Mary Thanh Dang on 11 Nov 2008 at 1:00 pm

Hello: My name is Mary Thanh Dang and that I am prepresent the Boat People SOS (BPSOS), a non-profit Vietnamese organization in St. Louis. I would like to introduce you about our organization and the benefit of our agency if we could have the NSP delivered to the Vietnamese community. I can be reached at _. I am looking forward to hearing from you.
Thank you. Mary Thanh Dang (BPSOS - St. Louis Branch Manager)

Stephen Acree on 15 Nov 2008 at 3:56 pm

Thank you for creating this easily accessible way to comment on the draft substantial amendment. I appreciate the difficulty of drafting a plan for the implementation of such a complex program in such a short timeframe. Therefore, please accept the following as comments, observations and questions and not as criticism of the hard work you have done so far:

Under D, Low Income Targeting, as justification for its plan to use some of its NSP funds to provide downpayment assistance to homebuyers with incomes at or below 50% of area median income, the County states that over 50% of its 2007 HOME funding of downpayment assistance was utilized to assist first-time homebuyers whose incomes were below 50% of the area median. This may or may not be a good indicator. Has the County been able to determine how many of the hoembuyers it has assisted in this income range have avoided mortgage delinquency and foreclosure problems? It would be good information to have before deciding to use NSP funds for this purpose, particularly in the current economic environment.

Under E, Acquisition & Relocation, the County states that it anticipates demolishing between 20-30 properties with NSP funds, but under the Performance Measures for G, NSP Information By Activity, NSP-3 Acquisition/Demolition/ Redevelopment, the County states that 11 blighted properties could be acquired and demolished under this activity (which would seem to be based on a somewhat high estimate of per-building demolition costs). This would seem to be inconsistent, but perhaps I am not understanding if there is a difference in context in the two statements.

Under the budget for G. NSP Information By Activity, NSP-1 Acquisition/Rehabilitation and resale to income-eligible homebuyers, the financing examples show a line item for "Grant to developer." Is this in addition to the developer fee or is it meant to represent the developer fee? If it is meant to represent the allowable developer fee, this cost should be included in the acquisition and rehabilitation costs as this is a fee that is earned by the developer, not a "grant" to the developer (especially when the activity is described as being carried out by for-profit as well as nonprofit developers). In either case, it is an earned fee that is part of the development budget. If developer fee is already factored into the acquisition and rehabilitation costs, then what is this line item? I understand that the County may be erring on the side of being conservative in projecting how its NSP funds will be leveraged, but if it is going to only show conventional bank debt as leverage in in its exemples, I would suggest that the County should also state that it will place a priority on projects that achieve greater leveraging than shown in the examples.

Under G. Information By Activity, NSP 2(a) Acquisition/ Rehabilitation/Lease-Purchase Program, the County has been so highly prescriptive in its program description that it appears to be describing a program proposed by a particular provider. If this is the case, it would be clearer to just identify the provider to avoid other possible proponents spending resources to develop other RFQ proposals. For example, does this highly prescriptive program description rule out the possibility of NSP funding for a proposal that would achieve much higher leveraging of the NSP funds by using low-income housing tax credits for a longer-term lease-purchase development? The budget for this activity also has financing examples showing a line item for "Grant to developer" that is questioned in my comments for the activity before this. My comments on the previous activity regarding the expected leveraging of NSP funds also apply here.

Under G. NSP Information By Activity, NSP-4 Administration, the County states that it "will contract with non-profits, quasi-governmental agencies, and for-profit developers to acquire and rehabilitate properties. These entities will be idnetified once the RFQ process is completed." Is this a mistaken carryover from previous sections?

Brian Beck on 16 Nov 2008 at 2:54 pm

Does the Section 2301(d)(3) cap on the sales price of a property sold as primary residence apply to re-sales of homes (assuming to another LMMI buyer if the affordability period is still in effect) originally purchased with county NSP loans? If this is the case then I suggest that the county make clear to homeowners that when they sell their homes they must sell it for the same price they purchased it, and thus cannot make a capital gains profit.

Also, the section 2301(d)(3) requirement does not seems to ever expire. It seems to apply even after the 15 affordability period expired??

Brian Beck on 16 Nov 2008 at 3:53 pm

For the acquisition purchase discount for all uses-

1. The plan states the individual discount will be no less than 5% and that a bulk discount will be no less than 15%.
   a. How is a bulk purchased defined? anything over 1 parcel?
   b. The regulations require that the aggregate discount purchase of all properties (whether purchased individually or in bulk) be at least 15%. i didn't see this aggregate requirement in the plan. HUD might require this to be in the plan.

NSP eligible uses-

1. On each "NSP Information By Activity", I did not see the NSP eligilbe use that the activity would meet. I think it is obvious, but the form seems to ask for the plan to state which NSP eligible use the activity will satisfy in addition to the regular CDBG eligible activity.

For loans/grants to developers under the acquisition/rehab/resale and acquisition/rehab/lease purchase programs-

1. How is the Grant to the developer structured?
 a. Is it the cancellation of indebtedness of the acquisition/rehab loan?
 b. What incentive does the developer have to sell the home for anything above the bank loan if the county loan will be cancelled to the extent of any loss?
 c. Are you going to cap the amount of loan forgiveness to ensure repayment of some part of the county loan and thus some program income?

Brian Beck on 16 Nov 2008 at 8:16 pm

On page 15, is the number of total homes financed for homes at 120% AMI suppose to be 52 not 55?

InterestedBuyer on 19 Nov 2008 at 10:22 pm

I am interested in buying one such home. How can I do that?
It would be great if you could please post your response here.
Thanks!

Darlene Rich on 20 Nov 2008 at 11:26 am

In response to the person who asked about how to find out
info on one of the homes available through the program.

The County shows available homes funded through our programs
on our website at:
http://www.stlouisco.com/PropertyandRoads/CommunityDevelopment/NeighborhoodStabilizationProgram/PropertiesforSale.

Please feel free to mark this site as one of your favorites and come back to it often.

Chris Krehmeyer on 24 Nov 2008 at 2:52 pm

Thanks to County staff for their dilligent efforts to craft a plan document to address the variety of issues confronting communities in the region. On behalf of Beyond Housing I make the follwing comments;

1) The percentage of homes to be sold or offered for lease purchase (approx. 65%) seems high considering the "softness" of the sale market today and into the foreseeable future. This comment in no way takes away the importance of attracting new homeowners to neighborhoods but rather acknowledges the difficulty that may ensue if we try to sell in today's housing market. The need to both stabilize the housing stock in neighborhoods and provide affordable rental opportunities is truly crtical today.

2) The total average development costs of $200,000 per unit in both for sale and rental seems high considering a number of communities that have the most significant problems do not have housing stock that is even valued at $100,000 today. There are certainly some communities where a total cost of $200,000 might be near values but in a tremedous number of places this figure is two if not three times to high. It is our hope to produce more homes at a much lower total development cost figure on average.

3) The shaded areas of Map 7, which represent the areas of highest consideration for for-sale projects, cuts out half of the Normandy School District geography. This area of greatest need we believe should be placed in the highest consideration for all programatic activities.

Once again, thank you to Planning Department staff for the great work on the plan.

Brian Beck on 24 Nov 2008 at 7:09 pm

Could you provide the number (or a list) of block groups within classifications A, B, and C?

Thank you, Brian