



KANSAS
COMMERCE

NON-PROFIT CHILDCARE & EARLY EDUCATION FACILITIES

<p>FUNDING</p> <p>\$650,000 <small><5,000 population</small></p> <p>\$800,000 <small>>5,000 population</small></p>	<p>MATCH</p> <p>25%</p> <p>of the total project cost (minus administration)</p>	<p>APPLICATION DEADLINE</p> <p>September 30, 2024</p>	<p>QUALIFY</p> <ul style="list-style-type: none"> ✓ Have an acceptable use project ✓ Benefit low-to-moderate income households ✓ At least 25% matching funds
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NATIONAL OBJECTIVE

During the program year, all activities proposed in applications for CDBG funding in the Non-Profit Childcare and Early Education Facilities category must meet the national objective of benefitting low- and moderate-income (LMI) persons. Applicants must document that the proposed activity complies with a national objective.

1. Benefit to low- and moderate-income persons
 - a) Limited Clientele
 - i. This activity will provide a benefit to a specific group of persons rather than everyone in a general area. It may benefit persons 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.
 - ii. Require information on family size and income so that it is evident that at least 51 percent of the clientele served are persons whose family income does not exceed the LMI income limit.

ELIGIBLE APPLICANTS

All incorporated cities or counties in Kansas that do not receive an annual CDBG entitlement allocation from HUD are eligible to apply to the Kansas CDBG program. (The following communities receive entitlements and are ineligible to participate in the state program: Kansas City, Lawrence, Leavenworth, Manhattan, Overland Park, Topeka, Wichita, and all of Johnson County.) A city or county will be deemed ineligible if it has an open CDBG project that needs a time extension or the open project has exceeded the original contract end date.

CDBG funds will be utilized towards eligible community facilities and services grant projects within the following category:
Non-Profit Childcare & Early Education Facilities – Not to exceed **\$1,500,000**

The funding ceiling for this grant will be calculated by the population of the applicant and not per beneficiary. It will be calculated at \$2,000 per person capped off at the criteria below.

AVAILABLE FUNDING	
Maximum Per Award <5,000 Population	\$650,000
Maximum Per Award >5,000 Population	\$800,000
Administration	10% of grant or \$25,000, whichever is less
Match	At least 25% of total project cost, minus administration

ELIGIBLE USE OF FUNDS

1. Construction of a new building or renovations of an existing building to house Non-Profit Childcare and Early Education Facilities. Funding the operations of a facility is not an eligible activity for 2024.
2. Purchase of land or buildings. Acquisition - Uniform Relocation Assistance (URA) and Real Property Acquisition Policies Act of 1970, as amended) must be followed.
3. Administration.
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 needs of the project but of the overall community. The narrative should tell the story of the community and its needs across all areas. This is limited to one page and must include Housing Needs. Examples of community needs are education, childcare, fire safety, community and government buildings, transportation, recreation, housing, workforce, and homelessness.

The matrix below describes each selection criterion as a numerical score within the Nonprofit Childcare & Early Education Facilities Program. The maximum number of points available within any application is 100.

SELECTION CRITERIA MATRIX	MAXIMUM
1. Project Need	40
2. Project Alternatives	10
3. Past Efforts to Address Need	10
4. Project Readiness	10
5. Project Impact	10
6. Leverage	20
TOTAL	100 Points

BONUS POINTS

A total of 20 bonus points is available under two criteria: private match (10 points) and applicants who have not received funding in the past five years (10 points).

If seeking bonus points for private donations or foundation grants, at least 10% of the matching funds must come from that source to gain the 10 bonus points. For example, if a 25% match of a \$550,000 park project is \$137,500 then \$13,750 ($\$137,500 \times .10 = \$13,750$) is the required minimum cash match from a private donation or foundation.

Communities that have not been awarded a CDBG grant in the Annual Competition Categories (All Community Facilities, Water and Sewer Infrastructure, and Youth Job Training) between 2019 through 2023 will receive 10 bonus points on their application rating.

1. Project Need

- a) Applicants must state their need, the cause of the problem, how long the problem has existed, and how the problem affects the community. Applicants must also document the urgency of the problem and what state/federal regulations are being violated, if any. The more an applicant documents a need in actual terms and figures, the stronger the application. The applicant must explain the importance of this project need as compared to total community needs. Please include letters of support which will be worth five points of your total points in this category. 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.

2. Project Alternatives

- a) Applicants will be required to summarize all the alternative solutions that were examined to address the need above. This must also include a financial analysis of all the proposed solutions. Failure to include financial alternatives will result in point deductions. Applicants will also be required to document all sources of funding for the project. The applicant must state the solution they have chosen and the reasoning behind the choice. Describe any acquisition activities completed or required for the project.
- b) Scope of Work: Describe the project (number of blocks of streets, square footage of buildings, linear feet of waterlines, etc.), including the project completion time frame, activities, project costs, and costs per person benefiting. Describe separately the activities covered by the CDBG funds. Discuss any force account construction labor and equipment proposed and the basis of cost estimate for it. Provide a timeline of critical benchmarks in the total project

3. Past Efforts to Address Need

- a) Applicants must describe all efforts from the previous five years that have been made to address the community's overall needs. This includes the proposed project and all other city/county activities, i.e. street improvements, water/sewer improvements, senior centers, health departments, accessibility enhancements, etc.

4. Project Readiness

- a) Applicants must describe the degree to which the applicant is ready to proceed with the project. Has the applicant pre-selected the professional services it will need? In the event land must be procured, does the applicant have ownership of the land or an "option to purchase" the land? Proof must be attached to receive points. Finally, provide an explanation and documentation of leverage commitments. Are there any environmental concerns that would delay the project?
- b) Bonds are not required to be sold to be eligible, but a commitment for purchase must be "in hand" for any issues other than private market. Bond ordinances must be passed and published, and proof thereof included in the application.

5. Project Impact

- a) Applicants should describe the anticipated impact on the LMI community. Describe measurable outcomes, which LMI residents will benefit, and how you will determine if the project is a success.
- b) Applicants should discuss sustainability and long-term benefits to the LMI population of the project.
- c) Applicants should discuss integration with other community development initiatives in the community. How does this project connect to other initiatives in your community for the LMI population?

6. Leverage

Leverage or matching funds consist of non-CDBG resources injected into the project by the grantee or business entity after environmental clearance and release of funds.

The minimum match level is 25% of the **total project cost**, minus administration. Matching funds can come from private or public sources. The application must document that the various sources of matching funds are firmly committed (i.e., a letter of commitment from a bank or funding source). Some common examples of matching funds are bank loans, industrial revenue bonds, owners' equity, contributions from local government, and loans or grants from local or regional economic development entities.

- a) Leverage is 20 points of the scoring formula. To receive the maximum number of points for leverage, applicants must provide a 50% match of the **total project cost** (minus administration costs) in their application.
- b) The percentage of the match will be calculated as a **total of the project cost** (minus administration costs) and applicants will be awarded points based on the match percentage. For example, if the total project cost for a park project is \$550,000, the minimum match would be \$137,500 ($\$550,000 \times .25 = \$137,500$). In this example, the CDBG request would be \$412,500 ($\$550,000 - \$137,500 \text{ match} = \$412,500$) and the application would receive five leverage points.
 - 25-32% match 5 points
 - 33-40% match 10 points
 - 41-50% match 15 points
 - 50% and above match 20 points
- c) Local funding is required for all CDBG projects, and no project can be funded 100% by grants. Applicants are allowed to match CDBG funds with other grant funds if that funding is secured in a city/county account by the time the contract is signed. However, at least 10% of the matching funds must be cash from a local source (i.e., owner funds, city/county cash). For example, if a 25% match of a building project is \$137,500, then \$13,750 ($137,500 \times .10 = \$13,750$) is required as the local source cash match. The local investment must be for more than administration.

SPECIFICATIONS FOR PRELIMINARY ENGINEERING/ARCHITECTURAL REPORT

CDBG 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 or architect must be hired for any commercial building demolition.

The preliminary engineering report/architectural reports must be uploaded directly to the online application. At a minimum, the following must be addressed in the report:

1. Name of the applicant or owner of the facility.
2. Name, address, and 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 facilities.
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, acquired, or leased. Must attach proof to receive credit.
11. Asbestos must be addressed if you do a building renovation or demolition.

NOTE: An incomplete or inadequate Preliminary Architecture Report may lead to a request for corrections from the applicant.

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 Narrative (drafted and pasted into the online application portal)
- b) Project Budget Form and Opinion of Probable Cost
- c) Pre-Selection of Professional Services
- d) Statement of Assurances and Certifications
- e) Resolution of Governing Body to File Application
- f) Maintenance and Operation Resolution (must include dollar figure and source)
- g) Commitments from other Funding Sources
- h) Disclosure Report
- i) Affidavit of Public Hearing Notice*
- j) Intergovernmental Agreements (on behalf of or multi-jurisdictional applications), if applicable
- k) Map of Project Area
- l) Environmental Review - Determination of Level of Review
- m) Letters of Support
- n) Letter from the Kansas Secretary of State showing good standing
- o) Preliminary Engineering/Architectural Report

* 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 architectural report must be included, if applicable. The report shall address the items included in the section herein discussing such requirements.
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 an inadequate amount of time for a public hearing, a public hearing not having required information, or a public hearing too late would not be correctable and the application will not be scored.


The extension of time granted is not intended to provide extra time for securing commitments from alternative sources, lifting contingencies, or finalizing the particulars of the application.


More Questions?

CONTACT THE CDBG TEAM

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