



To: Governor Mark Parkinson
Lt. Governor Troy Findley

From: Steve Weatherford, President
Gary Allsup, Executive Director

Date: March 5, 2010

Regarding: ARRA Status Report

KHRC ARRA ACTIVITY OVERVIEW
as of March 5, 2010

Kansas Weatherization Assistance Program (K-WAP)

	ALLOCATED	SPENT	REMAINING	TIME
ARRA WX	\$56 Million	\$7,026,733	\$48,973,267	3 Years
DOE/LIEAP WX	\$7,858,574	\$6,980,001	\$878,573	1 Year

Housing Credit Exchange Program (CEP)

	ALLOCATED	COMMITTED	DISBURSED	REMAINING
CEP	\$45,311,378	\$45,311,378	\$21,731,971	\$0

Tax Credit Assistance Program (TCAP)

	ALLOCATED	COMMITTED	DISBURSED	REMAINING
TCAP	\$17,121,110	\$17,121,110	\$5,078,868	\$0

Homelessness Prevention and Rapid Re-Housing Program (HPRP)

	ALLOCATED	COMMITTED	DISBURSED	REMAINING
HPRP	\$8.3 Million	\$8.3	\$318,279	\$0

Community Services Block Grant Program (CSBG)

	ALLOCATED	DISBURSED	REMAINING
CSBG	\$8,161,336	\$4,565,354	\$3,595,982

SUMMARY OF PROGRAM ACTIVITY UNDER AMERICAN RECOVERY AND REINVESTMENT ACT

Kansas Housing Resources Corporation (KHRC) administers six programs that were either impacted or created by the American Recovery and Reinvestment Act of 2009 (ARRA). These programs are the: Kansas Weatherization Assistance Program, Housing Credit Exchange Program, Tax Credit Assistance Program, Homelessness Prevention and Rapid Re-Housing Program, Community Services Block Grant Program and the State Energy Efficiency Appliance Rebate Program. Please find below a report containing a summary of each program and the impact of ARRA, the current status of program expenditures, and current issues with some programs.

Kansas Weatherization Assistance Program (K-WAP)

<i>As of March 5, 2010</i>	ALLOCATED	SPENT	REMAINING	TIME
ARRA WX	\$56 Million	\$7,026,733	\$48,973,267	3 Years
DOE/LIEAP WX	\$7,858,574	\$6,980,001	\$878,573	1 Year

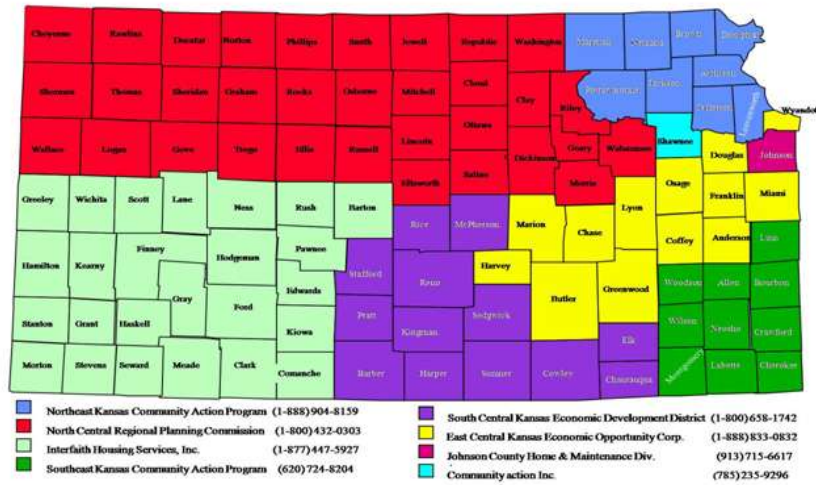
KANSAS WEATHERIZATION ASSISTANCE PROGRAM (KWAP)

K-WAP is a U.S. Department of Energy (DOE) funded program that KHRC initially began administering in 1974. The purpose of the program is to make low-income households in single or multi-family dwellings more energy efficient, thereby reducing the household's monthly heating and cooling bills.

Funds may be used for leakage reduction, incidental repairs, health and safety measures, furnace and cooling system repair/replacement, insulation, and replacement of inefficient refrigerators. DOE regulations limit the eligibility to those with incomes at or below 200% of the poverty level (\$20,800 annually for a single person or \$42,400 annually for a family of 4 in Kansas). The new regulations also include an increase in the per-home average cost of repair and improvements from \$2,500 to \$6,500.

The weatherization program is operated through a network of eight local service providers. Each agency provides weatherization for their region of the state. The following map identifies each service provider and the region in which they operate.

Counties Served by Kansas Weatherization Assistance Program



The following chart shows a five year history of funding for the Weatherization Program. Funding is based on a program year which begins each April 1 and ends the following March 31.

WEATHERIZATION FUNDING (5 YEAR HISTORY)			
Year	DOE	LIEAP	Total
2009	\$ 5,001,866	\$ 2,856,708	\$ 7,858,574
2008	\$ 2,518,837	\$ 2,497,970	\$ 5,016,807
2007	\$ 2,264,099	\$ 2,501,390	\$ 4,765,489
2006	\$ 2,706,214	\$ 4,415,873	\$ 7,122,087
2005	\$ 2,262,771	\$ 2,149,146	\$ 4,411,917
2004	\$ 2,390,904	\$ 2,548,024	\$ 4,938,928
Average	\$ 2,857,499	\$ 2,828,213	\$ 6,018,994

Impact of ARRA: In addition to doubling DOE funds for FY 2009, the K-WAP program also received \$56 million in ARRA funds for a three-year period. In view of the substantially increased funds as well as the existing sub grantee agencies’ ability to ramp up operations to the extent necessary, for the short term, KHRC set aside \$16 million and established a multi-family program to be managed with KHRC staff, to focus on weatherizing multi-family homes, including: Tax Credit properties, USDA Rural Development properties, and project-based Section 8 properties that had no direct HUD funds for energy-efficiency improvements. The balance of the \$56 million, or \$40 million, is expected to be used for single-family dwellings.

Recent Activity: The network agencies have performed weatherization in homes through both the “traditional” DOE funding and the ARRA funding this past year and KHRC’s multi-family program is now fully underway with nearly 1,300 homes complete and an additional 4,573 in progress.

Overview	Traditional DOE / LIEAP	ARRA Weatherization	TOTAL
Homes Completed (updated weekly - as of 3/1)	877	508	1385
Homes in Progress (updated weekly as of 3/1)	82	4,747	4,829
Homes on Waiting List (updated weekly as of 3/1)	na	951	951
Funds Expended (updated monthly –as of 3/10)	\$6,980,001	\$7,026,733	\$14,006,734

Status of ARRA Expenditures: To date, the state’s network of weatherization providers have expended \$7,026,733 in ARRA funds and completed 508 homes. ARRA funds have been utilized to increase provider capacity including vehicles, equipment, salaries, and perhaps most importantly training and technical assistance. In addition, KHRC has expended \$819,634 for similar capacity enhancement for both multi-family activities and compliance monitoring. In all, a total of over 4,700 homes are now in progress with a waiting list of over 951 pending.

Status of 2009 DOE and LIEAP Expenditures: Kansas received a total of \$7,858,574 in 2009 funding (an increase of nearly 60% over 2008) from both the Department of Energy and Federal Low Income Energy Assistance Program (LIEAP). To date, WAP providers in Kansas have weatherized 877 homes and expended nearly \$7 million (including some cost for homes that have not yet been reported as completed).

Housing Credit Exchange Program (CEP)

<i>As of March 5, 2010</i>	ALLOCATED	COMMITTED	DISBURSED	REMAINING
CEP	\$45,311,378	\$45,311,378	\$21,731,971	\$0

Program Summary: Under ARRA, KHRC will be allowed to exchange all returned Low Income Housing Tax Credits from previous years as well as up to 40 percent of its 2009 per capita authority for cash, to enable developments which have been unable to obtain equity, in the current market, to complete their affordable housing projects under CEP. KHRC will receive \$45.1 million in CEP funds from the U.S. Treasury.

Impact of ARRA: KHRC estimates CEP funds will help build an estimated 652 affordable housing units in Kansas. These units likely would not have been developed under the traditional Tax Credit program due to market conditions.

Status of ARRA Expenditures: KHRC is proud to be the first housing finance agency in the nation to close a housing development deal using CEP funds. On July 30th, KHRC along with the Governor’s office and the U.S. Treasury, celebrated Woodland Hills Estates grand opening in Osawatomie, followed by a press conference at the State Capitol. To date, KHRC has committed CEP grants totaling approximately \$45,311,378 to close 19 housing development deals, disbursing 45% of the exchange funds. A list of locations and units created follows:

2009 TAX CREDIT EXCHANGE DEVELOPMENTS	CITY	TYPE	TARGET	UNITS
Clyde Family Housing	Clyde	A&R	General	24
Woodland Hills Estate	Osawatomie	New	Elderly	24
Santa Fe Apartments	Atchison	A&R	Elderly	46
Bridgewater Apartments II	Haysville	New	Family	48
River Valley Homes	Iola	New	Family	30
Historic Lowell Lofts	Kansas City	Rehab	Elderly	26
Pioneer Adams II	Topeka	New	Family	49
Flor De Sol II	Liberal	New	Family	32
Cornerstone Apartments	Chanute	New	Family	42
Brown's Riverside Homes	Coffeyville	New	Family	18
Country Park Residences II	Park City	New	Family	36
Regal Plaza	Wichita	A&R	Elderly	50
Legacy Homes	Topeka	New	Elderly	16
Turkey Red Village	Newton	A&R	Family	20
Besse Hotel	Pittsburg	A&R	Family	46
Broadview Towers	Emporia	A&R	Elderly	60
Apollo Towers	Clay Center	Rehab	Family	49
Country Acres Apartments	Wichita	New	Disabled	30
Coffeyville Apartments	Coffeyville	New	Family	32

Congress is currently considering renewing CEP for 2010.

Tax Credit Assistance Program (TCAP)

<i>As of March 5, 2010</i>	ALLOCATED	COMMITTED	DISBURSED	REMAINING
TCAP	\$17,121,110	\$17,121,110	\$5,078,868	\$0

Program Summary: KHRC will receive \$17.1 million in ARRA funding for TCAP, a sister program to the HOME Program. These funds may only be used as gap funding for Tax Credit projects which, but for this funding, could otherwise not likely be developed in the current market.

Impact of ARRA: KHRC estimates TCAP funds will help build an estimated 190 affordable housing units in Kansas. These units likely would not have been developed under the traditional Tax Credit program due to market conditions.

Status of ARRA Expenditures: KHRC has now closed all eight TCAP deals. We will have units being placed in service every month for the rest of the year. To date, these developments include:

2009 TCAP DEVELOPMENTS				
Fifth Street Apartments	Bird City	New	Single Family and Duplex	6
McKinley Housing	Independence	New	Family	28
House to Home Bethany	Kansas City	New	Family	20
Homestead Senior	Wamego	New	Elderly	32
Cornerstone Apartments	Topeka	New	Family	20
Southview Apartments	Holton	A&R	Family	36
Mesa Verde Homes	Wichita	New	Family	24
Apollo Towers	Clay Center	Rehab	Family	24

Homelessness Prevention and Rapid Re-Housing Program (HPRP)

<i>As of March 5, 2010</i>	ALLOCATED	COMMITTED	DISBURSED	REMAINING
HPRP	\$8.3 Million	\$8.3	\$390,122	\$0

Program Summary: KHRC has administered the Emergency Shelter Grant Program (ESG) for many years, which is funded by HUD and provides assistance to units of local government or nonprofit organizations to improve the quality of existing emergency homeless shelters, help meet the costs of operating emergency shelters, and provide certain essential social services to homeless individuals.

For FY 2010-2012, KHRC will receive \$8.3 million in ARRA HPRP funding. These funds will be used to assist families prevent homelessness and to rapidly re-house those families who, with HPRP assistance, will be able to maintain their housing after the funding is expended.

Impact of ARRA: HPRP will provide funding for homeless prevention and rapid re-housing for three years with 60 percent of the \$8.3 million being expended within the first two years. This will help ease Emergency Shelter Grant (ESG) funded agencies and service providers. Although the ESG program and HPRP both provide funding for homelessness prevention, HPRP will focus only on housing and services that either assist with obtaining housing or maintain housing. Examples are utility payments and arrears, short and medium term rental assistance, moving costs, credit repair, housing search and case management. The targeted population is individuals or families that are either homeless or at or below 50% area median income, and in imminent danger of becoming homeless. HPRP will be used to divert individuals and families from entering into emergency shelters whenever possible.

Activity to date:

01/29/10 – For the month of January, \$114,328.63 was distributed to HPRP Sub Grantees. \$67,247.91 of that total was financial assistance for rent and utility payments to either prevent homelessness or to house homeless families and individuals. To date, 386 individuals have been enrolled in the State HPRP.

12/16/09 - KHRC attended a HUD sponsored webinar training for HPRP reporting. This web based training focused on HPRP reports filed in Federal Reporting. Gov and E-snaps. It provided information on common errors and lessons learned from the first round of reporting in October 2009.

12/15/09 - The first payments for HPRP were processed.

12/10/09 - 156 households have been enrolled in the Balance of State HPRP program.

12/01/09 KHRC conducted training for the Ashby House and the Domestic Violence Association of Central KS, both of Salina Kansas.

11/30/09 provided training for the Salina Salvation Army and the Salina Emergency Aid / Food bank.

11/20/09 - Provided HPRP training and technical assistance for the City of Wamego and its sub recipient Community Health Ministries.

11/19/09 - Technical assistance was provided to the City of Manhattan sub recipient, the Manhattan Emergency Shelter.

11/17/09 - Eastern region statewide Sub Grantees were trained.

11/10/09 to 11/13/09 - KHRC staff provided technical assistance to the City of Lawrence and the City of Hutchinson.

11/06/09 - Completed HPRP training for the Central Region Mental Health centers on 11/06/09 in Newton Ks.

11/05/09 - Completed HPRP training for the Western Region Mental Health centers on 11/5/09 in Dodge City.

10/23/2009 - KHRC conducted conference call with Prairie View Behavioral & Mental Healthcare, Area Mental Health Center, Wyandotte Center Community Behavioral Healthcare to develop training materials for the statewide HPRP system. The conference call focused on identifying application and training materials community mental health care centers will use to determine applicant eligibility.

10/22/2009 – KHRC offered training and guidance in Salina for HPRP sub-grantees and sub-recipients on HPRP services and the program application process. Twenty eight participants attended.

10/22/2009 – KHRC offered HMIS training to 11 sub-grantees and sub-recipients. Event also held in Salina.

Organization	Funding Amount	Program	Administration	
City of Wamego	\$78,000.00	\$75,935.00	\$2,065.00	n/a
City of Hutchinson	\$191,000.00	\$185,945.00	\$5,055.00	n/a
City of Salina	\$163,000.00	\$158,686.00	\$4,314.00	n/a
City of Manhattan	\$495,000.00	\$481,900.00	\$13,100.00	n/a
City of Lawrence	\$648,000.00	\$630,851.00	\$17,149.00	City County
Johnson County	\$843,000.00	\$820,691.00	\$22,309.00	n/a
Prairie View	\$1,660,000.00	\$1,616,070.00	\$43,930.00	n/a
Area Mental Health Center	\$1,660,500.00	\$1,616,557.00	\$43,943.00	Statewide
Wyandotte Center Community Behavioral H.	\$2,160,000.00	\$2,102,838.00	\$57,162.00	n/a
MAAClink- HMIS Data Collection and Reporting	\$120,000.00	\$120,000.00	-\$	n/a
United Way of the Plains- 211 (Referral)	\$133,471.00	\$133,471.00	-\$	n/a
STATE ADMIN	\$209,024.00	n/a	\$209,024.00	n/a
Totals	\$8,360,995.00	\$7,942,944.00	\$418,051.00	n/a

Status of ARRA Expenditures: All of the \$8.3 million in ARRA HPRP funding allocated to KHRC has been committed. To date, \$390,122 has been distributed to HPRP Sub Grantees.

ARRA Issues: None identified.

Community Services Block Grant Program (CSBG)

<i>As of March 5, 2010</i>	ALLOCATED	DISBURSED	REMAINING
CSBG	\$8,161,336	\$4,565,354 (60%)	\$3,595,982

Program Summary: CSBG is funded by the Department of Health and Human Services (HHS) and enables local agencies to provide a range of services and activities having a measurable and potentially major impact on causes and effects of poverty in the community. Services include the following areas: employment, education, making better use of available income, housing, emergency services, nutrition, and providing linkages to other community resources.

Kansas CSBG will receive \$8.1 million in ARRA funding for FFY 2009-2010. Ninety-nine percent of the Kansas ARRA CSBG funds must be passed-through to community action agencies within the state. The agencies, with guidance from their boards of directors, will use the funds to support locally designed strategies consistent with the requirements of both ARRA and CSBG legislation.

Impact of ARRA - Thanks to ARRA funding, the East Central Kansas Economic Opportunity Corporation was able to partner with Douglas County’s 4 major social service providers and food pantries (Trinity Interfaith, Salvation Army, Ballard Center, and Penn House) to hire 3 full time employees and create a “JUST FOOD” Centralized Food Bank. This service oversees unified food collection, storage, distribution & volunteer efforts to better serve over 2900 households. Just Food’s new process eliminates duplication of services and stretches food resources to help as many people as possible.

The Mid-Kansas Community Action Program saw a need in its region for affordable and available dental care. To meet the need, the agency utilized ARRA dollars to expand their Emergency Dental Services Program to all 13 counties in their service area. So far 26 patients have received needed care.

Community Action, Inc. has used ARRA resources to add Wendy Coonrod to their anti-poverty team. Wendy works from CAI’s Topeka headquarters as the Quality Assurance Coordinator for ARRA projects funded through the Community Services Block Grant. Wendy oversees a job training program, coordinates economic literacy workshops and manages financial support for senior transportation services. So far, her work has directly benefitted the lives of more than 400 low-income participants.

Status of ARRA Expenditures – as noted within the table. Grant Transaction Reports are typically due on the 15th of each month and provide the basis for CSBG reports of ARRA expenditures. (Note: In order to satisfy federal ARRA reporting requirements, these reports are due on the 5th of the month during the month following the end of each FFY quarter.) Monthly payments are typically made in an amount equal to the previous month’s disbursements. The most recent payments were made on February 25 and are reflected the chart above.

Specific Activities – Staff attended the National Association for State Community Services Programs (NASCSPP) Mid-Winter Training Conference February 23 – 26, 2010. ARRA was an agenda focus. Importantly, sessions presented by the Office of Community Services and the Office of Inspector General (both DHHS) did not suggest that Kansas is on the list for near-term CSBG monitoring visits from those offices.

ARRA Issues – None identified.

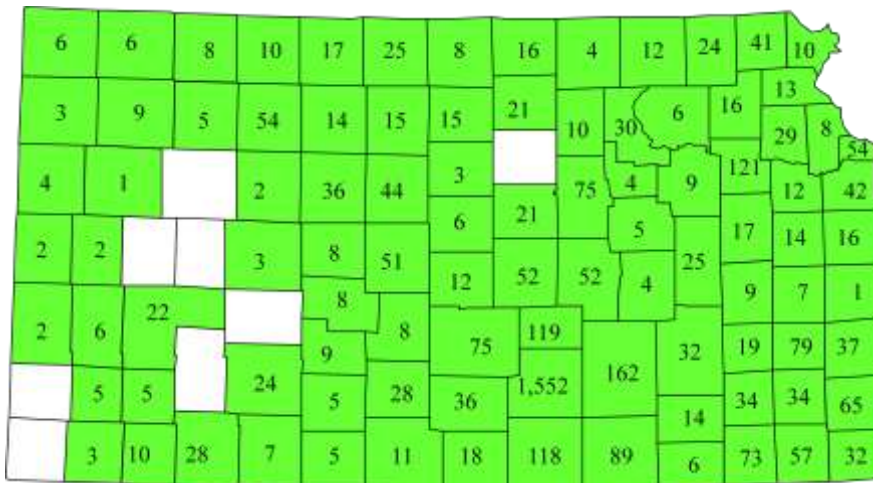
State Energy Efficient Appliance Rebate Program (SEEARP)

Program Summary: The Recovery Act provides \$296M to implement Section 124 of the Energy Policy Act of 2005 establishing DOE support for States rebate programs for residential ENERGY STAR appliance products. States will receive formula-based funding to establish or supplement established ENERGY STAR appliance rebate programs. The program is called the State Energy Efficient Appliance Rebate Program or SEEARP. The state of Kansas has received \$2.7 million for SEEARP.

Under the Kansas plan, SEEARP provides rebates to low-income consumers who purchase ENERGY STAR® refrigerators, clothes washers, freezers, dishwashers and window air conditioners. KHRC estimates the agency will issue approximately 4800 rebates totaling \$2.6 million. Rebates for the high-efficiency appliances will range from \$200 to \$800. New appliances will qualify only if they have earned the ENERGY STAR® label. Old appliances to be recycled must be at least ten-years-old. Point-of-sale rebates will be made directly to participating retailers.

SEEARP is designed after another successful energy-efficiency initiative launched by KHRC earlier this year called the Residential Appliance Replacement (RAR) Program. This initiative (explained in more detail below) was funded by the Low Income Energy Assistance Program and converted a \$4 million dollar investment into nearly \$19 million in lifetime energy savings for participating families.

Status of ARRA Expenditures: Under the SEEARP program, KHRC has issued 3,843 voucher rebates to Kansas residents. A distribution map of appliance rebate vouchers issued follows.



Additional Funding: The following program was not created by the American Recovery and Reinvestment Act however ARRA allowed KHRC to utilize LIEAP funding to offer a new statewide energy efficiency program called the Residential Appliance Replacement Program targeting the needs of income-eligible homeowners and renters.

Residential Appliance Replacement Program

In 2009, a total of \$4 million in funding from the Low Income Energy Assistance Program was also made available for a new statewide initiative called the Residential Appliance Replacement Program. The Appliance Replacement Program allows income-eligible homeowners and renters to replace old, energy-hungry and unsafe appliances with new, energy-efficient and environmentally-friendly models. Appliances eligible for replacement include refrigerators, water heaters, heating and cooling systems and window air units. To date, 1021 homes have been served and \$3,989,842.50 in program funds has been expended.

The following table and map demonstrates the distribution of homes served across the state.

Residential Appliance Replacement Program (Appliances Replaced)	
Furnaces	573
Window Air Conditioners	127
Central Air Units	533
Tankless Water Heaters	155
Refrigerators	712

Residential Appliance Replacement Program (Distribution Map)

