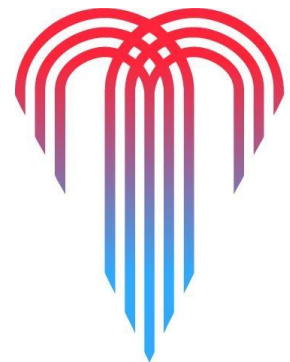


**City of Kansas City, Missouri's
Resident Participation Plan
& Guide to Requesting Funding Under the
2024 Annual Action Plan for
CDBG, HOME, ESGP, HOPWA**

Prepared by Housing and Community Development Department
Blaine Proctor
December 18, 2023 (Revised)
January 5, 2023 (2nd Revision)



**GUIDE TO REQUESTING FUNDING UNDER THE
2024 ANNUAL ACTION PLAN
AND RESIDENT PARTICIPATION PLAN**

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2024 ANNUAL ACTION PLAN SCHEDULE

December 18, 2023 (Full week run)	Publish Notice of Funding Availability and advertisement of workshops and public hearing dates in the <i>Kansas City Star</i> , <i>The Call</i> , <i>Dos Mundos</i> and on the Housing and Community Development Department web page.
January 4, 2024	Workshop #1: Thursday, January 4, 2024 at 10:00 am Gregg-Klice Community Center, 1600 E 17th Ter, KCMO 64108 (Community Room) Workshop #2: Thursday, January 4, 2024 at 6:00 pm Gregg-Klice Community Center, 1600 E 17th Ter, KCMO 64108 (Community Room)
January 5, 2024	Workshop #3: Friday, January 5, 2024 at 2:00 pm (virtual only) Join Zoom Meeting https://us06web.zoom.us/j/85361104562?pwd=hB2Y4vPEEdLJvoFci5tRMsCSYRI4Bx.1 Meeting ID: 853 6110 4562 Passcode: 106457
January 19, 2024	<i>All 2024 requests for funding are due. Applications must be submitted electronically via https://www.kcmo.gov/city-hall/housing/neighborhood-grant-programs-copy</i>
January 31, 2024	Resident Participation Plan administratively adopted following 30-day review period
February 9, 2024	Funding requests reviewed by staff and recommendations completed.
February 15, 2024	2024 Draft Annual Action Plan Development
February 16, 2024 (tentative)	Submittal of 2024 Annual Plan recommendations to City Manager/HCDD Director/Agencies
February 20, 2024 (tentative)	<i>Publish draft 2024 Annual Action Plan recommendations in <i>Kansas City Star</i>, <i>The Call</i> and <i>Dos Mundos</i>.</i>
February 28, 2024 (tentative)	<i>2024 Annual Action Plan recommendations presented to Council Committee. Public Testimony taken. City Council Chambers, City Hall 26th Floor, 4pm.</i>
March 6, 2024 (tentative)	<i>2024 Annual Action Plan recommendations presented to Council Committee. Public Testimony taken. City Council Chambers, City Hall 26th Floor, 4pm</i>
March 7, 2024	<i>2024 Annual Action Plan recommendations approved by Full City Council, City Council Chambers, City Hall, 26th Floor</i>
March 8, 2024	Submission of the 2024 <i>Annual Action Plan</i> to HUD – begins the 45-day review period.
May 1, 2024 (tentative)	2024 Annual Action Plan Year begins.
July 21, 2024	Date for public hearing on 2024 Consolidated Annual Performance and Evaluation Report (CAPER)
July 28, 2024	2024 CAPER submitted to HUD.

Guide to Requesting Funding Under the 2024 Annual Action Plan and Resident Participation Plan

I. THE FIVE-YEAR CONSOLIDATED PLAN & PROPOSED GOALS AND OBJECTIVES

Overview:

The *Five-Year Consolidated Plan (Consolidated Plan)* is a document which assesses needs, sets goals and objectives, and allocates funds from Federal sources for housing and community development purposes over a five-year planning period. The planning process for allocating these Federal funds is mandated by the U.S. Department of Housing and Urban Development (HUD). This *Resident Participation Plan & Application Guide* provides information for applicants for the use of Community Development Block Grant (CDBG), Emergency Solutions Grant (ESGP), HOME Investment Partnerships Grant (HOME), Housing Opportunities for Persons with AIDS Grant (HOPWA), and other public resources for a range of housing and community improvement activities in Kansas City.

The *Consolidated Plan* provides an overall strategy for the use of federal and local resources to address its housing, community and special needs objectives. Appendix A “Housing & Community Development Goals, Strategies and Fair Housing Policies” describes the plan’s proposed policy and goal setting approach according to the following directives:

- Incorporates the City Council’s Housing and Healthy Communities goal, as stated in the 2020 – 2024 Citywide Business Plan:
 - *To support the development, maintenance, and revitalization of sustainable, stable, and healthy communities through equitable policies and programs aimed at improving housing, neighborhoods, and health care services in all areas throughout the City.*

As described in Section IV of this document, “merge” the City’s goals, strategies and objectives developed in the Affirmatively Furthering Fair Housing Report into the *Consolidated Plan*. The report is available for review on the Housing and Community Development Department webpage <https://www.kcmo.gov/city-hall/housing/plans-and-reports>. Please review the new Affirmative Fair Housing Goal. These goals will be included in our 2022-2026 Five Year Consolidated Plan and the new report will be posted for your review.

II. ONE-YEAR ACTION PLAN

The City receives four grants from HUD on an annual basis - Community Development Block Grant (CDBG), Emergency Solutions Grant (ESGP), HOME Investment Partnerships Grant (HOME) and Housing Opportunities for Persons with AIDS Grant (HOPWA). The amount of each grant is determined by the total dollars appropriated by Congress for the fiscal year and entitlement cities and states receive an allocation based on a formula basis. These funds are allocated by the City to private non-profit community development corporations, community-based organizations and agencies, internal City departments, and private for-profit corporations for activities that generally benefit low- and moderate- income areas or low and moderate-income persons.

- A. Without exception, all CDBG program activities must meet at least one of the national objectives of the CDBG program, which are: 1) principally benefit low- and moderate-income persons who earn at or below 80% of the area median income; 2) aid in the prevention or elimination of slums or blight; or 3) activities that meet needs having a particular urgency.

In addition, a project must also be an eligible activity under the Federal regulations of the CDBG program. These activities include, but are not limited to, acquisition of property, relocation of occupants of property acquired, rehabilitation and preservation of property, homeownership, construction or rehabilitation of public facilities, demolition and clearance, minor home repair in target areas, provision of public services, economic development, removal of architectural barriers, historic preservation, single family and multifamily housing units.

- B. ESG funds may be used to fund activities under one or more of the following categories:
- a. Emergency Shelter – renovation, major rehabilitation or conversion; essential services; shelter operations;
 - b. Prevention Services – housing relocation and stabilization services and short-and/or medium-term rental assistance;
 - c. Rapid Re-Housing – permanent housing relocation stabilization services and short-and/or medium-term rental assistance;
 - d. Street Outreach—case management, engagement, transportation
 - e. Data Collection – Homeless Management Information System (HMIS); or
 - f. Administration in accordance with 24 CFR Part 576.
- C. HOME funds may be used to assist low- and moderate-income homebuyers and homeowners and for development of rental housing and homeownership opportunities which is affordable to low and moderate income persons.
- D. HOPWA funds are used to provide housing assistance and supportive services to low-income persons with HIV/AIDS and their families.

Each of these programs has specific regulations which the City must follow in the expenditure of the funds. The basic overall objective of the Federal funds is to benefit low- and moderate-income persons, which are those households with an income of 80% or less of the area median income. The total funds available are all budgeted at the same time in order to achieve the maximum efficiency and flexibility.

As part of the annual budgeting process, this Guide describes projects and target areas and provides the required application forms for proposals from private organizations which are eligible to receive funds as subrecipients, contractors or developers. Application workshops (see schedule) are held to explain the application process and required forms, and to generally assist organizations planning to apply for funding. **Once applications are accepted at the due date, there will be a quiet period for staff until recommendations from staff are submitted to Council.**

III. THE CITIZEN PARTICIPATION PROCESS

Citizen Participation Plan

Throughout the development of the *2024 Annual Action Plan (Action Plan)*, resident input is essential. The City provides its residents many opportunities to provide input to the decision making process. Residents are encouraged to attend and participate in City Council committee meetings, neighborhood/community revitalization meetings, and public hearings designed to solicit public comments. Two possible ways for you to become involved in the development and implementation of the *Action Plan* include:

- Providing written input through completion of *Resident Input Sheets* which will be available at all scheduled public hearings or may be obtained by emailing the Housing and Community Development Department at housing@kcmo.org; or kcmo.gov/city-hall/housing
- Participation in workshops or providing testimony at City Council Public Meetings.

The public information and hearing schedule for the *Action Plan* is provided on page 1. The process begins December 18, 2023 and continues into March 2024. Starting December 18, 2023, this Citizen's Guide will be available, and public notices detailing the dates, times, and locations of public meetings will be placed in the *Kansas City Star*, *The Call*, and *Dos Mundos* newspapers, as well as on the department's web page <http://kcmo.gov/city-hall/housing>

In February 2024, the City will publish a summary of the recommended *Action Plan* and public hearing dates before the City Council Housing Committee, in the same three newspapers, as well as post it on the City's website. The City will accept comments on the *Action Plan* for 30 days beginning with the date of publishing. This 30-day residents review period for the *Action Plan* will provide reasonable opportunities to examine and comment on the Plan.

Staff recommendations for the *Action Plan* will also be sent to all persons and agencies that submitted proposals for funding consideration during the planning process and will be posted on the Housing and Community Development Department webpage.

Comments on the *2024 Action Plan* will be accepted and responded to within 5 working days. Written comments and responses will be included in the final *2024 Consolidated Action Plan*. Direct comments made during the Special Committee on Housing Policy public hearings will also be included in the *Plan*.

Access to Records

The City will continue to accept and respond to any written comments throughout the year. Complaints will be investigated and responses will be made within 30 working days after a complaint is received. All concerns are filed in the Housing and Community Development Department's records and made a part of the Consolidated Annual Performance and Evaluation Report (CAPER). **A public hearing on the CAPER covering the 2024 program year (May 1, 2023 – April 30, 2024) will be held in July 2024. Written comments on the CAPER will be included in the final report submitted to HUD.**

Technical Assistance

The City will provide an appropriate level of technical assistance to groups representing persons of low and moderate-income that request such assistance in developing proposals for funding assistance under any of the programs covered by the Action Plan prior to submittal date. Staff will provide assistance up to deadline.

Meeting the Special Needs of Non-English Speaking Residents

The City will publish its Public Notices and a summary of the Draft 2024 Action Plan in the *Dos Mundos* newspaper for Spanish speaking residents.

Meeting the Special Needs of Persons with Disabilities

The City will also include the following language in all notices, flyers, and releases to accommodate persons with disabilities:

"Any person with a disability desiring reasonable accommodations to participate in this meeting may contact the 311 Action Center at 311 or (816) 513-1313 or for TTY 513-1889 or by email at actioncenter@kcmo.org."

Adopting the Resident Participation Plan

The City will administratively adopt the *Resident Participation Plan* on February 2, 2024, after the required 30-day review and comment period from the date that it was made available to the public. The City will publish and make available to the public, especially to persons with disabilities, any amendments to the *Citizen Participation Plan* and provide a 30-day period for citizens to comment on any substantial amendments as defined below.

Substantial Change Process and Amendments

The City of Kansas City presents the following policy regarding formal amendments to its *Consolidated Plan* or *Annual Action Plan*. The *Consolidated Plan* will be amended, formally, upon the occurrence of one of the following:

- A. A *Consolidated Plan* activity described in the *Consolidated Plan*, as amended, is cancelled; or an activity not previously described in the *Consolidated Plan*, as amended, is added; or
- B. There is a substantial change to the current *Consolidated Plan*, as amended. *Substantial change* is defined as:

1. A change in *Consolidated Plan* priorities;
2. A change in a program/project description of such a degree that it may be reasonably concluded that a significant change in projected program purpose, scope, location, fund allocation or intended beneficiaries would ensue; or
3. The amount to be expended for an existing activity with an allocation of CDBG or HOME funds is in excess of \$400,000 is proposed to be changed by more than 25%.

Formal amendments to the *Consolidated Plan* trigger the need for a public hearing and 30-day comment period. Changes to the *Consolidated Plan* not reaching the level of formal amendment will be treated through existing City review and approval process. These informal changes will be included in the annual performance report to HUD and the public for the subject *Consolidated Plan* year.

Fair Housing

The Fair Housing (FH) rule requires fair housing planning and describes the required elements of the fair housing planning process. The first step in the planning process was completing the fair housing analysis required in the FH Report. The FH can be viewed or downloaded on the Housing and Community Development Department Plans and Reports webpage <https://www.kcmo.gov/city-hall/housing/plans-and-reports>. The rule establishes specific requirements program participants will follow for developing and submitting an FH Report and for incorporating and implementing that Report into the subsequent *Consolidated Plan*. This process will help to connect housing and community development policy and investment planning with meaningful actions that affirmatively further fair housing. The new approach put in place by this fair housing planning processes provides data and greater clarity to the steps that program participants must take to assess fair housing issues and contributing factors, set fair housing priorities and goals to overcome them, and, ultimately, take meaningful actions to affirmatively further fair housing. Applications submitted which address and implement stated FH goals will be considered for increased scoring toward final recommendations. Please review the existing FH Goals.

Resident Participation

The City will publish the Notice of Funding Availability, *Resident Participation Plan and Request for Proposals Guide*, public meeting and applicant workshop dates and proposed funding recommendations in the *Kansas City Star*, *Dos Mundos* and *The Call* newspapers, and make copies of each document available on the City’s official government website <https://www.kcmo.gov/city-hall/housing>, as well as at libraries, government offices, and public places, and list locations where copies of the entire proposed document may be examined. All copies of the plan will be free to the public.

IV. NOTICE OF AVAILABILITY OF FUNDS

Notice is hereby given that the City of Kansas City anticipates receiving Federal funding in FY 2024 under the Community Development Block Grant, HOME Investment Partnerships Program, Emergency Solutions Grant Program and Housing Opportunities for Persons with HIV/AIDS programs. The following grant numbers are estimates of the funding to be received and will change when the City receives official notice of new allocations.

CDBG	\$7,800,000
HOME	\$2,400,000
ESGP	\$ 640,000
HOPWA	\$1,400,000

Applications for housing development will be reviewed and, if recommended, the City may issue a fast-track conditional commitment with the understanding that an actual contract could not be executed until HUD approves the *Action Plan*, which is expected in May or June of 2024.

A series of workshops will be conducted to discuss the process for submittal of requests for funding (refer to schedule at the beginning of the document). It is ***strongly recommended*** that agencies interested in submitting an application for funding, should attend one of these sessions. Applicants are encouraged to ask questions about required material that they do not understand to submit the best and most complete application possible. Agencies are also encouraged to review the City’s *Consolidated Plan* before attending a meeting to determine whether their proposal is consistent with the City’s community development plans. The *Consolidated Plan* can be found on the City’s website <https://www.kcmo.gov/city-hall/housing/plans-and-reports>. The complete list of dates, locations and times for the informational meetings can be found on page 1. **All completed applications for funding must be submitted online via the Housing & Community Development Department webpage, <https://www.kcmo.gov/city-hall/housing/neighborhood-grant-programs-copy> on the City of KCMO’s website, by 10:59 pm on January 19, 2024 in order to be considered valid.** (Fax, email and hard copy applications will not be accepted.)

V. REQUEST FOR PROPSAL (RFP) PROCESS

Submitted proposals are final and may not be amended or substituted, unless the amendment has been requested or permitted by the City. The City, at its sole discretion, reserves the right to contact an applicant for additional information which may be necessary for the review process.

All responses will be reviewed, evaluated, and ranked by a committee. Committees consisting of Housing and Community Development Department (HCDD) staff will review and rank the CDBG and HOME applications while a Community Review Committee made up of HCDD staff and Continuum of Care CoC representative will review and rank the ESGP submittals. HOPWA applications are reviewed and ranked by the City's Health Department. Rankings will then be used to develop funding recommendations for submission to the City Manager.

It is the responsibility of each review committee to ensure that a proposal contains all the information and documents required to verify that it is appropriate for the grant funding requested. This committee evaluates the content of the proposals and determines:

- Eligible activities for each program.
- Whether the proposed project appropriately addresses the identified needs;
- Whether the proposed project complies with existing state, county and City laws, ordinances, regulations and policies*;
- Feasibility of timely implementation of the project; and
- Whether cost estimates appear to be accurate.
- Eligible activity for each program

*project submissions that address goals enumerated in the **Fair Housing (FH) report** will be weighted *more* favorably than projects that do not take FH goals into consideration. The FH report can be accessed on the Housing and Community Development Department webpage <https://www.kcmo.gov/city-hall/housing/plans-and-reports>.

If a proposal is determined to be ineligible, the Applicant is informed, and the proposal is withdrawn from consideration. In cases where there is uncertainty as to the proposal's eligibility, the City's HUD representative will be consulted for a final decision.

The evaluation criteria to be used by the various review committees can be found in the following appendices. Separate criteria will be used for CDBG non-public service, CDBG public service, HOME, ESGP and HOPWA funding requests.

Community Housing Development Organizations (CHDOs)

The City is required to *set aside a minimum of 15 percent of its HOME allocation* for development activities in which qualified CHDOs are the owner, developer or sponsor of the housing. A Kansas City non-profit agency that can be certified as a CHDO for a specific housing project may submit a proposal as part of the *Action Plan* application process. ***Proposals for rental activities should identify preliminary site locations, including address(es), if possible; all proposals must specify the target area, the number of units anticipated and the dollars requested.***

The CHDO project funding will be determined after an evaluation of the CHDO's prior year's expenditure rate and the CHDO's past performance (if applicable); the amount of outside funding leveraged by the type of housing proposed (single family vs. multi-family); and by how well the CHDO's proposal addresses an unmet priority need identified in the Five-Year Consolidated Plan.

CHDO can apply anytime during the year, however an agency qualifying for CHDO funding must be re-certified immediately prior to the commitment (contracting) of funds to determine their eligibility. Additionally, the CHDO must be re-certified annually throughout the term of the contract and the entire affordability period of rental projects. For more information on CHDO Certification Criteria, please call or email TaWana Woodard at (816) 513-3213 or TaWana.Woodard@kcmo.org.

Funded CHDO projects must be under written agreement (contract) within two-years funding allocations. The City will monitor and report on all CHDO projects so that this commitment period is met.

VI. APPLICATION INSTRUCTIONS

All application materials must be submitted online via the Housing & Community Development Department webpage ([Search Housing Funding Opportunities](https://www.kcmo.gov/city-hall/housing/neighborhood-grant-programs-copy)), <https://www.kcmo.gov/city-hall/housing/neighborhood-grant-programs-copy> on the City of KCMO's website, **by 10:59 pm on January 19, 2024 in order to be considered valid. PROPOSALS RECEIVED AFTER THIS TIME WILL NOT BE ACCEPTED.** Visit the following links to submit applications for each funding request:

CDBG Public Service

https://www.cognitoforms.com/kansascity2/_2024cdbgpUBLICSERVICEproposal

CDBG (Non-Public Service)

https://www.cognitoforms.com/kansascity2/_2024cdbgnonpublicservicefundingrequestproposal

HOME

https://www.cognitoforms.com/kansascity2/_2024homefundingrequestproposal

HOPWA

https://www.cognitoforms.com/kansascity2/_2024hopwafundingrequestproposal

ESG

https://www.cognitoforms.com/KansasCity2/_2024ESGFundingRequestProposal

1. Submit a separate application for each project or activity for which funding is being sought.
2. Keep responses to questions as brief and concise as possible.
3. Make sure each submission has all the requested items attached.
4. If you do not have an Exhibit, explain why and submit as an attachment entitled, "Exhibit Cover Page."

IMPORTANT INSTRUCTIONS: If you are applying for more than one category of services, please provide and submit a narrative and budget for each separate component.

VIII. OTHER CDBG AND HOME REQUIREMENTS

Minority and Women's Business Enterprises (MBE/WBE)

The City is committed to ensuring that minority and women business enterprises participate to the maximum extent possible in the performance of City contracts. If an applicant is requesting funding for a construction related *project exceeding \$300,000*, the applicant must submit an approved contractor utilization plan before entering into a contact with the City.

Section 3

The purpose of Section 3 is to ensure that the employment and other economic opportunities generated as a result of a HUD-assisted project covered by Section 3 shall, to the greatest extent feasible, be directed to low- and very-low income persons, particularly persons who are recipients of HUD housing assistance. The requirements of Section 3 apply to recipients of CDBG and HOME funds that invest \$200,000 or more into a project involving housing construction, rehabilitation or other public construction. Agencies will be required to submit an approved Section 3 Plan prior to entering into a contract with the City.

Labor Standards

Labor standards, including Davis-Bacon Act requirements, apply to any construction, rehabilitation, alteration, or repair, including painting, flooring, and decoration, *in an amount of \$2,000 or more*, any part of which is Federal money. *However, Davis-Bacon does not apply to the rehabilitation or construction of residential structures containing less than 8 units (CDBG funds) or less than 12 units (HOME funds). These standards include:*

- Paying workers the prevailing Federal wages and fringe benefits effective at the time the job is contracted.
- Paying workers weekly and submitting certified payrolls weekly in the prescribed format.
- Interviewing workers on the job site regarding appropriate job classification and wages and benefits received.
- Maintaining all records for a minimum of five (5) years after the completion of the project.

The prevailing wage provisions do not apply to volunteers who receive no compensation and are not otherwise employed at any time in the construction work. The provisions also do not apply to members of a family providing labor in exchange for acquisition of a property for homeownership or in lieu of, or as a supplement to, rent payments.

Environmental Review

The environmental impacts of each CDBG or HOME funded activity must be assessed in accordance with the provisions of the *National Environmental Policy Act of 1969 (NEPA)*.

The City's Environmental Review Officer, housed in the Housing and Community Development Department, is responsible for carrying out the review process and determining whether activities are compliant with NEPA and related laws and authorities. During this period, no choice-limiting actions can be undertaken by the applicant until the Environmental Review has been approved by HUD and the Release of Funds obtained. Choice limiting actions include real property acquisition, demolition, site clearance, repair, rehabilitation, or construction. In addition, no contract for financial assistance will be executed until the environmental review has been completed. To help

expedite the review process, a completed Environmental Checklist (see Appendix G must be submitted for each Non-Public Service proposal as Exhibit E.

Note: Once an application has been submitted for a project that anticipates the use of HUD funding, neither HUD funds, nor non-HUD funds can be committed to that project until the environmental review has been approved by HUD, and the Release of Funds obtained. No choice limiting action can be taken until the environmental review is approved (24 CFR 58.22) and Release of Funds obtained. Choice limiting actions include real property ACQUISITION, DEMOLITION, SITE CLEARANCE, REPAIR, REHABILITATION, CONSTRUCTION and LEASING activities. If you are not certain about where your project stands with regard to this statement, please contact the Environmental Review Officer, Tom Neff, at Tom.Neff@kcmo.org or (816) 513-1332.

IX. IF YOUR PROJECT IS FUNDED

If your organization is funded through this *Action Plan* process, the following information provides an idea on what will be expected of you, what types of demographic documentation you will need to provide the City and other general information.

Project Manager

Project Managers are City staff assigned to each agency that is to receive funding through the *Action Plan*. They are to assist the agency and be the primary point of contact during the contract development and implementation phases related to the specific project.

Agency Agreement

If you are selected to receive funding, your agency will be required to sign a contract. This contract establishes the basis on which you are to receive funding, the use of the property to be assisted, the services to be provided, demographics of the population to be served, how funds will be disbursed and the general terms and conditions as required by the specific funding source. The Project Manager and the City's Law Department will be responsible for writing the contract, which will be sent to the funded agency for review and comment.

Important All contracts will contain a budget, a specific itemization of the services to be provided, and benchmarks or performance standards to determine compliance with contractual terms as well as the goals of your *Action Plan* application. **For this reason, it is very important that your application accurately reflect how many clients you intend to serve, who your clients are, and the specific program goals.** Failure to perform in accordance with contract goals could cause your contract to be cancelled or reduced and your agency to not be considered for funding in future years.

Funded agencies will enter into contracts with the City for their grant award on or after May 1, 2024. Agencies receiving CDBG or HOME funding must also receive environmental review approval and, if applicable, Section 3 and MBE/WBE Plan approval prior to contract execution. Detailed monthly reports on the status of program activities and accomplishments will be required by the contract.

Appendix A:
2022-2026
Housing and Community Development
& Fair Housing Policies, Goals, and Strategies

- **FIVE YEAR CONSOLIDATED PLAN GOALS**
- **OTHER STRATEGIC POLICY ISSUES**
- **FAIR HOUSING GOALS AND STRATEGIES**

Appendix A:
2022-2026
Housing and Community Development
& Fair Housing Policies, Goals, and Strategies

The following begins a community-wide discussion on a framework to guide the City’s housing, community, and fair housing policies, goals, and strategies over the next five years. The primary components of the framework include:

FIVE YEAR CONSOLIDATED PLAN AND PROPOSED GOALS AND STRATEGIES

The Consolidated Plan document assesses the city’s housing and community needs, identifies policy and strategy solutions, and sets goals and objectives on how to allocate funding from the federal sources for housing and community development purposes over a five-year period. This planning process is mandated by the US Department of Housing and Urban Development (HUD). Kansas City, Missouri receives four sources of funds on an annual basis which include the following:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership Program (HOME)
- Emergency Solutions Grant (ESG)
- Housing Opportunities for People with AIDS (HOPWA)

The Five-Year Consolidated Plan provides an overall strategy for the use of federal resources, in collaboration with local and philanthropic sources, to address housing and community needs. Needs include: creation and preservation of housing; financing of homeownership opportunities; community development through economic development and public facilities; special needs; housing mobility objectives; public service activities which encompass housing assistance, day care, housing counseling, eviction prevention, and economic development activities.

In recent years, the Low-Income Housing Tax Credit program has proven to be a valuable complement to the City’s federal funding, such as HOME Partnership and CDBG funding, to help with preserving and creating additional units to meet those families at lower income levels and those in need of services. Collaboration with partners is essential to Kansas City increasing and preserving housing.

The City of Kansas City, MO has successfully reached some of its goals, strategies and objectives developed in the Affirmative Fair Housing Report submitted with the 2017-2022. Many of these goals continue to be important to adequately serve our residents and are reflected in the 2022-2026 Five Year Housing Policy.

This Action Plan seeks to align housing and community development programs with stated citywide goals. In the 2020 – 2024 Citywide Business Plan, the Housing and Healthy Communities goal is: *To support the development, maintenance, and revitalization of sustainable, stable, and healthy communities through equitable policies and programs aimed at improving housing, neighborhoods, and health care services in all areas throughout the City.*

Goals and Strategies for the 2024 Action Plan are as follows:

Goal 1: Maintain and fund a Housing Trust Fund that will work in partnership with federal and philanthropic resources to have a catalytic impact to create and preserve units and provide the needed funding to meet the needs of households at lowest income levels and of those who need supportive services.

Strategies

1. Use federal funding and stakeholder partnerships to leverage the Housing Trust Fund and increase the supply of affordable housing.
2. Maintain policies for the use of the Housing Trust Fund and processes for evaluating funding request.
3. Grow the Housing Trust Fund by setting annual funding goals and designating sources of funds.

Goal 2: Maintain and strengthen relationships with Missouri officials.

Strategies

1. Meet regularly to discuss housing needs and solutions to increase level of resources and funding support.
2. Engage and share information with key public officials to express the needs of Kansas City and how state programs and services can support Kansas City.
3. Push for stronger housing policies and legislation at the state and federal level.

Goal 3: Develop plans and strategies for affordable housing in transit corridors with close proximity to education, health care, jobs, and retail to give residents increased access jobs and social services.

Strategies

1. Continue implementing the ROAD Forward housing mobility program to ensure housing for those most in need are located near corridors with schools, access to health care and jobs.
2. Provide incentives for affordable housing along transit corridors.
3. Provide incentives for rental housing for older adult households in targeted areas around health care facilities.

Goal 4: Address barriers to securing affordable, safe and decent rental housing for those low and very low incomes.

Strategies

1. Develop an effective marketing program and provide training, workshops, education, and other opportunities for low-income renters to assist them with resources, knowledge of their rights, and other service opportunities.
2. Continue to use the Housing Locator to help with locating housing units and resources around the city and across the metropolitan area.
3. Pass local legislation making source of income a protected category by the City.

4. Provide ongoing eviction assistance and homeless prevention services through partnering with key agencies, thus creating a strong system to reduce evictions. Explore funding sources to review and regularly update housing and eviction data.
5. Continue the relationship with the Housing Authority of Kansas City (HAKC) to increase the number of publicly owned housing units and other affordable resources to serve very low and low-income residents. Working in collaboration with HAKC on the mobility initiative housing.
6. Complete the Choice Neighborhood Initiative and find additional ways to add federal to benefit Kansas City and its residents.
7. Obtain and provide federal, state, and local resources for rent and utility assistance, case management and staffing.

Goal 5: Continue creating redevelopment efforts and provide sustainable and vibrant neighborhoods through community led housing creation.

Strategies

1. Create infill housing through the use of repurposed buildings and Land Bank owned vacant lots
2. Support redevelopment efforts on large vacant tracts of land.
3. Promote mixed income housing and homeownership for first time homebuyers.
4. Create housing that supports residents with services and job creation.
5. Provide Minor Home Repair and evaluate how we can provide additional resources.

Goal 6: Increase opportunities for homeownership at all income levels.

Strategies

1. Develop and implement a homeownership program that assists existing homeowners and first-time buyers. Pilot the program in targeted areas.
2. Dedicate funding for targeted down payment assistance of up to 10%, 15%, and 20% down payments in areas as guided by the Market Value Analysis data.
3. Build capacity at housing counseling agencies to assist potential homebuyers and build relationships with local realtors.
4. Coordinate with the Housing Authority's Housing Choice Voucher Homeownership Program to enable Kansas City voucher clients to purchase their own homes utilizing Section 8 voucher payments.
5. Coordinate with corporate and financial institutions and others to enhance the home ownership opportunities for low to moderate income families.

Goal 7: Implement housing preservation recommendations

Strategies

1. Continue with the work of the Housing Preservation Task Force and work with groups that provide preservation funding, such as LISC, IFF, NOAH (Naturally Occurring Affordable Housing), MHDC and others.
2. Create a Loan/Grant Pool or an innovative option for helping to preserve small multifamily units and those units with expiring use agreements.
3. Support the creation of housing through the rehabilitation of vacant and blighted residential properties.
4. Develop a notification/tracking strategy where the City will document and track, to the extent possible, expiring assisted housing developments to determine the affordability expiration and the risk factors for losing affordability upon expiration. The City will reach out to the owners of these properties to provide the proper city incentives to keep these units affordable.
5. Continue to assess small multifamily units across distressed census tracts.

Goal 8: Support aging in place programs and housing supportive services

Strategies

1. Leverage existing programs to assist with home repairs and modifications including partnering with the City's Healthy Homes program and area agencies that assist with home modifications.
2. Set priorities for Low Income Housing Tax Credit projects to include units for older adults, non-elderly disabled persons, and special needs populations
3. Build new and renovate existing housing units that reduce mobility barriers.

Goal 9: Increase the understanding of equity around housing access and the understanding of housing rights to ensure equitable housing access.

Strategies

1. Create and fund a Fair Housing Initiatives Program in Kansas City.
2. Assist residents that have been subjected to housing discrimination.
3. Communicate and teach fair housing to tenants and homeowners.

Goal 10: Create a comprehensive strategy and robust infrastructure to address houselessness.

Strategies

1. Leverage funding provided through the Emergency Solutions Grant program
2. Partner with stakeholders to promote and develop more supportive, senior, and veteran housing units.
3. Coordinate with agencies including the Greater Kansas City Coalition to End Homelessness and the KC Houseless Task Force.
4. Create educational opportunities and strategies for the City and its partners around Housing First and Rapid-Rehousing and outreach to houseless individuals.

5. Create additional units to meet the needs of those at risk of being houseless and homeless, including youth.
6. Support supportive housing education for developers, asset manager, social service agencies and others.

Goal 11: Maximize Section 3 and Minority Business Enterprise and Women Business Enterprise participation

Strategies:

1. Continue to train and assist Section 3 companies.
2. Work with the City’s Civil Rights and Equal Opportunity department to set goals for housing projects that support Section 3 and MBE/WBE firms.

OTHER STRATEGIC POLICY ISSUES:

Given the complexities and challenges of the City’s housing, community, economic development, and fair housing needs in critical target areas, the City should develop effective and long-term capacity to effectively manage a range of programs and activities that address the needs and accomplish shared goals with the community and the region. Strategic policy responses include:

- Provide resources for the administration of redevelopment and rehabilitation financing assistance programs.
- Utilize the Market Value Analysis, targeted neighborhood data, and existing evaluations to evaluate projects regarding community support, percentage of ownership/rental, concentration of income levels, availability/accessibility of transportation, neighborhood condition, and capacity of neighborhood organizations.
- Continue to move forward with completing the Housing and Economic Development Financial Corporation (HEDFC) Receivership projects noted in the City-HUD Memorandum of Agreement of April 1, 2013.
- Appropriately staffing of HCDD to meet the needs of Kansas City, Missouri housing efforts.

Recognize and prioritize the following major Housing, Community & Fair Housing issues and corresponding strategies and partnerships to address these issues. Please review the existing Fair Housing Goals. Once the new Assessment of Fair Housing is completed and approved, these goals will be included in our plan and the report will be posted for your review.

- **Address Discrimination and Equity**
 - *Increase awareness and increase resources that result in a reduction of discriminatory actions by landlords, realtors, lenders or others; and enable residents to recognize discrimination if it occurs and understand the resources available to them and how to access them so residents are able to meet their housing needs.*
- **Limited access to economic opportunity and quality education**
 - *Increase access to economic opportunity for disadvantaged persons and families through quality education and workforce development services.*
- **Limited transportation access to jobs and community services**

- *Expand public transportation services, housing development in transit corridors, and services to connect residents in disadvantaged neighborhoods and communities to jobs and community services.*
- **Address Discrimination and Community Opposition**
 - *Raise understanding and awareness by the public of the need for affordable housing throughout the region with the publication of quality data and metrics and targeted advocacy, and encourage the participation in positive dialogue about the development of quality housing options that add to the value of neighborhoods.*

FAIR HOUSING GOALS AND STRATEGIES

1. Goal: Strengthen relationships through ongoing meetings with Missouri officials to discuss housing policy and other issues related to community development.

Strategies

- a. Maintain regular meetings with Missouri Housing Development Commission (MHDC) representatives to discuss the city’s housing needs and options for addressing them through the use of MHDC or other state resources
- b. Work with the City Council’s Committee on Legal Review and the City hired lobbyists to push for stronger housing legislation in the city, state, and nationally.

2. Goal: Continue to address barriers that low-income households face in securing rental housing.

Strategies

- a. Examine best practices by other cities to remove the barrier to rental housing by low-income households.
- b. Collaborate with housing providers to provide training, workshops, education, and other partnership opportunities to increase housing access for low-income renters and families.
- c. Collaborate with KC Housing Authority that issues vouchers and nonprofit agencies providing counseling/case management services to explore options to secure housing.
- d. Support the development and implementation of a housing locator service.
- e. Discuss policy changes with councilmembers to outline an approach, and if feasible, draft an ordinance to make a source of income a protected category under the city’s fair housing regulations. Sources of income may include child support, social security and disability, housing vouchers, and more.

3. Goal: Work with partners across the city, non-profits, and County jurisdictions to take a data-driven approach to reducing evictions.

Strategies

- a. Work with partners to develop a data review process to review and regularly update housing and eviction data from a range of sources.

b. Continue providing annual funding support for legal services through efforts of the United Way of GKC, Heartland Center, Legal Aid of Western MO, CHES, and other partners as identified and encourage positive approaches to reduce evictions.

c. Continue supporting nonprofit organization case management to help tenants apply for rent and utility assistance to avoid eviction

4. Goal: Strategically allocate funds to implement and evaluate housing goals. Areas of focus include fair housing, production, housing mobility, preservation, and neighborhood stabilization.

Strategies

a. Develop and implement public information program to raise public awareness of fair housing rights through the Office of Tenant Advocacy and Resources.

b. Set annual goals for the production of new affordable housing to be supported with CDBG and HOME funds.

c. Implement and evaluate the success of the ROAD Forward program and continue regional efforts to promote and support housing mobility.

d. Implement the recommendations of the Housing Preservation Task Force.

e. Set goals for annual investments in neighborhood stabilization, working with City Planning and Development, to identify priority areas for removal of blight, protect affordable housing units, and prevent displacement of current residents.

f. Regularly meet with financial institutions, insurance companies, landlords, realtors, foundations, and others to enhance their knowledge of and support for fair housing and to redress past harms.

g. Work with financial institutions to identify and promote Community Reinvestment Act-supported actions that could respond to fair housing issues.

5. Goal: Support disabled, elderly, and special needs residents through aging-in-place programs and the development of housing that provides supportive services.

Strategies

a. Address costs to allow disabled and elderly residents to remain living independently by assisting with home repairs and modifications through the Minor Home Repair program.

b. Set priorities for Low-Income Housing Tax Credit projects to include units for older adults, non-elderly disabled persons, and special needs populations.

c. Work with non-profits, Community Development Corporations, and neighborhood organizations (such as Westside Housing Organization, Ivanhoe Neighborhood Council, The Whole Person, and MARC Area Agency on Aging) to build new and renovate existing housing units that meet the needs of priority populations to reduce mobility barriers.

6. Goal: Through a continued partnership with the Housing Authority of Kansas City (HAKC), work to increase the number of housing units available to very low- and low-income residents.

Strategies

a. Market existing publicly owned vacant single-family homes, multi-family properties, and vacant lots for affordable redevelopment opportunities.

7. Goal: Work with the City's Section 3 Program Administrator, the Civil Rights and Equal Opportunity Department, and local, state, and federal contractors to maximize the benefits of Section 3 and MBE/WBE participation for the workforce and area businesses.

Strategies

- a. Work with city departments implementing capital and development projects to set MBE/WBE and Section 3 goals, and work with the city's Civil Rights and Equal Opportunity Department to help other departments identify and encourage participation in contracts by MBE/WBE firms
- b. Encourage local businesses to participate in the program by hiring low-income persons who are seeking employment opportunities. Increase engagement with organizations serving disadvantaged small local businesses and identify opportunities for Section 3 Business Concerns for Community Development Block Grant projects.
- c. Advertise thoroughly both through print and non-media, informing the public about the Section 3 Program and how important it is to the training and development of the workforce within the community.
- d. Identify and fund non-profits that provide job training programs to low-income persons.

8. Goal: Develop plans and strategies for senior and affordable housing that support walkability, and other forms of non-auto-oriented mobility, in transit corridors and other areas in close proximity to education, health care, retail, and recreational facilities.

Strategies

- a. Identify target areas along transit corridors where incentives could be offered to developers that propose affordable rental housing to promote non-motorized travel
- b. Identify target areas around health care facilities (hospitals, safety net clinics) where incentives could be offered to developers that propose affordable rental housing for older adult households.

9. Goal: Actively work with City Planning and Development (CPD) to expedite the planning process for affordable housing developments and mitigate community opposition.

Strategies

- a. Identify barriers in the review of development proposals to secure zoning and plan approval, and work with CPD to remove those barriers

10. Goal: Strengthen support for renter households and those seeking to become homeowners to understand their rights under the federal, state, and local fair housing laws and provide support in ensuring their equitable access to housing.

Strategies

- a. Take steps to communicate fair housing rights to tenants and prospective homeowners through city communications (website, social media)
- b. Support housing counseling services to educate and support households that may have been subject to discriminatory practices.
- c. Build support within the City and seek HUD grants to create and fund a Fair Housing Initiative Program (FHIP) in Kansas City

Appendix B: CDBG Public Service Funding Request Packet

- **2024 Public Service Proposal Instructions**
- **CDBG Public Service Proposal (Application)**
- **Schedule A – CDBG Public Service Program Budget**
- **Schedule B – Personnel Schedule**
- **Exhibit A – Support Letter (if required)**
- **Exhibit B – 501(c)(3) Status**
- **Exhibit C – Evaluation of Agency Financial Condition and Governance Practices**

PUBLIC SERVICE PROPOSAL INSTRUCTIONS

Section I. INTRODUCTION TO THE CDBG PUBLIC SERVICES REQUEST

Welcome to the City of Kansas City's Community Development Block Grant (CDBG) Program FY 2024 Request for Public Services Proposal. Each year the City of Kansas City issues a Request for Proposal (RFP) for those organizations that are seeking funding to undertake eligible activities under CDBG.

For any public service application to be considered for CDBG funding, it must meet a national objective which benefits low- and moderate-income persons on a direct, area or a limited clientele basis. **Proposals that fail to meet the applicable test will NOT BE considered for funding.** Complete regulations for CDBG funding can be found at CFR, Title 24, Part 570.

The City of Kansas City is restricted by HUD regulation in the amount of funding that it can commit to public service activities in any grant year. The maximum amount that a grantee may obligate for public services is 15% of the grant amount plus 15% of any program income that it received during the preceding program year. For the most recent grant year, the major categories of funding were youth services, child care, homeless prevention, and senior services. Funding allocations for proposals received under this RFP are anticipated to be directed to the same categories.

Section II. PROPOSAL SUBMISSION

Please note that your responses to questions 1-15 are not to exceed five (5) letter size pages in length. The number of pages stated above does not include any exhibits that are required to be submitted. The application has been made available in an electronic format so that it can be filled in online and printed or downloaded for completion. You can find the application form and other *Action Plan* processing information on the City's web site <https://www.kcmo.gov/city-hall/housing/plans-and-reports>. **Only one targeted activity may be submitted per application.** Organizational supporting exhibits (A, B, and C) must be attached to each application.

A proposal for CDBG funding that does not meet one of the three national objectives will be considered ineligible and there will be no further consideration of the application.

Section III. DEFINITIONS

Disabled: A person who is determined to have:

- A physical, mental, or emotional impairment that:
 - a. Is expected to be of long-continued and indefinite duration; and
 - b. Substantially impedes his/her ability to live independently; and
 - c. Is of such a nature that the ability could be improved by more suitable housing conditions; or
- A developmental disability, as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007).

Senior/Child/Youth:

- Senior: A person 62 years of age or older.
- Child: A person between the ages of 0 – 13.
- Youth: A person between the ages of 14 – 21.

Section IV. PROPOSAL EVALUATION CRITERIA (all four criteria carry equal weight)

1. Project Description (100 points)

- (a) Is the project well-defined with a realistic implementation plan?
- (b) Does the applicant identify the target service delivery area?
- (c) Are specific needs of the target population that are related to the proposed service clearly identified and analyzed?
- (d) Does the proposal identify efforts to coordinate and collaborate with agencies providing both similar and complementary services for the target population?
- (e) Is the project a new or expanded service?
- (f) If the applicant is applying for homeless prevention, are they:
 - a. Participating in the local HMIS
 - b. Involved in the local Continuum of Care
 - c. Involving homeless or formerly homeless persons in their operation and policy-making

2. Proposed Outcome (100 points)

- (a) Is the project results oriented, with quantifiable outcome measures?
- (b) Does the applicant have a means for tracking outcomes and have an established method for tracking progress?
- (c) How many low- or moderate-income persons will benefit from the project?
- (d) Does the proposal identify the specific strategy or activity from the *Consolidated Plan* to which it conforms?

3. Agency Background and Experience (100 points)

- (a) Does the applicant have prior experience with documented results in the type of service being proposed? If so, how long and what were the outcomes?
- (b) Does the applicant have the fiscal and organizational capacity to implement the service?
- (c) What has been the performance of the applicant in past CDBG allocations including monitoring and audit findings and the success of past programs?

4. Project Budget (100 points)

- (a) To what extent is the project leveraged with other funds?
- (b) Does the budget narrative contain sufficient detail to justify proposed costs?
- (c) Is the overall budget reasonable given the proposed extent of the project?
- (d) Is the applicant able to perform the service if funded for a lesser amount?

5. Proposal Addresses and/or Implements AFFH Goals. (10 bonus points)

Section V. GUIDE TO COMPLETING PUBLIC SERVICE PROPOSAL

The following step-by-step guide is provided to help agencies respond to the proposal questions.

- 1. Applicant Information.** Complete name and address of agency requesting funding. Include contact information for person available to answer questions regarding proposal.
- 2. Certification.** Print the name and title of the individual authorized to bind the applicant. The authorized agent must also sign the proposal on the agency's behalf.
- 3. Program Information.** Provide the dollar amount of the CDBG funds requested. Is this a new or continuing program? Is it an expansion?
If the service was not previously funded with CDBG funds, why is it necessary to request CDBG funds this year?
- 4. Meeting a CDBG National Objective.** All projects must meet one of three national objectives as defined by HUD.
- 5. Program Title;** Name of program for which you are applying
- 6. Describe the Program, the Purpose and the Need for this Program.** Be concise in stating the nature of the program and how the funds will be used to target a Consolidated Plan strategy. Define the purpose and need for the program.
- 7. Program Objectives and Outcomes in Measurable Terms.** Briefly define the goals of each activity and list specific quantifiable outcome measures. Check the appropriate box that applies to your program. Please note that at least 51% of your clients served must be of low-to moderate-income households.
- 8. Program Participants or Target Population.** Provide a brief description of the client target population to be served by the program and the total number of persons to be served in the grant year. Please be specific if targeting children and youth, please be specific regarding age groups targeted. What is the basis for the estimated number of persons/households to be served?
- 9. Program Location & Census Tracts to Be Served:** List the census tract(s) where clients reside. If program is offered to the entire city, please state *Citywide*.
- 10. Collaboration with Other Agencies.** Explain if the proposed project will be carried out with the help or support of other agencies or organizations. Name the organizations and be specific about their involvement and/or support.
- 11. Leveraging of Funds:** List all other known or anticipated funding sources and amounts for this program.

12. Neighborhood Organization Project Support. If the program/project will affect a specific neighborhood, a letter or other documentation of support for your project must be obtained from the local neighborhood association. If the program is new to a community, and neighborhood involvement will be required, then the neighborhood must agree that this will have a positive impact and support will be needed. If needed, attach as Exhibit A Letter should include association name, name of authorized representative signing letter and his/her phone number.

13. 501(c) (3) Status. Provide a current Certificate of Good Standing from the State of Missouri showing 501(c) (3) status and label. Attach as Exhibit B.

14. Evaluation of Agency Financial Condition and Governance Practices. Complete and attach as Exhibit C.

15. Additional Information. This section is provided to capture any information the agency wishes to submit to clarify the proposal request and provide additional information on the positive impact the proposed services will have on the beneficiaries.

Schedule A – The Budget. If your proposal is funded, CDBG-paid expenditures must be documented with receipts or invoices that verify that the expense was incurred. To minimize the amount of expense documentation, it is suggested that CDBG dollars be used to pay for as few program costs as possible. If CDBG funds are requested to pay for Personnel Services (salaries), Schedule B must be completed for the positions to be funded.

Note: Please ensure narrative descriptions match your budget amounts.

Schedule B – Personnel Schedule. Complete Schedule B when CDBG funds will be used to pay for staff salaries.

Exhibit A – Support Letter (if required)

Exhibit B – 501(c)(3) Status

Exhibit C – Evaluation of Agency Financial Condition and Governance Practices

- Do not include letters of support or other information not specifically requested.

PS Application # _____

Received by: _____

2024 CDBG PUBLIC SERVICE PROPOSAL

All previous versions of this form are obsolete and will not be considered for funding. Do not copy and paste responses from previous applications or proposals.

1. Applicant Information:

Organization: _____

Address: _____

City, State: _____ Zip: _____

Telephone: _____ Fax: _____

Contact Person: _____ Email: _____

Title: _____ Phone: _____

2. Certification:

I certify that I have reviewed this application and to the best of my knowledge and belief, all of the information provided is true, and the application has been authorized by the organization's Board of Directors.

Signature of Authorized Representative Date

Print Name Title

3. Amount Requested: \$ _____

New Service: _____ Yes _____ No **Expansion:** _____ Yes _____ No

If this service was not previously funded with City of Kansas City, Missouri Entitlement CDBG funds, explain why it is necessary to request such funding this year?

Is this service receiving any other/additional City, State, or Federal funds in the current year?
(detail and provide amount as applicable)

9. Describe Your Program Participants or Target Population in Terms of Their Circumstances.

10. Identify the Program Location & All Census Tract(s) to be Served. (refer to maps provided in Appendix D of the “*Resident Participation Plan and Request for Proposals Guide.*”)

11. Collaboration with other agencies. (List all third-party program participants and their role, e.g. MO DHSS, state service coordination; KCMO Health Department, free testing and vaccinations; etc.)

12. Leveraging of Funds. (List all other known or anticipated funding sources/amounts for this program.)

13. Neighborhood Support for Program. Required for new programs that will affect specific neighborhoods. See Section V, item 12 of “*Public Service Proposal Instructions*” to determine if this is required. If required, attach as *Exhibit A*.

14. Current Certificate of Good Standing from the State of Missouri showing 501(c)(3) status. Attach as *Exhibit B*.

15. Evaluation of Agency Financial Condition and Governance Practices. Attach as *Exhibit C*.

16. Describe the Program in terms of Delivery Methods, Tools or Other Meaningful Processes, and any additional information. (e.g. We utilize quiet settings during training to provide for attentiveness; One-on-One sessions are used to maximize time with therapists; etc.).

SCHEDULE A
Public Service Program Budget

Program Title: _____

Cost Component	CDBG Funding Request	Agency Cash	In-Kind Contributions	Total Program Budget
Personnel Services				
Salaries (see Schedule B)				
Fringe Benefits				
TOTAL PERSONNEL SERVICES				
Contractual Services				
Professional Services				
Telephone				
Utilities				
Rent				
Insurance				
Maintenance				
Travel/Mileage				
Other (specify)				
TOTAL CONTRACTUAL SERVICES				
Commodities				
Office Supplies				
Printing				
Postage				
Office Equipment				
Other (specify)				
TOTAL COMMODITIES				
TOTAL PROJECT BUDGET				

SCHEDULE B
Personnel Schedule
(For CDBG Funded Public Service Program Salaries Only)

Program Title: _____

This schedule must be completed if you are seeking CDBG funding for Personnel Services costs on Schedule A. Only information on salaried positions should be included on this schedule. Do not include fringe benefits costs on this schedule.

	Position Title	Number FTE Salary Positions	CDBG Funded	Other Funds	Total Salary Amount
1			\$	\$	\$
2			\$	\$	\$
3			\$	\$	\$
4			\$	\$	\$
5			\$	\$	\$
	TOTALS		\$	\$	\$

**Appendix C: CDBG (Non-Public Service)/ HOME Funding Request Packet
(for Housing, Economic Development and Other Eligible Activities)**

- **2024 CDBG / HOME Funding Proposal Instructions**
- **2024 Funding Request Proposal**
- **Schedule C – Program Operating Budget Summary**
- **Schedule D – Project/Program Budget**
- **Exhibit A – Certificate of Good Standing from State of Missouri**
- **Exhibit B – Rental Pro Forma (if rental project)**
- **Exhibit C – Neighborhood Support Letter (if required)**
- **Exhibit D – Evaluation of Agency Financial Condition and Governance Practices**
- **Exhibit E – Environmental Checklist with supporting documentation**

CDBG (Non-Public Service)/ Home Funding Request Instructions

Section I – PROPOSAL SUBMISSION

Please note that your responses to questions 1-16 are not to exceed eight (8) single-sided pages in length. Required exhibits are not included in this number. The application has been made available in an electronic format so that it can be filled in online and printed or downloaded for completion. You can find the application form and other *Action Plan* processing information on the City’s web site <https://www.kcmo.gov/city-hall/housing/plans-and-reports>.

Only one activity or project may be submitted per application.

A proposal for CDBG (Non-Public Service) funding that does not meet one of the two national objectives will be considered ineligible and there will be no further consideration of the application. A proposal for HOME funding that is neither CHDO eligible or for implementation activities in approved *Action Plan* areas will be considered ineligible and there will be no further consideration of the application.

Late proposals will not be accepted.

Section II – PROPOSAL EVALUATION CRITERIA

Proposals involving activities other than public services will be scored according to the following criteria which all carry equal weight. Proposals should clearly delineate program goals with quantifiable objectives.

- A. Project Enhancement:** Does the proposal directly assist in implementing the 2022-2026 *Consolidated Plan*. Does the proposal indicate how the activity is consistent with strategies or priorities outlined in other planning documents for the city or with other publicly financed projects? Will activities have a potential for a long-term positive impact on the surrounding area.
- B. Project Description and Community Support:** Does the proposal clearly describe the proposed project or activities to be funded, area of service, detailed program goals with measurable objectives, implementation time-frames, benefits of funding the proposal, and sound methods for self-evaluating outcomes associated with the application. Does the proposal show partnership/community support including the active involvement of affected neighborhoods?
- C. Project Financial Viability:** Does the proposal include preliminary funding sources and uses analysis, preliminary budgets, and a description of the project’s long-term financial viability, including an estimate of City funding requested. Will there be any other funds leveraged by the CDBG/HOME allocation and, if so, what are the estimated time-lines for receiving and utilizing those funds. Does the budget narrative contain the level of detail to sufficiently justify proposed costs? Does the proposal demonstrate that the activities to be performed meet or exceed reasonable standards of cost/benefit effectiveness?
- D. Organizational Capacity and Oversight:** Does the proposal include a detailed description of the organization’s program and administrative staff, management and administrative structures, program monitoring and oversight methods, and past history providing similar services. What has been the performance of the applicant in past CDBG (Non-Public Service)/HOME allocations including monitoring and audit findings and the success of past programs. Does the proposal include an explanation if significant changes in the annual budget are anticipated within the funding cycle?

Section III – CDBG (Non-Public Service) & HOME PROGRAM ELIGIBLE ACTIVITIES

Besides having proposed projects meet one of the national objectives previously listed, there must also be an eligible activity as defined by the CDBG regulations. Housing and Community Development Department staff is available to interpret project eligibility guidelines and provide needed technical assistance. Projects in the following categories are **generally** eligible to receive CDBG funding:

Acquisition of Real Estate—in whole or in part by a public agency or private non-profit entity.

Disposition—Costs associated with maintenance and sale of CDBG purchased property.

Public Facilities and Improvements—acquisition, construction, reconstruction, rehabilitation or installation of publicly owned facilities and improvements, such as the following, except buildings for the general conduct of government:

- senior centers
- parks, playgrounds and other recreational facilities
- centers for the handicapped
- neighborhood facilities
- solid waste disposal activities
- fire protection facilities
- public utilities other than water and sewers
- street improvements
- water and sewer facilities including storm sewers

Clearance Activities — including demolition and removal of buildings and improvements, or movement of structures to other sites.

Public Services — including those concerned with employment, crime prevention, childcare, health, drug abuse, education, housing counseling, welfare or recreational needs.

Relocation — including payments for Loss of Rental Income pursuant to relocation.

Urban Renewal Completion (HUD approved projects).

Removal of Architectural Barriers — special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly or handicapped persons.

Rehabilitation — of single and multi-family residential structures, publicly and privately-owned non-residential structures, public housing agency modernization; historic preservation; renovation of closed schools; energy efficiency improvements; and development of shared housing opportunities for elderly persons.

Special Economic Development Assistance to Private For-Profit Entities — for activities necessary or appropriate to carry out an economic development project.

Commercial or Industrial Improvements by Grantee/Non-Profit Agency — including the acquisition, construction, reconstruction, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements.

Special Activities by Subrecipients — (neighborhood-based non-profit organizations, Small Business Investment Companies (SBIC), or a local development corporation), which are not otherwise eligible.

Planning and General Administration — includes planning and capacity building activities such as community development plans, energy plans, environmental plans, and costs for overall program management, coordination, monitoring, and evaluation.

Section IV - GUIDE TO COMPLETING PROPOSAL FOR CDBG OR HOME FUNDING

The following step-by-step guide is provided to help agencies respond to the proposal questions.

1. **Applicant Information.** Complete name and address of agency requesting funding. Include contact information for person available to answer questions regarding proposal.
2. **Certification.** Print the name and title of the individual authorized to bind the Applicant. The authorized agent must also sign the proposal on the agency's behalf.
3. **Requested Funding Amount and HUD Program Source.** Provide the dollar amount of the CDBG or HOME funds requested.
4. **Meeting a CDBG National Objective.** All CDBG projects must meet one of the two objectives as defined by HUD.
5. **Program or Project Information.** Distinctly different programs or projects require their own, separate application. All activities listed below must be related on a geographical or functional basis.
6. **Location.** Identify the geographic area to be served by streets and census tract and provide a description of the facilities/location where improvements will be provided. Describe how the activity will contribute to the City's goal of stabilizing and revitalizing the core Action Plan neighborhoods.
7. **Goals, Outputs and Outcomes.** In terms that are measurable, describe the goals of the project, and how the project will align with stated City goals, plans, and policies.
8. **Leveraging of Funds.** (List all other known or anticipated funding sources / amounts for this proposal.)
9. **Collaboration with Other Agencies.** Explain if the proposed project will be carried out with the help or support of other agencies or organizations. Name the organizations and be specific about their involvement and/or support.
10. **Housing Production.** As applicable, describe your involvement with residential projects over the last two years.
11. **Neighborhood Support.** Attach as Exhibit C, letters, from neighborhoods directly affected, in support of your program or project.
12. **Project/Program Site Suitability.** Attach as Exhibit E, copy of a complete Form 0520 "Environmental Checklist" with attachments (blank copy of form found in Appendix G of the "Citizen Participation Plan and Request for Proposals Guide."
13. **Organization's current Certificate of Good Standing from the State of Missouri showing 501(c)(3) status.** Attach as *Exhibit A*.
14. **Evaluation of Agency Financial Condition and Governance Practices.** Complete and attach as *Exhibit D*.

15. Outstanding Liens or Delinquencies. List any and all outstanding liens or delinquencies against the agency and any unsold housing units assisted with CDBG (Non-Public Service) or HOME funds.

16. Additional Information. This section is provided to capture any information the agency wishes to submit to clarify the proposal request and provide additional information on the positive impact the proposed project will have on the community.

17. CDBG-CV funding will only be used to produce or preserve units of affordable housing or eliminate blight; Five hundred thousand (\$500,000.00) will be used to preserve small multifamily units under 8 units.

Schedule C – Operating Budget Summary. If you have included program operating costs in your request, they must be recorded on this form. Remember that you will be reimbursed for eligible expenses and documentation of expenses incurred will have to be presented with your request for payment. The CDBG (Non-Public Service) or HOME total operating costs from Schedule C should be shown on the next to last line of Schedule D. Do not include current City funding allocations as Other or Matching Funds.

Schedule D – Program/Project Budget. Complete Schedule D to record sources and uses of project funds. Amounts shown under Sources should relate to the total cost of the project, not just to the CDBG Non-Public Service) or HOME portion of the expenses. For line “d” under Sources, indicate the program funding source – e.g. PIAC.

Exhibit A – Certificate of Good Standing from State of Missouri

Exhibit B – Rental Pro Forma (if rental project)

Exhibit C – Neighborhood Support Letter (if required)

Exhibit D – Evaluation of Agency Financial Condition and Governance Practices

Exhibit E – Environmental Checklist with supporting documentation

- Do not include letters of support or other information not specifically requested.

Application # _____

Received By: _____

2024 CDBG (Non-Public Service)/HOME Funding Request Proposal (Application)

All previous versions of this form are obsolete and will not be considered for funding. Do not copy and paste information from previous applications or proposals.

1. Applicant Information:

Organization: _____

Address: _____

City, State: _____ Zip: _____

Telephone: _____ Fax: _____

Contact Person: _____ Email: _____

Title: _____ Phone: _____

2. Certification:

I certify that I have reviewed this application and that to the best of my knowledge and belief, all of the information provided is true, and the application has been authorized by the organization’s Board of Directors.

Signature of Authorized Representative Date

Print Name Title

3. Requested Funding Amount and HUD Program Source:

\$ _____ CDBG (Non-Public Service) _____ HOME _____

For HOME funding request, please select one of the following: CHDO Non-CHDO

4. For CDBG (Non-Public Service) and HOME funding requests, check the HUD National Objective.

Benefit to low- and moderate-income persons or households (more than 51% of clients served are low- and moderate income)

Prevention or elimination of slums or blight

- 5. Program or Project Information.** Each program or project requires separate application. All activities listed below must be related on a geographical or functional basis. (e.g. Acme Single Family Housing Development – Belvidere Place In-Fill Project: Acquisition, Asbestos remediation, Demolition, Soil remediation, Site preparation, and New construction of 4 Radon-resistant units of single-family housing)
- 6. Location(s) where the project or program will take place.** If addresses are not assigned, identify nearest intersection, or geographic coordinates (e.g. 2413 Highland Ave, KC, MO 64108, or 24th St & Highland Av, KC, MO, or 39.082863, -94.562293)
- 7. In terms that are measurable, describe the goals of the project, and how the project will align with stated City goals, plans, and policies.** (e.g. Convert 4 acres of vacant land to productive use, remove buried foundations/debris from 12 urban parcels; provide affordable housing to 12 low to moderate income households.)
- 8. Leveraging of Funds.** (List all other known or anticipated funding sources / amounts for this proposal.)
- 9. Collaboration with other agencies.** (List all participants in this project/program, and their role, e.g. MHDC, financial assistance; Homesteading Authority, land assembly; A2Z Construction, new construction.
- 10. Housing Production.** As applicable, describe your involvement with residential projects over the last two years. (e.g. General Contractor, 8 rental housing units, concluded 9-2020; Land Acquisition & Assemblage for development of 4 single family units, concluded 4-2021; Completed 38 Minor Home Repair Projects during Program Year 2020-2021) Where appropriate, attach pro forma for proposed production of rental units as *Exhibit B*.
- 11. Neighborhood Support.** Attach as *Exhibit C*, letters, from neighborhoods directly affected, in support of your program or project.
- 12. Project/Program Site Suitability.** Attach as *Exhibit E*, copy of a complete Form 0520 “*Environmental Checklist*” with attachments (blank copy of form found in Appendix G of the “*Citizen Participation Plan and Request for Proposals Guide*.”
- 13. Organization’s current Certificate of Good Standing from the State of Missouri showing 501(c)(3) status.** Attach as *Exhibit A*.
- 14. Evaluation of Agency Financial Condition and Governance Practices.** Attach as *Exhibit D*.
- 15. Outstanding Liens or Delinquencies.**
- 16. Explain the purpose and need for this program or project, and any additional information.** (e.g. Elimination of blighting influences in the community; creation of four (4) affordable housing units; increasing residential density in support of local commercial interests; etc.).
- 17. Evaluation of Agency Financial Condition and Governance Practices (Exhibit D)**
- 18. Environmental Checklist with supporting documentation (Exhibit E)**

SCHEDULE C: 2024 PROPOSAL – PROGRAM OPERATING BUDGET SUMMARY

For CDBG (Non-Public Service) and HOME Requests

Proposed Project/Program:

Type and Amount of Funds Applied For		Leveraged Funds	Total Project Funds
CDBG	HOME		

Project Administration and Expenses	CDBG Funds	HOME Funds	Other Funds	Matching Funds	TOTAL FUNDS
Personnel Salaries (by title)					
1.					
2.					
3.					
4.					
Fringe Benefits					
Rent					
Telephone					
Supplies					
Printing					
Mileage					
Other (specify)					
Other (specify)					
Total Operating Cost					

SCHEDULE D - PROJECT/PROGRAM BUDGET

For CDBG (Non-Public Service) and HOME Requests

Note: Please provide a detailed budget on a separate page if the form does not allow sufficient space for all construction categories, or if required as noted.

PROJECT/PROGRAM NAME: _____

SOURCES				
Funding Source (identify source for d)	\$	Date applied for	If approved, date of award	If not yet approved, anticipated approval date
a. Funding from this Application				
b. Federal Government				
c. State Government				
d. City of KCMO				
e. Applicant				
f. Other (identify)				
TOTAL PROJECT	\$			
USES OF CDBG or HOME FUNDS REQUESTED				
Acquisition			\$	
Architectural/Engineering				
Asbestos/Lead Survey				
Demolition				
Renovation Work (requires detailed budget, please attach)				
New Construction (requires detailed budget, please attach)				
Economic Development				
Home Ownership Assistance				
Other (identify)				
Other (identify)				
Operating Costs (CDBG or HOME total from Schedule C)				
TOTAL CDBG or HOME PROJECT COST (equals line item "a" above)				

**CITY OF KANSAS CITY, MISSOURI
EVALUATION OF AGENCY FINANCIAL CONDITION AND GOVERNANCE
PRACTICES (FORM)**

1. Corporation /Agency Name: _____

2. Financial Statements:

Circle the type of Auditor's Report most recently issued:

- Unqualified (Financial Statements **DO** present fairly)
- Qualified (See CPA's explanation of qualification)
- Adverse (Financial Statements **DO NOT** present fairly)

		Immediately Preceding Prior Yr.	Previous Year
3	Fiscal Years Ended		
4	Internal control over financial reporting – Provide the number of:		
A	Material weaknesses identified		
B	Significant deficiencies (not considered to be material weaknesses)		
C	Deficiencies and noncompliance issues mentioned		
5	Federal Awards (A-133) – IF A-133 required, provide the number of:		
A	Material weaknesses identified		
B	Significant deficiencies (not considered to be material weaknesses)		
6	Type of audit report issued on compliance for major programs		
7	Are any audit findings disclosed that are required to be reported per Sec. 510(a) of Circular A-133? Indicate Yes or No		
8	Is the Corporation/Agency qualified as a low Risk Auditee? Indicate Yes or No		
9	Name of the audit firm issuing the Audit Report? _____ If the audit firm changed, attach a 1-page explanation of why change was made.		
10	What was the total cost of your audit?		
11	What percent of your agency's total revenue are funds received from City of KCMO?		
12	How many suggested improvements were made by the audit firm?		
<i>Sarbanes-Oxley legislation made changes that are being recognized as industry "best practices" for reporting financial information. The City encourages application of these "best practices" concepts to agencies making application for City funding and some of the questions below come from those concepts.</i>			
13	How many of the last 10 years has this audit firm been the entity's auditor?		
14	When did the entity most recently begin using this audit firm as their auditor?		
	What was the CPA's name who signed the most recent financial statement audit report? _____		
15	What was the issuance date of this audit firm's peer review and what period did it cover?	Issue Date _____ _____	Period Covered _____ _____
16	What was the opinion on your audit firm's last peer review? Audit firm may attach 1-page comment. Indicate whether comment attached.		___Yes ___No
17	Attach a copy of your entity's most recent Code of Ethics and Conflict of Interest statements.		
18	Has the entity, any Board member, officer, or employee ever been on any Federal, State or local debarment (or similar) list? If yes, attach 1 page explanation including all relevant facts and names.		___Yes ___No
19	Did the CEO and CFO attach a letter regarding their attestation to the accuracy of the financial statements and their footnotes? Indicate Yes or No.		___Yes ___No
20	What are the members of the agency's consolidated family of companies (if any)?	For Profit	Not for Profit
#1			
#2			

#3			
----	--	--	--

Disclaimer (See CPA's explanation)

21	What committees does the Board have and how often did each meet?	# of Official Meetings Held	
	Committee Name	Immediately Preceding Prior Yr.	Previous Year
	1. Audit Committee		
	2. Compensation Committee		
	3. Management Committee		
	4. Governance Committee		
	5. Other (Identify)		
	6. Other (Identify)		
22	How many official Board meetings were held and documented during these years?		

(Use Committee #s from

Above)

Board Members	Name	Employee of Agency? Y/N	Chair of What Committees	Member of What Committees	Financial Expert Y/N (see note)
Chair					
Vice Chair					
Member – Sec.					
Member					
Member					
Member					
Member					
Member					
Member					
Member					
Member					
Member					
President					
Vice President					
Exec. Director					
Asst. Director					
CFO					
Treasurer					
Controller					

Note: Financial experts will be individuals who have financial expertise through education and experience as a public accountant or auditor or a principal financial officer, comptroller, or principal accounting officer of an issuer of audited financial statements.

		Immediately Preceding Prior Yr.	Previous Year
23	Did each Board member individually review and become familiar with the details of their Form 990 Tax Return BEFORE it was filed with the IRS?		
24	Have any Board members ever plead guilty, no contest, or been found guilty of a felony (including any form of plea bargaining)?		
25	Have any employees in management or those handling cash, revenue, accounting or other Key Employees at the agency ever plead guilty, no contest or been found guilty of a felony (including any form of plea bargaining)?		

26	Within the last 2 fiscal years, did the agency change (restate or revise) its method of accounting or reporting data requested on IRS Form 990? If Yes, attach a 1-page explanation.		
27	Did the agency make a change in its activities, objectives, goals or services or methods of providing them during the last 2 fiscal years? If Yes, attach a 1-page explanation.		
28	Do your Financial Statements (Including Notes) or other entity records refer to any of the following? If so, attach a full explanation (limit of 1 page per question).	Immediately Preceding Prior Yr.	Previous Year
A	Related Party Transaction?		
B	Unresolved litigation or contingent liability?		
C	The entity's ability to continue as a Going Concern?		
D	Disagreements between the entity and its auditor? (Significant disagreements are those that could be material to the statements.)		
E	Any fines or penalties paid or owed?		
F	Any taxes that are not paid or were paid late (local, state or Federal)?		
G	Any tax returns that were not filed or filed late?		
H	Any event subsequent to the date of your auditor's report that negatively impacts the financial strength or governance of the agency?		
I	Has any government body examined your entity and/or found errors or proposed adjustments in the last 2 years?		
J	Have any recipients of products or services paid for with City funding been related to any Board member, employee, contractors, etc.		
K	Are any Board members, employees, contractors, etc. related to or dependent on any other Board member, employee or contractor in the 1 st or 2 nd degree?		
L	Are ANY expenditures paid for with City funding subject to ANY reimbursement from another source?		
29	Within the last 2 years, has the entity failed to achieve any goals or objectives established by the City's Housing and Community Development Department?		
30	Attach copies of the portions of the entity's most recent IRS Form 990 that show the following: A. Summary (page 1) B. Compensation of Officers, Directors, Trustees, Key Employees, etc. (Part VII) C. Statements of Revenue (Part VIII)		

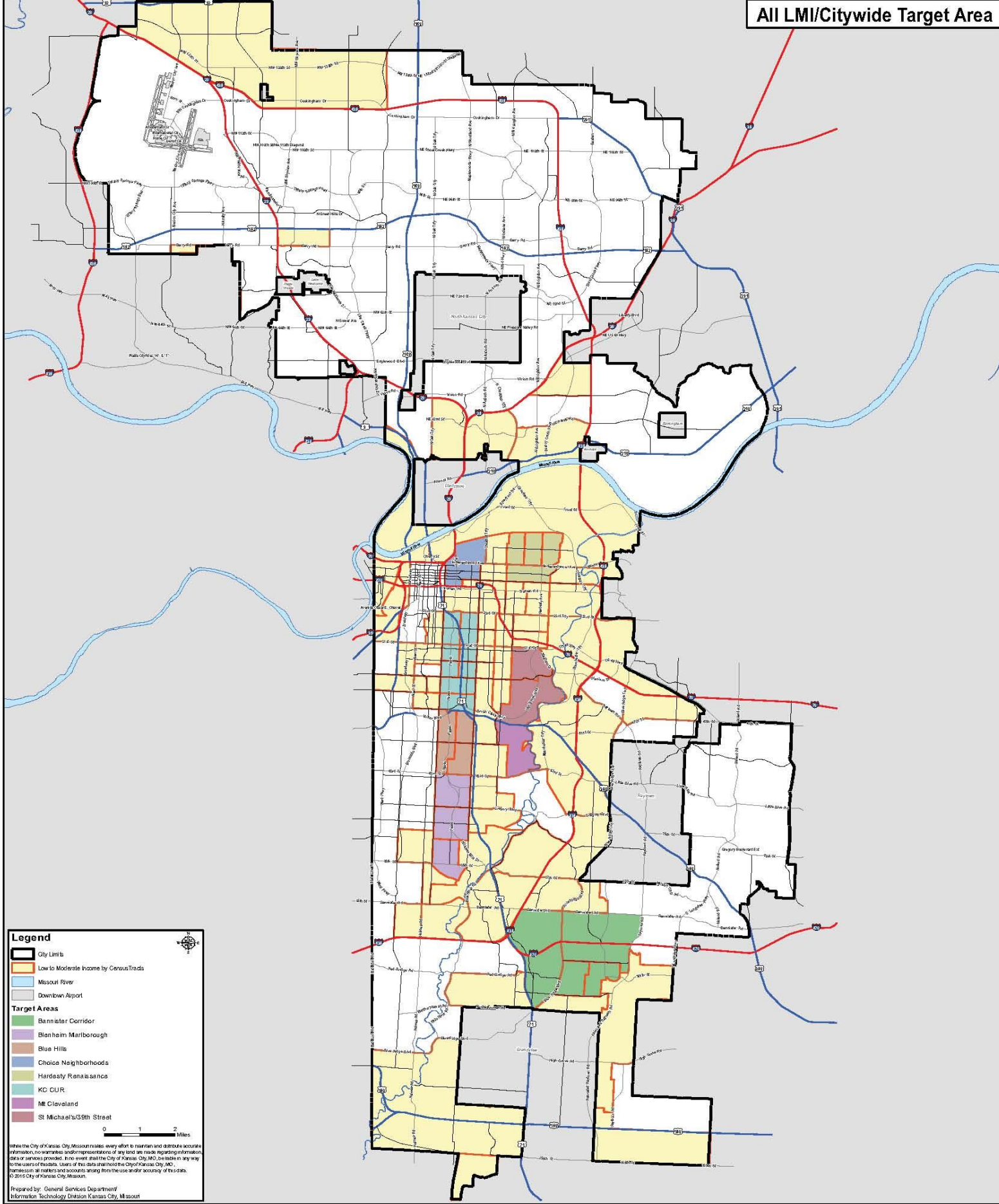
31. Do you have any concerns or questions about the fairness/consistency in this process? If so, document any anomaly or unfairness your agency has experienced in this selection process here.

I have prepared or completely reviewed this form and believe it to be true, accurate and complete in all material aspects and I take responsibility for its contents.

Name: _____ Date: _____

Appendix D: Reference Materials

- **Priority Areas Map**
- **2023 CDBG and HOME Income Limits**



Appendix E: ESG Funding Request Packet

- **HEARTH Act Definitions**
- **Project Funding and Limitations**
- **Eligible Components/Activities**
- **Record Keeping and Documentation**
- **Match (Cost Share)**
- **Monitoring**
- **Performance Standards: Objectives and Outcomes**
- **Proposal Instructions**
- **Project Evaluation Criteria**
- **Funding Request Proposal**
 - Schedule A Personnel Rapid Re-Housing
 - Schedule B Personnel Schedule Homeless Prevention
 - Schedule C Personnel Schedule Shelter Component- Essential Services
 - Attachment 1 Rapid Re-Housing Financial Assistance
 - Attachment 2 Homeless Prevention Financial Assistance
 - Attachment 3 Shelter Component- Operating Costs
 - Attachment 4 Shelter Component- Other Essential Services
 - Attachment 5 Match
 - Attachment 6 Summary Budget
 - Attachment 7 Letter from HMIS Provider
 - Chart C ESG Performance Data Collection Form
 - Exhibit A Org Chart (must be readable)
 - Exhibit B Evaluation of Financial Condition and Governance Practices
 - Exhibit D Other information (if applicable)
 - Exhibit E Resumes and Job Descriptions
 - Most Recent Audit
 - 990
 - MO Certificate of Good Standing
 - City Contracts & Major Funding
 - Prior Year Board Approved Budget
 - Current Year Budget (may be projected)

EMERGENCY SOLUTIONS GRANT (ESG) FUNDING REQUEST PACKET

Introduction

The following passages provide an abridged summary of the Emergency Solutions Grant (ESG). While the City of Kansas City recognizes the many needed services in the community, it also recognizes that the limited funds at our disposal cannot address them all and other mainstream resources must be utilized. To this end, not all components and eligible activities available in the grant will be funded in this proposal in order to focus on the housing and eventual movement toward a housing first model.

Information regarding the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 is available in the City's 2022-2026 Five Year Plan. This document may be accessed by visiting: <https://www.kcmo.gov/city-hall/housing/plans-and-reports>

Definition of Homelessness as amended by HEARTH Act of 2009

For purposes of the HEARTH Act, the terms “homeless,” “homeless individual,” and “homeless person,” refer to four categories:

1. Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who resided in an emergency shelter or a place not meant for human habitation and who is exiting an institution where he or she temporarily resided for 90 days or less;
2. Individuals and families who will imminently lose their primary nighttime residence;
3. Unaccompanied youth and families with children and youth who are defined as homeless under other Federal statutes who do not otherwise qualify as homeless under this definition; and
4. Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.

HEARTH Unaccompanied Youth Definition

“Youth” is defined as less than 25 years of age. Traditionally, HUD has defined children as less than 18 years of age and adults as 18 years of age and above (as established in the Point-in-Time (PIT) and Housing Inventory Count Reporting and the annual Continuum of Care Competition Exhibit 1 and Exhibit 2 applications).

The interim rule for the ESGP did not define “youth.” With the inclusion of the term “youth” in Section 103 (6), HUD determined it necessary to define youth. By establishing youth as less than 25 years of age, it is HUD's hope that the programs authorized by the HEARTH Act amendments to the McKinney-Vento Act (42 U.S.C. 11301 et seq), the Act will be able to adequately and appropriately address the unique needs of transition-aged youth, including youth exiting foster care systems to become stable in permanent housing. Inclusion of the “other Federal statutes” with

definitions of homelessness under which unaccompanied youth and families with children and youth could alternatively qualify as homeless under Category 3 of the homeless definition.

The final rule includes references to other Federal statutes with definitions of “homeless” under which unaccompanied youth and families with children and youth could alternatively qualify as homeless under Category 3 of the definition of “homeless.” The other Federal statutes are:

- ❑ Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.),
- ❑ Head Start Act (42 U.S.C. 9831 et seq.),
- ❑ Subtitle N of the Violence Against Women Act of 1994 (42 U.S.C. 14043e et seq.) (VAWA),
- ❑ Section 330 of the Public Health Service Act (42 U.S.C. 254b),
- ❑ Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), and
- ❑ Subtitle B of title VII of the McKinney- Vento Act (42 U.S.C. 11431 et seq.).

This list represents the entire universe of statutes with definitions under which an unaccompanied youth or a family with children and youth can qualify as homeless under Category 3. While there may be other Federal statutes with definitions of “homeless,” this list is intended to include only those that encompass children and youth.

A copy of the HEARTH regulations may be obtained by going to <https://www.hudexchange.info/homelessness-assistance/>.

Project Funding and Limitations

The total grant is **estimated** at \$640,000. The City of Kansas City will reserve 7.5% of the total grant for grant administration. The remaining balance will be allocated as follows:

- | | |
|--|---------------|
| ■ Shelter Operations/ Essential Services | 53% (maximum) |
| ■ Homeless Prevention and Rapid Re-housing | 47% |

The City will restrict Category 3, Unaccompanied Youth funding to a maximum 10% of the City’s total award.

Eligible Components/Activities

Interim rule 24 CFR 576, Subpart B. establishes the program components and eligible activities for the ESG. Eligible components and activities are listed in the following chart. **Outreach, renovation and HMIS will not be considered for funding in this Request for Proposal.**

The shelter component includes essential services and operations activities. Emergency shelter means any facility whose primary purpose is to a) provide temporary shelter for the homeless in general or specific populations of the homeless and b) does not require occupants to sign a lease or occupancy agreement.

Component	Eligible Activities /Costs
<p>§ 576.101 Street outreach component Literally Homeless</p>	<p>Eligible Costs</p> <ul style="list-style-type: none"> (1) Engagement (2) Case management (3) Emergency health services. (4) Emergency mental health services. (5) Transportation. (6) Services for special populations.
<p>§ 576.102 Emergency Shelter Component- Essential Services Literally Homeless</p>	<ul style="list-style-type: none"> (1) Essential services <ul style="list-style-type: none"> a. Case management b. Child care. c. Education services d. Employment assistance and job training e. Outpatient health services f. Legal services g. Life skills training h. Substance abuse treatment i. Transportation. j. Services for special populations (2) Renovation (Not available)
<p>§ 576.102 Emergency Shelter Component- Operations Literally Homeless</p>	<p>Eligible costs</p> <ul style="list-style-type: none"> (1) Maintenance (including minor or routine repairs) (2) Rent (3) Security (4) Fuel (5) Equipment (6) Insurance (building) (7) Utilities (8) Food (9) Furnishings, (10) Supplies necessary for the operation of the emergency shelter. (11) hotel or motel voucher (where no appropriate emergency shelter is available)
<p>§ 576.103 Homelessness Prevention Component. Imminent Risk</p>	<p>Housing relocation and Stabilization services.</p> <ul style="list-style-type: none"> (1) Financial assistance costs <ul style="list-style-type: none"> a. Rental application fees b. Security deposits c. Last month's rent d. Utility deposits e. Utility payments f. Moving costs (2) Services costs <ul style="list-style-type: none"> a. Housing search and placement b. Assessment of housing barriers, needs, and preferences c. Development of an action plan for locating housing; d. Housing search; e. Outreach to and negotiation with owners; f. Assistance with submitting rental applications and understanding leases;

	<ul style="list-style-type: none"> g. Assessment of housing for compliance with Emergency Solutions Grant Program (ESGP) requirements for habitability, lead-based paint, and rent reasonableness; h. Tenant Based Rental Assistance (TBRA) i. Assistance with obtaining utilities and making moving arrangements; and j. Tenant counseling. <p>(3) Housing stability case management.</p>
<p>§ 576.104 Rapid re-housing Component</p> <p>§ 576.106 Short-term and medium-term rental assistance</p> <p>Literally Homeless</p>	<p>Housing relocation and Stabilization services.</p> <ul style="list-style-type: none"> (1) Financial assistance costs <ul style="list-style-type: none"> a. Rental application fees b. Security deposits c. Last month’s rent. d. Utility deposits e. Utility payments f. Moving costs. (2) Services costs <ul style="list-style-type: none"> a. Housing search and placement b. Assessment of housing barriers, needs, and preferences c. Development of an action plan for locating housing; d. Housing search; e. Outreach to and negotiation with owners; f. Assistance with submitting rental applications and understanding leases; g. Assessment of housing for compliance with Emergency Solutions Grant Program (ESGP) requirements for habitability, lead-based paint, and rent reasonableness; h. Tenant Based Rental Assistance (TBRA) i. Assistance with obtaining utilities and making moving arrangements; and j. Tenant counseling. <p>(3) Housing stability case management.</p>
<p>§ 576.107 HMIS component.</p>	<p>(1) The recipient or subrecipient may use ESGP funds to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area, including the costs of:</p> <ul style="list-style-type: none"> a. Purchasing or leasing computer hardware; b. Purchasing software or software licenses; c. Purchasing or leasing equipment--including telephones, fax machines, and furniture; d. Obtaining technical support;(v) Leasing office space; e. Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS; f. Paying salaries for operating HMIS, including: (A) Completing data entry; (B) Monitoring and reviewing data quality; (C) Completing data

	<p>analysis; (D) Reporting to the HMIS Lead; (F) Training staff on using the HMIS or comparable database; and (G) Implementing and complying with HMIS requirements;</p> <ul style="list-style-type: none"> g. Paying costs of staff to travel to and attend HUD-sponsored and HUD approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act; h. Paying staff travel costs to conduct intake; and i. Paying participation fees charged by the HMIS Lead, if the recipient or subrecipient is not the HMIS Lead. The HMIS Lead is the entity designated by the Continuum of Care to operate the area’s HMIS. <p>(2) If the recipient is the HMIS lead agency, as designated by the Continuum of Care in the most recent fiscal year Continuum of Care Homeless Assistance Grants Competition, may also use ESGP funds to pay the costs of:</p> <ul style="list-style-type: none"> a. Hosting and maintaining HMIS software or data; b. Backing up, recovering, or repairing HMIS software or data; Upgrading, customizing, and enhancing the HMIS; c. Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems; d. Administering the system; e. Reporting to providers, the Continuum of Care, and HUD; and f. Conducting training on using the system or a comparable database, including traveling to the training. <p>(3) If the subrecipient is a victim services provider or a legal services provider, it may use ESGP funds to establish and operate a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.</p> <p>(4) General restrictions. Activities funded under this section must comply with HUD’s standards on participation, data</p>
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Record Keeping and Documentation

HEARTH sets specific recordkeeping criteria for documenting homelessness. Applicants awarded funding must document homelessness in accordance with the requirements of the grant. The following chart defines the 4 major categories based on the HEARTH Act of 2009.

Category	Description	Definition
Category 1	Literally Homeless	(1) Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) Has a primary nighttime residence that is a public or private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by Federal, state and local government programs); or (iii) Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
Category 2	Imminent Risk of Homelessness	(2) Individual or family who will imminently lose their primary nighttime residence, provided that: (i) Residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; and (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing
Category 3	Homeless under other Federal Statues	(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who: (i) Are defined as homeless under the other listed Federal statutes; (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers
Category 4	Fleeing/ Attempting to Flee DV	(4) Any individual or family who: (i) Is fleeing, or is attempting to flee, domestic violence; (ii) Has no other residence; and (iii) Lacks the resources or support networks to obtain other permanent housing.

Match (Cost Share)

Local governments/grantees or their not-for-profit sub-contracted agencies are required to provide **a dollar for dollar** match in cash or in-kind donations equal to or above the amount of the grant

received. Match contributions may be obtained from any source, including any Federal source other than ESGP. The recipient of ESGP funds must ensure the laws governing a Federal grant used as match is not prohibited by the Federal granting agency. Match funds may be local, state, or Federal (except for other ESGP funds) as long as the match is otherwise ESGP eligible cost and the local, state or Federal program used allows it. The match must be available after HUD signs the City's grant agreement and be available during the term of the City's contract (May 1, 2024 to April 30, 2025). Evidence of match must be presented to the City prior to a contract being signed between the City and agency. Match submitted for the ESGP program may not be used as match for another grant. Proposers must certify sufficient match which may include in-kind contributions and or cash match.

In accordance with HUD requirements, the match must be used for HUD defined ESGP eligible activity. Volunteer hours, if used as a match, must be based upon \$5.00 per hour. If professional volunteer hours are used, the amount must be reasonable for the Kansas City employment market place and documented by the agency. The City of Kansas City, Missouri encourages subrecipients to aggregately meet the match for the Emergency Solutions Grant Program.

Monitoring

The City of Kansas City uses a multiple step process for monitoring grants. All grants are set up in the City's PeopleSoft financial management system. For internal control, Federal and non-Federal grant funds are set up in a designated financial account with a specific project number to prevent overpayment.

Contracts with subrecipients are approved by the ESGP designated department, Law and Finance departments. Applicant agencies that apply for and subsequently receive ESGP must follow applicable Federal regulations and local guidance for implementation and financial management of the grant. The City will conduct desk audits monthly and at least one field audit during the grant term (May 1, 2024 to April 30, 2025). The following list includes ESGP specific regulations and other applicable Federal regulations and rules to the administration of the grant.

1. ESGP as amended in the Interim Rule for 24 CFR 576
2. Cost Principles for State, Local, and Indian Tribal Governments 2 CFR 225
3. Cost Principles for Non-Profit Organizations 2 CFR 200 Subpart E
4. Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments CFR Part 85
5. Administrative Requirements for Grants and Cooperative Agreements Institutions of Higher Education, Hospitals, and other Non-profit Organizations 2 CFR Part 200 Subpart D
6. Lead Base Paint Regulations 24 CFR Part 35
7. Environmental Review Regulations 24 CFR Part 58
8. Fair Housing Act 24 CFR Part 100
9. Conflict of Interest 2 CFR 200
10. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule / Lesbian, gay, bisexual, and transgender (LGBT) and Unmarried Couples 24 CFR 576

Note: Please note the above list includes most frequently referenced regulations and policies. Other applicable local, state and Federal regulations and guidelines may apply.

Some of the areas reviewed include, but are not limited to, the following:

1. Eligibility
2. Intake and assessment
3. Established goal plan
4. Regular client contacts and notes related to the goal plan
5. Entries in HMIS
6. Health and Safety Inspections
7. Recordkeeping
 - a. Match documentation
 - b. Homeless status
 - c. Income documentation
 - d. Termination process
 - e. Financial management and coordination with program staff

Desk audits are completed monthly and include an evaluation of:

1. Contract scope of services
2. Expenditure documentation submitted for reimbursement and match
3. Completion of Annual Performance Report (APR)
4. Compliance with HMIS and other information systems that are compliant with HUD's HMIS requirements
5. Performance standards
 - a. Persons served
 - b. Monthly invoicing and accuracy
 - c. Spend down pace
 - d. Compliance with contract submittal requirements
 - e. Monthly APR tracking
6. Other reporting requirements

Technical assistance protocols are followed for new subrecipients. This includes:

1. Meeting one on one during the contracting process
2. Providing and reviewing program guidance
3. Email correspondence

More than one monitoring visit may take place based upon a risk assessment. Factors include, but are not limited to, the following:

1. Significant change in program guidance
2. Change in significant subrecipient staff working on the grant, i.e. executive director, bookkeeper or accountant, case manager
3. Reports submitted late or inaccurately
4. No services recorded in HMIS

The City reserves the right to review and request additional records as deemed necessary to determine overall performance.

Performance Standards

This section includes performance objectives and outcomes. The project narrative must include at least one objective and one outcome.

Established objectives and outcomes are based on the Emergency Solutions Program Grant purpose; national strategies to end homelessness, and locally identified community needs. The following objectives are most commonly utilized for homeless assistance programs:

- **Creating Suitable Living Environments** relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. Emergency shelter is generally provided for the purpose of improving the living environment of homeless families and/ or individuals (who would otherwise be living on the street). Shelter operations should be reported under this category. **Note: shelter services are not considered housing.**
- **Providing Decent Housing** covers a wide range of housing activities that are generally undertaken with HOME, CDBG, HOPWA, ESGP, or Homeless Prevention funds. The primary goal of most prevention activities is to help individuals or families preserve their housing and/or make it more affordable while the individual or family is experiencing a temporary crisis.

Specific objectives were established based on Continuum of Care data (Point in Time); 2010 Census, Department of Labor data, Department of Elementary and Secondary Education, Annual Survey on Homeless Housing Inventory Chart and Annual Homeless Assessment Report (AHAR). (Please see the 2022-2026 Five Year Consolidated Action Plan for details. Prioritized target populations are:

- Priority 1: Families with children
- Priority 2: Unaccompanied youth
- Priority 3: Individuals

The general outcomes are:

1. **Availability/Accessibility** applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to low–and moderate–income people where they live.

■ **Shelter, Transitional and Rapid Re-Housing Outcomes**

- Reduce recidivism: Participant (client) maintains housing for a period of one or more years without incident of homelessness
- Decrease length of stay in shelter through rapid re-housing

Performance Expectation	Performance
21 days or less	Above Average
22 to 30 days	Average
Over 30 days	Below Average

- Accurate and timely recordkeeping documentation: eligibility, assessment, goal plan development, ongoing regular follow up on goal plan

Performance Expectation	Frequency	Performance
Participant contact, file documentation	4 or more times per month	Above Average
Participant contact, file documentation	2 to 3 times per month	Average
Participant contact, file documentation	0 to 1 per month	Below Average

- Increase household income through case management support and or innovative job creation
- Increase stability through consistent and ongoing results oriented case management

2. **Affordability** applies to activities that provide affordability in a variety of ways to low and moderate income individuals. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household. For instance, a low interest loan program might make loans available to low-moderate-income microenterprise businesses at 1% interest, which is far below the market rate.

- Homeless Prevention Plan approved activities will include assistance to homeless families and individuals that meet the following two thresholds pursuant to the definition of homelessness in 24 CFR Part 576.200:
 - The household income is under 30% of area median income (AMI)
 - The household has insufficient resources available to attain housing stability (includes income, friends, relatives, faith and social networks)

Homeless Prevention funds are targeted to:

- Priority 1: Families with children living in hotels and/or motels, or
- Priority 2: Families with children living in severely overcrowded conditions, or
- Priority 3: Families with children that have been notified that their right to occupy the current housing or living situation will be terminated

Prevention Outcomes

- Participant (client) maintains housing for a period of one or more years without financial assistance
- Decreased need for financial assistance
- Increase stability through consistent and ongoing results oriented case management

Homeless data related to the funded project must be tracked in the local HMIS (Caseworthy) administered by Greater Kansas City Coalition to End Homelessness (GKCCEH).

Proposal Instructions

A committee that consists of Housing and Community Development Department staff, community representatives, a minimum of one formerly homeless person, the Greater Kansas City Coalition to End Homelessness, and peer agencies in social services shall review ESGP applications. All ESGP applications will be scored according to the following criteria:

Compliance with HUD ESGP objectives, application completeness, organizational capacity, and project (program) implementation capacity, with consideration toward how the proposal implements the adopted HUD policies, procedures, and mandates; the City of Kansas City's Consolidated Action Plan objectives; and the performance of existing contracts.

Recommendations will start with the highest ranked application to the lowest ranked application until funds are exhausted. *Applications that are incomplete, unclear in scope of service, provide religious influence, or represent an application version presented in a prior year that has not been updated, may be denied for funding.* The committee will assume that applicant organizations have reviewed the Federal guidance and understand the requirements for implementing and administering the grant. Applicants may obtain information regarding the Emergency Solutions Grant Program by going to:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/homeless/programs/esg.

Applicants must meet the following criteria:

- Evidence of three years of successful experience in providing housing shelter and/or transitional housing assistance for persons that meet the HUD definition of homeless;
- Evidence of three years' experience in providing homeless prevention activities direct rent/mortgage subsidy programs

- ❑ Must have demonstrated experience in working within the city-wide Continuum of Care. More details regarding Kansas City’s local continuum of care may be obtained by calling the Greater Kansas City Coalition to End Homelessness at 816-924-7997.

An applicant may submit a request in more than one category. The applicant agency must submit **one (1) original and six (6) proposal copies.**

Required documents

- ❑ List of all City contracts and other major Federal and non-Federal funding received. Include the source of funds, the grantee or City department name, contact person and the amount received.
- ❑ Letter from Homeless Management Information System (HMIS) provider that certifies participation in a HUD approved system.
- ❑ Domestic violence agencies must certify the use of a Management Information System that meets the HUD homeless management information data elements from the administrator.
- ❑ Projected Performance Indicator Report (Chart C: Performance Data Collection Form)
- ❑ The 2024 Board approved budget and projected budget for 2025
- ❑ Match (Cost Share) – Complete Attachment 5, Match and submit with proposal, which may include in-kind contributions and or cash match.
- ❑ Pursuant to HUD’s Federal regulation, 24 CFR 576.56 (b), applicant agencies must describe how homeless persons are included in policy-making decisions (include in experience narrative);
- ❑ Project Budget Worksheets: Complete applicable schedules and attachments. If you are not applying for a project component you *do not* have to complete or submit a form.

Schedule A	Personnel Rapid Re-Housing
Schedule B	Personnel Schedule Homeless Prevention
Schedule C	Personnel Schedule Shelter Component- Essential Services
Attachment 1	Rapid Re-Housing Financial Assistance
Attachment 2	Homeless Prevention Financial Assistance
Attachment 3	Shelter Component- Operating Costs
Attachment 4	Shelter Component- Other Essential Services
Attachment 5	Match
Attachment 6	Summary Budget

Applicants may obtain an excel workbook that contains the above attachments by contacting Florence Kinard at Florence.Kinard@kcmo.org or call 816 513-4515.

- ❑ **Applicant Information.** Complete name of agency requesting funding and address. Include contact information for person available to answer questions regarding proposal.
- ❑ **Certification.** Print the name and title of the individual authorized to bind the Applicant. The authorized agent must also sign the proposal on the agency's behalf.

2024 ESG FUNDING REQUEST PROPOSAL

Received By: _____ App # _____

This Application is for the following activity and budget. If applying for more than one activity, a separate application is required for each (i.e. one application for Rapid Rehousing and one application for Homeless Prevention):

- \$ _____ **Rapid Rehousing**
- \$ _____ **Homeless Prevention**
- \$ _____ **Shelter (Operations)**
- \$ _____ **Shelter (Essential Services)**

Brief description of proposed activity:

Applicant Information:

Organization: _____
Address: _____
City: _____ **Zip:** _____
Telephone: _____ **Fax:** _____
Contact Person: _____ **Title:** _____
Email: _____ **Phone:** _____

Certification:

I certify that I have reviewed this application and that to the best of my knowledge and belief, all of the information in this application is true, and the application has been authorized by the organization's Board of Directors.

Signature of Authorized Representative **Date**

Print Name **Title**

PROJECT EVALUATION CRITERIA

Project Narrative (30 points)

Required Documentation:

- Chart C
- Letter from HMIS Provider

COMMUNITY NEED:

Agency has described how the project is aligned with the City's priorities regarding homelessness and the community need has been adequately described

Data has been provided as evidence of community need

PROJECT DESCRIPTION:

POPULATION served includes 1) location, 2) population identities, 3) # of unduplicated to be served, 4) demographics

PROGRAM ELEMENTS described for: 1) eligibility requirements, 2) duration of engagement, 3) services included in program, 4) length of follow up after program exit
OUTCOMES explained regarding 1) what is measured, 2) how it is measured, 3) database used to track, 4) long term impact
COMMUNITY SUPPORT:
Agency has identified and can show how they engage with community partners
Experience Narrative (45 points)
<p>Required Documentation:</p> <ul style="list-style-type: none"> • Exhibit A: Org Chart (must be readable) • Exhibit B: Evaluation of Financial Condition and Governance Practices • Most Recent Audit • 990 • Exhibit D: Neighborhood Organization Project Support (if applicable) • Exhibit E <ul style="list-style-type: none"> ○ Resumes and Job Descriptions for <u>program staff</u> ○ Resumes and Job Descriptions for <u>supervisory staff</u> ○ Resumes and Job Descriptions for <u>financial staff</u> • MO Certificate of Good Standing
CAPACITY TO ADMINISTER:
Agency has adequate oversight of program staff
Agency has adequate oversight of financial procedures (board members with financial expertise, finance committee meets regularly)

Agency received an Unqualified Opinion on last audit
Agency has history of timely reimbursement requests and previous grants have been fully expended
Caseload ratio of staff to service participants is reasonable
Agency has the capacity and has documented a plan to sustain programming
EXPERIENCE TO ADMINISTER:
Agency has 1) one year successful experience providing housing to those experiencing homelessness; 2) AND/OR homeless prevention activities.
Agency is 1) experienced working with Continuum of Care 2) AND sits on COC committees.
Program staff administering the funds have adequate education and/or experience
Supervisory staff have adequate education and/or experience

Financial staff have adequate education and experience

DIVERSITY AND CULTURAL COMPETENCY:

Agency has demonstrated a priority for diversity in staffing and planning

Persons with lived experience are meaningfully included in planning and decision-making

Budget Narrative (25 points)

Required Documentation:

- Schedule A, B, or C (choose one)
- Attachment 1, 2, 3, or 4 (choose one)
- Attachment 5
- Attachment 6
- City Contracts & Major Funding
- Prior Year Board Approved Budget
- Current Year Budget (may be projected)

REQUIRED BUDGET ATTRIBUTES:

Budget line items have been correlated to Project Narrative

Costs are reasonable / allocable / allowable
Other funding sources have been identified (including match)
If funding an existing position that is currently being paid by other Federal funds, agency has explained why funding is needed. If funding a new position, agency has explained why funding is needed.
Agency has explained consequences if funding is not awarded

- ❑ **Organizational Chart.** The chart must include all positions (vacant and filled), position titles. Label the document Exhibit A.
- ❑ **Evaluation of Agency Financial Condition, Governance Practices, and most recent audit.** Attach and label Exhibit B. The Evaluation of Agency Financial Condition and Governance Practice form is provided in Appendix C.
- ❑ **501(c) (3) Status.** Provide a current Certificate of Good Standing from the State of Missouri Exhibit C.
- ❑ **Neighborhood Organization Project Support.** If the program/project will affect a specific neighborhood, a letter or other documentation of support for your project must be obtained from the local neighborhood association. If the program is new to a community, and neighborhood involvement will be required, then the neighborhood must agree that this will have a positive impact and support will be needed. If needed, attach as Exhibit D.
- ❑ **Resumes and Job Descriptions:** Provide a resume and job description for all positions included in the grant as well as those providing administrative and financial management support to the project, i.e. accountant, executive director, etc. Exhibit E.

Project Evaluation Criteria:

The proposal project, experience and budget narratives will be reviewed by a panel that includes City staff, non-recipient agency(s), formerly homeless person, and a CoC representative. The following provides a suggestion of what will be considered during the review process. Proposals must clearly delineate project activities and include quantifiable objectives and outcomes.

Chart C. ESG Performance Data Collection Form

Category	Corresponding Activity Data Required	
Rehabilitation/Conversion	A, C	
Renovation	A, C	
Operations	A, C	
Essential Supportive Services	A, C	
Essential Supportive Services	B, C	
Prevention	B, C	
Rapid Rehousing	A or B, C	
Activity	Outcome Indicators	Proposed
A. Emergency and/or Transitional Shelters	Annual number of persons served	
	a. Adults	
	b. Children	
	Total	
	a. Adult Males over 24	
	b. Adult Females over 24	
	Annual Individual/Single Households	
	a. Unaccompanied 18 to 24 Males	
	b. Unaccompanied 18 to 24 Females	
	c. Unaccompanied under 18 Males	
	d. Unaccompanied under 18 Females	
	Total	
	Annual Family Households with Children Headed by...	
	a. Single adult over 24 Males	
	b. Single adult over 24 Female	
	c. Single Unaccompanied 18 to 24 Males	
	d. Single Unaccompanied 18 to 24 Females	
	e. Single under 18 Males	
	f. Single under 18 Females	
	g. Two Parent Unaccompanied 18 to 24	
	h. Two Parents Under 18	
	Annual Family Households with No Children	
	a. Family Household with No children	
	Annual Number of Persons Served for Each Subpopulation (May include overlapping numbers/duplicate persons.)	

	a. Chronically Homeless (Emergency Shelter Only)	
	b. Severely Mentally Ill	
	c. Chronic Substance Abuse	
	d. Other Disability	
	e. Veterans	
	f. Persons with HIV/AIDS	
	g. Victims of Domestic Violence	
	h. Elderly	
	Individuals Housed (Bed Capacity) AT Any Given Time Through ESGP Program	
	a. Barracks	
	b. Group/Large House	
	d. Scattered Site Apartment	
	e. Single Family Detached House	
	f. Single Room Occupancy	
	g. Mobile Home/Trailer	
	h. Hotel/Motel	
	Other (Describe _____)	
	Activity	Outcome Indicators
		Proposed
B. Non-Residential Services	Annual number of persons served	
	a. Adults	
	b. Children	
	Total	
	a. Adult Males over 24	
	b. Adult Females over 24	
	Annual Individual/Single Households	
	a. Unaccompanied 18 to 24 Males	
	b. Unaccompanied 18 to 24 Females	
	c. Unaccompanied under 18 Males	
	d. Unaccompanied under 18 Females	
	Total	
	Annual Family Households with Children Headed by...	
	a. Single adult over 24 Males	
	b. Single adult over 24 Females	
	c. Single Unaccompanied 18 to 24 Males	
	d. Single Unaccompanied 18 to 24 Females	
	e. Single under 18 Males	
	f. Single under 18 Females	
	g. Two Parent Unaccompanied 18 to 24	
	h. Two Parents Under 18	
	Annual Family Households with No Children	
	a. Family Household with no children	
	Annual Homeless Prevention Indicators	

	a. Households that received emergency rent, mortgage, and rental deposit assistance to prevent homelessness		
	b. Households that received emergency utility assistance to prevent homelessness		
	c. Households that received drug testing		
	d. Households that received employment assistance.		
	e. Households that received housing counseling services		
	f. Households that received legal assistance to prevent homelessness		
	g. Households that received psychological services		
	Annual Rapid Rehousing Indicators		
	a. Households that receive rental assistance, short-term, medium-term		
	b. Households receive financial assistance, rent application fees, security deposits, last month's rent, utility deposit, utility payments, moving cost		
	c. Households that receive drug testing and counseling		
	d. Households that receive employment assistance.		
	e. Households that receive housing search and placement		
	Total		
C. Ethnicity and Race		Proposed Total	Of Proposed # Hispanic/Latino
	a. White		
	b. Black/African American		
	c. Asian		
	d. American Indian/ Alaskan Native		
	e. Native Hawaiian/Other Pacific Islander		
	f. American Indian/Alaskan Native & White		
	g. Asian & White		
	h. Black/ African American & White		
	i. American Indian/Alaskan Native & Black African American		
	j. Other Multi-Racial		
		Totals	

Appendix F:
HOPWA Funding Request Packet

- **HOPWA Proposal Instructions**
- **Proposal Evaluation Criteria**
- **HOPWA Funding Request Proposal**
- **Budget Plan Template**
- **Exhibit A** - Organization Chart
- **Exhibit B** - List of current Board of Directors
- **Exhibit C** - Completed Budget Page (Template provided below)
- **Exhibit D** - Copy of audit or management letter and management response for organization's most recently completed fiscal year
- **Exhibit E** - Current Certificate of Good Standing from the State of Missouri showing 501(c)(3) status

HOPWA PROPOSAL INSTRUCTIONS

Section I – PROPOSAL SUBMISSION

Agencies applying for funding for the Housing Opportunities for Persons with HIV/AIDS (HOPWA) Program should complete and submit the following Consolidated Plan Funding Request Proposal along with a narrative documenting the organization’s capacity to provide the services described. The narrative should address past program experience relative to the proposal and demonstrate the following level of experience:

- Demonstrated experience, including number of years, in delivering housing and supportive services to People with HIV (PWH) and/or other HUD prioritized populations such as veterans, youth, racial/ethnic minorities, gender/sexual minorities, chronically homeless, and victims of domestic violence (*indicate the number of persons/households served during these years*);
- Demonstrated experience working in linkage with the Ryan White HIV Case Management System and/or other external agencies that provide health care related wraparound services to Persons Living with HIV (PLWH) and/or other HUD prioritized populations listed above;
- Demonstrated experience providing a continuum of housing-related services which may include tenant-based rental assistance, rent/mortgage/utility assistance, permanent housing placement assistance, transitional housing, and/or supportive services; and
- Ability to serve the bi-state, thirteen county, Kansas City, MO-KS HUD Metropolitan Statistical Area, comprised of Ray, Clay, Cass, Caldwell, Lafayette, Clinton, Jackson and Platte counties in the state of Missouri, along with the counties of Wyandotte, Leavenworth, Johnson, Linn, and Miami in the state of Kansas.

HOPWA Blind Review Process

All applications to be considered for HOPWA funding will undergo a “blind review process” by outside parties for scoring before being reviewed by HOPWA staff. ***Please refrain from using your agency’s name in your application narrative to facilitate the blind review.***

HOPWA Evaluation Criteria

All applications to be considered for HOPWA funding will be scored according to the following criteria with consideration weighted toward how the proposal implements services to people with HIV (PWH). Proposals should clearly delineate program goals with quantifiable objectives

Major Scoring Criteria:

- A. Administrative Information (10 points): Please list the name of the individual with primary financial authority and contact information. Describe the composition of the agency's board of directors, including various demographics and any lived experience of board members with HIV/AIDS and/or housing instability. Describe the governing structure of the board.

10 = Individual with financial authority listed with contact information; requested information about board is described clearly; people with lived experience of housing instability and/or HIV/AIDS are on the board

5 = Individual with financial authority listed with contact information; requested information about board is somewhat stated; people with lived experience of housing instability and/or HIV/AIDS are not on the board

0 = Individual with financial authority listed with contact information; requested information about board is not clearly stated; people with lived experience of housing instability and/or HIV/AIDS are not on the board

- B. Description of PWH Population (10 points): Discuss how proposed services will uniquely serve PWH, how many PWH you will serve and in what ways, and how your agency's work fits within HUD prioritized populations such as veterans, youth, racial/ethnic minorities, gender/sexual minorities, chronically homeless, and victims of domestic violence.

10 = Priority population clearly described; services are tailored to PWH; number of clients that can be served clearly stated; strong demonstrated experience serving HUD prioritized populations

5 = Priority population somewhat described; services are somewhat tailored to PWH; number of clients that can be served somewhat stated; some demonstrated experience serving HUD prioritized populations

0 = Priority population not described; number of clients that can be served is unclear or not stated; some demonstrated experience serving HUD prioritized populations

- C. History of Agency in delivering housing services to PWH (10 points): Describe how your agency's history of delivering housing services to PWH allows you to meet the unique needs of PWH experiencing homelessness or housing instability.

10 = Evidence/history indicates strong applicant experience and understanding of PWH

5 = Evidence/history indicates average applicant experience and understanding of PWH

0 = No evidence or history provided to indicate applicant experience and understanding of PWH

D. Linkage with Ryan White HIV Case Management System (5 points): Describe the nature and frequency of collaboration and service integration with the Ryan White HIV Case Management system.

5 = Evidence/history indicates strong applicant experience and care coordination with Ryan White HIV System

3 = Evidence/history indicates some applicant experience and care coordination with Ryan White HIV System

0 = No evidence or history provided to indicate applicant experience and care coordination with Ryan White HIV System

E. Program Goals and Objectives (10 points): Describe specific and measurable program goals and objectives relating to planned outcomes of the proposed program. How do these goals and objectives relate to HUD's three primary objectives: Increasing stability for participants in housing that is safe, equitable, and sanitary; reducing risk of homelessness; and increasing access to care and support. Program goals and objectives should be broken down into specific, quantifiable components.

10 = Goals and Objectives are clearly stated; align with HUD objectives; are realistic

5 = Goals and Objectives are somewhat clearly stated; align with HUD objectives; are mostly realistic

0 = Goals and Objectives are not clearly stated; do not align with HUD objectives; are not realistic

F. Program Implementation (10 points): Based upon the program objectives listed above, how would the program be implemented? This section should contain strategies for implementation, a timetable for implementation, and specific locations where each component of the program will take place. Include the process and timeliness in which the agency will coordinate service delivery with clients and case managers.

10 = Strategies for implementation, timeline, and component location are clearly stated

5 = Strategies for implementation, timeline, and component location are somewhat clearly stated

0 = Strategies for implementation, timeline, and component location are not clearly stated

G. Client-Centered Approach (10 points): Describe your agency's client-centered approach to service delivery, how your agency practices Trauma Informed Care and Harm Reduction, and how your agency ensures this framework is utilized by staff.

10 = Demonstrated experience consistently providing services in a client-centered framework, practicing Trauma-Informed Care and Harm Reduction; framework is clearly incorporated into established agency policies & procedures and is part of agency culture

5 = Some experience providing services in a client-centered framework, practicing Trauma-Informed Care and Harm Reduction; framework is referenced but not clearly incorporated into established agency policies & procedures, but is part of agency culture

0 = No evidence of providing services in a client-centered framework, or of practicing Trauma-Informed Care or Harm Reduction; framework is not included in established agency policies & procedures

H. Staffing Plan (10 points): Describe how you will staff your program, including descriptions of roles, caseloads, etc. Describe how staffing reflects HOPWA priority populations (PWH, veterans, youth, racial/ethnic minorities, gender/sexual minorities, chronically homeless, and victims of domestic violence). Also describe the qualifications for all staff who will provide services and/or administrative support for described activities (years of experience, education and training, bilingual fluency)

10 = Program is appropriately and realistically staffed to provide proposed services; strong applicant staff qualifications; staffing reflects HOPWA priority populations; bilingual staff

5 = Program is appropriately and realistically staffed to provide proposed services; average applicant staff qualifications; staffing does not reflect HOPWA priority populations; no bilingual staff

0 = Program is not appropriately and realistically staffed to provide proposed services; staff qualifications not clearly described

I. Budget Page & Budget Justification (10 points): Descriptive information used to explain and justify the amounts budgeted. The narrative should include information about whom, what, where, when and why. All costs in the budget, including those listed in "other" must be described and justified. The justification must provide sufficient detail to define how the unit cost was established, and the rationale for the number of clients proposed to be served. Use the provided budget template for the budget page and include a section in your narrative for the budget narrative.

10 = Detailed budget narrative with unit costs justification and proposed number of clients served is clearly stated

5 = Detailed budget narrative with unit costs justification and proposed number of clients served is somewhat clearly stated

0 = Detailed budget narrative with unit costs justification and proposed number of clients served is not clearly stated

- J. Program Process Evaluation (10 points): How will the agency evaluate processes associated with implementing the program? How will the agency evaluate the impact of the program interventions for the priority population?

10 = Evaluation plan described and impact of program interventions clearly stated

5 = Evaluation plan described and impact of program interventions somewhat clearly stated

0 = Evaluation plan described and impact of program interventions not clearly stated

- K. Quality Management and Quality Improvement (10 points): Describe your organization's Quality Management (QM) and Quality Improvement (QI) program. Discuss your capacity to encourage QM/QI training, data reporting, performance measurement and evaluation. How do you plan to satisfy QM and QI quarterly reporting requirements? What does your agency do to solicit feedback from those receiving services and the application of that feedback to drive QI? Explain the goals, objectives and priorities of the Quality Management and Improvement plan as it relates to the service being provided. Include a timeline for the grant year for QM/QI activities.

10 = Organization's QI and QM program incorporating goals, objectives, priorities and including a timeline are clearly stated

5 = Organization's QI and QM program incorporating goals, objectives, priorities and including a timeline are somewhat clearly stated

0 = Organization's QI and QM program incorporating goals, objectives, priorities and including a timeline are not clearly stated

For more information about HOPWA project activities and eligible expenses, please refer to the **HOPWA Rental Assistance Guidebook** (<https://www.hudexchange.info/resource/2818/hopwa-rental-assistance-guidebook/>). Additional information and resources are also available on the HUD Exchange website (<https://www.hudexchange.info/>).

Received by: _____ Applic. #: _____

2024 HOPWA FUNDING REQUEST PROPOSAL (APPLICATION)

1. Applicant Information:

Organization: _____
Address: _____
City: _____ Zip: _____
Telephone: _____ Fax: _____
Contact Person: _____ Title: _____
Email: _____ Phone: _____

2. Certification:

I certify that I have reviewed this application and that to the best of my knowledge and belief, all of the information provided in this application is true, and the application has been authorized by the organization’s Board of Directors.

Signature of Authorized Representative Date

Print Name Title

3. Requested Funding Amount: _____

4. Types of project activities requested in this application:

- Transitional/Short-Term Facilities Tenant-Based Rental Assistance
- Permanent Housing Placement Services Permanent Housing Facilities
- Short-Term Rent, Mortgage, and Utility Assistance Supportive Services
- Housing Information Service Resource Identification

5. Please attach proposal narrative including all requested information in Section I of the HOPWA Proposal Instructions and HOPWA Evaluation Criteria.

6. Please include all attachments labeled as below:

- **Exhibit A** - Organization Chart
- **Exhibit B** - List of current Board of Directors
- **Exhibit C** - Completed Budget Page (Template provided below)
- **Exhibit D** - Copy of audit or management letter and management response for organization’s most recently completed fiscal year
- **Exhibit E** - Current Certificate of Good Standing from the State of Missouri showing 501(c)(3) status

Exhibit C – Budget Page Template

HOPWA Budget Template

Subrecipient:			
Grant: HOPWA			Budget
Budget Period: (mm/dd/yr) to (mm/dd/yr)			
CAPER	Housing Subsidy Assistance		
1.	Tenant-based Rental Assistance		
	<i>Nbr of Units @ Cost Per Month @ Nbr of Months</i>	0.00	
	<i>Nbr of Units @ Cost Per Month @ Nbr of Months</i>	0.00	
1a.	<i>Nbr of Units @ Cost Per Month @ Nbr of Months</i>	0.00	0.00
	Tenant-based Rental Assistance - Activity Delivery		
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
2a.	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Benefits/Payroll Expenses (__% of \$_____(salaries))</i>	0.00	0.00
Permanent Housing Facilities:			
2a.	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
	<i>Benefits/Payroll Expenses (__% of \$_____(salaries))</i>	0.00	0.00

2b.	Transitional/Short-term Facilities:		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
4.	Short-Term Rent, Mortgage and Utility Assistance		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
4a.	Emergency Rent and Utility Assistance		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
4b.	Rental Assistance Medical Crisis		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
5.	Permanent Housing Placement Services		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
5a.	Transitional Assistance Program		
		<i>Nbr of Units @ Cost Per Unit</i>	0.00
	Total HOPWA Housing Subsidy Assistance		0.00
	Supportive Services		
11.		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00
		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00
		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00
		<i>Benefits/Payroll Expenses (__% of \$_____(salaries))</i>	0.00
11a.	Other Supportive Services Costs		
		<i>Itemize</i>	0.00
	Total Supportive Services		0.00
	Grant Administration and Other Activities		
19.	Maximum 7% total HOPWA grant awarded		

19a.		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
		<i>Staff Title; Annual Salary @ __FTE @ Nbr of Months</i>	0.00	
		<i>Benefits/Payroll Expenses (__% of \$_____ (salaries))</i>	0.00	0.00
		Other Grant Administration Costs		
		<i>Itemize</i>	0.00	0.00
	Total Grant Administration and Other Activities		0.00	
	Total Expenditures for program year		0.00	

Appendix G: Environmental Review

- **Overview of the Environmental Review Process**
- **The Environmental Review Process**
- **The Heart of the Review Process**
- **Categorical Exclusion Approval Process**
- **Environmental Assessment Approval Process**
- **Environmental Checklist**

Overview of the Environmental Review Process

All Federal Agencies must comply with the National Environmental Policy Act of 1969 (NEPA). This means that all activities proposed to receive Federal funding (or other federal assistance, such as permitting or other approval) must be reviewed for compliance with applicable Federal laws and authorities (including Executive Orders and Agency regulations) which collectively protect and enhance the environment by removing detrimental conditions and providing citizens with the benefits of a healthy environment (the tangible and intangible, the natural, built and human together). A few of these laws and authorities are: the Endangered Species Act, the National Historic Preservation Act, the Clean Air Act, the Flood Insurance Reform Act, as well as regulations and policies implemented by other Federal agencies. These laws and authorities help the Department of Housing and Urban Development (HUD) in its mission to provide “safe, decent and affordable housing.”

NEPA provides the basic requirements for the review process. Title II of NEPA established the Council on Environmental Quality (CEQ) within the White House. The CEQ implementing regulations are spelled-out in the Code of Federal Regulations (CFR) at 40 CFR Parts 1500 – 1508 (<https://ceq.doe.gov/laws-regulations/regulations.html>).

Each Federal agency has their own regulations that implement NEPA and fall in line with those of the CEQ. For HUD, regulations listed at 24 CFR apply to their programs and operations as a whole. Within 24 CFR there are numerous “Parts.” Of particular importance to the environmental review process are Parts 35, 51, 55, and 58 (all of these play a significant role in the City’s environmental review process).

Generally, Federal agencies have their own staff to conduct their environmental reviews; a notable exception is HUD. Due to the vast number of projects and activities that HUD assists, they delegate many, but not all, environmental review responsibilities to states and units of local government. In this capacity each is referred to as a “Responsible Entity” (RE). As an RE, the City of Kansas City, Missouri, acts as an official agent of HUD, taking-on legal obligations on behalf of HUD, and overseeing the on-going implementation and monitoring of grant funded activities. The specific portion of HUD’s regulation that outline’s the City’s obligations and procedures for conducting environmental reviews is 24 CFR Part 58

(<https://www.hudexchange.info/programs/environmental-review/>).

On behalf of NHSD, the City’s Environmental Review Officer (ERO) is responsible for carrying-out the review process and determining whether activities are compliant with NEPA and related laws and authorities. The ERO enlists the assistance of others who have specific knowledge or skills germane to the process, such as other NHSD staff, the City’s Historic Preservation Planner in the City Planning and Development Department, Development Management staff, Plans Review staff, and staff of the City’s Parks and Recreation, Water Services and Public Works Departments. Additionally, the U.S. Fish and Wildlife Service, Missouri Department of Conservation and other non-municipal resources are brought into the process.

Frequently, non-profit agencies become direct recipients of other HUD grant funds. In these circumstances, such grantees must request the City to act as RE for the purposes of performing environmental review. The grantee must provide the ERO with a formal request to act as RE and provide full project information. The grants typically involved are:

- Continuum of Care (CoC),
- Self-Help Homeownership Opportunity Program (SHOP), and
- Public Housing Authority (Project Based Voucher, Capital Fund Program, Choice Neighborhoods Initiative Implementation, etc.) grants
- Economic Development Initiative-Community Project Funding (EDI-CPF)

A complete listing of programs that REs review can be found at 24 CFR 58.1(b).

The Environmental Review Process

Early and Clear Documentation

Once applications (proposals) have been received by the City, a cursory review is conducted to determine whether there are items that would require clarification in the environmental review process. If warranted, a “heads-up” to the applicant may be provided to help avoid conflicts with statutory or regulatory requirements, should their proposal be selected for inclusion in the Annual Action Plan. However, it is the responsibility of applicants to understand the limitations and requirements that are placed on HUD funds at the time of application. (“Choice-limiting actions,” are not allowed per 24 CFR 58.22).

The environmental review process starts with clear information about projects or programs being considered for funding. Projects involving rehabilitation, demolition, site clearance, new construction, and certain other activities, require completion of the City’s “KCMO HUD Environmental Checklist 0520” by the Respondent to this RFP, prior to their being considered for inclusion in the Action Plan (sample attached). This form contains questions about specific environmental conditions that must be addressed in the environmental review process. It must be accurately filled-out and signed by the applicant or a representative familiar with the project. (The attached copy can be used or, if necessary, a hard copy or electronic copy can be obtained by contacting the Environmental Review Officer at tom.neff@kcmo.org or 816-513-1332).

All Environmental Review Records (ERRs) MUST BE conducted/recorded in HUD’s “HUD Environmental Review Online System” (HEROS). Because of this requirement, all documentation provided by applicants must be legible - able to be reproduced clearly in Portable Document Format (PDF), so that it can be uploaded to the all-electronic HEROS system without losing clarity, content, or context. Additionally, in order for files to be uploaded, file names **cannot** contain the following characters: & , ‘ . “ \ / * % \$ @ !.

Once a project, program or activity has been identified for inclusion in the Action Plan, the ERO will contact the sponsors of those activities to ensure that they are aware of the level of review necessary, and to request any further clarification and documentation necessary to begin the review. The ERO will generate Environment Review Records (ERR) for such activities, in

HEROS. Documentation that may be requested includes: additional maps; additional 4" X 6" jpeg images embedded in an electronic file that can be uploaded to the HEROS system; a photo-key which shows, on a project site map, the locations where photos were taken and in which direction they were taken); any existing Environmental Site Assessment documentation (the current ASTM Phase I ESA Standard is E1527-21 and the current ASTM Phase II ESA Standard E1903-19); and any other documentation which is needed to ensure that the project can be adequately evaluated. ALL such documentation must be made available in electronic format as noted in the previous paragraph.

Note: An Environmental Site Assessment or ESA is a very specific site investigation conducted to determine the presence of contamination and should not be confused with an Environmental Assessment (EA) which is a NEPA defined level of review (discussed later).

The environmental review process can be time-consuming. The more complex, large or controversial a project, program or site, the more involved the review process. The better a project sponsor can anticipate the needs of the environmental review process prior to application, the more smoothly the review will run. In all cases, the review process will progress only after the necessary electronic information has been received.

HUD's regulations specify the activities that can be undertaken using particular program funds. Various portions of the regulations define those activities. Part 58 of the regulations tie program definitions to NEPA definitions. This is crucial, as it allows activities to be grouped together in the environmental review process.

Aggregation (24 CFR 58.32) - A responsible entity must group together and evaluate as a single project all individual activities which are related either on a geographical or functional basis or, are logical parts of a composite of contemplated actions. [24 CFR Sec. 58.32(a)]

[This is done so that we] address adequately and analyze, in a single environmental review, the separate and combined impacts of activities that are similar, connected and closely related, or that are dependent upon other activities and actions; [and] consider reasonable alternative courses of action; [and] schedule the activities to resolve conflicts or mitigate the individual, combined and/or cumulative effects; [and] prescribe mitigation measures and safeguards including project alternatives and modifications to individual activities. [24 CFR Sec. 58.32(c)]

Once projects have been identified, the ERO determines the level of environmental review needed for those projects and records that determination in the ERR. Again, this can only be done if the project is defined well enough and its activities appropriately aggregated (24 CFR 58.32).

Determination of Level of Review

Environmental reviews can range from very simple documentation for “Exempt” activities, to a Finding of Significant Impact (FOSI) which would require that an Environmental Impact Statement (EIS) be conducted as prescribed by NEPA. [Note: given the range of activities typically associated with HUD funding, an EIS is highly improbable. In the history of Kansas City’s entitlement programs, no EIS has been required – an indication that suitable alternatives have been found for large scale projects during the course of the environmental review.]

“Exempt”

“Exempt” activities (listed at 24 CFR 58.34) require clear notation of a project’s activities and funding. They include environmental and other studies, development of plans and strategies; information and financial services; administrative and management activities; public services that will not have a physical impact or result in any physical changes; inspections and testing of properties for hazards or defects; purchase of insurance; purchase of tools; engineering or design costs; technical assistance and training; and payment of principal and interest on loans made or obligations guaranteed by HUD, etc. “Exempt” means the activity is not considered capable of having a direct impact on the environment and is therefore exempt from a NEPA proscribed review. [Per aggregation, the full range of project activities must be considered in making such a determination.]

Categorically Excluded

“Categorically Excluded” means that the activity is one of a category of activities that, by their nature, do not have the potential to cause a significant impact to the environment and are therefore excluded from the NEPA Environmental Assessment requirements. Because they can have an impact, they must be reviewed for compliance with all applicable laws and authorities to determine what must be done in order for the project or activity to comply with those laws. Within this general group of activities there are two subgroups. Their differences are significant.

Categorically Excluded Not Subject To

This level of determination is associated with activities which are “**Categorically Excluded** [from an Environmental Assessment] and are **Not Subject To**” (CENST) activities listed at 24 CFR **58.5**. Over the course of several years, HUD has determined that CENST activities should be treated much like Exempt activities because they do not themselves have a physical impact on the environment. However, because these activities are associated with physical locations, they do require review for compliance with the requirements listed at 58.6. These activities (listed at 24 CFR 58.35(b)) include tenant-based rental assistance; supportive services such as short-term payment of utilities or rent; operational support of homeless facilities and daycare facilities; activities to assist homebuyers in purchasing an affordable dwelling that is existing or under

construction; etc. Compliance with the Flood Insurance stipulations must be documented for Tenant Based Rental Assistance and Homebuyer Assistance activities.

CENST activities are documented in the ERR and do not require any further review or authorization by HUD (discussed later).

Categorically Excluded Subject To

The next level of determination is associated with activities which are “**Categorically Excluded** [from an Environmental Assessment] and are **Subject To**” (CEST) authorities listed at 24 CFR **58.5**. These activities (listed at 24 CFR 58.35(a)) include acquisition (including leasing) or disposition of land and improvements; rehabilitation of public facilities, housing and other property; new construction of single family housing where there are four (4) or fewer units being developed on any one site; a project of five (5) or more new housing units being developed on scattered sites when each of the sites is at least 2,000 feet from any one of the other sites and, there are not more than four (4) housing units on any one site. Because these activities are of a physical nature or are committing HUD funds to a property that may or may not be suitable, these activities must be reviewed for compliance with the laws listed at 58.5. HUD regulations are very specific about what scale of activity is accepted into this category of review. Housing density, for example, can mean a great deal in determining whether the environment will be suitable for a project or vice versa.

CEST activities are documented in the ERR and require public notification, completion of a Request for Release of Funds (RROF), and subsequent authorization by HUD. Ongoing NEPA compliance must be maintained (see “Ongoing Compliance with Related Federal Authorities” below).

As noted at 24 CFR 58.34(a)(12) some CEST activities may “convert” to Exempt if, after the environmental review process has been completed, they have been found not to trigger any of the 58.5 Statutory Authorities. In these cases, CEST activities are documented in the ERR but do not require the completion of a RROF and subsequent authorization by HUD. Such projects must still comply with requirements set forth at 24 CFR 58.6.

Environmental Assessment

If a project does not fit within one of the above classifications, an **Environmental Assessment** (EA) is required. The EA, in turn, forms the basis for determining whether the project/activity will have a significant impact on the environment. This determination results in either (1) the requirement to perform an EIS as mentioned previously, or (2) a finding that the project/activity will have no significant impact on the environment (FONSI).

To get to a FONSI, the EA will take into consideration many more factors than the CEST level review. Included are: review for consistency with area plans; land use and zoning requirements; stated policies of City Council; Federal, state and local recommended best practices for such developments; possible infrastructure needs; etc. Additionally, alternatives including the “No Action” alternative must be considered along with alternative sites. Ongoing NEPA compliance must be maintained (see “Ongoing Compliance with Related Federal Authorities” below)

Once the level of review has been determined, the next step is a full review for compliance with 24 CFR Part 58, utilizing HUD's HUD Environmental Review Online System (HEROS).

The Heart of the Review Process

Compliance with Federal environmental statutes and regulations listed at 58.5 include compliance with Section 106 of the National Historic Preservation Act (often referred to as the "Section 106 Review," the regulation implementing this compliance process is found at 36 CFR Part 800), floodplain regulations set-out in 24 CFR Part 55, HUD noise regulations set-out in 24 CFR Part 51, Subpart B, Executive Order 11990 Protection of Wetlands, the Endangered Species Act, the Clean Air Act, the Clean Water Act, as well as other requirements (for specific citations refer to 24 CFR 58.5).

Additionally, projects are reviewed for compliance with state and local laws that govern the environmental conditions relevant to the project site or activities. In addition, all activities undertaken using HUD funds must comply with the authorities listed at 58.6 which includes the Flood Disaster Protection Act which requires that, for those properties receiving HUD assistance, and which are located within the 100 Year Floodplain, flood insurance be obtained and maintained for the life of the property regardless of a change in ownership (for specific citations refer to 24 CFR 58.6).

Compliance can be determined through review of on-line resources (as in the case of Wild and Scenic Rivers or Sole Source Aquifers), through consultation with authorities who track data associated with a given subject (e.g. Clean Air Act and the State Implementation Plan), or through appropriate procedures that involve legally proscribed consultation (e.g. Section 106 review or Endangered Species and Habitat).

The review must be concluded before clearance can be gained. To reach conclusion, all compliance issues must be adequately addressed. This does not always mean that the statutory or regulatory issues have been resolved prior to release of funds. Indeed, there may be ongoing requirements that are needed to insure that outstanding issues are resolved prior to completion of the program or project (Minor Home Repair programs for example). This means that, in some cases, the program developer must satisfy compliance steps as properties are identified for inclusion in a program (e.g. is the property located in the floodplain or within proximity to a major roadway). In some cases, full evaluation of potential contamination cannot be undertaken until the site has been further prepared for development. In these cases, Conditions of Approval are made and specific actions are required so that the property is safe for its intended reuse. It is important to note that the type of activity or program drives the determination that no significant impact would result and therefore some issues are weighed more heavily in the decision-making process.

Most often issues are fully resolved prior to release of funds. As part of the review process the ERO and developer work together to find solutions that ensure the protection and enhancement of the environment that will eventually benefit residents or patrons. This process is crucial and always results in a better project. In all cases, there must be a clear path to compliance for any outstanding issues that may remain at the time of clearance.

Note: Once an application has been submitted for a project that anticipates the use of HUD funding, neither HUD funds, nor non-HUD funds can be committed to that project until the environmental review has been approved by HUD, and the Release of Funds obtained. No choice limiting action can be taken until the environmental review is approved (24 CFR 58.22) and Release of Funds obtained. Choice limiting actions include real property ACQUISITION, DEMOLITION, SITE CLEARANCE, REPAIR, REHABILITATION, CONSTRUCTION and LEASING activities. If you are not certain about where your project stands with regard to this statement, please contact the Environmental Review Officer.

Once the project has been reviewed and the determination is made that a project can proceed, the City must publish a notice for the project/activity, and a RROF must be completed and submitted to HUD, with subsequent approval by HUD (the Authorization to Use Grant Funds or AUGF). This process has also been adapted to the HEROS system and, will be used by the City of Kanas City in ensuring compliance with HUD regulations.

Categorical Exclusion Approval Process

Public Notice & Comment Period

Once the environmental review has been concluded, CEST activities require the publication of a Notice of Intent to Request Release of Funds (NOI-RROF) which is published in the local paper of general circulation. This notice provides the public with a 7-day window within which they can comment on the proposed use of funds. Comments received in the specified time will be responded to and incorporated into the ERR.

Submittal of Request for Release of Funds to HUD

The day after the expiration of the comment period, a "Request for Release of Funds and Environmental Certification" form is sent to HUD for authorization. This RROF is signed by the City's Certifying Officer or his/her designee, currently the Alternate Certifying Officer is Andy Savastino, the City's Chief Environmental Officer.

Objection Period & HUD Approval of RROF

The day after HUD receives the RROF, they open a 15-day Objection Period, during which time the public can object to the release of funds - if such objections meet criteria specified at 24 CFR 58.75. The day after expiration of the Objection Period, HUD approves the RROF and transmits their "Authority to Use Grant Funds" form (AUGF) to the City. Once received, the City notifies grant subrecipients that they can commit funds to, and undertake actions authorized via the environmental review. That authorization includes any stipulations identified in the review - these conditions become legal obligations of any contractual agreements associated with the project.

Environmental Assessment Approval Process

The approval process for an EA is nearly the same as the process for CEST activities. The difference is that the City must publish its Finding of No Significant Impact (FONSI), as well as a NOI-RROF. Typically, this is accomplished through a "combined notice" which simply publishes the two together. This notice provides the community a 15-day Comment Period rather than a 7-day period. Under exceptional circumstances, a 30-day period may be necessary.

Because there are many more aspects to an EA review, the process may result in several “Conditions of Approval.” Those conditions become legal obligations of any contractual agreements associated with the project and must be adhered to in order for the grantee or subrecipient to remain in compliance with their grant obligations.

On-going Compliance with Related Federal Authorities

Some CEST or EA reviews are associated with programs involving multiple properties over the course of time. These programs are designed to assist properties not identified at the time of program inception. In these cases, as sites are identified, they must be reviewed to ensure compliance with statutory or regulatory requirements not fully addressed at the time clearance was provided to the program. This “site-specific” review is in line with the NEPA concept of “Tiering.” This approach allows compliance issues to be reviewed once they are “ripe,” expediting what would otherwise be successive reviews for similar projects that would each require their own release of funds.

Examples of program-based activities that require such on-going review, and examples of compliance issues for site-specific projects include the following:

Activities

- Property Acquisition
- New Housing / Commercial Construction
- Housing / Commercial Rehabilitation
- Conversion of Land Uses
- Demolition

Compliance Issues

- Floodplains
- Historic preservation (i.e., Section 106)
- Noise Impacts
- Explosive hazards
- Hazardous substances
- Lead-Based Paint
- Asbestos Containing Materials

Grant recipients and subrecipients are contractually obligated to ensure that the Conditions of Approval or other required actions are carried out. Documentation of such compliance must be maintained in program/project files. Greater detail on the review process can be obtained by contacting the City’s Environmental Review Officer or going to the City Website:

www.https://gov/city-hall/housing/environmental-review

Tom Neff, Environmental Review Officer
Housing and Community Development Department
414 E 12th St, Suite 2403
Kansas City, MO 64130
e-mail: tom.neff@kcmo.org
Phone: 816-513-1332
Fax: 816-513-2808



Environmental Checklist

Housing & Community Development Activities

KCMO HUD Environmental Checklist 0520

This checklist is to be completed for each project proposed for new construction of any kind, rehabilitation of multi-family properties, renovation of commercial or public facilities, or conversion of non-residential structures to residential use. The Developer/Applicant is encouraged, in whole or in part, to utilize the services of an "Environmental Professional," as defined by ASTM, to complete this form. A fillable PDF version can be found on the Neighborhoods & Housing Services Department webpage. A **signed copy** of this form, with accompanying documentation, must be submitted along with the application for funding.

The City of Kansas City requests the use of maps and photographs to aid in defining the site or sites. A variety of maps may be useful in describing the environmental factors that must be investigated, such maps may include:

- Location maps that show the general layout of the area and major features and facilities in the vicinity,
- USGS topographic maps, which indicate terrain,
- Sanborn Fire Insurance Maps that may show some of the previous uses of the site and surroundings,
- Zoning maps, and/or land use maps that show current and/or future community planning objectives. Such maps can be obtained by contacting the City's Planning and Development Department.

Mark the maps as necessary to keep information legible and organized. Many of the conditions observed should be recorded directly on a site plan so long as the footprint of structures can be clearly identified. Additionally, all conditions note (stained soil, distressed vegetation, transformers, suspected Asbestos, etc.) must be photographed and the photographs should be accompanied by a photo key. Aerial photos are helpful.

Project Name: _____ Project Location: Street: _____ County: _____

Description of Project (use additional sheets as needed):
--

Project Contact Information			
Name: _____	Title: _____	Phone #: _____	
E-mail: _____	Address: _____	Fax #: _____	

Date of Field inspection: _____ **By (printed name):** _____

Signature: _____

General Project Information:

1. Project is in a location described as:

- Central city Suburban Infill urban development
 Developing rural area Undeveloped area

2. Project is served by:

- Paved access Public water system Gas service
 Public sanitary sewer system Electric service
 Telephone service Cable TV

- | | Yes | No |
|--|--------------------------|--------------------------|
| 3. Is the project an addition to existing development? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is the site covered with non-agricultural vegetation? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is the site presently being farmed? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is the site on a scenic river? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are there sinkholes on or near the site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are there existing structures on site? Date(s) of Construction: _____ | <input type="checkbox"/> | <input type="checkbox"/> |

Environmental Compliance Factors

Noise (Show location on map of all the following elements)

- | | | |
|---|--------------------------|--------------------------|
| 1. Is the site within 1,000 feet of a major street/road/highway/freeway? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is the site within 3,000 feet of a railroad? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is the site within 15 miles of a civil or military airfield? (attach noise contour map*)
(ID all stop signs, stoplights, and railroad crossings within the proscribed distances.) | <input type="checkbox"/> | <input type="checkbox"/> |

Floodplains/Wetlands

- | | | |
|--|--------------------------|--------------------------|
| 1. Is the site within a floodplain? Refer to FEMA FIRM maps | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Are there drainage ways, streams or rivers on or near (w/in 1,000 feet) the site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are there ponds, marshes, bogs, swamps or other wetlands on or near (w/in 1,000 feet) the site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are there soils or vegetation characteristic of wetlands on or near the site? | <input type="checkbox"/> | <input type="checkbox"/> |

Hazards, Contamination and Toxic Materials

- | | | |
|---|--------------------------|--------------------------|
| 1. Are facilities handling explosive or fire-prone materials such as liquid propane, gasoline or chemicals visible from the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Are there above ground storage tanks on or near the project site that are greater than 100 gallons? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is the project near (w/in 1000 feet) a dump or landfill site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is the project near (w/in 1000 feet) an industry disposing of chemicals or hazardous wastes? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is the project adjacent to or across the street from a gasoline station? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is there distressed vegetation on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Is there waste material/containers on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Is there soil staining or pools of liquid on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Are there loose/empty drums, barrels on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Oil/chemical spills on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Abandoned machinery, cars, refrigerators, etc. on the project site? | <input type="checkbox"/> | <input type="checkbox"/> |

Compatibility with surrounding development

(Use photographs, Sanborn Fire Insurance Maps, aerial photos, zoning or land use maps to note the following)

Is the project compatible with surrounding area in terms of:

	Yes	No		Yes	No
Land use	<input type="checkbox"/>	<input type="checkbox"/>	Texture, materials	<input type="checkbox"/>	<input type="checkbox"/>
Height, bulk, mass	<input type="checkbox"/>	<input type="checkbox"/>	Building type (lo/hi rises)	<input type="checkbox"/>	<input type="checkbox"/>
Building density	<input type="checkbox"/>	<input type="checkbox"/>	Building arrangement	<input type="checkbox"/>	<input type="checkbox"/>
Population density	<input type="checkbox"/>	<input type="checkbox"/>	Light/shadow and ventilation	<input type="checkbox"/>	<input type="checkbox"/>
Setback	<input type="checkbox"/>	<input type="checkbox"/>	Landscaping	<input type="checkbox"/>	<input type="checkbox"/>

Demographic/neighborhood character

Will the project be unduly influenced by: (Show photographs of the surrounding area)

	Yes	No		Yes	No
Building obsolescence	<input type="checkbox"/>	<input type="checkbox"/>	Transition of land uses	<input type="checkbox"/>	<input type="checkbox"/>
Vacant buildings	<input type="checkbox"/>	<input type="checkbox"/>	Transition in density	<input type="checkbox"/>	<input type="checkbox"/>
Building deterioration	<input type="checkbox"/>	<input type="checkbox"/>	Non-conforming conversions	<input type="checkbox"/>	<input type="checkbox"/>
Postponed maintenance	<input type="checkbox"/>	<input type="checkbox"/>	Incompatible land uses	<input type="checkbox"/>	<input type="checkbox"/>
Obsolete public facilities	<input type="checkbox"/>	<input type="checkbox"/>	Inadequate off-street parking	<input type="checkbox"/>	<input type="checkbox"/>
Buildings crowding land	<input type="checkbox"/>	<input type="checkbox"/>			

Site accessibility/Parks and recreation/Commercial and Retail/Transportation

	Yes	No
1. Are there sidewalks connecting the area to other neighborhoods?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are the approaches to the project convenient, safe and attractive? (Show photographs and drawings)	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the project accessible to employment? (Show location on map)	<input type="checkbox"/>	<input type="checkbox"/>
4. Are parks and play spaces available on site or nearby? (Show location on map)	<input type="checkbox"/>	<input type="checkbox"/>
5. Are commercial / retail shopping centers nearby?	<input type="checkbox"/>	<input type="checkbox"/>
6. Is public transportation service available?	<input type="checkbox"/>	<input type="checkbox"/>

Public Services

Proximity

Show on a map, the distance from the site boundary to each of the following:

Nearest Police Station Distance from Site: _____

Nearest Fire Station Distance from Site: _____

Nearest Medical Facility Distance from Site: _____

Does the Medical Facility have emergency facilities Yes No

Response Times

Police Department: _____

Fire Department: _____

Medical Personnel: _____

Man-made hazards and nuisances

Will the project be affected by:

(Show locations on map or identify distances to all of the following)

	Yes	No	Ft.		Yes	No	Ft.
Hazardous street conditions	<input type="checkbox"/>	<input type="checkbox"/>	_____	Railroad-crossing hazards	<input type="checkbox"/>	<input type="checkbox"/>	_____
Dangerous intersections	<input type="checkbox"/>	<input type="checkbox"/>	_____	Inadequately screened drainage/catchment structures	<input type="checkbox"/>	<input type="checkbox"/>	_____
Through traffic problems	<input type="checkbox"/>	<input type="checkbox"/>	_____	Hazards in vacant lots	<input type="checkbox"/>	<input type="checkbox"/>	_____
Inadequate separation of pedestrian / vehicular traffic	<input type="checkbox"/>	<input type="checkbox"/>	_____	Chemical tank-car terminals	<input type="checkbox"/>	<input type="checkbox"/>	_____
Inadequate street lighting	<input type="checkbox"/>	<input type="checkbox"/>	_____	Trucking terminals	<input type="checkbox"/>	<input type="checkbox"/>	_____
Oil or gas wells	<input type="checkbox"/>	<input type="checkbox"/>	_____				
Children's play areas located next to freeways or other high volume traffic ways	<input type="checkbox"/>	<input type="checkbox"/>	_____	Unscreened quarries or other excavations	<input type="checkbox"/>	<input type="checkbox"/>	_____
Other hazardous:				Hazardous cargo transportation routes	<input type="checkbox"/>	<input type="checkbox"/>	_____
- Chemical storage	<input type="checkbox"/>	<input type="checkbox"/>	_____	Sanitary landfills or mining operations	<input type="checkbox"/>	<input type="checkbox"/>	_____
- High-pressure gas Transmission lines	<input type="checkbox"/>	<input type="checkbox"/>	_____	Industrial operations	<input type="checkbox"/>	<input type="checkbox"/>	_____
- Overhead Electrical Transmission lines	<input type="checkbox"/>	<input type="checkbox"/>	_____				

Air quality

Are there air pollution generators within 800 feet:

	Yes	No		Yes	No
Heavy industry	<input type="checkbox"/>	<input type="checkbox"/>	Large parking facilities		
Incinerators	<input type="checkbox"/>	<input type="checkbox"/>	(1000 or more cars)	<input type="checkbox"/>	<input type="checkbox"/>
Power generating plants	<input type="checkbox"/>	<input type="checkbox"/>	Heavy traveled highway		
Oil refineries	<input type="checkbox"/>	<input type="checkbox"/>	(6 or more lanes)	<input type="checkbox"/>	<input type="checkbox"/>

Unique natural features and areas

	Yes	No
1. Is the project near natural features such as waterfalls, bluffs or cliffs?	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the project near public or private scenic areas?	<input type="checkbox"/>	<input type="checkbox"/>
3. Are other significant natural resources visible on site or in the vicinity?	<input type="checkbox"/>	<input type="checkbox"/>

Comments (use additional sheets as necessary):

Appendix H: Section 3

- **What Is Section 3**
- **Kansas City Section 3 Policies**
- **Civil Rights and Equal Opportunity Department**
- **Section 3 Hiring Policy**
- **Certification of Section 3 Eligible Residents**
- **Contractual Obligations**
- **Assuring Compliance**
- **Mandatory HCDD MBE/WBE Goals**
- **Documentation and Outreach**
- **Section 3 Definitions**
- **Section 3 Contract Clause**

Section 3 Overview

What Is Section 3 and Why Is It Important?

Section 3 of the Housing and Urban Development Act of 1968 [12U.S.C.1701u)(section3)], and implementing regulations at 24 C.F.R.135 states the purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section3) is to ensure that employment and other economic opportunities generated by certain U. S. Department of Housing and Urban Development () financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low-and very low-income persons, particularly those who are recipients of government assistance for housing , and to business concerns which provide economic opportunities to low-and very low-income persons. The City of Kansas City Missouri fully embraces this definition of Section 3 and has set forth policies and procedures to "ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible be directed to low and very low-income persons, and to business concerns which provide economic opportunities to low and very low-income persons.

The City of Kansas City, as grantee for federal community development funds, is required by HUD to develop and implement a Section 3 program which provides hiring and economic opportunities for low and very low-income persons, particularly those who are recipients of government assistance for housing and business concerns which provide economic opportunities to low-and very low-income persons to achieve these objectives. Kansas City embraces the spirit and intent of its obligations under Section 3 and has set forth the following policies which are applicable to developers, contractors, subcontractors and others engaged in projects funded through the City of Kansas City Missouri with funds (*meeting the respective established project thresholds of \$200,000 and \$100,000*) sourced from HUD. These policies are discussed throughout the remainder of this document.

About Kansas City Policies Regarding Section 3

Kansas City's Section 3 policies require that new employment opportunities be extended to low and very low-income residents of the area where the project is being implemented. Section 3 eligible residents are to be extended preference in new hiring situations which result from the infusion of HUD sourced funds. Additionally, the program participants will be encouraged to offer long-term employment opportunities to these residents.

These policies also require that designated Section 3 businesses concerns are to be extended preference in contracting, sub-contracting, purchasing and servicing activities. Further it is the policy of the City that it will not move forward with funding any project until there is an approved Section 3 Utilization Plan in place.

Through the implementation of these policies, the City of Kansas City Missouri has tasked the Housing and Community Development Department to with overall responsibility for implementing and monitoring of the City's Section 3 policies. Established within the Housing and Community Development Department (HCDD), there is dedicated full-time staff located at:

Section 3 Office
414 East 12th Street, 24th Floor, City Hall
Kansas City, Missouri 64106
Phone: (816) 513-3044
Fax: (816) 513-2808

Section 3 Office:

Within the Section 3 Office, staff is responsible leading the City's review of Section 3 Utilization Plans and will provide review of the project activities and completed the review of Section 3 Plans within 7 to 10 workdays. All approved Section 3 Utilization Plans will become an essential component of any commitment of funds by the City and any contractual relationship. The Section 3 Administrator is available to provide technical assistance as needed to developers and others during the process of development of Section 3 Utilization Plans. The Section 3 Office will make available to the developers and general contractors with a current list of Section 3 Business Concerns and certified Section 3 eligible residents as requested. The primary objective is to connect low and very low-income persons with economic opportunities and job training associated with the City's Section 3 Projects.

The Section 3 Office has an Administrator in place who is responsible for the certification of low and very low-income persons and Section 3 Business Concerns, as defined within this document. Section 3 eligible residents may have access to the full range of training programs offered through various community partners such a Strategic Workforce and others that may be identified by the Section 3 Office. Section 3 eligible residents can be made aware of employment opportunities through job training websites, developers, contractors, City employment, and other employment opportunities as they become available.

Civil Rights and Equal Opportunity Department (CREO)
Contract Compliance Division

The City's CREO Department includes the Contract Compliance Division, which is tasked with approving all Contract Utilization Plans (CUP) which are submitted as part of the internal processing of contractual documents. Through its Contract Compliance Division, the plans are submitted and the failure to fulfill contractual obligations as defined within the Section 3 Utilization Plans, can be construed as a breach of contractual terms. CREO is responsible for certifying all MBE, WBE, DBE, SBE and SLBE businesses. Additionally, CREO has established the overall project goals for the Housing Department and monitored by their office. Any questions related to the goal process should be directed towards the Section 3 Administrator and CREO. Section 3 goals are monitored through the HCDD.

What is the Section 3 Hiring Policy?

Kansas City's Section 3 Hiring Policy is an essential component of any Section 3 Utilization Plan submitted to the City for approval by Developers and Contractors. Kansas City recognizes the importance of making sure that low and very low-income residents benefit from all City (HUD sourced) projects built or modified in their communities. Developers and contractors are likewise expected by the City to demonstrate in their Section 3 Plans and through their subsequent implementation actions that Section 3 eligible residents are included in the hiring goals and are indeed beneficiaries of the plan's hiring policies and practices.

The following low and very low-income resident hiring goals apply to all projects (submitted by developers and/or contractors) for which Section 3 guidelines are applicable:

Highest Priority: Low and very low-income residents residing in "affected neighborhoods" adjacent or near where a project is located. Neighborhood Areas are defined as Consolidated Strategy Areas as delineated in the City's approved Consolidated Housing and Community Development Plan.

Second Priority: Other low- very low-income residents throughout the City.

Under Kansas City's Section 3 Hiring Policy funded sub-grantees, private entities, developers and contractors will be contractually obligated to:

1. Distribute employment outreach communications through: flyers, online advertisements, printed advertisements, communication with local employment agencies, contacting local agencies that advocate for the enhancement of minority organizations, contacting community-based organizations regarding employment opportunities.
2. Accept and give preferential employment consideration to referred Section 3 eligible residents.
3. Maintain proper documentation of utilization of Section 3 eligible Business Concerns and employment related records.
4. Provide appropriate employment outreach signage at the project site and throughout the project area to inform low and very low neighborhood residents of employment opportunities.

Certification of Section 3 Eligible Residents

The City through the establishment of the Section 3 Office is tasked with the responsibility and serving as the liaison with between the services and programs available, as offered by the City CDBG funded projects. The Section 3 Office is responsible for maintaining a current list of Section 3 eligible residents and making referrals of certified Section 3 Business and organizations as needed. Specifically, the Section 3 Office does have the ability to refer eligible persons to City CDBG funded organizations that offer job training skills and programs that will enhance the employment opportunities of the participants.

Certification of Section 3 Business Concerns

As mentioned, CREO is responsible for certifying all MBE, WBE, DBE, SBE and SLBE businesses. Additionally, CREO has established the overall project goals for the Housing Department and monitored by their office. The Housing Department is responsible for certifying all Section 3 Business Concerns and will maintain a current database capable of generating a data base of certified Section 3 Business Concerns and will make available to any developer, contractor, or subcontractor interested in working on City funded (HUD sourced) projects. Additionally, CREO will be responsible for monitoring the Davis-Bacon and ensuring the project MBE/WBE goals are met. The Housing Department has the authority to allow, if needed, to replace a Section 3 Business Concern with a SLBE on a project, if an issue arises in an effort to

ensure that the project is completed. This demonstrates the City's commitment to providing business opportunities through the City's overall goals.

Developers and Contractors Contractual Obligations:

Under Kansas City's Section 3 Policy funded sub-grantees and private entities will be contractually obligated to:

1. Accept and give preferential employment consideration to referred Section 3 eligible residents.
2. Distribute employment outreach communications through: flyers, online advertisements, printed advertisements, communication with local employment agencies, contacting local agencies that advocate for the enhancement of minority organizations, contacting community-based organizations regarding employment opportunities.
3. Document outreach efforts related to Section 3 eligible Business Concerns.
4. Maintain proper documentation of utilization of Section 3 eligible Business Concerns and employment related records.
5. Provide appropriate employment outreach signage at the project site and throughout the project area to inform low and very low neighborhood residents of employment opportunities.

It is Kansas City's policy that funded sub-recipients adhere to approved procurement and bidding procedures, and therefore no "sole sourcing" of contracts shall be allowed directly to any Section 3 Business Concern. All Section 3 Business Concerns shall be **licensed with the City** and have experience in their North American Industry Classification System (NAICS) to perform the defined scope of work. Otherwise, if they are not certified to perform the scope of work and this includes their sub recipients, they cannot self-perform the work. The Section 3 Administrator can determine, if a business concern in fact, meets the work experience criteria.

What Projects Must Follow the City's Section 3 Policies?

Kansas City's Section 3 policies are applicable to all HUD sourced construction projects related to:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Grant (HOME)
- National Housing Trust Fund (NHTF)
- Neighborhood Stabilization Program Grants (NSP 1, 2, & 3)
- Housing Opportunism for Person with AIDS (HOPWA)
- Emergency Solutions Grants (ESG)
- University Partnership Grants
- Economic Stimulus Funds
- 202/811 Grants
- Lead hazard Control Grants (\$100,000 threshold)
- Healthy Homes Production Grants (\$100,000 threshold)

- Rental Assistance Demonstration (RAD) see most recent RAD Notice, found through HUD’s RAD website, www.hudgov/rad)

Section 3 projects are generally housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial developmental financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000.

Their project is the actual site or sites together with any building(s) and/or improvements located on the site(s) that are under common ownership, management, and/or financed as outlined in the Contract with the City. The requirements within Part 75 apply to an entire Section 3 Project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance. It is important to emphasize that the infusion of any HUD sourced dollars through the City into a project at any point where the cost exceeds the Federal thresholds, triggers the full applicability of Kansas City’s Section 3 Policies to the entire project. It is the policy of Kansas City that full and complete Section 3 obligations apply to all projects and HOME, is included:

1. All construction contracts for which the amount of City (HUD sourced) assistance exceeds \$300,000 and this includes all construction contracts regardless of dollar value where the work is in a designated development area.
2. All \$300,000 must adhere to the MBE/WBE compliance goals established by City Code and federal regulations. The mandatory Housing Department (CDBG/HOME) goals (*established by CREO*) in their totality must meet the following:

a. Construction	MBE: 15%	WBE: 15%
b. Design/Consulting	MBE: 13%	WBE: 13%
c. Facility renovation/Tenant Upgrades/Maintenance	MBE: 11%	WBE: 11%
d. Professional	MBE: 14%	WBE: 14%

3. Davis Bacon Act will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000.
- or the rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City’s prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

4. All Contractor/Subcontractor situations where the contract or subcontract exceeds \$100,000 from the City with HUD sourced funds.

Kansas City's Commitment to: Section 3 Goals

The Section 3 Office is responsible for providing the Section 3 data annually through the Consolidated One Year Action Plan which is submitted to HUD for approval. The current Section 3 goals are as follows:

Preference should be given to Section 3 designees for sub-contracting and hiring.

Minimum of 10% of the total construction costs should be awarded to Section 3 business concerns. Letter of Intents (LOI's) must be signed and notarized by GC and all contractors on the project.

If a Section 3 sub-contractor must be replaced (for any reason), the replacement must be another Section 3 sub-contractor. A revised Section 3 plan must be submitted with the following:

- The Developer Request for Modification or Substitution form must be submitted to the Section 3 Administrator. A detailed explanation should specifically address why the Developer, or its GC is requesting to modify the plan or substitute a Section 3 certified firm.
- The GC must complete LOI's with the replacement Section 3 contractor(s) and submit with the revised plan.

If a Section 3 business concern is participating as a Supplier, the following applies:

- Supplier Manufacturer business is credited with 100% participation
- Supplier Merchant Wholesaler is credited with 60% participation (has warehouse with inventory and delivers)
- Supplier Broker credited with 10% participation (calls around for material & supplies and arranges to have order delivered directly to job site.)

Businesses that are certified Section 3 and M/WBE can't be used to fulfill both sets of goal requirements using identical scopes of work. The business concern must have two separate contracts with different scopes of work if the Developer/Prime wants to use the same contractor for both Section 3 and M/WBE on one project.

25% of total labor hours must be completed by certified Section 3 workers and 5% of labor hours must be completed by certified Targeted Section 3 workers. Targeted workers goal is inclusive of the overall 25% benchmark goal.

Workforce will apply if a project meets the \$300,000 threshold and anticipates 800+ work hours.

Davis Bacon will apply if the following is applicable:

CDBG Funded Project:

- Construction work financed in whole or in part, for more than \$2,000, or
- Rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City's prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

If a Section 3 business uses a labor broker on a project the company must transfer the individuals to their company payroll and provide on-site supervision by a staff member, to receive credit for participation. Section 3 businesses **MUST** self-perform on a project

NOTE: The City will review Section 3 Utilization Plans and provide determinations within 7 to 10 workdays. Additionally, if a Developer/Contractor or other funding recipient has any questions, they are obligated to contact the Housing Department and or CREO, at any time.

Assuring Compliance with Section 3 Policies

Assuring compliance with Section 3 Policies involves affirmative measures on the part of many.

Developer/Recipient sub-Contractors

- Developer/Recipient shall submit a Section 3 Plan reflective of the City's stated Section 3 goals, including notifying all Contractors and Sub-Contractors (hiring and contracting) of the respective Section 3 Guidelines as defined by the Plan.
- Developer/Recipient shall implement an approved Section 3 Plan as agreed to in the approved Section 3 Utilization Goals.
- Developer/Recipient shall notify the Housing Department of any changes in the Scope of Work that may need additional review by City Staff.
- Developer/Recipient shall be responsible for maintaining and make available for monitoring /compliance reviews by City Staff and or HUD. (Proper documentation supporting the reports should be maintained for compliance monitoring reviews.)
- Developer/Recipient shall document and report all aspects of implementation of their approved Section 3 Plan as required by the Section 3 Office.

Section 3 Requirements for Applicable Action Plan Projects

When the City Council has acted and approved a submission of a Consolidated Plan to HUD, **Approved Section 3 Plans will become a part of the recipient's contract with the City of Kansas City Missouri.**

Business Concerns, Developers and other Recipients that submit bids on HUD funded projects through the Housing Department for approval by the Section 3 Administrator.

As part of the bidding process, Section 3 Plans are to be developed and submitted to the City to demonstrate Commitment to Section 3 utilization - this will be a factor in bid selection process. The successful bidder will then have an opportunity to finalize the Section 3 Plan, so that when the Plan is **Approved by the Section 3 Office**, it will become a part of the set of contractual documents with the City.

The following is applicable to the development of Section 3 utilization Plans for the bidding process.

Key Elements for Approved Contracts Section 3 Plan (Utilization Plan)

Minimum of 10% of the total construction cost should be awarded to Section 3 business concerns. Letters of Intent (LOI's) must be signed and notarized by GC and all contractors on the project.

If a Section 3 sub-contractor must be replaced (for any reason), the replacement must be another Section 3 sub-contractor. A revised Section 3 plan must be submitted with the following:

- The Developer Request for Modification or Substitution form must be submitted to the Section 3 Administrator. A detailed explanation should specifically address why the Developer, or its GC is requesting to modify the plan or substitute a Section 3 certified firm.
- The GC must complete LOI's with the replacement Section 3 contractor(s) and submit with the revised plan.

If a Section 3 business concern is participating as a Supplier, the following applies:

- Supplier Manufacturer business is credited with 100% participation
- Supplier Merchant Wholesaler is credited with 60% participation (has warehouse with inventory and delivers)
- Supplier Broker credited with 10% participation (calls around for material & supplies and arranges to have order delivered directly to job site.)

Businesses that are certified Section 3 and M/WBE can't be used to fulfill both sets of goal requirements using identical scopes of work. The business concern must have two separate contracts with different scopes of work if the Developer/Prime wants to use the same contractor for both Section 3 and M/WBE on one project.

25% of total labor hours must be completed by certified Section 3 workers and 5% of labor hours must be completed by certified Targeted Section 3 workers. Targeted workers goal is inclusive of the overall 25% benchmark goal.

Workforce will apply if a project meets the \$300,000 threshold and anticipates 800+ work hours.

Davis Bacon will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000
- or the rehabilitation of residential and new construction property that involve 8 or more units.
-

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City's prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

If a Section 3 business uses a labor broker on a project the company must transfer the individuals to their company payroll and provide on-site supervision by a staff member, to receive credit for participation. Section 3 businesses MUST self-perform on a project

All construction contracts for which the amount of City (HUD sourced) assistance exceeds \$300,000.00 and this includes all construction contracts regardless of dollar value where the work is in a designated development area.

All \$300,000.00 must adhere to the MBE/WBE compliance goals established by City Code and federal regulations.

The Mandatory Housing Department (CDBG/HOME) Goals in their totality are must meet the following:

- | | | |
|---|----------|----------|
| • Construction | MBE: 15% | WBE: 15% |
| • Design/Consulting | MBE: 13% | WBE: 13% |
| • Facility renovation/Tenant Upgrades/Maintenance | MBE: 11% | WBE: 11% |
| • Professional | MBE: 14% | WBE: 14% |

Davis Bacon Act will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000.
- or the rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City's prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

- All Contractor/Subcontractor situations where the contract or subcontract exceeds \$100,000 from the City with HUD sourced funds.

There is no penalty for exceeding the project goals. Section 3 Utilization Plan Goals for the Consolidated Plan Project must be clearly stated. It is recommended that a Developer/Recipient/Sub-contractor designates someone within the organization to be the contact with knowledge of the reporting goals. This person will be the contact and responsible for the reporting requirements for the project.

Documentation and Outreach Requirements

All bid announcements for Section 3 Applicable projects and funded activities that are included in the Consolidated Plan or that are issued by City on HUD, must be sent to the following offices two calendar weeks prior to the bid closing date.

**Housing and Community Development Department
Section 3 Office
414 East 12th Street, 24th Floor
Kansas City, Missouri 64106
Phone: (816) 513-3044
Fax: (816) 513-2808
Thomas.randolph@kcmo.org**

**Unified Contractors of Kansas City
3200 Wayne, Suite 202
Kansas City, Missouri 64109
816.924.4441 or 913.238.3757
gperez@uckc.org orjmabin@uckc.org**

**Black Chamber of Commerce of Greater Kansas City
Kim Randolph, CEO/President
4001 Blue Parkway, Suite 108
Kansas City, MO 64130
913-948-7680
kim@heartlandblackchamber.com**

heartlandblackchamber.com

**Hispanic Chamber of Commerce of Greater Kansas City
107 W. 10th Street
Kansas City, Missouri 64105
816.472.6767
alad@hccgkc.com**

**National Native American
Chamber of Commerce
310 Amour Rd. Suite 208
N. Kansas City, Mo. 64014
(816) 392-7611
www.nnacc.org
johnjhobrien@nnacc.org**

**Women Construction Owners
1414 Genesee
Kansas City, Missouri 64106
816.842.7023**

**Submit a copy of all bid notifications to:
Section 3 Office
Housing and Community Development Department
414 East 12th Street, 24th Floor
Kansas City, Missouri 64106
Phone: (816) 513-3044
Fax: (816) 513-2808
thomas.randolph@kcmo.org**

Developers/Recipients must document that Bid Announcement notices have been placed in the Kansas City Star, Kansas City Call, Dos Mundo Newspapers or emailed through the B2G portal managed by CREO or through an email network or social media. A demonstrated effort or a Good Faith Effort, must be made to reach out to obtain bid from Section 3 Business Concerns. The Section 3 Administrator and CREO are available to consult in this area.

Signage

Section 3 Signage is required for construction projects (multi-family -more than one unit). The sign must: (a) be large enough to be visible from the street; (b) state **“This is a HUD Section 3 Project”**; (c) provide contractor contact information including name/telephone number; (d) identify the name of the housing development with the City’s Section 3 Office contact information. *(examples are available, contact the Section 3 Office).*

Record Maintenance and Documentation

All projects which are subject to Section 3 Guidelines are required to maintain comprehensive documentation of their Section 3 outreach efforts, or Good Faith Efforts. As stated, Good Faith Efforts are the taken actions by the Developer to notify neighbors and/or public about job openings for the Approved Project. There should be clearly maintained documentation of the outreach actions completed and made available to be reviewed by City and/or HUD officials.

Bi-Monthly Reports

The City shall require bi-monthly reports from all Developer/Recipient, Lead-Contractors on Section 3 projects. Developers/Contractors in agreement with the Section 3 Office are responsible for negotiating the reporting month based on the start date of the project. The following is the information requested for each report.

1. Project/contract number
2. Who is the project leader on the project with their contact information?
3. If there are multiple contractors/vendors, provide a separate response for each.
4. Start and the estimated completion date for the project(s).
5. A complete list of the current Section 3 certified employees is working on the project.
6. A complete list of Business Concerns involved in the project.
7. How many works hours have been completed as to the date of the report.
8. If your office is current with imputing information into the B2G, system.
9. Provide a summary/assessment of the project.

Note: The City reserves the right to withhold payments when reports are not completed as required. Reports shall be due based on the final contract date and otherwise: March 1, June 1*, September 1, and December 1. These reports should be submitted to the Section 3 Administrator:

Section 3 Office

414 East 12th Street, 24th Floor

Kansas City, Missouri 64106

Phone: (816) 513-3044

Fax: (816) 513-2808

thomas.randolph@kcmo.org

*The June 1st report shall also include a final Section 3 project report for the entire Consolidated Plan Program Year – (June 1 through May 31). This will be a cumulative report of Section 3 activities for the program year.

Project Compliance Monitoring and Reviews

The HUD, Section 3 Administrator and CREO have the complete authority conduct compliance reviews which consist of comprehensive analysis and evaluation of the developers/recipient's, contractor or sub-contractor's compliance with work force requirements. Since these funds are HUD, federal officials, this data must be maintained and provided when requested for compliance and as established with the reporting requirements within of the City's Consolidated Plan. Where noncompliance is found, the City will notify the recipient or contractor of the deficiency and recommendations for corrective actions. **Any minor or major finding(s) of noncompliance by the City or HUD may result in sanctions based on the program under which the Section 3 contractual requirements or otherwise.**

City Resources to help with Section 3 Utilization Plan Implementation

Item 1. Section 3 Resident Certifications Requirements

A Section 3 targeted worker for housing and Community Development is a person meeting the HUD guidelines of being low or very low income. Pursuant to 24CFR Part 135.5, Section 3 residents are defined as:

- 1) A Public Housing Residents,
- 2) Individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended, and who meets the guidelines for low-and very low-income.
- 3) Accordingly, by definition, residents of the entire MSA shall be certified for Section 3 eligibility may also be referred to this office for certification as Section 3 eligible. A list of certified Section 3 workers may be obtained at:

**Section 3 Office
Housing and Community Development Department,
414 East 12th Street, 24th Floor, City Hall
Kansas City, Missouri 64108, (816) 513-3044**

Item 2. Section 3 Certified Business Concerns Requirements

Business Concerns may be referred to the Section 3 Office, Housing and Community Development Department for certification if they meet the HUD guidelines. Additionally, a Section 3 Business Concern must meet at least one of the following criteria (documented within the last six-month period):

1. At least 51 percent owned and controlled by low- or very low-income persons;
2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
3. A business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Lists of Certified Section 3 Business Concerns are also available on City's web page at:

KCMO DMWBE / Section 3 / SLBE Management System (mwdbe.com)

or

Section 3 Office

Housing and Community Development Department,

414 East 12th Street, 24th Floor, City Hall

Kansas City, Missouri 64108, (816) 513-3044

Section 3 Procedures for All Developers Seeking Funds from the City of Kansas City Missouri

Developers seeking funds from the City of Kansas City Missouri should fully embrace the spirit and intent of its Section 3 obligations and it is important for any who intends to seek funds from the City of Kansas City Missouri (HUD sourced), must clearly understand that Section 3 obligations and requirements accompany any commitment of City funding meeting or exceeding the federal threshold.

It is important to advise all Developers that the infusion of any HUD sourced dollars through the City of Kansas City Missouri into a project at *any point in a project* and at any level exceeding the federal thresholds, triggers the full applicability of Kansas City's Section 3 Policies throughout the entire project.

Policy & Procedures

Complete a Section 3 Utilization Plan and submit it to the City for *approval*. The Section 3 Administrator will make available to Developers the Section 3 Utilization Plan format. (This format will also be available on-line at the City's website). The Section 3 plan will must include specific information regarding the following:

- Identification of the Project Area
- Specific Information about the current workforce
- Specific plan for hiring Section 3 eligible residents
- Specific plan for engaging Section 3 designated business concerns
- Firm commitment to include as part of all bids the Section 3 Plan (once approved by the City) which identifies activities to comply with the Section 3 Program and the City's Section 3 Clause in all sub-contracts
- Firm commitment to conduct aggressive outreach and notification to potential Section 3 residents and businesses of hiring opportunities using site signage, flyers, etc.
- Firm commitment to provide identified area employment agencies of jobs available from the established job pool of Section 3 area residents.

It is the goal of the Section 3 Office to review and approve Section 3 Utilization Plans and provide review findings within 7 to 10 workdays. Meet with City Section 3 Administrator to discuss the City's review of the submitted Section 3 Plan and modify the plan based on feedback from the City's Section 3 Office. During this period, the City has the right to request additional document or information that may be needed to complete the review.

Note: It is important to note that the City will not move forward with funding of any project until the Section 3 Plan receives approval by the City's Section 3 Office.

If the City approves a Section 3 Utilization Plan and decides to move forward with an actual commitment of funds for the project, then the developer is expected to sign a contract with the City which incorporates the Section 3 Utilization Plan.

Non-compliance

Where noncompliance is found, the City will issue immediate notification the recipient of the nature of the deficiency and issue directives for corrective actions. The developer/recipient is expected under the contractual obligation with the City to adhere to implementing the approved Section 3 Utilization Plan. The developer is subject to a compliance review by HUD and the City. Developers are required to maintain records in a manner where they will be readily available to HUD and City staff.

Goals of the Section 3 Contract

HUD regulations (24 C.F.R., Section 135) establish goals requiring that recipients of housing and community development funds and their contractors show that 30% of any newly hired employees each year come from targeted low- and very low-income population which includes public housing residents, residents of the neighborhoods (including the homeless in which Section 3 Projects are located, participants in Youth build programs, and other low-income individuals). Recipients must also commit to allocate at least 10% of building trades contracts and 3% of all other contracts to businesses certified as Section 3 eligible business concerns. These Federal mandates apply to all Section 3 contracts with the City of Kansas City, Missouri and specific actions to achieve these goals are essential for a Section 3 Utilization Plan to receive approval by the City.

- **All sub-contractors awarded contracts of \$200,000 or more, must complete a Section 3 plan for each contract that exceeds that amount.**
- **A minimum of 10% of each of those contracts must be obligated to certified Section 3 businesses.**
- **Prime contractors must sign Letter of Intent (LOI's) with their Section 3 sub-contractor(s) and submit those with their Section 3 Plans.**

Preference should be given to Section 3 designees for sub-contracting and hiring.

Minimum of 10% of the total construction costs should be awarded to Section 3 business concerns. LOI's must be signed and notarized by GC and all contractors on the project.

If a Section 3 sub-contractor must be replaced (for any reason), the replacement must be another Section 3 sub-contractor. A revised Section 3 plan must be submitted with the following:

- The Developer Request for Modification or Substitution form must be submitted to the Section 3 Administrator. A detailed explanation should specifically address why the Developer, or its GC is requesting to modify the plan or substitute a Section 3 certified firm.
- The GC must complete LOI's with the replacement Section 3 contractor(s) and submit with the revised plan.

If a Section 3 business concern is participating as a Supplier, the following applies:

- Supplier Manufacturer business is credited with 100% participation
- Supplier Merchant Wholesaler is credited with 60% participation (has warehouse with inventory and delivers)
- Supplier Broker credited with 10% participation (calls around for material & supplies and arranges to have order delivered directly to job site.)

Businesses that are certified Section 3 and M/WBE, can't be used to fulfill both sets of goal requirements using identical scopes of work. The business concern must have two separate contracts with different scopes of work if the Developer/Prime wants to use the same contractor for both Section 3 and M/WBE on one project.

A minimum of 25% of total labor hours must be completed by certified Section 3 workers and 5% of labor hours must be completed by certified Targeted Section 3 workers. Targeted workers goal is inclusive of the overall 25% benchmark goal.

Workforce requirements will apply if a project meets the \$300,000 threshold and anticipates 800+ work hours.

Davis Bacon requirements will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000
- or the rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City's prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

If a Section 3 business uses a labor broker on a project the company must transfer the individuals to their company payroll and provide on-site supervision by a staff member, to receive credit for participation. Section 3 businesses MUST self-perform on a project

SECTION 3 DEFINITIONS

Applicant means any entity which makes an application for Section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization (CHDO), resident management corporation, resident council, or cooperative association.

Business Concern means a business entity formed in accordance with State law, and which is licensed under State, county or municipal law engages in the type of business activity for which it was formed.

Business concern that provides economic opportunities for low-and very low-income persons. See definition of “Section 3 business concern” in this section.

Contract. See definition of “Section 3 covered contract” in this section.

Contractor means any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with a Section 3-covered project.

Department or HUD means the Department of Housing and Urban Development, including its Field Offices to which authority has been delegated to perform functions under this part.

Employment opportunities generated by Section 3 covered housing and community development assistance. This term means all employment opportunities arising in connection with Section 3 covered projects (as described in 135.3(a)(2), including management and administrative jobs connected with the Section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialists, payroll clerk, etc.

Housing and community development assistance means any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants, and loans guaranteed under Section 108 of the Housing and Community Development Act of 1974, as amended. Housing and community development assistance does not include financial assistance provided through a contract of insurance or guaranty.

JTPA means the Job Training Partnership Act (29 U.S.C. 1579(a).

Low-income person. See the definition of “Section 3 resident” in this section.

Metropolitan area means a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

Neighborhood Area means:

- (1) For HUD housing programs, a geographical location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designed in ordinances, or other local documents as a neighborhood, village, or similar geographical designation.
- (2) For HUD community development programs, see the definition, if provided, in the regulations for the applicable community development program, or the definition for this term in 24 CFR 570.204(c)(1).

New Hires mean full-time employees for permanent, temporary or seasonal employment opportunities.

Other HUD programs means HUD programs, other than HUD public and Indian housing programs, that provide housing and community development assistance for “Section 3 covered projects,” as defined in this section.

Recipient means any entity which receives Section 3 covered assistance directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian Tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

Secretary means the Secretary of Housing Urban Development (HUD).

Section 3 means Section 3 of the Housing Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 Business Concern means a business concern, as defined in this section.

- (1) That is 51 percent or more owned by Section 3 residents; or
- (2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents, or
- (3) That provides evidence of a commitment to by contract more than 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of “Section 3 business concern”.

Section 3 Clause means the contract provisions set forth in 24 CFR 135.38.

- (1) Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:
 - (i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
 - (ii) Housing construction; or
 - (iii) Other public construction projects (which includes other buildings or improvements, regardless of ownership).

Section 3 covered contract means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). "Section 3 covered contracts" also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation

of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of a furnace) and thus is covered by section 3.

Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

Section 3 resident means: (1) A public housing resident; or (2) An individual who resides in the metropolitan area or non-metropolitan county in which the section 3 covered assistance is expended, and who is:

- (i) *A low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or
- (ii) *A very low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

SECTION 3 CONTRACT CLAUSE

All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause):

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. Contractor agrees to comply with HUD's regulations in 24 CFR, Part 135, which implement Section 3. As evidenced by its execution of this Contract, the Contractor certifies that it is under no contractual or other impediment that would prevent it from complying with the Part 135 Regulations.
- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's

commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- D. The Contractor agrees to include Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulation in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

Appendix I: MBE/WBE & Davis-Bacon

- **MBE/WBE & Construction Employment Programs**
- **Davis-Bacon**
- **Construction Employment Program**
- **Mandatory HCDD Goals**

Appendix I

MBE/WBE & Construction Employment Programs

Kansas City sets overall Section 3 employment and contracting goals annually through the Consolidated One Year Action Plan which is submitted to HUD for approval.

- **All sub-contractors which are awarded contracts over \$200,000 must complete a Section 3 plan for their individual contract:**
- **Meaning sub-contracting a minimum of 10% of their individual contract(s) to a certified Section 3 business(es).**
- **Primes must sign LOI's with the Section 3 sub-contractor(s) and submit with their Section 3 Plans.**

Preference should be given to Section 3 designees for sub-contracting and hiring.

Minimum of 10% of the total construction costs should be awarded to Section 3 business concerns. Letter of Intents (LOI's) must be signed and notarized by GC and all contractors on the project.

If a Section 3 sub-contractor must be replaced (for any reason), the replacement must be another Section 3 sub-contractor. A revised Section 3 plan must be submitted with the following:

- The Developer Request for Modification or Substitution form must be submitted to the Section 3 Administrator. A detailed explanation should specifically address why the Developer, or its GC is requesting to modify the plan or substitute a Section 3 certified firm.
- The GC must complete LOI's with the replacement Section 3 contractor(s) and submit with the revised plan.

If a Section 3 business concern is participating as a Supplier, the following applies:

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Businesses that are certified Section 3 and M/WBE can't be used to fulfill both sets of goal requirements using identical scopes of work. The business concern must have two separate contracts with different scopes of work if the Developer/Prime wants to use the same contractor for both Section 3 and M/WBE on one project.

25% of total labor hours must be completed by certified Section 3 workers and 5% of labor hours must be completed by certified Targeted Section 3 workers. Targeted workers goal is inclusive of the overall 25% benchmark goal.

Workforce will apply if a project meets the \$300,000 threshold and anticipates 800+ work hours.

Davis Bacon will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000
- or the rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City’s prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

If a Section 3 business uses a labor broker on a project the company must transfer the individuals to their company payroll and provide on-site supervision by a staff member, to receive credit for participation. Section 3 businesses MUST self-perform on a project

Construction Employment Program. The City has adopted a Construction Employment Program (Sections 38-83.1 through 38-83.13, Code of Ordinances) (the “Program”) to implement the City’s policy of supporting the fullest possible utilization of minority and women workers in the construction industry. The current Section 3 goals are as follows: All construction contracts for which the amount of City (HUD sourced) assistance exceeds \$300,000 and this includes all construction contracts regardless of dollar value where the work is in a designated development area.

All \$300,000 must adhere to the MBE/WBE compliance goals established by City Code and federal regulations.

The Mandatory HCDD Goals for CDBG/HOME, in their totality, must meet the following:

- | | | |
|---|----------|----------|
| • Construction | MBE: 15% | WBE: 15% |
| • Design/Consulting | MBE: 13% | WBE: 13% |
| • Facility renovation/Tenant Upgrades/Maintenance | MBE: 11% | WBE: 11% |
| • Professional | MBE: 14% | WBE: 14% |

Davis Bacon Act will apply if the following is applicable:

CDBG Funded Project:

- construction work financed in whole or in part is more than \$2,000.
- or the rehabilitation of residential and new construction property that involve 8 or more units.

HOME Funded Project:

- Any contract for the construction of 12 or more HOME-assisted units.

(If the City’s prevailing wage requirement also applies, the higher of the two wage orders will take precedence.)

- All Contractor/Subcontractor situations where the contract or subcontract exceeds \$100,000 from the City with HUD sourced funds.

There is no penalty for exceeding the project goals. Section 3 Utilization Plan Goals for the Consolidated Plan Project must be clearly stated. It is recommended that a Developer/Recipient/Sub-contractor designates someone within the organization to be the contact with knowledge of the reporting goals. This person will be the contact and responsible for the reporting requirements for the project.

Minority and Women’s Business Enterprises. The City is committed to ensuring that minority and women’s business enterprises (M/WBE) participate to the maximum extent possible in the performance of City contracts. If the applicant is requesting funding exceeding the M/WBE dollar thresholds described above, applicant will be required to submit a Contractor Utilization Plan, consisting of the following:

[HRD 06 RFQ/P Instructions](#)

[00450 HRD 08 RFP Contractor Utilization Plan Request for Waiver](#)

[HRD 13 Affidavit of Intended Utilization 050113](#)

[00450.01 HRD Letter of Intent to Subcontract](#)

Exceptions to the MBE/WBE requirements are as follows:

- a. Personal services contracts;
- b. Emergency contracts; and
- c. Accounts petty cash funds.

For additional information on the above, please contact Thomas Randolph, Section 3 Administrator, Housing and Community Development Department, thomas.randolph@kcmo.org, (816) 513-3044, or visit the Housing and Community Development Department website at: <https://www.kcmo.gov/city-hall/housing>