

501(c)3 Resource Forum

Housing & Community Services
Department

Office of Community Services

State of Kansas

October 2, 2019



Agenda Overview

- **Entitlement Grant & Citizen Participation Process-** Mark Stanberry, H&CS Department
- **Community Development Block Grant & Unsolicited Proposal Policy-** Logan Bradshaw, H&CS Department
- **HOME Investment Partnerships Program-** Mark Stanberry, H&CS Department
- **Emergency Solutions Grant Program-** Shelly Haupt, H&CS Department
- **Community Services Block Grant Program-** Don Henning, H&CS Department
- **Community Service Tax Credit Program-** Dustin Gale, State of Kansas Department of Commerce
- **Upcoming Census-** Janet Johnson, Office of Community Services
- **Q&A** with presenters
- **Refreshments and Networking,** City Council Boardroom

Entitlement Grant Programs

- The City receives an annual allocation of funds from the U.S. Department of Housing and Urban Development (HUD).
- These funds are used to create strong, sustainable, inclusive communities and affordable housing.
- Funded activities align to the City's goal of creating a livable and sustainable community.

Entitlement Grant Programs

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Solutions Grant (ESG)

Citizen Participation Process

- Five-year Consolidated Plan - identifies the community needs and spending priorities for CDBG, HOME, and ESG funds.
- Program Year Action Plan - allocates estimated funding amounts for defined activities.
- Grants Review Committee - appointed by City Council and reviews RFPs for three entitlement grant programs.

Consolidated Plan Spending Priorities

- Affordable Housing Development and Repair
- Infill Housing Activities
- Street and Sidewalk Improvements
- Youth Programming
- Domestic Violence Shelter Services
- Homeless Services and Solutions
- Small Business Assistance
- Elimination of Food Deserts
- Job Creation

Citizen Participation Timeline

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- November-February annually - Gathering of Public Input, Presentations to District Advisory Boards
- January - Appointment of Grants Review Committee, Issuance of Requests for Proposals (RFPs)
- February - Staff Develops Preliminary Spending Plan, Reviews and Analyzes Responses to RFPs.
- February/March - GRC reviews RFP proposals & makes recommendations

Citizen Participation Timeline

- March - City Council Approves 30-Day Comment Period for Consolidated Plan (if applicable) and One-Year Action Plan.
- May - City Council Approves Final Funding Allocations, Consolidated Plan (if applicable) and One-Year Action Plan
- May 15 - Plans due to HUD.
- July 1 - Program Year begins

Community Development Block Grant

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- Used for a wide range of community development needs.
- Most flexible funding source.
- The amount received for 2019-2020 was \$2,806,594.

CDBG Eligible Activities

- Meets one of three national objectives
 - benefit low to moderate income;
 - prevent slum or blight;
 - address urgent community needs
- Not less than 70% of spending must benefit low to moderate income persons

CDBG & the GRC

- RFPs are issued annually for **Youth Crime Prevention and Domestic Violence Shelter Services.**
- Staff Prepares Analysis for the Grants Review Committee (GRC)
- Responses to RFPs are reviewed by the GRC each February/March. The GRC makes funding recommendations to the City Council.

Housing Activities & Non-Housing Community Development Categories

- Infrastructure Improvements in Low-to-Moderate Income Neighborhoods
- Park Improvements in Low-to-Moderate Income Neighborhoods
- Economic Development- Façade Improvement Program
- Home Repair Program
- MABCD Code Enforcement
- Fair Housing Initiatives

Public Services Category

- City Manager's Office: Office of Community Services
- Housing First Project Coordinator/Other Homeless Assistance
- Domestic Violence Shelter Services- GRC
- Youth Crime Prevention and Enrichment- GRC
- Training and Employment

CDBG Unsolicited Proposal Policy

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- Adopted in 2017 by City Council.
- Proposals are submitted to the Council Member representing the planned project/activity, undergo staff review, go to the DABs for consideration, and then to City Council for consideration, public comment, and then return to City Council for vote.
- To make it past staff review, proposals must meet nine criteria:

1. *Site Control*
2. *Market Demand*
3. *Background Check*
4. *Public Benefit*
5. *Experience*
6. *Sustainability*
7. *Comprehensive Housing Policy*
8. *Economic Development Impact*
9. *Gap Financing*

HOME

- Used to create affordable housing for low-income households.
- The amount received for 2019-2020 was \$1,387,325.

HOME Activities

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- Development Subsidy Financing for Community Housing Development Organizations (CHDOs) – 15% Minimum
- Housing Development Loan Program
- CHDO Operating Support Funding
- Down Payment Assistance Loans for Homebuyers

CHDO Set-Aside

- Staff issues Applications for Community Housing Development Organization Set-Aside Funding
- Funding Must Be Utilized for the Development of Affordable Housing

CHDO Requirements

CHDOs Must Meet Certain Organizational Requirements:

- Legal and Tax Exempt Status
- Financial Management Capacity and Accountability
- Capacity and Experience
- Experience Serving the Community
- Community Representation on Board
- Lack of For-Profit or Public Control
- Purpose – Development of Affordable Housing

HOME: CHDO Set Aside for Housing Development

- Staff Reviews Responses to RFP's, Prepares Analysis for GRC
- GRC Reviews Applications for CHDO Set-Aside Development Subsidy Financing
- GRC Reviews Makes Funding Recommendations to the City Council

Housing Development Loan Program

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- Available to CHDOs, For Profit Developers and Non-Profit Developers
- Must Have Capacity and Experience
- Access to Financing

Emergency Solutions Grant

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- Used to address homelessness.
- The amount received for 2019-2020 was \$238,128.

ESG Activities

- Homeless Assistance (60% Cap)
- Homeless Prevention
- Rapid Rehousing
- HMIS Administration

- Staff Issues RFP for Shelter Services and Homeless Prevention
- Shelter Services - Includes Shelter Operations, Essential Services, and Major Rehabilitation/Conversion
- Homeless Prevention – Rent and Utilities Assistance for Families and Individuals In Immediate Danger of Homelessness

- Staff Reviews Responses to RFP's, Prepares Analysis for GRC and Continuum of Care Coordinating Team (CCCT)
- CCCT Reviews Applications, Develops Recommendations and Makes Presentation to the GRC
- GRC Reviews Applications and CCCT Recommendations
- GRC Reviews Makes Funding Recommendations to the City Council

Community Services Block Grant Program

CSBG aims to alleviate the causes and conditions of poverty in communities by supporting projects that:

- Lessen poverty in communities
- Address the needs of low-income individuals earning 125 percent of the federal poverty level, which is \$32,188 for a family of four, for example.
- Provide services and activities to reduce employment barriers, increase education, improve quality of life with expanded housing choice, access to healthy nutrition, and participation in a network of medical equipment and prescriptions

Community Services Block Grant Program

Planning Process and Budget Timeline:

- Anticipated budget amount is made available in **January**; staff presents proposed programs and budget based on community need to CSBG Review Committee for approval and to move forward with the grant application process
- CSBG grant program budget is presented to City Council in **January/February** for approval and authorize necessary signatures for grant submittal
- CSBG grant is due to Kansas Housing Resources Corporation (KHRC) in **February**
- **March/April**, CSBG grant is approved
- CSBG funds are on an 18 month cycle **April** through **September** of the following year. Cannot roll-over unused funds into the next cycle

Community Services Block Grant Program

- The budget for 2019 program year is \$940,948
- Funded programs include:
 - Individual and Family Development Program
 - Employment and Training
 - Summer Youth Activity Camps
 - The Way to Work Summer Youth Employment
 - Health Care Services

Community Services Block Grant Program

- Staff issues an RFP for Health Care Services
- For Employment and Training, WSCCAP partners with local GED and short-term training providers and will send referrals for short-term education/training services based on client needs and goals
- Client will research local training vendors to suit their needs, staff determine if the short-term training is suitable for the client
- WSCCAP will reimburse the selected vendor for the fees associated with short-term training
- No plans to enter into formal contracts for Employment and Training

2019-2020 Kansas Community Service Tax Credits

Community Service Tax Credits (CSP)

Topeka, Kan. – The Kansas Department of Commerce is awarding Community Service Tax Credits (CSP) to 17 non-profit Kansas organizations in order to support various vital projects.



Purpose of Community Service Program

- Established in 1994, there are four main categories eligible: Community Service, Healthcare Services, Crime Prevention and Youth Apprenticeship/Job Training.
- Gives non-profit organizations a way to improve their ability to undertake major capital fundraising drives.
- Total amount being funded in 2020: \$3,314,293.00.

To be Eligible projects must address one of the following:

- 1) Community Service
- 2) Non-governmental Crime Prevention
- 3) Health Care Services
- 4) Youth Apprenticeship and Youth Technical Training

What the Tax Credit %?

- 70% Tax Credit = (population of less than 15,000)
- 50% Tax Credit = (population of greater than 15,000)

*All Johnson County applicants, regardless of size, are eligible for a 50 percent credit

What are tax credits?

- A direct reduction from the final tax obligation in the awarding jurisdiction (federal, state, local)
- Not the same as a deduction
- Better than a deduction
- Can be combined with a deduction in some circumstances (State Credit + *Federal Deduction)

\$105 Million in tax credits awarded...

...has generated over...

\$169 Million (to date)

for Healthcare and Community Service projects
in Kansas.

Donations have helped fund...

- Health Clinics
- Hospital expansions/renovations/equipment
- Mental health facilities
- Nursing homes/Assisted living facilities
- Arts projects such as centers and theaters, etc.
- Wellness/fitness projects
- Childcare facilities
- Housing
- Miscellaneous

CSP Project Budget Example

Tax Credit Allocation at **70%** (rural)

\$213,000

Will generate **\$304,285** in donations

Tax Credit Allocation at **50%** (urban)

\$213,000

Will generate **\$426,000** in donations

Advantages of the Credits

- **Refundable:** If the tax credit is greater than tax credit liability, the tax filer receives a refund.
- **Transferrable:** The tax credit can be transferred from a donor not subject to KS income tax to an entity that is subject. Must be for full amount. Not Refundable.

Eligible Contributors

- Businesses subject to Kansas state income tax.
- LLC's, S-Corp, Sole Proprietorship, etc.
- Individuals subject to Kansas state income tax.
- Banks, savings, and trust companies paying and subject to annual tax on net income.

Eligible Contributions

Must be valued at minimum of \$250:

- **Cash Donations**

Photocopy of Check or credit card receipt

- **Stocks and Bonds**

Stock Transfer Form + Confirmation of Transfer

- **Personal Property Items***

Two appraisals if over \$1,000

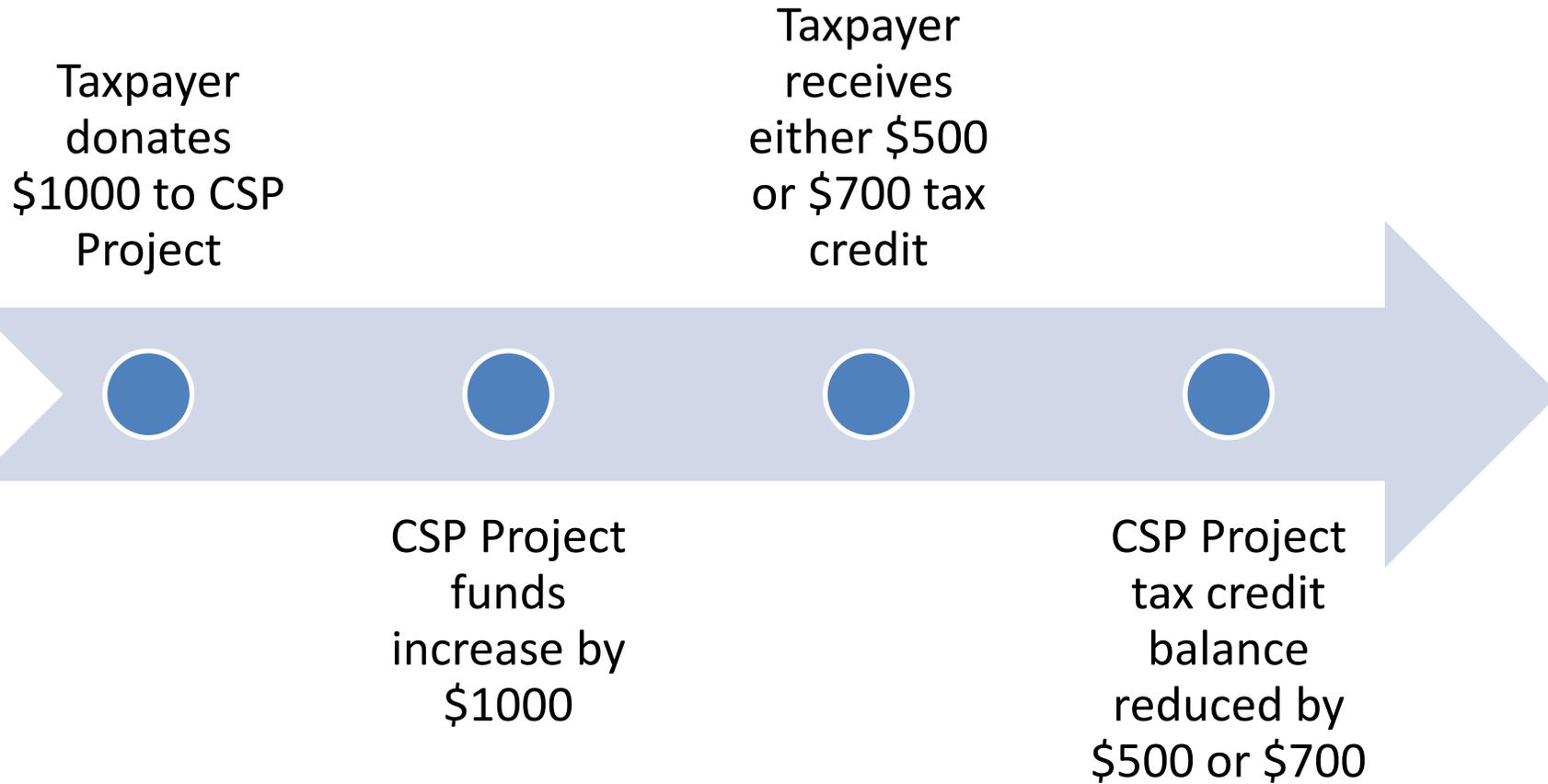
- **Real Estate Donations***

Two appraisals + Used by Project

- **Payroll Deductions**

- **Project Materials or Labor**

Invoice on OFFICIAL letterhead



Tax Credit Example

\$1000 Donation to CSP Project
= \$700 Tax Credit

\$500 Kansas Income Tax Liability
- \$700 Credit

\$200 Refund

Dustin Gale

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April 1, 2020, will your customers be counted?



Why should the 2020 census matter to you?

Kansas receives roughly \$6,000,000,000 annually

For each person missed in the census count it translates to a loss of \$2,082 per year in Federal funding - for a family of 4 that equates to \$8,328 per year

If 1,000 Kansans are not counted, we lose \$14,390,000

What are those dollars used for and how does it impact your clients?

Counting for Dollars: How Census Data Brings \$ To Kansas

- Medicare and Medicaid
- Federal Pell Grant Program
- Section 8 Housing Vouchers
- Temporary Assistance for Needy Families
- Low- to Moderate-Income Housing Loans
- State Children's Health Insurance Program
- School Lunch & Breakfast Programs
- Special Education
- Federal Transit Formula Grants
- Head Start
- Foster Care
- WIC
- Substance abuse treatment
- Business & Industry Loans
- Low-Income Home Energy Assistance
- Child and Adult Care Food Program
- Vocational Rehabilitation Grants
- Unemployment Insurance Admin.
- Child Care
- Adoption Assistance
- Community Facilities Loans/Grants
- Crime Victim Assistance
- Public Housing
- Career & Tech. Education Grants
- Programs for the Aging
- Highway construction

What will be asked?

- Name
- Phone Number
- Age
- Sex
- Race
- Hispanic Origin
- Relationship to householder
- Household tenure (own/rent)
- Number of people in household
- Usual place of residence

Who is hard to count?

- Low income persons
- Racial and ethnic minorities
- Young children
- Highly mobile persons
- Non-English speakers
- Persons experiencing homelessness
- Undocumented immigrants
- Persons who distrust the government
- LGBTQ persons
- Persons with mental or physical disabilities
- Persons who do not live in traditional housing

How can you help?

- Have your case workers and other staff talk to your customers about the importance of participating in the Census
- During the month of April ask your customers if they have taken the Census and offer assistance if they haven't
- Post signs in your lobby areas
- Include information in your newsletters, church bulletins and on your social media sites
- Get involved with the local Complete Count Committee

For more information contact:

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Q&A Session

