

MISSOURI HOUSING DEVELOPMENT COMMISSION
ARCHITECTURAL GUIDELINES

MHDC Form 1200
May 2007

3435 Broadway Boulevard
Kansas City, Missouri

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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 Design Architects, Mortgagors/Owners and Contractors in preparing complete submissions that will allow smoother commitment processing and construction disbursement processing.

It is the responsibility of the Mortgagors/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.

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I. DEFINITIONS

- A. Design Architect. The professional architect (or engineer), licensed in the State of Missouri, providing the design services to the mortgagor/owner required by the Standard Form of Agreement Between Owner and Architect for Housing Services, AIA Document B181 and the MHDC rider, Amendment to AIA Document B181.
- B. Inspecting Architect. The professional architect (or engineer), licensed in the State of Missouri, providing the construction administration services portion of the work required by the Standard Form of Agreement Between Owner and Architect for Housing Services, AIA Document B181 and the MHDC rider, Amendment to AIA Document B181. This includes all architectural services required after the start of construction through the latent defects inspection.
- C. Conditional Commitment. The first stage of the Commission's (MHDC) approval of the owner/mortgagor's application for funds.
- D. Firm Commitment. The second stage of the Commission's (MHDC) approval of the owner/mortgagor's application for funds.
- E. Construction Closing (formerly known as Initial Closing). The loan closing for construction/permanent loans prior to the start of construction.
- F. Conversion (formerly known as Final Closing). 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 loan is ready to convert from

construction to permanent status.

- G. Accessible Design. Generally means that an adult in a wheelchair can maneuver into and through a space and use the fixtures and appliances. To be considered accessible for MHDC-funded developments the design must meet the requirements of the Uniform Federal Accessibility Standards or an equivalent standard approved by MHDC.
- H. Adaptable Design. Generally means that an adult in a wheelchair can maneuver into and through a space and that the fixtures and appliances can be readily modified for use by an adult in a wheelchair. To be considered adaptable for MHDC-funded developments the design must meet the requirements of the Uniform Federal Accessibility Standards (see Sections 4.34.3 and 4.34.4) or must meet an equivalent standard approved by MHDC.
- I. 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.
- J. 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.

II. GENERAL DEVELOPMENT ACCEPTABILITY

- A. Each proposed development must satisfy the needs of the affordable rental market of the local area.
- B. To be accepted, rental developments must:
 - 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. Be designed to meet the established construction budget.
 - 4. Be designed to be economical to maintain.
 - 5. Be in compliance with the Uniform Federal Accessibility Standards of

April 1, 1988 (24 CFR, Part 8, Nondiscrimination Based on Handicap). This means that projects of five or more units are required to have 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.

6. All single family and duplex units, regardless of the number of units in the development, must be designed utilizing the principles of Universal Design.
7. All new construction developments must include Energy Star appliances. Use of Energy Star-rated furnaces, water heaters, insulation and windows is highly recommended.

C. Developments must comply with the following design and construction standards:

1. Construction codes as adopted by the governmental unit in which the project is located.
2. 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) and/or the International Residential Code.
3. Local zoning ordinances.
4. The Fair Housing Act of 1968, as amended, and the Fair Housing Act Design Requirements.
5. Projects receiving federal, state, county or municipal funding may, in addition to the Fair Housing Act Design Requirements, be required to comply with the Architectural Barriers Act of 1968, Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, all in their latest revisions.
6. No part of any residential structure may be located within 30 feet of the outer boundary of a high-pressure gas and liquid petroleum transportation pipeline easement.
7. No part of any residential structure may be located within 100 feet (horizontal) of any high voltage transmission lines or their supports.
8. The 2006 International Energy Conservation Code (formerly the Model Energy Code) as published by ICC/CABO.
9. For the control of lead hazards: the Lead Paint Poisoning Prevention Act, the Department of Housing and Urban Development Guidelines for the Evaluation and Control of Lead Based Paint in Housing, and the MHDC Lead Based Paint Policy.

III. REQUIRED ARCHITECTURAL SERVICES

- A. General. The services of a professional architect and/or engineer, (hereinafter called Design Architect), licensed to practice in the State of Missouri, are required on all projects. Failure to engage a Design Architect acceptable to MHDC shall be the basis for rejection of the application.
- B. Owner-Architect Agreement. Architectural services shall be contracted using AIA Document B181, Standard Form of Agreement between Owner and Architect for Housing Services. The MHDC rider, Amendment to AIA Document B181, 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. The scope of services must include adequate provisions for the administration of the construction contract.
 - 2. The scope of services shall designate the responsibility for the services to be provided whether by the architect, owner or others.
 - 3. 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.
 - 4. Required services may not be sublet or delegated to anyone not acceptable to MHDC.
 - 5. No modification of the MHDC rider is permitted.
- C. Basis of Compensation. The fee shall be a fixed fee for the services provided by the Design 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 be equal to a minimum of 20% of the total Basic Services package.
- D. All identity of interests between Architect, Mortgagor/Owner/Developer, Contractor, Subcontractors and Suppliers must be disclosed.
- E. Where there is an identity of interest between the afore stated parties in paragraph D, then MHDC reserves the right to hire an independent construction inspector of its choice, and said construction inspector will be responsible to MHDC. The cost of said MHDC construction inspector will be reimbursed by the Owner.

IV. CONDITIONAL COMMITMENT PACKAGE

- A. General. The MHDC architectural staff will review the architectural exhibits included in the owner/mortgagor's Preliminary Proposal application for general site-related issues, rehabilitation issues and cost verification.
- B. Submittals. The following architectural exhibits shall be included in the mortgagors/owners' Preliminary Proposal application for funding:
 - 1. City/Locality Map.
 - 2. Site Plan.
 - 3. Photographs of existing buildings if the project involves rehabilitation.
 - 4. Preliminary architectural drawings, including building and unit plans.
 - 5. Exterior building finishes notations.
 - 6. Contractor's/Mortgagor's Cost Breakdown (FIN 115).
 - 7. Physical Needs Assessment for rehabilitation projects prepared by a licensed architect or engineer. See MHDC Form 1201 for MHDC Physical Needs Assessment Standards.
 - 8. Site Evaluation (MHDC Form 1302) and all substantiating information/maps, including pertinent zoning information for the site and the surrounding area.

V. FIRM COMMITMENT PACKAGE

- A. The MHDC architectural staff will review the architectural/cost exhibits submitted as part of the owner/mortgagor's Firm Commitment package.
- B. MHDC requires that the following architectural exhibits be included in the firm commitment package:
 - 1. A complete set 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.
 - 2. A computer-generated energy audit based upon the plans and specifications for new construction or conversion developments.
 - 3. AIA Document B181, Standard Form of Agreement between Owner and Architect for Housing Services. If this agreement does not include all required architectural and engineering disciplines, include copies of all consulting contracts.
 - 4. Amendment to AIA Document B181 (MHDC Rider). See attached

Exhibit "A."

5. Mortgagor's and Contractor's Cost Breakdown, MHDC Form FIN 115 or AIA Document G702/G703 with the schedule of values filled in. These forms should be filled out to at least the level of detail specified in the 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.
6. 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. **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), and the Section 3 Plan as approved by MHDC; (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, the "Supplementary Conditions of the Contract for Construction" (form HUD-2554), and the Section 3 Plan as approved by MHDC. If development is receiving both HOME funds and Risk Share insurance, form HUD-2554 is the only form required.
7. A list of all major subcontractors by work category on form MHDC 2426 (see "Construction Disbursement Worksheets"). This list must be updated at closing and throughout construction as needed.
8. 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" and "Section 3 Plan Format with Attachments," accompanied by supporting documentation as required.
9. Geotechnical Engineering Report
 - a. Identify and describe soils by the nomenclature of the Unified Soils Classification System.
 - b. Borings must be in, or adjacent to, the proposed foundation area.
 - c. 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.
 - d. 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.

- e. When ground water conditions influence the building design, observation of ground water levels must be recorded at the time of boring and at least 48 hours later.

- 10. A Phase I Environmental Report prepared according to the ASTM Standard E 1527-05 by a qualified professional (see Exhibit "D" for the ASTM E 1527-05 recommended format and environmental professional qualifications). If the report recommends additional testing, a Phase II Environmental Report or other required test results must also be provided.

Phase I and Phase II Environmental Reports must include a statement from the environmental professional that allows MHDC to rely upon the findings of the report, either as a part of the report or in a reliance letter that is submitted to MHDC with a copy of the report.

Phase I and Phase II Environmental Reports that are greater than 180 days old must be accompanied by an update letter and a current EDR performed by the environmental professional who prepared the original report.

- 11. Asbestos and lead-based paint inspection reports and O&M manual for existing buildings as dictated by the age of the structures. Asbestos reports are required for buildings constructed prior to 1980; lead-based paint reports are required for proposed rehabilitation or demolition of buildings constructed prior to 1978.
- 12. 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.
- 13. FEMA Flood Zone Area Map, including the referenced area, community panel number, and date. If this map is not available for the development location, other evidence acceptable to MHDC showing the location is not prone to flooding must be submitted.
- 14. Letters from the appropriate entity indicating that the required utilities (water, gas, electric, storm sewer and sanitary sewer) are available to the site and adequate for the proposed development. This letter shall be addressed to Rental Production, Missouri Housing Development Commission, 3435 Broadway, Kansas City, MO 64111-2415 and

should include the exact legal description as indicated in the title commitment. The information contained in these letters must be supported by easements shown on the survey and/or copies of the construction permits for the utility work.

15. For HOME and federally insured projects, provide a completed Section 106 Project Information Form and the completed Cultural Resource Assessment, Section 106 Review from the Missouri Department of Natural Resources. Submit a completed Section 106 Project Information Form directly to the Missouri Department of Natural Resources, Historic Preservation Officer. The address is Missouri Department of Natural Resources, Historic Preservation Officer, P.O. Box 176, Jefferson City, MO 65102-0716.
16. Contractor's Qualification Statement, AIA Form A305.
17. If MHDC is not providing construction financing, provide an executed AIA Document A111-1997, Standard Form of Agreement Between Owner and Contractor Where the Basis for Payment is the Cost of the Work Plus a Fee with a Negotiated Guaranteed Maximum Price. The Mortgagor and Contractor must execute an MHDC-prepared Construction Contract if MHDC is providing the construction financing.
18. Site Survey, along with a Surveyor's Report, form HUD-2457.
19. If the owner is receiving an MHDC construction loan, provide a statement regarding the form of Contractor's Completion Assurance. MHDC requires a Completion Assurance Agreement secured by one of the following:
 - a. A 15% Letter of Credit based on the cost of construction as shown in the Capital Advance Construction Contract and Line 10 of Estimate of Replacement Cost of the 2013.
 - b. A Performance/Payment Bond for 100% of the Capital Advance Construction Contract provided by a Surety listed on the U.S. Government *Treasury List* and rated A- or better by Best's Insurance Guide.

C. Construction Documents must include the following:

1. Specifications or Project Manual with:
 - a. 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. 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.

- b. **Please note:** (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), and a current wage determination as provided by MHDC; (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, 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.
- c. For HOME and federally insured developments, the Section 3 Plan as approved by MHDC.
- d. Specifications to clarify construction administration requirements.
- e. Technical specifications as required to clarify materials and methods of construction.

2. A cover sheet with the following information:

- a. Project name, location and MHDC project number.
- b. Names and addresses of the Design Architect; the professional providing construction administration (Inspecting Architect), if not the same; the Owner; the 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.
- 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.
- j. On all single family and duplex units, a brief description of the approach taken to utilizing the principles of Universal Design.

- k. Certification, signed by the Architect, that the project design complies with the International Energy Conservation Code.
3. 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. 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. Provide an additional copy of the drawing list(s) directly to the MHDC Legal Department.
4. Topographic survey at a minimum scale of one inch to 30 feet.
 - a. Provide MHDC project name and number.
 - b. Contours at no more than 2-foot intervals. For steeply sloping sites, the maximum interval may be 5 feet.
 - c. Name of City, County, and State of property location.
 - d. North arrow, magnetic and true.
 - e. Owners of, and Lot and Block numbers of, subject property and adjacent properties.
 - f. Legal description of the property, and total square feet and acreage.
 - g. Dimensioned length and direction of each boundary, and physical indication of boundary (monuments, markers, fences, etc.).
 - h. Material variations from record lines by fences, walls, or structures (either on this property or adjoining).
 - i. All encroachments or deviations from the description of the property or conflicts with descriptions of adjoining properties.
 - j. Existing on-site and adjacent streets, alleys, drives, and walks.
 - (i) Provide street names or designations (include widths and dimensions).
 - (ii) Indicate surfacing, curbs, and other pertinent data.
 - (iii) Distance to nearest street.
 - k. All easements, rights-of-way, set back lines, and other restrictions, including widths of easements and rights-of-way, distance of right-of-way lines to paving and distance of set-back lines from property lines.
 - l. Location and size of all utility lines, facilities, poles, hydrants, manholes, etc., including those on, or adjacent to, the property and in adjacent streets. Include water, sewer (storm and sanitary), gas, electric, telephone, and TV. Include sewer invert elevations and direction of flow.
 - m. All high-pressure gas and liquid petroleum transmission pipelines within 220 yards of the property boundaries.
 - n. Location of natural features such as preservable trees, streams, rock outcroppings, etc.
 - o. Indicate, describe, and dimension all on-site existing structures.
 - p. Indicate, describe, and dimension structures adjacent to the site.
 - q. Available information about subsoil, ground water, fill, and buried foundations, tanks, debris, etc.

- r. Name of licensed surveyor, signature and date of survey.
5. 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.
6. 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.
7. Dimensioned floor plans of sufficient detail to review individual unit and building layouts.
8. Exterior building elevations indicating all exterior materials and heights.
9. Structural plans and details including all required connection details.
10. 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 are to be protected and specify materials used.
11. Details indicating how the Americans with Disabilities Act Accessibility Guidelines (ADAAG) are being met in the public areas.
12. For HOME and federally-insured projects, details indicating how the Uniform Federal Accessibility Standards are being met.
13. Details indicating how the Fair Housing Act Guidelines are being met. Include site impracticality calculations for reductions to complete Fair Housing compliance.
14. Schedules as required to indicate door and window sizes and door, window and finish materials.
15. 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 Mortgagor/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.

16. 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. See IECC, Sections 101.3.1 and 103.1.
 17. Electrical plans and schedules, as required.
 18. 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.
- D. The MHDC architectural staff shall review the firm commitment submittal documents and prepare comments on the construction document submittal for the MHDC underwriting staff. A copy of these comments will be forwarded to the Design Architect for review and response.
- E. The Design 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.

VI. CONSTRUCTION CLOSING (Construction/Permanent Loans)

- A. 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 the closing of the construction/permanent loan. 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.
- B. The updated drawing index (ref. V.C.3).
- C. For HOME and federally-insured projects, 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.
- D. Submit an updated list of major subcontractors for each work category.

VII. CONSTRUCTION RESPONSIBILITIES (Construction/Permanent Loans and Permanent-only Loans)

- A. Provide the MHDC architectural staff with the following:
1. Project team contact list with addresses (or e-mail) and phone numbers of Design Architect and/or Inspecting Architect, General Contractor's project manager and/or superintendent, Owner's representative, and others as required. Update list as required throughout construction.
 2. A construction draw schedule must be provided for all MHDC construction loans at closing.
 3. A construction progress schedule must be provided for all projects at closing.
 4. If construction is being staged, then a turnover schedule must be provided and updated monthly.
 5. A schedule of progress meetings and payment application inspections. Update list as required 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.
 6. A list of all major subcontractors and suppliers. Update list as required throughout construction. Please be advised that if Section 3 applies to the development, a subcontractor may be required to provide MHDC with a Section 3 Plan.
 7. Copies of all field inspection reports prepared by the Design Architect/Inspecting Architect. These reports should include the time and date of inspection, weather information and approximate percentage of project completion.
 8. Copies of any progress meeting minutes.
 9. If requested, copies of any approved shop drawing submittals, data sheets, test results or certifications.
 10. Copies of drawings and specifications for any off-site improvements relating to the project.
 11. 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.
 12. Provide a copy of 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.**

- B. All deviations from the approved Construction Documents must be recorded and approved by MHDC.
- C. At all times, the MHDC architectural staff has the right of reasonable access to the construction site and the right to inspect all work performed and materials furnished for the project.
- D. Schedule a preconstruction conference in a location acceptable to MHDC. Attendees must include: the General Contractor (and/or prime subcontractor), MHDC representatives (schedule through the Architectural Department), the project superintendent, the Design Architect (and/or the Inspecting 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.
- E. Notify MHDC architectural staff at the time each building is ready for an open-wall inspection, framing is complete and electrical wiring, plumbing lines and ductwork are installed.
- F. The Owner/Mortgagor, General Contractor and all Subcontractors must comply with federal, state and local laws concerning hiring practices and labor standards. This includes the receipt and review of the I-9 Employment Eligibility Verification Form by all employers for each employee involved in the construction or rehabilitation of an MHDC-financed development.
- G. Owners/Mortgagors, General Contractors, and Subcontractors (with contracts of \$100,000 or greater) must comply with Section 3 requirements as applicable.

VIII. CONSTRUCTION COMPLETION

- A. Notify the MHDC architectural staff in writing when construction has reached 90% completion.
- B. Coordinate occupancy/punch list inspections of all units/buildings with the MHDC architectural staff. Provide a G704/occupancy report for each building/floor inspected. All G704/occupancy reports are subject to MHDC approval. **All punch list items must be completed prior to occupancy.**
- C. Provide MHDC with the following:
 - 1. Punch list/final inspection report in format similar to the Sample Punch

- List. See attached Exhibit "B."
2. A copy of the MHDC-approved executed Certificate of Substantial Completion (AIA Document G704) for the entire development.
 3. A copy of the final punch list with all work signed off by the contractor and architect.
 4. 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).
- D. Final Inspection. Schedule a final inspection with the MHDC architectural staff. This inspection may be scheduled concurrent with the Inspecting Architect's punch list inspection(s) provided that inspection occurs when the work is complete.

IX. CONSTRUCTION/PERMANENT LOAN CONVERSION AND PERMANENT-ONLY LOAN CLOSING

- A. Provide MHDC with the following:
1. A copy of the Certificate of Occupancy or final inspection report from the governmental unit having jurisdiction, if applicable.
 2. A copy of the "as-built" survey, identifying the location of all buildings and all improvements.
 3. A copy of the "as-built" site plan, showing all improvements and all underground utility lines including water, storm and sanitary sewers, gas, electrical, telephone and cable TV lines.
 4. The Inspecting Architect's Certification. See attached Exhibit "C."
 5. A list of final "incomplete items" and their approximate value.
- B. Incomplete Items. The final inspection will establish the amount withheld from the final construction draw, which will be held in an escrow account.
- C. 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 Conversion/Closing. The escrow will be held for 15 months from the date of substantial completion, as established by the MHDC approved Certificate of Substantial Completion (AIA G-704) for the entire project. This amount will be released only after an inspection and approval by the Owner/Mortgagor, the Design/Inspecting Architect and MHDC. The Contractor shall schedule this inspection with the Owner/Mortgagor, the Design/Inspecting Architect and MHDC.

X. PROCEDURES FOR PROJECTS RECEIVING TAX CREDIT SUPPORT ONLY (INCLUDING TAX-EXEMPT BONDS)

- A. Submit one complete set of plans and specifications and a site plan prior to the start of construction.
- B. Submit a copy of the Phase I Environmental Report prepared according to the ASTM Standard E 1527-05 by a qualified professional (see Exhibit "D" for the ASTM E 1527-05 recommended format and environmental professional qualifications). If the report recommends additional testing, a Phase II Environmental Report or other required test results must also be provided.

Phase I and Phase II Environmental Reports must include a statement from the environmental professional that allows MHDC to rely upon the findings of the report, either as a part of the report or in a reliance letter that is submitted to MHDC with a copy of the report.

Phase I and Phase II Environmental Reports that are greater than 180 days old must be accompanied by an update letter and a current EDR performed by the environmental professional who prepared the original report.

- C. Submit a copy of the asbestos and lead-based paint inspection reports and O&M manual for existing buildings as dictated by the age of the structures. Asbestos reports are required for buildings constructed prior to 1980; lead-based paint reports are required for proposed rehabilitation or demolition of buildings constructed prior to 1978.
- D. Submit a FEMA Flood Zone Area Map, including the referenced area, community panel number, and date. If this map is not available for the development location, other evidence acceptable to MHDC showing the location is not prone to flooding must be submitted.
- E. Provide the MHDC architectural staff an information sheet with a construction schedule and the name of the project manager and project architect along with contact information.
- F. Notify the MHDC architectural staff at the start of construction, as well as the time of the first scheduled open-wall inspection on any unit, building or floor.
- G. Notify the MHDC architectural staff in writing when construction has reached 90% completion.
- H. Schedule a final inspection of all units/buildings with the MHDC architectural staff.

- I. Provide the MHDC staff with copies of all Certificates of Substantial Completion.

XI. REQUIREMENTS PRIOR TO THE SALE OF UNITS (RENTAL/HOMEOWNERSHIP DEVELOPMENTS)

Rental developments approved by MHDC for eventual sale to existing residents must address repair and maintenance needs utilizing replacement reserve funds and additional sources (if needed) prior to offering residents the opportunity to purchase.

Single-family Developments:

- A. Prepare a capital improvements plan to identify repair and maintenance needs at least one year prior to the planned sale date. The plan must include a proposed budget for repairs.
- B. Submit capital improvements plan and proposed budget to MHDC Asset Management for review and approval, identifying how replacement reserve funds and any additional sources will be used to complete the plan.
- C. Following MHDC approval, commence repairs according to the capital improvements plan, processing requests for payment and/or reimbursement from the replacement reserve through MHDC Asset Management.
- D. Following completion of improvements but prior to offering the homes for sale to the residents, Asset Management must inspect and approve repairs and maintenance.

Condominium Conversions:

- A. Prepare an initial draft capital improvements plan to identify repair and maintenance needs at the time of initial notice to MHDC of the intention to convert to condominiums. The plan must include a proposed budget for repairs.
- B. After the decision to proceed toward conversion (approximately two years prior to conversion), MHDC shall hire an independent architect or engineer to complete a Physical Needs Assessment for the property at the owner's expense. The owner shall submit to MHDC Asset Management for review and approval a final capital improvements plan and budget addressing deficiencies found in the Physical Needs Assessment, identifying how replacement reserve funds and any additional sources will be used to complete the plan.

- C. Following MHDC approval, commence repairs according to the capital improvements plan, processing requests for payment and/or reimbursement from the replacement reserve through MHDC Asset Management.
- D. Submit progress report with request for final approval of conversion.
- E. Following completion of improvements but prior to offering the units for sale to the residents, Asset Management must inspect and approve repairs and maintenance.

EXHIBIT "A"

**AMENDMENT TO AIA DOCUMENT B181
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 Architect will advise MHDC as well as the Owner of any omissions, substitutions, defects and deficiencies observed in the Work of the Contractor.
5. The Architect shall issue Certificates of Payment and Certificates of Substantial Completion. These certificates shall be in the form prescribed by MHDC.
6. The Architect shall make a minimum of two visits to the project per month throughout the construction period.
7. The Architect shall perform 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.
8. The Architect will furnish copies of all field orders and field reports to MHDC in addition to the Owner.
9. The Agreement shall not be terminated without five days prior written Notice to MHDC.
10. 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.
11. 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.
12. 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 INITIAL & DATE	ARCHITECT ACCEPTED DATE INITIAL & DATE
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"

INSPECTING ARCHITECT'S CERTIFICATION

Development Name: _____
MHDC No: _____

TO: MISSOURI HOUSING DEVELOPMENT COMMISSION

In order to induce the **MISSOURI HOUSING DEVELOPMENT COMMISSION** ("MHDC") to make a first mortgage permanent loan in the amount of \$ _____ on _____ (the "Project"), located in _____, _____ **County, Missouri**, 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:

To the best of my knowledge, information and belief, the project has been built in accordance with the Construction Documents for the above referenced Project, which were prepared by _____, a Missouri _____ and incorporated as part of the Construction Contract on said Project. Any changes made to the approved Construction Documents during construction have been documented after review and approval by the undersigned and MHDC.

INSPECTING ARCHITECT:

By: _____
Name: _____
Title: _____

Date: _____

EXHIBIT "D"

PHASE I ASTM STANDARDS

**Recommended Table of Contents and Report Format
(Reference ASTM E 1527-05)**

1.0 Summary			6.0 Site Reconnaissance	6.1 Methodology and Limiting Conditions
2.0 Introduction	2.1 Purpose			6.2 General Site Setting
	2.2 Detailed Scope-of-Services			6.3 Exterior Observations
	2.3 Significant Assumptions			6.4 Interior Observations
	2.4 Limitations and Exceptions		7.0 Interviews	7.1 Interview with Owner
	2.5 Special terms and Conditions			7.2 Interview with Site Manager
	2.6 User Reliance			7.3 Interviews with Occupants
				7.4 Interviews with Local Government Officials
3.0 Site Description	3.1 Location and Legal Description			7.5 Interviews with Others
	3.2 Site and Vicinity General Characteristics		8.0 Findings	
	3.3 Current Use of the Property		9.0 Opinion	
	3.4 Descriptions of Structures, Roads, Other Improvements on the site (including heat/cooling system, sewage disposal, source of potable water)		10.0 Conclusions	
	3.5 Current Uses of the Adjoining Properties		11.0 Deviations	
4.0 User Provided Information	4.1 Title Records		12.0 Additional Services	
	4.2 Environmental Liens or Activity and Use Limitations		13.0 References	
	4.3 Specialized Knowledge		14.0 Signature(s) of Environmental Professional(s)	

	4.4 Commonly Known or Reasonably Ascertainable Information		15.0 Qualification(s) of Environmental Professional(s)	
	4.5 Valuation Reduction for Environmental Issues		16.0 Appendices	16.1 Site (Vicinity) Map
	4.6 Owner, Property Manager, and Occupant Information			16.2 Site Plan
	4.7 Reason for Performing Phase I			16.3 Site Photographs
	4.8 Other			
5.0 Records Review	5.1 Standard Environmental Record Sources			16.4 Historical Research Documentation (aerial photographs, fire insurance maps, historical topographical maps, etc.)
	5.2 Additional Environmental Record Sources			16.5 Regulatory Records Documentation
	5.3 Physical Setting Sources(s)			16.6 Interview Documentation
	5.4 Historical Use Information on the Property			16.7 Special Contractual Conditions between User and Environmental Professional
	5.5 Historical Use Information on Adjoining Properties			16.8 Qualification(s) of the Environmental Professional(s)

**Definition of Environmental Professional and Relevant Experience
(Reference ASTM 1527 – 05)**

Environmental Professional

Environmental Professional means:

(A) a person who possesses sufficient specific education, training, and experience necessary to exercise professional judgment to develop opinions and conclusions regarding conditions indicative of releases or threatened releases on, at, in, or to a property.

(B) Such a person must: (i) hold a current Professional Engineer's or Professional Geologist's license or registration from a state, tribe, or U.S. territory (or the commonwealth of Puerto Rico) to perform environmental inquiries and have the equivalent of three (3) years of full-time relevant experience; or (ii) have a Baccalaureate or higher degree from an accredited institution of higher education in a discipline of engineering or science and the equivalent of five (5) years of full-time relevant experience; or (iii) have the equivalent of ten (10) years of full-time relevant

experience.

(C) An environmental professional should remain current in his or her field through participation in continuing education or other activities.

(D) The definition of environmental professional provided above does not preempt state professional licensing or registration requirements such as those for a professional geologist, engineer, or site remediation professional. Before commencing work, a person should determine the applicability of state professional licensing or registration laws to the activities to be undertaken.

(E) A person who does not qualify as an environmental professional under the foregoing definition may assist in the conduct of all appropriate inquiries in accordance with this part if such person is under the supervision or responsible charge of a person meeting the definition of an environmental professional provided above when conducting such activities.

Relevant Experience

Relevant experience, as used in the definition of environmental professional in this section, means: participation in the performance of all appropriate inquiries investigations, environmental site assessments, or other site investigations that may include environmental analysis, investigations, and remediation which involve the understanding of surface and subsurface environmental conditions and the processes used to evaluate these conditions and for which professional judgment was used to develop opinions regarding conditions indicative of releases or threatened releases to the subject property.