Grantee: Kansas

Grant: B-11-DN-20-0001

April 1, 2021 thru June 30, 2021 Performance Report

Grant Number:
B-11-DN-20-0001

Obligation Date:

Award Date:

Grantee Name:
Kansas

Contract End Date:

Review by HUD:
Submitted - Await for Review

Grant Award Amount:
$5,000,000.00

Grant Status:
Active

QPR Contact:
No QPR Contact Found

LOCCS Authorized Amount:
$5,000,000.00

Estimated PI/RL Funds:
$1,000,000.00

Total Budget:
$6,000,000.00

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

State of Kansas NSP IIISummary of Distribution and Uses of NSP III FundsEligible UseDescriptionAllocationLocalProposedActivityMatchAccomplishmentsAdministrationState of Kansas$150,000 Wyandotte Co$339,490 Eligible Use BAcquistion & Rehabilitation <120% LMMI$1,943,850 $44,670 15 housesEligible Use BAcquistion & Rehabilitation < 50% LMMI$647,950 $0 5 housesEligible Use EPurchase, Demolition, and Redevelopment <120% LMMI$1,279,140 $0 6 housesEligible Use EPurchase, Demolition, and Redevelopment <50% LMMI$639,570 $0 3 housesTotals$5,000,000 $44,670 29 houses
, ,
As of June 30, 2013: We revised budget for Wyandotte County to increase Redevelopment Budget for the 120% of AMI category.
,Quarter ending 9/30/ 2013. All activities are current. Redevelopment activities continue. One property has sold in the amount of $69,511. Expenditures are current i.e. expended $4,327,690.61 out of the $4,850,000 allocated to the Unified Government of Wyandotte County.
,Quarter ending 12/30/2013. All activities are current. Redevelopment activities continue. Expenditures are current i.e. expended $4,477,598.51 out of the $4,850,000 allocated to the Unified Government of Wyandotte County. Adjusted budget line items to align with beneficiary income levels.
,2/28/2014--One property sold in the amount of $64,622.00
,3/07/2014 moved $46,578.02 from rehab 50% to rehab 120%
,3/27/2014 moved $38,959.61 from Redevelopment 25% set aside (50%) to Rehab 120% and moved $6,611 from Redevelopment 25% set aside (50%) to Acquisition/Purchase 120%.
,8/04/2014 Contract executed for an additional $200,000 disbursed between Rehabilitatin and Redevlopment activities.
,9/09/2014 Moved $34,293.89 from Rehab 25% set aside to Rehab 120% to adjust for correct beneficiary.
,9/30/2014 Moved $28,000 from Redevelopment 25% set aside and $15,000 from Redevelopment 120% to Rehab 120%.
,10/23/2014 received $54,739.85 for sold property to 120% LMi at 2000 Quindaro Blvd. Kansas City, Ks 66104
2/23/2015 Sold property at 1020 Quindaro to 50% LMI.
3/17/2015 Sold property at 1519 Quindaro $48,932.92 to 50% LMI.

Adjusted budget by bebenficiary. 12/12/14
Adjusted budget for last draw for Unified Government of Wyanotte County. Program Income continues to come in. 1/30/2015
Sold property at 1020 Quindaro. PI in the amount of $49,269.37
May 7, 2015. Sold two properties at: 1009 Quindaro and 2211 Quindaro. PI amount $51,255.27 and $43,620.15.
July 27, 2015, Sold property at 11365 Quindaro Blvd.. PI amount of $46,728.30
Sept 10, 2015 Sold property at 301 N 20th St. PI amount of

Summary of Distribution and Uses of NSP Funds:

$40,539.28
Oct 23, 2015 Sold two properties--1024 Quindaro Blvd $50,643.79 and 1344 Quindaro Blvd$44,392.60.
1/22/2016
Sold two properties to 120% LMI persons. 1515 Quindaro Blvd $45,451.92 and 1326 Quindaro Blvd. $47,309.14.

7/28/2016 sold property at 1018 Quindaro Blvd to 25% LMI person PI amount of $48,513.20

8/12/2016-receipt 8/23/2016 sold property at 1324 Quindaro to 120% LMI person PI amount of $38,400.
10/31/2016 Sold property at 1328 Quindaro in the amount of $45,366.25

4/25/2016. State of Kansas has not received any new proposal from Unified Government of Wyandotte County to use available program income. State expects close-out of packet from Wyandotte County this quarter.
5/30/2017. Updated corrected Program Income amount.-minus the $18,879 which the voucher was supposed to be cancelled. Also making corrections to Wyandotte Co overall budget to align with awarded allocation. Making corrections of Program Income reporting to align to DRGR reports.
10/9/2017 sold property at 2213 Quindaro. PI amount received is $30,185.96 Rehab 25 % set aside
12/06/2017 Paid KDOC State Admin

How Fund Use Addresses Market Conditions:

General Conditions/ Low Income Targeting   Wyandotte County represents 15 percent of the foreclosures in Kansas even though it has less than 6 percent of the total population. In 2009, there were 1,456 foreclosures in Wyandotte County, or about 1 foreclosure per every 40 occupied housing units. The foreclosure rate is the highest in the state, with 26 out of 70 total census tracts at or above the HUD Foreclosure Risk Factor score of 12 (20 being the highest). Wyandotte County is the only “urban” county suffering from such drastic levels of risk and will require the enlistment of enormous financial resources to continue engaging the issue of arresting economic and social disinvestment. According to the 2009 American Community Survey (ACS), 10,441 or 15 percent of the 67,959 housing units in Wyandotte County were vacant. This reflects a 3.4 percent homeowner and an 11.9 percent rental vacancy rate. While there was a general rise in new home values overall, due to the housing boom in western Wyandotte County, it is not indicative of the concurrent 6 percent reduction in housing value in areas north of I-70 and east of I-635 over the same period[1]. In addition to negative home values, housing redevelopment and rehabilitation costs rise with an increase in housing age. Case in point, sixty-two percent of housing units in Wyandotte County were built prior to 1970. In fact, one in five houses was built prior to 1940.   A high proportion of low- and moderate-income residents and families are experiencing prolonged, high-level unemployment and extreme foreclosure risk in this densely populated County.   Although nearly 52 housing units have been acquired, demolished, rehabbed, or redeveloped with funds from NSP 1 (Housing and Economic Recovery Act of 2008); the continued rise in unemployment and housing foreclosures has created a stronger need for continued stabilization efforts. Some common economic indicators help to provide illustration of this need more clearly. For example, the county’s 2010 population of 155, 085, was ranked 4th out of 105 counties in Kansas. Also, unemployment rose 5.1 percent over the period from 2005-2009, moving from 8.8 percent to nearly 13.9 percent. Despite this rise in unemployment, Wyandotte County is still an important employment center in the metropolitan area. However, nearly 44 percent of the workforce that comes here lives outside of Wyandotte County, despite its relatively cheaper cost of living compared to adjacent counties and communities. This is in part, due to the poor condition of the housing stock, with 85 percent of residential structures being 50 years or older. In addition, many of these structures built prior to 1960, were rarely insulated to achieve energy efficiency; signifying a large economic cost to today’s homeowner in increased heating and cooling bills and renovations to modernize. NSP3 regulations require that all funds be used with respect to individuals or families whose income does not exceed 120 percent of the area median income (AMI). The county’s AMI was $44,224 and 120 percent of that is $53,069 (ACS, 2009). The 2009 estimate also shows that there are 56 percent of families with incomes under $49,999, making them eligible for this program. It iat nearly 2t of the county population liveseral povpercent of homeowners with a mortgage have housing burdens o

How Fund Use Addresses Market Conditions:

f 35 percent or greater, compared with the state of Kansas at 13 and 18 percent respectively. Higher cost burdens and falling home values, often equates into a more tenuous economic situation for owners and renters alike. For owners, the most likely outcome is an inability to continue meeting debt obligations and the likely outcome resulting in foreclosure proceedings by lenders. Method Used To Identify Areas: To determine the areas of greatest need, the UG used the NSP 3 HU

Housing Rehabilitation/New Construction Standards:

Privately owned water, sewer, electrical and gas utilities that have been approved by the state and local public institutions for use for residential dwellings.   c.   For structures connected to an on-site water well, water must be tested and meet water quality standards for drinking water as required by the Kansas Department of Health & Environment (KDHE) for public water supplies; or water supp

Ensuring Continued Affordability:

Long Term Affordability Home Ownership Affordability Requirements Homebuyers under the NSP III program must obtain a fee simple title of the home from the NSP III grantee. Perspective homebuyers must purchase their home from the NSP III grantee after securing a loan from a bank or other lending institution. Homebuyers are prohibited from securing variable rate loans in order to “afford” the housing unit. As part of securing a mortgage, perspective buyers must enroll and complete an eight hour credit counseling course offered by HUD accredited organizations. Once an NSP III home is ready for sale, the grantee must secure an appraisal that arrives at the fair market value.   Upon this determination, the grantee may write down the sales price on the home in order to make the sale possible to income qualified homebuyers. The guidelines for writing down the sales price of homes must be in writing and applied equally to all perspective buyers.   For example, buyers earning less than 50% of Area Median-Income (AMI) will receive a 40% write down on the appraised value of the home they are interest in purchasing. While buyers earning less than 120% of AMI will receive a 20% write down of the appraised value of the home they are interested in purchasing. After a perspective buyer has decided to purchase an NSP III home, and the NSP III grantee has discussed write down provisions of the program, the buyer must secure a loan from a bank or other lending institution. As part of the closing documents, the buyer must enter into a repayment agreement for a prescribed period of time depending on the write down amount, Or if the repayment agreement will require the homeowner to repay the “write down” subsidy at a prorated amount if he or she decides to sell the home prior to the expiration of the repayment agreement. The repayment agreement must be calculated based on a monthly write down of the subsidy amount.   For example, if a buyer receives a $10,000 subsidy, the monthly repayment is calculated by dividing $10,000 by 60 months. Thus, the monthly write down is $166. In the event an owner sells his or her home after a year of occupancy, the owner is forgiven $2,000 ($166 X 12). The remaining proceeds must be returned to the NSP III grantee at the time of sale of the home. Upon the completion of the repayment agreement term, the repayment agreement will become null and void and the home owner is free to dispose of the home as he or she sees fit. Affordability Periods Affordability Period Subsidy Amount 5 years (60 months) Less than $14,999 10 years (120 Months) Between 15,000 - $40,000 15 years (180 Months) Over $40,000   The sale of the NSP III home to a perspective buyer hinges on the willingness of the buyer to enter into a repayment agreement. Once signed, the repayment agreement is filed, along with the deed with the county registrar of deeds. Thus, the future sale of the home will hinge on clearing the title and settling the repayment agreement. If repaying the proceeds from the sale of the house is notan option, the owner may resell the original home to another income-eligible homebuyer. This sale must be at a price that is affordable to the purchaser,although the owner is allowed a fair return on the sale. The period of affordability will continue on to the new homeowner. Under HOME regula

Ensuring Continued Affordability:

tions, the grantee defines both the term of affordability and a fair return. Properties assisted through NSP and operated as affordable rental housing will utilize the current Fair Market Rents as published by the U.S. Department of Housing and Urban Development as the maximum rent limit (Exhibit D). Grantees must obtain current Section 8 utility allowance for tenant-paid utilities, as established by the local public housing authority. In determining compliance with the above paragraph, the co

Definition of Blighted Structure:

Pursuant to K.S.A.12-1770a., the definition for blighted area includes blighted structure.
In the State of Kansas, a blighted area means an area which, because of the presence of a
majority of the following factors, substantially impairs or arrests the development and growth of the municipality or constitutes an economic or social liability or is a menace to the public health, safety, morals or welfare in its present condition and use.
The majority of factors include a substantial number of deteriorated or deteriorating structures; a predominance of defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; tax or special assessment delinquency exceeding the fair market value of the real property; defective or unusual conditions of title including but not limited to cloudy or defective titles, multiple or unknown ownership interests to the property; improper subdivision or obsolete platting or land uses; the existence of conditions which endanger life or property by fire or other causes; or conditions which create economic obsolescence; or has been identified by any state or federal environmental agency as being environmentally contaminated to an extent that requires a remedial investigations; feasibility study and remediation or other similar state or federal action; or a majority of the property in a 100-year floodplain area; or was previously found by resolution of the governing body to be a
slum or a blighted area under K.S.A. 17-4742 et seq., and K.S.A. 17-4760 and amendments
thereto.

K.S.A. 17-4760
(h) "Slum area" shall mean an area in which there is a predominance of buildings or
improvements, whether residential or nonresidential, which by reason of dilapidation,
deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

K.S.A. 17-4760
(i) "Blighted area" shall mean an area (other than a slum area) which by reason of the presence of a substantial number of slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use: Provided, Thatif such blighted area consists of open land the conditions contained in the provision in K.S.A. 17-4747(d) shall apply.

Definition of Affordable Rents:

Any NSP-assisted rental housing sold prior to the expiration of the 10-year affordability contract must be sold to an entity willing to maintain the affordability objective until the affordability contract clause has been satisfied. Rental property bought under NSP that is sold to a for-profit entity not willing to maintain the rental restriction must return the proceeds of the sale as program income to the U.S. Treasury.
The NSP-assisted rental units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership, and will be imposed by covenants running with the land, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The grantee may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability.
The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.
NSP Funding per Unit Period of affordability in years
At or less than $40,000 10
Over $40,000 15
Owners must annually provide the grantee with information on rents and occupancy of NSP assisted units to demonstrate compliance with this section. Sub-grantees will use Section 8 Fair Market Rents as the maximum rent limit for NSP rental activities.

Housing Rehabilitation/New Construction Standards:

NSP 3 Housing Quality Standards I. Introduction These physical guidelines for the rehabilitation of existing residential properties have been developed to provide minimum design and construction criteria on a statewide basis. The provisions are extended to serve as an important aid in carrying out the objectives of state and local programs for neglected and run-down properties. These objectives seek the large-scale physical, social and economic regeneration of neighborhoods, which have, in general, seriously deteriorated. These Housing Quality Standards are divided into two parts: a) health and safety standards (which includes weatherization) and, b) livability standards. Health and safety standards outline the minimal basic standards to address health and safety issues for the residents of the unit. However, we have not included weatherization into health and safety. The goal of the livability standards is to add 20 years to useful life to the housing unit, addressing issues beyond those considered a health or safety threat. All housing units receiving NSP assistance must comply with the health and safety standards; a minimum of 80 percent of funds for housing rehabilitation assistance must be spent to enable a unit to meet the higher standard of livability. If it is determined that a house cannot be brought up to livability standards for the monies available, the grantee should address only the health and safety standards if the grantee’s “walk-away” policy does not affect the decision. The purpose and intent of the guidelines are threefold: · To assure improved housing that is livable, healthful, safe and physically sound, and at the same time is low enough in cost for present neighborhood residents to afford. · To provide an acceptable minimum level for residential rehabilitation based on performance, which has maximum flexibility to meet local conditions. · To encourage innovation and improved technology, which give the promise of reduced construction costs. A. Contrast with New Construction Standards These guidelines for rehabilitation are significantly different from standards for new construction. These deteriorating buildings were built many years ago by standards quite different from those practiced today. Former patterns of living and the use of space are now likely to be considered inefficient or inconvenient. Properties, in many cases, will have become substandard because of overcrowding, lack of sanitary conditions and general neglect. B. Other Codes and Regulations These guidelines, while setting forth basic objectives and provisions specifically related to rehabilitation, shall not be construed as relieving the property owner, project sponsor ouilder of his/her responsibility for compliance with local ordinances, codes and regulations, including established requirements of health officers or other auth. a. State approved city/Rural Water District (RWD) or county supplied water, sewer, electrical and gas utilities. b.

Grantee Contact Information:

State of Kansas
Kansas Department of Commerce Rural Development Division
1000 SW Jackson Suite 100
Topeka, Kansas 66612
Le Ann Thurman NSP III Field Representative 785-296-4100
Salih Doughramaji NSP III Field Representative 785-296-3610

Vicinity Hiring:

Section 3/Vicinity Hiring Preference

In order to ensure to the greatest extent possible, the full availability of local access to jobs funded with NSP dollars, the Unified Government shall undertake the following measures.

• Will solicit proposals for a Section 3 coordinator that will work in the target area to provide resident training on becoming Section 3 certified and will train on the proper procedures for becoming a certified Section 3 business concern.
• The Unified Government will conduct a minimum of 1community-wide training on Section 3, prior to undertaking NSP 3 activities and will include all affected residents in the proposed target area as well as eligible contractors and others interested in doing business with the Unified Government.
• The proposed coordinator shall serve as the main source of outreach and education for the community and the Unified Government. She/he will provide continued notice of upcoming Section 3 opportunities for both construction and non-construction related activities.
• The proposed Section 3 coordinator will keep a monthly record of all outreach efforts and shall submit this record for review by the Unified Government to ensure a continued and aggressive presence in the community. The information included for tracking shall reflect the data needed for creating the annual Section 3 Summary Report (HUD Form 60002).

This is not an exhaustive list of the Unified Government's outreach efforts. All efforts will meet or exceed requirements as stated in 24 CFR 135.

Procedures for Preferences for Affordable Rental Dev.:

Affordable Rental Strategy - While the Unified Government recognizes the national focus and local need for more affordable rental accommodations; a recent survey of the Wyandotte County area reveals a need for single-family housing over apartment/rentals, 66 percent to 33 percent. It is the county’s policy that rental issues and creation will be handled by the Kansas City, Kansas Public Housing Authority (KCKPHA). Their approach to meeting the area rental need for low- and extremely-low income families will utilize the following resources:

· Housing Choice Voucher Program (Section 8)
· Section 202 and Low-Income Housing Tax Credits

Overall	This Report Period	To Date
Total Projected Budget from All Sources	$0.00	$5,299,300.67
Total Budget	$0.00	$5,299,300.67
Total Obligated	$0.00	$5,299,300.67
Total Funds Drawdown	$0.00	$5,177,481.69
Program Funds Drawdown	$0.00	$4,793,426.54
Program Income Drawdown	$0.00	$384,055.15
Program Income Received	$0.00	$994,436.59
Total Funds Expended	$0.00	$5,070,417.38
HUD Identified Most Impacted and Distressed	$0.00	$0.00
Other Funds	$ 0.00	$ 0.00
Match Funds	$ 0.00	$ 0.00
Non-Match Funds	$ 0.00	$ 0.00

Funds Expended

Overall	This Period	To Date
Ks Dept of Commerce	$ 0.00	$ 69,153.65
Wyandotte County	$ 0.00	$ 5,001,263.73

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	$.00	$.00	$.00
Overall Benefit Amount	$5,999,400.00	$.00	$.00
Limit on Public Services	$750,000.00	$.00	$.00
Limit on Admin/Planning	$500,000.00	$580,564.65	$503,225.57
Limit on Admin	$.00	$580,564.65	$503,225.57
Most Impacted and Distressed	$.00	$.00	$.00
Progress towards LH25 Requirement	$1,500,000.00		$1,444,431.77

Overall Progress Narrative:

The last QPR submitted was for period ending 10/30/2017 Updated information will be provided in the QPR submitted on October 30, 2021. State is in process of closing out NSP

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NSP III Projects, NSP III Projects	$0.00	$5,299,300.67	$4,793,426.54