

City of St. Louis

Community Development Administration

Notice of Funding Availability
Spring 2014

Workshop Presentation – April 17, 2014

Introduction to CDA

- CDA is an agency of the City of St. Louis
- CDA administers federal funding received by HUD
- CDA conducts programs according to a 5-year Consolidated Plan
- CDA partners with other government agencies, non-profit organizations, and private firms
 - Housing Development & Historic Preservation
 - Home Repair
 - Business & Economic Development
 - Public Facility Improvements
 - Social Service Programs

Housing Production Funds - Sources

CDA receives an allocation of funding from HUD to assist the financing of residential real estate development efforts.

- Community Development Block Grant (CDBG)
 - Market-rate housing developments
 - Annual allocation
- HOME Investment Partnership (HOME)
 - Housing for low- and moderate-income households
 - Annual allocation
- Neighborhood Stabilization Program (NSP)
 - Redevelopment of foreclosed properties
 - Housing for low- and moderate- and middle-income households
 - One-time allocation

Housing Production Funds – Uses

- **Development Gap Subsidy**

The difference between a completed project's appraised value and the total development cost needed to conduct that project.

- **Bridge Loan Financing**

Construction period financing secured by a future permanent financing source, such as tax credits.

- **Homebuyer Affordability Assistance**

Forgivable loan to be used for down-payment or mortgage buy-down.

Notice of Funding Availability (NOFA)

CDA intends to award up to \$2,500,000 in development assistance this funding round.

The Spring 2014 NOFA solicits applications for residential developments to be financed from the following sources:

- \$2,000,000 – CDBG
- \$250,000 – HOME
- \$250,000 – NSP

Market Value Analysis (MVA)

- Statistical Tool
 - Residential Market Data
 - Classification of City Areas
 - Clusters of Shared Characteristics
- Targeted Housing Resources
 - Prioritize Areas
 - Identify Strategies
 - Direct Investment

NOFA Priority Areas

- Prioritize CDA funds in areas where public assistance will be the most effective
 - Identify neighborhood needs
 - Build upon area strengths
 - Concentrated investment strategy
 - Leverage public funds
 - » Independent development efforts
 - » Other available project financing

All areas of the City are eligible to receive CDA housing production financing!

Request for Proposals (RFP)

CDA-financed, LRA-owned

- Existing Inventory
- Acquired with CDBG or NSP
- New Construction and Rehab Opportunities
- Models Previous RFP Process

Eligible Applicants

- Private, for-profit developers
- Non-profit, active housing organizations
 - CHDOs
 - CBDOs
 - Neighborhood Development Organizations

Ineligible Applicants

- Individuals or entities who have defaulted on a previous CDA loan
- Development team consisting of members, partners, or affiliates (including consultants) who have been debarred by HUD and listed on System for Award Management (SAM.gov)
- Projects to be conducted by owner-occupants and/or with “sweat equity”

Eligible Projects

- For-Sale Housing Developments
- Rental Housing Developments
- Mixed-Use Developments
- Rehabilitation
- New Construction
 - Avoidance of demolition where possible is preferred

RFP Property Access

Coordinate with LRA for access to properties owned by LRA.

- Signed waiver required
- No viewings after 4:00_{PM} on May 9, 2014

LRA Staff is not available to answer questions regarding the NOFA process or related regulations and guidelines.

Required Application Materials

The NOFA includes a Checklist of Required Items:

- Complete CDA Application Spreadsheet
 - One digital copy must be submitted
- Applicant/Organization Profile
- Summary of Proposed Project

Seven hard/paper copies of all the above must be submitted to CDA, each set provided in its own three-ring binder.

Application Materials (continued)

Applicant/Organization Profile

– Development Team & Experience

- Organizational Chart
- Articles of Incorporation
- Business License
- Certificate of Corporate Good Standing
- Conflict of Interest Disclosure Statement

Application Materials (continued)

Additional Profile Documents May Apply:

- Proof of Non-Profit Status
- Non-Profit By-Lays
- Roster of Board Members
- CHDO/CBDO Certification Letters
- Development Partnership Agreements

Application Materials (continued)

- Summary of Proposed Project
 - Preliminary Schematic Plans
 - Site Plan, Elevations, and Floorplans
 - Market Analysis or Independent Appraisal
 - Letter of Interest from Construction Lender or Proof of Funds (Developer Equity)
 - Evidence of Site Control (unless LRA-owned)
 - Deed/Title, Contract, or Option

Evaluation & Rating Procedure

All applications submitted will be processed.

- Eligibility and Completeness Review

Proposals determined to be ineligible or incomplete will be returned to applicant and not evaluated further.

- CDA Selection Committee

Proposals will be rated by six members of CDA staff with residential development financing experience. Individual ratings will be averaged for an application's final score.

Additional Proposal Considerations

- NSP properties with strict completion deadlines
- Multiple City-owned properties
- Coordinated neighborhood efforts
- Construction standards that exceed Energy Star
- Mixed-income housing environments
- Proximity to public transportation
- Strong community support

Important NOFA Dates

- Release Date: April 11, 2014
- Workshop Date: April 17, 2014
- Date/Time Inspection Period Ends May 9, 2014 – 5pm
- Date/Time NOFA Closes May 16, 2014 – 4pm
- Funding Award Notice Date June 20, 2014

Additional Regulations & Guidelines

- Section 106 Review
- MSD Review
- Environmental Assessment
- Lead-Safe Housing
- Radon Clearance
- Energy Star Certification

Additional Regulations & Guidelines (continued)

- MBE/WBE Participation
 - 25% MBE Utilization & 5% WBE Utilization
- Section 3
 - CDA funds >\$200,000 or subcontract >\$100,000
- Davis-Bacon
 - CDBG or NSP: 8 or more units
 - HOME: 12 or more units

Additional Regulations & Guidelines – Rental Projects

- Property Management Plan
- Operating Budget
- Capital Needs Assessment (CNA)
- Affirmative Fair Housing Marketing Plan

Notification of Awards

CDA will announce its selections and funding awards for the Spring 2014 NOFA on June 20. All respondents will receive written notification of their status and ranking, as applicable. CDA will also publish a list of all funding awards and recipients on its website.

Equal Opportunity Employer

The funding of this program is financed in part through a grant from the Department of Housing and Urban Development and the Community Development Administration under the provisions of Title I of the Housing and Community Development Act of 1974 (P.L. 93-383).



Contact Information

City of St. Louis
Community Development Administration
ATTN: NOFA Q&A
1520 Market Street, Suite 2000
St. Louis, MO 63103
CDAnofa@stlouis-mo.gov

In an effort to provide fair and impartial service, CDA Housing Analysts will not be available to field general inquiries or to offer specific direction during the NOFA period. All questions must be submitted to CDA at the address above, and all answers will be published online at www.stlouis-mo.gov/cda.