

Achieving Primary Prevention Through Public/Private Collaborations

Presented by Bill Rataj
Director of Housing Programs
Community Development
Administration
St. Louis, Missouri



COMMUNITY DEVELOPMENT ADMINISTRATION-BACKGROUND

- Community Development Administration-
Department of City government, est. in 1974
- Administers the following funding sources:
 - Community Development Block Grants (CDBG)
 - HOME Investment Partnership funds (HOME)
 - HUD Lead Hazard Control and Demonstration Grants (LHC) and (LHRD)

COMMUNITY DEVELOPMENT ADMINISTRATION-BACKGROUND

- Housing Programs Section-Oversight and Monitoring Roles
 - Healthy Home Repair Program (HHRP)
 - Lead Hazard Control Grant (97, 01, 04 & 06)
 - Lead Hazard Reduction Demonstration Grant (03, 04, 06)
 - Downpayment Assistance Programs

HOUSING NEEDS

- Home Repair needs in City are substantial—needs will NEVER be met by public sector
- Most houses have lead hazards as well health, safety and code issues
- Greatly deferred maintenance leads to costly repairs in many cases

HOUSING ISSUES

- 94% of housing stock built before 1978
- 61,575 (89%) of owner-occupied homes built before 1978
- 63% of owner-occupied households are <50% AMI
- Many households in need of emergency repairs

HEALTHY HOME REPAIR PROGRAM- ORIGINS

- Redesign of Program Mandated by HUD-
 - Uniform Standards throughout City
- Old programs generated many complaints to local, state and Federal officials and media
- Old program dollar caps failed to address essential repair and lead needs in most cases

HEALTHY HOME REPAIR PROGRAM- ORIGINS

- HUD hired a consultant, Capital Access of Philadelphia
- Contractor instructed to “fix” home repair programs in City
- Capital Access interviewed over 50 stakeholder groups in the City including public & private officials

HEALTHY HOME REPAIR PROGRAM-ORIGINS

- Created Healthy Home Repair Program
- Consolidated 12 programs into 1 City-wide program
- Partnership between 4 agencies
 - City Departments
 - Community Development Administration
 - Building Division
 - Non-profit Agencies
 - Catholic Charities Housing Resource Center
 - Beyond Housing

HEALTHY HOME REPAIR PROGRAM- FEATURES

- Core Operating Principles
 - Help low and moderate income homeowners preserve the viability of their homes
 - Embrace the federal mandate for lead hazard control as a central component
 - Provide services that help the City meet its goals for prevention of lead poisoning

HEALTHY HOME REPAIR PROGRAM- FEATURES

- Core Operating Principles, Continued-
 - Institutionalize uniform standards, program management systems, and performance measures among partners
 - Professionalize delivery of HHRP so that homeowners feel well served by City government
 - Seek new sources of subsidy to leverage annual investment of CDBG and HOME

HEALTHY HOME REPAIR PROGRAM- BACKGROUND

- Program began July 1, 2004
- Comprehensive approach to code, safety and lead repairs-designed to be consistent with HUD model and funding
- Primary prevention tool to reduce lead poisoning in that most participating households do not have children
- Assists in the Mayor's Slay Comprehensive Action Plan to Eradicate Lead Poisoning by 2010

HEALTHY HOME REPAIR PROGRAM: PROGRAM DETAILS

- Maximum amount of City assistance-\$25,000
 - First \$5,000 is a 5-year forgivable loan
 - Deferred payment loans up to \$20,000
 - Average project cost-\$17,500
 - Households with children \leq age 6 for HUD Lead Grant and other funding
- Homeowner only participates once; full code and lead reduction required/achieved

HEALTHY HOME REPAIR PROGRAM: PROGRAM DETAILS

- Federal regulations governing CDBG & HOME funds require identification of lead hazards and remediation when disturbing painted surfaces
- Projects disturbing paint with \$5,000 in federal funds require risk assessment and unit clearance
- This requirement applicable to virtually all home repair projects in the City

HEALTHY HOME REPAIR PROGRAM- RESOURCES

- Funding sources for repairs:
 - CDBG
 - HOME
 - Federal Home Loan Bank
 - Missouri Housing Trust Fund-State
 - Affordable Housing Trust Fund-Local
 - Beyond Housing Contributions
 - CCHRC Contributions
 - United Missouri Bank-5% interest up to \$25,000

HEALTHY HOME REPAIR PROGRAM- RESOURCES

- Funding Resources for Lead:
 - HUD Lead Hazard Control Grants
 - HUD Lead Hazard Reduction Demonstration Grant
 - City Lead Remediation Fund (LRF)
 - Private Contractors
 - City “detox” crews
 - Missouri Foundation for Health Grant (CCHRC)

HEALTHY HOME REPAIR PROGRAM- ROLES

- Catholic Charities Housing Resource Center:
 - Staffs Program Hotline
 - Conducts outreach, intake
 - Determines eligibility
 - Provides financial Counseling
 - Provides lead education during orientation session and subsequent workshops
 - Administers a temporary relocation contract

HEALTHY HOME REPAIR PROGRAM-ROLES

HEALTHY HOME REPAIR PROGRAM-ROLES

- Building Division:
 - Conducts code and safety inspection
 - Conducts lead hazard risk assessments
 - Conducts lead inspections (when required)
 - Enforce City Lead Ordinance
 - Conducts interim inspections as required
 - Conducts final inspections
 - Conducts clearance testing

HEALTHY HOME REPAIR PROGRAM- ROLES

- Beyond Housing:
 - Finalizes scope of work from Building Div. report
 - Bids out work in packages of 3-5 houses
 - Construction Management
 - Loan Closings
 - Conducts interim and final inspections
 - Processes contractor payments

HEALTHY HOME REPAIR PROGRAM- ROLES

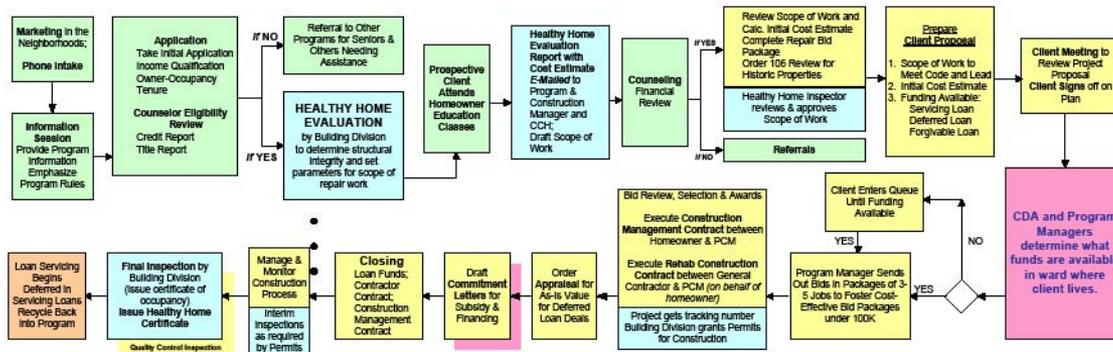
- Community Development Administration:
 - Program and Policy Development
 - Management of Contract Partners
 - Monitoring of Performance
 - Raising of Additional Funds
 - Training and Support of Partners
 - Conduct Intake and contract processing for HUD Lead Grant projects

HEALTHY HOME REPAIR PROGRAM- PROCESS

ST. LOUIS HEALTHY HOME REPAIR DELIVERY SYSTEM

February 18, 2005

COMPREHENSIVE CODE REPAIR WORK FLOW



ORGANIZATIONAL RESPONSIBILITIES



City Government

City Government

BEYOND HOUSING / NHS

CATHOLIC COMMISSION ON HOUSING

Contracted by RFP



HEALTHY HOME REPAIR PROGRAM- FACETS

- “Healthy Home” issues addressed:
 - Lead
 - Moisture problems due to water intrusion
 - Roofs
 - Tuckpointing
 - Leaking plumbing
 - Smoke and carbon monoxide detectors
 - Trip hazards and safety issues
 - Un-vented appliances

HEALTHY HOME REPAIR PROGRAM- BENEFITS

- Program more efficient
- Less costly to administer City-wide program
- Excellent working relationship between code enforcement and housing departments
- Constant communication via weekly meetings
- Ability to leverage funds in the program
 - \$3.5 million in 2007
 - \$2.2 million in 2008 through 6/30

HEALTHY HOME REPAIR PROGRAM- BENEFITS

- Inspection services are professionalized:
 - Code inspectors cross-trained as risk assessors
 - Inspectors properly equipped:
 - City trucks
 - Ladders
 - XRFs
 - PC Tablets
 - Building able to enforce code compliance
 - Joint projects w/detox crews & provision of Lead grants

HEALTHY HOME REPAIR PROGRAM- DATA MANAGEMENT

- Interactive web-based database since 2006
- Funded by Congressional EDI Grant for lead-related training and equipment
- Allows “live” reporting, information sharing, document preparation
- Aldermen have on-line access to snapshot of ward activities

HEALTHY HOME REPAIR PROGRAM- DATA MANAGEMENT

- All forms & documents available electronically
- Scanned Intake documents available to other partners as needed
- Building inspectors equipped with PC tablets to write inspection reports in field
- Data from XRFs uploaded into database

HEALTHY HOME REPAIR PROGRAM- CHALLENGES

- Demand is far greater than available resources
 - 3,300 on waiting list
 - Only \$2.1 million appropriated annually
 - Projects exceeding \$25K and owner does not have capacity to borrow additional funds
 - “Entitlement” mentality among some homeowners-only want “grants”

HEALTHY HOME REPAIR PROGRAM- CHALLENGES

- Insufficient funds in some wards
- Low number of applications in some wards
- Substantial amount of funds diverted to emergency repairs
- Many clients ineligible for HUD Lead Grants
- Unable to count lead-safe units towards HUD deliverables unless all NOFA criteria met

HEALTHY HOME REPAIR PROGRAM-SUCCESSSES

- 290 units made lead-safe
- Basic Lead education provided to over 1,900
- Complaints reduced from 54 to 4
- Additional grant funding awarded to supplement CDBG and HOME
- Increase in leveraged funds-
 - \$1.4 million in 2005 to \$3.5 million in 2007

HEALTHY HOME REPAIR PROGRAM- CONCLUSION

- Question and Answers Session
- For Additional Information Contact:
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City of St. Louis

Department of Public Safety
Building Division

Community Development Administration

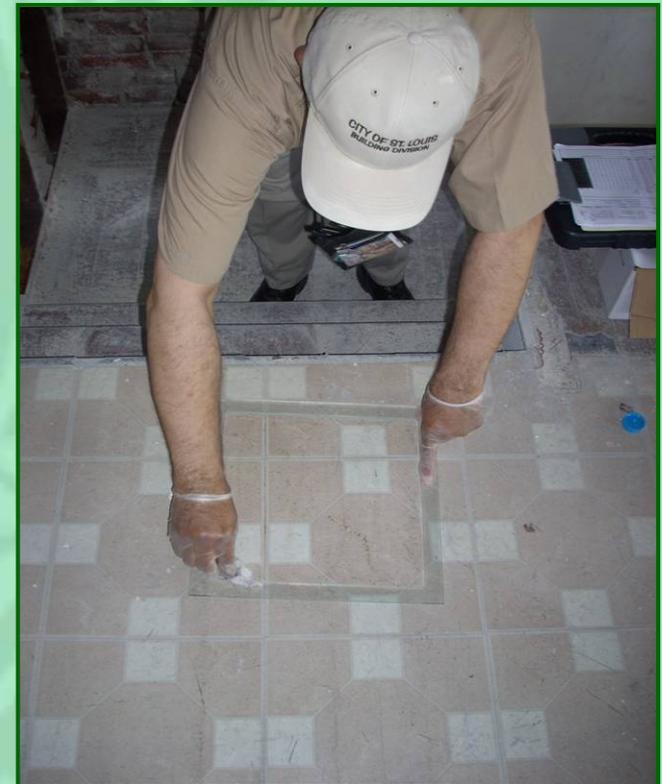


City of St. Louis

LEAD REMEDIATION PROGRAM

INTRODUCTION

- **Department of Public Safety**
 - **Frank Oswald**
Building Commissioner
 - **Randy Mourning**
Executive Assistant
 - **Jerry Wessels**
Lead Program Manager
- **Community Development Agency**
 - **Bill Rataj**
Housing Programs Manager



Mayor's Action Plan



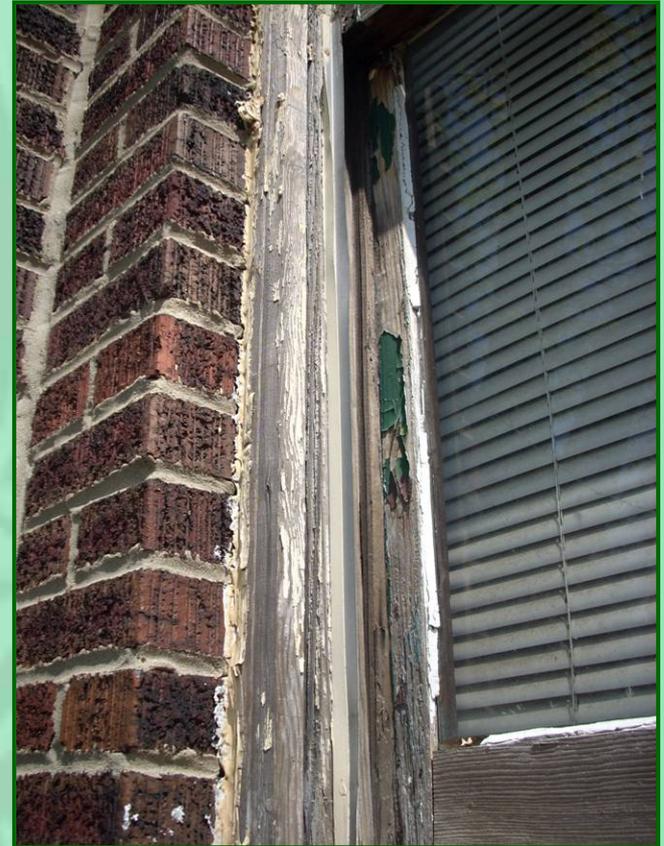
Francis G. Slay Mayor

- Lead Safe St. Louis
- Eradicate Lead poisoning by 2010
- Authored by Ruth Ann Norton
- November 21, 2003
- Fix operational issues
- Private sector and primary prevention

City of St. Louis

LEAD REMEDIATION PROGRAM

- Traditional Program
- Hire private contractors
- Detox crew
- Pay for 100% of work
- \$8,000 to \$10,000 per unit
- 200 units per year



City of St. Louis LEAD REMEDIATION PROGRAM

MULTI-FAMILY REHAB



- Building Division issues rehab permits
- CDA assists developers
- BD refers list to Housing Analyst
- CDA does intake
- Referral to BD for inspections

City of St. Louis LEAD REMEDIATION PROGRAM

MULTI-FAMILY REHAB QUALIFICATIONS

- BD performs risk assessment/lead inspection
- Owner must market using Lead Safe Housing Registry
- Workers must attend eight hour training session
- Developer provides scope of rehab work





City of St. Louis

LEAD REMEDIATION PROGRAM

MULTI-FAMILY REHAB

QUALIFICATIONS

- 106 review must be performed
- Developer provides invoices
- Each unit cleared by HUD and EPA protocols
- Project must consist of substantial rehab
- Rehab work must be complete
- Tenants must meet income guidelines
- Rent must meet HUD fair market guidelines

City of St. Louis
LEAD REMEDIATION PROGRAM
MULTI-FAMILY REHAB
PROGRAM

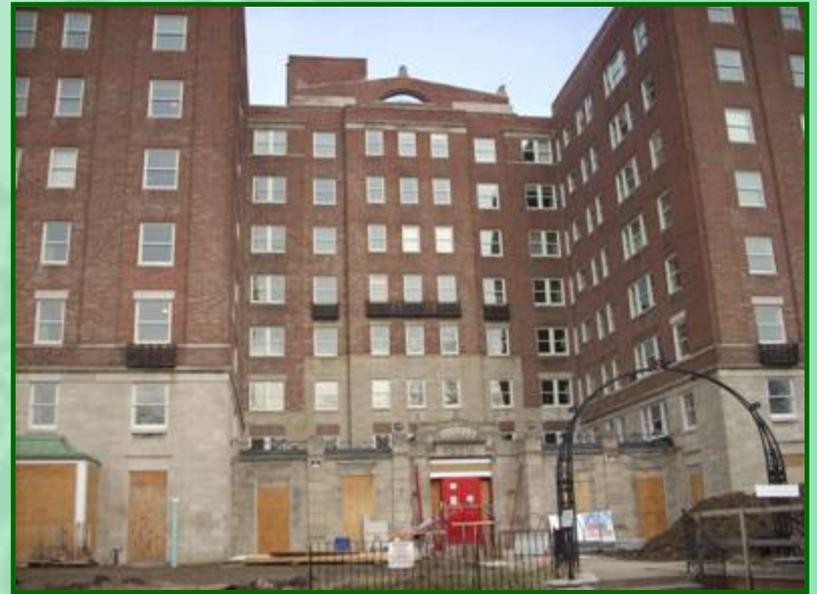
- **\$5,000.00 per unit**
 - for first two units
- **\$1,000.00 per unit**
 - for each additional unit
- Program implemented Feb., 2007
- 212 units cleared to date



City of St. Louis

LEAD REMEDIATION PROGRAM MULTI-FAMILY REHAB PROGRAM

- Built 1927
- 8 floors
- 109 residential units prior to rehab
- 102 units after rehab
- 56 one bedroom units
- 46 two bedroom units



Winston Churchill Apartments
5475 Cabanne

Winston Churchill Apartments

PROJECT COST

Demolition, Interior/Exterior.....	\$10,127,000
Electrical.....	\$590,000
Mechanical.....	\$750,000
Plumbing.....	\$1,933,000
Total cost of project.....	\$13,000,000



Winston Churchill Apartments

PERMIT FEES paid by Owner to City

Building.....	\$ 91,218
Electrical.....	
Mechanical.....	\$ 16,065
Plumbing.....	\$ 6,198
Total fees.....	\$113,481
LRF fees totaled.....	\$ 20,254

Winston Churchill Apartments

LEAD REMEDIATION COSTS TO OWNER

Demolition and removal of lead bearing components.....	\$ 234,000
New Windows.....	\$ 777,625
Drywall.....	\$1,310,000
Finish carpentry.....	\$ 160,000
Flooring.....	\$ 252,306
Total costs for lead by owner.....	\$2,733,931
City reimbursed owner.....	\$ 110,000

Winston Churchill Apartments

LEAD HAZARDS

- Exterior/interior windows
- Interior trim
- Interior walls
- Dust on floors and sill



City of St. Louis

LEAD REMEDIATION PROGRAM

MULTI-FAMILY WINDOW PROGRAM

- Reimbursement of \$200 per window
- Up to 10 windows per unit
- \$400 per historic replacement window
- Program implemented February 2007
- 123 units cleared to date
- Approximately 350 units enrolled



City of St. Louis

LEAD REMEDIATION PROGRAM

MULTI-FAMILY WINDOW PROGRAM

QUALIFICATIONS



- The same as rehab program
- Risk assessment/lead inspection made
- All hazards must be remediated
- Dust wipe clearance done on each unit



City of St. Louis
LEAD REMEDIATION PROGRAM

**LEAD INSPECTION
HAZARD CONTROL SECTION**

- 11 Lead Inspectors
- 1500-2000 units inspected annually
- Detox Crew
- 537 grant units remediated CY 2007
- 70 units referred to court
- 856 units remediated by all sources



BUILDING A FRAMEWORK FOR HEALTHY HOUSING

2008 National Healthy Homes Conference

Housing Conservation

16,000 Units inspected

80 building inspectors

95% of City in an HCD District

Residential Occupancy permit

Housing Conservation

- **Property Maintenance Inspection 2003 IPMC**
- **Visual Survey for lead paint**
- **Referral for Lead Risk Assessment**



Property Maintenance Code

- Exterior/interior structure
- Rubbish and garbage
- Light, ventilation and occupancy limits
- Plumbing, mechanical and electrical



BUILDING A FRAMEWORK
FOR HEALTHY HOUSING

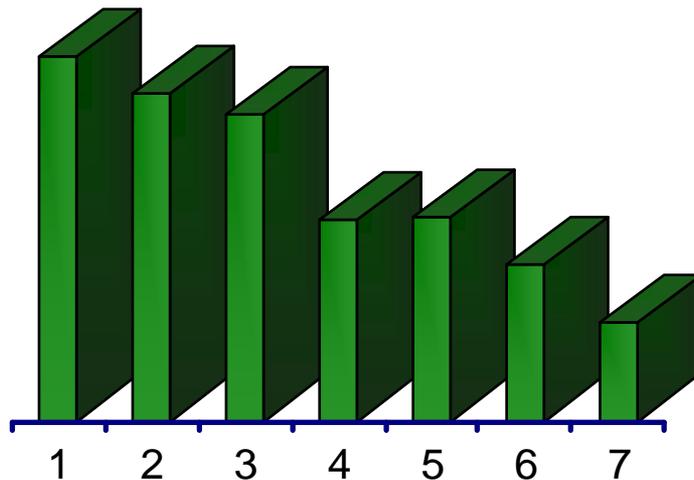
2008 National Healthy Homes Conference

Property Maintenance Code

- Venting of moisture
- Water leaks
- Roofs and gutters
- Bugs and rodents
- Trip hazards
- Smoke detectors
- Carbon monoxide



St. Louis Lead Poisoning Prevalence Rate



LEAD PREVELANCE RATE
2001 - 2007

2001 – 16.2%

2002 – 14.6%

2003 – 13.6%

2004 – 8.9%

2005 – 9.1%

2006 - 6.98%

2007 - 4.42%





BUILDING A FRAMEWORK FOR HEALTHY HOUSING

2008 National Healthy Homes Conference

Integrating Lead Hazard Control with Home Rehabilitation

***Successful Turnaround of a
Federal Lead Hazard Control Grant in the Context of
Local Residential Rehabilitation Programs***

Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Background:

- *Washington, DC Department of Housing and Community Development (DHCD) was awarded a Lead Hazard Control Grant and a Lead Hazard Reduction Demonstration Grant in FY 2003.*
- *Total grant capacity was for 400 units at federal grant funding of \$5 million.*
- *DHCD instituted its Lead Safe Washington Initiative within its Multifamily Residential Rehabilitation financing program.*
- *As of December 31, 2005, with 65% of the grant term past, only 49 units had been rendered lead-safe (12% of production requirement).*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

What had gone wrong?

- *Basic premise that Lead Hazard Control funding was a real estate development activity.*
- *Multifamily rehab development pipeline had projects that had either too low a level of lead hazards (previous renovations) or too high a level of lead hazards (not able to be addressed within OHHLHC guidelines for cost control).*
- *Level of per-unit rehab indicated often required full abatement of lead hazards at a cost not able to be addressed within OHHLHC guidelines.*
- *Difficulty in sorting out rehab costs from eligible lead hazard costs.*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Conclusion:

Lead Hazard Control funding is an owner-financing activity, not a housing development activity.



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Program Status at Start of Redirection:

- *Program moved to organizational unit administering Single Family Rehab programs.*
- *Minimal production pipeline was available to deliver 88% of the production requirements with only 35% of the grant period remaining.*
- *Major gaps in infrastructure for processes and procedures.*
- *Gaps in knowledge of grant program nuances that restrict eligibility of units*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Program Pipeline Development:

- *Marketing of program services/financing directly to landlords and property managers.*
- *Strengthening relationship with regulatory agencies responsible for occupant health (Department of Health), housing standards (Department of Environment), and legal enforcement (Office of Attorney General) that would deliver non-compliant units to Lead Safe Initiative.*
- *Strengthening relationship with non-profit providers.*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Program enhancements:

- *Development of standardized financing agreements to eliminate processing delays related to legal sufficiency.*
- *Procurement of risk assessment services on an Indefinite Quantity basis.*
- *Establishment of escrow accounts for quick project disbursements (occupant relocation, lead-safe contractor, clearance inspector).*
- *Establishing competitive bidding process for property owners.*
- *Establishing single-person accountability for each distinct project.*
- *Significantly augmenting dialogue with HUD's OHHLHC—with RESULTS!*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Issue: Integrating lead-safety with residential rehabilitation

- *Traditional Inspection/Risk Assessment (IRA) did not provide scope of work able to be used in contractor bidding process.*
- *Clearance Inspectors fail unit on basis on visual inspection basis for deteriorated paint, even if it is NOT lead-based.*
- *Rehabilitation using federal funds greater than \$25,000 requires full abatement of lead hazards, not interim controls.*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

Responses: Integrating lead-safety with residential rehabilitation

- *Risk Assessors serving this program have been guided to provide a scope of work, with and without cost estimates, able to be directly entered into a bid process.*
- *Risk Assessors serving this program have been guided to provide separate scopes of work for grant-eligible activities and for other activities needed to gain lead-safe clearance, but not eligible for federal grant funding.*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

- *Local source of funding secured for funding non-federal-eligible activities needed to gain lead clearance, in homeowner-occupied units.*
- *Large-scale multifamily rehab projects will be included in portfolio only to extent that there exists local funding to control federal grant costs.*



Successful Turnaround of a Federal Lead Hazard Control Grant in the Context of Local Residential Rehabilitation Programs

***Where are we now on Lead Hazard Control (LHC) and
Lead Hazard Reduction Demonstration (LHRD)
accomplishments/lead-safe unit production?***

- *12/31/06 86 units completed.*
- *03/31/07 101 units, grants extended through 3/31/008*
- *12/31/07 156 units*
- *03/3/08 239 units, LHRD completed, LHC extended
through 3/31/09*
- *09/30/08 320 units completed, final 80 units underway.*

AND Presenter at this Conference!

