NSP funds.

The total uses of funds for this Activity is as follows {assuming 90 units):

Acquisition (avg. cost of $70,000 per unit)	$6,300,000
Rehabilitation {avg. cost of $15,000 per unit)	$1,350,000
Other Development Costs* (avg. cost of $15,000 per unit)	$1,350,000
Total Development Cost	$9,000,000
Homeownership Counseling ($600 per unit)	$ 54,000
Referrals, screening by CHDO's	$ 20,000
Total Activity Costs	$9,074,000

The total sources of funds for this Activity is as follows:

NSPfunds	$5,474,000
Private First Mortgage Funds (at avg of $35,000)	$3,150,000
Downpayment assistance from MHDC and other sources (*at* average of $5,000 per homebuyer)	$ 450,000
Total Activity Sources	$9,074,000

The unit count listed in this Activity assumes the ability to capitalize $3,150,000 ($35,000 per unit) through private first mortgages. Actual capitalization amounts will either positively or negatively influence the number of units provided through this program.

Any program income or savings will be utilized in accordance with NSP guidelines in order to increase the number of units acquired, rehabbed and sold under this program.

* Other Development Costs include building inspections , appraisals, real estate agency and other acquisition and closing costs, insurance, interim interest, RE taxes, etc.

(10) Performance Measures: It is estimated that 10 units of housing will be purchased by households under 50% of AMI, 25 units of housing will be purchased by households between 51 and 80% of AMI and 55 units of housing will be purchased by households between 81 and 120% of AMI

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)

(1) Activity Name: Demolition

(2) Activity Type: Eligible NSP use: Demolish blighted structures; CDBG eligible activity: 24 CFR 570.201(d) Clearance for blighted structures

(3) National Objective: Blight elimination.

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of St. Charles

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A. Within these neighborhoods, demolition activity will be directed to the most severely blighted properties and demolition work will be coordinated with other development activities under the NSP to achieve the most significant impact on the neighborhood. At this time, it is anticipated that demolition activities will occur in the participating jurisdiction of St. Peters.

(8) Activity Description: It is anticipated that some of the foreclosed properties in the City of St. Peters and other participating jurisdictions have outstanding building code violations and rehabilitation costs will make salvaging these properties infeasible. These properties are blighting influences on their neighborhoods and are undermining neighborhood confidence and stability. Left unattended, they are attractions for nuisance and criminal behavior, and destabilize their surrounding neighborhoods.

NSP funds will be used to demolish approximately 100 structures representing the properties most severely blighted and detrimental to neighborhood stability. The cost of these demolitions will be placed as a lien on the property. The City estimates that it may recoup 50% of the cost of demolition which will be reused for NSP qualified activities.

In an effort to promote economic opportunities and workforce development skills as well as reduce landfill waste, demolition activity may include a "deconstruction" component. In deconstruction, homes would be hand-dismantled and materials would be sorted and distributed for reuse. Experience shows that as much as 85% of a structure can be diverted from a landfill. Many items are salvageable, and those that can't be salvaged, can often be recycled to create new products. Using this approach, the City would partner with local job training programs to create employment opportunities for area residents.

The City has developed reuse strategies for the vacant land that will result from the demolition, which are more fully described in the "Vacant Lanc,i Initi ative" activity section of this report.

As stated above, it is anticipated that properties located within the City of St. Peters are the most likely candidates for demolition. Below is the St. Peters ordinance used to meet the definition of blight.

CHAPTER 525: PROPERTY MAINTENANCE CODE
SECTION 525.040: PROPERTY MAINTENANCE CODE -- AMENDMENTS
SECTION PM 110.0 DEMOLITION OF PUBLIC NUISANCES

110.1 Dangerous Buildings Defined. All buildings that are detrimental to the health, safety or welfare of the residents of the City and that have any or all of the following defects shall be deemed "dangerous buildings":

1. Those with interior walls or other vertical structural members that list, lean or buckle to such an extent that a plumb line passing through the center of gravity falls outside the middle third of its base;
2. Those that, exclusive of the foundation, show thirty-three percent (33%) or more damage *to* or deterioration of the supporting member or members, or fifty percent (50%) damage to or deterioration of the non-supporting enclosing or outside walls or covering;
3. Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded or have insufficient strength to be reasonably safe for the purpose used;
4. Those that have been damaged by fire, wind or other causes so as to become dangerous to life, safety or the general health and welfare of the occupants or the people of the City;
5. Those that are so dilapidated, decayed, unsafe, unsanitary or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to cause injury to the health, safety or welfare of those occupying such building;
6. Those having light, air and sanitation facilities that are inadequate to protect the health, safety or general welfare of human beings who live or may live therein;
7. Those having inadequate facilities for egress in case of fire or panic or those having insufficient stairways, elevators, fire escapes or other adequate means of evacuation;
8. Those having parts thereof that are so attached that they may fall and injure members of the public or property; or those because of their condition are unsafe, unsanitary or dangerous to the health, safety or general welfare of the people of this City.

110.2 Dangerous Buildings Declared Nuisance. All dangerous buildings, as defined in Section 110.1, are hereby declared to be public nuisances and shall be repaired, vacated or demolished as provided herein.

(9) Total Amount of Request per Activity: $500,000 (avg. cost of $5,000 per unit x 100 units.)

(10) Performance Measures: It is estimated that approximately 100 units will be demolished.

(1) Activity Name: Vacant Land Initiative

(2) Activity Type: Eligible NSP use: Redevelop demolished or vacant properties CDBG eligible activity: 24 CFR 570.201 (disposition of property and construction of public facilities and improvements).

(3) National Objective: Benefit low moderate and middle income persons, <120% of AMI and area benefit for census tracts where 51% of residents have incomes <120% of AMI.

(4) Projected Start Date: February 1, 2009

(5) Projected End Date: February 1, 2012

(6) Responsible Organization: City of St. Charles

(7) Location Description: The program will be targeted to the neighborhoods of identified need as well as the intervention areas listed in the attached Exhibit A In addition, activity will be targeted to those areas where demolition activity has occurred as a result of the abandoned, foreclosed and blighted properties. It is anticipated that most, if not all, demolition activities will occur in the participating jurisdiction of St. Peters

(8) Activity Description: The program will involve the reuse of vacant land resulting from the demolition of abandoned, foreclosed and blighting structures. It will include two components. Where the demolition has resulted in a site that in itself, or combined with other land, represents an opportunity for the development of affordable housing for individuals or families earning <120% of **AMI,** gap financing will be provided for the new development.

Where demolition has resulted in sites that because of size, topography, or other site conditions, are not suitable for redevelopment, resources will be provided so that the sites can be "reprogrammed" for uses that benefit residents, neighborhoods, and the participating jurisdiction.

Vacant Lot Reuse (Reprogramming)
Vacant lots that result from the demolition of abandoned, foreclosed and blighting structures that do not have redevelopment potential will be reprogrammed for productive neighborhood reuse. These uses will include:

Urban gardening on vacant lots to beautify neighborhoods and mitigate the visual blight resulting from foreclosures and demolitions.

Urban agriculture to produce healthy fresh food on vacant lots in neighborhoods that are underserved by local grocery stores.

Urban forestry to sequester greenhouse gases and absorb storm-water runoff with trees and bushes.

Storm-water management with lots being planted with rain gardens, bio-swales, and appropriate plantings to meet the participating jurisdiction's storm water management needs.

Education and management programs will be coordinated with residents and experienced community organizations with the capacity to undertake the above listed activities. The vacant lots may be leased or sold to neighboring owners, with a stipend provided to undertake the necessary improvements. Management of vacant lots that remain in public ownership will be overseen by the participating jurisdiction.

Vacant Lot Reuse (New Construction)
This activity will involve new construction on vacant lots that result from the demolition of abandoned, foreclosed and blighting structures that have redevelopment potential. Gap financing will be provided for the new construction of housing that is affordable to families earning under 120% of AMI. An inventory of sites will

be made available to the local development community and developers will be invited to submit proposals for the redevelopment of sites.

Proposals will be evaluated on a number of criteria, including the quality of the proposed development and the experience of the development team in developing and/or selling and managing quality affordable housing. In addition, proposals will be evaluated based on economic feasibility, the amount of the project gap, the timeline for completion, and evidence of committed funding sources necessary to undertake the project.

The minimum affordability period for assistance under this activity will be dependent on the reuse of the property. Consistent with HOME requirements, for single family homeownership, the affordability requirements will be:

Amount of Direct Subsidy	Period of Affordability
$15,000 or less/unit	5 years
$15,000-$40,000/unit	10 years
$40,000+	15 years.

For rental projects, the period of affordability will be 20 years.

A mortgage and a restrictive covenant will be recorded on the property to insure that the affordability requirements are met. For homeownership projects, to the extent there are direct subsidies provided to the homebuyer to reduce the purchase price of the home below the appraised value, the subsidy will generally be recaptured for sales prior to the end of the affordability period to the extent sufficient sales proceeds exist. For rental projects, any sale prior to the end of the affordability period will require the recapture of funds and the new owner assume the affordability requirements for the project.

(9) Total Amount of Request per Activity: No funding is being requested from the state. The intent is for any land that is available as result of demolition, will be sold to public or private entities for housing development within program guidelines. In the event that the land is not sold, the above-cited activities will be undertaken through other funding in order to provide an appropriate interim use for vacant land.

(10) Performance Measures: It is estimated that all units of housing constructed on vacant land will benefit households with incomes less than 120% of AMI, while specifically targeting those with <80% of AMI.

State of Missouri
Neighborhood Stabilization Program

Category 1
Request for Proposal

A Planning Tool Related to the Proposed Substantial Amendment of the "State of Missouri FY2008 Action Plan", dated April 2008

1. Responses are due IN THE OFFICES of the Missouri Department of Economic Development, as well as submitted electronically, no later than 12:00 pm, Thursday, November 13, 2008.
   Missouri Department of Economic Development
   301 West High Street, Suite 680
   P.O. Box 118
   Jefferson City, Missouri 65102
   Email to: sallie.hemenway@ded.mo.gov
   Contact: Sallie Hemenway or Andy Papen
   573-522-4173
2. Responses must be timely and complete to be eligible for consideration and inclusion in the State's draft substantial amendment.
3. NSP information may be found on the HUD website at www.hud.gov
4. Mapping for communities to depict eligible block groups in relationship to local streets, etc. is available by request to BCS-MERIC. Communities with mapping capacity are encouraged to use local resources.
5. Category 1 is made up of all communities with Tier 1 block groups in whole on in part within their jurisdiction.
6. Responses to the RFP may include any eligible activity described in the NSP guidelines that will best meet the needs of the community.
7. Responses to the RFP will be evaluated by DED and MHDC staff for completeness, capacity, program design, and ability to succeed within timelines, financial feasibility, and availability of funds to meet the request.
8. Category 1 funds will not be formally awarded until HUD approves the State's substantial amendment. Formal grant agreements will be provided from the State to the local government.
9. A reasonable amount of pre-agreement costs may be eligible for reimbursement consistent with local planning and preparedness to meet the required deadlines for program delivery. Pre-agreement costs incurred prior to October 23, 2008 are not eligible.

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
NEIGHBORHOOD STABILIZATION PROGRAM - STATE
FY2008 APPLICATION: FORM A – PROJECT PROFILE (page 1 of 3)

1. Applicant Identification			
A. NAME (CITY OR COUNTY):	**City of St. Louis**		
B. MAILING ADDRESS:	**1015 Locust Street, Suite 1200**		
C. CITY, STATE, ZIP CODE:	**St. Louis, Missouri 63101**		
D. CHIEF OFFICIAL OF (A):	**Francis G. Slay**	E. TITLE OF (D):	**Mayor**
F. TELEPHONE OF (D):	**(314) 622-3201**	G. FAX OF (D):	**(314) 622-3240**
H. FISCAL YEAR END OF (A):	**June 30**		

2. Application Preparer			
A. NAME:	**Jill Claybour, Acting Executive Director**		
B. MAILING ADDRESS:	**1015 Locust Street, Suite 1200**		
C. CITY, STATE, ZIP CODE:	**St. Louis, Missouri, Missouri 63101**		
D. NAME OF AGENCY:	**Community Development Administration**		
E. TELEPHONE:	**(314) 622-3400, ext. 223**	F. FAX:	**314-259-3461**

3. Sub-Applicant Identification (Applications on behalf of special districts or non-profit agencies. Attach additional sheets if necessary)			
A. NAME (ENTITY):	**N/A**		
B. MAILING ADDRESS:			
C. CITY:			
D. CHIEF OFFICIAL OF (A):			
E. TITLE OF (D):			
F. TELEPHONE OF (D):		G. FAX:	

4. Other Information for Reporting Purposes			
A. 2000 POPULATION OF 1A:	348,189		
B. STATE REPRESENTATIVE & DISTRICT NUMBER(s):	**Talibdin El-Amin 57; James Morris 58; Jeannette Mott Oxford 59; Jamilah Nasheed 60; Chris Carter 61; Tishaura Jones 63; Rachel Storch 64; Michele Kratky-65; Michael Vogt 66; Michael Colona 67; Jacob Hummel 108**		
C. STATE SENATOR AND DISTRICT NUMBER(s):	**1 Jim Lembke; 4 Jeff Smith; 5 Robin Wright-Jones**		
D. ZIP CODE(s) OF APPLICANT AND/OR PROJECT BENEFICIARIES:	**63101 (Applicant)**	E. COUNTY:	**St. Louis City**

5. Proposed Project Beneficiaries	
A. NUMBER OF PERSONS SERVED BY PROJECT:	**Indirect benefit—all residents of target neighborhoods—estimate120,000**
B: NUMBER OF FAMILIES SERVED BY PROJECT:	**145 households/homes directly assisted**
C: % LMMI PERSONS OF PROPOSED PROJECT:	**90% (est. % LMMI persons in target neighborhoods indirectly benefited)**
D. % LMMI FAMILIES OF THE PROPOSED PROJECT:	**100% (of directly assisted households/homes)**

6. LMMI National Objective/Activity (List each activity proposed and the LMMI National Objective – 100% v 51% area)

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. All (100% of) homes/households assisted with this activity will be direct benefit activities for LMMI households—no part of this activity will be 51% area benefit.

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. It is anticipated that most purchased and rehabilitated properties will ultimately be developed as new/rehabilitated homes and that 100% of these homes will be occupied by households meeting the less than 120% of median benefit test. However, some properties may be redeveloped for purposes other than housing—these properties will meet the 51% area benefit test.

Establish land banks for homes that have been foreclosed upon. It is anticipated that most landbanked properties will ultimately be developed as new/rehabilitated homes and that 100% of these homes will be occupied by households meeting the less than 120% of median benefit test. However, some properties may be developed for purposes other than housing—these properties will meet the 51% area benefit test.

Redevelop demolished or vacant properties. It is anticipated that most redeveloped properties will ultimately be redeveloped as new/rehabilitated homes and that 100% of these homes will be occupied by households meeting the less than 120% of median benefit test. However, some properties may be developed for purposes other than housing—these properties will meet the 51% area benefit test.

7. Cost Data

A. NSP FUNDS REQUESTED FROM STATE:	**$5,900,000.00**
B. LOCAL CASH FUNDS (INCLUDE DESCRIPTION OF USE AND RELATIONSHIP OF ALL LOCAL NSP FUNDS, AS APPLICABLE):	**It is estimated that City NSP entitlement funding of $5,532,792 will allow for the acquisition and rehabilitation of a total of 87 units for households meeting both the 120% of median income and 50% of median income benefit tests, and that funding requested from DED will allow the City to complete an additional 118 units for households meeting the 120% benefit test. If possible, the City anticipates seeking additional State NSP funding for units meeting the 50% of median income benefit test.**
C. LOCAL IN-KIND FUNDS:	**$ -0- (although it is expected that in-kind contributions may be made in the form of building inspection/other services.)**
D. OTHER STATE/FEDERAL FUNDS:	**$ -0- (although it is expected some State NSP-funded properties may be combined and used w/other types of State, federal and/or local assistance, and that other State NSP-funded properties may be combined in projects using other types of state and federal assistance.)**
E. PRIVATE FUNDS	**$11,800,000.00 (estimate of $100,000 per unit for 118 units occupied by households <120% of area median income.)**
F. TOTAL PROJECT COST:	**$17,700,000.00 (estimated private funding plus State NSP funding requested.)**

8. Floodplain/Environmental Review

A. DOES THE PROPOSED PROJECT, OR ANY PORTION THEREOF, LIE WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN? ☐ Yes ☒ No

B. DOES THE COMMUNITY PARTICIPATE IN THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

C. IS THE COMMUNITY IN GOOD STANDING WITH THE NATIONAL FLOOD INSURANCE PROGRAM? ☒ Yes ☐ No

D. HAS THE SHPO SECTION 106 PROCESS FOR HISTORIC PROPERTIES BEEN INITIATED OR COMPLETED? ☐ Yes ☒ No

E. WILL THE PROPOSED PROJECT AND ALL ACTIVITIES ASSOCIATED, REGARDLESS OF FUNDING SOURCE, RESULT IN ANY CHANGE IN LAND USE?

☐ Yes ☒ No **SEE NOTE BELOW.**

IF YES, DESCRIBE. **Change in land use is not anticipated; however, change in land use may occur for properties redeveloped for non-housing use with the 51% area benefit test.**

F. IS THE PROJECT COMPATIBLE WITH CURRENT LAND USE IN THE AREA? ☒ Yes ☐ No

G. HAVE THERE BEEN ANY PRIOR ENVIRONMENTAL REVIEWS AND/OR STUDIES COMPLETED FOR THE PROPOSED PROJECT ACTIVITIES IN THIS AREA?

☐ Yes ☒ No

IF YES, PLEASE LIST.

9. Project Description

In the space below, provide a brief description of the need(s) of the project and the proposed actions to address the need(s). Do not exceed this page. **This page will be provided to the media and your elected state and federal legislators for informational purposes.**

A. APPLICANT: **City of St. Louis**

B. PROJECT TITLE: **City of St. Louis Neighborhood Stabilization Program**

C. GEOGRAPHICAL AREA OF PROJECT (INDICATE GENERAL BOUNDARIES, UNLESS PROJECT BENEFITS APPLICANT'S ENTIRE JURISDICTION):

City has identified two groups of high priority target neighborhoods. The first, Target Group A, includes neighborhoods most affected by foreclosure crisis w/highest combined percentages of foreclosures and homes financed w/sub-prime mortgages—20% to 33% of all residential parcels, 2005 - 2008. Target A neighborhoods are as follows: Gravois Park, Baden, Benton Park West, Mark Twain I-70 Industrial, Walnut Park East, Walnut Park West, Kingsway West, Academy, Penrose, Dutchtown, and Hamilton Heights. Target Group B neighborhoods have combined foreclosure/subprime rates of 15% to 19.9%, 2005 - 2008. Target B neighborhoods are as follows: Mount Pleasant, Kingsway East, Greater Ville, O'Fallon, Lewis Place, Fox Park, Mark Twain, Wells Goodfellow, Marine Villa, and Columbus Square. All Target A/B neighborhoods have been designated by HUD in one of top three risk groups (10, 9, 8) as likely to face significant rise in rate of foreclosure/ abandonment. While Target A/Target B neighborhoods are City's top priority for use of NSP funding, City has also identified two additional Target neighborhoods (C/D) where combined subprime/foreclosure percentages are 10% - 14.9% and 5% - 9.9% respectively, 2005 – 2008. If it is impossible or impractical to effectively spend all NSP funds in Target A and Target B neighborhoods, NSP funds may be used in HUD high-risk areas of Target C/Target D neighborhoods. Please refer to various maps/tables that have been submitted as part of this application.

D. DESCRIPTION OF NEED(S) AND PROJECT IMPACT:

According to data from State of Missouri, 6% of all of homes in City have experienced foreclosure--highest percentage for any urban area in State. According to City data, 5,618 City residential properties experienced foreclosure 2005 - 2008, and 8,255 residential properties experienced foreclosure 2002 - 2008. Foreclosures have negatively affected significant number of City neighborhoods—entire north side and significant portion of southeast part of City are in highest HUD risk categories for foreclosure/abandonment. In addition, 87% of City's block groups are eligible for NSP expenditure as LMMI income areas—most non-qualifying block groups are located in industrial areas/parks. Neighborhoods most adversely affected by foreclosure crisis (Target A/Target B neighborhoods described above) will receive priority for expenditure of both State NSP funds and City entitlement funds. Target A/B neighborhoods indicated above include City neighborhoods most adversely affected by foreclosures and meet need categories identified in Notice: greatest % of home foreclosures, highest % of homes financed by subprime mortgage, and identified by local government (using HUD risk categories) as likely to face significant rise in rate of home foreclosures/abandonment. NSP funds from DED will augment NSP entitlement funding that City will receive directly. City estimates that 87 units will be redeveloped with City entitlement allocation and that an additional 118 will be acquired and redeveloped with State funding of $5,900,000 requested. While federal and state NSP funds alone cannot fully address problem, they can have a significant impact, both on individual properties and on overall neighborhood stability, health and revitalization. City will work w/neighborhood housing corporations and other neighborhood organizations, Aldermen, other City departments and non-profits to develop strategies for use of NSP funding in each priority neighborhood and to identify properties that can be acquired/redeveloped—for a variety of reasons, it is not anticipated that it will be possible/desirable to acquire and/or redevelop all foreclosed properties in any neighborhood. City intends to request additional funding (not included in $5,900,000) for administration and (if State permits) acquisition/redevelopment for 50% AMI occupancy.

E. DESCRIPTION OF PROPOSED ACTIONS TO ADDRESS THE NEED(S) – BE SPECIFIC:

1. **Establish financing mechanisms for purchase/redevelopment of foreclosed upon homes/residential properties.** City anticipates that many units will require subsidies to ensure affordability. When required, amount necessary to ensure affordability will be provided to homebuyer/developer in form of subordinate mortgage. Specific subsidy amounts required will be affected by current/evolving market conditions, ability of developers/owner-occupants to access construction/permanent mortgage financing. NSP-funded financing mechanisms may include loans to developers for both acquisition/rehabilitation. Downpayment assistance/affordability assistance in form of soft second mortgages will be provided in appropriate situations. HUD certified counseling agencies to provide downpayment assistance to purchasers of NSP-funded homes. Funds to be used both for homeownership and rental properties. Target A/Target B neighborhood activities first priority, but projects in Target C/D neighborhoods may also be assisted.
2. **Purchase/rehabilitate homes/residential properties that have been abandoned or foreclosed upon…to sell, rent, or redevelop such homes/properties including counseling for buyers, and redevelopment of properties where purchased structures have been demolished.** City will enter into agreements w/public and private partners for this activity. Applicant, Community Development Administration, and quasi-governmental agencies (St. Louis Development Corporation, Land Reutilization Authority) to assist in acquiring foreclosed properties—agencies currently have capacity to acquire properties, hold for potential redevelopment. Operation Impact, CDBOs other non-profit /for-profit entities may also participate, particularly in rehabilitation. Activities in Target A/B neighborhoods will be first priority for use of NSP funds, but funds may also be used in other target neighborhoods. CDA has extensive history of working w/developers; will solicit proposals for rehabilitation of acquired properties from developers known to CDA and from other developers, CBDOs, other non-profits, prospective owner-occupants, for redevelopment and sale/rental to households meeting LMMI requirements.
3. **Establish land banks for homes that have been foreclosed upon.** Availability of property at reasonable prices will dictate shape of this effort. Anticipated that opportunities will exist within target areas for job creating and/or "green space" redevelopment to add neighborhood amenity value; specific opportunities to be identified in consultation w/neighborhood residents/elected officials, w/goal of attracting larger scale redevelopment. Target A/Target B neighborhoods first priority; projects in Target C/D neighborhoods may also be assisted.
4. **Redevelop demolished or vacant properties.** Activities to occur in consultation w/neighborhood orgs/elected officials; likely to be done as part of overall area strategy. Target A/B neighborhoods first priority; projects in Target C/D neighborhoods may also be assisted.

Certification:

I, the undersigned, certify that the information found in this proposal, is factual and complete. I have the authority to submit this proposal on behalf of the City of St. Louis in my capacity as Mayor. I understand that if the proposal is included in the State's plan and subsequently approved by the U.S. Department of Housing and Urban Development, that a grant agreement shall be executed and that further certifications, including a local ordinance approving the application and agreement shall be required.

Francis G. Slay

Date **November 12, 2008**

10. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY; USE ADDITIONAL SHEETS, AS NECESSARY)
G. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

(1) Activity Name: **NSP-A**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP- 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 CDBG-24 CFR Part 570.206

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). All participants will be restricted to the 120% AMI levels established by HUD.

(4) Projected Start Date: Upon receipt of the executed grant agreement from HUD.

(5) Projected End Date: Continued activities through the generation of program income through July of 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Contact:	Jill Claybour
Title:	Acting Executive Director
Agency:	Community Development Administration
Address:	1015 Locust, Suite 1100 St. Louis, MO 63101
Phone:	(314) 622-3400 Fax: (314) 259-3461
Email:	claybourj@stlouiscity.com

In addition, the City may enter into agreements with the following in order to carry out these activities: St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors

(7) Location Description:

- 1st Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target A Neighborhoods
- 2nd Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target B neighborhoods
- 3rd Priority: Acquisition of NSP-eligible problem bank-owned properties in Target A neighborhoods.
- 4th Priority: Acquisition of NSP-eligible problem bank-owned properties in Target B neighborhoods.
- 5th Priority: Acquisition of other eligible properties in the Target A and Target B neighborhoods and in other impacted neighborhoods (Target C and Target D neighborhoods, but only where the HUD risk category is 8, 9 0r 10).

(8) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

The activity will address the areas of greatest need in the Target Group A and Target Group B neighborhoods in the methods as stated above, and may address needs in Target Group C and D neighborhoods. The activity will provide funding for both rental and homeownership units. .

Units to be rehabilitated with NSP funds must be tenant income and rent controlled for varying lengths of time depending upon the average amount of NSP funds invested per unit.

Rehabilitation or Acquisition of Existing Housing Per Unit Amount of NSP Funds	Minimum Period of Affordability in Years
Under $15,000	5
$15,000 to $40,000	10
Over $40,000	15

NSP assisted units that are newly constructed or acquired newly constructed are required to have an affordability period of not less than 20 years.

RESALE PROVISIONS FOR OWNER-OCCUPIED & RENTAL PROPERTIES

Resale requirements ensure that, at any sale during the affordability period, the home must be made available to a buyer whose family qualifies as a LMMI-income household (at or below 120% of area median income) and who will use the property as its principal residence. The resale requirements also ensure that the price at resale provides the original NSP-assisted owner a fair return on investment (including the homeowner's investment and any capital improvements). The period of affordability is based on the total amount of NSP funds invested in the housing. For rental properties, similar restrictions will be placed on the property for occupancy by tenants meeting LMMI eligibility limits for the applicable time period.

Deed restrictions, covenants running with the land, or other similar mechanisms are used to impose the occupancy and resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. CDA may use purchase options, right of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions will be revived according to the original terms if, during the original affordability period, the owner of record before the termination event obtains an ownership interest in the housing.

RECAPTURE PROVISIONS

Recapture provisions must ensure that CDA recoup all or a portion of the NSP assistance to the homebuyers, if the housing does not continue to be the principal place of residence of the original or another LMMI-eligible family for the period of affordability. CDA may structure our recapture provisions based on our own program design and market conditions. **T**he period of affordability is based upon the total amount of NSP assistance that enabled the homebuyer to buy the dwelling unit. This includes any NSP assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy).

The following four options for recapture requirements may be used:

1. Recapture entire amount. CDA may recapture the entire amount of the NSP investment from the homeowner. (Note, however, the entire amount subject to recapture is the NSP assistance that enabled the homebuyer to buy the dwelling unit; it does Not include development subsidy.)

2. Reduction during affordability period. CDA may reduce the NSP investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the entire affordability period.

3. Shared net proceeds. If the net proceeds are not sufficient to recapture the full NSP investment (or a reduced amount as provided for in paragraph 2 above) plus enable the homeowner to recover the amount of the homeowner's downpayment and any capital improvement investment made by the owner since purchase, we may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than NSP funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following formulas:

NSP investment / NSP investment + homeowner investment	**X Net proceeds =**	**Neighborhood Stabilization Program amount to be recaptured**

Homeowner investment / NSP investment + homeowner investment	**X Net proceeds =**	**amount to homeowner**

4. Owner investment returned first. We may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the NSP investment.

NSP Assistance Used For:		
Affordability Subsidy	**Affordability + Development Subsidy**	**Development Subsidy**
Resale and/or Recapture provisions can be used	Resale and/or Recapture provisions can be used	Only Resale provisions can be used
Affordability period based on amount of NSP affordability subsidy	Affordability period may be based on amount of NSP affordability subsidy only	Affordability period based on amount of NSPdevelopment subsidy

NSP Affordability Periods:	
NSP Amount Per Unit	**Minimum Period of Affordability in Years**
Under $15,000	5
$15,000 to $40,000	10
Over $40,000	15

Interest rates will start at 0% for downpayment and buyer subordinate mortgage financing, as well as any Shared appreciation mortgages. For construction write down and permanent financing for rental projects, the interest rates are expected to range from 0% to the LIBOR rate.

Note that the above-specified provisions may be adjusted after consultation with HUD and the State.

I. Total Budget: (Include public and private components)

A variety of factors can affect the total acquisition and development cost of any particular property, i.e. location, condition of the property, acquisition price, current market factors, income of the homebuyer, etc. We anticipate that funding for each project will not exceed $25,000 for a total of 26 units. Given, of course, that these are only estimates, the per unit cost for both acquisition and rehabilitation and thus total project costs may have to be adjusted.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

22 units are anticipated to be assisted 81-120% AMI category as follows:

- NSP funds-$550,000
- Private Funds-$2,200,000 (22 x $25,000)
- Total Cost-$2,750,000

(1) Activity Name: **NSP-B**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP- 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 CDBG-24 CFR Part 570.201(a) Acquisition; (b) Disposition; (n); Direct homeownership assistance; 570.202 eligible rehabilitation and preservation for homes and other residential properties.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). All participants will be restricted to the 120% AMI levels established by HUD.

(4) Projected Start Date: Upon receipt of the executed grant agreement from HUD.

(5) Projected End Date: Continued activities through the generation of program income through July of 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Contact:	Jill Claybour		
Title:	Acting Executive Director		
Agency:	Community Development Administration		
Address:	1015 Locust, Suite 1100 St. Louis, MO 63101		
Phone:	(314) 622-3400	Fax:	(314) 259-3461
Email:	claybourj@stlouiscity.com		

In addition, the City may enter into agreements with the following in order to carry out these activities: St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors

(7) Location Description:

- 1st Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target A Neighborhoods
- 2nd Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target B neighborhoods
- 3rd Priority: Acquisition of NSP-eligible problem bank-owned properties in Target A neighborhoods.
- 4th Priority: Acquisition of NSP-eligible problem bank-owned properties in Target B neighborhoods.
- 5th Priority: Acquisition of other eligible properties in the Target A and Target B neighborhoods and in other impacted neighborhoods (Target C and Target D neighborhoods, but only where the HUD risk category is 8, 9 0r 10).

(8) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

For financing activities, include:
- range of interest rates

As stated previously, the activity will address the areas of greatest need in the Target Group A and Target Group B neighborhoods in the methods as stated above, and may address needs in Target Group C and D neighborhoods. The activity will provide funding for both rental and homeownership units. .
The activity will provide funding for both rental and homeownership units. Duration/term of assistance and affordability will be applied to each project as applicable in the manner described above.

The discount rate is estimated as follows:
- Average stated value at foreclosure-$71,500
- Discount from sales price to real value as determined by an appraisal-$14,300 (20% estimated average). Adjusted price equals $57,200.
- Required average discount of 15%-$8,850
- Projected average sales price-$48,620

In addition, we anticipate that by working with banks who own properties in the Target Neighborhoods we may be able to achieve further discounts as they may be willing sellers and want to reduce the size of their portfolios.

Interest rates will start at 0% for downpayment and buyer subordinate mortgage financing, as well as any Shared appreciation mortgages. For construction write down and permanent financing for rental projects, the interest rates are expected to range from 0% to the LIBOR rate.

I. Total Budget: (Include public and private components)

A variety of factors can affect the total acquisition and development cost of any particular property, i.e. location, condition of the property, acquisition price, etc. For units assisted at the 120% AMI category, we assume that NSP funds will comprise 1/3 of the cost. Thus assuming $50,000 in NSP funds, $100,000 per unit would come from private funding. For units assisted under the 50% AMI category, we assume that NSP funding will cover 2/3 of the costs, or $100,000, while private funding would cover $50,00 per unit. Given, of course, that these are only estimates, the per unit cost for both acquisition and rehabilitation and thus total project costs may have to be adjusted.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

36 units are anticipated to be assisted 81-120% AMI category as follows:
- NSP funds-$2,500,000 (50 x $50,000)
- Private Funds-$5,000,000 (50 x $100,000)
- Total Cost-$7,500,000

(1) Activity Name: **NSP-C**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP- Establish land banks for homes that have been foreclosed upon. CDBG-24 CFR Part 570.201(a) Acquisition and (b) Disposition.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). All participants will be restricted to the 120% AMI levels established by HUD.

(4) Projected Start Date: Upon receipt of the executed grant agreement from HUD.

(5) Projected End Date: Continued activities through the generation of program income through July of 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Contact:	Jill Claybour		
Title:	Acting Executive Director		
Agency:	Community Development Administration		
Address:	1015 Locust, Suite 1100 St. Louis, MO 63101		
Phone:	(314) 622-3400	Fax:	(314) 259-3461
Email:	claybourj@stlouiscity.com		

In addition, the City may enter into agreements with the following in order to carry out these activities: St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors

(7) Location Description:

- 1st Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target A Neighborhoods
- 2nd Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target B neighborhoods
- 3rd Priority: Acquisition of NSP-eligible problem bank-owned properties in Target A neighborhoods.
- 4th Priority: Acquisition of NSP-eligible problem bank-owned properties in Target B neighborhoods.
- 5th Priority: Acquisition of other eligible properties in the Target A and Target B neighborhoods and in other impacted neighborhoods (Target C and Target D neighborhoods, but only where the HUD risk category is 8, 9 0r 10).

(8) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

As stated previously, the activity will address the areas of greatest need in the Target Group A and Target Group B neighborhoods in the methods as stated above, and may address needs in Target Group C and D neighborhoods. The activity will provide funding for both rental and homeownership units. .
The activity will provide funding for both rental and homeownership units. Duration/term of assistance and affordability will be applied to each project as applicable in the manner described on pages 16-20.

Interest rates will start at 0% for downpayment and buyer subordinate mortgage financing, as well as any Shared appreciation mortgages. For construction write down and permanent financing for rental projects, the interest rates are expected to range from 0% to the LIBOR rate.

I. Total Budget: (Include public and private components)

A variety of factors can affect the total acquisition and development cost of any particular property, i.e. location, condition of the property, acquisition price, etc. For units assisted at the 120% AMI category, we assume that NSP funds will comprise 1/3 of the cost. Thus assuming $50,000 in NSP funds, $100,000 per unit would come from private funding. For units assisted under the 50% AMI category, we assume that NSP funding will cover 2/3 of the costs, or $100,000, while private funding would cover $50,00 per unit. Given, of course, that these are only estimates, the per unit cost for both acquisition and rehabilitation and thus total project costs may have to be adjusted..

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

17 units are anticipated to be assisted 81-120% AMI category as follows:

- NSP funds-$1,100,000 ($50,000)
- Private Funds-$2,200,000 (22 x $100,000)
- Total Cost-$3,300,000

(1) Activity Name: **NSP-D**

(2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP- Redevelop demolished or vacant properties. CDBG-24 CFR Part 570.201(a) Acquisition,(b) Disposition, (c) Public facilities and improvements, (e) Public Services for housing counseling (n) Direct homeownership assistance.

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., ≤ 120% of area median income). All participants will be restricted to the 120% AMI levels established by HUD.

(4) Projected Start Date: Upon receipt of the executed grant agreement from HUD.

(5) Projected End Date: Continued activities through the generation of program income through July of 2013.

(6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

Contact:	Jill Claybour
Title:	Acting Executive Director
Agency:	Community Development Administration
Address:	1015 Locust, Suite 1100 St. Louis, MO 63101
Phone:	(314) 622-3400 Fax: (314) 259-3461
Email:	claybourj@stlouiscity.com

In addition, the City may enter into agreements with the following in order to carry out these activities: St. Louis Development Corporation, Land Reutilization Authority, Operation Impact, Subrecipients, Other Contractors and Subcontractors

(7) Location Description:

- 1st Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target A Neighborhoods
- 2nd Priority: Acquisition of NSP-eligible problem vacant buildings/vacant parcels in Target B neighborhoods
- 3rd Priority: Acquisition of NSP-eligible problem bank-owned properties in Target A neighborhoods.
- 4th Priority: Acquisition of NSP-eligible problem bank-owned properties in Target B neighborhoods.
- 5th Priority: Acquisition of other eligible properties in the Target A and Target B neighborhoods and in other impacted neighborhoods (Target C and Target D neighborhoods, but only where the HUD risk category is 8, 9 0r 10).

(8) Activity Description:
Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

For housing related activities, include:

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

As stated previously, the activity will provide funding for both rental and homeownership units. Duration/term of assistance and affordability will be applied to each project as applicable in the manner described above.

Interest rates will start at 0% for downpayment and buyer subordinate mortgage financing, as well as any Shared appreciation mortgages. For construction write down and permanent financing for rental projects, the interest rates are expected to range from 0% to the LIBOR rate.

I. Total Budget: (Include public and private components)

A variety of factors can affect the total acquisition and development cost of any particular property, i.e. location, condition of the property, acquisition price, etc. For units assisted at the 120% AMI category, we assume that NSP funds will comprise 1/3 of the cost. Thus assuming $50,000 in NSP funds, $100,000 per unit would come from private funding. For units assisted under the 50% AMI category, we assume that NSP funding will cover 2/3 of the costs, or $100,000, while private funding would cover $50,00 per unit. Given, of course, that these are only estimates, the per unit cost for both acquisition and rehabilitation and thus total project costs may have to be adjusted.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

22 units are anticipated to be assisted 81-120% AMI category as follows:

- NSP funds-$1,100,000 (22 x $50,000)
- Private Funds-$2,200,000 (22 x $100,000)
- Total Cost-$3,300,000

(11) STL City, STL County, KC only: Local NSP funds: Describe the plan (and provide the internet link) for the use of the local NSP funds provided by HUD and explain how this request for additional state funds fits into that plan, while meeting the objectives of the state plan. The City's plan will be posted on the following website by no later than November 15, 2008: http://stlouis.missouri.org/cda.

QUESTION 11: LOCAL NSP FUNDS

On Friday, November 14, the City's HUD NSP Substantial Amendment will be posted on the City's and CDA's website.

The CDA website link is http://stlouis.missouri.org/cda/.

A link will also be posted on the front/main page of the City's website at http://stlouis.missouri.org.

The requested State NSP funding will be spent in the same manner and for the same purposes as the City entitlement NSP funding, except that the State funding requested in this application will be used only for the 120% LMMI benefit category. The City intends to request additional NSP administrative funding and NSP 50% benefit category funding from the State, if permitted by the State.

Upon review and evaluation of the applications received, using the criteria stated above, the State makes the following recommendations for award of the Category 1 funds. The following represents aggregated totals by activity:

Category A Funding Mechanism: $129,823 for 5 units
Category B Acquisition and Rehab: $18,668,821 for 226 units
Category C Land Bank: $1,561,079
Category D Demolition: $645,703 for 69 units
Category E Redevelopment: $2,526,297 for 87 units

The proposed breakdown by applicant and activity is below:

NEIGHBORHOOD STABILIZATION PROGRAM ACTIVITIES

Category A *Financing Mechanism*
Category B *Purchase and Rehabilitation*
Category C *Land Banks*
Category D *Demolition*
Category E *Redevelopment*

	A	B	C	D	E	Admin	ActivityTotal	Total Allocation
St. Louis County		*$10,109,691*		*$600,000*		*$600,000*	*$10,709,691*	*$11,309,691*
State rec		$5,445,589		$347,591		$434,489	$5,793,180	**$6,227,669**
Sikeston	*$200,000*	*$1,250,000*	*$330,000*	*$360,000*	*$610,000*	*$0*	*$2,750,000*	*$2,750,000*
State rec	$0	$675,890	$179,318	$193,112	$331,048	$103,453	$1,379,368	**$1,482,821**
Cape Girardeau	*$164,500*	*$560,000*				*$72,450*	*$724,500*	*$796,950*
State rec	$0	$302,920				$22,719	$302,920	**$325,639**
Columbia		*$531,000*	*$190,000*	*$50,000*	*$329,400*	*$99,600*	*$1,100,400*	*$1,200,000*
State rec		$289,778	$102,275	$0	$176,139	$42,614	$568,192	**$610,806**
Springfield		*$2,137,000*		*$59,500*	*$440,500*	*$163,000*	*$2,637,000*	*$2,800,000*
State rec		$1,157,223		$0	$237,021	$104,568	$1,394,244	**$1,498,812**
Kennett				*$128,000*		*$0*	*$128,000*	*$128,000*
State rec				$0		$0	$0	**$0**
Joplin		*$970,000*			*$180,000*	*$30,000*	*$1,150,000*	*$1,180,000*
State rec		$522,537			$99,531	$46,655	$622,068	**$668,723**
St. Joseph		*$2,466,500*	*$780,000*		*$1,337,500*	*$223,012*	*$4,584,000*	*$4,807,012*
State rec		$1,329,576	$362,612		$725,223	$181,306	$2,417,411	**$2,598,717**
Jefferson County		*$2,000,000*				*$200,000*	*$2,000,000*	*$2,200,000*
State rec		$1,081,858				$81,139	$1,081,858	**$1,162,997**
Carterville		*$2,000,000*		*$100,000*		*$0*	*$2,100,000*	*$2,100,000*
State rec		$189,325		$0		$14,199	$189,325	**$203,524**
Elsberry		*$451,500*		*$310,000*	*$431,500*	*$65,000*	*$1,193,000*	*$1,258,000*
State rec		$244,229		$0	$0	$18,317	$244,229	**$262,546**
Troy	*$42,000*	*$860,000*	*$860,000*			*$98,000*	*$1,762,000*	*$1,860,000*
State rec	$0	$465,199	$0			$34,890	$465,199	**$500,089**
Warrenton	*$42,000*	*$860,000*	*$860,000*			*$98,000*	*$1,762,000*	*$1,860,000*
State rec	$0	$465,199	$0			$34,890	$465,199	**$500,089**
Truesdale	*$22,500*	*$530,350*	*$645,000*			*$102,150*	*$1,197,850*	*$1,300,000*
State rec	$0	$286,882	$0			$21,516	$286,882	**$308,398**
Oronogo		*$1,150,000*		*$300,000*	*$650,000*	*$200,000*	*$2,100,000*	*$2,300,000*
State rec		$108,186		$0	$0	$8,114	$108,186	**$116,300**
Belton	*$1,237,500*	*$675,000*		*$75,000*	*$1,000,000*	*$120,000*	*$2,987,500*	*$3,107,500*
State rec	$0	$365,127		$0	$0	$27,385	$365,127	**$392,512**
Independence	*$1,000,000*	*$5,500,000*	*$860,000*	*$160,000*	*$1,300,000*	*$661,500*	*$8,820,000*	*$9,481,500*
State rec	$0	$943,487	$462,494	$92,500	$351,495	$138,748	$1,849,976	**$1,988,724**
Kansas City		*$9,000,000*				*$0*	*$9,000,000*	*$9,000,000*
State rec		$1,081,858				$81,139	$1,081,858	**$1,162,997**
Webb City		*$1,284,000*		*$50,000*		*$137,500*	*$1,334,000*	*$1,471,500*
State rec		$493,268		$12,500		$37,933	$505,768	**$543,701**
Florissant		*$2,296,000*		*$500,000*		*$310,000*	*$2,796,000*	*$3,106,000*
State rec		$1,241,972		$0		$93,148	$1,241,972	**$1,335,120**
Branson		*$2,190,698*			*$3,500,500*	*$569,120*	*$5,691,198*	*$6,260,318*
State rec		$0			$0	$0	$0	**$0**
Boonville					*$2,001,754*	*$0*	*$2,001,754*	*$2,001,754*
State rec					$0	$0	$0	**$0**
Jefferson City		*$758,000*		*$80,000*		*$83,800*	*$838,000*	*$921,800*
State rec		$410,024		$0		$30,752	$410,024	**$440,776**
St. Charles		*$5,474,000*		*$500,000*		*$660,000*	*$5,974,000*	*$6,634,000*
State rec		$595,022		$0		$44,627	$595,022	**$639,649**
St. Louis City	*$550,000*	*$2,500,000*	*$1,100,000*		*$1,100,000*	*$650,000*	*$5,250,000*	*$5,900,000*
State rec	$129,823	$973,672	$454,380		$605,840	$162,278	$2,163,715	**$2,325,993**
	A	**B**	**C**	**D**	**E**	**Admin**	**Activities**	**Total**
Requests	*$3,258,500*	*$55,553,739*	*$5,625,000*	*$3,272,500*	*$12,881,154*	*$5,143,132*	***$80,590,893***	***$85,734,025***
Recommend	$129,823	$18,668,821	$1,561,079	$645,703	$2,526,297	$1,764,879	**$23,531,723**	**$25,296,602**

CATEGORY 2

Category 2 Applicant

Category 2 is restricted to use by the Missouri Housing Development Commission

Category 2 Activities

Purchase Assistance for Foreclosed Properties

As part of Missouri's NSP implementation, $4.2 million would be used for a program to aid in the purchase of foreclosed and abandoned homes. This program would be administered by Missouri Housing Development Commission (MHDC), which is the state's housing finance agency. The program would be available to Missouri homebuyers who meet the following criteria: 1) the home to be purchased has been foreclosed upon; 2) the home will be used for a primary residence; 3) the home is purchased at a discount in accordance with NSP regulations; and 4) total household income does not exceed 120% of area median income. This assistance may also be paired with MHDC loan financing. The homebuyers would be able to receive purchase assistance worth 20% of sale price up to $15,000 to be used for down payment assistance, closing costs and prepaid mortgage insurance premiums. The assistance will be in the form of an interest-free forgivable loan. A subordinate second mortgage would be placed on the home and a pro-rated amount of the assistance would have to be paid-back if the home were to be sold within the five year affordability period. If the homeowner stayed in the home for five years, none of the assistance will have to be repaid. MHDC will contact and work directly with Tier 1 applicants who had down payment assistance requests in their initial applications.

Category 2 Method of Distribution Rationale

The Missouri Housing Development Commission is the State's housing finance agency. Their mission is affordable housing and many state and federal financial tools are housed within the agency. The agency not only has the capacity to run an effective down payment assistance program, it has a proven successful record. The NSP funds will be combined with other resources and provided to eligible homebuyers through qualified participating local lenders. The structure to deliver this program is already in place. The program will be marketed state wide.

The proposed total amount allocated to Category 2 is $4,200,000.

CATEGORY 3

Category 3 Applicants

Category 3 applicants may be either units of local government from Tier 1, 2, or 3 or non-profits with the capacity to carry out a program.

Category 3 Activities

Category 3 is a separate Request for Proposals (RFP) to be issued after HUD approval of the State's plan. The activities will focus solely on beneficiaries at 50% of LMMI and below. By virtue of the statute design, the activities directed at this

target audience may include, but not be limited to: rental housing, shelters, and where feasible, homeownership.

<u>Category 3 Method of Distribution Rationale</u>
Since this target market is difficult to reach and since the activities to serve the market are much more complex, the state is requesting the ability to post a Request for Proposal AFTER HUD approval of this plan takes place. The RFP will be let within 30 days of approval and will provide time for potential applicants to design the means to meet the needs of the target audience. Since the Category is restricted to persons below 50% of LMMI, the activities are then also limited, as well. By allowing both local governments and qualified non-profits to apply, Missouri can maximize creativity, capacity, and leverage other funds needed to serve this audience. Local governments may apply on behalf of non-profits, or NON-PROFITS MAY APPLY DIRECTLY TO THE STATE.

Category 3 applications will be based on:

- **completeness (required responses to RFP questions),**
- **capacity (CDBG experience: in-house or by contract/experience with activity proposed; in-house or by contract) ,**
- **program design (the proposed use of funds at the local level including the delivery system, long term maintenance, oversight),**
- **ability to succeed within timelines (the measure of activities proposed, beneficiaries proposed and amount of time to complete),**
- **financial feasibility (the degree to which the funds requested matched the activities proposed),**
- **eligibility (the consistency of the activities with the NSP regulations and with the required national objective of 50% median and below),**
- **quality of the application (the indication of a clear plan for the use of the funds),**
- **impact (the degree to which the funding will have a significant effect),**
- **category consistency (the comparison of the activity with the applicability of the category in which it was applied), and**
- **availability of funds to meet the request (the limitations of the amount in the category related to the number of RFP's received).**

The proposed total amount allocated to Category 3 is $10,666,047.

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of "blighted structure" in context of state or local law.

<u>Response:</u>

Blighted Structure: A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to health, safety, and public welfare.

Communities participating in the State's NSP funding must determine blighted structures by declaring the use of an existing dangerous building ordinance, building code level of violation or applicable occupancy or habitability designation and applying such ordinance, code violation, or designation in a manner consistent with the definition. The ordinance, code violation or designation must be applied to the specific structure, not to the area as a whole. The predominance of blight in an area does not allow blight to be assumed for each structure inside the area.

(2) Definition of "affordable rents." ***Note:*** Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Response:

Affordability, in the Missouri Neighborhood Stabilization Program is defined as 30% of income. This affordability measure applies to the maximum eligibility of 120% of median household income.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response:

The NSP program will apply affordability periods based upon the activities undertaken with the funds.

Rental Housing Affordability Period

NSP Rental Housing Activity	**Minimum period of affordability in years**
Rehabilitation or acquisition of existing housing per unit amount of NSP funds.	
Under $15,000	5
$15,000 to $40,000	10
Over $40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

Homeownership Affordability Period	**Minimum period of affordability in years**
Homeownership assistance NSP amount	

per unit	
Under $15,000	5
$15,000 - $40,000	10
Over $40,000	15

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

MISSOURI NSP MINIMUM HOUSING QUALITY STANDARDS (HQS)

General Information

These guidelines for the rehabilitation of existing residential properties have been developed to provide minimum design and construction criteria on a statewide basis. The provisions are intended to serve as an important aid in carrying out the objectives of State and local programs for neglected and run-down properties. These objectives seek the large-scale physical, social, and economic regeneration of neighborhoods, which are seriously deteriorated. **These Housing Quality Standards are divided into two parts: health and safety standards and livability standards.**
All housing units receiving CDBG assistance target area project must comply with both the livability and the health and safety standards. In a scattered site housing rehabilitation project, a substantial rehabilitation or a homeownership financing activity 100% of funds must be expended on units that meet DED livability standard. For a targeted area project, only 80% of funds need to be expended on houses meeting the livability standards.
The purpose and intent of the guidelines are threefold:

1) To assure improved housing that is livable, healthful, safe, physically sound, and at the same time is affordable to LMI households in the target area;

2) To provide an acceptable minimum level residential rehabilitation based on quality work and timely performance, which is implemented in a flexible manner to meet local conditions; and

3) To encourage innovation and improved technology that give promise to reducing construction costs.

Contrast with New Construction Standards

These guidelines for rehabilitation are significantly different from standards for new construction. These homes were built many years ago by standards which were quite different from practices today. Former patterns of living and the use of space are now likely to be considered inefficient or inconvenient. Properties, in many cases, will have become substandard because of overcrowding, lack of funds by the owner to rehabilitate the unit, lack of enforcement of building codes or property maintenance ordinances, or

general neglect. Thus, flexibility to meet local conditions has been made a primary element of these guidelines.

Local Codes and Regulations

These guidelines, while setting forth basic objectives and provisions specifically related to rehabilitation, shall not be construed as relieving the property owner, project sponsor, or their builder of their responsibility for compliance with local and state ordinances, codes and regulations, including pertinent requirements of a health authority having jurisdiction. Where a local code, regulation, or requirement is incomplete or does not fulfill the purpose and intent to these guidelines, DED HQS standards shall apply.

HEALTH AND SAFETY STANDARDS

Introduction: The following health and safety standards apply to 100% of the units rehabilitated with grant funds from the CDBG rehabilitation line item in the funding approval. A minimum of 20% of the units may be rehabilitated solely to the health and safety standards and the remaining 80% must be to both DED livability and health and safety standards. In this chapter, the health and safety HQS standards will be presented first, followed by the livability HQS standards.

UTILITIES

Utilities shall be provided for each property or project, including water, sewer, and electrical utilities. Approved utilities include:

1) State, city, PWSD, or county approved supplied water, sewer, electrical, and gas utilities;

2) Privately owned water, sewer, electrical, and gas utilities that have been approved by state and local agencies for use for residential dwellings;

3) For structures connected to an on-site water well, water must be tested:

    a) and meet water quality standards for drinking water as required by the Missouri Department of Natural Resources; or

    b) water supply must be connected to on-site package disinfecting facilities and water must not contain toxic substances determined, in the concentrations, determined to be harmful to human health by the Missouri Department of Natural Resources or the Environmental Protection Agency.

4) For structures connected to existing on-site septic systems, grantees shall ensure that the design of the system is not discharging effluent from the septic system and disposal field into public and private drinking water supplies, stagnating in pools on the surface, or backing up into the residences. For septic systems installed, grantees are required to obtain permit from the Missouri Department of Health. Construction specifications shall follow guidelines established by the Missouri Department of Health (See 19 CSR 20-3.015).

5) For structures connected to on-site propane tanks, propane lines connecting the tank to the building shall conform to BOCA codes.

6) Structures connected to gas, propane, water, electrical, or sewer utilities shall be connected with piping or conduit that is not corroded, does not leak, or are otherwise not allowed by these standards. Bare steel gas lines must be inspected for safety by a local gas company and repaired, if necessary. The inspection report must be in each file.

STRUCTURAL

All floors, stairs, ceilings, or other load bearing structural members shall be free of hazards that would indicate a potential for the building or individual members of the building to collapse.

ROOFS

Roofs shall be repaired or replaced if they have serious defects indicating the potential for structural collapse or if they allow the infiltration of water. If addressed, all critical joints in exterior roof construction shall be protected by appropriately installed sheet metal flashing material or rubberized roofing membrane.

WEATHERIZATION – PIPING

All water pipes in non-insulated spaces shall be insulated to keep them from freezing. Water pipes in exterior walls shall be insulated as necessary to keep them from freezing. All foundation and manufactured home crawl spaces shall be enclosed to prevent pipes from freezing in the winter. Pipes shall not be insulated with asbestos material. All asbestos insulating material shall be replaced with non-asbestos material or encapsulated with high-temperature paint or other EPA approved material.

LEAD-BASED PAINT

1) Disturbing Lead Painted Surfaces: For all homes built before 1978, any surface that will be significantly disturbed during the course of rehabilitation activities must be tested for lead content. Significant disruption is defined by the following activities:

   a) Removing paint by chipping, sanding, mechanical means including abrasive blasting or water blasting from doors;

   b) Interior wall or ceiling repair or demolition of more than 2 sq. ft. in each room, or exterior wall repair or demolition of more than 10 sq. ft.;

   c) Replacing doors and window units from the interior of the dwelling;

   d) Major replacement or modifications of HVAC, plumbing, or electrical with more than incidental surface disruption.

   If lead is found, contractors must be advised to comply with OSHA requirements at 29 CFR Part 1926 in conducting these activities. The lead risk assessor must assist

the contractor and rehabilitation inspector in preparing a work write-up that will protect the rehabilitation workers.
Contractors are required by HUD to use safe work practices during the course of any renovation and remodeling projects disturbing painted surfaces. HUD prohibits the following methods of paint removal under 24, CFR Part 35.140:

a) Open flame burning or torching

b) Machine sanding or grinding without a high-efficiency particulate air (HEPA) local exhaust control

c) Abrasive blasting or sandblasting without HEPA local exhaust control

d) Heat guns operating above 1100 degrees Fahrenheit or charring the paint

e) Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1.0 ft. of electric outlets, or when treating defective paint spots totaling no more than 2 sq. ft. in one interior room or space, or totaling no more than 20 sq. ft. on exterior surfaces

f) Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance in accordance with the regulations of the Consumer Product Safety Commission at 16 CFR 1500.3 and/or other hazardous chemical in accordance with the Occupational Safety and Health Administration regulations at 29 CFR 1910.1200 or 1926.59, as applicable to the work

In addition, the grantee must ensure that occupant protection plans are included in the rehabilitation work specifications

2) Houses with Lead Hazards Identified by a Licensed Risk Assessor: In those houses where a licensed risk assessor has identified immediate hazards caused by defective paint surfaces or bare soil on the property, those immediate hazards must be reduced using one of the following methods:

a) Hazards that will be addressed as the part of rehabilitation and remodeling procedures used to eliminate other HQS deficiencies identified in this Chapter can be removed using procedures identified in Section “a” above and in Chapter V. Clearance standards as indicated in protocol identified by the Missouri Department of Health must be met.

b) A licensed lead abatement contractor shall be hired to conduct the following allowed activities defined as abatement by the Missouri Department of Health. DOH protocol must be followed when conducting lead abatement activities.

c) Interim controls, as defined by the Missouri Department of Health, will **not** require a licensed contractor. Clearance standards as defined by the Missouri Department of Health must be met. Interim Control activities include activities that will temporarily eliminate lead based paint hazards, including, but not limited to:

- Specialized cleaning.
- Surface coating stabilization. This would include the following:
- Replacement of window and door components to eliminate friction surfaces, but not the entire window or door unit. This could include rehanging or planing doors, removal and replacement or doorstops, and installing non-lead window components.
- Providing surface coatings on stairs and floors, such as carpet, tile, and sheet flooring without removing painted surfaces.
- Temporary covering of soils with landscaping materials, such as grass, rocks, mulch, etc.
- Using barriers to prevent entry to hazardous areas, such as fencing, door-locks, and relocation of occupant, warning signs, and barrier landscaping.

In all cases where interim controls are completed, an occupant protection plan must be provided to the property owner along with a schedule for reevaluating the condition of paint in the future. All interim controls shall be completed in accordance with HUD's Guidelines for the Evaluation and Control of Lead-Based Paint in Housing.

HEATING APPLIANCES

All mechanical equipment shall be checked for faulty operation, fire, and other hazards. For gas appliances, the inspection shall include the following:

1) Check gas supply line for material soundness, exposure to damage, leaks, shut-off valve, and dirt-leg;

2) Check burning, flame color, pilot adjustment or ignition efficiency;

3) Check venting to ensure that flues are not clogged and do not leak;

4) Perform carbon monoxide test.

The inspector conducting these tests must perform the carbon monoxide test using a CO tester. A certification must be placed in the file by the inspector indicating that the equipment has been tested for the above items and is safe to operate at the time the inspection was conducted. If hazards are found, repairs and replacement shall be made as needed and necessary to eliminate the hazard. Heating facilities shall be provided for each living unit. All new installations of heating appliances shall comply with the manufacturer recommendations for installation and placement. **All gas, propane, liquid, and solid fuel burning appliances must be vented to the outer air.**

Existing masonry chimneys or metal flues shall not have cracks or holes, which permit smoke or fumes to be discharged. Deteriorated pipes or chimneys that have been determined by the grantee's inspector to constitute a potential threat to the safety of the occupant shall be replaced. Existing unlined masonry chimneys which permit flames or fumes to be discharged should be removed and replaced with corrosion-resistant pipe, or

if not replaced shall be lined with corrosion-resistant pipe one inch less in diameter than the interior of the chimney, or shall be lined with terra cotta. **Vent pipes shall slope upward not less than ¼ " per foot**.

Any asbestos-containing materials wrapped around vent pipes shall be removed or encapsulated with high temperature paint. Asbestos removal procedures shall comply with the Missouri Department of Natural Resources/EPA regulations. Please consult with DNR's Air Pollution Control Program for compliance requirements at 573/751-4817.

All heating appliances shall be located in unconfined spaces that will provide adequate combustion air as recommended by the manufacturer of the appliances. If located in a confined space, adequate ventilation between the confined area and unconfined space shall be provided to allow adequate combustion air to enter the confined space.

SOLID FUEL BURNING APPLIANCES

All existing chimneys and vents for solid fuel burning appliances shall be cleaned as part of the rehabilitation process. All chimneys and vents for solid fuel burning appliances shall terminate at least two feet above any part of the roof and any roof ridge located horizontally with ten feet of the chimney or vent.

1) Metal Flues: Solid fuel burning appliances (wood, coal, etc.) shall be vented so that single walled pipe shall have at least 16" clearance from combustible material; (2) double walled pipe shall have at least 8" clearance from combustible material; and (3) triple walled pipe shall have at least 2" clearance from combustible material. Double walled insulated stainless steel pipe shall have at least 3" clearance from combustible material. All pipes venting solid fuel burning appliances shall have been approved by Underwriters Laboratories to withstand heat of 1,500 degrees or more for three hours. All galvanized pipe shall be of #10 thickness or of superior fire resistance.

2) Masonry Chimneys: Existing masonry chimneys being used to vent solid fuel burning appliances shall be constructed of at least 8" of solid masonry around the vent below the roofline and 4" of solid masonry around the vent above the roofline. Combustible material above the roofline shall have at least 2" clearance from a flue built of less than 8" of solid masonry. All such chimneys shall be lined with terra cotta or firebrick.

3) Placement: Solid fuel burning heaters shall not be placed within 36" of any unprotected walls or within 18" of an unprotected floor. Protection of walls and floors may be provided with or without ventilated spaces between the protection and the wall. Ventilated spaces shall consist of a one-inch space between a listed noncombustible material and the wall. Spacers and ties between the material and the wall shall be noncombustible and shall be resistant to heat conduction. Spacers shall not be placed between the appliance and the wall. With wall protection and a ventilated space, clearance between the appliance and the wall may not be less than 12". With wall protection and no ventilated space, clearance between the appliance and wall may be not less than 24" unless more than 4" of solid masonry is used as the protection.

PLUMBING

Plumbing systems shall operate free of clogging and shall not have cross connections that permit the contamination of water supplies or back siphoning between fixtures.

1) Water and sewer lines shall be free of major leaks that cause serious and persistent levels of rust or contamination of the water, or which damage other elements of the building. All water lines in unheated areas shall be insulated to keep them from freezing.

2) All natural and liquid propane gas piping shall be free of leaks. Pipes feeding each individual gas fueled appliance shall have a shut-off valve. Gas lines shall be free of corrosion that potentially could cause a gas leak. Soft copper piping and other non-rigid piping shall not be used in replacing and installing natural gas lines. Soft copper piping used in installing or replacing propane gas lines shall not be located in areas where it is accessible to tampering by children or located in passageways where it can be potentially kicked, stepped on, bent, or dipped so as to cause leakage of gas around flange connections.

ELECTRICAL

Existing wiring and electrical equipment, where its continued service is contemplated, shall not be a potential source of electrical hazard or ignition of combustible materials. Wherever potential hazards are determined to be present after the HQS inspection, then replacement of existing wiring or equipment shall be made. Existing electrical facilities that are inadequate to meet the anticipated demand of the structure shall be upgraded to meet that demand. Hazards such as broken wiring, non-insulated wiring, frayed wiring, a light fixture hanging from an electrical wire with no other visible means of support, missing cover plates on switches, outlets, and junction boxes exposed to the occupants of the dwelling or which are covered with combustible material, knob and tube, aluminum or other obsolete wiring systems, badly corroded outlets, exposed fuse box connections, and overloaded circuits evidenced by frequently blown fuses, shall be eliminated and replaced.

New electrical work shall be installed using the appropriate provisions of the National Electrical Code as it has existed within the last ten years. At the minimum, not less than two general lighting circuits (15 amp.) and one appliance circuit (20 amp.) shall be provided, but 100 amp service is recommended.

BATHROOM

Commode: Bathrooms must have a working commode for the exclusive use of the occupant. The commode must be connected to a water supply and sewer. The commode must not leak, have clogged water lines, or have a sewer line that is clogged or backs up.

Lavatory: Bathrooms must have a fixed wash basin or lavatory that is permanently and securely fastened to the wall. The lavatory must be equipped with hot and cold running water and have a working drain with a gas trap.

Bathtubs and Showers: Bathrooms must be equipped with a working tub or shower with hot and cold running water and have a working drain with a gas trap.

TERMITE TREATMENT

Chemicals applied as a termite treatment shall only be applied to a house by a person that is a licensed commercial applicator. Persons who are licensed shall not assign persons who are not licensed responsibility for treating a house. Grantees shall keep documentation showing that the person chosen to undertake termite treatment is a licensed applicator. Use of chlordane has been banned by EPA/DNR; therefore, it is also not allowed on DED-funded rehabilitation projects.

MATERIALS

All materials shall be installed in locations and for purposes that are recommended by the manufacturer of the materials. Materials must be installed using methods that will not void the warranty of any product.

OVERCROWDING

At the minimum, there must be an adequate sleeping room for every two persons living full time in the household, with it own entry. No non-spousal person of different gender may be required to share a sleeping room if both persons are 6 years of age or older, under CDBG's HQS standards.

LIVABILITY STANDARDS

The following livability standards apply to 80% of funds for units rehabilitated with CDBG funds. These standards include all of the provisions listed in the "Health and Safety Standards," and all of the provisions listed under this section, the livability standards.

ACCESS TO THE UNIT

1) Where access to the structure is outdoors and it is more than 12" above grade, steps shall be provided for all-weather access to the building and constructed to provide safety and reasonable durability.

2) Where access to the unit is on the interior of the structure, each unit shall not have its only access through one of the other units.

3) Accessibility To Accommodate Physical Disabilities: If physically disabled handicapped or elderly persons with limited mobility is present, the exterior must provide for handicapped accessibility for street or parking areas to the interior of the structure. Examples include: sidewalk or ramp no more than a 1-inch to 1-foot rise in slope from street or parking to the point of entry. Railings along sidewalk or ramp, door thresholds flush with internal and external entry/egress surface. Door handles that can be pulled rather than turned.

DILAPIDATED ELEMENTS

Remove all dilapidated portions of existing properties which are not economically repairable or which are not of historic significance. If they pose a potential safety hazard to the occupants of the dwelling, they shall be removed from the structure.

GARBAGE AND DEBRIS

All debris, junk, inoperable vehicles and appliances, and dilapidated structures on the exterior of the property shall be removed to a legally acceptable location outside of the neighborhood prior to the initiation of rehabilitation.
The household shall be responsible the removal of junk and debris that they are able to accomplish. The grantee may achieve compliance with this guideline by organizing community-wide clean up efforts. Grant funds may be used to dispose of large appliances or other heavy objects.

SPACE STANDARDS

Each living unit shall be provided with space necessary for suitable sleeping, cooking, dining, storage, and sanitary facilities and provide space of such size and dimensions so as to permit placement of furniture and essential equipment. There shall be at least one bedroom, a kitchen, living room, and bathroom. Minimum sizes for these rooms are as follows:

Room	Space	Least Dimension
Living Room	120 sq. ft.	8 ft.
Bedroom	70 sq. ft.	6 ft.
Bathroom	24 sq. ft.	4 ft.
Kitchen	30 sq. ft.	5 ft.
Total area required:		400 sq. ft.
Minimum average ceiling height for all rooms:		7' 0"

LIGHT AND VENTILATION

Ventilation: Natural ventilation of spaces, such as attics, enclosed basements, and crawl spaces, shall be provided by openings of sufficient sizes to overcome dampness and minimize the effect of conditions conducive to decay and deterioration of the structure, and to prevent excess heat in attics. This provision may be waived in cases of basement areas that are not subject to regular use where moisture infiltration is not a problem. Exterior ventilation openings shall be effectively screened where needed.
Ventilation of Utility Spaces: Utility spaces which contain solid, liquid, or gas-burning, heat-producing or air conditioning equipment shall be ventilated to allow adequate combustion air.
Windows: There shall be at least one operable window in the living room and bedrooms. Kitchens and bathrooms not having an operable window shall have a working ventilation system.

DOORS AND ACCESS OPENINGS

Exterior doors: Exterior doors installed with use of CDBG funds shall have safe locks.
Stairways: All stairways shall provide for safety of ascent and descent and shall be equipped with handrails at an appropriate height for the owner of the residence. Risers shall not be more than 12" in height and not less than 10" in width unless the existing construction makes the installation of risers less than 12" in height impossible.

STRUCTURAL COMPONENTS

All structural components of the building shall be in sound condition and considered serviceable for the expected useful life of the rehabilitated buildings. Individual structural members in seriously deteriorated condition shall be replaced.

Ceilings: Ceilings shall not have large cracks or holes that allow significant entry of air into the unit. Ceilings shall not be buckling or bulging, have missing parts or have loose surface materials other than paper.

Interior Wall Conditions: Interior walls shall not have loose structural members, large holes, or allow the significant infiltration of air or water into the structure.

Floor Conditions: Floors shall not have threats to safety (e.g., tripping) or large cracks or holes that allow substantial drafts to enter the structure. Floors shall not significantly move under walking stress and shall not have damaged or missing parts such as: floor joists, band joists, plates, and sub-flooring.

Foundations: Foundations shall provide for the adequate support of structural members and loads placed upon them. Foundations shall prevent the entrance of water or excessive moisture. Serious defects shall be repaired and cracks effectively sealed. Foundation walls shall not allow the significant entry of ground water. "Significant" means that the majority of the basement floor or crawl space area is covered with ground water. Any new footings installed shall provide for subsurface drainage away from the foundation.

Drainage: Any deficiencies in proper grading, guttering, or paving adjacent to the building shall be corrected to assure surface drainage away from the basement or crawl space.

Exterior Walls: Exterior walls shall provide safe and adequate support for all loads placed upon them and shall prevent the excessive infiltration of air or moisture. Serious defects shall be repaired and cracks effectively sealed.

Roofs: All roofs shall have suitable watertight and reasonably durable covering free of holes, cracks, excessively worn surfaces, or other defects that would indicate the potential for significant infiltration of air, water, or excessive moisture. If gutters, soffits, fascia, or other elements allow the significant entry of water or air into the structure, they shall be replaced to eliminate this problem. If an existing roof shows the potential for water infiltration within the next five-year period, the roof must be inspected and either repaired or replaced.

WEATHERIZATION

All houses shall be equipped with the following weatherizing improvements:

1) Windows

   All windows shall be equipped with two layers of glass (storm windows count as one layer) and glass panes shall be intact. Windows shall not allow the significant entry of air or water into the structure from around the windows sashes or window casings. Window casings that are replaced shall be filled with insulation.

2) Doors

All exterior doors shall be weather-stripped. Weather-stripped doors that allow the significant entry or air or water into the structure shall be replaced or repaired to eliminate this problem. The grantee may provide storm doors as a weatherization measure.

3) Ceiling Insulation

Ceiling insulation shall be provided over all habitable areas. Combustible materials, such as beadboard or Styrofoam, shall not be used for ceiling insulation. All ceilings shall be insulated to at least R-19 or as can be determined for a particular structure using HUD's Cost Effective Energy Conservation Standards for rehabilitation projects, which may be requested from HUD.

4) Side Wall Insulation

All side walls shall be insulated to R-11 or better or as can be determined for a particular structure using HUD's Cost Effective Energy Conservation Standards for Rehabilitation projects. Walls in spaces heated with solid fuel burning heating appliances are exempt from this requirement. Side-wall insulation shall not be installed using beadboard, Styrofoam or other combustible materials. When exterior walls are repaired by removing existing sheathing or interior wall covering, insulation shall be provided to the exposed portion of the wall cavity. A vapor barrier shall be provided on the warm side of the cavity or furring when insulation is added.

KITCHENS AND BATHS

Kitchens must be supplied with a sink that has hot and cold running water. Sinks should have a working drain with a gas trap and must be securely fastened to the wall. Kitchens must have a stove or a range with an oven. Top burners and oven must be operable. Bathrooms: Bathtub and shower bases shall be appropriately sealed to prevent water from damaging the floor. Bathroom floors in houses with children under 10 years shall be covered with a waterproof covering. Showers or tubs installed in houses for the elderly and handicapped shall be provided with two grab bars installed to sustain a dead weight of 250 pounds for five minutes. Tub or shower bottom surfaces shall be slip resistant. Shower enclosure areas shall be tiled or covered with a waterproof surface from the floor to five feet above the floor. Barriers shall exist between all drains and a water supply on bathroom fixtures to ensure that wastewater does not flood water supply systems.

PLUMBING

Domestic Hot Water Heating and Storage: Each building or unit within the building shall have domestic hot water in quantities sufficient for the needs of the occupants. Existing water heating and storage equipment shall be in good serviceable condition. Water heaters shall not be installed in rooms designed and used for sleeping purposes. All fuel burning water heaters shall be connected to a vent leading to the exterior of the building. As required by Section B(5)ii for the venting of heating equipment, vents shall not have cracks or holes that allow fumes to be discharged. All water heaters shall have a shutoff

valve on the water supply line close to the heater. All water heaters shall have a temperature/pressure relief valve, and discharge pipe.
Water and Sewer Lines: All water and sewer lines that have the potential for major leaks that could cause serious and persistent levels of rust or contamination of the water or which potentially could damage other elements of the building should be replaced. Sewer lines servicing a building shall be equipped with a clean-out screw. Building wastewater systems shall be appropriately vented to the outside air to prevent the buildup of gases in the sewer lines. When using DED funding, all water supply lines feeding toilets, sinks, showers, lavatories, hot water heaters, and other plumbing fixtures shall be installed with shutoff valves. All lead water and waste disposal lines shall be replaced with non-lead material. Lead-based solder shall not be used to connect copper water supply lines. Gas traps must be provided for washing machine waste disposal lines.

MECHANICAL

Heating facilities shall be provided for each living unit that are safe to operate, economical to operate, and are free from objectionable drafts. Each heating system shall be capable of maintaining a temperature of at least 75 degrees F within the kitchen, bedrooms, dining room, living room, and bathrooms. Flue connections shall not allow exhaust gases to enter the living areas. Fuel tanks shall not be in close proximity to heat sources. Combustible materials shall not be stored in close proximity to the heat sources and flues.
Electric baseboard heating shall not be installed unless it is justified by rehab replacement and utility cost efficiency, is acceptable to the occupants, and is easily turned off and on by the occupants.

ELECTRICAL

All habitable rooms and other spaces requiring electrical service shall be provided with a system of wiring, wiring devices and equipment to safely provide electrical energy for proper illumination, appliances, resident security, and other electrical equipment.
There shall be at least two working outlets or one working outlet and one light switch in kitchens, corridors, bathrooms, bedrooms, utility rooms, and living rooms. At least 100 amps. service shall be provided for the houses that have 220 volt receptacles.

MANUFACTURED HOMES

Mobile homes shall be securely anchored to the ground. Mobile homes shall have a permanent utility hookup. **Mobile homes made prior to January 1, 1977 cannot be rehabilitated.** If a grantee spend CDBG funds to rehabilitate a pre-1977 manufactured home, the grantee will be required to reimburse the state for the amount of the CDBG rehabilitation costs.

SMOKE DETECTORS

All units shall be equipped with at least one hard-wired operating smoke detector equipped with a battery back up, that is located near the sleeping quarters.

APPLIANCES

The purchase of appliances that are not permanently affixed to the house is not an eligible cost. However, the purchase of stoves, refrigerators, hot water heaters, and space heating equipment are permissible to replaced nonfunctioning or poorly functioning appliances. Grantees must follow the small purchases procurement procedures when acquiring these items.

Where air conditioning does not exist in a unit that is being rehabilitated, it may be added to the work write-up for installation. Window air conditioning units are not an eligible rehab item for the program.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: $_____.

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response:

Category 1 has a total proposed amount of $18.6M dedicated to Acquisition and Rehabilitation activities. Those funds represent 226 homes. An estimated 15% of the funds will be used for persons whose incomes are at or below 50% of median household income. That equates to $2.8M and approximately 34 homes.

Category 3, which is $10,666,047, or 25% of the total, is dedicated solely to persons whose incomes are at or below 50% of median household income.

E. ACQUISITIONS & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response:

There are 69 proposed demolitions for $645,703. The estimated amount that fall into the 120% of median are: 11 units , 80% of median are 13 units, and 50% of median are 45 units.

There are 37 new constructions proposed 0 of which are proposed to be made available to households whose income does not exceed 50 percent of area median income.

F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response:

Comment: *The recommendation for Kansas City ended up much lower than anticipated. We didn't expect the full $9 million requested, but did expect more than the recommended about based upon the requirement of distributing to areas of the greatest need. I assume then, that the rationale lies with the proposal. Of the evaluation criteria listed on pages 5 and 6 of the State NSP Substantial Amendment, can you tell me where our proposal was weakest? Strongest?*

Response: **There are two factors that went into the consideration of the allocation for Kansas City:**

1)The application narrative was a decent general overview of what KC proposed to do with the money; however, for purposes of allocation we were looking for as much detail on specific activities as we could get. We didn't get specific activities or specific estimated numbers (units to acquire/rehab, etc.).

2) In addition, we had set aside approximately $23 million for the Tier 1 areas; we received over $86 million in proposals. We reduced each proposal by removing ineligible and/or lower priority items, then had to fit what was left into the amount of available funding. Kansas City's application didn't contain any ineligible items, but the bulk of the reduction was due to the amount of available funding.

Comment: *Where do I find the list of communities and what they asked for?*

Response: **It's on the amendment on the website. Here's the link.**
http://www.missouridevelopment.org/topnavpages/Research%20Toolbox/BCS%20Programs/Community%20Development%20Block%20Grant/Neighborhood%20Stabilization%20Program.aspx
Just click on the amendment, and it'll bring up the whole thing. There is a listing down in the amendment that lists off everything.

Comment: *I am disappointed in the allocation of Neighborhood Stabilization Program of $639,649.00 (10%) from a proposal of $6,634,000.00 for the St. Charles County region. St. Charles County is experiencing some of the same economic distress issues as the rest of the St. Louis metropolitan area. The scope of the distress doesn't mirror other areas such as St. Louis City and County but significant neighborhood destabilization is occurring. The amount allocated will have little effect on the stabilization problems facing the St. Charles County region. The allocation amount would impact approximately five to ten properties and wouldn't stabilize one census tract within the St. Charles County region.*

I respectfully ask that you reconsider the allocation to the St. Charles County region and restore at least 50% of the requested amount in order for any least one community to stabilize at least one neighborhood.

Response: **Only 3 census tracts are eligible for Tier 1 funding. The application covered a large part of St. Charles County; the only parts we can address are 3 census tracts in St. Charles City.**

In addition, we have approx. $23 million to award in this Tier, and we received more than $86 million in requests.

These two items are the reason for the reduction.

Comment: *Will there be a public hearing, or will public comment be limited to written comments?*

Response: **No public hearing; there just isn't time prior to December 1. Public comment is best made through written means. Email is fine.**

Comment: *I work with several clients that build LIHTC properties and historic renovation for residential use in Missouri. I was writing to see if you could provide me information regarding participation in the program and the application process.*

Response: **Missouri received approximately $42 million in Neighborhood Stabilization (in addition, St. Louis, St. Louis County and Kansas City received allocations directly from HUD; they are still eligible to apply for some of the state funding as well).**

We targeted the areas of "highest need" as directed by HUD, using indicators of foreclosures, sub-prime mortgages, income and unemployment. Using this data, we targeted census tracts statewide that scored high (need). The communities containing these census tracts have been identified as our "Tier 1" communities, and we have received proposals from them for a portion of this funding (approximately $23 million).

The NSP amendment on our website contains information about these proposals and the communities. http://www.missouridevelopment.org/topnavpages/Research%20Toolbox/BCS%20Programs/Community%20Development%20Block%20Grant/Neighborhood%20Stabilization%20Program.aspx

As soon as HUD approves our planned use of the funds, we will award funding to those communities. If you are interested in working with any of these communities on these projects, please contact the communities directly. They will be contracting with various providers (developers, contractors, nonprofits, etc.). At this point, the state does not plan to do any direct contracting of these funds with providers; we plan to go through the local governments.

A portion of the funding will be used by the Missouri Housing Development Commission for a downpayment assistance program (Tier 2) and a portion of the funding is reserved for projects that target the very low income (50% of MHI or lower). We will be soliciting proposals on those funds as soon as we can.

Please refer to the notice on the website, and feel free to contact me if you have further questions.

Comment: *Do you know what criteria was used to determine how much cities received? Looks like Independence received quite a bit less per census block than Springfield, St Joe and others. I also heard St Louis and KC already got money from HUD for this. I was asked to see if I could get info on the reasoning.*

Response: **The proposals we received totaled $86 million; we have approximately $23 million to award in this round.**

Several applications contained components that were either ineligible or lower priority; those were the first to be cut out. I don't have Independence in front of me, but I don't remember anything being ineligible. We may have taken out an item just on priority.

That still left us approximately $25 million over budget (in aggregate of all the applications). They were reduced proportionally; in other words, their application was a certain percentage of the total requested and they were recommended for that same percentage of the available funding.

We had to move quickly on these, and the fact that applications were four times the available funding made it difficult as well.

Comment: ***On behalf of the City of Boonville and Boonville Housing Authority I am inquiring to find out if our NSP Request for Proposal met the requirements and if it was passed on for Federal Review? Can you please provide us with the status on our NSP Request for Proposal?***

Response: **The Boonville proposal was not recommended for funding. The property to be acquired and redeveloped did not meet the NSP definition of "foreclosed upon or abandoned."**

The State of Missouri NSP Amendment is at the following website: http://www.missouridevelopment.org/topnavpages/Research%20Toolbox/BCS%20Programs/Community%20Development%20Block%20Grant/Neighborhood%20Stabilization%20Program.aspx

Comment: I am from Kansas City. North of the river..in Kansas city. The cities's funds look like all will go to the poorest neighborhoods. Places where the murder rate is high and no one wants to live there. Fixing up houses will not make peope stay. it will not improve property value or make you safe.

On the state level, again the formula concentrates on the area of low to middle income. The state of Missouri could allocate funds for areas North of Kansas City Proper, but I do not see that on your map. We have subdivisions that have been left empty for over 2 years. Sadly these are not low income , just middle. Cities around Kansas city where folks still feel relatively safe.

I sold my house in Kearney Missouri and it took over a year. I lucked out. I suffered with 2 house payments, lost my 401 K but I am lucky. My children are not so lucky. One works in the auto industry. 2 are uninsured for healthcare. We Are the middle Americans.

I was very excited to see my youngest son may be able to benefit from a grant to purchase a foreclosed home or have us rent him a forclosure if this grant would allow. I was excited until I saw he would have to live where the murder rate is the highest and no one wants to move. I wanted to buy a foreclosure for him (since he himself was the victim of pretatory lending and lost a home in 2006) His income is low. Many of his friends incomes are very low. These people are goood peple and would not move to areas of high crime.

Meanwhile there are good vacant foreclosures in relatively safe areas that will be left out because they do not fall in the correct "tier". Again Main Street USA is left out.

I fear slum land lords will simply invest in low income fixer uppers to rent to people who perpetuate crime,

I am not racist or a bigot, I am middle America, tired of being left out.

We can give Citi Corp Millions but middle income people do not get a bail out. There are low income families who could direly use a home in a safe place, in the "TIER" where they work and have family, if the money could be allocated.

I implore you to consider you formula to leave out Main Street.

Response: **The targeted locations were determined based on several major criteria: foreclosure rate, number of sub-prime mortgages, income and unemployment. Areas scoring high with**

these criteria were determined to be the "highest need" areas. Targeting these highest need areas is a HUD requirement for the use of these funds.

Kansas City also received a significant allocation of Neighborhood Stabilization Funds directly from HUD. I would suggest that you also examine their program to determine if they are allocating any funding in your area. The website detailing their proposed use of funds is: http://www.kcmo.org/neigh.nsf/web/HUDNSP?opendocument

Comment:
This is submitted as public comment on the Missouri Draft Substantial Amendment prepared by your department.

Kansas City will request that HUD require a modification of the Amendment prior to its approval because it does not comply with the Housing and Economic Recovery Act (HERA) paragraph 2301(c)(2) in that it does not sufficiently give priority to areas of the greatest need.

HUD provided some data that can be used to determine the areas of greatest need. This data included a foreclosure and abandonment risk score. HUD rated census tracts on a scale of one to ten, with a score of ten representing the highest estimated risk of negative impact due to foreclosures. There are 1,011 census tracts in Missouri rated with the highest score of ten. Kansas City has 235, or 23%, of the highest risk tracts. There are a total of 639,939 persons residing in highest risk census tracts in Missouri, and 174,061 or 27% are in Kansas City. One could assume then, that Kansas City would receive 23% to 27% of the total allocation or about $10 million to $12 million.

A different method of determining areas of greatest need was used in the Missouri Substantial Draft Amendment, however. Census tracts were determined to be Tier One, Tier Two, or Tier Three, with Tier One census tracts as being the areas of greatest need. This resulted in 1,025 census tracts designated as Tier One, or areas of greatest need. Kansas City has 181, or 17.7%, of the Tier One census tracts. If HUD accepts this method of determining the areas of greatest need, then one would assume that Kansas City would receive 17.7% of the total allocation, or about $7.5 million.

The Missouri Substantial Draft Amendment proposes dividing the total allocation into three categories. Communities with Tier One census tracts were invited to submit proposals to receive funds designated as "Category 1". This resulted in $25,296,602 of funding for 22 communities. The recommendation for Kansas City is $1,162,997. Because 17.7% of the Tier One census tracts are located in Kansas City, the recommended amount for Kansas City should be about $4.5 million.

The method proposed in the Missouri Draft Substantial Amendment for distributing funds for Category 1 activities does not distribute funds with "greatest need" being given appropriate priority. Of the 22 communities recommended for funding, 14 have no census tracts with the highest risk score of 10. Funding is recommended for 3 communities even though they have no census tracts with risk scores higher than 6.

The distribution method has also resulted in substantial inequity in the distribution of funds when considering the population of the areas recommended for funding. The amounts divided by the number of eligible persons results in funding allocations that range from $4.07 per person in Kansas City to $917.85 per person in Truesdale.

Refer to the enclosed table containing the results of the analysis of the recommendations and you will find per person allocations are lowest in Kansas City and St. Louis, communities that obviously have the greatest need.

It is recognized the Amendment had to be prepared within a very short time period and the inappropriate distribution is likely to have been unintended.

Kansas City respectively requests HUD to require revisions in the Amendment before giving it final approval. The revisions are necessary to bring it into compliance with HERA 2301(c)(2), which requires priority be given to areas of greatest need.

ANALYSIS OF STATE RECOMMENDED NSP CATEGORY 1 ALLOCATIONS

Place	State Recommendation	Number of highest risk "10" census tracts	Total persons in tracts with risk score of 5 or higher	Number of persons at 120% of AMI or below in tracts with score of 5 or higher	Recommendation per income qualifying person at 120% or below	Comments
St. Louis County	**$6,227,669**	309	481,777	333,766	$18.66	
Sikeston	**$1,482,821**	0	17,002	10,383	$142.81	
Cape Girardeau	**$325,639**	4	15,645	11,418	$28.52	
Columbia	**$610,806**	0	27,875	20,768	$29.41	No tracts higher than "6"
Springfield	**$1,498,812**	3	100,920	74,710	$20.06	
Joplin	**$668,723**	0	45,427	27,336	$24.46	
St. Joseph	**$2,598,717**	12	60,249	38,808	$66.96	
Jefferson County	**$1,162,997**	0	52,936	36,877	$31.54	No tracts higher than "8"
Carterville	**$203,524**	0	1,860	1,357	$149.98	No tracts higher than "7"
Elsberry	**$262,546**	0	2,059	1,807	$145.29	
Troy	**$500,089**	0	6,213	4,276	$116.95	
Warrenton	**$500,089**	0	3,275	2,390	$209.24	No tracts higher than "6"
Truesdale	**$308,398**	0	362	336	$917.85	No tracts higher than "6"
Oronogo	**$116,300**	0	940	655	$177.56	No tracts higher than "7"
Belton	**$392,512**	0	21,745	15,306	$25.64	
Independence	**$1,988,724**	29	106,664	79,138	$25.13	
Kansas City	**$1,162,997**	235	385,834	285,728	$4.07	
Webb City	**$543,701**	0	9,681	6,369	$85.37	
Florissant	**$1,335,120**	5	51,831	33,409	$39.96	
Jefferson City	**$440,776**	0	17,336	11,319	$38.94	
St. Charles	**$639,649**	0	31,159	19,995	$31.99	
St. Louis City	**$2,325,993**	244	326,013	261,705	$8.89	
Total	**$25,296,602**	**841**	**1,766,803**	**1,277,856**	**$19.80**	

Response: **Thank you for your comments; we have taken them into consideration and will incorporate them into the final draft Amendment as submitted to HUD.**

We had approximately $23 million available for Tier 1 applications, and received over $86 million in requests. The Kansas City application did not provide information on specific activities to be addressed, nor did it request specific amounts for those activities.

Comment: ***I am writing to comment on the apparent disconnect between the NSP funding allocation to St. Charles County and the actual need. Stakeholders have been meeting regularly in an attempt to created a community-driven response to the local housing crisis. The following points of concern were developed after a careful review of the HUD regulation and the intentions of the Housing and Economic Recovery Act:***

. HUD specifically indicates that implementing NSP programs may

require an "area-wide, or even regional approach". St. Charles County submitted a regional proposal for consideration, and the state did not support or even respond to our regional request. The multiple "mini grants"
proposed by Missouri may have minimal impact on their communities due to administrative costs.

. *The criteria used by the state clearly to determine "greatest need"*
do not reflect the same criteria outlined in the Federal legislation.

. *Funding allocations do not address the foreclosure experience in St.*
Charles County. Our rapidly growing region is comprised of middle and working class wage earners and double income families who are significantly impacted by the foreclosure crisis.

. *All municipalities in St. Charles County have seen great increases*
in the numbers of foreclosures since 2005. There were 863 foreclosures in the county in 2007, and 736 foreclosures as of September of this year.

. *Mortgage foreclosure data indicate that the high-cost loan rate for*
our region is approximately 20%. Area home values are down approximately 7% this year. Less home equity and an unstable economy are placing more families at risk of foreclosure.

. *In looking at HUD funding formula that does reflect actual*
foreclosure experience, it clearly show that the cities of St. Peters and O'Fallon would have received more funding than the city of St. Charles, whereas, the state indicates one area of need in St. Charles City. This further reinforces the fact that the state's criteria in establishing areas of greatest need are not consistent with the intent of the federal legislation.

. *The Missouri Substantial Amendment submitted to HUD eliminates all*
supporting maps and documentation from our application. This unwillingness to submit supporting documentation of need and numbers of foreclosures to HUD fails to recognize our county's needs.

. *Neighborhood stabilization funding requests to the state were in*
excess of $85 million and included plans from Communities to address the legislative requirements serving under 50% of area median income; there is no need to hold back funding for Category 2 and Category 3 funding. This creates more bureaucracy and another administrative step.

. *Officials from DED have indicated that other cities can apply under*
the Category 3 RFP. The additional restrictions on percentage of LMMI on this category will make it difficult to use those funds in most of St.
Charles County. Rather, it would be more useful for the County, or entities within the County, to have received one larger allocation and then determine on their own where the federal requirement of 25% of the funds to be used at or below 50% of LMMI should be allocated.

The proposal submitted by the City of St. Charles on behalf of the entire county was an unprecedented act of collaboration and should be rewarded for such a forward thinking approach to stabilizing our community.

Thank you.

Response: **Thank you for your comments; they will be incorporated into the final draft plan as submitted to HUD.**

Our targeting of "areas of greatest need" was based on several criteria, including foreclosure data (from HUD), sub-prime mortgage data, income and unemployment. Areas scoring high with all of these indicators are considered "highest need".

In St. Charles County, three census tracts, all within St. Charles city, were identified as being of "highest need."

We appreciate your comments, and will take them into consideration.

Comment: ***As you know, a request by the City of St. Charles for $6.6 Million was recently submitted to the Missouri Department of Economic Development to assist with the hundreds and hundreds of foreclosures and abandoned properties in St. Charles County. These new dollars would help purchase foreclosed properties and resell them as affordable housing. Affordable housing is a major issue facing St. Charles County. Sadly, DED recommended that the entire county only receive $630,000. We are disappointed in this decision, especially in lieu of the following:***

- ***Funding allocations do not address the foreclosure experience in St. Charles County. Our rapidly growing region is comprised of middle and working class wage earners and double income families who are significantly impacted by the foreclosure crisis.***
- ***All municipalities in St. Charles County have seen great increases in the numbers of foreclosures since 2005. There were 863 foreclosures in the county in 2007, and 736 foreclosures as of September of this year.***
- ***Mortgage foreclosure data indicate that the high-cost loan rate for our region is approximately 20%. Area home values are down approximately 7% this year. Less home equity and an unstable economy are placing more families at risk of foreclosure.***

As a director of a nonprofit based in the county, I am personally and professionally frustrated with this decision and am concerned about the needs in St. Charles County being minimized. While our county clearly has many resources and assets, we also have significant needs. This is a reoccurring challenge in our community and I hope we can find ways to avoid being being over-looked in the future.

Thanks for your consideration.

Response: **Thank you for your comments; they will be incorporated into the final draft plan as submitted to HUD.**

Our targeting of "areas of greatest need" was based on several criteria, including foreclosure data (from HUD), sub-prime mortgage data, income and unemployment. Areas scoring high with all of these indicators are considered "highest need".

In St. Charles County, three census tracts, all within St. Charles city, were identified as being of "highest need."

We appreciate your comments, and will take them into consideration.

Comment:

RE: Request for Public Comment on the State of Missouri's Substantial Amendment to the Consolidated Plan

The Neighborhood Stabilization Program (NSP) was created to provide emergency assistance to state and local governments to help them respond to rising foreclosures and declining property values. The Federal Statute requires states to target funding to areas of greatest need based on the extent of foreclosures, subprime mortgages, mortgage delinquencies, and mortgage defaults.

The State Plan Amendment does not target areas of greatest need nor will it arrest foreclosures and declining property values due to its emphasis on short-term, give-away activities that do not seek a stable long-term solution. The following is an abbreviated list of comments on the State's approach as was requested in the Public Notice.

- The Public Comment period will close on a Sunday night of a holiday weekend; the deadline for submission of the Plan Amendment to HUD is the following business day. The result is that the State will have no time to make substantive changes based upon public comment provided.
- HUD made direct allocations to St. Louis County, Kansas City, and St. Louis City based on need. By providing additional funding to these communities, the allocations proposed by the State disproportionately favor communities already receiving direct NSP funding.
- The State's Plan identifies areas of greatest need however the proposed allocations disproportionately favor areas with fewer Tier 1 block groups.
- It appears the State did not follow the evaluation criteria set forth in the RFP document, which included: completeness, capacity, program design, ability to succeed within timelines, and financial feasibility. Cities without sufficient capacity were funded at higher per-block-group levels than cities with demonstrated capacity. Communities demonstrating financial feasibility and significant leveraging were funded at lower levels than communities with no financial plan or leveraged investment.

- The statute requires that the State expend at least 25% of its allocation on projects benefiting persons at or below 50% of Median Family Income. The State has chosen to allocate all funding for this requirement utilizing a separate RFP process. By not requiring Tier 1 communities to share in the Low Income benefit requirement as a condition of other funding, the State runs the risk of (1) not being able to meet the statutory 25% spending burden and (2) forcing a geographic concentration of low income projects.
- The State's RFP process implied that it would reallocate funds among categories, in order to give priority consideration to Tier 1 communities (areas of greatest need), if need and capacity was demonstrated in Category 1 applications. There was no reallocation of funds in the published draft plan. Instead, certain activities proposing to meet the low-income benchmark were removed from consideration altogether in the Category 1 allocation process. If the State did not intend to address any low-income households in this round, or to give priority consideration to Tier 1 communities, then the RFP should have been designed accordingly and without emphasis on serving low-income households.
- The State's RFP did not "prioritize" eligible activities. However, according to the State's published plan, some activities were eliminated from funding consideration because they were deemed 'lower priority' activities. Since the State's priorities were not provided in the RFP and the range of eligible activities was not limited beyond the federal statute, there should be no disqualification of activities for this reason.

Additionally, the City of Independence received further explanation of the methodology used to allocate funding across the State. The following addresses this explanation:

- Independence has been informed that the staff of DED did not feel that the City had the capacity to carry out its proposed activities in a timely manner according to the 18-month obligation period set by HUD. As shown in the detailed cash flow charts, all NSP funds will be not only obligated but expended within the time period. Independence has proposed to provide a 102% return on the NSP investment by continuing to recycle the funds for the full 4 year period of the program. This produces more substantial results than simply giving the funds away as was proposed by other applicants. DED has also stated that it believed Independence could not address 100 properties in its acquisition, rehabilitation, and resale activity. Since HUD has identified over 5000 properties eligible for this activity, Independence was extremely conservative in its intent to address just 2% of these properties.
- DED also stated that it felt proposals with more activities were too complex and were assumed to be unable to succeed in a timely manner. Independence developed a comprehensive approach to stabilize neighborhoods, the need identified by HUD. The activities to be undertaken are intended to operate in concert rather than as separate individual projects; this will result in a sustainable outcome rather than a short-term limited solution. Each activity has been carefully crafted with input from the public to stabilize entire neighborhoods rather than a scattered "shot-gun" approach that will not result in arresting the decline of property values. For example, since demolition is not an eligible activity without redevelopment, the City did not propose to demolish more

properties than were proposed to be redeveloped. Properties that are acquired or land-banked will be prepared for sale, marketed to eligible households and provided purchase assistance.

- Independence has significant experience administering a homebuyer assistance program which is touted by the State as a model program; upon the recommendation of DED, Independence will petition MHDC to dedicate homebuyer assistance funds to the City.
- Independence will apply for Category 3 projects as requested by the State for all activities which will have 100% benefit to low-income households; however, the RFP was clear that the State could allocate funding in Category 1 for Category 3 activities if the need was demonstrated by the applications. Given the needs demonstrated by not only Independence but across Missouri, and the emphasis placed on timeliness by the State, Category 3 funds should have been redirected to Tier 1 communities.

It is clear there was insufficient time for the State to adequately review and critique the submitted applications. Since the Amendment to HUD is due the day following the comment period, it is also evident that the State will not have sufficient time to review and evaluate public comment. The Plan Amendment should not be approved by HUD at this time given the inconsistencies in the State's funding allocation process and communication of program priorities.

Open Email to Independence:

We have had a variety of communications from the City of Independence regarding the Neighborhood Stabilization Program and thought that this correspondence was appropriate. Please share this with other interested parties in the City.

In reviewing the application for Neighborhood Stabilization funding submitted by Independence (and all other applicants), several factors were considered in determining a final recommended amount of funding to be awarded. The staff of DED and MHDC looked at eligibility of activities; the capacity of the city to complete the number of properties proposed in the short time frame provided by HUD; the consistency of the activities in the application with this first round of funding; and the amount of requests as compared to the funds available. The complexity of the activities also weighed into the review (e.g. landbanking properties versus purchase, rehab and resale).

To understand how we made our recommendations, it is important to understand our overall approach of dividing the money into categories, and to understand how we looked at each applicant.

One component of the state's overall plan is to allow MHDC to use their existing capacity to operate a downpayment assistance program for new homebuyers, prioritizing Tier One communities. The efficiencies gained in having a centralized program instead of 20-plus individual programs will assure success and will assure compliance. All communities that applied for such "funding mechanisms" has their requests reduced.

Independence is encouraged to contact MHDC and the local participating lenders to accomplish the access by new homebuyers to the finance tools and to accomplish the same result as the application proposed.

A second component of the state's overall plan is to set-a-side a whole category for communities that wish to focus activities on families with incomes at or below 50 percent of median.

$2 million of the Independence application was to be used by Truman Heritage Habitat for Humanity. Although we removed it from this Category of funding, we strongly encourage the city to re-apply under Category 3, the NSP allocation that is designated for this income group. We will be accepting those proposals shortly.

A third component of the state's plan was to assure that communities could achieve the required "obligation of funds" within the HUD required timeline of 18 months. The state realizes the tremendous need in each community but the requirements established for obligation and expenditure made us focus on the number of homes and the activities proposed.

The activity designed for purchase, rehabilitation and resale is an eligible activity, which we supported. Independence proposed 100 homes ($3.5 million) in this activity. This was originally reduced by half, as there were concerns as to whether that number of homes could be addressed in the relatively short timeframe that NSP allows.

The redevelopment activity was originally reduced by one half; again due to the accelerated timeframe allowed by NSP.

Finally, more than $86 million in applications were received for an available allocation of approximately $23 million. Even after reduction of most applications (for the reasons listed above) and the removal of ineligible items from some applications, the amount of funding requested still doubled what was available. All applications were then reduced proportionally to arrive at the amount allocated to this category.

Part of the process of establishing a draft plan and providing a comment period is to hear specifics from the communities regarding the state's approach. Per the HUD guidelines, we will accept comments until November 30, 2008. Please submit written comments (email is fine as well), as that allows us to better understand the specific issues that you have with the approach, to address them, and to incorporate those comments into the final plan.

We appreciate the opportunity to address you and your group and look forward to your comments.

Comment: ***The plan submitted by the State inadequately addresses the intent of the Neighborhood Stabilization Program. The Program itself and the Federal Statute sets forth requirements based on "greatest need", however the State's current plan departs from this funding criteria.***

- ***The State's Plan identifies areas of greatest need however the proposed allocations disproportionately favor areas with fewer Tier 1 block groups.***
- ***HUD made direct allocations to St. Louis County, Kansas City, and St. Louis City based on need. By providing additional funding to these communities, the allocations proposed by the State disproportionately favor communities already receiving direct NSP funding.***
- ***It appears the State did not follow the evaluation criteria set forth in the RFP document, which included: completeness, capacity, program design, ability to succeed within timelines, and financial feasibility. Cities without sufficient capacity were funded at***

higher per-block-group levels than cities with demonstrated capacity. Communities demonstrating financial feasibility and significant leveraging were funded at lower levels than communities with no financial plan or leveraged investment.

- *The Public Comment period will close on a Sunday night of a holiday weekend; the deadline for submission of the Plan Amendment to HUD is the following business day. The result is that the State will have no time to make substantive changes based upon public comment provided.*

It is clear there was insufficient time for the State to adequately review and critique the submitted applications, and to reevaluate the plan and proposed funding based on public comment. Although the HUD website states that all amendments are due by December 1, 2008, a time extension waiver from HUD should be requested to allow for a more thoroughly evaluated process. Funds should not be allocated at this time given the inconsistencies in the State's funding allocation process and communication of program priorities.

Response: **A time extension of the December 1, 2008 deadline for the State of Missouri to submit their Neighborhood Stabilization Act application to HUD is not possible as per Title III of Division B of the Housing and Economic Recovery Act of 2008. The Neighborhood Stabilization Program Notice, published September 29, 2008, expressly states "If a state or insular area receiving an allocation of funds under this notice fails to submit a substantially complete application for its allocation by December 1, 2008, or submits an application for less than the total allocation amount, HUD will simultaneously notify the state or insular area of the reduction in its allocation amount and proceed to reallocate the funds to the 10 highest-need states based on original rankings of need." The December 1, 2008 deadline for submission cannot be waived.**

Your comments below may be submitted to the State of Missouri for inclusion in their submission of the NSP application to this office. Our office will review all applications received and ensure that all grantees followed appropriate measures to allocate their funding to the areas of greatest need and in accordance with the regulations stipulated by the Housing and Economic Recovery Act of 2008. If amendments to the submitted plan from the State of Missouri are found to be necessary, the HUD Office will work with the State to ensure a complete and compliant application is received by deadlines specified in the Notice. The process for review and resubmission are as follows: "HUD will review each grantee submission for completeness and consistency with the requirements of this notice and will disapprove incomplete and inconsistent action plan amendments. HUD will allow revision and resubmission of a disapproved action plan in accordance with 24 CFR 91.500 so long as any such resubmission is received by HUD 45 days or less following the date of first disapproval and in no case later than close of business February 13, 2009."

Comment: *In response to the Request for Public Comment on the State of Missouri's Substantial Amendment to the Consolidated Plan, the following has been prepared:*

The Neighborhood Stabilization Program (NSP) was created to provide emergency assistance to state and local governments to help them respond to rising foreclosures and declining property values. The Federal Statute requires states to target funding to areas of greatest need based on the extent of foreclosures, subprime mortgages, mortgage delinquencies, and mortgage defaults.

- *The Public Comment period will close on a Sunday night of a holiday weekend; the deadline for submission of the Plan Amendment to HUD is the following business day.*

The result is that the State will have no time to make substantive changes based upon public comment provided.

- ***HUD made direct allocations to St. Louis County, Kansas City, and St. Louis City based on need. By providing additional funding to these communities, the allocations proposed by the State disproportionately favor communities already receiving direct NSP funding.***
- ***The State's Plan identifies areas of greatest need however the proposed allocations disproportionately favor areas with fewer Tier 1 block groups.***
- ***It appears the State did not follow the evaluation criteria set forth in the RFP document, which included: completeness, capacity, program design, ability to succeed within timelines, and financial feasibility. Cities without sufficient capacity were funded at higher per-block-group levels than cities with demonstrated capacity. Communities demonstrating financial feasibility and significant leveraging were funded at lower levels than communities with no financial plan or leveraged investment.***
- ***The statute requires that the State expend at least 25% of its allocation on projects benefiting persons at or below 50% of Median Family Income. The State has chosen to allocate all funding for this requirement utilizing a separate RFP process. By not requiring Tier 1 communities to share in the Low Income benefit requirement as a condition of other funding, the State runs the risk of (1) not being able to meet the statutory 25% spending burden and (2) forcing a geographic concentration of low income projects.***
- ***The State's RFP process implied that it would reallocate funds among categories, in order to give priority consideration to Tier 1 communities (areas of greatest need), if need and capacity was demonstrated in Category 1 applications. There was no reallocation of funds in the published draft plan. Instead, certain activities proposing to meet the low-income benchmark were removed from consideration altogether in the Category 1 allocation process. If the State did not intend to address any low-income households in this round, or to give priority consideration to Tier 1 communities, then the RFP should have been designed accordingly and without emphasis on serving low-income households.***
- ***The State's RFP did not "prioritize" eligible activities. However, according to the State's published plan, some activities were eliminated from funding consideration because they were deemed 'lower priority' activities. Since the State's priorities were not provided in the RFP and the range of eligible activities was not limited beyond the federal statute, there should be no disqualification of activities for this reason.***
- ***I just feel that with Independence being the fourth largest city under consideration for these funds, they were treated in a disproportional manner. The fact that Independence has identified 52 tier 1 neighborhoods, while city with less identified neighborhoods received more consideration and allocations of funds, to me questions the methodology used by DED. It is my hope that serious reconsideration be given to the City of Independence and their quest to help over 1,100 families showing obvious greater need.***

It is clear there was insufficient time for the State to adequately review and critique the submitted applications, and to reevaluate the plan and proposed funding based on public comment. Although the HUD website states that all amendments are due by December 1, 2008, a time extension waiver from HUD should be requested to allow for a more thoroughly evaluated process. Funds should not be allocated at this time given the inconsistencies in the State's funding allocation process and communication of program priorities.

Response: **I have copied your email below and have attempted to address the issues within the context of your email.**

"The Neighborhood Stabilization Program (NSP) was created to provide emergency assistance to state and local governments to help them respond to rising foreclosures and declining property values. The Federal Statute requires states to target funding to areas of greatest need based on the extent of foreclosures, sub prime mortgages, mortgage delinquencies, and mortgage defaults."

Response: The State defined "areas of greatest need" by measuring 4 factors in block groups across the state: those that scored higher than 6 on HUD's foreclosure risk score; those that have a predominant number of persons with incomes at or below 120 percent of median; those that had a higher than average unemployment rate; and those that had households paying higher than average interest on their mortgages (to indicate subprime lending). Block groups that has all 4 variables were designated Tier One. That represented 50 plus cities across the state that were invited to Jeff City to learn of the program, view the proposed category breakdown for Missouri's plan (Category 1 equals Tier One applicants only, Category 2 equals MHDC statewide downpayment and financial assistance program, and Category 3 applicants focusing on 50 percent of median activities) and receive an invitation and application form.

"It seems that the State did not follow the evaluation criteria set forth in the RFP document, which included: completeness, capacity, program design, ability to succeed within timelines, and financial feasibility."

Response: Twenty-five applications were received totaling $86M in requests for $23M in funds for the first round. The state eliminated ineligible applicants and reviewed the remaining applications. Capacity and ability to succeed included looking at the numbers of homes proposed and the activities proposed. The program requirements establish the need for funds to be obligated to activities within 18 months. The team of DED and MHDC staff felt that the 100 homes proposed for acquisition, rehab and resale, was too large a number to address. (Please see the other email for additional explanation.)

"The State's Plan identifies areas of greatest need however the proposed allocations disproportionately favor areas with fewer Tier 1 block groups. Cities without sufficient capacity were funded at higher per-block-group levels than cities with demonstrated capacity. Communities demonstrating financial feasibility and significant leveraging were funded at lower levels than communities with no financial plan or leveraged investment. I would like more clarification on the evaluation process the State used."

Response: It is important to view the activities requested in each application if you are going to compare communities. We did not view it as a competition among communities, but rather one that compared capacity and feasibility to the proposed activities within each community. For example, we looked at acquisition costs in Independence and didn't expect them to be the same as acquisition costs in other regions of the state. No two applications were alike. Comparing landbanking activities to acquisition and rehab makes the recommendations appeared to be skewed but we don't feel that accurately concludes the way we approached the review.

The previous email cites our position on downpayment assistance programs (where communities can go to MHDC to accomplish the same result) and on Category 3 where activities the solely focus on 50 percent of median are more applicable.

"The State's RFP process implied that it would reallocate funds among categories, in order to give priority consideration to Tier 1 communities (areas of greatest need), if need and capacity was demonstrated in Category 1 applications. There was no reallocation of funds in the published draft plan."

Response: We created a caveat for moving among categories if the applications for funds did not represent the full use of funds. Since the Category 3 RFP has not been let, there is no way to tell if we need to move any funds at this time.

"Instead, certain activities proposing to meet the low-income benchmark were removed from consideration altogether in the Category 1 allocation process. If the State did not intend to address any low-income households in this round then the RFP should have been designed accordingly and without emphasis on serving low-income households."

Response: Low income households are being addressed in Category One. They are interspersed with activities meeting low/mod and middle income. We only removed activities that proposed to only/solely address low income as we felt they were more appropriately addressed in Category 3. All Tier One applicants were provided the purpose for all 3 categories at the meeting in Jeff City.

"It is clear there was insufficient time for the State to adequately review and critique the submitted applications, and to reevaluate the plan and proposed funding based on public comment. Although the HUD website states that all amendments are due by December 1, 2008, a time extension waiver from HUD should be requested to allow for a more thoroughly evaluated process. Funds should not be allocated at this time given the inconsistencies in the State's funding allocation process and communication of program priorities."

Response: see HUD reply.

We strongly encourage Independence to work with MHDC, as well as, to once again apply under Category 3, as we believe that the same result or outcome will be gained. That said, there is no opportunity for any community to receive the full amount of their request, since available funding does not equate to demand.

Comment:

After reading the applications and assessing how funds were allocated in the state. We have several concerns. Most notably, our understanding of the Neighborhood Stabilization Program as passed in the 2008 Economic Recovery Act was that it was intended to strengthen communities and provide assistance to those areas hardest hit by the foreclosure crisis. This crisis has affected homeowners of every income level and as such, Congress was concerned that monies sent for relief might not be equitably shared with all income levels. So, they purposely asked HUD to make sure that 25% of the total funding from this legislation would go to those making below 50% of the AMI. At Habitat for Humanity we pay particular attention to this as all of our clients fall below this income level. We advocate for families in all communities at this level and are very concerned that the 25% requirement for low income families was not honored by every NSP grantee in the state. We believe the intention of the legislation was to ensure that these funds reached all demographics in all communities. As the state is currently administering the funds, only those that apply for Category 3 funds in a

second round of applications will receive this funding. This seems to be contrary to what we believe the spirit of the law was intended. Every community has low income families that need this assistance and every community ought to be required to make a plan that includes this demographic. As it stands, only a few communities will help low income families with these funds while others will do nothing for this demographic and use their funds to develop higher end housing. While there is nothing wrong with this type of development, it does mean that some communities will be developing for affluence while others will be taking the burden of the low income developments. This does not seem like a fair and equitable sharing of the monies that were clearly allocated to ensure fairness. We think the structure of the states program does not adequately spread the funds to low income families in every community. We believe it is the burden of the NSP grantees to come up with viable plans for the low income community in their jurisdictions to eligible for any of the funds. This seems to be much more in keeping with the spirit of the law.

Further, perhaps the greatest concern about the application procedure is that it seems there was not adequate time or care in reading through the nearly 300 pages of applications submitted by CDBG jurisdictions in the state. As we have looked through these applications, it seems there were many proposals that were much more developed than others yet the allocation of the funds does not seem to reflect that. It does not appear that applications were selected on their merit, nor by the amount of funds they were leveraging in their communities. Understandably, there is a quick turn around for these funds, however, do not require an application process if you are not going to use the applications to make the decision. In this case, it does not appear that any significant time was given to make the evaluations on each of the applications. To have decisions made within 48 hours of the time of submission makes it clear that these applications were not carefully reviewed. It is a shame that communities that spent considerable time and care in submitting their applications did not seem to fair any better than those who did not develop their plans in a convincing way.
Habitat for Humanity is called to be an advocate for those who have little or no voice in the political process. We believe families in every community across our state are in need of relief for which these funds are intended. We encourage you to revisit the issue of making every NSP recipient provide a use for the 25% below the AMI requirement in their communities. We want to spread the funds to everyone in the state that needs it, not simply concentrate it in a few communities. Since, Kansas City, St. Louis, and St. Louis County already received funds directly from HUD they will have to meet this requirement, why then, would we not require other communities to meet the same standard. It is HUD s standard and it is the intent of this law. It seems unfair to deny the access to these low income relief funds for every community in the state. We hope you will reconsider this issue. It is our responsibility to ensure that all low income families are fairly treated and considered in these types of situations. There is such a tremendous need for this assistance. In Independence alone, 8.6% of our population falls below the poverty line and would be eligible for these funds. We feel a sense of urgency to help these families that are struggling with housing. These funds would be a great help to us but we know the problem is more wide spread than just our community. We want low income families throughout the state to have access to decent housing and we believe that you can help us reach out to more of them by fairly distributing these NSP funds.

Response: **Thank you for your comments; we will take them into consideration and incorporate them into our final draft amendment as submitted to HUD.**

Independence may apply for Tier 3 funding to address those persons/families at or below 50% of median income. All beneficiaries of these Tier 3 funds must be below that income limit.

Comment: ***Hello! I am the Director of a nonprofit community development corporation serving the western side of Independence, Missouri - a Tier 1 Area in terms of foreclosure risk. I have been watching the foreclosure crisis as it has developed here and in Kansas City where I reside. I have also tried to track the Neighborhood Stabilization Program and plan that the State has put together.***

A few comments to share:
1) The state's priority should be to spend funds in areas of greatest need that are not already receiving direct allocations - Kansas City, St. Louis and St. Louis County already have significant funds coming to them. The City of Independence will not be receiving these direct allocations, and yet we rank 4th in terms of need. This will ensure that all areas of need are covered.

2) The state should prioritize projects that leverage other significant resources. This is important for several reasons: a) it promotes buy-in from local programs; b) it builds on existing resources and structures; c) it is much more likely to be sustainable after this grant opportunity is gone, because of other resources are already involved.

3) It is important for the state to prioritize funding for applicants that have demonstrated experience in managing HUD allocations and in producing effective community development projects. This will ensure that funds are utilized in a timely manner and that funds are not squandered in communities without sufficient capacity.

4) As I look at the state's proposed allocations, it is very difficult for me to see an overall rationale or pattern. I understand that the state was responding to varying proposals from local communities, but the result is a patchwork that does not directly relate to the intensity of the need. While St. Louis County receives a direct allocation, Florrisant is also receiving a very substantial allocation, just slightly less than Springfield, MO. Is Florrisant such a significant risk for foreclosure? When you compare allocations to the number of qualifying Tier 1 Block Groups; Columbia, Jefferson City and St. Charles are receiving the highest allocations per qualifying Tier 1 Block Group in the state. Are these really the communities where Missouri needs to tackle the foreclosure issue? Is Columbia really the ground zero for foreclosures in Missouri?

Please know that these allocation decisions matter greatly to those of us who are on the ground, attempting to stabilize and rebuild Missouri neighborhoods.

Response: **Thank you for your comments; we have taken them into consideration and will incorporate them into our final draft amendment as submitted to HUD.**

1: The state feels that enough need exists in the areas receiving direct allocations to warrant supplemental funding from the State NSP program. The applications submitted by those entities document that need.

2: The Tier 3 application process will provide opportunities for local and other leverage. Although local leverage was not required by the state on Tier 1 applications, local applicants could certainly have included leveraged funds in their applications.

3: Applicant capacity considered in our review.

4: The State defined "areas of greatest need" by measuring 4 factors in block groups across the state: those that scored higher than 6 on HUD's foreclosure risk score; those that have a predominant number of persons with incomes at or below 120 percent of median; those that had a higher than average unemployment rate; and those that had households paying higher than average interest on their mortgages (to indicate subprime lending). Block groups that has all 4 variables were designated Tier One. That represented 50 plus cities across the state that were invited to Jeff City to learn of the program, view the proposed category breakdown for Missouri's plan (Category 1 equals Tier One applicants only, Category 2 equals MHDC statewide downpayment and financial assistance program, and Category 3 applicants focusing on 50 percent of median activities) and receive an invitation and application form.

5: Revitalizing these affected neighborhoods with the NSP program is also very important to the state of Missouri, not just the Department of Economic Development but the legislature as well. The allocation of these funds, and the end result by the grantees, is certainly something that we have taken seriously.

Comment: ***After reviewing the proposed state Substantial Amendment for NSP funding, I strongly disagree with the analysis of need and the proposed funding disbursement outlined by the state. Proposed funding for the St. Charles County regional proposal is significantly below HUD's intent for impacted communities.***

A review of HUD generated data for the St. Charles county region, as well as community data indicates differing need, and indicates that Missouri Department of Economic Development's analysis identifying communities most impacted by the foreclosure crisis are flawed:

- ***Proposed NSP funding in Missouri is targeted more toward chronic distressed areas, rather than those impacted by a high rate of foreclosures. Chronic distressed communities are less likely to show improvement in property values or neighborhood stabilization by the infusion of funding, and are not the target of NSP funding, which are intended to help communities recover from the foreclosure crisis. Communities most impacted by the foreclosure crisis are often in fast growing areas and areas where a large number of high risk loans were made and property values are at risk due to so many properties on the market. An infusion of funds in these areas for home purchase, rehab, and resale to LMMI homebuyers could clearly stabilize property values as well as create new opportunities for affordable housing for LMMI families. The Economic Recovery Act of 2008 directs funding to be allocated based on:***
    - ***a) number and % of home foreclosures***
    - ***b) number and % of homes financed by a subprime mortgage related loans***
    - ***c) number and % of homes in default or delinquency***

  Based on these criteria, neighborhoods with high foreclosures identified through HUD & local data analysis are eliminated from eligibility for Category 1 (Tier 1) Missouri NSP funding.
- ***The legislative intent of NSP funding also includes encouragement for local governments to coordinate with each other, and with state government. The question & answers sheet on the HUD website specifically indicates that implementing NSP programs may require an "area-wide, or even regional approach". St. Charles County submitted a regional proposal for consideration; the state proposed allocations do not allocate funding for regional need, or even respond to our regional request. There are many "mini grants" proposed in the Missouri Substantial Amendment; these mini grants may have minimal to no impact on their communities due to administrative & monitoring costs.***

- ***In the HUD methodology for Allocation sheet, page 2, it states that "HUD believes a grantee must receive a minimum amount of $2 million to have adequate staffing to administer the program effectively". This sheet also outlines allocation formulas. The St. Charles County regional application included three entitlement cities plus two other jurisdictions that did not receive direct allocations, but had clearly demonstrated need. In the proposed state allocation, two of entitlement communities would receive no funding under Category 1, and would only later be eligible for limited funds under Category 3 for persons under 50 % of AMI. The limited amount of proposed funding for the region would have negligible impact on the foreclosures and blight in our community.***
- ***The state of Missouri Proposed substantial amendment suggests three categories of funding disbursement, with Category 3 addressing the 25% requirement for serving under the 50% AMI target population. Only Category 1 (Tier1) applications are included in the response to HUD. A review of individual community and regional proposals indicate that many communities are prepared to address the 25% requirement in the way that makes most sense for their community. There is not the need for multiple application processes. All funds could be awarded through the initial Category 1 methodology.***
- ***Finally, the Missouri Substantial amendment submitted to HUD eliminates all supporting maps and documentation of need from municipal and regional applicants. This shows bias in the unwillingness to submit supporting documentation of need for some applicants.***

Response: **Thank you for your comments; they will be incorporated into the final draft plan as submitted to HUD.**

Our targeting of "areas of greatest need" was based on several criteria, including foreclosure data (from HUD), sub-prime mortgage data, income and unemployment. Areas scoring high with all of these indicators are considered "highest need".

In St. Charles County, three census tracts, all within St. Charles city, were identified as being of "highest need."

We appreciate your comments, and will take them into consideration.

Comment: ***Public comment – Neighborhood Stabilization Program***

Inner-ring suburbs face challenging issues trying to stabilize, revitalize and maintain older neighborhoods – true before foreclosures, but all the more difficult in the face of what is unfolding.

Foreclosures are not geographically constrained by the legal boundaries of the state's major urban areas, but spilled over to adjoining neighborhoods and communities. In reality, the hard-hit east side of Kansas City, Mo. abuts the western edge of Independence and its older housing stock.

Neighborhoods in both these communities – separated by the Big Blue River and a declining industrial area – were systematically targeted for sub-prime mortgages. Foreclosures occurred initially on Kansas City's eastside and now occurring in western Independence as later Adjustable Rate Mortgages reset. It is truly sad to see.

According to the state's allocation plan, the Independence has 52 qualifying Tier I block groups– the 4th largest number statewide. Only larger were St. Louis County, City of St. Louis and City of Kansas City each which received a direct allocation. Saint Joseph (pop. 74,000)

trails Independence (pop. 115,000) but has only one-third (18 eligible tracts) compared to eligible Independence block groups.

In short, there is substantial need in Independence and its proposed plan focuses largely on those western neighborhoods abutting hard-hit Kansas City neighborhoods – a program focus in Kansas City's NPS plan. Addressing these contiguous (KCMO and Independence) neighborhoods is important if some overall semblance of neighborhood stabilization for the area – that is if one were to disregard city limits and focus on the neighborhoods.

Meeting the time frames and technical requirements of the Neighborhood Stabilization Program is exceedingly challenging and allows little time for review or revision, let alone cooperation and collaboration. Even still, in the rush, it would be my hope that ample opportunity and full consideration be given to Tier I communities with substantial need, but not included in the initial direct allocation. Independence would be such a case.

There is government and community capacity to effectively use Neighborhood Stabilization Funds as outlined in the city's submission.

I offer these public comments as a resident of the City of Independence who lives in a low-income neighborhood and as chairman of the Independence Heritage Commission that has an interest in older neighborhoods.

Response: **Thank you for your comments; we are taking them into consideration and will include them in our final draft amendment as submitted to HUD.**

In reviewing the application for Neighborhood Stabilization funding submitted by Independence (and all other applicants), several factors were considered in determining a final recommended amount of funding to be awarded. The staff of DED and MHDC looked at eligibility of activities; the capacity of the city to complete the number of properties proposed in the short time frame provided by HUD; the consistency of the activities in the application with this first round of funding; and the amount of requests as compared to the funds available. The complexity of the activities also weighed into the review (e.g. landbanking properties versus purchase, rehab and resale).

To understand how we made our recommendations, it is important to understand our overall approach of dividing the money into categories, and to understand how we looked at each applicant.

One component of the state's overall plan is to allow MHDC to use their existing capacity to operate a downpayment assistance program for new homebuyers, prioritizing Tier One communities. The efficiencies gained in having a centralized program instead of 20-plus individual programs will assure success and will assure compliance. All communities that applied for such "funding mechanisms" has their requests reduced.

Independence is encouraged to contact MHDC and the local participating lenders to accomplish the access by new homebuyers to the finance tools and to accomplish the same result as the application proposed.

A second component of the state's overall plan is to set-a-side a whole category for communities that wish to focus activities on families with incomes at or below 50 percent of median.

$2 million of the Independence application was to be used by Truman Heritage Habitat for Humanity. Although we removed it from this Category of funding, we strongly encourage the city to re-apply under Category 3, the NSP allocation that is designated for this income group. We will be accepting those proposals shortly.

A third component of the state's plan was to assure that communities could achieve the required "obligation of funds" within the HUD required timeline of 18 months. The state realizes the tremendous need in each community but the requirements established for obligation and expenditure made us focus on the number of homes and the activities proposed.

The activity designed for purchase, rehabilitation and resale is an eligible activity, which we supported. Independence proposed 100 homes ($3.5 million) in this activity. This was originally reduced by half, as there were concerns as to whether that number of homes could be addressed in the relatively short timeframe that NSP allows.

The redevelopment activity was originally reduced by one half; again due to the accelerated timeframe allowed by NSP.

Finally, more than $86 million in applications were received for an available allocation of approximately $23 million. Even after reduction of most applications (for the reasons listed above) and the removal of ineligible items from some applications, the amount of funding requested still doubled what was available. All applications were then reduced proportionally to arrive at the amount allocated to this category.

Comment:

Please allow this letter to serve as the City of Springfield's comments on the State of Missouri's NSP Substantial Amendment to the Consolidated Plan.

The City of Springfield has been tracking foreclosures for the past two years. I have attached a map to show the dispersion of foreclosed houses in our CDBG Eligible Area. This area has seen the greatest number of foreclosures within our city. As a result, we have seen greater numbers of abandoned houses, more frequent incidents of code violations and general disinvestment which threatens the stability of these neighborhoods.

The City submitted an NSP proposal to address, in part, these issues. While the Department of Economic Development recommendations are significantly less than our proposed program, we feel that we can still operate a program based on this recommendation. Our program would be smaller in scope but would focus resources in order to begin the task of neighborhood stabilization.

I would urge you to maintain the City of Springfield recommendation at its current level. Further reductions to our proposal would begin to dilute the impact that our proposal would have on our neighborhoods.

Response: **Thank you for your comments; they will be incorporated into the final draft as submitted to HUD**.

Comment: ***As you know, funding for affordable housing is one of the greatest challenges we have in St. Charles County. Most funding formulas focus on***

area median income and employment rates. Historically, the leaders of our great community have attracted high wage jobs many St. Charles County residents receive higher pay and, as a whole, the community has faced less unemployment.

Unfortunately, these statistics exclude St. Charles County from most state and federal funding streams that would allow us to address the housing crisis in our community.

The recent $700 Billion bailout included a housing component and based on the eligibility criteria St. Charles City was eligible to apply. In an unprecedented act of collaboration, the City of St. Charles paid for a consultant to submit a proposal that would benefit the entire community - not just St. Charles City. A request for $6.6 Million was submitted to the Missouri Department of Economic Development (who is administering the funds) but sadly the state recommends that the entire county only receive $630,000 to assist with the hundreds and hundreds of foreclosures and abandoned properties in our community. These new dollars would help purchase foreclosed properties and resell them as affordable housing.

- *HUD specifically indicates that implementing NSP programs may require an "area-wide, or even regional approach". St. Charles County submitted a regional proposal for consideration, and the state did not support or even respond to our regional request. The multiple "mini grants" proposed by Missouri may have minimal impact on their communities due to administrative costs.*

- *The criteria used by the state clearly to determine "greatest need" do not reflect the same criteria outlined in the Federal legislation.*

- *Funding allocations do not address the foreclosure experience in St. Charles County. Our rapidly growing region is comprised of middle and working class wage earners and double income families who are significantly impacted by the foreclosure crisis.*

- *All municipalities in St. Charles County have seen great increases in the numbers of foreclosures since 2005. There were 863 foreclosures in the county in 2007, and 736 foreclosures as of September of this year.*

- *Mortgage foreclosure data indicate that the high-cost loan rate for our region is approximately 20%. Area home values are down approximately 7% this year. Less home equity and an unstable economy are placing more families at risk of foreclosure.*

- *In looking at HUD funding formula that does reflect actual foreclosure experience, it clearly show that the cities of St. Peters and O'Fallon would have received more funding than the city of St. Charles, whereas, the state indicates one area of need in St. Charles City. This further reinforces the fact that the state's criteria in establishing areas of greatest need are not consistent with the intent of the federal legislation.*

- *The Missouri Substantial Amendment submitted to HUD eliminates all supporting maps and documentation from our application. This unwillingness to submit supporting documentation of need and numbers of foreclosures to HUD fails to recognize our county's needs.*

- ***Neighborhood stabilization funding requests to the state were in excess of $85 million and included plans from Communities to address the legislative requirements serving under 50% of area median income; there is no need to hold back funding for Category 2 and Category 3 funding. This creates more bureaucracy and another administrative step.***

- ***Officials from DED have indicated that other cities can apply under the Category 3 RFP. The additional restrictions on percentage of LMMI on this category will make it difficult to use those funds in most of St. Charles County. Rather, it would be more useful for the County, or entities within the County, to have received one larger allocation and then determine on their own where the federal requirement of 25% of the funds to be used at or below 50% of LMMI should be allocated.***

Response: **Thank you for your comments/questions; we have taken them into consideration and will incorporate them into the final draft Amendment as submitted to HUD.**

The criteria used to determine "high need" areas included foreclosure data, sub-prime mortgage data, income and unemployment. HUD mandated that the NSP funds be targeted to "high need" areas. We calculated this by census tract, and then mapped the eligible areas based on these four criteria.

Using these criteria, only three census tracts in St. Charles County were determined to be "high need". All three of these were in St. Charles City, which would be the most densely populated area of the County.

We certainly agree with a regional or area approach; however, the region or area must qualify as high need. The bulk of the area included in the St. Charles application did not qualify as high need per the above criteria.

The funds proposed for award must be used in those three census tracts (the high need area of the county).

In addition, we have approximately $23 million to award to Tier 1 communities, and received over $86 million in applications.

Comment:

As explained below, we urge you to adopt a state Action Plan that will make most appropriate use of NSP funds to provide a variety of affordable housing options, stabilize neighborhoods, and create more viable communities that meet the needs of all residents. **Specifically, we request that adequate NSP funding be allocated within the Action Plan to:**

- **ensure that the needs of low income elderly residents are a designated priority in plans for neighborhood stabilization,**
- **provide cost effective energy efficiency improvements to rehabilitated and redeveloped properties for low income residents, and**
- **integrate universal design and visitability features into rehabilitated and redeveloped properties to promote aging in place.**

According to recent AARP research, homeowners age 50 and over have been significantly affected by the foreclosure crisis. Fifty-plus households represented over a quarter (28 percent) of all foreclosures and defaults in the second half of 2007, totaling nearly 700,000. Older African Americans and Hispanics had among the highest foreclosure rates. This crisis affects not only the older households facing foreclosure, but their communities as well. A

livable community not only promotes the physical independence of residents, but also enhances quality of life and active social engagement of residents with one another. Foreclosures are expected to result in many vacant and dilapidated properties in the hardest-hit communities, threatening the health, stability, and livability of those communities.

For many older residents, high rents and relatively low incomes add up to high housing-cost burdens, which increase as they age. High housing cost burdens are often further exacerbated by escalating utility, transportation, and health care costs. Accordingly, NSP funding should be used to increase affordable housing opportunities for low income elderly residents in communities which provide access to public transit, open space, shopping and other community resources. Furthermore, communities should be encouraged to engage in meaningful efforts to develop affordable housing for low income elderly residents in economically and racially integrated neighborhoods where, among other things, crime is low and economic opportunities are high.

AARP further recommends that NSP funds be used to provide cost effective energy efficiency improvements to rehabilitated and redeveloped properties to enhance long-term housing affordability and the health and welfare of the future residents. Air conditioning during the summer and heat during the winter at an affordable rate can be a matter of life and death for older people.

NSP funds should also serve to enhance the independence and quality of life for residents as they age. By increasing the ability of all residents to age in place, NSP funds could be a powerful tool to help stabilize neighborhoods. Unfortunately, much of the existing housing stock needs structural modifications to continue to meet the needs of people as they age. Structural barriers can trap older adults and people with disabilities, preventing them from participating fully in their communities, depriving them of economic and social opportunities that are necessary to remain healthy and age successfully. Incorporating routinely a few core visitability features in newly built and retrofitted single-family housing can enhance the independence of all residents. The three core visitability features are (1) a zero-step entrance, (2) doorways with thirty-six inches of clear passage space, and (3) at least a half bath on the main floor with adequate maneuvering room. In addition, incorporating other universal design features including reinforced walls for grab bars, lowering the height of switches, and using lever handles is cost effective and will best serve the needs of all residents as they age.

NSP funds should also be allocated in coordination with other public funds, including HOME and CDBG, to prevent the displacement of older homeowners and the further deterioration of housing occupied by low income older residents. As people age and their incomes diminish, older homeowners often are unable to maintain their homes or make modifications that will allow them safely and comfortably to age in place. Health conditions may further limit their ability to maintain or repair their homes. Conversely, housing conditions may cause their health to deteriorate or force them into a nursing home. Institutionalization is not only costly, but is also associated with higher morbidity.

Response: **The needs of elderly residents are certainly important to the state of Missouri. All NSP funds must benefit persons at or below 120% of median household income, and a minimum of 25% of those funds have to benefit persons at or below 50% of median household income. Elderly persons meeting those income requirements are certainly eligible for the program.**

Local government applicants were allowed to prioritize their proposed use of NSP funds. Interested parties are encouraged to contact their local government to express their interest in the program. HUD.

CERTIFICATIONS

(1) **Affirmatively furthering fair housing**. The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-lobbying**. The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction**. The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan**. The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation**. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.

(6) **Section 3**. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(7) **Citizen Participation**. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(8) **Following Plan**. The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(9) **Use of funds in 18 months**. The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds ≤ 120 of AMI**. The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

(11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by

assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force**. The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws**. The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures**. The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws**. The jurisdiction will comply with applicable laws.

Signature/Authorized Official ____11/14/2008____
Date

__Director of Business and Community Services____
Title

APPLICATION FOR
FEDERAL ASSISTANCE

0MB Approved No. 3076-0006

Version 7/03

		.2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION: Application O! **Construction** 171 **Non.l"nnc:truction**	Pre-application Q **Construction** D **Non-Construction**	**3. DATE RECEIVED BY STATE**	State Application Identifier
		4. DATE RECEIVE D BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: State of Missouri Department of Economic Development	**Organizational Unit:** Department: Economic Development
Or anizational DUNS: 87 014686	Division: Business & Community Services
Address: Street: 301 W. High Street Truman Bulldlnq, Suite 680	**Name and telephone number of person to be contacted on matters involving this application (give area code)** Prefix: Ms. First Name: Sallie
Cit Je erson City	Middle Name
County: Cole	Last Name Hemenway
State: MO z:code 5102	Suffix:
Country: United States	Email: sallie.hemenway@ded.mo.gov
6. EMPLOYER IDENTIFICATION NUMBER *(EIN):* @]@]-[]@] [] [fil [TI	Phone Number (give area code) 573 - 751-8 497 / Fax Number (give area code) 573-526-7700
8. TYPE OF APPLICATION: [j **New** ID **Continuation** 0 **Revision** f Revision, enter appropriate letter(s) in box(es) See back of form for description of letters.) Other (specify)	**7. TYPE OF APPLICANT:** (See back of fonn for Application Types) A State Gvt. Other (specify)
	9. NAME OF FEDERAL AGENCY: Housing and Urban Development
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: [!]@]-[] [fil TITLE (Name of Program): Community Development Block Grants/State's Program	**11. DESCRIPTIVE** TITLE **OF APPLICANT'S PROJECT:** State of MO CDBG Substantial Amendment for Neighborhood Stabilization Program Assistance for emergency assistance in addressing rising foreclosures and declining property values.
12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.):* State of Missouri	
13-: PROPOS ED PR-0JECT-	**14. CONGRESSIONAL DISTRICTS OF:**
Start Date: Decembe·r 2008 / Ending Date: July 2013	a. Applicant attached / b. Project ttached
15. ESTIMATED FUNDING:	**16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PR□CE**
a. Federal " 42,664,487	a. Yes. D THIS PREAPPLICATION/APPLICATJON WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant	
c. State $	
d. Local £	b. No. fl;] **PROGRAM** IS NOT COVERED BYE. 0. 12372
e. Other $	□ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FORREVIFW
f. Program Income $	**17. IS** THE **APPLICANT DELINQUENT ON ANY FEDERAL DEBT?**
g. TOTAL " 42,664,187	0 Yes If "Yes" attach an explanation. No

18. TO THE **BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE** TRUE **AND CORRECT. THE** OCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE. AP PLICANT AND THE APPLICANT WILL COMPLY WITH THE **ATTACHED ASSURANCES** IF THE **ASSISTANCE IS AWARDED.**

a. Authorized Renresentative		
1;1r. efix	First Name Garry	Middle Name
Last Name Taylor		Suffix
b. Tille Interim Director		c.-Telephone Number (give area code) 573-751-4770
d. Signature of Authorized Representat .:._-	Auth orize d for Loca	e." /

Previous Edition Usable

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Application for Federal Assistance SF-424 (Revision 9-2003) Version 7/03

5. Applicant
State of Missouri Department of Economic Development

14. Congressional Districts of:
    a. MO-001, MO-002, MO-003, MO-004, MO-005, MO-006, MO-007, MO-008, MO-009
    b. MO-001, MO-002, MO-003, MO-004, MO-005, MO-006, MO-007, MO-008, MO-009

NSP Substantial Amendment Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424.

Contents of an NSP Action Plan Substantial Amendment

Jurisdiction(s): **State of Missouri** **Department of Economic Development** ***www.missouridevelopment.org***	NSP Contact Person: **Sallie Hemenway, Andy Papen** Address: **301 W. High Street** **HST, Suite 680** **Jefferson City, MO 65102** Telephone: **573-522-4173** Fax: **573-526-4157** Email: **sallie.hemenway@ded.mo.gov** **Andy.papen@ded.mo.gov**

The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

A. Areas of Greatest Need

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction?

Yes☒ No☐. Verification found on page 2.

B. Distribution and Uses of Funds

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes☒ No☐. Verification found on page 3 and 306-307.

Note: The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

C. Definitions and Descriptions

For the purposes of the NSP, do the narratives include:

- a definition of "blighted structure" in the context of state or local law,
  Yes☒ No☐. Verification found on page 308.

- a definition of "affordable rents,"

Yes☒ No☐. Verification found on page 308.

- a description of how the grantee will ensure continued affordability for NSP assisted housing,
  Yes☒ No☐. Verification found on page 308-309.

- a description of housing rehabilitation standards that will apply to NSP assisted activities?
  Yes☒ No☐. Verification found on page 309-321.

D. LOW INCOME TARGETING

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
  Yes☒ No☐. Verification found on page 321.

- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?
  Yes☒ No☐. Verification found on page 321.
  Amount budgeted = $2.8M.

E. ACQUISITIONS & RELOCATION

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?
Yes☒ No☐. (If no, continue to next heading)
Verification found on page 322.

If so, does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?
  Yes☒ No☐. Verification found on page 322.

- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?
  Yes☒ No☐. Verification found on page 322.

- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?
  Yes☒ No☐. Verification found on page 322.

F. Public Comment Period

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes☒ No☐. Verification found on page 322-347.

Is there a summary of citizen comments included in the final amendment?

Yes☒ No☐ Verification found on page 322-347.

G. Information By Activity

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,
  Yes☒ No☐. Verification found on page 304 and 305.

- correlated eligible activity under CDBG,
  Yes☒ No☐. Verification found on page 5.

- the areas of greatest need addressed by the activity or activities,
  Yes☒ No☐. Verification found on page 3-4, 8.

- expected benefit to income-qualified persons or households or areas,
  Yes☒ No☐. Verification found on page 4.

- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?
  Yes☒ No☐. Verification found on page 4, 307.

- appropriate performance measures for the activity,
  Yes☒ No☐. Verification found on page 9-303.

- amount of funds budgeted for the activity,
  Yes☒ No☐. Verification found on page 4-307.

- the name, location and contact information for the entity that will carry out the activity,
  Yes☒ No☐. Verification found on page 305.

- expected start and end dates of the activity?
  Yes☒ No☐. Verification found on page 4.

- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,
  Yes☒ No☐. Verification found on page 9-303.

- If the activity provides financing, the range of interest rates (if any),
  Yes☒ No☐. Verification found on page 9-303.

- If the activity provides housing, duration or term of assistance,

  Yes☒ No☐. Verification found on page 308-309.

- tenure of beneficiaries (e.g., rental or homeownership),
  Yes☒ No☐. Verification found on page 308-309.

- does it ensure continued affordability?
  Yes☒ No☐. Verification found on page 308-309.

H. CERTIFICATIONS

The following certifications are complete and accurate:

(1) Affirmatively furthering fair housing	Yes☒	No☐
(2) Anti-lobbying	Yes☒	No☐
(3) Authority of Jurisdiction	Yes☒	No☐
(4) Consistency with Plan	Yes☒	No☐
(5) Acquisition and relocation	Yes☒	No☐
(6) Section 3	Yes☒	No☐
(7) Citizen Participation	Yes☒	No☐
(8) Following Plan	Yes☒	No☐
(9) Use of funds in 18 months	Yes☒	No☐
(10) Use NSP funds ≤ 120 of AMI	Yes☒	No☐
(11) No recovery of capital costs thru special assessments	Yes☒	No☐
(12) Excessive Force	Yes☒	No☐
(13) Compliance with anti-discrimination laws	Yes☒	No☐
(14) Compliance with lead-based paint procedures	Yes☒	No☐
(15) Compliance with laws	Yes☒	No☐