

Jefferson County Entitlement/HUD CDBG Programs

2025 Program Information Guidebook

- Homeowner Rehabilitation Program
- Sewer Tap-On Fee Program
- Private Sanitary Sewer System Replacement Program
- 1st Time Home Buyer Program

Programs Administered by:

The Economic Development Corporation of Jefferson County
P.O. Box 623
5217 Highway B
Hillsboro, MO 63050
Phone: (636) 797-5336
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Last Revision: April 2025

What does it cover and who can apply?

This information guide to the Jefferson County CDBG ENTITLEMENT programs of Homeowner Rehabilitation, Sewer Tap-On Fee and Private Sanitary Sewer Replacement is meant to act as a question-and-answer guide regarding the programs available to individuals and businesses for application.

The guide does not cover all aspects of each program. Full program application, processing, project procedures, and guidelines can be found in the application packet for each program. Applicants are encouraged to contact the EDC for more information on individual programs.

The programs described in this guide are only open to residents of the following incorporated and unincorporated areas:

All unincorporated areas of Jefferson County

The City of Arnold

The City of Crystal City

The City of Festus

The City of Hillsboro

The City of Pevely

The Town of Scotsdale

The Village of Lake Tekakwitha

The City of Byrnes Mill

The City of De Soto

The City of Herculaneum

The City of Kimmswick

The City of Olympian Village

The Village of Cedar Hill Lakes

Residents who live in The Village of Parkdale and The Village of Peaceful Village **are ineligible to apply for assistance** as these municipalities have chosen not to participate in the Entitlement program.

Application Procedures

When will applications be accepted?

Applications for all Jefferson County Entitlement programs are accepted on an on-going basis.

How will the funds be obligated to projects?

Funds will be distributed on a first come first served basis. The basis by which they are distributed will be determined by the date and time stamp on the application when it is received and the completeness of the application.

What happens if all the funds have been obligated?

If all of the funds have been obligated to projects when a complete application is received the applicant will be placed on a waiting list in the order of which the application was received.

Where do I submit my application?

All applications need to be submitted to:

The Economic Development Corporation of Jefferson County (EDC)

P.O. Box 623, 5217 Highway B

Hillsboro, Missouri 63050

How is my application processed once it is received in the EDC office?

All applications **will be processed on a first come first served basis**. When the application is received in the EDC office it will be date and time stamped. The application will initially be reviewed by staff for completeness of application. Staff will then set up an initial interview with the applicant to review the project and subsequently you will receive a letter notifying you of either acceptance or decline.

What happens if my application is not complete?

If an application is determined to be incomplete, the applicant will receive a letter stating what documents or information is missing. You will be given the opportunity to submit the missing documentation and continue to be processed.

If no response is received within 30 days of written notice of incompleteness, the application will be considered declined and will be removed from processing. Applicants will then be required to resubmit a new application and it will receive a new date and time stamp and will be processed in the order it was received.

What are the minimum requirements my application must meet?

Homeowner Rehabilitation Program

- All applicants must meet the current household income requirements of 80% or below the area median income as published by the U.S. Department of Housing and Urban Development. (You must provide proof of ALL income(s) for ALL persons living in or associated with the home.)
- Applicant's must have a minimum of \$15,000 worth of equity in the home and land to participate in the program. (Current Value - Debt Owed = Equity)
- Home must be owner occupied (no rental properties) for the full 2-year program period.
- Proof of insurance is required, if the home is un-insurable at the time of application, a letter of explanation of such must be submitted with the application and the home must be capable of being insured after completion of rehabilitation work under this program.

Sewer Tap-On Fee Program

- All applicants must meet the current household income requirements of 80% or below the area median income as published by the U.S. Department of Housing and Urban Development. (You must provide proof of ALL income(s) for ALL persons living in or associated with the home.)
- Must apply for assistance prior to hook up. We cannot reimburse you for payment you have already made or hook up that took place prior to application approval.
- Proof of service and/or hook up from sewer district is required prior to any disbursements of funds to a qualified **public sewer district**.

Private Sanitary Sewer System Replacement Program

- All applicants must meet the current household income requirements of 80% or below the area median income as published by the U.S. Department of Housing and Urban Development. (You must provide proof of ALL income(s) for ALL persons living in or associated with the home.)
- Applicant's must have a minimum of \$20,000 worth of equity in the home and land to participate in the program. (Current Value - Debt Owed = Equity)
- Home must be owner occupied (no rental properties) for the full 2-year program period.
- On-site system must be in a failing condition as defined by either the Jefferson County Building Division or a participating municipality to qualify for the program.
- No on-site systems can be placed on property that falls within 400 feet of a public sewer line.
- Must be sufficient acreage/property to properly install an on-site system per current Jefferson County Code. In the event that an applicant's property is too small to install a COMPLETE system, applicant understands that additional variances and or requirement may be required by Jefferson County Code in order to receive assistance under this program. Circumstances resulting from property size and requirements are beyond the control of the program and may result in applicant being unable to receive assistance.

What happens if I don't meet the minimum requirements?

Any applicant that does not meet the minimum requirements will be notified in writing of the reason and his/her application will not be processed further.

Can I apply for two programs at the same time or the same program more than once?

No, applicants can only participate in one program at a time. ALL programs are a one-time forgivable grant and therefore you cannot reapply for the same program again.

What if I have purchased a foreclosed or "as is" home?

There is a program-wide one (1) year occupancy requirement on any home that has been purchased in an "as is" condition. This includes but is not limited to foreclosed and repossessed homes. If the home has been purchased under these circumstances, documentation may be required to prove occupancy and condition of home (items requested for rehabilitation) at time of purchase time.

Household Income Limit Guidelines

The household income limit requirements for 2025 are: (current until modified by HUD)

# of Persons living in the applicant home	80% Median Income
1	\$ 62,400
2	\$ 71,300
3	\$ 80,200
4	\$ 89,100
5	\$ 96,250
6	\$ 103,400
7	\$ 110,500
8	\$ 117,650

All income limits are determined by the U.S. Department of Housing and Urban Development yearly and can be found on their website www.hud.gov under HUD Clips income limits. Jefferson County is in the St. Louis, MO — IL MSA

Total income of all persons living in the home, regardless of relationship, is added together to determine the total income of the applicant household for each of the most recent two-years.

If you are not required to file taxes because your income is too low (Exempt) or your only income is social security, alternate evidence of household income will be required. For example: yearly benefit notification from social security.

In the event that you receive social security, have additional income from any source, and are required to file a tax return; the full amount of social security received is considered income (not just the taxable amount). If this situation applies to you, please contact program staff for clarification.

Homeowner Rehabilitation

What is the purpose of the program?

The purpose of the program is to assist homeowners of single-family residences who occupy their homes and are defined as 80% or below the area median income guidelines with needed and qualified **health & safety** rehabilitation items through the use of a 2-year forgivable grant.

What is the maximum amount of money I can borrow?

The maximum amount of funds available for any one project is \$15,000.

Do I have to be a single-family homeowner to apply for funds?

Yes, applications will only be processed for homeowners who occupy their single-family homes. Applications will not be accepted from renters, landlords, or third-party persons on behalf of the homeowner.

What if I live in a Mobile or Manufactured Home?

Our program does accept applications for assistance for mobile homes which are located on real property only. We cannot work on mobile homes that are located in a park or are on any type of rented property. The program does a variety of repairs to mobile homes but does not cover the repair or replacement of any roof or any components associated with a roof; tie-downs; pier system or foundation of any type. Mobile home repairs vary widely from stick-built home repairs so prior to application, you are highly encouraged to contact staff and discuss if your particular request can be covered under our program.

How do I know if I qualify for a forgivable grant?

If your household income is 80% or below the area median income, you have the required equity in your home and you meet all additional program requirements, generally, you should qualify.

How does the program work?

The program is actually classified as a forgivable grant. Qualify for the program through the application process, execute your grant agreement, allow qualified repairs to be made to your home and remain in the house as the owner-occupant for the forgiveness period. At the end of the two (2) year project period the total grant amount will be considered forgiven (\$0 balance).

Are you going to place a lien on my house?

No. By participating in the rehabilitation program, you have asked the County to invest \$15,000 into the value of your home. In turn, they ask you to remain in that home for a period of two (2) years from the day of acceptance to basically “payback” the debt. Cash payment could only come into play if the forgivable loan goes into default (you sell, lease, rent or otherwise do not owner occupy the home).

What if I sell my house or pass away during the two years?

If at any time during the 2-year forgiveness period you fail to occupy your home for any reason, any funds that have not been forgiven could be considered due and payable in full within 30 days of the time that you no longer occupy your home or are classified as being in default. We do understand that at times special circumstances do occur and for this reason if your occupancy status changes, please notify the Entitlement program immediately.

Do my taxes have to be paid?

Yes, all property taxes must be paid and current.

Can I borrow more than 100% of my house's worth?

No, all loans combined including existing loans and new loan funds from this program can not exceed more than 100% of the home's value (equity).

How do I prove what my house is worth?

There are only two ways to prove the value of your home. A full or updated appraisal performed by a licensed real estate appraiser and completed within the last 3 years (statement of value by a bank, mortgage or insurance company or real estate agent is not acceptable). If no appraisal has been completed, we will use the current market value as stated on your Jefferson County Assessor's records/real estate tax bill. This is the amount that you are paying taxes on. Generally, these market values run low and therefore we will increase that value by 40% in order to determine your home's current value for this program.

Will I have to have a licensed/insured contractor complete the work?

Yes, all contractors must be licensed as required by Jefferson County, State and Federal governments and provide all required business insurance.

Can a contractor I know or have been referred to bid on the work?

Yes, if that contractor meets all program requirements prior to the bid meeting. We would be more than happy to work with, send bid documents to and allow any requested licensed general contractor to bid on your project but this request **MUST** be made to program staff **PRIOR** to the bid meeting. You must either provide this contractor's contact information to program staff or have the contractor contact the program staff directly in order to ensure that your project bid packet and notice of bid meeting will be made available to them.

No additional bids will be accepted after the fact. Additionally, all bids must be submitted in compliance with HUD/program standards. This means that if you obtain a bid from an outside contractor, either prior to or after your bid meeting, it will not be accepted as a qualified bid. We maintain an approved list of local, licensed, bonded, reputable general contractors which is open at all times. Our program goal is to ensure not only the quality of work being done to your home but your family's security as well.

What can I have fixed with this money?

Only qualified health and safety related housing issues can be repaired with these funds. Items that fall within these qualified issues include, but are not limited to, the repair or completed replacement of broken windows, deteriorated siding, exterior doors, HVAC (including furnace), inadequate or leaking plumbing, electrical deficiencies, deteriorated roofing, guttering or other direct issues as identified and qualified by program staff. Items that do not qualify include, but are not limited to, appliances (stoves, dishwashers, microwaves, garbage disposals, washer/dryer, water softeners or any other item that is normally considered an appliance), cabinets, light fixtures, countertops, carpeting/flooring, non-essential entrances, driveways, decks/porches, outbuildings, garage doors/openers, landscaping/tie walls, waterproofing, erosion control or foundation repairs. **ALL** expenditures under this program must be for direct health and safety related housing issues and cannot under any circumstances be used for esthetics (items that look bad but are still in usable or operating condition). The EDC understands that individual circumstances may vary by project and therefore we urge applicants to discuss requested repairs with staff prior to acceptance.

Who will determine the work specifications for my project?

The program staff will work with you to determine the work specifications of your project.

How will the bid document be created?

The program staff will create and mail out the bid documents to be used to obtain qualified contractor bids for your home. If you are familiar or comfortable with a particular contractor, please let the program staff know this before documents are prepared so that they can include your contractor (if licensed and insured) on the bid notice for your project. Bids are awarded to the best and lowest bidder. Lead work will be conducted by our contracted lead risk provider.

How many bids will I need? HUD requires that an attempt be made to acquire no less than three (3) bids for your project. Program staff will solicit the bids for the project.

Can I start my project prior to obligation of funds?

No. If work on your property begins prior to obligation of funds, you will become ineligible for this program. All costs incurred prior to obligation of funds will be at the homeowner's expense.

What happens if my house was built prior to 1978?

A lead risk assessment of the property must be conducted prior to any construction. The required lead risk assessment and any resulting lead mitigation work is paid for out of your forgivable loan. Note: If a lead risk assessment is required, this will reduce your \$15,000 by the exact direct cost of the service provided by the licensed lead risk assessor. These costs vary by size/physical makeup of each house and therefore no "set" price can be pre-quoted. On average, this cost is about \$500. This is not a negotiable item.

Does my property have to meet a minimum housing quality standard?

Yes, the home must meet minimum housing quality standards as determined by HUD after rehabilitation.

How long will it be before my house is fixed?

You should expect that the process could take as long as a year. Many factors determine how quickly work can be accomplished. (Prompt response by the applicant/contractor or factors beyond our control)

Do I have to have homeowner's insurance?

Yes, a current hazard/liability insurance policy must be in effect, and paid, in order to apply for the program. If your home can not be insured at this time you must provide a letter from your insurance company stating that your home will be able to be insured after completion of this rehabilitation program. For example, your roof is in such disrepair that the insurance company won't insure you. This roof must be one of the requested repairs and therefore after completion, your home will then be able to be insured.

Does my name have to be on the deed?

Yes, you must be an owner of record. This means that the applicant must be at least one of the legal owners and the occupant of the home. If your deed lists more than one legal owner as in a trust etc., you will need to obtain notarized letters of consent from all additional owners. Applicant will have to provide recorded legal documents showing all ownership interests.

What if I have a property violation against my home?

Example: solid waste, dangerous building, Health Department, Dept. of Natural Resources or any/and all other County, State or Federal violations. No application will be accepted from any homeowner that currently possesses any type of violation. After verification by program staff of compliance of homeowner and dismissal of such violation, you may then apply for any and all Entitlement programs.

Sewer Tap-On Fee

What is the purpose of the program?

The purpose of the program is to assist owner-occupied single-family residences in Jefferson County who are defined as 80% or below the area median income, with the cost of the sewer tap-on fee charged to hook up the household to the **public** sewer system.

What is the maximum fee that will be paid?

The current standard tap-on fee of the city or public sewer district in which the residence is located shall determine the exact amount of the fee to be paid on your behalf. Only the actual fee can be applied for, no additional fees, equipment or other associated fees or costs.

What happens when the household qualifies for the grant?

When all obligation procedures have been finished, including environmental review, the program staff will notify you and/or the city or public sewer district to whom the tap on fee needs to be paid that a grant amount has been awarded.

Can this be used to offset the cost of a private sewer hookup?

No, program funds may not be used to hookup to a private sewer company. Private sewer systems are those that service a private area only, i.e., a lake, a subdivision, a neighborhood, etc. and are not public.

Can I hook on to the public sewer prior to grant obligation?

No, if your project begins before grant obligation you will be ineligible for funds.

Does public sewer service have to exist to apply?

Yes, it must either already be available to you or have written proof from the public sewer company of availability to you within the same program year. Your application will not be processed until the physical main lines exist at your home.

Can I use this program to fix a failing septic tank system?

No. If your home's septic system is failing you may wish to apply for funding under the Private Sanitary Sewer Replacement Program.

Do I have to be a single-family homeowner occupying the home to apply for funds?

Yes, applications will only be processed for homeowners who occupy their single-family homes. Applications will not be accepted from renters, landlords, or third-party persons on behalf of the homeowner.

Private Sanitary Sewer Replacement

What is the purpose of the program?

The purpose of the program is to assist owner-occupied single-family residences in Jefferson County with the repair or replacement of their failing, privately owned, on-site sanitary sewer systems. (Septic Systems)

What is the maximum amount of money I can borrow?

The maximum amount of funds available for any one project is \$20,000.

Do I have to be a single-family homeowner occupying the home to apply for funds?

Yes, applications will only be processed for homeowners who occupy their single-family homes. Applications will not be accepted from renters, landlords, or third-party persons on behalf of the homeowner.

How does the program work?

The program is actually classified as a forgivable grant. Qualify for the program through the application process, execute your grant agreement, allow qualified repairs to be made to your home and remain in the house as the owner-occupant for the forgiveness period. At the end of the two (2) year project period the total grant amount will be considered forgiven (\$0 balance).

Are you going to place a lien on my house?

No. By participating in the rehabilitation program, you have asked the County to invest \$20,000 into the value of your home. In turn, they ask you to remain in that home for a period of two (2) years from the day of acceptance to basically “payback” the debt. Cash payment could only come into play if the forgivable grant goes into default (you sell, lease, rent or otherwise do not owner occupy the home).

What if I sell my house or pass away during the two years?

If at any time during the 2-year forgiveness period you fail to occupy your home for any reason, any funds that have not been forgiven could be considered due and payable in full within 30 days of the time that you no longer occupy your home or are classified as being in default. We do understand that at times special circumstances do occur and for this reason if your occupancy status changes, please notify the Entitlement program immediately.

Can I borrow more than 100% of my house's worth?

No, all loans combined including existing loans and new loan funds from this program can not exceed more than 100% of the home's worth (equity).

Do my taxes have to be paid?

Yes, all property taxes must be paid and current.

How do I prove what my house is worth?

There are only two ways to prove the value of your home. A full or updated appraisal performed by a licensed real estate appraiser and completed within the last 3 years (statement of value by a bank, mortgage or insurance company or real estate agent is not acceptable). If no appraisal has been completed, we will use the current market value as stated on your Jefferson County Assessor's records/real estate tax bill. This is the amount that you are paying taxes on. Generally, these market values run low and therefore we will increase that value by 40% in order to determine your home's current value for this program.

Does my name have to be on the deed?

Yes, you must be an owner of record. This means that the applicant must be at least one of the legal owners and the occupant of the home. If your deed lists more than one legal owner as in a trust etc., you will need to obtain notarized letters of consent from all additional owners. Applicant will have to provide recorded legal documents showing all ownership interests.

What if I have a property violation against my home?

For example, solid waste, dangerous building, Health Department, Dept. of Natural Resources or any/and all other County, State or Federal department violations. No application will be accepted from any homeowner that currently possesses any type of violation (other than the failing septic system violation). After verification by program staff of compliance of homeowner and dismissal of such violation, you may then apply for any and all Entitlement programs.

If my home is cited, can I avoid court or pump and haul if I apply for this program?

No, the program has no jurisdiction over violations, court hearings or a requirement to go on pump and haul. If you have been ordered to comply with these or any other requirement of the citing entity you must coordinate your actions with that entity. We cannot stop your violation.

Can I apply for this program on a piece of property I am buying?

No, the program is only available to current owner-occupied properties and requires a 1 year waiting period on any home purchased “as is” therefore if this system was failing when you purchased it, you can not apply for one year after purchase.

Is there a minimum amount of property required to get a new septic system?

Yes, per Jefferson County Code the minimum property requirements are determined by the date your deed was recorded and are as follows:

Pre 1996:	Minimum of 20,000 sq ft on public water Minimum of 40,000 sq ft on private well
1996 to 2004:	Minimum of 60,000 sq ft total regardless of water source
2004 to Current:	Minimum of 2 acres

Program staff understands that every property has its own circumstances and nuances, therefore every attempt will be made to provide you with assistance, but applicants need to understand there must be sufficient acreage/property to properly install an on-site system per current Jefferson County Code. In the event that an applicant’s property is too small to install a COMPLETE system, applicant understands that additional variances and/or requirements may be required by Jefferson County Code in order to receive assistance under this program. Circumstances resulting from property size and requirements are beyond the control of the program and may result in applicant being unable to receive assistance.

Will I have to have a licensed/insured contractor complete the work?

Yes, all contractors must be licensed as required by Jefferson County, State and Federal governments and provide all required business insurance.

Can a contractor I know or have been referred to bid on the work?

Yes, if that contractor meets all program requirements prior to the bid meeting. We would be more than happy to work with, send bid documents to, and allow any requested licensed sewer installer to bid on your project but this request MUST be made to program staff PRIOR to the bid meeting. You must either provide this contractor’s contact information to program staff or have the contractor contact the program

staff directly in order to ensure that your project bid packet will be made available to them. No additional bids will be accepted after the fact. Additionally, all bids must be submitted in compliance with HUD/program standards. This means that if you obtain a bid from an outside contactor, either prior to or after your bid meeting, it will not be accepted as a qualified bid. We maintain an approved list of local, licensed and bonded sewer installers which is open at all times. Our program goal is to ensure not only the quality of work being done for you but for your family's security as well.

Does my sewer system have to be currently failing to apply for this program?

Yes, your on-site sewer systems must be in a failing condition as defined by either the Jefferson County Building Division or a participating municipality. We cannot accept the homeowner's statement of a system as being in a failing condition; it must be identified by program staff or an official. If your system has not yet been cited, please contact the EDC for additional program options and to be instructed as to the correct procedures to follow for this program's purposes.

How will the bid document be created?

The program staff will create and mail out the bid documents to be used to obtain qualified contractor bids for your home. Bids are awarded to the best and lowest bidder.

How many bids will I need? HUD requires that an attempt be made to acquire no less than three (3) bids for your project. Program staff will solicit the bids for the project.

Can I do the work myself and be reimbursed for the costs?

No, all work must be completed by a Jefferson County/State of Missouri licensed drainlayer, engineer and soil methologist. Payment for services to your property will be made directly to the contractor awarded your project.

Can I start my project prior to obligation of funds?

No. If any work to your property begins prior to obligation of funds your application is ineligible. All costs associated with work that began prior to obligation of funds will be at the homeowner's expense.

Do I have to have a building permit?

Yes, all projects under this program are required to obtain a building permit. The contractor selected to complete your project will be required to obtain all permits. All applicable fees for your project will be paid out of the funding awarded to you.

How long will it be before my septic system is fixed?

You should expect that the process could take as long as a year. Many factors determine how quickly work can be accomplished. (Example, prompt response by both applicant and contractor, factors beyond the control of program staff, and inclement weather affecting wetness of soil which prohibits actual work).

1st Time Home Buyer Program

The Jefferson County 1st HOME program is an effort by the County to provide zero-interest down payment loans to income-eligible homebuyers in Jefferson County. Under this initiative, Jefferson County, through its participation with the St. Louis Home Consortium, will purchase subordinated second mortgage loans which finance, in conjunction with the origination of the primary loans by the Mortgage Lender, the down payment and eligible closing costs associated with acquiring qualified owner-occupied residences.

The Second Mortgage Loans are at zero percent interest, forgivable after 5 years and will be originated and sold to Jefferson County by approved not-for-profit housing counseling agencies. (Jefferson County does not subordinate these forgivable loans. Loans are forgiven only after the 12th month of the 5th year of occupancy. If home is refinanced or sold repayment is required for release of lien.) The individual contracted housing counseling agencies provide applicants with detailed program procedures; coordinate all training and review sessions and determine applicant eligibility for this program. Therefore, applicants will need to contact one of the below listed HUD approved agencies directly. **HOUSING COUNSELING IS REQUIRED.**

Loan Amount up to \$7,000.00

Participating Lender/Counseling Agencies

Beyond Housing
6506 Wright Way
St. Louis, MO 63121
(314) 376-5822
www.beyondhousing.org

The Housing Partnership, Inc
729 Lemay Ferry Rd
St. Louis, MO 63125
(314) 631-9905
www.thehousingpartnershipstl.org

First Time Home Buyer Program Income Limits (current until modified by HUD)

# of Persons Living in the Applicant Home	1	2	3	4	5	6	7	8
80% of Median Income	\$62,400	\$71,300	\$80,200	\$89,100	\$96,250	\$103,400	\$110,500	\$117,650

All income limits are determined by the U.S. Department of Housing and Urban Development yearly and can be found on their website www.hud.gov under HUD Clips income limits. Jefferson County is in the St. Louis, MO — IL MSA

* These income limits of the First Time Home Buyer Program represent only one of several eligibility requirements for this program.

**If you need further information or to request an application
for any of the programs, please contact:**

**The Economic Development Corporation of Jefferson County
P.O. Box 623, 5217 Highway B
Hillsboro, Missouri 63050**

Phone: (636) 797-5336 Fax: (636) 797-5080

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