

MISSOURI HOUSING DEVELOPMENT COMMISSION

**DESIGN/CONSTRUCTION COMPLIANCE
GUIDELINES**

MHDC Form 1200
Effective August 1, 2009
Amended March 2, 2012



3435 Broadway
Kansas City, Missouri 64111

TABLE OF CONTENTS

| | |
|---|----|
| INTRODUCTION | 3 |
| I. DEFINITIONS..... | 3 |
| II. GENERAL DEVELOPMENT ACCEPTABILITY | 5 |
| III. REQUIRED DESIGN AND CONSTRUCTION SERVICES | 7 |
| IV. APPLICATION PACKAGE | 8 |
| V. FIRM COMMITMENT PACKAGE | 9 |
| VI. CLOSING | 12 |
| VII. CONSTRUCTION RESPONSIBILITIES..... | 13 |
| VIII. CONSTRUCTION COMPLETION..... | 14 |
| IX. CONVERSION OF CONSTRUCTION/PERMANENT LOANS AND CLOSING OF PERMANENT-ONLY LOANS | 15 |

EXHIBITS

| | |
|--|----|
| A. AMENDMENT TO AIA DOCUMENT B108 (MHDC RIDER) | 17 |
| B. SAMPLE PUNCH LIST..... | 19 |
| C. FINAL ARCHITECT'S CERTIFICATION | 20 |
| D. UNIVERSAL DESIGN REQUIREMENTS | 21 |
| E. CONTRACT FOR CONSTRUCTION DOCUMENTS | 22 |
| F. LATENT DEFECT INSPECTION..... | 25 |
| G. REQUEST FOR VARIANCE/WAIVER..... | 26 |
| H. REVISIONS TO AUGUST 1, 2009 DESIGN/CONSTRUCTION GUIDELINES..... | 28 |

INTRODUCTION. The primary objectives of this document are to set forth guidelines and standards for the design and construction of Missouri Housing Development Commission (MHDC)-supported multifamily developments, to aid in the determination of acceptability of proposed multifamily projects and to aid the Architects, Owners and Contractors in preparing complete submissions that will allow smoother commitment processing and construction disbursement processing. **The guidelines stated herein are in effect for all developments approved in future application rounds beginning with the 2010 Notice of Funding Availability competitive round. This document may, at the discretion of MHDC, be revised at any time to reflect changes in the industry, federal or state regulations, or MHDC requirements. Revisions will be posted to the MHDC web site and incorporated into this document (see Exhibit “H”).**

It is the responsibility of the Owners and their agents to provide MHDC with the appropriate documentation to insure smooth and timely processing of architectural exhibits for firm commitment, loan closings and final project acceptance.

On rare occasion, it may become necessary to request a variance from the guidelines set forth in this document for a particular development. All variances must be requested prior to the issuance of the firm commitment, and approved in writing using the form of waiver shown in Exhibit “G.”

This document may not include all laws governing the construction of housing. It is the responsibility of the members of the development team to ensure all laws, rules and regulations are followed in the construction of this development. Any express or implied approval by MHDC of plans, specifications, scopes of work, or construction completion or any other document is solely a representation that MHDC confirms that for the purpose of MHDC’s internal review process the document(s) or activity provided for review meets the guidelines described herein. Any such approval by MHDC shall not be construed as a representation of any kind whatsoever that any or all law(s), rule(s), regulation(s), ordinance(s), policies and/or code requirements of any federal, state, and local jurisdiction have been satisfied.”

SECTION I: DEFINITIONS.

- A. Architect. The professional architect or engineer, licensed in the State of Missouri, providing design and construction administration services to the owner required by the Standard Form of Agreement Between Owner and Architect for a Federally Funded or Federally Insured Project, AIA Document B108 and the MHDC rider, Amendment to AIA Document B108. Construction administration includes all architectural services required after the start of construction through the latent defects inspection.
- B. Conditional Reservation. The first stage of MHDC approval of the Owner’s application for funds.

- C. Construction Closing. The loan closing for construction/permanent loans prior to the start of construction.
- D. Conversion. The point at which, after all of MHDC's requirements have been met, the final draw has been submitted to the title company for final disbursement, and the MHDC construction/permanent loan is ready to convert from construction to permanent status. This was previously referred to as the "Final Closing."
- E. Energy Star. ENERGY STAR is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy intended to generate energy savings and protect the environment through energy efficient products and practices.
- F. Fair Housing Act Design Requirements. Generally means that an adult in a wheelchair can maneuver through the public and common spaces get into certain units, maneuver through the unit and has limited access to fixtures and appliances. To be considered compliant for MHDC-funded developments the design must meet the requirements of the Fair Housing Act Design Manual (see the Fair Housing Act at 42 U.S.C. 3601-19, implementing regulations at 24CFR Part 100 and the regulations at 24CFR Part 107 (Equal Opportunity in Housing)).
- G. Firm Commitment. The second stage of MHDC approval of the Owner's application for funds.
- H. Manufactured Components. Generally refers to prefabricated framing and structural components such as trusses and panelized systems which are assembled in a factory setting and transported to the development site for installation.
- I. Manufactured Housing. Generally refers to housing assembled in a factory setting and transported to the development site for installation. Examples include system built housing, modular homes and mobile homes.
- J. Section 3. Section 3 of the Housing Urban Development Act of 1968, as amended (12 U.S.C. 1701u).
- K. Substantial Completion. Indicates the work performed under the construction contract has been reviewed and found, to the architect's best knowledge, information and belief to be substantially complete. Substantial completion is the stage in the progress of work when the work or designated portion is sufficiently complete in accordance with the contract documents so that the owner can occupy or utilize the work for its intended use.
- L. Universal Design. Generally means that people with varying abilities and sizes can maneuver into and through the space and use the fixtures and appliances with minor modifications. The seven principles of Universal Design include 1) Equitable Use, 2) Flexibility in Use (easy to adapt), 3) Simple and Intuitive Use, 4) Perceptible Information, 5) Tolerance for Error, 6) Low Physical Effort and 7) Size and Space for Approach and Use. There are no published rules or standards for achieving compliance

with Universal Design and there is no right or wrong answer; it is a matter of realizing these principles through thoughtful design and attention to detail.

SECTION II: GENERAL DEVELOPMENT ACCEPTABILITY

A. General Requirements

The proposed development must be designed and constructed to:

1. Comply with applicable local, state and federal ordinances and laws.
2. Provide facilities, equipment and amenities appropriate for use by the intended occupants.
3. Meet the needs of the affordable rental market and the neighborhood in which it is located.
4. Meet the established construction budget.
5. Be economical to maintain.

B. Code and Zoning Requirements

1. Developments must comply with all construction codes as adopted by the governmental unit in which the project is located. In the absence of locally adopted codes, the latest available edition of the International Building Code (2006), the International Plumbing Code, the International Mechanical Code, the National Electrical Code (2005) the International Residential Code, and/or the 2006 International Energy Conservation Code (formerly the Model Energy Code) as published by ICC/CABO.
2. Developments must meet all local zoning ordinances.
3. All doors exiting to the outside from single family houses, duplexes, and single story row style residential units are considered by MHDC to be egress doors. Egress doors shall be subject to the limitations of the 2006 International Residential Code with no exceptions.

C. Accessibility Requirements

All developments must be designed and constructed or rehabilitated to meet the requirements of the following:

1. Uniform Federal Accessibility Standards of April 1, 1988 (24 CFR Part 8).
2. Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR Part 100.
3. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8.
4. Architectural Barriers Act of 1968, as amended (42 U.S.C. § 4151 et seq.).
5. Americans with Disabilities Act (28 CFR Part 36).
6. Universal Design
For all new construction single family and duplex units, and all new construction senior housing, regardless of the number of units in the development, be designed utilizing the principles of Universal Design. Required elements are attached hereto as Exhibit "D." This requirement is in addition to the requirement for accessibility for persons with mobility, hearing, and or visual impairments.
7. At a minimum, provide the following:
 - (a) New construction of five or more units

A minimum of one unit, to equal no less than 5% of the total units, accessible to physically handicapped persons, and an added 2% of the units usable by those with hearing or visual impairments. Common areas must be accessible.

(b) Substantial rehabilitation in properties with 15 or more units

A minimum of one unit, to equal no less than 5% of the total units, accessible to physically handicapped persons, and an added 2% of the units usable by those with hearing or visual impairments. Common areas must be accessible.

(c) Other alterations

A minimum of one unit, to equal no less than 5% of the total units, accessible to physically handicapped persons to the extent feasible. Common areas must be accessible to the extent feasible.

(d) Accessible routes from the entrance to the property to common areas and accessible units.

D. Site and Environmental Considerations

1. No part of any residential structure may be located within 30 feet of the outer boundary of a high-pressure gas or liquid petroleum transportation pipeline easement.
2. No part of any residential structure may be located within 100 feet (horizontal) of any high voltage transmission lines or their supports.
3. All lead contaminated assemblies shall be abated. For the control of lead hazards see MHDC's Environmental Review Guidelines Form 1400.
4. All asbestos laden materials shall be abated. For the control of asbestos laden materials, see MHDC's Environmental Review Guidelines Form 1400.
5. All occupied facilities shall be free of radon above accepted EPA levels. For the control of radon hazards, please see MHDC's Environmental Review Guidelines Form 1400.

E. General Design Requirements

1. New construction developments and renovated properties that are replacing appliances and components must install Energy Star appliances, including Energy Star-rated furnaces, air conditioning units, and windows. The use of Energy Star-rated water heaters and insulation values is highly recommended.
2. All developments which utilize natural gas must be equipped with a hardwired combination smoke and carbon monoxide detector. If this is not feasible, a written request for a waiver of this requirement must be reviewed and approved.
3. Natural gas leak detectors must be installed in all developments which utilize natural gas.
4. In the St. Louis and Kansas City metropolitan areas, include the use of cages to surround and secure air conditioning units is required. The Owner may petition MHDC for variance.

(a)

F. Manufactured Housing: Refer to Section III.B.

SECTION III: REQUIRED DESIGN AND CONSTRUCTION SERVICES

- A. General. The services of a professional Architect, licensed to practice in the State of Missouri, are required on all projects.
1. Developments utilizing off-the-shelf plans must employ an Architect to take possession of the plans. Failure to engage an Architect acceptable to MHDC shall be the basis for rejection of the application.
 2. The principal or an authorized licensed representative of the Architectural firm is required to stamp the Construction Documents. Construction Documents include construction drawings, construction specifications, change orders illustrations or directives, ASI illustrations or directives, DSI illustrations or directives.
 3. The principal or a authorized company representative shall sign off on monthly and final inspection reports, change orders, draw requests, and any other applicable documentation before its submission to MHDC. MHDC may request a resolution setting forth the names of the Architect's authorized representatives, along with their resumes, for the file.
- B. Manufactured Housing.
1. All Manufactured Housing must be designed by a professional architect or engineer registered in the state of Missouri. All Construction Documents illustrating or describing any or all components must be sealed, signed and dated by an Architect as defined in section I.
 2. All Manufactured Housing and Manufactured Components must comply with locally-adopted building and zoning codes and seismic requirements.
 3. Manufactured Housing must be constructed on a permanent foundation.
 4. All Manufactured Housing and Manufactured Components with concealed spaces must be inspected during fabrication and assembly at the plant by a third-party inspector registered in the State of Missouri and performing services under contract with the Owner. The inspecting party shall file inspection reports with the Owner and MHDC.
 5. The project architect is advised to contact the City to determine whether the City will require its representative to perform an inspection at the plant.
 6. MHDC requires factory specifications and warranties for review prior to the commencement of construction.
- C. Off the Shelf Designs.
1. If the Owner chooses to use off-the-shelf design plans which are purchased from a third party (such as a book of house plans), the Owner must present to MHDC a copy of the invoice and the terms of the purchase.
 2. The design plan must be submitted to the Architect of record for review and approval. This shall also include any changes to the off-the-shelf design plans which were requested by the Owner and approved by the third party. The terms of the purchase shall give an Architect rights to (a) make minor modifications and/or define in further detail all portions of the off-the-shelf design plans as may be necessary for the site where the improvements are to be constructed; (b) take possession, sign, seal and date the off-the-shelf design plans.
 3. The terms of the purchase shall include whether or not there is a right to reproduce the off-the-shelf design plans for future use, including the right of the

Owner to vary from the original plan.

- D. Sustainable Housing. If an Owner commits in the application process to the design or the design and certification of a property under the sustainable housing provisions of the Qualified Allocation Plan, the development must be designed, constructed, and verified to the level committed by the Owner. MHDC staff and its representatives will confirm the fulfillment of the sustainable housing commitment at plan review, during construction, and upon completion of construction through site visits and the review of supporting documentation.
- E. Owner-Architect Agreement. Owner-Architect Agreement. Architectural services shall be contracted using AIA Document B108, Standard Form of Agreement between Owner and Architect for a Federally Funded or Federally Insured Project. The MHDC rider, Amendment to AIA Document B108, shall be signed and attached to the Agreement. See attached Exhibit "A."
 - 1. The scope of services shall provide all architectural, structural, mechanical, electrical, civil, landscape and other consulting services necessary to clearly identify the requirements for construction of the project.
 - 2. The scope of services must include adequate provisions for the administration of the construction contract.
 - 3. The scope of services shall designate the responsibility for the services to be provided whether by the architect, owner or others.
 - 4. Modifications may be made to the Owner-Architect Agreement by striking out inapplicable provisions and inserting additional provisions in Article 12. Changes shall not delete any service, either by the Architect or Owner, necessary to the project.
 - 5. Required services may not be sublet or delegated to anyone not acceptable to MHDC.
 - 6. No modification of the MHDC rider is permitted.
- F. Basis of Compensation. The fee shall be a fixed fee for the services provided by the Architect as stated in the Agreement. The amount of compensation for design services and for construction phase services shall be separately identified and is subject to MHDC approval. The Construction Phase services should reflect an amount sufficient to compensate the Architect for required construction supervision services. MHDC reserves the right to adjust the fee structure based upon the amount of inspections deemed necessary in its sole discretion

SECTION IV: APPLICATION PACKAGE

- A. General. The MHDC staff will review the Owner, General Contractor, Environmental Professional and the architectural exhibits included in the Owner's funding application for general site-related issues, rehabilitation issues, qualifications and cost verification.
- B. Submittals. The following exhibits shall be included in the Owner's application for funding:
 - 1. Owner's responsibilities.
 - (a) All identity of interests between Architect, Owner/Developer, Contractor, Subcontractors and Suppliers must be disclosed.
 - (b) Physical Needs Assessment for rehabilitation projects prepared by or in concert with a licensed architect or engineer. See MHDC Form 1201 for

- MHDC Physical Needs Assessment Standards.
- (c) For historic buildings proposing a gut rehab, a letter from a structural engineer or equally qualified professional that certifies the building has been inspected and is structurally sound for the intended use.
 - (d) Site Evaluation (MHDC Form 1302) and all substantiating information/maps, including pertinent zoning information for the site and the surrounding area.
2. Architect's responsibilities.
 - (a) City/Locality Map.
 - (b) Site Plan.
 - (c) Photographs of existing buildings if the project involves rehabilitation.
 - (d) Preliminary architectural drawings, including building and unit plans. Exterior and interior building finishes notations are required.
 3. General Contractor's Responsibilities. There are no responsibilities in connection with the submission of the application package.

SECTION V: FIRM COMMITMENT PACKAGE

- A. The MHDC staff will review the construction documents and cost exhibits submitted as part of the Owner's Firm Commitment package. Also, please refer to Exhibit "E".
 1. The MHDC architectural staff shall review the firm commitment submission documents and prepare comments for the MHDC underwriting staff. A copy of these comments will be forwarded to the Architect for review and response.
 2. The Architect must provide MHDC with a written response to the architectural staff's comments on the construction documents submitted for firm commitment. This response should itemize how each of the MHDC architectural staff's comments or questions will be addressed. If modifications are to be made to the construction documents as part of the response, these should be made in the form of addenda. Once MHDC has approved the architectural exhibits and the construction documents, including any addenda or revisions made prior to the construction loan closing, no changes or variances will be allowed unless written approval is given by MHDC.
- B. MHDC requires that the following exhibits be included in the firm commitment package:
 1. Owner's responsibilities.
 - (a) AIA Document B108, Standard Form of Agreement between Owner and Architect for a Federally Funded or Federally Insured Project. If this agreement does not include all required architectural and engineering disciplines, include copies of all consulting contracts.
 - (b) Amendment to AIA Document B108 (MHDC Rider). See attached Exhibit "A." The rider indicates whether the Architect shall inspect construction improvements once or twice monthly. MHDC shall have the right in its sole discretion to require inspections by the Architect more than once a month as it deems necessary.
 - (c) Contractor's/Mortgagor's Cost Breakdown, MHDC Form FIN 115. See General Contractor's responsibilities.
 - (d) An updated Physical Needs Assessment current within six months of firm submission for rehabilitation of existing multifamily developments. For

buildings being converted from other uses to multifamily, provide a detailed scope of work for the building structure and any components that will not be replaced during construction.

- (e) Geotechnical Engineering Report.
 - (i) Identify and describe soils by the nomenclature of the Unified Soils Classification System.
 - (ii) Borings must be in, or adjacent to, the proposed foundation area. At least one boring must be made for every 2500 sq. ft. of foundation area. For buildings supported on pilings, one boring must be made for every 1600 sq. ft. of foundation area. Borings must be at least to the bottom of the proposed footings and deep enough to locate bearing strata, which will support the proposed structure. When rock is encountered, the depth of drilling into the rock shall be sufficient to establish rock quality regarding voids, fissures and strength.
 - (iii) When ground water conditions influence the building design, observation of ground water levels must be recorded at the time of the boring and at least 48 hours later.
 - (iv) For future phases, if a basic site plan has been prepared that identifies potential footprints of buildings; one boring must be completed within the footprint of each building. If a basic site plan has not been prepared, the developer may use its best efforts to identify potential building areas, with no less than one boring per a five-acre area.
 - (v) Identify whether the geological conditions of the development site are such that radon may exceed acceptable levels in completed buildings.
 - (f) For new construction developments, the Owner must certify that it has consulted with the Architect and General Contractor to conform to the International Residential Code Section R320-Protection Against Subterranean Termites. Documentation of the measures taken must be incorporated into the construction documents and must be part of the scope of work.
 - (g) All environmental review items as outlined in the Environmental Review Guidelines Form 1400.
2. Architect's responsibilities.
- (a) Two complete sets of Construction Documents adequate to describe the proposed site development; architectural, structural, mechanical and electrical components of the project in sufficient detail to verify compliance with local zoning and building requirements and with all federal regulations. See Exhibit "E."
 - (b) Off the Shelf Design plans.
 - (i) If the Owner chooses to use off-the-shelf design plans which are purchased from a third party (such as a book of house plans), the Owner must present to MHDC a copy of the invoice and the terms of the purchase.

- (ii) The design plan must be submitted by the Architect of record for review and approval. The Architect of record shall sign, seal and date the off-the-shelf design plans with revisions, edits, additions.
 - (c) An index of drawings on 8½” x11” paper, which includes the drawing number, drawing title and date of latest revision. Include on the list the project manual or specifications with its date, and any addenda with their issuance dates. When MHDC is the construction lender, this list must be updated prior to the construction loan closing as the index must be included as exhibit “B” in the Capital Advance Construction Contract. Please provide an additional copy of the drawing list(s) directly to the MHDC Legal Department.
 - (d) A revision to the Development Characteristics Worksheet, providing an update to any changes in amenities provided as of the submission of the Firm Commitment Package.
3. General Contractor’s responsibilities.
- (a) Contractor’s/Mortgagor’s Cost Breakdown, MHDC Form FIN 115, with labor costs and material costs separately itemized and the work description clarifying each line item. This form is available on the MHDC web site.
 - (b) When subcontractor work and material suppliers work exceeds \$10,000.00, their actual bids must be attached. These bids must be itemized clearly enough to verify costs.
 - (c) Please note the following documents which must be bound within the bid documents:
 - (i) HOME-financed developments with 12 or more HOME-assisted units must include the current edition of the “General Conditions of the Contract for Construction” (AIA Document A201) as amended, the “Federal Labor Standards Provisions” (form HUD-4010).
 - (ii) Developments receiving Risk Share insurance must include the current edition of the “General Conditions of the Contract for Construction” (AIA Document A201) as amended, and “Supplementary Conditions of the Contract for Construction” (Form HUD-2554).
 - (iii) For developments receiving both HOME funds and Risk Share insurance, only form HUD-2554 is required.
 - (d) A list of all major subcontractors by work category on form MHDC 2502 Master Subcontractor List. This list must be updated at closing and throughout construction.
 - (e) For developments receiving HOME funding or Risk Share insurance, submit a Section 3 Plan for the construction of the development as outlined in the “Section 3 Compliance Guide.
 - (f) Contractor’s Qualification Statement, AIA Form A305.

SECTION VI: CLOSING

- A. Owner's responsibilities.

For HOME and federally-insured projects required to comply with Davis-Bacon prevailing wage requirements, verify that the wage determination provided by MHDC has been updated within 10 days of the construction loan closing. It is the Owner's responsibility to request this update from MHDC at the appropriate time.
- B. Architect's responsibilities.
 - 1. Changes in the Construction Documents made after firm commitment must be submitted to MHDC in the form of addenda or revisions for review prior to initial construction loan closing. Revision dates should be clearly marked on all documents. Revisions should be clearly marked on drawing sheets using standard "revision cloud" or other means acceptable to MHDC.
 - 2. Provide a copy of the updated drawing index (refer to Section V, paragraph B 2(c), when MHDC is the construction lender.
- C. General Contractor's responsibilities.
 - 1. Submit an updated FIN-115 showing the final construction budget for the development as of the closing date, executed by the General Contractor and the Owner.
 - 2. Provide copies of all building permits issued by the appropriate authority. In the event the development is located in an area where building permits are not issued, provide MHDC with evidence that local officials have approved the construction of the development.
 - 3. Submit an updated list of major subcontractors for each work category on the Master Subcontractor List form MHDC 2502.
 - 4. Schedule a preconstruction conference for a time after the closing of the construction loan at a location acceptable to MHDC. No construction activity may commence prior to the preconstruction conference. Attendees must include: the General Contractor (and/or prime subcontractor), MHDC representatives (schedule through the Construction Compliance Department), the project superintendent, the Architect and an Owner's representative. MHDC will require additional participants, such as major subcontractors and the payroll clerk. On all projects utilizing HOME funds or Risk Share insurance, failure to schedule this preconstruction meeting, or failure to include the specified representatives in this meeting, may be grounds to rejecting a disbursement request.
 - 5. Provide a copy of the construction progress schedule.
 - 6. A schedule of progress meetings and payment application inspections must be provided at the preconstruction conference. It is required on projects with MHDC construction loans that monthly progress meetings be coordinated with MHDC architectural staff to insure timely payment application processing.
 - 7. Be advised that if Section 3 applies to the development, a subcontractor may be required to provide MHDC with a Section 3 Plan, depending upon the amount of the contract award.

SECTION VII: CONSTRUCTION RESPONSIBILITIES
(MHDC Construction/Permanent Loans and Permanent-only Loans)

- A. Owner's responsibilities.
1. Provide the MHDC architectural staff with the following:
Development team contact list with addresses, including e-mail addresses, and phone numbers of Architect, General Contractor's project manager and/or superintendent, Owner's representative, and others as required. Update list as required throughout construction.
 2. Provide MHDC with a copy of the executed construction contract prior to the preconstruction conference, if MHDC is not the construction lender.
 3. If construction is being staged, then a turnover schedule must be provided and updated monthly.
 4. Copies of drawings and specifications for any off-site improvements relating to the development, if not previously provided to MHDC.
 5. Provide a copy of the Application and Certification for Payment (on AIA Document G702 with continuation sheet G703) along with all other draw request forms and required back-up documentation. See the Construction Disbursement Guide, MHDC 2400 for instructions.6. All deviations from the approved construction documents must be recorded and approved in writing by MHDC.
 7. MHDC shall have the right in its sole discretion to require inspections by the Architect more than once a month as it deems necessary.
 8. The Owner, General Contractor and all Subcontractors must comply with federal, state and local laws concerning hiring practices and labor standards.
 9. Owners, General Contractors, and subcontractors (with contracts of \$100,000 or greater) must comply with Section 3 requirements as applicable.
- B. Architect's responsibilities.
1. Copies of all field inspection reports prepared by the Architect. These reports should include the time and date of inspection, weather information and approximate percentage of project completion.
 2. Copies of drawings and specifications for any off-site improvements relating to the project, if not previously provided to MHDC.
 3. Copies of all Architect's Supplemental Instructions and Change Orders (on AIA Document G701) and all other deletions, additions and modifications (including material and equipment substitution) in whatever form these changes are executed.
 4. During the construction phase, the Architect of record shall make site visits to inspect all work and materials at a minimum of once monthly. Owners are encouraged to consider the benefits of frequent oversight provided by the Architect, especially for complex scopes of work. The Architect shall also perform footing/foundation inspections and a complete open wall inspection of each building prior to sheetrock. The frequency of inspection shall be agreed upon by the Architect and the Owner with the execution of the MHDC rider, Amendment to the AIA B108.
- C. General Contractor's responsibilities.
1. The schedule of progress meetings and payment application inspections must be

- updated throughout construction. It is required on projects with MHDC construction loans that monthly progress meetings be coordinated with MHDC architectural staff to insure timely payment application processing.
2. Update the Master Subcontractor List form MHDC 2502 monthly throughout construction.
 3. Be advised that if Section 3 applies to the development, a subcontractor may be required to provide MHDC with a Section 3 Plan, depending upon the amount of the contract award.
 4. Copies of any progress meeting minutes.
 5. If requested, copies of any approved shop drawing submittals, data sheets, test results or certifications.
 6. Produce the Application and Certification for Payment (on AIA Document G702 with continuation sheet G703). Note that the originals of AIA Documents G701, G702 and G703 should be submitted to MHDC's Construction Disbursement Department for Construction/Permanent Loans processing. See the Construction Disbursement Guide, MHDC 2400 for instructions.
 7. Be prepared at all times to give the MHDC construction compliance staff or third-party representative the right of reasonable access to the construction site and the right to inspect all work performed and materials furnished for the project.
 8. Notify MHDC construction compliance staff or its third-party representative at the time each building is ready for an open-wall inspection, framing is complete and electrical wiring, plumbing lines and ductwork is installed.
 9. The Owner, General Contractor and all subcontractors must comply with federal, state and local laws concerning hiring practices and labor standards.

SECTION VIII: CONSTRUCTION COMPLETION

- A. Owner's responsibilities.
 1. Notify the MHDC construction compliance staff in writing when construction has reached 90% completion and submit copies of certificates of substantial completion executed as of that point in time (see VIII.B.1(b)).
 2. Assure that any environmental abatement or other mitigating requirements noted in the environmental review are accomplished to the satisfaction of MHDC. See MHDC's Environmental Guidelines Form 1400 for more details.
- B. Architect's responsibilities.
 1. Provide MHDC with the following:
 - (a) Punch list and final inspection report in format similar to the Sample Punch List. See attached Exhibit "B."
 - (b) A fully executed AIA Document G704-2000 Certificate of Substantial Completion ("G704") and Occupancy Permit for each building/floor/unit. More than one address may be listed on a G704.
 - (c) A final G704 that declares the entire project as being complete.
 2. All architectural field reports shall be delivered to MHDC prior to the final payment for construction is issued.
- C. General Contractor's responsibilities.
 1. Coordinate occupancy and punch list inspections of all units/buildings with the

MHDC construction compliance staff. Obtain from the Architect a G704 for each building/floor inspected, along with a single, final G704 that references the entire project as being complete. All G704 reports are subject to MHDC approval. All punch list items must be completed prior to occupancy.

2. Contractor shall fully inspect the completed construction, formulate a punch list of incomplete items and make corrections, alterations and additions to address all punch list items prior to requesting the Architect's and MHDC's final inspection.
3. Final Inspection. Schedule a final inspection with the MHDC construction compliance staff. This inspection may be scheduled concurrent with the Architect's punch list inspection(s) provided that inspection occurs when the work is complete.
4. Submit to MHDC a copy of the Final Punch list with all work signed off by the General Contractor and Architect.
5. Submit to MHDC a complete list of all changes made to the approved construction documents in the form of Change Order logs, ASI logs and/or meeting note logs (if changes were made via meeting notes).

SECTION IX: CONVERSION OF CONSTRUCTION/PERMANENT LOANS AND CLOSING OF PERMANENT-ONLY LOANS

A. Owner's responsibilities.

1. Provide MHDC with a copy of the certificate of occupancy or final inspection report [from the governmental unit having jurisdiction] from the General Contractor. In the event the development is located in an area where building permits and subsequent certificates of occupancy are not issued, obtain and provide MHDC with an acknowledgement of the completed construction from the county assessor.
2. Provide MHDC with the Final Architect's Certification, executed by the project architect. See attached Exhibit "C."
3. Provide MHDC with a list of final "incomplete items" and their approximate value. MHDC reserves the right to approve or deny any incomplete items and an escrow to provide payment for its completion. If MHDC approves incomplete items, the final inspection will establish the amount to be withheld from the final construction draw, which will be held in an escrow account.
4. Attend the latent defect inspection to be held about nine months after Substantial Completion with the MHDC staff inspector, Architect, General Contractor, and property manager. See IX.C.2 and Exhibit "F," Latent Defect Inspection.
5. Assure all latent defect citations are corrected to the satisfaction of MHDC.
6. Provide requested documentation to confirm completion of lead-based paint or asbestos abatement, provide operating and maintenance plans, or file required records in order to satisfy mitigating items from the environmental review. See MHDC's Environmental Review Guidelines Form 1400 for further details.

B. Architect's responsibilities.

1. Participate in the latent defect inspection with the MHDC staff inspector, Owner, General Contractor, and property manager. See Exhibit "F," Latent Defect Inspection.

2. Execute a copy of The Final Architect's Certification confirming the development has been constructed according to the approved plans and specifications. See Exhibit "C."
- C. General Contractor's responsibilities.
1. Obtain Certificates of Occupancy for every building permit issued.
 2. Latent Defects Escrow. A latent defects escrow in an amount equal to 2.5% of the construction contract amount must be established by the Contractor at final closing. The escrow will be held for 15 months from the date of substantial completion, as established by the MHDC-approved G-704 for the entire project. The escrow, less any amount necessary to correct deficiencies not paid by the warranty or General Contractor, will be released only after an inspection and approval by the Owner, the Architect and MHDC. An MHDC compliance officer shall schedule this inspection, and attendance by the Owner, Contractor, and the Architect will be required. See Exhibit "F," Latent Defect Inspection.

EXHIBIT "A"

**AMENDMENT TO AIA DOCUMENT B108
Standard Form of Agreement Between
Owner and Architect for Housing Services**

The Provisions of this Amendment supersede and void all inconsistent provisions of the Agreement.

1. The Owner and the Architect represent that they are familiar with MHDC requirements, including all standards as set forth in publications given to them by MHDC for this Project and will perform all services in accordance with the applicable requirements of MHDC.
2. The Owner and the Architect recognize the interest of MHDC in the Project and any action or determination by either the Owner or the Architect is subject to acceptance or rejection by MHDC.
3. The portion of the Architect's services and responsibilities and the Owner's responsibilities shall not be sublet or delegated to anyone not acceptable to MHDC.
4. The Owner agrees to follow MHDC requirements regarding the use of off-the-shelf design plans and provide MHDC a copy of the invoice and the terms of the purchase which demonstrate whether the Owner has a right to reproduce the off-the-shelf design plans for future use, whether the Owner has a right to vary from the original plan, and whether the Architect of record has been given the right to (a) make minor modifications and/or define in further detail all portions of the off-the-shelf design plans as may be necessary for the site where the improvements are to be constructed; (b) take possession, sign, seal and date the off-the-shelf design plans.
5. The Architect will advise MHDC as well as the Owner of any omissions, substitutions, defects and deficiencies observed in the Work of the Contractor.
6. The principal of the Architect shall stamp all drawings and sign off on monthly and final inspection reports before its submission to MHDC.
7. The Architect shall issue Certificates of Payment and Certificates of Substantial Completion. These certificates shall be in the form prescribed by MHDC.
8. The Architect of record shall make a minimum of (check one) one visit two visits to the project per month throughout the construction period. MHDC in its sole discretion has the right to request additional inspections by the Architect as it deems necessary. Copies of the inspection reports shall be provided to MHDC.
9. The Architect of record shall perform a footing/foundation inspection and a complete open wall inspection of each building prior to the installation of sheet rock. Copies of these inspections reports shall be provided to MHDC.
10. The Architect will furnish copies of all field orders and field reports to MHDC in addition to the Owner.
11. The Agreement shall not be terminated without five days prior written Notice to MHDC.
12. The Owner and the Architect shall recognize as a valid reason for termination, any request by MHDC for termination because of inadequate performance, undue delay or representation which may make the further services of the Architect unacceptable to MHDC.
13. If the Project for which the drawings or specifications prepared by the Architect has not been completed and there is a default or foreclosure, MHDC may use the drawings or

specifications to complete construction of the Project without additional cost.

14. The Architect shall participate in a latent defects inspection no sooner than nine (9) months after the date of Substantial Completion, nor later than eleven (11) months. The Architect shall issue a list of construction contract defects arising out of this inspection to the Owner, Contractor and MHDC.

(SEAL)
ATTEST:

(SEAL)
ATTEST:

OWNER:

By: _____

ARCHITECT:

By: _____

EXHIBIT "B"

**SAMPLE
PUNCH LIST**

AAA Architects
1111 South First Street
First City, Missouri
Phone 816-555- 1111 Fax 816-555-1112

Inspection Report for First City Apartments
2222 South Second Street
First City, Missouri

Date of Inspection

Note: The following are to be completed or corrected by the Contractor prior to final acceptance of the Project. The Contractor shall return a copy of this list to the Architect (*or Engineer*) after each item has been addressed, properly dated and initialed by the person responsible for corrective action.

| DESCRIPTION | CONTRACTOR ADDRESSED <i>(initial & date)</i> | ARCHITECT ACCEPTED <i>(initial & date)</i> |
|---|--|--|
| Site | | |
| 1. Curb cuts not installed | _____ | _____ |
| 2. Lawn not seeded | _____ | _____ |
| Building #1 | | |
| 1. Install screens | _____ | _____ |
| 2. Termites have eaten hole in living room floor. Repair and apply termite treatment. | _____ | _____ |

*This format is recommended in terms of the layout. Other information may be added per design firm's policy if desired. The basic information, however; the work descriptions, the Contractor's initialed response for **each** item and the Architect's (*or Engineer's*) acceptance of **each** item is required.*

EXHIBIT "C"

FINAL ARCHITECT'S CERTIFICATION

Development Name:
MHDC No.

TO: MISSOURI HOUSING DEVELOPMENT COMMISSION

In order to induce the **MISSOURI HOUSING DEVELOPMENT COMMISSION** ("MHDC") to advance the final installment of permanent loan proceeds in the amount of \$_____ for the development of _____, located in _____, **Missouri** ("Development"), and with the intent that MHDC rely upon the statements set forth herein as a basis for so doing, the undersigned hereby certifies as follows:

The above referenced Development has been built in accordance with the Plans and Specifications, which were prepared by _____, a Missouri _____ and incorporated as part of the Construction Contract. Any changes made to the approved Contract Documents during construction have been documented after review and approval by the undersigned and MHDC.

All defined terms of this document bear the same meaning as in the Construction Contract executed in conjunction with the Development.

ARCHITECT:

By: _____
Name: _____
Title: _____

Date: _____

EXHIBIT “D”

UNIVERSAL DESIGN REQUIREMENTS

MHDC requirements for Universal Design of housing for the elderly and single family dwellings.

1. Equitable Use
 - a. Flat landing surfaces leading to doorways
 - b. Lever action door hardware
 - c. Lever action plumbing fixtures controls
 - d. No thresholds and/or change of walking surface greater than ½ inch

2. Flexibility in Use
 - a. Blocking in bathroom walls to accept grab rails
 - b. Blocking in or behind shower/tub enclosures to accept grab rails
 - c. Door assemblies and cabinet door assemblies that will accept lever or knob hardware without alteration or replacement

3. Simple and Intuitive
 - a. Buttons on control panels that can be distinguished by touch

4. Perceptible Information
 - a. Signage with large contrasting print in addition to generally recognized icons
 - b. Contrasting colors between wiring devices [receptacles and light switches] and surrounding surfaces
 - c. Contrasting colors between steps and landings
 - d. Contrasting colors between different floor coverings
 - e. Contrasting colors between countertops and flooring
 - f. Contrasting colors between plumbing fixtures and flooring/countertops

5. Tolerance for Error
 - a. Light switches with large flat pads
 - b. Non-slip walking surfaces

6. Low Physical Effort
 - a. Self closing fire rated doors must be on lowest setting while complying with the enforced building code.
 - b. No interior ramps

7. Size and space for approach and use
 - a. 36 inch wide doors
 - b. Goal: 5 feet clear turning circle in kitchen
 - c. Goal: 5 feet clear turning circle in bathroom
 - d. 42 inch wide residential unit and common hallways

EXHIBIT “E”

CONTRACT [FOR CONSTRUCTION] DOCUMENTS

- I. Construction Documents must include the following:
 - A. Specifications or Project Manual:
 1. A current edition of AIA Document A201, General Conditions of the Contract for Construction. An original of this document must be bound into the set of construction documents submitted to MHDC. It may not be included by reference only. This document may not be modified.
 2. Additions to the General Conditions may be made in the form of Supplementary General Conditions. Other project requirements should be included in the Division 1 General Requirements section of the technical specifications.
 3. HOME-financed developments with 12 or more HOME-assisted units must include the current edition of the “General Conditions of the Contract for Construction” (AIA Document A201) as amended, the “Federal Labor Standards Provisions” (form HUD-4010), and a current wage determination as provided by MHDC. Note that the wage determination must be verified and updated within 10 days of the construction loan closing and provided as an addendum to the specifications manual.
 4. Developments receiving Risk Share insurance must include the current edition of the “General Conditions of the Contract for Construction” (AIA Document A201) as amended, the “Supplementary Conditions of the Contract for Construction” (form HUD-2554), and a current wage determination as provided by MHDC. Note that the wage determination must be verified and updated within 10 days of the construction loan closing and provided as an addendum to the specifications manual.
 5. Specifications to clarify construction administration requirements.
 6. Technical specifications as required to clarify materials and methods of construction.
 - B. Drawings, illustrations, plans.
 1. A cover sheet with the following information:
 - (a) Project name, location and MHDC project number.
 - (b) Names and addresses of the Architect, the professional providing construction administration if not the same, the Owner, the General Contractor, and MHDC.
 - (c) Spaces for the signature of each of the entities listed above.
 - (d) A tabulation of the living units by unit type, number of each type in each building, number of non-rental living units and totals. Include a tabulation of all accessible, adaptable, universally designed or Fair Housing compliant units. Include a brief description of the universal design principles used in the design.
 - (e) Square footage of each unit type, each building, and all non-residential spaces included in the project.

- (f) Location map.
 - (g) Number of covered, uncovered and accessible parking spaces.
 - (h) Description of building codes enforced by the local governing body and/or used in the project design.
 - (i) Accessibility standards used in the project design with all exceptions to compliance identified.
2. Site plan, grading, drainage and site MEP plan(s) and details. Identify on the site plan all accessible parking spaces, the accessible route(s) through the development and note all accessible, adaptable and Fair Housing compliant units.
 3. Landscape plan. If a landscape allowance is used, submit a preliminary plan showing general plant types, quantities and locations. Submit the final landscape drawing during construction, identifying quantities, plant types, seed and sod areas and other landscape information.
 4. Dimensioned floor plans of sufficient detail to review individual unit and building layouts.
 5. Exterior building elevations indicating all exterior materials and heights.
 6. Structural plans and details including all required connection details.
 7. Wall sections and construction details, including stair details. Note all fire resistive assemblies by detail and design assembly number such as IBC, UL or USG design number. Indicate how penetrations through all fire resistive construction is to be protected and specify materials used.
 8. Drawings detailing how accessibility requirements for residential units and common spaces are being met. Include site impracticality calculations for reductions to complete Fair Housing compliance.
 9. Schedules as required to indicate door and window sizes and door, window and finish materials.
 10. Mechanical, electrical line voltage, communication/control low voltage, and plumbing plans, details, and specifications for all mechanical equipment. If any or all of these systems are proposed and accepted as a "design/build" portion of the work, the Owner shall insure that the design portion of the work and its full documentation, sealed by a registered engineer, be located at the work site prior to any work being performed.
 11. Sustainability.
 - (a) Information necessary to demonstrate compliance with the 2006 International Energy Conservation Code (IECC) as published by the ICC. MHDC may request additional information, such as calculations, performance criteria and data sheets as backup to the IECC compliance.
 - (b) Information necessary to demonstrate compliance with the energy conservation or green building program selected and declared in the application package.
 - (c) Full documentation the energy conservation program selected and declared in the application package was implemented, along with a copy of certifications, if applicable.
 12. Electrical plans and schedules, as required.

13. Fire alarm and sprinkler systems, if included in the project, may be in the form of specifications only for firm commitment submittal. Shop drawings, including complete system layouts, for these systems must be submitted during construction.

EXHIBIT "F"

LATENT DEFECT INSPECTION

The latent defect escrow will be released only after an inspection and approval by the Owner, the Architect, and MHDC.

- A. Participation. A representative of the Owner, Property Manager, the General Contractor, the Architect and MHDC shall inspect the property as a single group after the eighth month and before the thirteenth month of the date of the development-wide G704.
- B. This G704 must state or will imply the date of the commencement of the 12-month warranty period, which will establish the approximate date of the latent defect inspection nine months afterwards.
- C. All citations and deficiencies discovered at the latent defect inspection must be corrected prior to the release of the latent defect escrow. In the event this cannot be accomplished by the Owner by the date of expiration of the latent defect escrow, MHDC may, in its sole discretion, choose to extend the expiration date or use the latent defect escrow to correct the deficiencies.
- D. The Owner shall be responsible for the correction of all latent defect citations and deficiencies regardless of the occupancy of a unit prior to the issuance of the final G704 for the entire project.
- E. The Owner shall submit to MHDC a copy of the latent defect inspection list with all work signed off by the General Contractor and Owner or Property Manager. MHDC reserves the right to conduct additional latent defect inspections if deficiencies are not corrected to its satisfaction.

EXHIBIT "G"

**FORM OF REQUEST FOR VARIANCE/WAIVER OF A
REQUIREMENT SET FORTH IN THE
DESIGN/CONSTRUCTION COMPLIANCE GUIDELINES**

Development Name:
Development Number:
Ownership Entity ("Owner"):
Architect:
General Contractor:

Variance/Waiver Request:

Justification for Request:

Requested this ____ day of ____.

OWNER

(Printed Name)
(Title)

ARCHITECT

(Printed Name)
(Title)

GENERAL CONTRACTOR

(Printed Name)

(Title)

The request has been: Accepted Denied

Comment:

Reviewed on this ____ day of _____.

**MISSOURI HOUSING DEVELOPMENT
COMMISSION**

Name: _____

Title: _____

Name: _____

Title: _____

EXHIBIT “H”

**REVISIONS TO THE AUGUST 1, 2009
DESIGN/CONSTRUCTION COMPLIANCE GUIDELINES
 (“COMPLIANCE GUIDELINES”)**

Any revision to the Compliance Guidelines subsequent to August 1, 2009 will be set forth in this Exhibit “H,” and is incorporated into and made a part of the Design/Construction Compliance Guidelines. Each revision will have a date which it goes into effect and will specify the category of developments to which it applies.

| <i>Notice Date/ Effective Date</i> | <i>Revision/ Affected Developments</i> |
|--|--|
|--|--|

| | |
|----------|--|
| 3/2/2012 | Developments approved for funding in 2012. |
|----------|--|

All reference to AIA Document B181 Standard Form of Agreement Between Owner and Architect For Housing Services indicated in the Design/Construction Guidelines shall be changed to read **AIA Document B108 Standard Form of Agreement Between Owner and Architect for a Federally Funded or Federally Insured Projects.**