

## Non-Profit Child Care and Education Facilities

CDBG funds will be utilized towards Non-Profit Child Care and Education Facilities. The child care activities that are eligible for funding are those designed to address the child care shortage in the state of Kansas.

In collaboration with the Kansas Department for Children and Families (DCF), Kansas Department of Health and Environment (KDHE), Kansas Office of the State Fire Marshal (OSFM), Kansas Children’s Cabinet, and Child Care Aware of Kansas, the Department of Commerce will make funding available to address the shortage of available child care in the state of Kansas. During the program year, all activities proposed in applications for CDBG funding of Non-Profit Child Care and Education Facilities must meet the national objective of benefitting low- and moderate-income persons or households (through the subcategories LMI Limited Clientele).

Families served by facilities must be income qualified, and each subrecipient must be able to demonstrate that 51 percent of the families participating in the child care program are at or below 80 percent of the Average Median Income for the county in which the family resides. The data should be reviewed after the facility is licensed and ready to open for services. It can be found at [Income Limits | HUD USER](#). More guidance will be provided to the applicant upon grant award.

Priority will be given to communities identified by Child Care Aware of Kansas as child care deserts. [Kansas Point-In-Time Child Care Data \(worklifesystems.com\)](#).

Maximum Per Award, <5,000 Population	\$600,000
Maximum Per Award, >5,000 Population	\$750,000
Administration	Up to \$25,000
Match	25%

### National Objective

Applicants must document that the proposed activity complies with a national objective.

1. Benefit to low- and moderate-income households
  - a. Limited Clientele
    - a. This activity will provide a benefit to a specific group of persons, or household, rather than everyone in a general area. It may benefit particular persons or household without regard to the area in which they reside or be an activity that provides benefit on an area basis but only to a specific group of persons who reside in the area. In either case, at least 51 percent of the beneficiaries of the activity must be LMI persons or household. To qualify under this subcategory, the activity must meet the following test:
      - i. Require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the LMI limit, this includes the case where the activity is restricted exclusively to LMI persons.

### Eligible Use of Funds

1. Construction of a new building, or renovations of an existing building to be utilized to house Non-Profit Child Care and Education Facilities. Funding operation of the non-profit child care facilities is not an eligible activity for 2023.
2. Acquisition - URA (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended) must be followed.
3. Administration of grant funds only
4. Engineering/Architectural fees

**Note: When submitting cost estimates, Environmental Review costs are paid 100 percent on the local side.**

### Application Criteria:

All applications will have a Community Needs Narrative. The applicant should discuss the prioritized community needs of its jurisdiction, including how these needs were determined and if they have been formalized in any document. This is not just the project’s needs but the overall community. The narrative should tell the story of the community and their needs across all areas. This is limited to one page and must include Housing Needs. Examples of community needs: education, child care, fire safety, community and government buildings, transportation, recreation, housing, workforce and homelessness.

The Matrix below describes each selection criteria as a numerical score within Early Child Care Education Centers. The maximum number of points available within any application is 100 points. A minimum score of 20 points is required overall.

Selection Criteria Matrix	Maximum
1. Project Need	50
2. Project Readiness	10
3. Project Impact	10
4. Project Sustainability	10
5. Leverage	20
<b>Total</b>	<b>100 points</b>

### Bonus Points

Communities who have not been awarded a CDBG Grant in the annual competition within the last five years in Housing, Community Facilities, or Water and Sewer will receive 10 bonus points on their application rating.

10 bonus points for including other private funding sources such as foundations (not bonds or state and federal agencies). At least 10 percent of local match needs to come from private sources to receive the 10 bonus points.

Project Need criteria will allow up to 50 points. Five points of this criteria will apply to any letters of support

for the applicant. Letters of support may be provided from anyone who shows their support of the project including residents, local businesses, foundations, non-profits, and members of local government.

### **1. Project Need**

- a) Describe the underlying characteristics of existing child care within the community and/or an assessment of the identified community's need for the project.
- b) Provide a statement of how the facility will meet the low-and moderate-income (LMI) requirement. LMI is defined as household incomes below 80 percent of the county median household income. The LMI requirement must be satisfied by self-certification at the time of service.
- c) Identify any past formal or informal efforts to address this need.
- d) Provide Letters of Support for the project from community members, leaders, local government, and professionals.

### **2. Project Readiness**

- a) Provide project goals and objectives aligned with the project need, type of facility and services to be provided.
- b) Provide a timeline of proposed activities, including:
  - i) Timeline for program development and implementation
  - ii) Current and active non-profit status, and name of non-profit entity
    - 1. Secretary of State Certificate of Good Standing
    - 2. Articles of Incorporation and Bylaws
    - 3. IRS Exempt Status Clearance
    - 4. Current board of directors' names and contact information
    - 5. Child care license
    - 6. Financial audit of the organization
      - 1. If the organization has been in existence for less than two years or has less than \$100,000 of annual gross receipts in each of the previous two years, then the organization may submit a copy of a current 990 IRS form in lieu of an audit.
- c) Identify any partner organizations (i.e., local, governmental, or private organizations).
- d) Identify physical location of project, land ownership and if land acquisition is needed.
- e) Identify and explain the type of child care facility and licensing level. Include the number of children, ages and services that will be provided to them. Examples: before and after school services, infants, and toddlers only or other services.
- f) Provide a site plan, including a detailed plan for the indoor and outdoor premises of the facility.

### **3. Project Impact**

- a) List the projected number of benefiting families assisted by the proposed child care facility. Estimate how many beneficiaries will be 51 percent LMI.
- b) Indicate the proximity of the child care facility to any major employers within the community.
- c) Indicate the proximity of the child care facility to any other child care facilities or education

centers in the community.

#### **4. Project Sustainability**

- a) Describe how the child care facility will be implemented in a 24-month period.
- b) Describe how this project will be supported and/or expanded for the five years following the investment of CDBG funds.
- c) Provide a detailed operations and staffing plan, including a budget for both items and an outline of how the plan will promote sustainability of service. Include specifics for wages, compensations, professional development of staff, furnishings, equipment (including kitchen), playground equipment and safety equipment.
- d) Communities should plan to create or maintain a local Child Care Task Force to help monitor the implementation of the project to ensure that the child care needs of the community continue to be met.

#### **5. Leverage**

##### **A minimum match of 25 percent is required**

- a) No project will be funded by CDBG without a local investment. No 100 percent grants from all sources are allowed. Local investment must be for more than administration. A 25 percent match is required. Up to 10 percent of the required 25 percent local match may be in-kind or volunteer labor.
- b) In order to receive the maximum number of points for Leverage, applicants must provide a 50/50 match for their CDBG request. Less than a 50/50 match will result in less points being awarded for Leverage.
- c) The percentage of the match will be calculated as a total of the project and be awarded Leverage points based on the percentage.  
Example: Project Total: \$400,000, CDBG Request: \$200,000, Applicant Match \$200,000  
 $\$200,000/\$400,000 = 50\%$  Leverage gets 20 points
- d) The minimum match is 25% and will receive 0 points for leverage.  
Example: Project Total: \$400,000, CDBG Request: \$300,000, Applicant Match \$100,000  
 $\$100,000/\$400,000 = 25\%$  Leverage gets 0 points
- e) Up to 35% Leverage gets 10 points  
Up to 49% Leverage gets 15 points

#### **Specifications for Preliminary Engineering/Architectural Report**

CDBG-assisted community facility projects must be reviewed by a licensed professional engineer or architect. The review will consist of a preliminary engineering report sufficient in

scope to analyze the need, determine the most appropriate solution alternatives, provide estimated construction and non-construction costs and recommend the required level of funds for operation and maintenance of the facility, if applicable. Failure to submit the required preliminary engineering report is a threshold item. An engineer/architect must be hired for any commercial building demolition.

The preliminary engineering/architectural reports must be uploaded directly to the online application.

At a minimum, the following must be addressed in the preliminary engineering/architectural report:

1. Name of the applicant or owner of the facility.
2. Name, address, telephone number of the engineering/architectural company.
3. Date of review.
4. Description and documentation of the problem.
5. Cause(s) of the problem, including the age of any existing publicly owned facility(ies).
6. Discussion of the alternatives – Several alternatives should be considered to determine feasibility and cost-effectiveness, with justification of the alternative selected. The alternatives must be listed.
7. Estimated construction and non-construction costs. Cost per square foot is not an acceptable architectural estimate. Costs must be broken out for the specific structure.
8. If the scope of the report includes more activities than the proposed CDBG project, clearly identify the CDBG portion in narratives and cost estimates.
9. Analysis of operation, maintenance, and replacement budget.
10. Land requirements – Identify sites and easements required. Also specify whether these properties are currently owned, to be acquired or leased. Must attach proof to receive credit.
11. If you do a building renovation or demolition, asbestos must be addressed.
- 12. Lead-based Paint Hazard Evaluation and Reduction and/or Abatement - CDBG funds can be used to cover the costs of evaluating and treating lead-based paint. Under CDBG, lead paint testing and abatement can be undertaken as an activity or as a part of other rehabilitation work.**

NOTE: USDA Rural Development's Preliminary Engineering Report will meet the requirements of Commerce/CDBG if all items CDBG requires are included in the report. An incomplete or inadequate Preliminary Engineering Report can result in the application losing 10 points.

NOTE: If a vendor is used to supply a cost estimate, said vendor cannot bid on the work if the applicant receives a grant award.

## Application Checklist

The following forms must be signed and submitted through [the online application portal](#).

- a. Community Needs Form
- b. Project Budget Form and Opinion of Probable Cost
- c. Public Facilities LMI Benefit
- d. Public Facilities Narratives
- e. Pre-Selection of Professional Services
- f. Statement of Assurances and Certifications
- g. Resolution of Governing Body to File Application
- h. Maintenance and Operation Resolution (must include dollar figure and source)
- i. Commitments from other funding sources
- j. Disclosure Report Anti-Displacement Plan
- k. Affidavit of Public Hearing Notice \*
- l. Copy of Survey Instrument
- m. Copy of Survey Tabulation, if applicable w/description of variance, if applicable
- n. Survey Methodology
- o. Intergovernmental Agreements (on behalf of or multi-jurisdictional applications), if applicable
- p. Map of Project Area Engineering or Architectural Reports
- q. Environmental Review - Determination of Level of Review
- r. Letters of Support
- s. Letter from the Kansas Secretary of State showing good standing
- t. Documentation supporting non-profit status

**\* The total project funding and CDBG amount requested must match what appears in the public hearing notice.**

## **Threshold Requirements**

Before the application will be scored and ranked, it must meet the following threshold requirements.

1. The application must be received within the application period.
2. Only complete standard application forms will be accepted.
3. The proposed activity for CDBG funding must be an eligible activity under Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended, and meet one of the National Objectives discussed herein.
4. The applicant must be eligible.
5. Preliminary engineering or architectural report must be included, if applicable. The report shall address the items included in the section herein discussing such requirement.
6. The public hearing notice must be published at least five full days before (starting one day after publication date and not counting the date of the hearing, i.e., a total of seven days) but not more than 20 days prior to the public hearing. The public hearing must occur a minimum of 15 days but not more than 120 days prior to the application due date.
7. Absence of required interlocal agreements shall be considered a threshold criterion.
8. Construction Management Contracts are not allowable under Kansas CDBG regulations because of free and open competition for bidders.

Should any document be missing, incorrect or otherwise have deficiencies that do not meet threshold requirements, contact will be made with the applicant after the applications are initially reviewed. The applicant will be given two weeks from notification to correct the deficiency. Threshold items such as inadequate amount of time for public hearing, public hearing not having required information or public hearing held too late would not be correctable and the application will not be scored.

The purpose of this allowance of additional time is in no way intended to give extra time for the purpose of obtaining commitment from other sources, removing contingencies, or finishing the details of the application.