



CDBG-CV3 OVERVIEW

Department of Commerce





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ALL REGULAR CDBG PROGRAM REQUIREMENTS APPLY UNLESS OTHERWISE STATED IN THESE GUIDELINES.

The State of Kansas, Community Development Block Grant – CV3 (CDBG-CV3) program has been awarded \$4.5 million from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Awards will be made for issues triggered by the COVID-19 virus and when no other funds are available.

ELIGIBLE APPLICANTS

The CARES Act funds will be available for a city or county in the State of Kansas, which are defined as “general purpose units of government.”

The cities and counties ineligible include Kansas City, Wichita, Topeka, Lawrence, Leavenworth, Manhattan, Overland Park and all of Johnson County; those that received CV1 or CV2 monies; and those that have a balance in their CDBG Local Revolving Loan Funds. These entities will not be eligible to apply.

APPLICATION SUBMISSION REQUIREMENTS

Applications will be submitted online beginning May 1, 2021 with an application deadline of June 1, 2021.

FUNDING AMOUNT

Maximum funding per county or city is \$150,000. All grants will be for Economic Development job retention and administration only.

REIMBURSABLES

Costs can be reimbursed from March 1, 2020 or used for future working capital. Each expense must be documented with an invoice and proof of payment (receipt, bank statement or copy of check).

PROCEDURAL CHANGES

Procedural changes with CARES Act funds include, the processing of the grantee’s Grant Agreements, Request for Release of Funds and Certification (HUD-7015.15), and Grant Close-out agreements. Based on HUD guidance from April 13, 2020, the grantee can use electronic signatures, scans or fax. These amendments would only be applied to awarded CARES Act funds. All other CDBG requirements apply.

OTHER REQUIREMENTS

The other requirements of the CDBG-CV3 are not fully described in this application. However, they still apply and include: National Objective Requirements, Pre-selection of Professional Services, Administrative Requirements for the Program, Citizen Participation Requirements (Public Hearings), Applicable Laws and Regulations - Federal Laws and Regulations, State Law Requirements, State Laws which may be available or applicable, Grant Definition, and Environmental Review Process. Details of these requirements can be found in the [2021 CDBG General Application Guidelines](#).

APPLICATION RATING CRITERIA

Should any document be missing, incorrect or otherwise have deficiencies we will contact the applicant for corrections. Applications will be awarded approximately on July 1, 2021.

THRESHOLD REQUIREMENTS

The applicant must be eligible and the application must include a public hearing notice.

ELIGIBLE ACTIVITIES FOR CDBG-CV3

Economic Development

- a. For businesses to purchase needed inventory to reopen or stay open. This is considered working capital making the environmental level of review as Categorically Excluded Not Subject To (CENST).
- b. All awards are distributed as grants to cities and counties.

- c. The National Objective is Job Retention and over 51 percent of employees must meet LMI per company
- d. Inventory purchases and working capital expenses (non-city owned utilities, payroll, inventory.)
- e. \$25,000 maximum per job retained for businesses under 5 employees, including owner, for a maximum grant of \$30,000 per company
- f. \$35,000 maximum per job retained for businesses with 6-50 employees for a maximum grant of \$50,000 per company
- g. For profit businesses only
- h. Company must have been in operation prior to March 1, 2020

STATE COMPLIANCE CRITERIA

The following administrative and financial guidelines apply to the Kansas Small Cities CDBG-CV3 program:

1. **Timeliness:** Grantees will have a signed contract with the state within 30 days of award announcement. Project implementation will be initiated within 60 days of the award announcement. Fifty percent of the money awarded must be expended in 90 days. All projects must be scheduled to be completed within 12 months of the project award date.
2. **Administration Allowance:** For the purpose of budgeting, applicants may not propose more than \$15,000 or 10 percent, whichever is less. CDBG-CV3 will not replace any existing employee's salaries for administration. NOTE: No city or county employee, elected or employed, can separately contract with the grantee to perform any portion of the grant either through an outside firm or directly.
 - a. Commerce will release 25 percent administration funds after receipt of the grantee's signed state grant agreement, 50 percent after first drawdown of funds, 75 percent after 50 percent has been drawn and 90 percent administrative costs prior to receipt of close-out paperwork and clearance of monitoring findings.
 - b. For grantees providing administration funds out of local monies, a five percent retainage will be held on the total grant monies until the final paperwork is received and all monitoring findings are cleared.
3. **Professional Assistance:** The use of professional services is governed by the provision of OMB Circular A-87 and applicable state, federal and local laws. The selection of services must be done according to CDBG procurement regulations if grant funds will be used for payment. Written agreements shall be executed between the parties detailing the responsibilities, standards and fees.
4. **Environmental Impact:** All CDBG-CV3 projects are subject to the Federal Environmental Regulations.
5. **CDBG-CV3 Policy when Applicant Discovers Error after Award Announcement:**
 - a. In the CDBG-CV3 application process, unless the State has made a calculation or procedural error, there is no provision to correct applicant error after grant award announcements. The State would be in violation of its own Program Requirements if any application were reconsidered.
 - b. In all cases, it is the applicant's responsibility to proofread and double-check the accuracy of the information submitted in the application.
 - c. The mayor/county commission chairman (chief elected official) accepts the responsibility that the information in the application is correct by signing the grant application submitted.
6. **Kansas Small Cities CDBG-CV3 Administrative Procedure for Request for Information:**
 - a. Kansas Open Records Law
 - (1) All requests for information from the Small Cities (CDBG-CV3) program will be subject to the Kansas Open Records Law (K.S.A. 1983 Supp. 45-206 et. seq.). The Kansas law requires that all records

of a public agency be open to inspection. Kansas Small Cities (CDBG-CV) applications are, as defined by K.S.A. 1983 Supp. 45-207, public records and as such are open for inspection, except as otherwise provided by the Act. All requests must be specifically made in writing.

- (2) Copies of file information will not be made due to cost of copying, staff time and constraints.
- (3) File information, such as grant applications, may be reviewed in the office during normal working hours.
- (4) File information, such as grant applications, may be obtained for private off-site photocopying by use of a “sign out” sheet during normal working hours.
- (5) Consensus rating information will be made available under the above procedures. Individual staff notes are not a part of the body of “public information” and, therefore, will not be made available [K.S.A. 45-211(a)(20)].

TECHNICAL ASSISTANCE

Communities can request technical assistance from any staff person at kdc_cdbg_inbox@ks.gov or (785) 296-3004.

APPLICATION CHECKLIST FOR CDBG–CV3 ACT APPLICATION

Applications must be submitted in the following order:

- _____ Application Summary
- _____ Community Needs Form
- _____ Project Budget Form
- _____ CDBG-CV Narrative
- _____ Resolution of Governing Body to File Application
- _____ Statement of Assurances and Certification
- _____ Disclosure Report
- _____ Anti-displacement Plan
- _____ Affidavit of Public Hearing Notice

NOTE: Do not include letters of support in the application.



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