



To: Governor Mark Parkinson
Lt. Governor Troy Findley

From: Steve Weatherford, President
Gary Allsup, Executive Director

Date: December 31, 2009

Regarding: ARRA Status Report

KHRC ARRA ACTIVITY OVERVIEW
as of December 31, 2009

Kansas Weatherization Assistance Program (K-WAP)

	ALLOCATED	SPENT	REMAINING	TIME
ARRA WX	\$56 Million	\$4,351,649.17	\$51,648,350.83	3 Years
DOE/LIEAP WX	\$7,858,574	\$6,035,630.94	\$1,822,943.06	1 Year

Housing Credit Exchange Program (CEP)

	ALLOCATED	COMMITTED	DISBURSED	REMAINING
CEP	\$45,311,378	\$45,311,378	\$14,800,357	\$0

Tax Credit Assistance Program (TCAP)

	ALLOCATED	COMMITTED	DISBURSED	REMAINING
TCAP	\$17,121,110	\$17,121,110	\$2,602,929	\$0

Homelessness Prevention and Rapid Re-Housing Program (HPRP)

	ALLOCATED	COMMITTED	REMAINING
HPRP	\$8.3 Million	\$8.3	\$0

Community Services Block Grant Program (CSBG)

	ALLOCATED	DISBURSED	REMAINING
CSBG	\$8,161,336	\$3,528,597	\$4,632,739

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 Dec. 31, 2009</i>	ALLOCATED	SPENT	REMAINING	TIME
ARRA WX	\$56 Million	\$4,351,649.17	\$51,648,350.83	3 Years
DOE/LIEAP WX	\$7,858,574	\$6,035,630.94	\$1,822,943.06	1 Year

Program Summary: K-WAP is a long-term KHRC program funded by the U.S. Department of Energy (DOE). The purpose of the program is to make low-income households in income-eligible, single or multi-family dwellings, more energy efficient, thereby reducing the utility bills of these families. 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.

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

Status of ARRA Expenditures: To date, the state's network of weatherization providers have expended \$4,030,861.40 in ARRA funds. The network has used the ARRA funds to pay for vehicles, equipment, salaries, training and technical assistance.

Trucks/trailers purchased and/or leased to date: 31
To date, homes completed utilizing ARRA funds: 252

In addition, KHRC has expended \$320,787.77 in ARRA funds to pay for weatherization related vehicles, equipment, salaries, training and technical assistance. KHRC also received delivery of 6 new weatherization trucks earlier this year at a cost of \$121,044.00.

Recent Activity: KHRC's Multifamily Program has inspected eight projects and deferred 2 developments (134 units) for health and safety issues. 152 units are in progress; 18 units are under contract for construction and 64 units are under review for contracts.

Status of 2009 DOE and LIEAP Expenditures:

Kansas weatherization providers are currently expending 2009 funding from both the Department of Energy and Low Income Energy Assistance Program. To date, WAP providers in Kansas have weatherized 789 homes at a cost of \$6,035,630.94.

Housing Credit Exchange Program (CEP)

<i>As of Dec. 31, 2009</i>	ALLOCATED	COMMITTED	DISBURSED	REMAINING
CEP	\$45,311,378	\$45,311,378	\$14,800,357	\$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. Both events received numerous media hits promoting the Recovery Act and the results of the Housing Credit Exchange Program in Kansas.

To date, KHRC has committed CEP grants totaling approximately \$45,311,378 to close 19 housing development deals. Nearly 15 million has been disbursed. A list of locations and units created follows:

2009 CREDIT EXCHANGE DEVELOPMENTS				
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
Southview Apartments	Holton	A&R	Family	36
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	58
Country Acres Apartments	Wichita	New	Disabled	30
Coffeyville Apartments	Coffeyville	New	Family	32
Apollo Towers	Clay Center	Rehab	Family	24

Congress is currently considering renewing CEP for 2010.

Tax Credit Assistance Program (TCAP)

<i>As of Dec. 31, 2009</i>	ALLOCATED	COMMITTED	DISBURSED	REMAINING
TCAP	\$17,121,110	\$17,121,110	\$2,602,929	\$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. To date, these developments include:

2009 TCAP DEVELOPMENTS				
			Single Family and Duplex	
Fifth Street Apartments	Bird City	New		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 Dec. 31, 2009</i>	ALLOCATED	COMMITTED	REMAINING
HPRP	\$8.3 Million	\$8.3	\$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, ESG 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:

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.

10/09/09 – KHRC has evaluated both local and statewide applications for HPRP and has announced the following approvals.

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

9/02/09 - KHRC along with Kansas statewide Homeless Coalition (Balance of State COC) met with the Sedgwick Co. COC and HMIS lead agency on August 31st to discuss developing a system to share data on a statewide level for HPRP. The decision was made to open up discussion with all COCs in Kansas and Kansas City Mo. And St. Joseph Mo.

8/05/09- A second meeting has been scheduled on August 13, 2009 for the development of the HPRP HMIS system. This meeting will include entities from the COC's in Kansas and Missouri that share the HMIS MAAclink.

7/29/09-Entities from COC's in Kansas and Missouri met on 7/27/09 to discuss and develop our HMIS system (MAAclink) for HPRP. This collaboration resulted in an agreement to share data across COC databases to better identify and coordinate HPRP services in Kansas and the cities and counties of Missouri that use MAAclink. The COC's also committed to developing a standardized eligibility and assessment tool for the HPRP data collection in our shared HIS.

7/16/09-Applications for the HPRP program were made available on 7/15/09. The grants for HPRP will last for thirty (30) months. The deadline for applicants will be 8/21/09 for cities and counties, and 8/28/09 for statewide applicants. Applications are available at www.kshousingcorp.org

7/09/09- The HMIS system changes and will implemented and tested.

6/15- The HMIS data requirements for HPRP were released by HUD.

6/09 - The applications for the HPRP were developed, and will be posted by mid July.

6/04 and 6/05- KHRC attended the HUD HPRP training on.

5/15/09- KHRC submitted its substantial amendment to the consolidated plan, which serves and the application, to HUD.

Status of ARRA Expenditures: No funds have been expended to date.

ARRA Issues: Data standards for Domestic Violence (DV) service providers seeking to provide HPRP fund have been released.

HUD has determined that *HPRP subgrantees that are victim service providers as defined by the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162) (VAWA) should NOT enter data directly in HMIS and must use a “comparable database.”* VAWA defines a victim service provider as a nonprofit or nongovernmental organization including rape crisis centers, battered women’s shelters, domestic violence transitional housing programs, and other programs whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking.

Minimal Standards for a “Comparable Database”

Victim service providers that receive HPRP funding must submit unduplicated aggregate reports about the individuals and families served with HPRP funds to the HPRP grantee^[2] on a quarterly basis or, if required by the grantee, on a more frequent basis. HPRP-funded providers must also have a mechanism to track the length of assistance provided to program beneficiaries to ensure that participants are recertified every 3 months if receiving medium-term rental assistance and that participants do not receive more than 18 months of HPRP assistance. Therefore, a victim service provider’s comparable database must collect client-level data over time and generate unduplicated aggregate reports based on that data. It cannot be a database that only records aggregate information.

^[2] Or subgrantee, if providing services under contract with an HPRP subgrantee.

Community Services Block Grant Program (CSBG)

<i>As of December 31, 2009</i>	ALLOCATED	DISBURSED	REMAINING
CSBG	\$8,161,336	\$3,528,597	\$4,632,739

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 – ARRA funds will help community action agencies fund a wide range of activities, such as the hiring of additional case management, planning, fiscal and information technology staff. ARRA funds will be used to enhance emergency shelters, support area food pantries and offer appliance replacement programs. Dental assistance to children from low-income families will be possible because of ARRA funds. In addition, stimulus money will provide housing and credit counseling services to low-income families, enlarge the collection of books and educational materials in libraries which serve low-income areas and provide job training for laid off workers.

CSBG -ARRA Grant Helps Garden Grow

One example of the impact ARRA is making on Kansas communities is in Iola. By spring, Elm Creek Community Gardens will almost quadruple the number of plots it offers and double the area currently in use. The changes are courtesy of a \$24,940.86 grant from the Southeast Kansas Community Action Program, which is the first project funded through SEK-CAP's CSBG-ARRA.

The grant provides funding for a full-time garden coordinator and part-time bookkeeper and forty-four new 12-foot by 24-foot full sized plots, plus 24, 40-inch by 48-inch container plots will be installed in the garden by spring. The container plots will be equally distributed between handicapped Iola residents and SAFE BASE children.

The grant will also pay for the purchase of tools sized for the SAFE BASE and handicapped participants, the installation of paths, the purchase of seeds, plants, and top soil, and seven additional hydrants to provide water to the expanded garden.

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.)

Specific Activities – KHRC CSBG staff is gearing-up for the quarterly CSBG ARRA federalreporting.com report. The report is due on January 10. Information is due from Kansas CSBG sub-recipients on January 5. It is anticipated that sub-recipient information will be quickly aggregated and that a submission will be made on/before January 8.

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.

Although RAR ended months ago, KHRC still has 1500 applications for services. The database of eligible customers will be used to initiate SEEARP.

Status of ARRA Expenditures: KHRC has entered into a contract with the State Energy Office to administer SEEARP on behalf of the state. Staff is currently contacting unfunded RAR applicants regarding their interest in applying for SEEARP, and applications are rolling in. If funding is still available after January 15th, 2009, KHRC will accept applications from new low-income applicants.

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.

