

OTHER NARRATIVES

SECTION 3

Each year the U.S. Department of Housing and Urban Development provides grants to the City of St. Louis that are generally targeted to neighborhoods with the most pressing needs for housing and economic development assistance. These HUD funds can have a tremendous economic impact on the low-income areas serviced by the grants. To assist and direct grant recipients to maximize the impact of this economic assistance, HUD requires the City of St. Louis to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968 to ensure that the HUD funds provide "to the maximum extent feasible" economic opportunities to the residents of the community being served as well as the businesses that serve them.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

Section 3 compliance is required for Community Development Administration expenditures of funds including the following:

- Housing rehabilitation (excluding routine maintenance, repair, and replacement)
- Housing construction
- Other public construction

The Community Development Administration has granted funds to and reports findings on the projects on the following pages.

CDA CDBG and HOME SECTION 3 PROJECTS

Project Name	Developer	Project Start Year	No. of Units and Project Type	CDA Funding Sources	Total CDA Funding	CONSTRUCTION		NON-CONSTRUCTION		SECTION 3 WORKERS	
						Award to Section 3 Businesses	No. of Section 3 Businesses	Award to Section 3 Businesses	No. of Section 3 Businesses	New Hires	Trainees

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$
B. Total dollar amount of contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$	
B. Total dollar amount of contracts awarded to Section 3 businesses	\$	
C. Percentage of the total dollar amount that was awarded to Section 3 businesses		%
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2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$	
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$	
C. Percentage of the total dollar amount that was awarded to Section 3 businesses		%
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Part III: Summary

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MBE/WBE PARTICIPATION

The Mayor and the City of St. Louis are committed and determined to meet MBE/WBE participation goals by utilizing affirmative actions appropriate for size, type and scope of contract. As part of that ongoing effort, during 2013 the City provided block grant funding to Vashon Jeff Vander Lou for its Minority Contractors Institute for technical assistance and training to small MBE/WBE firms. The St. Louis Development Corporation also fosters minority construction and other businesses as part of that agency's CDA-funded work program, and M/WBE participation goals are emphasized in the City's Tax Increment Financing developments.

A full listing of certified MBE/WBE contractors may be found on the City's website at www.mwdbe.org or by calling M/W/DBEW Certification Outreach at (314) 551-5000.

SECTION 108 – CDBG FUNDS

OVERVIEW

This section summarizes Section 108 funded programs with a brief narrative describing the projects and progress made on the projects during the 2012 program year.

In 1998 the City of St. Louis applied for a \$50 million Section 108 loan. The \$50 million borrowed included \$20 million for the St. Louis Convention Headquarters Hotel project, \$20 million for the Darst-Webbe HOPE VI Revitalization project and \$10 million for a variety of neighborhood development projects. The application was amended in 1999 to increase funding for the hotel project to \$50 million. Upon completing a review of the amended application, the Department of Housing and Urban Development approved a total Section 108 loan of \$80 million.

The following activities were reported as complete in the previous Consolidated Performance and Evaluation Reports and consequently are not included in the accomplishments section of this year's report:

- St. Louis Convention Headquarters Hotel
- Darst-Webbe Revitalization Phase I
- Darst-Webbe Senior Development Improvements
- Darst-Webbe Environmental Abatement/Acquisition
- Near South Side Public Improvements Phase IV
- Assisted Elderly Development
- G. L. Vaughn Residences
- Delmar Link Public Improvements
- Near South Side Public Improvements Phase IV
- Neighborhood Commercial District Improvements
- Scattered Sites Acquisition/Rehabilitation Program

SECTION 108 NEAR SOUTHSIDE DEVELOPMENT

One remaining work program utilizing Section 108 funds provided funding support for the Darst-Webbe Near Southside Development. It is a contract with the Land Clearance for Redevelopment Authority. General categories of activities, funding amounts and total funds spent as of December 31, 2012 on all four related programs are listed in the following chart. At the end of the 2012 program year, nearly 99% of the budgeted funds for the HOPE VI project had been spent.

SECTION 108 DARST-WEBBE HOPE VI REVITALIZATION PROJECTS			
Program Name	Program Number	Revised Budget Amount	Expended Amount
Darst-Webbe Revitalization Phase I	98-20-70a	\$3,371,419	\$3,371,419
Darst-Webbe Environmental Abatement/Acquisition	98-20-70b	\$5,021,498	\$5,021,498
Darst-Webbe Revitalization Phase II	98-20-70c	\$8,558,282	\$8,334,504
Near Southside Public Improvements Phase IV	98-20-70d	\$3,048,801	\$3,048,801
TOTAL		\$20,000,000	\$19,776,222

Accomplishments:

IDIS CPS PROJECT #: N/A
PROGRAM: Darst-Webbe Revitalization – Phase II
AGENCY: Land Clearance for Redevelopment Authority
ADDRESS/LOCATION: 1520 Market Street Suite 2000 (63103)

Following improvements undertaken in the Phase I Near South Side redevelopment area, additional work was needed. Work includes re-establishing the historic street grid pattern and construction of streets, alleys, lighting, utilities, sidewalks and green spaces in and around the area bounded by Chouteau, Tucker, Lafayette and 14th. The Near South Side Public Improvements Phase IV work program supports construction of an additional 144 units. The new unit construction includes 84 market rate units, 44 public housing units and 20 low income housing tax credit units. During 2005 the initial public improvement contract providing for interior street improvements in the northwest corner of the development was completed. A second public improvement activity involving street improvements on 14th, Lafayette and Park was completed in late 2005 and closed out in early 2006. A third street improvement contract for work west of Truman Parkway was undertaken in 2005 and was completed in 2006. In the spring of 2007, construction work was substantially completed at the Clinton-Peabody site (Ange, Hickory, Rutger and LaSalle Streets) located east of Truman Parkway and at the Tucker Boulevard site. In late summer, the design and plans and specifications were completed for the area north of old City Hospital (now the Georgian). A construction contract was awarded for this latter work in December 2007. During 2008 the construction work awarded in December 2007 was completed, except for landscaping. The landscaping component of the contract awarded in December 2007 was completed in 2009.

Project Primary Purpose: N/A
 Priority Need Category: Infrastructure
 National Objective Code: LMA/SBA
 Specific Objective: Increase quantity of public improvements
 Improve the quality of public improvements
 Matrix Code/Activity/Citation: 03 Public Facilities and Improvements 570.201(c)

FUNDS:

Budgeted in 2012: \$226,298 (balance remaining)
 Expended in 2012: \$2,520

ACCOMPLISHMENTS:

Type	Category	Proposed	Actual
11	Public Facilities	6	4

Proposed: To provide for public improvements in support of the Near South Side Redevelopment project.

Actual: Activities in 2013 continued including minor landscaping.

SECTION 108 - NEIGHBORHOOD DEVELOPMENT

Little activity took place in 2001 for Neighborhood Development projects funded through the Section 108 Loan program. Substantial work began in 2002 and continued through 2012. General categories of activities, funding amounts and total funds spent as of December 31, 2012, are indicated in the following chart. By the end of 2013 nearly 97% of the budgeted funds for neighborhood development activities had been spent.

SECTION 108 NEIGHBORHOOD DEVELOPMENT PROJECTS			
Program Name	Program Number	Budgeted Amount	Expended Amount
Delmar Link Public Improvements	98-20-72	\$ 400,000	\$ 400,000
Assisted Elderly Development	98-20-78	\$ 733,469	\$ 733,469
G.L. Vaughn Residences	98-28-84	\$ 546,432	\$ 546,432
Scattered Site Residential Acquisition/Rehab	98-35-10	\$ 2,018,768	\$2,018,768
Residential Acquisition Program	98-35-55	\$ 4,581,232	\$4,505,591
Neighborhood Based Commercial	98-50-12	\$ 1,450,000	\$1,450,000
Development Projects Pool/Issuance Costs	---	\$ 270,099	\$ 28,671
Total		\$ 10,000,000	\$9,682,931

IDIS CPS PROJECT #: N/A
PROGRAM: Residential Acquisition Program
AGENCY: Land Reutilization Authority
ADDRESS/LOCATION: 1520 Market Street Room 2000 (63103)

This program began in 2002 and was intended to provide funding to the Land Reutilization Authority to acquire residential properties in order to provide housing in targeted neighborhoods of the City. By the end of 2009 198 properties had been acquired for housing development purposes. During 2010 no additional properties were acquired.

Project Primary Purpose: NA
Priority Need Category: Owner-Occupied/Rental Housing
National Objective Code: LMA
Specific Objective: Increase the supply of affordable rental housing
 Increase the availability of affordable owner housing
Matrix Code/Activity/Citation: 14G - Acquisition for Rehabilitation 570.202

FUNDS
Budgeted in 2012: \$75,640 (remaining balance)
Expended in 2012: \$0

ACCOMPLISHMENTS	<u>Type</u>	<u>Category</u>	<u>Proposed</u>	<u>Actual</u>
	10	Housing Units	N/A	198

Actual:

During 2013 no additional properties were acquired, but the development was completed of two for-sale units at 3324 Missouri, which was previously acquired with Section 108 funds.

CITY OF ST. LOUIS SECTION 108 ACCOMPLISHMENTS REPORT

Project Number	Project Description	CDBG \$					ELIGIBLE ACTIVITY	NATIONAL OBJECTIVE	
		108 Loan Amount	EDI AMT	BEDI AMT	Other CDBG \$	Total CDBG \$ Assistance		HUD N.O. Matrix Code	Indicate if N.O. Has Been Met Y=Yes N=No
B-98-MC-29-0006	St. Louis Convention Headquarters Hotel	\$49,700,000	\$2,000,000			\$51,700,000	18A	LMJ	Y
B-98-MC-29-0006-B	Delmar Link Public Improvements	400,000				400,000	03	LMA	Y
B-98-MC-29-0006-B	Assisted Elderly Development	733,469				733,469	03	LMA	Y
B-98-MC-29-0006-B	G.L. Vaughn Residences Improvements	546,432				546,432	03	LMA	Y
B-98-MC-29-0006-B	Scattered Site Residential Acquisition/Rehab	2,018,768				2,018,768	14A 14B	LMH SBA	Y
B-98-MC-29-0006-B	Residential Acquisition Program	4,581,232				4,505,591	01 14G	LMA SBA	Y
B-98-MC-29-0006-B	Neighborhood Based Commercial	1,450,000				1,450,000	17D	LMA SBA	Y
B-98-MC-29-0006-A	Darst-Webbe Revitalization Phase I	3,371,419				3,371,419	03	LMA	Y
B-98-MC-29-0006-A	Darst-Webbe Environmental Abatement	5,021,498		1,947,355		6,968,853	04A	SBA	Y
B-98-MC-29-0006-A	Darst-Webbe Revitalization Phase II	8,558,282				8,334,504	03	LMA	Y
B-98-MC-29-0006-A	Near Southside Public Improvements Phase IV	3,048,801				3,048,801	03	LMA	Y
NOTE:	Issuance costs repayment	570,099				28,671			
		\$80,000,000	\$2,000,000	\$1,947,355	\$ -	\$83,106,508			

Figures represent cumulative expenses/accomplishments.

Of the \$50,000,000 awarded for the Hotel development, \$49,700,000 was made available to the developer, \$219,280 was expended for issuance/advance costs, \$43,098 was paid in interest on the interim loan, and \$37,822 for loan repayment costs. All financing sources, including the \$49,700,000 in Section 108 Loan funds, were placed in an investment account in December 2000. The funds were then disbursed in accordance with a staged disbursing schedule agreed to as part of the project financing agreements.

CITY OF ST. LOUIS SECTION 108 ACCOMPLISHMENTS REPORT - PAGE 2

Project Number	Project Name	JOBS				Presumed Low/ Mod Benefit (P) or Rev. Strategy Area (RSA)	HOUSING			LMA	LMC	SBA	SBS
		FTE Jobs Proposed in 108 Appl.	Total Actual FTE Jobs Created	Number Held by/ Made Available to Low/ Mod	Percent Held by/ Made Available to Low/ Mod		Total Housing Units Assisted	Number of Units Occupied by Low/ Mod Households	Percent of Units Occupied by Low/Mod Households				
B-98-MC-29-0006	St. Louis Convention Headquarters Hotel	759	1,065	1,035	97%								
B-98-MC-29-0006-B	Delmar Link Public Improvements								74%				
B-98-MC-29-0006-B	Assisted Elderly Development								71%				
B-98-MC-29-0006-B	G.L. Vaughn Residences Improvements								78%				
B-98-MC-29-0006-B	Scattered Site Residential Acquisition/Rehab						358	251	70%				
B-98-MC-29-0006-B	Residential Acquisition Program						198			65%			
B-98-MC-29-0006-B	Neighborhood Based Commercial									60%			
B-98-MC-29-0006-A	Darst-Webbe Revitalization Phase I									94%			
B-98-MC-29-0006-A	Darst-Webbe Environmental Abatement										Y		
B-98-MC-29-0006-A	Darst-Webbe Revitalization Phase II									94%			
B-98-MC-29-0006-A	Near Southside Public Improvements Phase IV									94%			
NOTE:	Issuance costs set aside												
		759	1,065	1,035	97%		358	251	70%	N/A			